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**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

**If you have sold or transferred** all your shares in PICC Property and Casualty Company Limited, you should at once hand this circular and the accompanying proxy form 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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**中国人民财产保险股份有限公司**

**PICC PROPERTY AND CASUALTY COMPANY LIMITED**

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

(Stock Code: 2328)

**BUSINESS OF THE ANNUAL GENERAL MEETING  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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The AGM of PICC Property and Casualty Company Limited will be held at PICC Building, No. 88 Xichang'an Street, Xicheng District, Beijing, the PRC on 19 June 2023 (Monday) at 10:30 a.m. The notice of AGM is set out on pages 28 to 29 of this circular.

If you intend to appoint a proxy to attend the AGM, 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 AGM or any adjournment thereof (as the case may be). Completion and return of a proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so wish.

18 May 2023

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at PICC Building, No. 88 Xichang’an Street, Xicheng District, Beijing, the PRC on 19 June 2023 (Monday) at 10:30 a.m.
“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
“CBIRC”	China Banking and Insurance Regulatory Commission
“Company”	PICC Property and Casualty Company Limited, a joint stock company incorporated in the PRC with limited liability, whose H Shares are listed on the Hong Kong Stock Exchange
“Company Law”	the Company Law of the PRC
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	the ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are subscribed for in RMB
“External Supervisor(s)”	independent supervisor(s) of the Company
“Final Dividends”	the final dividends proposed to be distributed of RMB0.478 per Share (inclusive of applicable tax) for the year ended 31 December 2022
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“H Share(s)”	the ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are listed on the Main Board of the Hong Kong Stock Exchange and subscribed for in HK\$

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## DEFINITIONS

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“Independent Director(s)”	independent non-executive director(s) of the Company
“Insurance Law”	the Insurance Law of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Macao”	the Macao Special Administrative Region of the PRC
“Ministry of Finance”	the Ministry of Finance of the PRC
“Overseas”	regions outside of the PRC
“PICC Group”	The People’s Insurance Company (Group) of China Limited
“PRC”	the Mainland of the People’s Republic of China, for the purpose of this circular and geographic reference, excluding Hong Kong, Macau and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each
“Shareholder(s)”	holder(s) of the Share(s)
“Supervisor(s)”	supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“Tax Measures”	the <i>Notice of the State Taxation Administration Concerning the Issue of the Administrative Measures on Preferential Treatment Entitled by Non-residents under Tax Treaties</i> (No. 60, 2015, Notice of the State Taxation Administration)
“%”	per cent

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## LETTER FROM THE BOARD

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# 中国人民财产保险股份有限公司

PICC PROPERTY AND CASUALTY COMPANY LIMITED

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

(Stock Code: 2328)

*Board of Directors:*

*Executive Directors:*

Yu Ze (*President*)

Jiang Caishi

Zhang Daoming

Hu Wei

*Non-executive Director:*

Li Tao

*Independent Directors:*

Lo Chung Hing (*SBS*)

Qu Xiaohui

Cheng Fengchao

Wei Chenyang

*Registered office:*

Tower 2, No. 2 Jianguomenwai Avenue

Chaoyang District

Beijing 100022

the PRC

*Place of business in Hong Kong:*

15th Floor

Guangdong Investment Tower

148 Connaught Road Central

Central

Hong Kong

18 May 2023

*To the Shareholders*

Dear Sir or Madam,

## **BUSINESS OF THE ANNUAL GENERAL MEETING AND NOTICE OF ANNUAL GENERAL MEETING**

### **INTRODUCTION**

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

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## **LETTER FROM THE BOARD**

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The Performance Report and the Performance Evaluation Results of the Directors for the Year 2022, the Performance Report and the Performance Evaluation Results of the Supervisors for the Year 2022, the Performance Report of Independent Directors for the Year 2022, the Report on the Implementation of Related Party Transactions for the Year 2022 and the Review and Analysis on Solvency Margin for the Four Quarters of the Year 2022 will be tabled at the AGM as reporting documents for Shareholders' review.

### **BUSINESS TO BE CONSIDERED AT THE AGM**

The business to be transacted at the AGM is set out in the notice of AGM on pages 28 to 29 of this circular.

This circular also provides detailed information on the business of the AGM (see Appendix I), the full text of the Performance Report and the Performance Evaluation Results of the Directors for the Year 2022 (see Appendix II), the Performance Report and the Performance Evaluation Results of the Supervisors for the Year 2022 (see Appendix III), the Performance Report of Independent Directors for the Year 2022 (see Appendix IV), the Report on the Implementation of Related Party Transactions for the Year 2022 (see Appendix V) and the Review and Analysis on Solvency Margin for the Four Quarters of the Year 2022 (see Appendix VI).

### **ANNUAL GENERAL MEETING**

The notice of AGM is set out on pages 28 to 29 of this circular.

The proxy form for the AGM is enclosed. Shareholders who intend to appoint a proxy to attend the AGM shall 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 AGM or any adjournment thereof (as the case may be). Completion and return of a proxy form will not preclude a Shareholder from attending and voting in person at the AGM or any adjournment thereof if he so wishes.

Pursuant to the Articles of Association, any vote of Shareholders at a Shareholders' general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

### **CLOSURE OF REGISTER OF MEMBERS**

In order to determine the list of Shareholders who are entitled to attend and vote at the AGM, the register of members of the Company will be closed from 14 June 2023 (Wednesday) to 19 June 2023 (Monday), both days inclusive. Holders of H Shares and Domestic Shares whose names appear on the register of members of the Company on 19 June 2023 (Monday) are entitled to attend and vote at this meeting. In order for holders of H Shares of the Company to qualify for attending and voting at this meeting, all transfer documents accompanied by the relevant H 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 13 June 2023 (Tuesday) for registration.

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## LETTER FROM THE BOARD

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If the profit distribution plan for the Year 2022 is approved, the Final Dividends will be paid around 28 July 2023 (Friday) to the Shareholders whose names appear on the share register of members of the Company on 3 July 2023 (Monday). In order to determine the list of Shareholders who are entitled to the Final Dividends, the register of members of the Company will be closed from 28 June 2023 (Wednesday) to 3 July 2023 (Monday), both days inclusive. In order for holders of H Shares of the Company to qualify for the Final Dividends, all transfer documents accompanied by the relevant H 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 27 June 2023 (Tuesday) for registration.

### RECOMMENDATION

The Directors consider that all the proposed resolutions set out in the notice of AGM 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 AGM.

Yours faithfully,  
By Order of the Board  
**PICC Property and Casualty Company Limited**  
**Bi Xin**  
*Secretary of the Board*

**1. TO CONSIDER AND APPROVE THE REPORT OF THE BOARD OF DIRECTORS, THE REPORT OF THE SUPERVISORY COMMITTEE, THE AUDITOR'S REPORT AND THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR 2022**

The Report of the Board of Directors for the Year 2022, the Report of the Supervisory Committee for the Year 2022 as well as the Auditor's Report and the audited financial statements for the year ended 31 December 2022 of the Company have been contained in the Company's 2022 Annual Report. This Annual Report has been despatched to the Shareholders on 11 April 2023.

**2. TO CONSIDER AND APPROVE THE PROFIT DISTRIBUTION PLAN FOR THE YEAR 2022**

The profit distribution plan of the Company for the Year 2022 is as follows:

- (1) Pursuant to the relevant requirements of the Company Law and the Ministry of Finance, based on the audited profit after tax of the Company for the Year 2022 of RMB26,551,952,580.11 according to the PRC Accounting Standards for Business Enterprise, the Company proposed that RMB2,655,195,258.01 be appropriated to the statutory surplus reserve, another RMB2,655,195,258.01 be appropriated to the general risk reserve of the Company, each representing 10% of the profit, and RMB221,969,359.60 be appropriated to the severe catastrophe risk profit reserve. Considering the requirement under the Insurance Law that the self-retained premiums of a property insurance company for the current year shall not exceed four times the combined total of its actual capital and its reserve, the Company decided to appropriate discretionary surplus reserve of RMB10,000,000,000.
- (2) To further promote the market influence of the Company, strengthen confidence of investors in the Company and share profits with Shareholders, the Company proposed to pay, on the basis of total share capital of 22,242,765,303 as of 31 December 2022, a cash final dividend of RMB0.478 per Share (inclusive of applicable tax) to Shareholders whose names appear on the register of members of the Company, with a total distribution amount of RMB10,632,041,814.83.

The solvency margin of the Company remains adequate after the abovementioned distribution, which meets the relevant regulatory requirements of the PRC.

**Withholding and Payment of Final Dividends Income Tax**

*Final Dividends Income Tax Applicable to Overseas Shareholders*

*Withholding and Payment of Enterprise Income Tax on behalf of Overseas Non-Resident Enterprise Shareholders*

Pursuant to the applicable provisions of the *Enterprise Income Tax Law of the PRC* (《中華人民共和國企業所得稅法》) and its implementing rules and the requirements under the *Notice on the Issues Concerning Withholding and Payment of the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H Share Holders Who Are Overseas Non-resident Enterprises* (Guo Shui Han [2008] No. 897) issued by the State Taxation Administration (國家稅務總局《關於中國居民企業向境外H股非居民企



業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)), the Company will withhold and pay enterprise income tax at the rate of 10% when it distributes the Final Dividends to overseas non-resident enterprise Shareholders (including any H Shares of the Company registered in the name of HKSCC Nominees Limited, but excluding any H Shares of the Company registered in the name of HKSCC Nominees Limited which are held by China Securities Depository and Clearing Corporation Limited as a nominee shareholder on behalf of investors who invest in H Shares of the Company through China-Hong Kong Stock Connect). The non-resident enterprise Shareholders may, on their own or through an authorised agent, apply to the competent tax authorities of the Company to enjoy the tax preferential treatments under the tax treaty (arrangement) by providing information of them being the actual beneficiaries of the tax treaty (arrangement).

*Withholding and Payment of Individual Income Tax on behalf of Overseas Individual Shareholders*

Pursuant to the applicable provisions of the *Individual Income Tax Law of the PRC* (《中華人民共和國個人所得稅法》) and its implementing rules, the *Tax Measures*, the *Notice of the State Taxation Administration on Issues Concerning the Administration of Individual Income Tax Collection after the Annulment of Document Guo Shui Fa [1993] No. 045* (Guo Shui Han [2011] No. 348) (《國家稅務總局關於國稅發[1993] 045號文件廢止後有關個人所得稅徵管問題的通知》(國稅函[2011]348號)) and other relevant laws and regulations and requirements under normative documents, the Company's overseas individual Shareholders may enjoy the relevant tax concessions in accordance with the provisions of the tax treaty entered into between the country (region) where such Shareholders are domiciled and the PRC, and the tax arrangements between the mainland of the PRC, Hong Kong and Macao. The Company will implement the following arrangements in relation to the withholding and payment of individual income tax on behalf of the overseas individual H Shareholders:

- (1) For individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty or tax arrangement with the PRC stipulating a tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of these individual H Shareholders in the distribution of the Final Dividends;
- (2) For individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of less than 10%, the Company will temporarily withhold and pay individual income tax at the rate of 10% on behalf of these individual H Shareholders in the distribution of the Final Dividends. If relevant individual H Shareholders would like to apply for a refund of the excess amount of tax withheld and paid, the Company can handle, on their behalf, the applications for tax preferential treatments under relevant tax treaties according to the *Tax Measures*. Qualified Shareholders please submit in time a letter of entrustment and all application materials as required under the *Tax Measures* to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, and the Company will then submit the above documents to the competent tax authorities for their examination. If and when approved, the Company will assist in refunding the excess amount of tax withheld and paid;

- (3) For individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of more than 10% but less than 20%, the Company will withhold and pay individual income tax at the effective tax rate stipulated in the relevant tax treaty on behalf of these individual H Shareholders in the distribution of the Final Dividends; and
- (4) For individual H Shareholders whose country (region) of domicile is a country (region) which has not entered into any tax treaties with the PRC, or under any other circumstances, the Company will withhold and pay individual income tax at the rate of 20% on behalf of these individual H Shareholders in the distribution of the Final Dividends.

***Final Dividends Income Tax Applicable to Shareholders in Mainland China Investing in H Shares of the Company through China-Hong Kong Stock Connect***

*Withholding and Payment of Individual Income Tax on behalf of Domestic Individual Shareholders Investing through China-Hong Kong Stock Connect*

Pursuant to the *Notice on Tax Policies for Shanghai-Hong Kong Stock Connect Pilot Program* (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) and the *Notice on Tax Policies for Shenzhen-Hong Kong Stock Connect Pilot Program* (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), for domestic individual Shareholders who invest in H Shares of the Company through China-Hong Kong Stock Connect (such H Shares are registered in the name of HKSCC Nominees Limited and held by China Securities Depository and Clearing Corporation Limited as a nominee shareholder), the Company will withhold and pay individual income tax at the rate of 20% on their behalf in the distribution of the Final Dividends. For domestic Shareholders who are securities investment funds investing in H Shares of the Company through China-Hong Kong Stock Connect (such H Shares are registered in the name of HKSCC Nominees Limited and held by China Securities Depository and Clearing Corporation Limited as a nominee shareholder), the Company will withhold and pay individual income tax at the rate of 20% on their behalf in the distribution of the Final Dividends.

*No Withholding and Payment of Enterprise Income Tax on behalf of Domestic Enterprise Shareholders Investing through China-Hong Kong Stock Connect*

Pursuant to the *Notice on Tax Policies for Shanghai-Hong Kong Stock Connect Pilot Program* (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) and the *Notice on Tax Policies for Shenzhen-Hong Kong Stock Connect Pilot Program* (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), for domestic enterprise Shareholders who invest in H Shares of the Company through China-Hong Kong Stock Connect (such H Shares are registered in the name of HKSCC Nominees Limited and held by China Securities Depository and Clearing Corporation Limited as a nominee shareholder), the Company will not withhold or pay enterprise income tax on their behalf in the distribution of the Final Dividends, and the domestic enterprise Shareholders shall report and pay the relevant taxes payable by themselves. Any dividend received in respect of H Shares of the Company which have been continuously held by a domestic enterprise Shareholder for 12 months shall be exempted from enterprise income tax.

H Shareholders of the Company are recommended to consult their own tax advisers on the relevant tax impact in the PRC, Hong Kong and other countries (regions) on the possession and disposal of H Shares of the Company.

**3. TO CONSIDER AND APPROVE THE ENGAGEMENT OF ACCOUNTING FIRMS FOR THE YEAR 2023**

In accordance with the Articles of Association and the audit needs of the Company for the Year 2023, the Board has considered and approved the resolution on the engagement of accounting firms for the Year 2023. The Board submits the resolution to the AGM for obtaining the approval of reappointing PricewaterhouseCoopers as the international auditor of the Company and reappointing PricewaterhouseCoopers Zhong Tian LLP as the domestic auditor of the Company to hold office until the conclusion of the next annual general meeting, and to authorise the Board of Directors to fix their remuneration.

**4. TO CONSIDER AND APPROVE THE ISSUE OF CAPITAL SUPPLEMENTARY BONDS**

The Board has considered and approved the issue of a 10-year capital supplementary bonds in one or more tranche(s) in an aggregate amount of no more than RMB12 billion by the Company within 12 months from the date of approval of the resolution by the Shareholders' general meeting. The Board submits the resolution to the AGM for obtaining the approval of the issue of capital supplementary bonds and giving the Board authorisation to delegate the management of the Company to determine and implement a detailed plan for the issue of capital supplementary bonds after taking into account the market conditions and all other relevant factors. Proceeds from the capital supplementary bonds will be used for supplementing the capital and raising the solvency margin of the Company. The Board believes that the issue of capital supplementary bonds will provide adequate capital for the Company's rapid business development and be beneficial to maintain the solvency margin of the Company at a relatively stable level.

The issue of capital supplementary bonds is subject to the approvals of relevant governing authorities.

**5. TO REVIEW THE PERFORMANCE REPORT AND THE PERFORMANCE EVALUATION RESULTS OF THE DIRECTORS FOR THE YEAR 2022**

Pursuant to the requirements of *the Interim Measures on the Performance Evaluation of Directors and Supervisors of Banking and Insurance Institutions* (5th Order in 2021 Issued by the CBIRC), the Supervisory Committee has considered and approved the Performance Report and the Performance Evaluation Results of the Directors for the Year 2022. The Report shall be submitted to the AGM for Shareholders' review but Shareholders' approval is not required. The performance evaluation results for the Year 2022 of Mr. Luo Xi\*, the Chairman of the Board of Directors, Mr. Yu Ze, Mr. Jiang Caishi, Mr. Zhang Daoming, the Executive Directors, Mr. Li Tao, the Non-executive Director, Mr. Lin Hanchuan\*\*, Mr. Lo Chung Hing, Mr. Chu Bende\*\*\* and Ms. Qu Xiaohui, the Independent Directors are all rated as "Competent". The Performance Report and the Performance Evaluation Results of the Directors for the Year 2022 is set out in Appendix II to this circular.

\* Mr. Luo Xi resigned as a Non-executive Director and the Chairman of the Board of Directors on 16 March 2023 due to age reason.

\*\* Mr. Lin Hanchuan resigned as an Independent Director on 17 February 2023 due to age reason.

\*\*\* Mr. Chu Bende resigned as an Independent Director on 11 July 2022 due to health reason.

**6. TO REVIEW THE PERFORMANCE REPORT AND THE PERFORMANCE EVALUATION RESULTS OF THE SUPERVISORS FOR THE YEAR 2022**

Pursuant to the requirements of *the Interim Measures on the Performance Evaluation of Directors and Supervisors of Banking and Insurance Institutions* (5th Order in 2021 Issued by the CBIRC), the Supervisory Committee has considered and approved the Performance Report and the Performance Evaluation Results of the Supervisors for the Year 2022. The Report shall be submitted to the AGM for Shareholders' review but Shareholders' approval is not required. The performance evaluation results for the Year 2022 of Mr. Zhang Xiaoli, Mr. Wang Yadong, the Shareholder Supervisors, Mr. Lu Zhengfei, the External Supervisor are all rated as "Competent". The Performance Report and the Performance Evaluation Results of the Supervisors for the Year 2022 is set out in Appendix III to this circular.

**7. TO REVIEW THE PERFORMANCE REPORT OF INDEPENDENT DIRECTORS FOR THE YEAR 2022**

Pursuant to the requirements of *the Interim Measures on the Performance Evaluation of Directors and Supervisors of Banking and Insurance Institutions* (5th Order in 2021 Issued by the CBIRC) and *the Administrative Measures on Independent Directors of Insurance Organisations* (Yin Bao Jian Fa [2018] No.35) , the Performance Report of Independent Directors for the Year 2022 shall be submitted to the AGM for Shareholders' review but Shareholders' approval is not required. The Performance Report of Independent Directors for the Year 2022 is set out in Appendix IV to this circular.

**8. TO REVIEW THE REPORT ON THE IMPLEMENTATION OF RELATED PARTY TRANSACTIONS FOR THE YEAR 2022**

Pursuant to the requirements of the Articles of Association, the Board of Directors shall report to Shareholders' general meeting in respect of the status of related party transactions and implementation of the related party transactions management system of the Company for the Year 2022. The Report on the Implementation of Related Party Transactions for the Year 2022 will be tabled at the AGM for Shareholders' review but Shareholders' approval is not required. The Report on the Implementation of Related Party Transactions is set out in Appendix V to this circular.

**9. TO REVIEW THE REVIEW AND ANALYSIS ON SOLVENCY MARGIN FOR THE FOUR QUARTERS OF THE YEAR 2022**

In accordance with the requirements of *the Regulatory Rules on Solvency Margin of Insurance Companies No. 15 – Public Disclosure of Solvency Margin Related Information*, insurance companies shall set up a session about solvency margin at the annual general meeting to review and analyze solvency margin of the company for the four quarters of the year. Pursuant to this, the Company has formulated the Review and Analysis on Solvency Margin for the Four Quarters of the Year 2022. The Review and Analysis on Solvency Margin for the Four Quarters of the Year 2022 will be tabled at the AGM for Shareholders' review but Shareholders' approval is not required. The Review and Analysis on Solvency Margin for the Four Quarters of the Year 2022 is set out in Appendix VI to this circular.

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## **APPENDIX II                      PERFORMANCE REPORT AND THE PERFORMANCE EVALUATION RESULTS OF THE DIRECTORS FOR THE YEAR 2022**

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In the year 2022, pursuant to the *Interim Measures on the Performance Evaluation of Directors and Supervisors of Banking and Insurance Institutions* issued by the CBIRC and other regulations., the Company has evaluated the performance of the Directors in the year 2022. The relevant information is reported as follows.

### **I.        PERSONNEL EVALUATED**

Luo Xi, the Chairman of the Board of Directors; Yu Ze, Jiang Caishi, Zhang Daoming, the Executive Directors; Li Tao, the Non-executive Director; Lin Hanchuan, Lo Chung Hing, Chu Bende and Qu Xiaohui, the Independent Directors. (Director's qualification of Zhang Daoming was approved by the CBIRC on 22 April 2022. Chu Bende resigned as an Independent Director and members of the Audit Committee, the Nomination, Remuneration and Review Committee and the Related Party Transaction Control Committee of the Board on 11 July 2022. Lin Hanchuan resigned as an Independent Director and members of the Audit Committee, the Nomination, Remuneration and Review Committee and the Related Party Transaction Control Committee of the Board on 17 February 2023. Luo Xi resigned as a Non-executive Director, the Chairman of the Board of Directors and the chairman of the Strategic Planning Committee of the Board on 16 March 2023.)

### **II.      PERFORMANCE OF DUTIES OF DUE DILIGENCE**

In the year 2022, all Directors thoroughly implemented the spirit and deployment of decisions of the Central Committee of Communist Party of China, adhered to Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era as the guidance, and discharged their duties diligently and faithfully in accordance with laws and regulations, regulatory rules and the Articles of Association and other relevant provisions. All Directors acted in the best interests of the Company, highly preserved trade secrets, kept abreast of the daily operation conditions and possible operation risks of the Company, expressed their opinions and exercised their powers at the meetings of the Board of the Directors, proactively and effectively performed their duties as directors, and safeguarded the legal rights and interests of the Company, shareholders and employees.

### **III.     DILIGENCE IN PERFORMING DUTIES**

In the year 2022, all Directors performed diligently, attended the shareholders' general meetings, the meetings of the Board of Directors and its professional committees as required, and devoted sufficient time and energy to participate in the affairs of the Company, and acquired information about the Company's operation and management status through various channels to provide a basis for scientific and prudent decision-making.

#### **(I)      Attendance at the meetings of the Board of Directors and its professional committees**

In the year 2022, the Board of Directors and its professional committees held 43 meetings, including nine meetings of the Board of Directors, eight meetings of the Audit Committee, six meetings of the Nomination, Remuneration and Review Committee, seven meetings of the Strategic Planning Committee, seven meetings of the Risk Management and Consumers' Rights and Interests Protection

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**APPENDIX II                      PERFORMANCE REPORT AND THE PERFORMANCE  
EVALUATION RESULTS OF THE DIRECTORS  
FOR THE YEAR 2022**

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Committee (Assets and Liabilities Management and Investment Decision-making Committee), and six meetings of the Related Party Transaction Control Committee. The attendance rate of all the meetings of the Board of Directors was 100%, and the attendance rate of all meetings of its professional committee was 100% as well. All Directors made decisions on all matters considered by the Board of Directors after careful consideration on the basis of full understanding and opinions, none of whom voted against the matters considered by the Board of Directors, and all resolutions were successfully approved by voting. Each professional committee carefully studied the proposals to be submitted to the Board of Directors for consideration and put forward various professional opinions and suggestions, giving full play to the important role of the professional committees of the Board of Directors in assisting decision-making. The attendance of each Director of the Company at the meetings is set out in the table below.

*Attendance at the Board of Directors meetings*

<b>Name</b>	<b>Number of meetings</b>	<b>Attendance in person</b>	<b>Attendance by proxy</b>	<b>Absence</b>
Luo Xi	9	9	0	0
Yu Ze	9	9	0	0
Jiang Caishi	9	9	0	0
Zhang Daoming	7	7	0	0
Li Tao	9	9	0	0
Lin Hanchuan	9	9	0	0
Lo Chung Hing	9	9	0	0
Chu Bende	5	5	0	0
Qu Xiaohui	9	9	0	0

*Attendance at the Audit Committee meetings*

<b>Name</b>	<b>Number of meetings</b>	<b>Attendance in person</b>	<b>Attendance by proxy</b>	<b>Absence</b>
Qu Xiaohui	8	8	0	0
Lin Hanchuan	8	8	0	0
Li Tao	8	8	0	0
Lo Chung Hing	8	8	0	0
Chu Bende	5	5	0	0

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**APPENDIX II                      PERFORMANCE REPORT AND THE PERFORMANCE  
EVALUATION RESULTS OF THE DIRECTORS  
FOR THE YEAR 2022**

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*Attendance at the Nomination, Remuneration and Review Committee meetings*

<b>Name</b>	<b>Number of meetings</b>	<b>Attendance in person</b>	<b>Attendance by proxy</b>	<b>Absence</b>
Lin Hanchuan	6	6	0	0
Lo Chung Hing	3	3	0	0
Chu Bende	2	2	0	0
Qu Xiaohui	3	3	0	0

*Attendance at the Strategic Planning Committee meetings*

<b>Name</b>	<b>Number of meetings</b>	<b>Attendance in person</b>	<b>Attendance by proxy</b>	<b>Absence</b>
Luo Xi	7	7	0	0
Yu Ze	7	7	0	0
Li Tao	7	7	0	0

*Attendance at Risk Management and Consumers' Rights and Interests Protection Committee  
(Assets and Liabilities Management and Investment Decision-making Committee)*

<b>Name</b>	<b>Number of meetings</b>	<b>Attendance in person</b>	<b>Attendance by proxy</b>	<b>Absence</b>
Yu Ze	7	7	0	0
Jiang Caishi	7	7	0	0
Zhang Daoming	5	5	0	0

*Attendance at the Related Party Transaction Control Committee meetings*

<b>Name</b>	<b>Number of meetings</b>	<b>Attendance in person</b>	<b>Attendance by proxy</b>	<b>Absence</b>
Chu Bende	2	2	0	0
Jiang Caishi	6	6	0	0
Lin Hanchuan	6	6	0	0
Lo Chung Hing	6	6	0	0
Qu Xiaohui	6	6	0	0

**(II) Attendance at the Shareholders' general meetings**

In the year 2022, the Company held two Shareholders' general meetings and the attendance is set out in the table below.

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**APPENDIX II                      PERFORMANCE REPORT AND THE PERFORMANCE  
EVALUATION RESULTS OF THE DIRECTORS  
FOR THE YEAR 2022**

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*Attendance at Shareholders' General Meetings*

<b>Name</b>	<b>Number of meetings</b>	<b>Attendance in person</b>	<b>Attendance rate</b>
Luo Xi	2	2	100%
Yu Ze	2	2	100%
Jiang Caishi	2	2	100%
Zhang Daoming	2	2	100%
Li Tao	2	2	100%
Lin Hanchuan	2	2	100%
Lo Chung Hing	2	2	100%
Chu Bende	1	1	100%
Qu Xiaohui	2	2	100%

**(III) Acquiring information about the Company's operation and management through various channels**

In the year 2022, each of the Directors acquired information about the operation and management of the Company through various channels which laid a foundation for scientific and prudent decision-making. The Directors kept great communication with the senior management officers of the Company, listened to reports of the management, proactively obtained the information needed for decision-making and conducted research and discussion; comprehensively understood the operation and management of the Company by reading financial reports, internal control reports, internal audit reports, monthly corporate governance information of the Company and reports on stock price and trading situation, premiums and irregular material matters of the Company and obtained independent and objective information from third parties.

**IV. PROFESSIONS IN THE PERFORMANCE OF DUTIES**

In the year 2022, all the Directors, while diligently performing their duties, earnestly participated in continuous professional development and thoroughly learned regulatory requirements for relevant domestic and foreign laws and regulations, related party transactions, and directors' ongoing obligations. The Directors attended trainings and conducted research or exchange in areas of relevant laws and regulations, corporate governance, directors' duties and professional knowledge in the insurance industry, etc., which continuously enhanced their related knowledge and skills and further improved their ability and level to fulfill the duties. The Directors proactively put forward various scientific and reasonable opinions and suggestions on the Company's management and development to promote the scientific decision-making of the Board of Directors.



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**APPENDIX II                      PERFORMANCE REPORT AND THE PERFORMANCE  
EVALUATION RESULTS OF THE DIRECTORS  
FOR THE YEAR 2022**

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**V.      INDEPENDENCE AND ETHICAL STANDARDS IN THE PERFORMANCE OF DUTIES**

In the year 2022, all Directors adhered to a high standard of professional ethics code, discharged their duties independently and autonomously, strictly complied with the relevant laws and regulations and the Articles of Association, truly reported to the Company their personal information such as related relationships and changes in positions, actively assisted the Company with information disclosure, consciously safeguarded the interests of shareholders, the Company and employees, promoted the Company's fair treatment to all shareholders, protected the legal rights and interests of stakeholders and actively fulfilled its social responsibilities.

**VI.     PERFORMANCE COMPLIANCE**

In the year 2022, all Directors complied with laws and regulations, regulatory provisions and relevant provisions of the Articles of Association, and performed their duties as Directors faithfully, in good faith, diligently, and prudently. No acts of using their authority to obtain illegal benefits for themselves or others, interfering with the business activities of the management of the Company or leaking trade secrets related to the Company were found. All Directors took various methods to understand and grasp the finance, risk, compliance of internal control and strategic development plan of the Company, etc., which promoted the continuous optimization of the Company's compliance and internal control, and the constant normalization of its operation and management.

**VII.    EVALUATION OF DIRECTORS' PERFORMANCE IN THE YEAR 2022**

After the evaluation of the performance of all Directors in the year 2022, the Company believes that: in the year 2022, the Board of Directors made collective decisions and acted objectively on the development strategy, business plan, financial monitoring, risk management, personnel management, anti-money laundering and other matters of the Company. All Directors performed their duties diligently, spared no effort to handle the affairs of the Board of Directors. All Directors acted honestly and in good faith in the interests of the Company as a whole and paid particular attention to the legal rights and interests of public Shareholders as well as minority Shareholders in their decision-making. All directors complied with national laws and regulations, regulatory rules and the Articles of Association, attended shareholders' general meetings, the meetings of the Board of the Directors and its professional committees as required, and put forward various professional opinions and suggestions; all Directors have diligently participated in continuous professional development, received trainings in various aspects and continuously improved relevant knowledge and skills.

Pursuant to the *Rules of Duty Performance Evaluation of the Directors and Supervisors*, the evaluation result of the performance of each Director in 2022 was "competent".

The report set out in this appendix was drafted in Chinese and the English translation is for reference only. In case of discrepancy between the Chinese and English versions, the Chinese version shall prevail.

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## **APPENDIX III                      PERFORMANCE REPORT AND THE PERFORMANCE EVALUATION RESULTS OF THE SUPERVISORS FOR THE YEAR 2022**

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In the year 2022, pursuant to the *Interim Measures on the Performance Evaluation of Directors and Supervisors of Banking and Insurance Institutions* issued by the CBIRC and other regulations, the Company has evaluated the performance of the Supervisors in the year 2022. The relevant information is reported as follows.

### **I.        PERSONNEL EVALUATED**

Zhang Xiaoli, Wang Yadong, the Shareholder Supervisors, Lu Zhengfei, the External Supervisor. (Gao Hong and Wang Xiaoli's qualifications were not approved and they resigned as employee supervisors and positions of professional committees of Supervisory Committee, they were not included in the scope of performance evaluation.)

### **II.       PERFORMANCE OF DUTIES AND OBLIGATIONS**

In the year 2022, all Supervisors thoroughly studied and implemented the spirit of the 20th National Congress of the Communist Party of China, all Sessions of the 19th National Congress of the Communist Party of China and the Central Economic Work Conference and adhered to Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era as the guidance. Each Supervisor acted in the best interests of the Company, highly preserved trade secrets, diligently performed the function of supervision, carried out their work in strict accordance with law and regulations, regulatory rules and the Articles of Association and procured the Company to operate legally, continuously safeguarding the efficient operation of corporate governance and the interests of all shareholders, the Company and employees.

### **III.       DILIGENCE IN PERFORMING DUTIES**

In the year 2022, the Supervisory Committee continuously improved its supervisory responsibilities and strengthened daily supervision. All Supervisors discharged their duties and responsibilities in an earnest manner, attended shareholders' general meetings and meetings of the Supervisory Committee and its professional committees, joined the meetings of the Board of Directors and its professional committees, adopted a variety of ways to understand and grasp the material decisions, important operational and management activities of the Company, and promoted the continuous optimization of the Company's internal control and the continuous standardization of operation and management.

#### **(I)       Attendance at meetings of the Supervisory Committee and its professional committees**

In the year 2022, the Supervisory Committee carried out daily deliberative activities in accordance with the relevant provisions of the Articles of Association. According to the actual situation of the Company, the Supervisory Committee and its professional committees held 15 meetings, including seven Supervisory Committee meetings, two meetings of the Duty Performance and Fulfillment Supervisory Committee and six meetings of the Financial and Internal Control Supervisory Committee. The attendance rate of all the Supervisory Committee meetings was 100%, and the attendance rate of all meetings of its professional committee was 100% as well. All the Supervisors considered proposals, kept abreast of the business operation and management of the Company, focused on material matters such as financial situation, strategic development plan, risk control,

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**APPENDIX III          PERFORMANCE REPORT AND THE PERFORMANCE  
EVALUATION RESULTS OF THE SUPERVISORS  
FOR THE YEAR 2022**

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corporate governance, internal control, anti-money laundering and anti-terrorism financing, consumers' interests protection and solvency risk, proactively performed their duties and responsibilities, considered and conducted research, listened to relevant reports, and put forward professional opinions and suggestions on relevant proposals and provided timely feedback to the Board of Directors and the management of the Company. Attendance of each Supervisor of the Company at the meetings of the Supervisory Committee in the year 2022 is as follows.

*Attendance at Supervisory Committee Meetings*

Name	Number of meetings	Attendance in person	Attendance by proxy	Absence
Zhang Xiaoli	7	6	1	0
Wang Yadong	7	7	0	0
Lu Zhengfei	7	6	1	0

- Notes:*
1. The table above shows the number of meetings held and the number of meetings attended by each Supervisor during his term of office.
  2. Supervisor Zhang Xiaoli attended six meetings in person and appointed Supervisor Wang Yadong as proxy to attend one meeting on his behalf for business reason; Supervisor Lu Zhengfei attended six meetings in person and appointed Supervisor Zhang Xiaoli as proxy to attend one meeting on his behalf for business reason.

*Attendance at meetings of the Duty Performance and Fulfillment Supervisory Committee*

Name	Number of meetings	Attendance in person	Attendance by proxy	Absence
Zhang Xiaoli	2	2	0	0

*Attendance at meetings of the Financial and Internal Control Supervisory Committee*

Name	Number of meetings	Attendance in person	Attendance by proxy	Absence
Lu Zhengfei	6	6	0	0
Wang Yadong	6	6	0	0

**(II) Attendance at Shareholders' general meetings and meetings of the Board of Directors and its professional committees**

In the year 2022, the Company held two Shareholders' general meetings, nine meetings of the Board of Directors and eight meetings of the Audit Committee of the Board of Directors. All Supervisors thoroughly reviewed the proposals, took the initiative to understand and obtain the production and

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**APPENDIX III                      PERFORMANCE REPORT AND THE PERFORMANCE  
EVALUATION RESULTS OF THE SUPERVISORS  
FOR THE YEAR 2022**

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operation related information of the Company, fully provided opinions and suggestions, enhanced the supervision of material matters of the Company, supervised the legitimacy of the contents and procedure of the meetings while attending the meetings and put forward supervisory opinions and suggestions in due course. Attendance of all Supervisors at the meetings is as follows.

*Attendance at Shareholders' General Meetings*

<b>Name</b>	<b>Number of meetings</b>	<b>Attendance in person</b>	<b>Attendance rate</b>
Zhang Xiaoli	2	1	50%
Wang Yadong	2	1	50%
Lu Zhengfei	2	1	50%

*Attendance at Meetings of the Board of Directors*

<b>Name</b>	<b>Number of meetings</b>	<b>Attendance in person</b>	<b>Attendance rate</b>
Zhang Xiaoli	9	7	78%
Wang Yadong	9	7	78%
Lu Zhengfei	9	7	78%

*Attendance at Meetings of Audit Committee of the Board of Directors*

<b>Name</b>	<b>Number of meetings</b>	<b>Attendance in person</b>	<b>Attendance rate</b>
Zhang Xiaoli	8	8	100%
Wang Yadong	8	8	100%
Lu Zhengfei	8	8	100%

**(III) DILIGENCE IN SUPERVISION**

In the year 2022, the Supervisory Committee continued to improve the corporate governance system, amended and published the Procedural Rules of the Supervisory Committee, which was in accordance with the *Code of Corporate Governance for Banking and Insurance Institutions* of the CBIRC, and other laws, regulations and regulatory rules, to further improve the operation of the Supervisory Committee and normalize the mechanism of the performance evaluation of directors and supervisors.

In the year 2022, the Supervisory Committee continued to optimize the supervision system and promote the regularization and systematization of supervision. The Supervisory Committee strengthened communication and coordination with the external auditors, listened to the auditors' reports on the audit plan and audit points as well as the audit of annual results of the Company,

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## **APPENDIX III                      PERFORMANCE REPORT AND THE PERFORMANCE EVALUATION RESULTS OF THE SUPERVISORS FOR THE YEAR 2022**

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grasped the audit situation, especially focused on the key audit issues, made requests to the auditors' work and evaluated the audit results. The Supervisory Committee carefully considered the development strategy plan, annual internal control evaluation report, compliance report, risk assessment report and other proposals of the Company, paid continuous attention to and supervised the establishment and operation of the Company's internal control and risk management mechanism, connected transactions and the implementation of the connected transaction management system, the protection of consumers' rights and interests, anti-money laundering and anti-terrorism financing, etc., and put forward opinions and suggestions.

### **IV.    PROFESSIONS IN THE PERFORMANCE OF DUTIES**

In the year 2022, all the Supervisors valued capacity building in the performance of duties, while diligently performing their duties, continuously improved themselves, got deeply into relevant laws and regulations, and regulatory requirements of corporate governance, etc., earnestly participated in trainings in areas of relevant laws and regulations, corporate governance, insurance industry, anti-money laundering and anti-terrorism financing, etc., which constantly enhanced their related knowledge and skills and further improved their ability and level to fulfill the duties. The Supervisory Committee actively spoke at meetings organized by the PICC Group on performance of duties of Directors and Supervisors in respect of work in the Company to learn from each other and jointly improve the supervision level and ability to perform the duties of both Supervisory Committees.

### **V.    INDEPENDENCE AND ETHICAL STANDARDS IN THE PERFORMANCE OF DUTIES**

In the year 2022, all Supervisors adhered to a high standard of professional ethics code, discharged their duties independently and autonomously, strictly complied with the relevant laws and regulations and the Articles of Association, truly reported to the Company their personal information such as related relationships and changes in positions, actively assisted the Company with information disclosure, consciously safeguarded the interests of the Company, all shareholders and employees, promoted the Company's fair treatment to all shareholders, and protected the legal rights and interests of stakeholders and actively fulfilled its social responsibilities.

### **VI.   PERFORMANCE COMPLIANCE**

In the year 2022, all Supervisors complied with laws and regulations, regulatory rules and relevant provisions of the Articles of Association of the Company, continuously regulated their acts and performed their duties in accordance with laws and regulations. No acts of using their authority to obtain illegal benefits for themselves or others, interfering with the business activities of the management of the Company or leaking trade secrets related to the Company were found. All Supervisors took various methods to understand and grasp the Company's finance, risk, strategic development plan, internal control and compliance, risk management, internal audit and consumers' interests protection, etc., which promoted the continuous optimization of the Company's compliance and internal control, and the constant normalization of its operation and management.

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**APPENDIX III                      PERFORMANCE REPORT AND THE PERFORMANCE  
EVALUATION RESULTS OF THE SUPERVISORS  
FOR THE YEAR 2022**

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**VII. EVALUATION OF THE SUPERVISORS' PERFORMANCE IN THE YEAR 2022**

After the evaluation of the performance of duties and responsibilities of all the Supervisors for the Year 2022, the Company believes: in the year 2022, all the Supervisors complied with relevant laws and regulations, regulatory rules and the Articles of Association, duly performed the duties of due diligence and care. All the Supervisors attended all Supervisory Committee meetings and meetings of its professional committees, joined the meetings of the Board of Directors and Audit Committee of the Board of Directors, independently and objectively fulfilled their duties of supervision, proactively promoted establishment of the Supervisory Committee, attended relevant trainings and communications as well as played a significant role in optimizing corporate governance, promoting healthy development of the Company and safeguarding the interests of all shareholders, the Company and employees.

Pursuant to the *Rules of Duty Performance Evaluation of the Directors and Supervisors*, the evaluation result of the performance of each Supervisor in 2022 was “competent”.

The report set out in this appendix was drafted in Chinese and the English translation is for reference only. In case of discrepancy between the Chinese and English versions, the Chinese version shall prevail.

In the year 2022, all the Independent Directors had diligently discharged their duties and responsibilities and exercised their rights as Independent Directors of the Company faithfully, diligently, prudently and independently in accordance with the relevant laws and regulations, regulatory requirements and the provisions of the Articles of Association. The work of the Independent Directors is summarised as follows:

#### I. ATTENDANCE AT MEETINGS

In the year 2022, the attendance of Independent Directors at the meetings of the Board of Directors is as follows.

##### *Board of Directors*

Name	Number of meetings	Attendance in person	Attendance by proxy	Absence
Lin Hanchuan	9	9	0	0
Lo Chung Hing	9	9	0	0
Chu Bende	5	5	0	0
Qu Xiaohui	9	9	0	0

*Note:* The table above lists the numbers of the meetings of the Board held and attended by each Independent Director during his/her respective term of office.

In the year 2022, the attendance of Independent Directors as members of each professional committee of the Board of Directors at the meetings of each professional committee of the Board of Directors is as follows.

##### *Audit Committee*

Name	Number of meetings	Attendance in person	Attendance by proxy	Absence
Qu Xiaohui	8	8	0	0
Lin Hanchuan	8	8	0	0
Lo Chung Hing	8	8	0	0
Chu Bende	5	5	0	0

##### *Nomination, Remuneration and Review Committee*

Name	Number of meetings	Attendance in person	Attendance by proxy	Absence
Lin Hanchuan	6	6	0	0
Lo Chung Hing	3	3	0	0
Qu Xiaohui	3	3	0	0
Chu Bende	2	2	0	0

*Related Party Transaction Control Committee*

Name	Number of meetings	Attendance in person	Attendance by proxy	Absence
Chu Bende	2	2	0	0
Lin Hanchuan	6	6	0	0
Lo Chung Hing	6	6	0	0
Qu Xiaohui	6	6	0	0

*Note:* The table above lists the numbers of the meetings of the professional committees of the Board held and attended by each committee member during his/her respective term of office.

**II. EXPRESSION OF OPINION**

- (I) In the year 2022, none of the Independent Directors voted against resolutions at the meetings of the Board of Directors.
- (II) In the year 2022, all the Independent Directors expressed approval opinions and independent opinions on resolutions relating to, among others, continuing related party transactions, nomination and appointment of the Directors, employment of the senior management officers, remuneration of the Directors and the senior management officers, profit distribution plan and anti-money laundering.

**III. WORK DONE TO UNDERSTAND THE OPERATION AND MANAGEMENT OF THE COMPANY**

In the year 2022, each of the Independent Directors acquired information about the operation and management of the Company through various channels which laid a foundation for their scientific and prudent decision-making. The Independent Directors kept great communication with senior management officers of the Company, listened to reports of the management in a timely manner, proactively conducted research and discussion and obtained decision-making related information and maintained effective communication with the external auditors so as to acquire third party information. The Audit Committee of the Board closely communicated with the Supervisory Committee so as to strengthen the supervision over the Company. The Independent Directors also acquired knowledge about the Company and the insurance industry through various information provided by the Company.

**IV. OBSTACLES ENCOUNTERED DURING THE PERFORMANCE OF DUTIES**

In the year 2022, during the performance of the duties of the Independent Directors, there was no right of information of the Independent Directors which was not safeguarded, there was no interference or hindrance in the performance of their duties, and there were no opinions and suggestions put forwarded by Independent Directors to the Board and the management which were not accepted.



**V. OTHER WORK DONE TO IMPROVE THE OPERATION AND MANAGEMENT OF THE COMPANY**

During the year 2022, all the Independent Directors performed their duties and responsibilities in a diligent and faithful way, listened conscientiously to reports from relevant personnel on the business development, financial management, related party transactions and other affairs of the Company, got an understanding of the day-to-day operation and potential operation risks of the Company in a timely manner, gave opinions and exercised functions and powers at the meetings of the Board, performed their duties and responsibilities as Independent Directors proactively and effectively, and safeguarded the legal rights and interests of the Company and minority Shareholders.

**VI. PERFORMANCE OF DUTIES AND OBLIGATIONS OF INDEPENDENT DIRECTORS IN THE PREPARATION OF THE ANNUAL REPORT**

The Independent Directors faithfully performed their duties and obligations as Independent Directors in the preparation and disclosure of the 2022 Annual Report. The Independent Directors timely listened to the reports of the management and the finance department of the Company on the operation and management, financial position and major matters of the Company in the year 2022. The Independent Directors also listened to the reports on the audit work arrangement. Upon the issuance of the initial audit opinion by the auditor, the Independent Directors communicated with such auditor through the Audit Committee, which mainly consists of Independent Directors, to fully understand the auditing process.

**VII. SELF-APPRAISAL OF THE PERFORMANCE FOR THE YEAR**

During the year 2022, all the Independent Directors continued to maintain their independence, performed their duties and responsibilities in a diligent way and acted honestly and in good faith for the interests of the Company as a whole and paid special attention to the legal rights and interests of the public Shareholders and minority Shareholders in the decision-making process.

In the year 2022, all the Independent Directors participated earnestly in continuous professional development. The Independent Directors continued to pay attention to and conduct research on corporate finance and corporate governance, deeply understood the regulatory requirements of relevant domestic and foreign laws and regulations, related party transactions, and directors' ongoing obligations, received trainings and conducted research or exchange in areas of relevant laws and regulations, corporate governance, directors' duties, insurance industry, anti-money laundering and anti-terrorism financing, etc., which continuously enhanced their related knowledge and skills, and they proactively put forward various timely and appropriate advice and suggestions on the Company's management and development.

**VIII. APPRAISAL OF THE PERFORMANCE OF THE BOARD OF DIRECTORS AND THE MANAGEMENT**

The Board and its professional committees thoroughly implemented the spirit and deployment of decisions of the Central Committee of Community Party of China, operated efficiently in a regulated manner in accordance with national laws and regulations, regulatory requirements and the Articles of Association, and played an active role in corporate governance and decision-making on material matters. The Board made

collective decisions and acted objectively on the development strategy, business plan, financial control, risk management, personnel management, anti-money laundering and other matters of the Company. All Directors performed their duties diligently, spared no effort to handle the affairs of the Board of Directors, were able to act honestly and in good faith on the premise of the overall interests of the Company, and paid special attention to the legitimate rights and interests of public shareholders and minority shareholders in decision-making, were able to comply with national laws, and regulations, regulatory requirements and the Articles of Association, attend the shareholders' general meeting, the meetings of the Board and its professional committees as required and put forward various professional opinions and suggestions, actively participated in continuous professional development and received training from various aspects to continuously improve relevant knowledge and skills.

The management officers of the Company were devoted to their duties and responsibilities, acted bravely, actively served pandemic prevention and major national strategies to continuously promote and upgrade the operation and management of the Company and fulfilled various business targets for the Year 2022 as set by the Board in a relatively satisfactory way.

**IX. ANY OTHER MATTERS THAT SHOULD BE BROUGHT TO THE ATTENTION OF THE  
SHAREHOLDERS' GENERAL MEETING**

In the opinion of the Independent Directors, there are no any other matters that should be brought to the attention of the Shareholders' general meeting.

The report set out in this appendix was drafted in Chinese and the English translation is for reference only. In case of discrepancy between the Chinese and English versions, the Chinese version shall prevail.

In 2022, the Company continuously and diligently adhered to laws, regulations and regulatory requirements governing related party transactions and actively performed its obligations as a listed company to ensure the related party transactions management system operated in a sustainable, organized and effective manner. In accordance with the *Rules on Related-Party Transactions of Banking and Insurance Institutions* (Yin Bao Jian Hui Ling [2022] No. 1) issued by the CBIRC, the implementation of the related party transactions of the Company for the year of 2022 are reported as follows:

#### I. UPDATING OF THE LIST OF RELATED PARTIES

By following the criteria for determining the related parties as set out by the CBIRC, the Ministry of Finance and the Hong Kong Stock Exchange, the Company updated the scope of related parties, and identified, reported, collected and managed information of related parties. As of the end of December 2022, the Company had collected and reported to the CBIRC totally 208 pieces of information on natural person related parties and 128 pieces of information on corporate related parties.

#### II. EXECUTION AND PERFORMANCE OF RELATED PARTY TRANSACTION AGREEMENTS

In 2022, the Company executed and performed related party transaction agreements, all of which complied with the appropriate approval and management procedures. Related party transactions were carried out in accordance with the principles of good faith, openness and fairness, look-through identification, and clear structure. The relevant responsible departments monitored the implementation of the related party transactions to ensure the compliance of the implementation of the related party transactions and that the related party transactions were conducted in the interests of the Company and the Shareholders as a whole.

#### III. EXECUTION OF INTERNAL DECISION-MAKING PROCESS OF RELATED PARTY TRANSACTIONS

The Company strictly followed the internal decision-making process of the related party transactions pursuant to the *Rules on Related-Party Transactions of Banking and Insurance Institutions* issued by the CBIRC. In terms of general related party transactions, the Company considered and granted the approval by strictly following the internal authorization procedures. In terms of material related party transactions and continuing related party transactions, to ensure compliance with the approval procedures for related party transactions, the Company stringently followed the regulatory requirements and corporate governance procedures and submitted them to the meetings of the Board of Directors or Shareholders' general meetings for their approval.

#### IV. REPORTING OF MATERIAL RELATED PARTY TRANSACTIONS AND CONTINUING RELATED PARTY TRANSACTIONS

In 2022, 7 related party transactions were reported to the CBIRC, 11 individual matters were reported in total, all of which were classified as uniform transaction agreements. **The first** were the business cooperation framework agreements on reinsurance cooperation with PICC Reinsurance Company Limited and the People's Insurance Company of China (HK), Ltd, respectively. **The second** was the reinsurance standard agreement on policy-backed agricultural insurance with China Agriculture Reinsurance

Corporation. **The third** was the insurance broker business cooperation agreement with Zhongsheng International Insurance Brokers Co., Ltd. and Prime Insurance Brokers Company Limited. **The fourth** was the mutual agency agreement with PICC Life Insurance Company Limited and PICC Health Insurance Company Limited. **The fifth** was the asset management agreement and supplemental agreement with PICC Asset Management Company Limited and PICC Capital Insurance Asset Management Company Limited. **The sixth** was payment service cooperation agreement with PICC Financial Services Company Limited. **The seventh** was the 2022 PICC technology service agreement with PICC Information Technology Co., Limited.

The above-mentioned related party transactions were reported to the CBIRC in accordance with the regulatory requirements.

## V. DISCLOSURE OF RELATED PARTY TRANSACTIONS

In 2022, the Company disclosed information about 48 related party transactions (including related party transactions for the use of funds and general related party transactions with quarterly consolidated disclosure by transaction type) pursuant to the *Rules on Related-Party Transactions of Banking and Insurance Institutions*, the *Measures on the Administration of Information Disclosure of Insurance Companies* (Yin Bao Jian Hui Ling [2018] No. 2) and the *Standards for the Information Disclosure of Utilisation of Capital by Insurance Companies: No. 1: Related Party Transactions* (Bao Jian Fa [2014] No. 44 issued by the CBIRC).

## VI. REPORTING AND REVISION OF RELATED PARTY TRANSACTIONS MANAGEMENT POLICIES

In 2022, the Company revised the measures on management of related party transactions. The current effective management policy of the Company was the *Measures on the Management of Related Party Transactions of PICC Property and Casualty Company Limited* (Ren Bao Cai Xian Fa [2022] No. 778), which was registered with the CBIRC for file. In 2022, the Company modified and issued the *Operational Guidelines on the Management of Related Party Transactions of PICC Property and Casualty Company Limited* (Ren Bao Cai Xian Fa [2022] No. 993), *Rules of Procedures of the Related Party Transaction Control Committee of the Board of PICC Property and Casualty Company Limited* (Ren Bao Cai Xian Fa [2022] No. 958) and the *Rules of Management Office of Related Party Transaction of PICC Property and Casualty Company Limited* (Ren Bao Cai Xian Fa [2022] No. 778).

## VII. AUDIT AND INSPECTION ON RELATED PARTY TRANSACTIONS MANAGEMENT

In June 2022, the Monitoring and Auditing Center of the PICC Group carried out special audit on the related party transactions and the implementation of the related party transactions management policies of 2021, and made suggestions to improve the management of related party transactions, which promoted the compliant operation of the related party transactions management system.

The report set out in this appendix was drafted in Chinese and the English translation is for reference only. In case of discrepancy between the Chinese and English versions, the Chinese version shall prevail.

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**APPENDIX VI THE REVIEW AND ANALYSIS ON SOLVENCY MARGIN  
FOR THE FOUR QUARTERS OF THE YEAR 2022**

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The insurance industry began to implement the Rules for the Supervision of Insurance Company Solvency (II) from the first quarter of the year 2022. As at the end of the fourth quarter of the year 2022, the actual capital of the Company amounted to RMB215,415 million, the minimum capital amounted to RMB93,964 million, the comprehensive solvency margin ratio was 229.25%, representing a decrease of 8.62 percentage points as compared to the end of the previous quarter, and the core solvency margin ratio was 201.92%, representing a decrease of 6.97 percentage points as compared to the end of the previous quarter. Pursuant to the standard of comprehensive solvency margin ratio and core solvency margin ratio being no less than 100% and 50% respectively, the solvency margin ratio of the Company was at a good level.

**SOLVENCY MARGIN FOR THE FOUR QUARTERS OF THE YEAR 2022**

*Unit: RMB million*

<b>Item</b>	<b>As at 31 March 2022</b>	<b>As at 30 June 2022 (reviewed)</b>	<b>As at 30 September 2022</b>	<b>As at 31 December 2022 (audited)</b>
Actual Capital	211,989	214,105	215,804	215,415
Of which: Core Capital	183,060	188,742	189,509	189,730
Minimum Capital	90,201	90,611	90,724	93,964
Core Solvency Margin Ratio	202.95%	208.30%	208.89%	201.92%
Comprehensive Solvency Margin Ratio	235.02%	236.29%	237.87%	229.25%

The comprehensive solvency margin ratio of the Company remained stable in the first three quarters of the year 2022. The comprehensive solvency margin ratio at the end of the fourth quarter of the year 2022 represented a decrease of 8.62 percentage points as compared to the third quarter of the year 2022, mainly due to the increase in minimum capital of RMB3,240 million as compared to the third quarter of the year 2022. On one hand, the minimum capital of insurance risk increased by RMB2,048 million as compared to the third quarter of the year 2022 due to effect of comprehensive cost ratio of motor vehicle insurance and its changes. On the other hand, the minimum capital of market risk increased by RMB2,397 million as compared to the third quarter of the year 2022 as the result of the change in positions and structure optimization of interests held by the Company with capital market fluctuations at the same time.

The report set out in this appendix was drafted in Chinese and the English translation is for reference only. In case of discrepancy between the Chinese and English versions, the Chinese version shall prevail.

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## NOTICE OF ANNUAL GENERAL MEETING

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# 中国人民财产保险股份有限公司

PICC PROPERTY AND CASUALTY COMPANY LIMITED

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

(Stock Code: 2328)

**NOTICE IS HEREBY GIVEN** that an annual general meeting of PICC Property and Casualty Company Limited (the “Company”) will be held at PICC Building, No. 88 Xichang’an Street, Xicheng District, Beijing, the PRC on 19 June 2023 (Monday) at 10:30 a.m. for the purposes of considering and, if thought fit, passing the following resolutions:

### ORDINARY RESOLUTIONS

1. To consider and approve the Report of the Board of Directors of the Company for the Year 2022.
2. To consider and approve the Report of the Supervisory Committee of the Company for the Year 2022.
3. To consider and approve the Auditor’s Report and the audited financial statements of the Company for the year ended 31 December 2022.
4. To consider and approve the profit distribution plan of the Company for the Year 2022.
5. To consider and reappoint PricewaterhouseCoopers as the international auditor of the Company and reappoint PricewaterhouseCoopers Zhong Tian LLP as the domestic auditor of the Company to hold office until the conclusion of the next annual general meeting, and to authorise the Board of Directors to fix their remuneration.

### SPECIAL RESOLUTION

6. To consider and approve the issue of a 10-year capital supplementary bonds in one or more tranche(s) in an aggregate amount of no more than RMB12 billion by the Company within 12 months from the date of approval of the resolution by the Shareholders’ general meeting, and to authorise the Board of Directors to delegate the management of the Company to determine and implement a detailed plan for the issue, including but not limited to the tranches, size, timing, number of the issue, coupon rate and conditions, etc., and engage intermediaries to deal with relevant specific matters relating to the issue after taking into account the market conditions and all other relevant factors.

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## NOTICE OF ANNUAL GENERAL MEETING

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### AS REPORTING DOCUMENTS

7. To review the Performance Report and the Performance Evaluation Results of the Directors of the Company for the Year 2022.
8. To review the Performance Report and the Performance Evaluation Results of the Supervisors of the Company for the Year 2022.
9. To review the Performance Report of Independent Directors for the Year 2022.
10. To review the Report on the Implementation of Related Party Transactions of the Company for the Year 2022.
11. To review the Review and Analysis on Solvency Margin for the Four Quarters of the Year 2022.

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

Beijing, the PRC, 18 May 2023

*Notes:*

1. The register of members of the Company will be closed from 14 June 2023 (Wednesday) to 19 June 2023 (Monday), both days inclusive, during which no transfer of shares will be registered. Holders of H shares and domestic shares whose names appear on the register of members of the Company on 19 June 2023 (Monday) are entitled to attend and vote at this meeting. In order for holders of H shares of the Company to qualify for attending and voting at this meeting, all transfer documents accompanied by the relevant H 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 13 June 2023 (Tuesday) for registration.
2. A shareholder entitled to attend and vote at this meeting 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 this meeting in person to represent the relevant shareholder.
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 Administrative Department of the Company for holders of domestic shares and at the Company's H share registrar, Computershare Hong Kong Investor Services Limited, 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 fixed for the holding of this meeting or any adjournment thereof (as the case may be). 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. Shareholders or their proxies attending this meeting (and any adjournment thereof) shall produce their identity documents.