
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 2018 annual 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)

**REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2018
REPORT OF THE BOARD OF SUPERVISORS FOR THE YEAR 2018
FINAL FINANCIAL ACCOUNTS FOR THE YEAR 2018
PROFIT DISTRIBUTION FOR THE YEAR 2018
BUDGET OF FIXED ASSET INVESTMENT FOR THE YEAR 2019
ENGAGEMENT OF AUDITOR FOR 2019 FINANCIAL STATEMENTS
WORK REPORT OF THE INDEPENDENT DIRECTORS FOR THE YEAR 2018
AND THE APPRAISAL OF PERFORMANCE
AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE PEOPLE'S
INSURANCE COMPANY (GROUP) OF CHINA LIMITED
GENERAL MANDATE TO ISSUE SHARES
PERFORMANCE REPORT OF THE DIRECTORS FOR THE YEAR 2018
REPORT ON RELATED PARTY TRANSACTIONS AND THE
IMPLEMENTATION OF ITS MANAGEMENT SYSTEM AND THE EVALUATION
OF INTERNAL TRANSACTIONS FOR THE YEAR 2018
REPORT ON THE SOLVENCY-RELATED CONDITION FOR THE YEAR 2018
AND
NOTICE OF THE 2018 ANNUAL GENERAL MEETING**

The AGM of The People's Insurance Company (Group) of China Limited will be held at No. 28 Qinghua Road (W), Haidian District, Beijing on 21 June 2019 (Friday) at 2:30 p.m. The notice of AGM is set out on pages 40 to 42 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) (which is 2:30 p.m. on 20 June 2019 (Thursday) (or other date in the event of any adjournment thereof)). If you intend to attend the AGM 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 1 June 2019 (Saturday). 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.

7 May 2019

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DEFINITIONS

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

“A Shares”	the ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are subscribed for and traded in RMB and listed on the Shanghai Stock Exchange
“AGM”	the 2018 annual general meeting of the Company to be held at No. 28 Qinghua Road (W), Haidian District, Beijing on 21 June 2019 (Friday) at 2:30 p.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
“Board of Supervisors”	the board of Supervisors of the Company
“CBIRC”	China Banking and Insurance Regulatory Commission
“CIRC”	Former China Insurance Regulatory Commission
“Company”	The People’s Insurance Company (Group) of China Limited, a joint stock limited company incorporated in the PRC with limited liability, whose H Shares are listed on the Hong Kong Stock Exchange under the Stock Code: 1339 and A Shares are listed on the Shanghai Stock Exchange under the Stock Code: 601319
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate to be granted by the Shareholders to the Board at the AGM 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, 20 June 2020, and (iii) the date on which the general mandate is revoked or revised by a special resolution of the Shareholders in a general meeting
“Group”	the Company and its subsidiaries

DEFINITIONS

“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
“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 knowledge of the Directors having made all reasonable enquiries, are not connected persons of the Company
“Latest Practicable Date”	30 April 2019, 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
“Ministry of Finance”	Ministry of Finance of The People’s Republic of China
“Parent”	The People’s Insurance Company (Group) of China Limited, see definition of the “Company”
“PICC Life”	PICC Life Insurance Company Limited
“PICC P&C”	PICC Property and Casualty Company Limited, a joint stock limited company incorporated in the PRC with limited liability, whose H shares are listed on the Hong Kong Stock Exchange under the Stock Code: 2328
“PICC Reinsurance”	PICC Reinsurance Limited
“PRC”	the Mainland of the People’s Republic of China, for the purpose of this circular and geographic reference, excluding Hong Kong, Macau Special Administrative Region 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 A shares and H shares
“Shareholder(s)”	holder(s) of the Shares

DEFINITIONS

“SSE”	The Shanghai Stock Exchange
“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 Directors:

Miao Jianmin (*Chairman*)

Bai Tao (*Vice Chairman*)

Xie Yiqun

Tang Zhigang

Non-executive Directors:

Wang Qingjian

Xiao Xuefeng

Hua Rixin

Cheng Yuqin

Wang Zhibin

Registered office:

1st-13th Floors

No. 88 West Chang'an Avenue

Xicheng District

Beijing

China

Principal Place of business in Hong Kong:

15th Floor

Guangdong Investment Tower

148 Connaught Road Central

Central, Hong Kong

Independent Non-executive Directors:

Shiu Sin Por

Ko Wing Man

Luk Kin Yu, Peter

Lin Yixiang

Chen Wuzhao

7 May 2019

To the Shareholders

Dear Sir or Madam,

REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2018
REPORT OF THE BOARD OF SUPERVISORS FOR THE YEAR 2018
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AND
NOTICE OF THE 2018 ANNUAL GENERAL MEETING

LETTER FROM THE BOARD

1. INTRODUCTION

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

2. MATTERS TO BE CONSIDERED AT THE AGM

Ordinary resolutions to be proposed at the AGM for the Shareholders to consider and approve include: (a) report of the Board of Directors for the year 2018; (b) report of the Board of Supervisors for the year 2018; (c) final financial accounts for the year 2018; (d) profit distribution for the year 2018; (e) budget of fixed asset investment for the year 2019; (f) engagement of auditor for 2019 financial statements; and (g) work report of the independent directors for the year 2018 and the appraisal of performance.

Special resolutions to be proposed at the AGM for the Shareholders to consider and approve include: (a) amendments to the Articles of Association of The People's Insurance Company (Group) of China Limited; and (b) grant of a general mandate to the Board to issue Shares.

Matters to be proposed at the AGM for the Shareholders' consideration only and not for approval include: (a) review the performance report of the Directors for the year 2018; (b) review the report on related party transactions and the implementation of its management system and the evaluation of internal transactions for the year 2018; and (c) review the report on the solvency-related condition for the year 2018.

In addition, the Shareholders at the 2012 Annual General Meeting agreed to authorize the Board to make decisions in respect of the renewal or purchase of liability insurance for the Directors, Supervisors and senior management (hereinafter referred to as "Liability Insurance for Directors, Supervisors and Senior Management") in subsequent years, and the Board will report annually at the Shareholders' general meeting with respect to the implementation of the renewal or purchase of Liability Insurance for Directors, Supervisors and Senior Management. The renewal of the Liability Insurance for Directors, Supervisors and Senior Management for the year 2018 to 2019 by the Company was approved at the seventh meeting of the third session of the Board held on 24 August 2018. The insured amount is US\$30,000,000 and the premium is US\$351,000.

Matters to be dealt with at the AGM are set out in further details on pages 40 to 42 in the Notice of the 2018 Annual General Meeting to this circular. In order to enable you to have a better understanding of the resolutions proposed at the AGM and to make well-informed decisions, we have provided detailed information in this circular, including matters for the 2018 Annual General Meeting (see Appendix I), profit distribution for the year 2018 (see Appendix II), the work report of the independent directors for the year 2018 (see Appendix III), the comparison table of the articles of association (see Appendix IV), general mandate to issue shares (see Appendix V), the performance report of the Directors for the year 2018 (see Appendix VI), the report on related party transactions and the

LETTER FROM THE BOARD

implementation of its management system and the evaluation of internal transactions for the year 2018 (see Appendix VII) and the report on the solvency-related condition for the year 2018 (see Appendix VIII).

3. ANNUAL GENERAL MEETING

The AGM will be held at No. 28 Qinghua Road (W), Haidian District, Beijing on 21 June 2019 (Friday) at 2:30 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 AGM, the H Shares register of members of the Company will be closed from 22 May 2019 (Wednesday) to 21 June 2019 (Friday), both days inclusive, during which period no transfer of H Shares will be effected. Holders of H Shares who intend to attend the AGM 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 21 May 2019 (Tuesday). Holders of H Shares whose names appear on the H Shares register of members of the Company at the close of business on 21 May 2019 (Tuesday) are entitled to attend the AGM and vote at the AGM.

A proxy form and a reply slip for use at the AGM are enclosed and have been published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk). Holders of H Shares who intend to attend the AGM 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 scheduled time for holding the AGM (which is 2:30 p.m. on 20 June 2019 (Thursday) (or other date in the event of any adjournment thereof)). Completion and return of the proxy form will not preclude a Shareholder from attending the AGM and voting in person if he so wishes. Holders of H Shares who intend to attend the AGM 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 1 June 2019 (Saturday).

The voting at the AGM shall be taken by way of registered poll.

4. RECOMMENDATION

The Directors consider that all resolutions set out in the notice of the AGM for consideration and approval by the 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

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

Miao Jianmin

Chairman

APPENDIX I MATTERS FOR THE 2018 ANNUAL GENERAL MEETING

(I) TO CONSIDER AND APPROVE THE REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2018

For details of the Company's Report of the Board of Directors for the year 2018, please refer to the Report of the Board of Directors set out in the Company's 2018 annual report. The Company's 2018 annual report was published on the Hong Kong Stock Exchange website (www.hkexnews.hk) and the Company's website (www.picc.com) on 25 April 2019.

The above resolution has been passed at the 11th meeting of the third session of the Board and is now proposed at the AGM for consideration and approval by the Shareholders.

(II) TO CONSIDER AND APPROVE THE REPORT OF THE BOARD OF SUPERVISORS FOR THE YEAR 2018

For details of the Company's Report of the Board of Supervisors for the year 2018, please refer to the Report of the Board of Supervisors set out in the Company's 2018 annual report.

The above resolution has been passed at the ninth meeting of the third session of the Board of Supervisors and is now proposed at the AGM for consideration and approval by the Shareholders.

(III) TO CONSIDER AND APPROVE THE FINAL FINANCIAL ACCOUNTS FOR THE YEAR 2018

The Company has completed the final financial accounting for the year 2018 in accordance with the relevant regulations. Based on the audited financial statements prepared in accordance with the China Accounting Standards for Business Enterprises and the audited financial statements prepared in accordance with the International Financial Reporting Standards for the year ended 31 December 2018, a summary of the final financial accounts of the Group for the year 2018 (reported on the basis of consolidated accounts, same as below) under the two reporting standards are set out as follows:

Key operation data

- (1) Key operation data under the China Accounting Standards for Business Enterprises. As at 31 December 2018, the total assets of the Group amounted to RMB1,031.690 billion, the total liabilities amounted to RMB826.264 billion, the total equity of Shareholders amounted to RMB205.426 billion, the equity attributable to equity holders of the Parent amounted to RMB152.468 billion. In 2018, the Group achieved gross written premiums of RMB498.611 billion, net profit of RMB19.499 billion, and the net profit attributable to the equity holders of the Parent amounted to RMB13.450 billion.
- (2) Key operation data under the International Financial Reporting Standards. As at 31 December 2018, the total assets of the Group amounted to RMB1,031.635 billion, the total liabilities amounted to RMB825.334 billion, the total equity of Shareholders amounted to RMB206.301 billion, the equity attributable to equity

APPENDIX I MATTERS FOR THE 2018 ANNUAL GENERAL MEETING

holders of the Parent amounted to RMB153.053 billion. In 2018, the Group achieved gross written premiums of RMB498.608 billion, net profit of RMB18.715 billion, and the net profit attributable to the equity holders of the Parent amounted to RMB12.912 billion.

The audited financial statements which were prepared in accordance with the International Financial Reporting Standards and the auditor's report for the year ended 31 December 2018 have been set out in the Company's 2018 annual report.

Explanation for the difference under accounting standards

The main reasons for the difference in the key operation data under the two reporting standards mentioned above are:

- (1) According to the requirements of Cai Jin [2013] No.129, PICC P&C made provision for agriculture catastrophic risk reserve based on a certain proportion of the retained premium of agricultural insurance; however, the provision for agriculture catastrophic risk reserve is not accounted under the International Financial Reporting Standards. Also, there is difference in the provision between the two reporting standards.
- (2) At the end of 2014, PICC Life reviewed the test result of major insurance risks under the policies and reclassified contracts relating to certain risks from insurance contracts to investment contracts. However, under the International Financial Reporting Standards, once a contract is classified as an insurance contract, such classification shall remain so until the contract expires. This has led to difference in the measurement of the liabilities relating to such contracts under the two reporting standards.
- (3) In each of 2018 and 2017, one associate of the Group completed a private offering. Since the Group did not subscribe for the shares proportionately, its total equity interests in the associates were diluted respectively, resulting in a loss in deemed disposal of RMB737 million and RMB798 million respectively. According to the China Accounting Standards for Business Enterprises, the impact of such loss is charged to capital reserve, and their impact on the equity attributable to equity holders of the Parent in 2018 and 2017 were RMB508 million and RMB596 million respectively. Under the International Financial Reporting Standards, such loss is included in the profit or loss of the current period, and their impact on the net profit attributable to equity holders of the Parent in 2018 and 2017 were RMB508 million and RMB596 million respectively.

The above resolution has been passed at the 11th meeting of the third session of the Board and is now proposed at the AGM for consideration and approval by the Shareholders.

APPENDIX I MATTERS FOR THE 2018 ANNUAL GENERAL MEETING

(IV) TO CONSIDER AND APPROVE THE PROFIT DISTRIBUTION FOR THE YEAR 2018

The Company's proposal for profit distribution is based on the solvency adequacy ratios, business development and needs, operation results and return on equity of the Company and its subsidiaries. In consideration of the above factors and in accordance with the relevant laws and regulations and regulatory requirements, the profit to be distributed in cash by the Company per year shall not be less than 10% of the distributable profit for the relevant year. The Company proposes to distribute a cash dividend of RMB0.457 per 10 Shares (inclusive of tax) based on the total share capital of 44,223,990,583 Shares, amounting to RMB2.021 billion in aggregate. Please refer to Appendix II for the details of the profit distribution plan.

The above resolution has been passed at the 11th meeting of the third session of the Board and is now proposed at the AGM for consideration and approval by the Shareholders.

(V) TO CONSIDER AND APPROVE THE BUDGET OF FIXED ASSET INVESTMENT FOR THE YEAR 2019

The newly-added investment budget for fixed assets for the year 2019 amounted to RMB225.5469 million, of which RMB94.4669 million was paid in 2019, mainly including the following three items:

- (I) Fixed assets investment budget of RMB193.22 million for establishment of information system for the year 2019, of which 62.28 million was paid in 2019.
- (II) Fixed assets investment budget of RMB2.35 million for daily operation for the year 2019, of which RMB2.21 million was paid in 2019.
- (III) Alteration and renovation budget of RMB29.9769 million for the office for the year 2019, of which RMB29.9769 million was paid in 2019.

The above resolution has been passed at the ninth meeting of the third session of the Board and is now proposed at the AGM for consideration and approval by the Shareholders.

(VI) TO CONSIDER AND APPROVE THE ENGAGEMENT OF AUDITOR FOR 2019 FINANCIAL STATEMENTS

The Company proposes to reappoint Deloitte Touche Tohmatsu Certified Public Accountants LLP/Deloitte Touche Tohmatsu (hereinafter referred to as "Deloitte") as the auditors of the domestic and international financial statements of the Company, respectively, for the year 2019 until conclusion of the next annual general meeting. The Company shall pay RMB11.63 million to Deloitte for audit service, excluding any payment for the audit service for its subsidiaries.

The above resolution has been passed at the 11th meeting of the third session of the Board and is now proposed at the AGM for consideration and approval by the Shareholders.

APPENDIX I MATTERS FOR THE 2018 ANNUAL GENERAL MEETING

(VII) TO CONSIDER AND APPROVE THE WORK REPORT OF THE INDEPENDENT DIRECTORS FOR THE YEAR 2018 AND THE APPRAISAL OF PERFORMANCE

Pursuant to the requirements of the Measures for the Administration of Insurance Institutions' Independent Directors, the board of the insurance institutions is responsible for appraising the performance of independent Directors. After the establishment of the preliminary results of the performance appraisal by the Board, it shall be submitted to the shareholders general meeting for consideration. With reference to the Work Report of the Independent Directors for the Year 2018 and the performance appraisal of the independent Directors, it is suggested that the five independent Directors, i.e., Shiu Sin Po, Ko Wing Man, Luk Kin Yu, Peter, Lin Yixiang and Chen Wuzhao, are graded as "excellent" in the appraisal of performance for the year 2018. Please refer to Appendix III of this circular for the detailed report.

The above resolution has been passed at the 11th meeting of the third session of the Board and is now proposed at the AGM for consideration and approval by the Shareholders.

(VIII) TO CONSIDER AND APPROVE THE AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE PEOPLE'S INSURANCE COMPANY (GROUP) OF CHINA LIMITED

Prior to the issuance and listing of the Company's A Shares, the Company revised the Articles of Association according to the listing of A Shares, the Guidance on Insurance Companies' Articles of Association and the relevant requirements of party establishment. However, the relevant information such as the number of shares in issue, the share capital structure, the registered capital and the paid-in capital is filled in in the corresponding articles of the Articles of Association according to the actual situation after the listing of the A Shares of the Company.

Recently, the Ministry of Finance will transfer 10% of the equity interest in the Company to the Social Security Fund on a one-off basis. The Company is required to supplement the information relating to the share transfer conducted by the Ministry of Finance and fill in the information such as the shareholding after the share transfer in the Articles of the Association.

In October 2018, the Standing Committee of the National People's Congress revised Article 142 of the Company Law; in November 2018, the CSRC, the Ministry of Finance, and the SASAC jointly issued the Opinions on Supporting Listed Companies to Repurchase Shares to encourage the listed companies to improve the share repurchase mechanism in their Articles of Association or other corporate governance documents. In accordance with the revised Company Law and the latest regulatory spirit, it is necessary to make corresponding amendments to the Articles regarding share repurchase in the Articles of Association.

Based on the situation above and the circumstances of the Company, it is proposed to amend the Articles of Association of The People's Insurance Company (Group) of China Limited. Please refer to Appendix IV for the detailed amendments.

APPENDIX I MATTERS FOR THE 2018 ANNUAL GENERAL MEETING

The Company would like to draw the attention of the Shareholders that the amendments in the Articles of Association regarding share repurchase and treasury shares are made in accordance with the relevant requirements of the domestic laws and regulations in the PRC, and in relation to the share repurchase as treasury shares, it shall apply only to the repurchase of the A Shares but not to H Shares. Furthermore, the Company undertakes to comply with the relevant listing rules for future repurchase of A Shares and H Shares.

The above resolution has been passed at the 12th meeting of the third session of the Board and is now proposed at the AGM for consideration and approval by the Shareholders, and it is also proposed at the AGM to authorize the Board which may delegate such authorization to the Chairman and person(s) authorized by him to revise the Articles of Association based on the requirements and suggestions of the domestic and overseas regulatory authorities, and any changes in domestic and overseas laws, regulations and other regulatory documents.

(IX) TO CONSIDER AND APPROVE THE GRANT OF THE GENERAL MANDATE TO ISSUE SHARES

In accordance with the requirements of the relevant laws and regulations, the Listing Rules of the Hong Kong Stock Exchange and other regulatory documents as well as the practices of the H share capital market, it is proposed at the AGM to approve the grant of a general mandate to the Board to issue Shares and certain matters in relation to the Board's authorization. Please refer to Appendix V to this circular for the detailed proposal.

The above resolution has been passed at the 12th meeting of the third session of the Board and is now proposed at the AGM for consideration and approval by the Shareholders.

(X) TO REVIEW THE PERFORMANCE REPORT OF THE DIRECTORS FOR THE YEAR 2018

According to the relevant requirements of the Guidelines on the Operation of the Board of Directors of Insurance Companies (《保險公司董事會運作指引》) and the Guiding Opinions on Regulating the Corporate Governance Structure of Insurance Companies (Tentative) (《關於規範保險公司治理結構的指導意見(試行)》), the Company has prepared a performance report of the Directors for the year 2018.

The above matter has been considered at the 11th meeting of the third session of the Board and is now reported to the AGM. The above report will be filed with the regulatory department after completion of the internal governance procedures of the Company. The Company's performance report of the Directors for the year 2018 is set out in Appendix VI to this circular. This report is presented for the Shareholders' review only and no Shareholders' approval is required.

APPENDIX I MATTERS FOR THE 2018 ANNUAL GENERAL MEETING

(XI) TO REVIEW THE REPORT ON RELATED PARTY TRANSACTIONS AND THE IMPLEMENTATION OF ITS MANAGEMENT SYSTEM AND THE EVALUATION OF INTERNAL TRANSACTIONS FOR THE YEAR 2018

In accordance with the relevant requirements under the Interim Measures on the Administration of Related Party Transactions of Insurance Companies (《保險公司關聯交易管理暫行辦法》), the Guidelines for Supervision on Consolidation of Accounts of Insurance Groups (《保險集團併表監管指引》) and the Articles of Association, the Company has prepared the report on the related party transactions and the implementation of its management system and the evaluation of internal transactions for the year 2018.

The above matter has been considered at the 12th meeting of the third session of the Board and is now reported to the AGM. The report is set out in Appendix VII to this circular. This report is presented for the Shareholders' review only and no Shareholders' approval is required.

(XII) TO REVIEW THE REPORT ON THE SOLVENCY-RELATED CONDITION OF THE GROUP FOR THE YEAR 2018

According to the relevant requirements of Regulatory Rules on the Solvency Margin of Insurance Companies No.13: Solvency Margin Information Disclosure (《保險公司償付能力監管規則第13號：償付能力信息公開披露》), a session on the explanation of solvency shall be set up during the annual general meetings of insurance companies for the review and analysis on the solvency condition of the company within the year. Pursuant to such requirements, the Company has prepared the report on the solvency-related condition of the PICC Group for the year 2018.

The above matter has been considered at the 12th meeting of the third session of the Board and is now reported to the AGM. The report is set out in Appendix VIII to this circular. The report is presented for the Shareholders' review only and no Shareholders' approval is required.

According to the Company's dividend distribution policy, the proposal for profit distribution of the Company should be based on the solvency margin ratio, business development and demand, operating results and return to Shareholders of the Company and its subsidiaries. In consideration of the above factors and in compliance with the laws and regulations and regulatory requirements, the profit distributed in cash per year shall not be less than 10% of the distributable profit for the year.

Pursuant to the PRC Accounting Standard and International Financial Reporting Standard, the Company recorded a net profit of RMB2.825 billion in the audited financial statements for the year 2018 of the Parent. According to the Company Law and the Articles of Association, the distributable profit was RMB2.543 billion after the appropriation of 10% of net profit in the financial statements to statutory surplus reserve.

Pursuant to the PRC Accounting Standard and International Financial Reporting Standard, the undistributed profit balance of the Parent at the beginning of 2018 was RMB1.781 billion. With the addition of undistributed profit of RMB2.543 billion for the year 2018 and the subtraction of cash dividends of RMB1.672 billion for the year 2017, the undistributed profit balance of the Parent at the end of 2018 was RMB2.652 billion.

Calculated based on the total share capital of 44,223,990,583 Shares, the Company proposed to distribute a cash dividend of RMB0.457 per 10 Shares (inclusive of tax), amounting to RMB2.021 billion in aggregate. The dividend for H Shares will be paid in Hong Kong dollar. The applicable exchange rate shall be the average middle exchange rate of Hong Kong dollars to Renminbi on the interbank foreign exchange market as announced on the China Foreign Exchange Trade System under the authorisation of the People's Bank of China for the five business days (including 21 June 2019) prior to the date on which the dividend is declared at the AGM. Upon the completion of the above distribution, the remaining undistributed profit will be transferred to 2019. The Parent retains the undistributed profit mainly because it can strengthen internal capital reserve for the fulfilment of the need of capital replenishment and promote the long-term sustainable development of the Group.

Withholding and Payment of Income Tax for H Share Dividends

Pursuant to the applicable provisions and the implementing regulations of the PRC Individual Income Tax Law, other relevant laws and regulations, and the regulatory documents, the Company shall, as a withholding agent, withhold and pay individual income tax at the tax rate of 10% on behalf of the individual holders of H Shares in respect of the final dividend for the year 2018 to be distributed to them; however, if it is otherwise stated in the tax regulations and relevant tax treaties, the Company will withhold and pay individual income tax of the dividend in accordance with the required tax rate and procedures set out in the relevant regulations and treaties. If the applicable dividend tax rate is less than 10%, the individual holders of H Shares are entitled to apply for a refund of the excess amount withheld on their own or appoint an agent to act on their behalf according to the tax treaty entered into between their countries of domicile and the PRC and the regulations of the relevant tax authorities.

The Company will withhold the relevant enterprise income tax as well as the individual income tax as required by law.

The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the individual holders of H Shares and for any claims arising from any delay in or inaccurate determination of the tax status or tax treatment of the individual holders of H Shares or any disputes over the withholding mechanism or arrangements.

For non-resident enterprise holders of H Shares, the Company will withhold and pay enterprise income tax at the tax rate of 10% on behalf of such holders of H Shares pursuant to the Notice of the State Administration of Taxation on the Issues Concerning Withholding the Enterprises 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) (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))

Dividend income tax applicable to shareholders in Mainland China investing in H shares of the Company through Shanghai-Hong Kong Stock Connect

For investors of the Shanghai Stock Exchange (including enterprises and individuals) investing in the H Shares of the Company listed on the Hong Kong Stock Exchange (the “Southbound Trading”), the Company has entered into “the Agreement on Distribution of Cash Dividends of H shares for Southbound Trading” (港股通H股股票現金紅利派發協議) with China Securities Depository and Clearing Corporation Limited, pursuant to which China Securities Depository and Clearing Corporation Limited, as the nominee holders of H Shares for Southbound Trading, will receive all cash dividends distributed by the Company and distribute the cash dividends to the relevant investors of H Shares of Southbound Trading through its depository and clearing system.

Withholding and Payment of Individual Income Tax on behalf of Domestic Individual Shareholders Investing through Shanghai-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)), for domestic individual shareholders who invest in H shares of the Company through Shanghai-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 nominee shareholder), the Company will withhold and pay individual income tax at the rate of 20% on their behalf in the distribution of the dividend. For domestic shareholders who are securities investment funds investing in H shares of the Company through Shanghai-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 nominee shareholder), the Company will withhold and pay individual income tax at the rate of 20% on their behalf in the distribution of the dividend.

No Withholding or Payment of Enterprise Income Tax on behalf of Domestic Enterprise Shareholders Investing through Shanghai-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)), for domestic enterprise shareholders who invest in H shares of the Company through Shanghai-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 nominee shareholder), the Company will not withhold or pay enterprise income tax on their behalf in the distribution of the dividend, and the domestic enterprise shareholders shall report and pay the relevant taxes payable by themselves.

Dividend income tax applicable to shareholders in Mainland China investing in H shares of the Company through Shenzhen-Hong Kong Stock Connect

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

Pursuant to 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 Shenzhen-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 nominee shareholder), the Company will withhold and pay individual income tax at the rate of 20% on their behalf in the distribution of the dividend. For domestic shareholders who are securities investment funds investing in H shares of the Company through Shenzhen-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 nominee shareholder), the Company will withhold and pay individual income tax at the rate of 20% on their behalf in the distribution of the dividend.

No Withholding or Payment of Enterprise Income Tax on behalf of Domestic Enterprise Shareholders Investing through Shenzhen-Hong Kong Stock Connect

Pursuant to 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 Shenzhen-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 nominee shareholder), the Company will not withhold or pay enterprise income tax on their behalf in the distribution of the final dividend, and the domestic enterprise shareholders shall report and pay the relevant taxes payable by themselves.

The record date and the date of distribution of cash dividends and other arrangements for the investors of Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect will be the same as those for the holders of H Shares of the Company. Should the holders of H Shares of the Company have any doubt in relation to the aforesaid arrangements, they are recommended to consult their tax advisors for relevant tax implications in Mainland China, Hong Kong and other countries (regions) on the possession and disposal of the H Shares of the Company.

**WORK REPORT OF THE INDEPENDENT DIRECTORS FOR THE YEAR 2018
(AND “PERFORMANCE REPORT OF THE INDEPENDENT DIRECTORS
FOR THE YEAR 2018”)**

In 2018, the independent Directors of The People’s Insurance Company (Group) of China Limited (hereinafter referred to as the “Company”) faithfully, diligently, prudently and independently performed their duties, actively attended the shareholders’ general meetings and meetings of the Board and each professional committee, paid attention to the Company’s operation and management, issued independent opinions, and earnestly safeguarded the lawful interests of the Company and all Shareholders in accordance with the regulatory documents of domestic and foreign laws and regulations such as the Company Law, the Insurance Law, the Securities Law, the Administration of Insurance Institutions’ Independent Directors, the Guiding Opinions on Establishing Independent Director System for Listed Companies and the Corporate Governance Code promulgated by the Hong Kong Stock Exchange, and the relevant requirements in the Articles of Association of the Company (the “Articles of Association”). The report on the performance of the Company’s independent Directors is as follows:

I. BASIC INFORMATION OF THE INDEPENDENT DIRECTORS

As of the date of this report, the Company’s third session of the Board has 14 directors in total, including five independent Directors, namely Mr. Shiu Sin Po, Mr. Ko Wing Man, Mr. Luk Kin Yu, Peter, Mr. Lin Yixiang and Mr. Chen Wuzhao. The number and proportion of independent Directors are in compliance with the regulatory requirements and the Articles of Association. The independent Directors above are all qualified as an independent Director of the Company, and there are no factors affecting their independence.

For the biographical details of the independent Directors, please refer to “Directors, Supervisors, Senior Management and Employees” in the 2018 annual report of the Company.

**II. THE OVERVIEW OF THE PERFORMANCE OF DUTIES BY THE
INDEPENDENT DIRECTORS FOR THE YEAR****(I) The attendance of meetings and the related voting**

In 2018, the Company convened five shareholders’ general meetings, 11 board meetings and 30 meetings of professional committees under the Board. All the independent Directors duly performed their duties and attended every meeting of the Board and professional committees. They all voted in favor of all the resolutions. Before each board meeting, all independent Directors read the Board’s resolutions in detail, looked into the relevant circumstances of the resolutions, fully participated in policy formulation and actively expressed opinions and provided suggestions. Where they could not attend a Directors’ meeting in person due to other work commitments, they appointed another independent Director to attend by proxy and exercised their voting rights in a prompt and effective manner. All Directors’ meetings were attended by the independent Directors. After due consideration for all resolutions, all the independent Directors unanimously voted in favour of all resolutions and none of them

abstained from voting or voted against the resolutions proposed at the Board meetings. The current independent Directors' attendance record of the Board meetings is set out as follows:

Attendance Record of Independent Directors at Board Meetings in 2018

Unit: times (attendance in person/required attendance)

Names	Shareholders' general meeting to be attended	Directors' meeting to be attended	Meetings of professional committees			
			Audit Committee	Nomination and Remuneration Committee	Strategy and Investment Committee	Risk Management Committee
Shiu Sin Po	3/3	8/8	5/5	–	–	3/3
Ko Wing Man	1/3	8/8	–	–	–	3/3
Luk Kin Yu, Peter	0/5	11/11	7/8	9/9	–	–
Lin Yixiang	5/5	10/11	–	9/9	7/7	–
Chen Wuzhao	5/5	11/11	5/5	9/9	–	–
Resigned Directors						
Lau Hon Chuen	1/2	1/3	3/3	–	–	3/3
Xu Dingbo	1/2	3/3	3/3	3/3	–	–

Note: The qualification of Shiu Sin Po and Ko Wing Man as independent Directors was approved by the CBIRC on 14 May 2018. Two independent Directors, Lau Hon Chuen and Xu Dingbo, resigned as an independent director in May 2018. On 19 April 2018, the members of the third session of the Board were elected by the Company's second extraordinary general meeting in 2018. The Board consists of four professional committees: the Audit Committee, the Nomination and Remuneration Committee, the Strategy and Investment Committee, and the Risk Management Committee. The third session of the Board elected the members and the chairman of the relevant professional committees. The composition of the professional committees is in compliance with the relevant regulations. Pursuant to which, Chen Wuzhao serves as the chairman of the Audit Committee and Lin Yixiang serves as the chairman of the Nomination and Remuneration Committee. Due to other work commitments, Lin Yixiang appointed Shiu Sin Po by proxy to attend the seventh meeting of the third session of the Board; Luk Kin Yu, Peter appointed Chen Wuchao by proxy to attend the third meeting of the third session of the Board; Lau Hon Chuen appointed Lin Yixiang and Xu Dingbo by proxy to attend the 37th meeting of the second session of the Board and the 38th meeting of the second session of the Board, respectively.

(II) Channels for understanding the operation and management of the Company

In 2018, all independent Directors obtained information regarding the Company's operation management through various channels, which provided the basis for their rational and prudent decision-making. Among the independent Directors who are the members of four professional committees under the Board, two served as chairmen of two professional committees under the Board. The independent Directors proactively obtained information required for decision making by setting special reports from the Company's management on operation and management matters within the terms of reference of such committees and by actively participating in research and discussion.

They maintained effective communication with external auditors and the Company's legal advisers to obtain objective information from third parties. Furthermore, they apprehended comprehensive information on the Company's operation and management by subscribing for the Company's mobile newspaper (which reports share price and trading information of the Company's Shares daily, premium information monthly and major matters of the Company from time to time), attending operation meetings of the Company, special training for information disclosure of listed companies and studying financial reports, internal control reports, internal audit reports and other information prepared by the Company. Apart from taking part in research and meetings, they also obtained related information by keeping close contacts with the Company via e-mails or telephone. The secretary to the Board was responsible for giving prompt feedback on matters which concerned or demanded by the independent Directors.

All independent Directors were of the view that no communication obstacles with the Company were present as there were various channels to learn about the operations of the Company, the communication was smooth and feedback had been promptly provided.

III. KEY ISSUES IN THE PERFORMANCE OF DUTIES BY INDEPENDENT DIRECTORS FOR THE YEAR

In 2018, Board meetings and Shareholders' meetings of the Company were convened and held in compliance with statutory procedures, principal decisions were made in accordance with relevant procedures and in compliance with requirements of the laws, regulations and the Articles of Association. The independent Directors of the Company thoroughly considered resolutions to be proposed at the Board meetings and expressed professional opinions and suggestions. Apart from the 17 resolutions regarding the listing of A Shares, the independent Directors also put emphasis on the issues such as the related party transactions, the use of proceeds raised, the nomination and remuneration of Director candidates of the Company and senior management.

(I) Related party transactions

In 2018, the independent Directors of the Company provided independent opinions on the related party transactions such as the entering into of PICC Reinsurance's workplace lease contract and the assets entrustment management agreement signed by PICC Life and PICC AMC; the independent Directors considered the related party transactions and the related party transactions management system of the Company for the year, and the reports on the evaluation of internal transactions and on specific auditing results of related party transactions.

(II) Use of proceeds raised

The proceeds raised by the Company were used in accordance with the purpose as depicted in the prospectus, i.e., to supplement the capital of the Group.

(III) Nomination of Director candidates of the Company, and nomination and remuneration of senior management

In 2018, the independent Directors of the Company provided independent opinions on issues such as the nomination of Director candidates of the Company of the third session of the Board, election of the chairman and vice chairman, recruitment of president, vice president and secretary of the Board, and the plan regarding the payment of remuneration to each head of the companies of the Group for the year.

(IV) Engagement of accounting firm

During the reporting period, in accordance with the relevant requirements of preparing annual report, the independent Directors of the Company maintained adequate communication with external auditors of the Company and had dedicated themselves to fulfill their obligation and duty. The independent Directors are of the view that the auditor had complied with the principle of maintaining an independent, objective and fair practice standard during the auditing process, and completed the relevant works. The independent Directors agree to reappoint Deloitte Touche Tohmatsu Certified Public Accountants LLP/Deloitte Touche Tohmatsu as the auditor of the Group Companies for 2019 financial statements.

(V) Cash dividends and other returns for investors

The independent Directors of the Company provided independent opinions for the year 2018 profit distribution plan. The dividend distribution policy of the Company, which is formulated in compliance with the Articles of Association, is determined based on the factors such as the solvency adequacy ratios, business development and needs, operation results and return on equity of the Company and its subsidiaries. Minority Shareholders can fully express their opinions and suggestions with their legitimate interests being properly safeguarded.

(VI) Fulfilment of undertakings by the Company and its Shareholders

As of 31 December 2018, the Company and its shareholders holding more than 5% of the Shares have fulfilled their undertakings in the prospectus.

(VII) Implementation of information disclosure

During the reporting period, the Company strictly complied with the laws and regulations, the Articles of Association and the relevant rules for information disclosure, and duly and fully disclosed regular reports and extraordinary announcements. The independent Directors actively performed their duties in the preparation and disclosure of the annual report and fully communicated and discussed with external auditor on annual audit work.

(VIII) Implementation of internal control

The independent Directors of the Company paid high attention to internal control assessment work, reviewed the internal control assessment report and provided independent opinions to the Board. In 2018, the Company continued to push forward the construction and implementation of internal control regulations. No material deficiencies were identified in the internal control assessment.

(IX) Operation of the Board and the professional committees thereunder

There are four committees under the Board, namely the Audit Committee, the Nomination and Remuneration Committee, the Strategy and Investment Committee and the Risk Management Committee.

In 2018, the Company convened 11 Board meetings in total, and considered and approved 96 resolutions in relation to the profit distribution plan of the Group Companies, annual report, engagement of accounting firm, the nomination of Director candidates of the third session of the Board of the Company, election of the Chairman, etc. The Company convened 30 meetings of professional committees and considered and approved 104 resolutions. Among which, the Audit Committee convened eight meetings and considered the audit plan and cost budget for the year 2018, the result announcement and annual report for the year 2017, the engagement of auditor for 2018 financial statements of the Company and other resolutions; the Nomination and Remuneration Committee convened nine meetings and considered the nomination of Director candidates of the third session of the Board of the Company, the performance report of the Directors for the year 2017, the performance report of the Directors for the year 2017 and other resolutions; the Strategy and Investment Committee convened seven meetings and considered the final account statement for the year 2017, the profit distribution plan for the year 2017, the implementation report of the Group's 2017 annual development plan and other resolutions; the Risk Management Committee convened 6 meetings and considered the 2017 annual risk assessment report, the 2017 internal control evaluation report, the risk appetite statement of the Group for the year 2018 and other resolutions.

In 2018, the independent Directors of the Company diligently attended the meetings of the Board and its special committees and actively put forward suggestions, which promoted the scientific and efficient decision-making of the Board.

Regarding all opinions and suggestions made by the independent Directors on related issues, the management of the Company responded promptly and adopted them in a timely manner, and there were no circumstances where the opinion of any independent Director could not be expressed. The professional opinions made by the independent Directors are critical for improving the Company's operation and management and pushing forward changes for the Group's development. In the case of intensive meetings and overlapping meetings, major projects will still be completed on schedule via coordination and planning.

IV. OVERALL EVALUATION AND RECOMMENDATION

In 2018, all independent Directors performed their duties diligently and faithfully and fully used their expertise. They were able to attend the shareholders' general meetings and the meetings of the Board and relevant professional committees with sufficient time and energy, and thoroughly fulfill their duties as stipulated by the laws and regulations and the Articles of Association. During the decision-making process, all independent Directors could make objective and impartial judgments, fully express their opinions on relevant matters, remain independent and objective in decision-making on significant matters of the Company, and actively facilitate the listing of the A Shares of the Company. Through participation in the Board meeting, discussions with functional divisions and communication with external auditor, the independent Directors have a deep understanding of the Company's operations, and are capable of providing constructive opinions and advice on the Company's business development and of safeguarding the lawful interests of the Company and all Shareholders earnestly.

All independent Directors believe that during the reporting period, the Board of Directors and various professional committees of the Company thoroughly implemented the central policy spirit and decision-making arrangements, in accordance with national laws and regulations, regulatory rules and the Articles of Association, efficient and standardized operation played an active role in corporate governance and decision-making of major issues. Guided by Xi Jinping's new era of socialism with Chinese characteristics, the management of the Company adhered to the general work guideline of making progress while maintaining stability, implemented new development concept, and used the "3411 Project" of the Group as the main line to accelerate the transformation towards high quality and implemented party committee decision-making and Board resolutions seriously. Each operation target of the Group for the year 2018 was accomplished in a satisfactory manner. The Company achieved hard-won reform and development achievements in a complex and ever-changing external environment. Despite the challenging and changing external environment, the Company achieved the hard-won reform development results.

In 2019, the Company's independent Directors will continue to perform their duties faithfully and diligently, fully realise the roles of independent Directors, safeguard the Company's overall interests and the legitimate rights and interests of all Shareholders, and promote the healthy and sustainable development of the Company.

APPENDIX IV THE COMPARISON TABLE OF THE ARTICLES OF ASSOCIATION OF THE PEOPLE'S INSURANCE COMPANY (GROUP) OF CHINA LIMITED

The comparison table of the Articles of Association of The People's Insurance Company (Group) of China Limited																														
Current provisions			Proposed amendments			Reasons or bases for the amendments																								
<p>Article 21 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 [●].</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 border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Name of promoter</th> <th style="text-align: center;">Capital Contribution (in billion) (RMB/Yuan)</th> <th style="text-align: center;">Number of shares subscribed (billion shares)</th> <th style="text-align: center;">Percentage</th> <th style="text-align: center;">Means of Capital Contribution</th> <th style="text-align: center;">Date of Capital Contribution</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">The Ministry of Finance</td> <td style="text-align: center;">30.6</td> <td style="text-align: center;">30.6</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">Conversion of the net asset value of the Company before its reformation into share capital</td> <td style="text-align: center;">Fully-paid before 30 June 2009</td> </tr> </tbody> </table>			Name of promoter	Capital Contribution (in billion) (RMB/Yuan)	Number of shares subscribed (billion shares)	Percentage	Means of Capital Contribution	Date of Capital Contribution	The Ministry of Finance	30.6	30.6	100%	Conversion of the net asset value of the Company before its reformation into share capital	Fully-paid before 30 June 2009	<p>Article 21 Upon approval by the examination and approval authorities authorized by the State Council, the total number of ordinary shares that the Company may issued is 44,223,990,583.</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 69.19% 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 border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Name of promoter</th> <th style="text-align: center;">Capital Contribution (in billion) (RMB/Yuan)</th> <th style="text-align: center;">Number of shares subscribed (billion shares)</th> <th style="text-align: center;">Percentage</th> <th style="text-align: center;">Means of Capital Contribution</th> <th style="text-align: center;">Date of Capital Contribution</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">The Ministry of Finance</td> <td style="text-align: center;">30.6</td> <td style="text-align: center;">30.6</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">Conversion of the net asset value of the Company before its reformation into share capital</td> <td style="text-align: center;">Fully-paid before 30 June 2009</td> </tr> </tbody> </table>			Name of promoter	Capital Contribution (in billion) (RMB/Yuan)	Number of shares subscribed (billion shares)	Percentage	Means of Capital Contribution	Date of Capital Contribution	The Ministry of Finance	30.6	30.6	100%	Conversion of the net asset value of the Company before its reformation into share capital	Fully-paid before 30 June 2009	<p>Fill in the relevant information according to the listing of A Shares of the group company.</p>
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APPENDIX IV THE COMPARISON TABLE OF THE ARTICLES OF ASSOCIATION OF THE PEOPLE'S INSURANCE COMPANY (GROUP) OF CHINA LIMITED

<p>Article 23 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 issued by the Company upon completion of the initial public offering and listing of H Shares.</p> <p>Prior to its initial public offering and completion of listing of 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 upon completion of the initial public offering and listing of H Shares; 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 upon completion of the initial public offering and listing of H Shares 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 upon completion of the initial public offering and listing of H Shares.</p>	<p>Article 23 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 issued by the Company upon completion of the initial public offering and listing of H Shares.</p> <p>Prior to its initial public offering and completion of listing of 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 upon completion of the initial public offering and listing of H Shares; 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 upon completion of the initial public offering and listing of H Shares 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 upon completion of the initial public offering and listing of H Shares.</p>	<p>Fill in the relevant information according to the listing of A Shares of the group company.</p> <p>Pursuant to Article 7 of the Guidance on Insurance Companies' Articles of Association: "when a shareholder transfers shares, he/she shall indicate the previous share transfer in the remark, including the number of shares transferred, the counterparty, the date of the transfer, and the document number of the approval of CIRC or the filing number of the Company", the Company increased the terms of the equity transfer conducted by the Ministry of Finance.</p>
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APPENDIX IV THE COMPARISON TABLE OF THE ARTICLES OF ASSOCIATION OF THE PEOPLE’S INSURANCE COMPANY (GROUP) OF CHINA LIMITED

<p>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. 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>Upon On the completion of the offering and listing of A Shares, the Company’s share capital structure is: 44,223,990,583 ordinary shares in total, among which 35,497,756,583 are domestically listed shares, representing 80.27% of the total ordinary shares issued by the Company upon completion of the offering and listing of A Shares; and 8,726,234,000 are overseas listed foreign shares, representing 19.73% of the total ordinary shares issued by the Company upon completion of the initial public offering and listing of A Shares. 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>After the completion of the offering and listing of A Shares, pursuant to the “Notice of the Ministry of Finance and Ministry of Human Resources and Social Security on the Relevant Issues Concerning the Transfer of Certain State-owned Capital of Central Financial Institutions such as The People’s Insurance Company (Group) of China Limited” (Cai Zi [2018] no.96), and the “Approval of CBIRC on the Change of Shareholder of The People’s Insurance Company (Group) of China Limited” (CBIRC Approval [2019] no.453), the Ministry of Finance would transfer 10% of the equity interest in the Company to the Social Security Fund on a one-off basis and the number of shares transferred was 2,989,618,956 restricted circulating A Shares. Upon the completion of the transfer, the Company’s shares held by the Ministry of Finance were changed to 26,906,570,608 restricted circulating A Shares, accounting for 60.84% of the total share capital of the Company; the Company’s shares held by the Social Security Fund were changed to 6,791,185,975 restricted circulating A Shares, accounting for 15.36% of the total share capital of the Company.</p>	
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APPENDIX IV THE COMPARISON TABLE OF THE ARTICLES OF ASSOCIATION OF THE PEOPLE'S INSURANCE COMPANY (GROUP) OF CHINA LIMITED

<p>Article 24 The shareholding of the Company is as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="width: 5%;">Number</th> <th style="width: 65%;">Name of Shareholder</th> <th style="width: 15%;">Number of Shares Held</th> <th style="width: 15%;">% of the Total Share Capital</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Domestically Listed Shares held by the Ministry of Finance</td> <td>[●]</td> <td>[●]</td> </tr> <tr> <td>2</td> <td>Domestically Listed Shares held by Social Security Fund</td> <td>[●]</td> <td>[●]</td> </tr> <tr> <td>3</td> <td>Domestically Listed Shares held by other shareholders</td> <td>[●]</td> <td>[●]</td> </tr> <tr> <td>4</td> <td>Overseas Listed Foreign Shares (including Overseas Listed Foreign Shares held by Social Security Fund)</td> <td>[●]</td> <td>[●]</td> </tr> <tr> <td colspan="2">In total</td> <td>[●]</td> <td>100%</td> </tr> </tbody> </table> <p>Notes:</p> <p>[Status of transfer]</p> <p>[Shareholders holding restricted circulating shares] Name of shareholder – number of shares – percentage to share capital – lock-up period for restricted circulating shares</p>	Number	Name of Shareholder	Number of Shares Held	% of the Total Share Capital	1	Domestically Listed Shares held by the Ministry of Finance	[●]	[●]	2	Domestically Listed Shares held by Social Security Fund	[●]	[●]	3	Domestically Listed Shares held by other shareholders	[●]	[●]	4	Overseas Listed Foreign Shares (including Overseas Listed Foreign Shares held by Social Security Fund)	[●]	[●]	In total		[●]	100%	<p>Article 24 The shareholding of the Company is as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="width: 5%;">Number</th> <th style="width: 65%;">Name of Shareholder</th> <th style="width: 15%;">Number of Shares Held</th> <th style="width: 15%;">% of the Total Share Capital</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Domestically Listed Shares held by the Ministry of Finance</td> <td>26,906,570,608</td> <td>60.84%</td> </tr> <tr> <td>2</td> <td>Domestically Listed Shares held by Social Security Fund</td> <td>6,791,185,975</td> <td>15.36%</td> </tr> <tr> <td>3</td> <td>Domestically Listed Shares held by other shareholders</td> <td>1,800,000,000</td> <td>4.07%</td> </tr> <tr> <td>4</td> <td>Overseas Listed Foreign Shares (including Overseas Listed Foreign Shares held by Social Security Fund)</td> <td>8,726,234,000</td> <td>19.73%</td> </tr> <tr> <td colspan="2">In total</td> <td>44,223,990,583</td> <td>100%</td> </tr> </tbody> </table> <p>Notes:</p> <p>The Ministry of Finance holds 26,906,570,608 restricted circulating shares, accounting for 60.84% of the shareholding. The lock-up period of which is within 36 months from the completion date of the initial public offering and listing of A Shares (i.e. 16 November 2018, same as below). The Social Security Fund holds 6,791,185,975 restricted circulating shares, accounting for 15.36% of the shareholding, of which the lock-up period of 2,989,618,956 shares is within 36 months from the completion date of the initial public offering and listing of A Shares and the lock-up period of 3,801,567,019 shares is within 12 months from the completion date of the initial public offering and listing of A Shares. During the initial public offering and listing of A Shares, the Company privately placed 788,760,000 restricted circulating shares to strategic investors, accounting for 1.78% of the shareholding. The lock-up period of which is within 12 months from the completion date of the initial public offering and listing of A Shares.</p>	Number	Name of Shareholder	Number of Shares Held	% of the Total Share Capital	1	Domestically Listed Shares held by the Ministry of Finance	26,906,570,608	60.84%	2	Domestically Listed Shares held by Social Security Fund	6,791,185,975	15.36%	3	Domestically Listed Shares held by other shareholders	1,800,000,000	4.07%	4	Overseas Listed Foreign Shares (including Overseas Listed Foreign Shares held by Social Security Fund)	8,726,234,000	19.73%	In total		44,223,990,583	100%	<p>Fill in the relevant information according to the current shareholding after the equity transfer conducted by the Ministry of Finance.</p> <p>Pursuant to Article 7 of the Guidance on Insurance Companies' Articles of Association: "if the Company has been listed, the shareholding table shall record the shareholding of the shareholders who hold restricted circulating shares, including the full names of the shareholders, the number of shares, the percentage to share capital and the lock-up period for restricted circulating shares", the Company provides more information regarding the lock-up period of the shares.</p>
Number	Name of Shareholder	Number of Shares Held	% of the Total Share Capital																																															
1	Domestically Listed Shares held by the Ministry of Finance	[●]	[●]																																															
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APPENDIX IV THE COMPARISON TABLE OF THE ARTICLES OF ASSOCIATION OF THE PEOPLE'S INSURANCE COMPANY (GROUP) OF CHINA LIMITED

<p>Article 27 The registered capital of the Company is RMB[●], and the paid-up capital of the Company is RMB[●]. Any increase or decrease of the Company's registered capital shall be handled in accordance with the Company Law, the relevant regulations of the CBIRC and other regulatory authorities, and procedures set forth in the Articles. The Company shall file for approval from the CBIRC for any change of the Company's registered capital and register the change with the registry authority according to the law.</p>	<p>Article 27 The registered capital of the Company is RMB44,223,990,583, and the paid-up capital of the Company is RMB44,223,990,583. Any increase or decrease of the Company's registered capital shall be handled in accordance with the Company Law, the relevant regulations of the CBIRC and other regulatory authorities, and procedures set forth in the Articles. The Company shall file for approval from the CBIRC for any change of the Company's registered capital and register the change with the registry authority according to the law.</p>	<p>Fill in the relevant information according to the listing of A Shares of the group company.</p>
<p>Article 29 The Company may, in the following circumstances, buy back its own shares in accordance with laws, regulations, other regulatory documents and the Articles:</p> <p>(1) reduce its registered capital; (2) merger with another company holding shares in the Company; (3) request the Company to buy back shares held by shareholders disputing resolutions passed during shareholders' general meetings in relation to the merger or division of the Company; or (4) other circumstances permitted by laws, regulations and regulatory documents.</p> <p>The Company shall not conduct any activities to buy-back shares other than in the above circumstances.</p> <p>When the Company is to buy back shares because of the circumstances (1) and (2) set out above, prior approval shall be obtained in shareholders' general meeting.</p> <p>Under the circumstances set out in (1), the shares shall be cancelled within 10 days of buy-back; Under the circumstances set out in (2) and (3), the shares shall be transferred or cancelled within six months of buy-back.</p>	<p>Article 29 The Company may, in the following circumstances, buy back its own shares in accordance with laws, regulations, other regulatory documents and the Articles:</p> <p>(1) reduce its registered capital; (2) merger with another company holding shares in the Company; (3) use the shares for employee stock ownership plan or as equity incentive; (3)(4) request the Company to buy back shares held by shareholders disputing resolutions passed during shareholders' general meetings in relation to the merger or division of the Company; (5) use the shares for conversion of corporate bonds which are convertible into shares issued by the Company; (6) where it is necessary for the Company to safeguard the value of the Company and the interests of its shareholders; (4)(7) other circumstances permitted by laws, regulations and regulatory documents.</p> <p>The Company shall not conduct any activities to buy-back shares other than in the above circumstances.</p>	<p>Amend the Article according to the terms of share repurchase in Article 142 of the Company Law.</p>

**APPENDIX IV THE COMPARISON TABLE OF THE ARTICLES OF
ASSOCIATION OF THE PEOPLE’S INSURANCE
COMPANY (GROUP) OF CHINA LIMITED**

	<p>When the Company is to buy back shares because of according to the circumstances in (1) and (2) set out above, prior approval shall be obtained in shareholders’ general meeting. Any acquisition of the Company’s shares under the circumstances in (3), (5) and (6) shall be resolved by the general meeting as required in Article 67 of the Articles, or be resolved by the Board meeting where over two-thirds of the directors are present according to the authorisation granted by the shareholders’ general meeting.</p> <p>Under the circumstances set out in (1), the shares shall be cancelled within 10 days of buy-back; under the circumstances set out in (2) and (4), the shares shall be transferred or cancelled within six months of buy-back; under the circumstances set out in (3), (5) and (6), the total shares of the Company held by the Company itself shall not exceed 10% of its total shares in issue and shall be transferred or cancelled within three years of buy-back.</p> <p>If the Company acquires its own shares, it shall fulfil its disclosure obligation as required under the Securities Law. If the Company acquires its own shares under the circumstances in (3), (5) and (6), it shall be carried out through public and centralized trading.</p>	
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THE PEOPLE'S INSURANCE COMPANY (GROUP) OF CHINA LIMITED

PROPOSAL ON THE GRANT OF A GENERAL MANDATE TO ISSUE SHARES

1. Details of the proposal

- (1) Subject to the condition listed in paragraph (2) below and the minimum percentage held by the public as required by the Listing Rules, the Board shall be authorized to separately or concurrently authorize, allot, issue, grant and/or otherwise deal with Shares (overseas-listed foreign shares and/or domestic shares, including A shares, same as below), securities that are convertible into Shares, or options, and warrants that carry rights to subscribe for any Shares or securities that are convertible into Shares, or other similar securities during the Relevant Period (as defined below).

Notwithstanding the fulfillment of the conditions set out in paragraph (2) below, if the allotment of voting Shares will result in a *de facto* change of control of the Company, the Board shall separately obtain authorization by way of a special resolution before making such an allotment.

- (2) It is proposed that the number of overseas-listed foreign shares, domestic shares, securities that are convertible into Shares, or options, warrants or other similar securities with rights to subscribe for or convert to Shares (which shall be calculated on the basis of the number of overseas-listed foreign shares and domestic shares that such securities can be converted into) to be authorized, allotted, issued, granted and/or otherwise dealt with by the Board shall not exceed 20% of the respective total number of overseas-listed foreign shares or domestic shares of the Company issued as of the date of passing of this resolution at the AGM.
- (3) For the purposes of this resolution, "Relevant Period" means the period from the passing of this special resolution at the AGM until the earliest of one of the following:
1. the conclusion of the next annual general meeting of the Company following the passing of this resolution at the AGM;
 2. the expiration of the 12-month period following the passing of this resolution at the AGM;
 3. the date on which the general mandate to issue Shares and matters such as authorizations of the Board as set out in this resolution are revoked or revised by a special resolution of the Shareholders of the Company in a general meeting.

- (4) The Board shall exercise the mandate as set out in paragraph (1) above subject to the relevant applicable laws, regulations and regulatory documents (including but not limited to the requirements of the regulatory authorities of the places where the Company's Shares are listed).
- (5) The Board is authorized to determine the specific issue proposal, including but not limited to: 1. the class and number of the Shares proposed to be issued; 2. the pricing mechanism and/or issue price (including price range); 3. the opening and closing date of such issue; 4. use of proceeds; 5. the making or granting of relevant proposals, agreements and share options which may involve the exercise of such power; 6. any other details that the specific issue proposal shall include, as required by the relevant laws, regulations and other regulatory documents as well as other requirements of the relevant regulatory authorities and the stock exchanges of the places where the Shares are listed.
- (6) The Board is authorized to implement the issue proposal and to increase the registered capital of the Company to reflect the Shares issued by the Company as authorized by this resolution, to make such appropriate and necessary amendments to the Articles of Association regarding issued Shares and registered capital as well as to take any other action and complete any formality required to effect the issue proposal and the increase in the registered capital of the Company.

2. Related authorizations

To increase the efficiency in decision-making, reduce the internal approval procedures and seize market opportunities, in relation to the general mandate to issue Shares, it is proposed to the Board and in turn to the general meeting to authorize the Board, and the Board further authorizes the Chairman, to deal with matters regarding the general mandate to issue Shares, and to authorize the Chairman to delegate to any executive director, president or vice president to jointly or severally handle the matters relating to issuing Shares under the general mandate. The specific details of the above authorization to the Chairman by the Board and the delegation by the Chairman shall be determined by the Board upon the exercise of the general mandate under this resolution.

**THE PEOPLE’S INSURANCE COMPANY (GROUP)
OF CHINA LIMITED**

**PERFORMANCE REPORT OF THE DIRECTORS
FOR THE YEAR 2018**

In 2018, all Directors of The People’s Insurance Company (Group) of China Limited (hereinafter referred to as the “Company”) earnestly, diligently, faithfully and conscientiously performed their duties according to the relevant laws and regulations and the Articles of Association, details of which are reported as follows:

I. THE COMPOSITION OF THE BOARD

According to the Articles of Association, the Board shall comprise 14 members, of which four shall be executive Directors, five shall be non-executive Directors and five shall be independent Directors. In 2018, the Board successfully completed re-election. The third session of the Board comprises Miao Jianmin (Chairman), Bai Tao (Vice Chairman, President), Xie Yiqun (Vice President) and Tang Zhigang (Vice President) as the executive Directors; Wang Qingjian, Xiao Xuefeng, Hua Rixin, Cheng Yuqin and Wang Zhibin as the non-executive Directors; Shiu Sin Por, Ko Wing Man, Luk Kin Yu, Peter, Lin Yixiang and Chen Wuzhao as the independent Directors.

II. ATTENDANCE OF MEETINGS BY THE DIRECTORS

All Directors attended the Board meetings in 2018, where they conscientiously participated in policy formulation, considered each resolution and duly performed their duties. When they could not attend a Board meeting in person due to other work commitment, they appointed another Director by proxy to attend and exercised their voting rights in a prompt and effective manner. The current Directors’ attendance record of the Board meetings held in 2018 is set out as follows:

Unit: times

Name	Board meeting to be attended in the year	Attendance in person	Attendance by proxy	Remarks
Executive Directors				
Miao Jianmin	11	8	3	<p>Unable to attend the fourth meeting of the third session of the Board in person due to other work commitments; he appointed executive Director Xie Yiqun to attend and vote at the meeting on his behalf.</p> <p>Unable to attend the eighth and ninth meetings of the third session of the Board in person due to other work commitments; he appointed executive Director Tang Zhigang to attend and vote at those meetings on his behalf.</p>

Name	Board meeting to be attended in the year	Attendance in person	Attendance by proxy	Remarks
Executive Directors				
Bai Tao	1	0	1	Qualification was approved by the CBIRC on 23 October 2018. Unable to attend the ninth meeting of the third session of the Board in person due to other work commitments; he appointed executive Director Tang Zhigang to attend and vote at the meeting on his behalf.
Xie Yiqun	11	9	2	Unable to attend the sixth meeting of the third session of the Board in person due to other work commitments; he appointed the Chairman Miao Jianmin to attend and vote at the meeting on his behalf. Unable to attend the eighth meeting of the third session of the Board in person due to other work commitments; he appointed executive Director Tang Zhigang to attend and vote at the meeting on his behalf.
Tang Zhigang	11	9	2	Unable to attend the sixth meeting of the third session of the Board in person due to other work commitments; he appointed the Chairman Miao Jianmin to attend and vote at the meeting on his behalf. Unable to attend the seventh meeting of the third session of the Board in person due to other work commitments; he appointed executive Director Xie Yiqun to attend and vote at the meeting on his behalf.
Non-executive Directors				
Wang Qingjian	11	11	0	/
Xiao Xuefeng	11	11	0	/
Hua Rixin	11	11	0	/
Cheng Yuqin	11	10	1	Unable to attend the 38th meeting of the second session of the Board in person due to other work commitments; she appointed non-executive Director Wang Qingjian to attend and vote at the meeting on her behalf.
Wang Zhibin	11	9	2	Unable to attend the sixth and ninth meetings of the third session of the Board in person due to other work commitments; he appointed non-executive Director Wang Qingjian to attend and vote at those meetings on his behalf.

Name	Board meeting to be attended in the year	Attendance in person	Attendance by proxy	Remarks
Independent non-executive Directors				
Shiu Sin Por	8	8	0	Qualification was approved by the CBIRC on 14 May 2018.
Ko Wing Man	8	8	0	Qualification was approved by the CBIRC on 14 May 2018.
Luk Kin Yu, Peter	11	11	0 /	
Lin Yixiang	11	10	1	Unable to attend the seventh meeting of the third session of the Board in person due to other work commitments; he appointed independent non-executive Director Shiu Sin Por to attend and vote at the meeting on his behalf.
Chen Wuzhao	11	11	0 /	

III. Votes and expression of opinions

In 2018, the Company convened 11 Board meetings, among which 10 were held onsite and 1 was conducted by circulation of written resolutions, 96 resolutions were considered. All matters considered during the meetings were resolved by all Directors, who were well-informed and made decisions after due consideration, with their opinions fully expressed. All resolutions were unanimously passed.

In 2018, 30 meetings of professional committees under the Board were convened, among which the Audit Committee convened 8 meetings, the Nomination and Remuneration Committee convened 9 meetings, the Strategy and Investment Committee convened 7 meetings, the Risk Management Committee convened 6 meetings. All professional committees under the Board thoroughly considered the resolutions proposed at the Board meetings, expressed professional opinions and provided suggestions, and fully performed their function to assist with decision-making.

IV. Efforts made by the Directors in understanding the operation and management of the Company

In 2018, all Directors are diligent and conscientious in understanding the operations and management of the Company through various channels and methods.

1. Effective discussion meetings of the Directors. Before each Board meeting, discussion meetings were organised to provide Directors with relative comprehensive understanding of significant matters relating to the proposed resolutions. In addition to discussion meetings relating to the proposed resolutions, Directors promptly received reports and conduct consultation in relation to significant matters and concerns of the Company. In 2018, the Directors of the Company held 11 discussion meetings.

2. Various key regular meetings relating to operation and management of the Company. Through annual and semi-annual operation meetings and quarterly operational analysis meetings, the Directors promptly learn about the Company's operation and risk control situation.
3. Ordinary information channels. The Company promptly circulated relevant documents of the State Council and relevant ministries among the Directors. Through various means such as the OA system, emails and paper documents, the Company also promptly provided Directors with various day-to-day information such as important speeches of the Company's leaders, monthly statistics, financial reports and financial analysis reports, regulatory requirements, third party research reports and information of financial market and insurance market. Furthermore, share price and trading information of the Company's Shares (daily), premium information (monthly) and major matters of the Company (from time to time) are reported and sent via mobile phones.
4. Regular internal and external review and research. Non-executive Directors learn about the Company and related information of the industry through internal and external review and research.

V. TRAINING OF DIRECTORS

In 2018, Directors actively engaged in reviews and researches and trainings. 21 internal and external reviews and researches were held in aggregate and Directors have carried out the review and research on Agricultural Insurance Development and Application of Financial Technology in Insurance Industry launched by the Ministry of Finance. In particular, Directors visited eight provinces, conducted written investigation for four subsidiaries and 9 provincial branches, held five highlight seminars and completed the Review and Research Report on Development of Agricultural Insurance in China (《關於我國農業保險發展狀況的調研報告》) and the Research Report on Application and Risk Control of Financial Technology in Insurance Businesses (《金融科技在保險業務中的應用與風險控制研究報告》). Relevant Directors attended the lectures related to management of earthquake risk and completed the Research of Risk Management Model of Earthquake Catastrophe Insurance in China (《我國地震巨災保險風險管理模式研究》). In the meantime, relevant Directors paid visits to three subsidiaries and eight departments of the Group companies and conducted review and research so as to be familiar with the operation and management of those subsidiaries and departments.

In 2018, all Directors proactively participated in continuing professional development, took initiatives to learn policies, theories and insurance business, and actively accumulated relevant insurance industry knowledge through various channels. They attended training courses for new Directors, the enhancement of state-owned enterprises Directors' capability to perform duties, domestic and overseas regulatory requirements and cases of non-compliance in relation to information disclosure by listed insurance company, updates on accounting standards for enterprises, etc. organized by Shareholders, regulatory institutions, industry organizations, professional intermediaries and the Company. The Company completed the listing of A Shares in November 2018, all Directors proactively attended guidance training for A Share offering and listing, and carefully studied relevant

laws and regulatory requirements. The Directors developed and updated their knowledge and skills as well as enhanced their performance of duties, so as to ensure that they contribute to the Board based on comprehensive and required information.

VI. ROLE OF DIRECTORS IN CORPORATE GOVERNANCE

In accordance with the domestic and overseas regulatory requirements, the relevant laws and regulations, the Articles of Association and other rules and systems, each Director strictly observed professional ethics, remained incorruptible and self-disciplined and performed their duties diligently and prudently. The Directors actively explored ways to operate the Board effectively for the listed company, improved innovative information and communication channels and capability to grasp the domestic and overseas macroeconomic situation and the development trend of financial markets and to perform duties, and strived to enhance the Board's decision-making effectiveness and quality.

In 2018, with the assistance of professional committees under the Board, each Director of the Company fully utilized his/her professional strength and provided professional opinions on the annual regular issues, 17 resolutions related to the listing of A Shares and 20 other important resolutions of the subsidiaries. Such advice was critical for improving the Company's operation and management. Meanwhile, the Directors also carried out review and research on specific topics, which provided important reference and support for the Board's decision-making and effectively improved the Company's corporate governance.

**REPORT ON RELATED PARTY TRANSACTIONS AND
THE IMPLEMENTATION OF ITS MANAGEMENT SYSTEM AND
THE EVALUATION OF INTERNAL TRANSACTIONS
FOR THE YEAR 2018**

According to the Interim Measures on the Administration of Related Party Transactions of Insurance Companies (《保險公司關聯交易管理暫行辦法》) issued by the CIRC in April 2007 (hereinafter referred to as the “Interim Measures”) and the Guidelines for Supervision on Consolidation of Accounts of Insurance Groups (《保險集團併表監管指引》) issued by the CIRC in December 2014, the Company is required to report the related party transactions and the implementation of the related party transactions management system of the Company for the year 2018 and the internal transactions evaluation of the PICC group (the “Group”) for the year 2018. As the related party transactions of the Company in 2018 were also the internal transactions of the Group, they are reported together as follows:

I. RELATED PARTY TRANSACTIONS OF THE COMPANY IN 2018

Related party transaction is an important mean of the Group to fully achieve synergy effects, and enables the Group to allocate resources reasonably, operate businesses as a group and realise its overall strategic goals.

In 2018, the Company conducted related party transactions with its subsidiaries following the principles of compliance, integrity and fairness. The aggregate amount of the related party transactions was RMB1,697 million. The transactions mainly included utilisation of funds and investment entrusted management; insurance services; asset leasing and property management services. The prices of such transactions did not deviate from the price or standard charge offered by independent third party in the market and complied with the requirement of fairness. In 2018, major related party transactions of the Company were proposed to the Board for consideration and were reported to the CBIRC for public disclosure in accordance with regulatory requirements. Among which, the RMB Asset Entrustment Management Agreement, the Foreign Currency Asset Entrustment Management Agreement and the Related Party Transaction Framework Agreement in Investment Business signed by the Company and the related subsidiaries are unified transaction agreements.

**II. THE IMPLEMENTATION OF THE MANAGEMENT SYSTEM OF THE
RELATED PARTY TRANSACTIONS OF THE COMPANY FOR THE YEAR 2018**

In 2018, the Company strictly implemented external regulatory requirements such as Interim Measures and the listing rules of the stock exchanges on which the shares of the Company are listed and the internal management system such as the Company’s Management Measures of Related Party Transactions, further strengthened the management and risk control on the related party transactions, improved relevant systems and work flow, strengthened the responsibility of approval procedures, and enhanced the effectiveness of control to ensure that the Company’s management system of the related party transactions

complies with the regulatory requirements of the CBIRC, the Shanghai Stock Exchange and the Hong Kong Stock Exchange. Meanwhile, the Company continued to enhance the guidance on the management of the related party transactions for respective subsidiaries.

(I) Formation of Working Systems of Related Party Transaction Control Committee

Pursuant to relevant regulatory requirements and the rules and regulations of the Company, the Company integrated its actual position and formulated the Working Systems of Related Party Transaction Control Committee which stipulates the specific rules regarding to the organisation structure, work duties, work flows and rules of procedure of the Related Party Transaction Control Committee under the management. In this regard, the Company has further improved the organisation structure for the management of related party transactions and strengthened the management and risk control of related party transactions.

(II) Strengthening the Training on Related Party Transaction Management pursuant to the Listing Status of A Share

The Company completed the issuance and listing of A Share in 2018. Through integrating with relevant regulatory requirements of A Share listed companies, the Company organised specific trainings on related party transactions for all staff members of the Group to sort out and introduce the relevant regulatory requirements of related party transactions and specify the latest requirements of the company on the management of such transactions. In addition, the Company held trainings for employees by launching the “Compliance Culture Month” activity and the online training platform. Each subsidiary has commenced relevant trainings on related party transactions to arouse employees’ awareness of compliance thereof.

(III) Strict implementation of the approval and reporting procedures for related party transactions

In 2018, pursuant to the management framework determined in the Company’s Management Measures of Related Party Transactions and the work procedures and procedural rules as stipulated in the Working System of Related Party Transaction Control Committee, the general meeting, the Board, the Board of Supervisors, the management and the related party transaction control committee performed their duties and functions on approving and supervising related party transactions in accordance with laws, and every functional division completed the identification and approval of work of related party transactions in accordance with the requirements. The subsidiaries also performed the identification and approval of related party transactions according to the relevant regulatory requirements and the related party transaction management system of the Company.

(IV) Enhancement of Effectiveness of Related Party Transaction Management of the Group

In 2018, the Company continued to optimise the management of related party transactions of the Group and strengthened its guidelines and support provided to subsidiaries regarding the management of related party transactions. With the actual situation of the issuance and listing of A share, the Company further sorted out and specified the requirements of identification, control and information delivery of related party transactions by the subsidiaries. It entered into the Related Party Transaction Framework Agreement in Investment Business with its subsidiaries including PICC AMC. The Company also guided and facilitated various subsidiaries to enter into different related party transaction framework agreements so as to enhance the efficiency of the related party transaction management in compliance with the regulatory requirements. In reviewing the material related party transactions entered between the subsidiaries and related parties, the Company provided guidelines to the subsidiaries to prepare the resolutions comprehensively in the pursuit of ensuring fair pricing and preventing against compliance risks.

(V) Commencement of the quarter statistic report on related party transaction

Pursuant to the relevant regulatory requirements of the CBIRC, the Company continued to carry out statistical work on related party transactions, gathered the transaction data with the aid of related party transaction management system, submitted quarterly report and statistic charts of related party transactions to the CBIRC on time and supervised its subsidiaries to get the statistic and reporting work done properly.

(VI) Properly disclosing related party transactions

Pursuant to the relevant regulatory requirements of the CBIRC, the Company strictly performed its disclosure obligations in relation to related party transactions. Major related party transactions and other related party transaction which requires disclosure on a case by case basis were disclosed on the websites of the Company and the Insurance Association of China timely and accurately. The quarterly classified consolidated disclosure of related party transactions were also completed timely. Meanwhile, the Company also supervised its subsidiaries to ensure proper information disclosure on related party transactions.

(VII) Updating and optimizing the database of related parties

In 2018, pursuant to the regulatory requirements of the Shanghai Stock Exchange, the Company established a list of related parties under the regulatory caliber of A Share related party transactions; the Company continued to promptly collect relevant information, update and optimize the database of related parties in accordance with the scope of related party transaction determined by CBIRC and the Hong Kong Stock Exchange. The Company also supervised and provided assistance to the subsidiaries to update their database of each related party.

(VIII) Conducting specific audit on related party transactions

Currently, the Company has finished specific audit on related party transactions of 2018 in accordance the Rule 18 of the Interim Measures.

In view of the above, the Company effectively implemented the related party transaction management, implemented external regulatory requirements and internal management system in 2018, so as to effectively protect the legal interests of the Company, policy holders, insureds, beneficiaries and Shareholders as a whole.

III. EVALUATION OF INTERNAL TRANSACTIONS OF THE GROUP IN 2018

The Company proactively implemented management and control measures for internal transactions, including monitoring and gathering statistics from internal transactions and analysing the relevant receivables and payables, background of the business transactions and the effect of internal transactions on assets and liabilities, income and regulatory metrics. The Company and its subsidiaries also strictly implemented the management system of related party transactions in respect of related party transactions which also constituted internal transactions of the Group.

In 2018, internal transactions mainly included distribution of profit, utilisation of funds and investment entrusted management, mutual insurance sales agency, asset leasing, insurance services and property management services.

After evaluation, all internal transactions were found to have true business transaction background and the prices of such transactions did not deviate from the price or standard charge offered by independent third parties in the market and complied with the requirement of fairness. The transactions between the Company and the subsidiaries and among the subsidiaries were offset in the consolidated statements of the Group and have no impact on the consolidated assets and liabilities, income and regulatory metrics of the Group.

**REPORT ON THE SOLVENCY-RELATED CONDITION
OF THE PICC GROUP FOR THE YEAR 2018**

As of the end of 2018, the actual capital of The People's Insurance Company (Group) of China Limited (the "PICC Group") amounted to RMB292.68 billion, representing an increase of 16.1% as compared with the end of 2017, of which the core capital amounted to RMB230.67 billion, representing an increase of 16.5% as compared with the end of 2017. The minimum capital amounted to RMB94.62 billion, representing an increase of 12.2% as compared with the end of 2017. The core solvency adequacy ratio of PICC Group was 243.8%, representing an increase of 8.9 percentage points as compared with the end of 2017. The aggregated solvency adequacy ratio was 309.3%, representing an increase of 10.5 percentage points as compared with the end of 2017, and it was able to meet the regulatory requirements on the solvency adequacy ratio.

SOLVENCY STATUS OF THE PICC GROUP

Unit: RMB in 100 millions

Items	As of 31 December 2018	As of 31 December 2017
Actual capital	2,926.8	2,519.8
Including: Core capital	2,306.7	1,980.8
Minimum capital	946.2	843.2
Core solvency adequacy ratio	243.8%	234.9%
Aggregated solvency adequacy ratio	309.3%	298.8%

NOTICE OF 2018 ANNUAL GENERAL MEETING



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 THE 2018 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2018 annual general meeting (the “AGM”) of The People’s Insurance Company (Group) of China Limited (the “Company”) will be held at No. 28 Qinghua Road (W), Haidian District, Beijing on 21 June 2019 (Friday) at 2:30 p.m. for the purposes of considering and, if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

1. To consider and approve the resolution on the report of the Board of Directors for the year 2018
2. To consider and approve the resolution on the report of the Board of Supervisors for the year 2018
3. To consider and approve the resolution on the final financial accounts for the year 2018
4. To consider and approve the resolution on the profit distribution for the year 2018
5. To consider and approve the resolution on the budget of fixed asset investment for the year 2019
6. To consider and approve the resolution on the engagement of auditor for 2019 financial statements
7. To consider and approve the resolution on the work report of the independent Directors for the year 2018 and the appraisal of performance

SPECIAL RESOLUTIONS

1. To consider and approve the resolution on amending the Articles Of Association Of The People’s Insurance Company (Group) of China Limited
2. To consider and approve the resolution on the grant of a general mandate to the Board of Directors to issue shares

NOTICE OF 2018 ANNUAL GENERAL MEETING

AS REPORTING DOCUMENTS

1. To review the performance report of the Directors for the year 2018
2. To review the report on the related party transactions and the implementation of its management system and the evaluation of internal transactions for the year 2018
3. To review the report on the solvency-related condition of the Group for the year 2018

The above resolutions are set out in the circular for the 2018 annual general meeting of the Company dated 7 May 2019. Unless otherwise stated, terms and expressions defined in the circular shall have the same meanings in this notice.

By order of the Board
The People's Insurance Company (Group) of China Limited
Miao Jianmin
Chairman

7 May 2019

Notes:

1. The H Shares register of members of the Company will be closed from 22 May 2019 (Wednesday) to 21 June 2019 (Friday), both days inclusive, during which period no transfer of H Shares will be effected. Holders of H Shares who intend to attend the AGM 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 21 May 2019 (Tuesday). Holders of H Shares whose names appear on the H Shares register of members of the Company at the close of business on 21 May 2019 (Tuesday) are entitled to attend the AGM and vote at the AGM.
2. If the profit distribution plan for the year 2018 is approved, the final dividend will be paid around 20 August 2019 to the holders of H shares whose names appear on the share register of members of the Company on 3 July 2019 (Wednesday). For the purpose of determining the entitlement of the holders of H shares to the final dividend for 2018, the H share register of members of the Company will be closed from 28 June 2019 (Friday) to 3 July 2019 (Wednesday) (both days inclusive), during which period no transfer of shares will be registered. In order to be entitled to the final dividend for 2018, holders of H shares should ensure that all transfer documents, accompanied by the relevant share certificates, are 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 2019 (Thursday).
3. A Shareholder entitled to attend and vote at the AGM 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 AGM in person to represent the relevant shareholder.
4. The instrument appointing a proxy must be in writing and signed by a holder of H Shares or his/her attorney who was 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 authorization document must be notarised.

NOTICE OF 2018 ANNUAL GENERAL MEETING

5. 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 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 fixed for the holding of the 2018 AGM or any adjournment thereof (as the case may be) (which is 2:30 p.m. on 20 June 2019 (Thursday) (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.
6. Holders of H Shares who intend to attend the 2018 AGM in person or by proxy should deposit the reply slip 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 1 June 2019 (Saturday) by hand, by post or by fax (fax no: (852) 2865 0990). Shareholders or their proxies attending the AGM (or any adjournment thereof) shall produce their identity certifications.
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 AGM is expected to last for half a day. Shareholders (in person or by proxy) attending the AGM are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the AGM shall produce their identity certifications.
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.