

PICC PROPERTY AND CASUALTY COMPANY LIMITED

ARTICLES OF ASSOCIATION

Records of Formulation and Amendment of the Articles of Association

No.	AoA Formulation	Time of Resolution	Meeting Title	Approval No. of the Insurance Regulatory Authority of the State Council
1	Formulation	6 July 2003	The inaugural meeting and the first shareholders' general meeting	Bao Jian Fu [2003]110
2	The first amendment	30 July 2003	The first extraordinary general meeting in 2003	Bao Jian Fu [2003]145
3	The second amendment	15 June 2004	The annual general meeting for 2003	Bao Jian Fa Gai [2004]1377
4	The third amendment	23 June 2006	The annual general meeting for 2005	Bao Jian Fa Gai [2007]2
5	The fourth amendment	18 October 2006	The third extraordinary general meeting in 2006	
6	The fifth amendment	25 June 2010	The annual general meeting for 2009	Bao Jian Fa Gai [2010]1169
7	The sixth amendment	24 June 2011	The annual general meeting for 2010	Bao Jian Fa Gai [2012]174
8	The seventh amendment	26 June 2012	The annual general meeting for 2011	Bao Jian Xu Ke [2013]173
9	The eighth amendment	29 June 2013	The annual general meeting for 2012	
10	The ninth amendment	27 June 2014	The annual general meeting for 2013	Bao Jian Xu Ke [2015]101
11	The tenth amendment	12 March 2018	The first extraordinary general meeting in 2018	Yin Bao Jian Xu Ke [2018]397
12	The eleventh amendment	22 June 2018	The annual general meeting for 2017	Yin Bao Jian Fu [2018]378
13	The twelfth amendment	18 June 2021	The annual general meeting for 2020	Yin Bao Jian Fu [2022]462
14	The thirteenth amendment	29 December 2021	The second extraordinary general meeting in 2021	
15	The fourteenth amendment	27 June 2025	The annual general meeting for 2024	Jin Fu [2025]663

Table of Contents

CHAPTER	TITLE	PAGE
Chapter One:	General Provisions	1
Chapter Two:	Purpose and Scope of Business	3
Chapter Three:	Registered Capital and Shares	3
Chapter Four:	The Party Organisation (Party Committee)	10
Chapter Five:	Shareholders and Shareholders' General Meeting	11
Chapter Six:	Board of Directors	25
Chapter Seven:	President and Other Senior Management Personnel	40
Chapter Eight:	Qualifications and Obligations of Directors, President and Other Members of Senior Management	44
Chapter Nine:	The Company's Labour and Personnel Policies and Trade Union	48
Chapter Ten:	Financial and Accounting Systems, Profit Distribution and Auditing	48
Chapter Eleven:	Basic Management System of the Company	52
Chapter Twelve:	Merger, Demerger, Dissolution and Liquidation	53
Chapter Thirteen:	Special Matters Relating to Corporate Governance	56
Chapter Fourteen:	Amendment to the Articles of Association	57
Chapter Fifteen:	Notices	58
Chapter Sixteen:	Dispute Resolution	59
Chapter Seventeen:	Supplementary Provisions	59

PICC Property and Casualty Company Limited

Articles of Association

Chapter One: General Provisions

Article 1: In order to protect the legitimate rights and interests of PICC Property and Casualty Company Limited (the “Company”), the shareholders, the employees and creditors and to regulate the organisation and acts of the Company, the Articles of Association is formulated in accordance with the Company Law of the People’s Republic of China (“PRC”) (“Company Law”), Securities Law of the PRC (“Securities Law”), Insurance Law of the PRC (“Insurance Law”), the Constitution of the Communist Party of China (the “Party”) and other internal laws and regulations of the Party, and the Opinion Concerning Standardising the Articles of Association of Insurance Companies, the Guidelines on the Articles of Association of Insurance Companies, the Code of Corporate Governance of Banking and Insurance Institutions, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “HK Listing Rules”) and other relevant laws and regulations.

Following approval by the former China Insurance Regulatory Commission in document Bao Jian Fu[2003]110, the Company was established on 6 July 2003 through the promoted method, registered with the State Administration for Industry and Commerce on 7 July 2003, and has obtained a business license. The unified social credit code for the Company is 91100000710931483R.

Article 2: Registered name of the Company:

Chinese: 中国人民财产保险股份有限公司

Abbreviation: 人保财险

English: PICC Property and Casualty Company Limited

Abbreviation: PICC P&C

Article 3: The address of the Company: Tower 2, No. 2 Jianguomenwai Avenue, Chaoyang District, Beijing

Postal Code: 100022

Telephone: (010) 63156688

Facsimile: (010) 85176028

Article 4: The legal representative of the Company shall be the president of the Company.

The legal representative shall represent the Company externally, and shall exercise the following functions and powers:

- (i) to sign contracts on behalf of the Company;
- (ii) to take legal proceedings on behalf of the Company;

- (iii) to attend on behalf of the Company the shareholders' general meetings of any other companies in which the Company has equity participation or controlling stake;
- (iv) to authorise other personnel of the Company to exercise the relevant functions and powers of the legal representative;
- (v) to exercise other functions and powers granted under the laws and regulations and regulatory requirements of the State.

The procedures for the appointment and change of legal representative of the Company are the same as those for the appointment and change of the president of the Company.

Article 5: The Company is a perpetual joint stock limited company.

The shareholders' liabilities to the Company shall be limited to the amount of the shares that they have subscribed for and the Company assumes liabilities for its debts to the extent of its entire assets.

The Company is an enterprise legal person, which has independent legal person property, enjoys the property rights of the legal person and is governed and protected by laws and regulations of the PRC.

Article 6: In accordance with the relevant regulations of the Constitution of the Communist Party of China and the Company Law, organisations of the Party shall be established. The Committee of the Party of PICC Property and Casualty Company Limited shall play a leadership role to set the right direction, keep in mind the big picture and to ensure the implementation of policies and principles.

The working organs of the Party shall be established by the Company, equipped with sufficient staff to deal with the Party affairs and provided with sufficient funds to operate the Party organisation.

Article 7: The Articles of Association shall be a legally binding document that regulates the organisation and the acts of the Company, as well as the rights and obligations between the Company and the shareholders and among the shareholders and it is legally binding upon the Company and its shareholders, directors and senior management personnel, from the date on which it becomes effective.

In the event of any inconsistency between the Promoters Agreement, the Shareholder Equity Agreement or the other shareholder's agreements and the Articles of Association, the Articles of Association shall prevail.

Article 8: In accordance with the Articles of Association, a shareholder may bring an action against another shareholder, and a shareholder may bring an action against any of the Company's directors and senior management members, a shareholder may bring an action against the Company, and the Company may bring an action against a shareholder, its directors and senior management members.

References to senior management personnel in the Articles of Association are referring to the president, vice-presidents, secretary of the board of directors, chief compliance officer, responsible financial officers, responsible auditing officers, chief actuary and assistants to the president. The directors and senior management personnel of the Company shall be subject to the qualification approval by the insurance regulatory authority of the State Council.

Article 9: The Company must obey the laws and regulations, implement the State's unified finance and insurance principles and policies and accept the supervision and management by the insurance regulatory authority of the State Council.

Chapter Two: Purpose and Scope of Business

Article 10: The business objective of the Company is to maximise the value of the Company and the interests of its shareholders through market-oriented and customer-centred business operations, carried out in a lawful and faithful way.

Article 11: Subject to the approval of the insurance regulatory authority of the State Council and registration according to law, the business scope of the Company shall be: RMB and foreign-denominated insurance businesses, including property loss and damage insurance, liability insurance, credit and guarantee insurance, accidental injury insurance, short-term health insurance and surety insurance; reinsurance business relating to the above insurance businesses; service and consulting business in relation to various property insurance, accidental injury insurance, short-term health insurance and the reinsurance of such insurances; business relating to acting as an agent for other insurance institutions; investment and use of funds as permitted by PRC laws and regulations; other businesses as approved by State laws and regulations or the insurance regulatory authority of the State Council.

Chapter Three: Registered Capital and Shares

Section 1: Registered Capital and Issuance of Shares

Article 12: The registered capital of the Company is RMB22,242,765,303.

Article 13: The Company shall have ordinary shares at all times. The issued ordinary shares of the Company include domestic shares and foreign shares. Subject to approval by the company examination and approval department authorised by the State Council, the Company may, in accordance with its requirements, issue other classes of shares.

Article 14: All the shares issued by the Company shall have a nominal value which shall be RMB1 for each share.

For the purposes of the preceding paragraph, the term “RMB” shall refer to Renminbi yuan, the lawful currency of the PRC.

Article 15: The promoter of the Company is: PICC Holding Company.

PICC Holding Company was formerly known as The People's Insurance Company of China. The People's Insurance Company of China was renamed as PICC Holding Company with the approval of the former China Insurance Regulatory Commission (Bao Jian Fu[2003]120), and the registration of such change was completed with the State Administration for Industry and Commerce on 11 July 2003. PICC Holding Company officially regained the name of The People's Insurance Company (Group) of China and completed the registration of change with the State Administration for Industry and Commerce on 23 May 2007. On 27 September 2009, The People's Insurance Company (Group) of China received the approval from the former China Insurance Regulatory Commission for its group restructuring and it was officially renamed as The People's Insurance Company (Group) of China Limited according to the Notice of Approval for the Change of Registration issued by the State Administration for Industry and Commerce on 28 September 2009.

The registered capital of the Company upon its establishment is RMB8 billion and its promoter is as follows:

No.	Name of promoter	Capital contribution (RMB/Yuan)	Number of shares subscribed	Proportion to total share capital	Way of contribution	Date of contribution
1	PICC Holding Company (now known as The People's Insurance Company (Group) of China Limited)	8 billion	8 billion	100%	Please refer to Article 19 of the Articles of Association	7 July 2003
Total		8 billion	8 billion	100%		

Article 16: Subject to approval from the State securities regulatory authority, the Company may issue shares to domestic investors inside the PRC and to overseas investors outside the PRC.

For the purposes of the preceding paragraph, the term “overseas investors” shall refer to investors from foreign countries or from Hong Kong, Macao or Taiwan that subscribe for shares issued by the Company, and the term “domestic investors” shall refer to investors inside the PRC, excluding the above-mentioned regions, that subscribe for shares issued by the Company.

Article 17: Shares issued by the Company to domestic investors and to be subscribed for in RMB shall be referred to as “domestic shares”. Shares issued by the Company to overseas investors and to be subscribed for in foreign currencies shall be referred to as “foreign shares”. Foreign shares listed outside the PRC shall be referred to as “overseas listed foreign invested shares”. Holders of domestic shares and overseas listed foreign invested shares are both ordinary shareholders and have the same obligations and rights.

For the purposes of the preceding paragraph, the term “foreign currencies” shall refer to legal currencies of other countries or territories other than RMB and which have been approved by the State foreign exchange regulatory department as the currencies to be used to pay for shares of the Company.

Article 18: Foreign invested shares issued by the Company and listed in Hong Kong shall be referred to as “H Shares”. H Shares are shares that have been approved for listing by The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) whereby the nominal value of the shares is denominated in RMB and the shares are subscribed for and traded in Hong Kong dollars.

Article 19: Following approval by the company examination and approval department authorised by the State Council, the total amount of ordinary shares that the Company may issue was 13,538,440,000 shares. Pursuant to the Reorganisation Agreement entered into between the Company and PICC Holding Company, the reorganisation came into effect on 30 September 2002. PICC Holding Company injected all of its commercial insurance businesses together with related assets and liabilities (the “Related Assets”) into the Company by way of capital contribution. In consideration for the injection of the Related Assets, the Company issued 8,000,000,000 shares (all being domestic shares) to PICC Holding Company on 7 July 2003, representing 59.1% of the total number of ordinary shares that may be issued by the Company.

Article 20: Upon completion of the initial public offering of the Company and the exercise of the over-allotment option, the total share capital of the Company consists of 11,141,800,000 ordinary shares. After completion of the three domestic and H share rights issues and one issue of capitalisation shares by way of capitalisation of capital reserve, the total share capital of the Company consists of 22,242,765,303 ordinary shares, of which 15,343,471,470 ordinary shares are domestic shares which are held by The People's Insurance Company (Group) of China Limited and 6,899,293,833 ordinary shares are held by the holders of the overseas listed foreign invested shares (H Shares), representing 68.98% and 31.02% of the total share capital, respectively.

The Company's shareholding structure is as follows:

No.	Name of shareholders	Number of shares held	Type of shares	Proportion to total share capital	Lock-up period
1	The People's Insurance Company (Group) of China Limited	15,343,471,470	domestic share	68.98%	none
2	Other H shareholders	6,899,293,833	H Share	31.02%	none
Total		22,242,765,303		100%	

Upon transfer of the shares held by The People's Insurance Company (Group) of China Limited in accordance with the Company Law, other laws and regulations and the Articles of Association, the board of directors of the Company shall amend the preceding paragraphs accordingly.

Article 21: After the Company issues new shares, the registered capital of the Company will be adjusted in accordance with the actual amount of shares issued.

Article 22: The Company may not provide any donation, borrowing, security or other financial assistance to any person who purchases or intends to purchase the shares of the Company or its parent company.

Except for employee stock ownership plan, the Company may, for the benefit of the Company and upon the approval by the resolution of the shareholders' general meeting or board resolutions authorized by the shareholders' general meeting, the Company may provide financial assistance to the purchase by other persons of the shares of the Company or its parent company, provided that the aggregate amount of such financial assistance shall not exceed 10% of outstanding share capital of the Company. A board resolution must be adopted by an affirmative vote of two-thirds or more of all directors.

If any loss is caused to the Company due to any violation of the preceding two paragraphs, the director or senior management personnel who is held responsible shall be liable to pay compensation.

Section 2: Increase or Reduction and Repurchase of Shares

Article 23: The Company may, in accordance with its business and development requirements, increase or reduce its registered capital. The Company's increase or reduction of its registered capital shall be handled in accordance with the Company Law, relevant provisions of the insurance regulatory authority of the State Council and other regulatory authorities as well as the procedures stipulated in the Articles of Association.

Article 24: Any change in the registered capital of the Company must be submitted to the insurance regulatory authority of the State Council for approval and filed with registration authorities in accordance with law.

Article 25: The Company may, based on its needs for business operations and development and in accordance with applicable laws and regulations, increase its registered capital by the following methods upon the resolution of the shareholders' general meeting:

- (i) issuance of new shares to non-specific investors;
- (ii) issuance of new shares to specific investors;
- (iii) allotment of new shares to existing shareholders;
- (iv) conversion of common reserve funds into registered capital;
- (v) other methods prescribed by laws, regulations and competent regulatory authorities.

Article 26: When the Company is to reduce its registered capital, it must prepare a balance sheet and an inventory of assets.

The Company shall notify its creditors within ten (10) days of adopting a resolution by the shareholders' general meeting to reduce its registered capital and shall publish a public announcement of the resolution in the press or on the website of National Enterprise Credit Information Publicity System within thirty (30) days of the said date. Creditors shall, within thirty (30) days of receiving a written notice or within forty-five (45) days of the date of the public announcement for those who have not received a written notice, be entitled to require the Company to pay its debts in full or to provide a corresponding guarantee for repayment.

The reduced registered capital of the Company may not be less than the statutory minimum.

Article 27: The Company shall not purchase the shares of the Company, unless under any of the following circumstances:

- (i) the Company reduces its registered capital;
- (ii) the Company merges with another company holding shares in the Company;
- (iii) the Company repurchases its shares for purpose of employee stock ownership plan or stock incentive;
- (iv) the shareholders which have objection to the resolution by the shareholders' general meeting on merger or division of the Company request the Company to purchase the shares held by them;
- (v) the Company utilizes the shares for conversion of corporate bonds issued by the Company that are convertible into shares;
- (vi) the Company deems it necessary for the purpose of protection of the value of the Company and rights and interests of the shareholders.

Any purchase by the Company of its shares under the circumstances set out in above subparagraphs (i)-(iii), (v) and (vi) shall be subject to the resolution of shareholders' general meeting.

Where there are other provisions in laws and regulations and regulatory provisions, such provisions shall prevail.

Article 28: Subject to approval by relevant State department in charge, the following methods may be adopted by the Company to repurchase its shares:

- (i) repurchasing shares from all shareholders on a pro-rata basis;
- (ii) repurchasing shares through open transactions on the stock exchange;
- (iii) repurchasing shares by an off-market agreement.

Article 29: The shares of the Company purchased by the Company in accordance with the subparagraph (i) of Article 27 shall be cancelled within ten (10) days of such purchase; the shares of the Company purchased by the Company in accordance with the subparagraphs (ii) or (iv) of Article 27 shall be transferred or cancelled within six (6) months of such purchase; if the Company purchases the shares of the Company in accordance with the subparagraphs (iii), (v) or (vi) of Article 27, the number of shares held by the Company in aggregate may not exceed 10% of the total issued shares of the Company, and such shares shall be transferred or cancelled within three (3) years.

Where there are other provisions on such repurchase of shares in laws and regulations or the rules of the securities regulatory authorities of the place where the shares of the Company are listed, such provisions shall prevail.

Section 3: Transfer of the Shares

Article 30: The shares of the Company are transferable according to law, but must comply with the relevant laws and regulations prescribed by the insurance regulatory authority of the State Council and the relevant regulatory authorities and the Articles of Association.

Article 31: The Company may not accept any pledge created over the shares of the Company.

Article 32: Transfer by the shareholders of the shares held by them in the Company shall be subject to the restriction on transfer for the periods prescribed by the relevant requirements of the laws and regulations and the rules of regulatory authorities.

The shares held by the promotor in the Company are not transferable within one (1) year commencing from the date of the establishment of the Company. The shares of the Company issued prior to the initial public offering of the Company are not transferable within one (1) year commencing from the listing date of the shares of the Company on the stock exchange. When a Shareholder transfers his shares, other Shareholders have no pre-emptive right to purchase the shares to be transferred.

Directors, the president and other members of senior management shall report the shares that they hold and the changes in their shareholdings to the Company. During the term of office, the shares to be transferred by any of them in each year shall not exceed twenty-five (25) per cent. of their respective total shareholding in the Company, and the shares of the Company held by the aforesaid persons are not transferable within one (1) year commencing from the listing date of the shares of the Company. Where any of the aforesaid persons ceases to hold such positions, he shall not be allowed to transfer his shares in the Company until a half year after the cessation.

Section 4: Share Certificates and Register of Shareholders

Article 33: The Company's shares shall be in paper form or such other forms as may be prescribed by the securities regulatory authority under the State Council.

The share certificates of the Company in paper form must set out the following main particulars:

- (i) the name of the Company;
- (ii) the date of incorporation of the Company or the date of issuance of shares;
- (iii) the class of share, its face value and the number of shares represented;
- (iv) the serial number of the share certificate;
- (v) other particulars as required to be specified under the laws and regulations of the State and by the stock exchange on which the shares of the Company are listed.

Article 34: Shares of the Company can be transferred, granted, succeeded and pledged in accordance with laws and regulations and the Articles of Association.

Transfer and assignment of shares shall be registered with the share registrar appointed by the Company.

Article 35: The share certificates shall be signed by the chairperson of the board of directors. Where the signatures of the other member(s) of senior management are required by the stock exchange on which the shares of the Company are listed, the share certificates shall also be signed by such other member(s) of senior management. The share certificates shall become effective after the Company seal (which includes the Company's securities seal) is affixed thereto or is affixed thereto in printed form (which includes the Company's securities seal). The stamping of the Company seal or the Company's securities seal shall be authorised by the board of directors. The signature of the chairperson of the board of directors or other member(s) of senior management on the share certificates may also be in printed form.

Where the shares are issued or traded in scripless form, the provisions issued by securities regulatory authorities of the place where the shares of the Company are listed with respect to such matter shall apply.

Article 36: The Company shall keep a register of shareholders, in which the following particulars shall be recorded:

- (i) the name, address (residence), profession or nature of each shareholder;
- (ii) the class and number of shares subscribed by each shareholder;
- (iii) the amount paid or payable for the shares held by each shareholder;
- (iv) the serial number of the share certificates held in paper form;
- (v) the date on which each shareholder is registered as a shareholder;
- (vi) the date on which each shareholder ceases to be a shareholder.

Save as proved to be the contrary, the register of shareholders shall be sufficient evidence to prove that a shareholder holds the shares of the Company.

Article 37: The Company may, pursuant to an understanding or agreement reached between the State securities regulatory authority and an overseas securities commission, keep its register of shareholders of overseas listed foreign invested shares outside the PRC, and entrust the administration thereof to an agent outside the PRC. The register of shareholders of overseas listed foreign invested shares that are listed in Hong Kong shall be located in Hong Kong.

The Company shall keep a duplicate of the register of shareholders of overseas listed foreign invested shares at its address. The appointed agent outside the PRC shall ensure that the register of shareholders of overseas listed foreign invested shares and its duplicate are consistent at all times.

When the original and duplicate of the register of shareholders of overseas listed foreign invested shares are inconsistent, the original shall prevail.

Article 38: The Company shall keep a complete register of shareholders.

All overseas listed foreign shares listed in Hong Kong and duly paid may be freely transferred in accordance with the Articles of Association, provided that, the board of directors may refuse to accept any transfer instrument without stating any reason, unless the following conditions have been satisfied:

- (i) HKD2.5 (for each transfer instrument) or a higher amount approved by the Hong Kong Stock Exchange has been paid to the Company for registration of transfer instruments of shares or other documents which relate to the ownership of shares or may have impact on the ownership of shares;
- (ii) transfer instrument only relates to overseas listed foreign shares listed in Hong Kong;
- (iii) the stamp duty payable in respect of transfer instruments has been duly paid;
- (iv) relevant shares and evidence of the right of transferor to transfer the shares as reasonably requested by the board of directors have been provided;
- (v) the number of joint holders is not more than four (4), if the shares are transferred to joint holders;
- (vi) relevant shares are free of any lien.

Overseas listed foreign shares of the Company listed in Hong Kong may be transferred by a written instrument of transfer, the form of which shall be consistent with ordinary or normal practice, or is acceptable to the board of directors. The instrument of transfer may be signed under hand; if the transferor or transferee is a company, be executed by affixing the company seal; if the transferor or transferee is a recognised clearing house or its proxy, as defined in the relevant laws and regulations of the place where the shares of the Company are listed, be signed under hand or executed using machine imprinted signatures.

Article 39: For the period of closure of register of members prior to the convening of a shareholders' general meeting or prior to date for the determination of the basis of dividend distribution by the Company, requirements of relevant laws and regulations, regulatory documents and securities regulatory authorities and stock exchange of the place where the Company's shares are listed shall prevail.

Article 40: When the Company is to convene a shareholders' general meeting, distribute dividends, be liquidated or to carry out other acts requiring confirming of the identities of shareholders, the board of directors or the convener of the meeting shall decide the date of registration. Shareholders whose names appear on the register of shareholders at the close of business of the date of registration shall be the shareholders of the Company entitled to relevant rights and interests.

Chapter Four: The Party Organisation (Party Committee)

Article 41: The Committee of the Party of PICC Property and Casualty Company Limited (the "Party Committee of the Company") shall be established by the Company.

The Party Committee of the Company shall consist of one (1) secretary, one (1) or two (2) deputy secretary/secretaries and several other members. Chairperson of the board of directors and secretary to the Party Committee of the Company shall be the same person; however, where the principal work of the chairperson of the board of directors lies with the shareholder of the Company, president and secretary to the Party Committee of the Company can also be the same person. One (1) deputy secretary to the Party Committee of the Company shall be designated to assist the secretary to the Party Committee of the Company in carrying out the Party-building work.

Eligible members of the Party Committee can join the board of directors or be appointed as the members of the management including president or vice-presidents through legal procedures, while eligible members of the board of directors and the members of the management including president and vice-presidents can also join the Party Committee of the Company in accordance with relevant rules and procedures.

The Disciplinary Inspection Committee of the Party of PICC Property and Casualty Company Limited (the "Disciplinary Inspection Committee of the Company") shall be established by the Company in accordance with relevant provisions. The Disciplinary Inspection Committee of the Company shall have one (1) secretary, who shall be a member of the Party Committee of the Company.

Article 42: The Party Committee of the Company shall, in accordance with the Constitution of the Communist Party of China and the Regulations on the Work of Organisation of Party and other internal laws and regulations of the Party, perform the duties:

- (i) ensure and supervise the Company's implementation of policies and guidelines of the Party and the State, and implement major strategic decisions of the Central Committee of the Party and the State Council, as well as important work arrangements of higher-level Party organisations;
- (ii) strengthen its leadership and gatekeeping role in the management of the process of selection and appointment of personnel, focusing on standards, procedure, evaluation, recommendation and supervision, uphold the integration of the principle that the Party manages the officials with the function of the board of directors in the lawful selection of the management and with the lawful exercise of authority of appointment, promotion and demotion of personnel by the management;
- (iii) research and discuss the reform, development and stability of the Company, major operational and management issues and major issues concerning employee interests, and put forth comments and suggestions. Support the shareholders' general meeting, the board of directors, the members of the management including the president and vice-presidents in performing their duties in accordance with law and support the meeting of employees' representatives in carrying out its work;

- (iv) assume the primary responsibility to run the Party comprehensively with strict discipline, lead the Company's ideological and political work, the united front work, the cultural and ethical progress, corporate culture cultivation as well as the work of groups such as the Labor Union and the Communist Youth League, lead the construction of the Party's working style and its clean and honest administration, and support the Disciplinary Inspection Committee of the Company in earnestly performing its supervisory responsibilities;
- (v) strengthen the building of the Company's grassroots Party organisations and of its contingent of Party members, give full play to the role of Party branches as strongholds and to the role of Party members as pioneers and fine examples, and unite and lead officials and employees company-wide to devote themselves into the reform and development of the Company;
- (vi) other material matters that fall within the duty of the Party Committee.

Chapter Five: Shareholders and Shareholders' General Meeting

Section 1: Shareholders

Article 43: Shareholders of the Company are persons who legally hold shares of the Company and whose names appear on the Company's register of shareholders.

Shareholders shall enjoy rights and bear obligations according to the class and proportion of the shares held by them. Shareholders who hold shares of the same class shall enjoy the same rights and bear the same obligations.

Where two (2) or more persons are registered as joint holders of any shares, they shall be deemed as joint owners of the related shares and shall be subject to the following restrictions:

- (i) the Company may refuse to register more than four (4) persons as joint holders of any shares;
- (ii) all joint holders of any shares shall jointly and severally be responsible for the subscription monies due for the shares;
- (iii) if one (1) of the joint holders of the shares is deceased, the remaining joint holders shall be deemed by the Company to be the owner of the relevant shares. However, the board of directors is entitled to request for the relevant death certificate for the purpose of making changes to the register of shareholders;
- (iv) for joint shareholders, only the first-named shareholder in the register of shareholders has the right to receive the relevant share certificates, receive notices of the Company, attend shareholders' general meetings and exercise the voting rights of the relevant shares. Any notice delivered to the said shareholder shall be deemed as if the notice had been delivered to all of the joint holders of the relevant shares.

Article 44: The ordinary shareholders of the Company shall enjoy the following rights:

- (i) the right to dividends and other distributions in proportion to the number of shares held;
- (ii) the right to request, convene, preside over, attend or appoint a proxy to attend shareholders' general meetings, the right to speak at the shareholders' general meeting and to exercise respective voting rights at each meeting (unless an individual shareholder is required by relevant provisions of the place where the securities of the Company are listed to waive the voting rights in respect of a specific matter);

- (iii) the right of the shareholders who individually or collectively hold three (3) per cent. or more of the shares in the Company to nominate a non-employee director;
- (iv) the right to supervise the Company's operations, and the right to present proposals or raise inquiries in accordance with the law;
- (v) the right to transfer, grant or pledge the shares held by them in accordance with laws and regulations, regulatory provisions and the provisions of the Articles of Association;
- (vi) the right to review and copy the Articles of Association, register of shareholders, minutes of shareholders' general meeting, resolution of board of directors and financial reports in accordance with the laws and regulations and the regulatory provisions. Any review or copy of the relevant materials by a shareholder or its appointed accounting firm, law firms or other intermediaries shall comply with applicable laws and regulations on the protection of state secrets, trade secrets, personal privacy and personal information. If any damage is caused to the legitimate interests of the Company as a result of any disclosure of the above information obtained by a shareholder in accordance with the Articles of Association, the shareholder shall indemnify the Company against the losses suffered by the Company as a result of such disclosure;
- (vii) the right to participate in the distribution of the residual assets of the Company according to the number of shares held by them in the event of any termination or liquidation of the Company;
- (viii) the right of the shareholders who disagree with any resolution passed at the shareholders' general meeting for any merger or division of the Company to request the Company to purchase the shares of the Company held by them;
- (ix) the right to request to be included and make change in the register of shareholders;
- (x) other rights under laws and regulations, regulatory provisions or the Articles of Association.

The shareholders who individually or collectively hold three (3) per cent. or more of the shares in the Company for consecutive one hundred and eighty (180) days may request the review of accounting books and accounting vouchers. Such shareholders requesting the review of the accounting books and accounting vouchers shall submit a written request to the Company and state the reasons. If the Company reasonably believes that a shareholder requests the review of accounting books or accounting vouchers for improper purposes, which may harm the legitimate interests of the Company, the Company may reject the review and shall give a written reply within fifteen (15) days of such written requests and state the reasons.

Where the shareholders request review and copy of relevant documents of any of the Company's wholly-owned subsidiaries, the provisions of subparagraph (vi) of paragraph 1 of this Article and paragraph 2 of this Article shall apply.

Article 45: If a director or senior management personnel violates applicable laws, regulations, regulatory rules or the Articles of Association, which harms the interests of shareholders, a shareholder may file a lawsuit before a people's court;

In the event that any of the directors and senior management personnel prejudices any of the interests of the Company or the shareholders by violating any laws and regulations, regulatory provisions or the provisions of the Articles of Association, the shareholders shall have the right to report the issue directly to the insurance regulatory authority of the State Council.

Article 46: The ordinary shareholders of the Company shall assume the following obligations:

- (i) to abide by laws and regulations, regulatory provisions and the Articles of Association;
- (ii) to pay subscription monies according to the number of shares subscribed for and the method of subscription, and to use their own funds from legitimate sources instead of entrusted funds, debt funds or other forms of funds that are not self-owned, unless the laws, regulations and regulatory systems provide otherwise;
- (iii) to comply with regulatory rules regarding shareholding percentage and number of institutional shareholders and not to entrust others or accept the entrustment by others to hold the shares of the Company;
- (iv) shareholders and its controlling shareholders as well as de facto controllers shall not abuse the rights as shareholders or exploit connected relationships to prejudice the legitimate rights and interests of the Company, other shareholders and stakeholders, interfere with the decision-making power and management power held by the board of directors and senior management according to the Articles of Association, or directly interfere with the operation and management of the Company beyond the authorization of the board of directors and senior management;
- (v) not to withdraw any shares except as permitted by laws and regulations or regulatory provisions;
- (vi) to be liable to the Company to the extent of the shares they subscribe for;
- (vii) not to abuse the Company's independent status as a legal person and their limited liability as shareholders to prejudice the interests of the Company's creditors;
- (viii) to support to improve the Company's solvency when the solvency of the Company fails to meet regulatory requirements; substantial shareholders shall make a long-term commitment in writing to replenish the Company's capital when necessary and as part of the Company's capital planning;
- (ix) to submit a written report to the Company within five (5) working days after formation of a related party relationship between shareholders holding five (5) per cent. or more of the shares in the Company;
- (x) shareholders holding five (5) per cent. or more of the shares in the Company shall, in accordance with the laws and regulations, regulatory provisions, truthfully inform the Company of their financial information, equity structure, sources of capital contribution, controlling shareholders, de facto controllers, related parties, persons acting in concert, the ultimate beneficiary owner and investment in other financial institutions and other information, and to inform the Company of any change in their controlling shareholders, de facto controllers, related parties, persons acting in concert and the ultimate beneficiary owner as well as the status of the related parties and related party relationship within five (5) working days after the change, and comply with the procedures set out under regulatory provisions;
- (xi) where there is any litigation, arbitration, compulsory legal measures taken by the judicial bodies, pledge or release of pledge involving the shares in the Company held by the shareholders holding five (5) per cent. or more of the shares in the Company, they must notify the Company in writing within fifteen (15) working days after the occurrence of the aforesaid events and cooperate with the Company to fulfil the information disclosure obligations. The Company must notify other shareholders of the relevant details in a timely manner;

- (xii) shareholders holding five (5) per cent. or more of the shares in the Company shall notify the Company in writing of any occurrence of the merger, division, order to suspend business for correction, appointment of an escrow agent, takeover, revocation or entering into dissolution, liquidation, bankruptcy procedure, or any change in their legal representatives, corporate names, places of business, scopes of business and other significant matters, within fifteen (15) working days of the aforesaid occurrence or change;
- (xiii) to obey and carry out the related resolutions of the shareholders' general meeting;
- (xiv) to cooperate with the regulators in carrying out any investigation and risk handling in the event of occurrence of any risk event involving the Company or any major violation of regulations by the Company;
- (xv) for the shareholders who transfer or pledge their shares in the Company, or conduct connected transactions with the Company, shall comply with the laws and regulations and regulatory provisions, not to prejudice the interests of other shareholders and the Company and not to agree to the pledgee or its related parties exercising the shareholders' voting rights;
- (xvi) other obligations imposed by laws and regulations, regulatory provisions and the Articles of Association.

A shareholder of the Company shall be liable to indemnify against any loss incurred by the Company and other shareholders of the Company arising out of its abuse of shareholders' rights. If the shareholders of the Company abuse the independent status of legal personality of the Company and limited liability of the shareholder to evade its liabilities, which harms the interests of creditors of the Company, the shareholders shall be jointly and severally liable for the debts of the Company.

In accordance with the PRC laws and regulations, regulatory provisions, the Company establishes the corresponding loss absorption and risk mitigation mechanism in case of major risks by implementing recovery and disposal plans and other measures.

Shareholders are not liable to make any further contribution to the share capital other than as agreed by the subscriber of the relevant shares on subscription.

In any of the following circumstances where the investment or shareholding of the shareholder is in violation of laws, regulations and relevant regulatory requirements, the shareholder involved shall be prohibited from attending the shareholders' general meeting, exercising voting rights, proposal rights, dividend rights, nomination rights and other shareholders' rights and shall undertake to accept any regulatory penalty imposed by the insurance regulatory authority of the State Council, including measures of restraining shareholder rights and ordering transfer of shares:

- (i) any change of shareholder was not approved by or filed with the insurance regulatory authority of the State Council;
- (ii) any change of the de facto controller of the shareholder was not approved by or filed with the insurance regulatory authority of the State Council;
- (iii) the shareholder entrusts others or agrees to be entrusted by others to hold shares of the Company;
- (iv) the shareholder controls equity interests in a disguised form by accepting proxy voting or transferring any right to yields;

- (v) direct or indirect self-capital injection or false capital increase by using insurance funds;
- (vi) other capital contribution or shareholding not in compliance with regulatory requirements.

Article 47: In the event that the shareholders' capital contributions, their behaviours related to the Company as shareholders or other actions violate any laws and regulations and regulatory provisions, the shareholders shall not exercise their voting right, right to receive dividends, nomination rights and other rights as shareholders, and shall undertake to accept the measures taken by the insurance regulatory authority of the State Council, such as restricting their rights as shareholders, ordering the transfer of their equity interests and other supervisory measures.

Article 48: The controlling shareholder or the de facto controller of the Company shall not use their related party relationship to prejudice the interests of the Company. If any loss is caused to the Company due to any violation by a shareholder of this requirement, the shareholder shall be liable to pay compensation.

Article 49: The Company's controlling shareholder or de facto controller owes a fiduciary duty to the Company and other shareholders. A controlling shareholder shall exercise its rights as an investor in the Company in strict accordance with the law. A controlling shareholder shall not prejudice the lawful rights and interests of the Company or other shareholders by taking advantage of measures such as profits distribution, assets restructuring, foreign investment, misappropriation of capital, provision of loan or guarantee, utilisation of insurance funds and connected transactions and shall not use its controlling status to prejudice the interests of the Company or other shareholders.

The controlling shareholder shall effectively manage the personnel working for the controlling shareholder and the Company at the same time to prevent any conflict of interest. Any employee of the controlling shareholder (except for the chairperson of the board of directors of the controlling shareholder) shall not concurrently serve as executive director or senior management of the Company. Where there are other provisions in laws and regulations and regulatory provisions, such provisions shall prevail.

For the purpose of the Articles of Association, the controlling shareholder refers to a shareholder whose shareholding is above 50% of the total share capital of the Company; or a shareholder whose shareholding is below 50% but the voting power held by such shareholder is sufficient to exercise significant influence over the resolutions of the shareholders' general meeting.

For the purpose of the Articles of Association, the de facto controller refers to a person who is able to actually govern the acts of the Company through investment relations, agreements or other arrangements.

The substantial shareholders of the Company shall, in accordance with applicable laws and regulations, make the shareholder undertakings faithfully, sign the letter of undertakings promptly and duly fulfil relevant undertakings, assist with the assessment by the insurance regulatory authority of the State Council and the Company of the shareholder undertakings. The Company may impose restrictive measures on the substantial shareholder which failed to fulfill its shareholder undertakings, which include but not limited to the restriction on the right to participate in the shareholders' general meeting, voting rights, the right to make proposals and other rights of shareholders. The fulfilment of shareholder undertakings shall be assessed by the board of directors, and the proposal for restrictions on the shareholder which failed to fulfill its shareholder undertakings shall be submitted by the board of directors, which shall be implemented upon the approval by the shareholders' general meeting, for which, relevant shareholder or its representative shall abstain from voting.

Article 50: A controlling shareholder shall strictly comply with the conditions and procedures provided in laws and regulations and the Articles of Association in nominating candidates for the positions of directors of the Company. The candidates nominated by a controlling shareholder for the positions of directors of the Company shall have the relevant professional expertise, and the capacity to make decisions and to carry out supervisory tasks. No approval procedures shall be required by a controlling shareholder in respect of a resolution of the shareholders' general meeting relating to a personnel election or a board resolution relating to a personnel appointment. A controlling shareholder shall not appoint or remove any member of senior management without proper authorisation from the shareholders' general meeting or the board of directors.

Article 51: Major decisions of the Company shall be made by the shareholders' general meeting and the board of directors in accordance with the law. A controlling shareholder shall not interfere, directly or indirectly, with the day-to-day business activities of the Company developed according to the law, nor shall it prejudice the rights and interests of the Company or other shareholders.

Article 52: The personnel, assets, finance, institution and business of a controlling shareholder shall be separate from and independent of that of the Company and the Company shall keep separate accounts and assume liability and risks independently of the controlling shareholder.

Article 53: Any assets contributed by a controlling shareholder in the Company shall be independent and in its entirety. A controlling shareholder, de facto controller or their respective related party shall not be allowed to use or dispose of the assets of the Company.

Article 54: The Company shall establish a sound financial and accounting management system and keep separate accounts in accordance with the requirements of relevant laws and regulations. A controlling shareholder shall respect the Company's financial independence and shall not interfere with the Company's financial and accounting activities.

Article 55: The Company's business shall be fully independent of the controlling shareholder. A controlling shareholder shall not engage in any business which is identical or similar to that of the Company. A controlling shareholder shall take effective measures to avoid horizontal competition.

Section 2: General Provisions of Shareholders' General Meetings

Article 56: The shareholders' general meeting is the organ of authority of the Company, and shall exercise its powers in accordance with the law.

Article 57: The shareholders' general meeting shall exercise the following functions and powers:

- (i) to decide on the Company's operational policies and investment plans;
- (ii) to elect or remove the non-employee directors and decide on matters relating to their remuneration;
- (iii) to examine and approve reports of the board of directors;
- (iv) to examine and approve the Company's proposed annual financial budgets and final accounts;
- (v) to examine and approve the Company's plans for the distribution of profits and recovery of losses;
- (vi) to decide on any increase or reduction of the Company's registered capital;

- (vii) to decide on issues such as merger, division, change of company form, dissolution and liquidation of the Company and other matters;
- (viii) to decide on the issue of bonds or other equity securities and the Company's listing;
- (ix) to decide on the appointment, removal or non-reappointment of the Company's auditors who conduct regular statutory audit on the financial reports of the Company;
- (x) to amend the Articles of Association and examine and approve the procedural rules for shareholders' general meeting and the board of directors;
- (xi) to decide on the buy-back of the shares of the Company;
- (xii) to examine and approve the establishment by the Company of entities which have legal person status and certain matters which are beyond the powers of the board of directors, such as material outbound investments, material asset purchases, material asset disposals and write-offs, pledging of material assets, material connected transactions, etc.;
- (xiii) to examine proposals from shareholders representing one (1) per cent. or more of the Company's shares with voting rights;
- (xiv) to examine and approve share incentive plans formulated in accordance with laws and regulations regarding state-owned assets management;
- (xv) to examine and approve any change of use of proceeds raised;
- (xvi) to examine and approve the capital planning of the Company;
- (xvii) to examine any other matters that have to be resolved by the shareholders' general meeting as required by laws and regulations, regulatory provisions or the Articles of Association.

The shareholders' general meeting shall not delegate any of its statutory functions and powers to the board of directors or any other institutions or individuals.

The "material outbound investments, material asset purchases, material asset disposals and write-offs, pledging of material assets" referred to in subparagraph (xii) above means any outbound investments, asset purchases, asset disposals and write-offs, pledging of material assets beyond the authority of the board of directors or in an amount exceeding thirty (30) per cent. of the total assets reflected in the latest audited financial statements of the Company in one (1) year.

Article 58: Unless the Company is in crisis or under other special circumstances, the Company shall not, without the approval of a shareholders' general meeting by special resolution, enter into any contract with any person other than a director, the president or other member of senior management whereby the management and administration of the whole or a major part of the business of the Company is to be handed over to such person.

Article 59: Shareholders' general meetings are classified into annual general meetings and extraordinary general meetings. An annual general meeting shall be convened once each year and within six (6) months from the end of the preceding accounting year.

The Company shall convene a shareholders' extraordinary general meeting within two (2) months after the occurrence of any of the following events:

- (i) when the number of directors is less than the number of directors required by the Company Law or two-thirds of the number of directors specified in the Articles of Association;
- (ii) when the unrecovered losses of the Company amount to one-third of the total amount of its share capital;
- (iii) when shareholders individually or collectively holding ten (10) per cent. or more of the Company's shares request the convening of a shareholders' extraordinary general meeting;
- (iv) when deemed necessary by the board of directors;
- (v) when the Audit Committee proposes the convening of a shareholders' extraordinary general meeting;
- (vi) when one-half or more and no less than two (2) independent directors request the convening of a shareholders' extraordinary general meeting;
- (vii) other circumstances as provided by laws and regulations, regulatory provisions or the Articles of Association.

Article 60: The Company shall convene the shareholders' general meetings in the form of an on-site meeting or video conference, online meeting or by other electronic means. Where the meeting is convened through video conference, online meeting or by other electronic means and a real-time communication and discussion among all shareholders participating in the meeting and voting by online voting platform or through other modern information technologies shall be ensured, it shall be deemed as an on-site meeting. Shareholders participating in the shareholders' general meetings through the above methods shall be deemed as present at the meeting.

Section 3: Convening of Shareholders' General Meeting

Article 61: A shareholders' general meeting shall be convened by the board of directors.

If the board of directors is unable or refuses to perform its duties to convene the shareholders' general meeting, the Audit Committee shall convene the meeting promptly; if the Audit Committee fails to convene the meeting, the shareholders who individually or collectively hold ten (10) per cent. or more of the shares in the Company for consecutive ninety (90) days may convene the meeting.

If the shareholders who individually or collectively hold ten (10) per cent. or more of the shares in the Company propose the convening of a shareholders' extraordinary general meeting, the board of directors or the Audit Committee shall decide on whether to convene the shareholders' extraordinary general meeting within (10) days of receipt of such proposal and give a written reply to the shareholders.

Article 62: If the Audit Committee or the shareholders propose the convening of a shareholders' extraordinary meeting or a class meeting, the following provisions shall apply:

- (i) the Audit Committee or the shareholders who individually or collectively hold ten (10) per cent. or more of the voting shares in the proposed meeting may sign one (1) or more written requests in the same form, requesting the board of directors to convene a shareholders' extraordinary general meeting or a class meeting and indicating the matters to be discussed in the meeting. The board of directors shall, as soon as practicable after receipt of such written request, convene the shareholders' extraordinary general meeting or class meeting. The number of shares held by the shareholders shall be calculated on the date of the written request.
- (ii) If the board of directors fails to issue the notice of shareholders' general meeting within thirty (30) days of receipt of such written request, the Audit Committee shall convene and preside over the meeting; if the Audit Committee fails to issue the notice of shareholders' general meeting within the subsequent thirty (30) days, the shareholders who individually or collectively hold ten (10) per cent. or more of the voting shares in the proposed meeting for consecutive ninety (90) days may convene and preside over the shareholders' general meeting within four (4) months of receipt by the board of directors of such written request, and the convening procedure shall be same as that of the board of directors to the maximum extent possible.

If the shareholders convene and hold a meeting due to the failure of the board of directors to convene such meeting, the Company shall bear any cost reasonably incurred by such shareholders, which shall be deducted from any amount owed by the Company to the director who failed to perform his/her duties.

Article 63: Half or more of independent directors (no less than two (2) independent directors) may propose the convening of shareholders' extraordinary general meeting to the board of directors. If the independent directors propose the convening of a shareholders' extraordinary general meeting, the board of directors shall, in accordance with applicable laws and regulations and the Articles of Association, convene a shareholders' extraordinary general meeting within two (2) months of receipt of such proposal.

Section 4: Proposal for, and Notices of, Shareholders' General Meeting

Article 64: The contents of a resolution shall fall within the scope of powers of the shareholders' general meeting, and the resolution shall have clear topics for discussion and matters to be decided, and shall comply with the relevant provisions of laws and regulations, regulatory provisions and the Articles of Association.

Article 65: When the Company convenes a shareholders' general meeting, the board of directors, the Audit Committee and shareholders individually or collectively holding one (1) per cent. or more of the shares of the Company shall be entitled to put forward resolutions to the Company.

Shareholders individually or collectively holding one (1) per cent. or more of the shares of the Company may put forward proposals in writing to the convener of the meeting ten (10) days before the convening of the annual general meeting, which shall set out the matters and resolutions to be discussed. The convener of the meeting shall notify the other shareholders within two (2) days and submit the proposals to the shareholders' general meeting for deliberation, unless the contents of a resolution are in breach of applicable laws and regulations or the Articles of Association or fall beyond the scope of authorities of the shareholders' general meeting.

The Company shall provide notice of shareholders' general meetings and notices of relevant proposals under this Articles of Association in the form of an announcement.

Article 66: A shareholders' general meeting shall not vote and resolve on any proposals not stated in the notice or supplementary notice of shareholders' general meeting or not in compliance with Article 64 of the Articles of Association.

Article 67: An annual general meeting shall be called by providing not less than twenty (20) days' prior notice to all shareholders in the form of an announcement, and an extraordinary general meeting shall be called by providing not less than fifteen (15) days' prior written notice to all shareholders in the form of an announcement.

If the notice period set out in the regulatory rules or listing rules of the place where the shares of the Company are listed exceeds the notice period set out in the first paragraph of this Article, such provision shall prevail.

Article 68: A notice of shareholders' general meeting shall set out the followings:

- (i) the date, time and place of the meeting;
- (ii) the matters and proposals to be discussed at the meeting;
- (iii) an explicit statement that all ordinary shareholders recorded in the register of shareholders on the date of registration may attend and vote at the shareholders' general meeting in person or by proxy, which proxy does not need to be a shareholder of the Company;
- (iv) date of registration of the shareholders who are entitled to attend the meeting;
- (v) other requirements required by applicable laws, regulations, regulatory rules, competent regulatory authorities or the stock exchange on which the shares of the Company are listed.

Article 69: Where the election of non-employee directors is discussed at a shareholders' general meeting, the notice of the shareholders' general meeting shall fully disclose the details of the candidates for non-employee directors and shall include at least the following contents:

- (i) personal details such as educational background, work experience, part-time positions, etc.;
- (ii) whether there is any affiliation between the candidate and the Company or the controlling shareholder and the de facto controller of the Company;
- (iii) the number of shares of the Company held by the candidate;
- (iv) whether the candidate has ever been subject to any punishment by the insurance regulatory authority of the State Council and other relevant authorities.

Section 5: Convening of Shareholders' General Meeting

Article 70: All shareholders appearing on the register of shareholders as at the date of registration and their respective proxies may attend the shareholders' general meeting and exercise their voting rights in accordance with applicable laws, regulations and the Articles of Association. A shareholder may attend and vote at a shareholders' general meeting in person or by proxy.

Article 71: Where the directors and senior management personnel are required to attend the shareholders' general meeting on a non-voting basis, they shall attend the meeting and accept the inquiries of the shareholders.

Article 72: The accidental omission to give notice of a shareholders' general meeting to, or the non-receipt of notice of a shareholders' general meeting by, any person entitled to receive notice shall not invalidate the meeting and resolutions passed at that meeting.

Article 73: The Company must report the shareholders' general meetings to the insurance regulatory authority of the State Council in accordance with applicable laws, regulations and regulatory rules.

Article 74: If a shareholder entitled to attend a shareholders' general meeting is a designated clearing house (or its proxy) as defined in relevant laws and regulations of the place where the shares of the Company are listed, the shareholder may appoint one (1) or more persons deemed appropriate to be his proxy at any shareholders' general meeting or class meeting. However, for more than one (1) person so appointed, the appointment letter shall state the number of shares and classes of shares represented by each proxy. The person so appointed has the right to represent the clearing house (or its proxy) to exercise the rights as if the clearing house is an individual shareholder of the Company.

Article 75: A shareholders' general meeting shall be presided over by the chairperson of the board of directors. If the chairperson of the board of directors fails or refuses to perform the duties, the meeting shall be presided over by the vice-chairperson of the board of directors, if the vice-chairperson of the board of directors fails or refuses to perform the duties, the meeting shall be presided over by a director elected by a majority of directors.

A shareholders' general meeting convened by the Audit Committee shall be presided over by the convener of the Audit Committee. If the convener of the Audit Committee fails or refuses to perform the duties, the meeting shall be presided over by a member elected by a majority of members of the Audit Committee.

A shareholders' general meeting convened by the shareholders shall be presided over by a representative elected by the convening shareholders.

Article 76: The minutes of the matters discussed in the meetings of the board of directors shall be prepared, which shall be signed by the chairperson of the meeting and directors attending the meetings, and the meeting minutes, the register of attendees and power of attorney for proxies shall be kept permanently.

Section 6: Voting and Resolution of Shareholders' General Meeting

Article 77: The resolutions of a shareholders' general meeting shall be divided into ordinary resolutions and special resolutions.

To adopt an ordinary resolution, votes representing more than half of the voting rights represented by the shareholders (including proxies) present at the meeting must be exercised in favour of the resolution in order for it to be passed.

To adopt a special resolution, votes representing two-thirds or more of the voting rights represented by the shareholders (including proxies) present at the meeting must be exercised in favour of the resolution in order for it to be passed.

Article 78: A shareholder (including proxy) when voting at a shareholders' general meeting may exercise voting rights in accordance with the number of shares held that carry voting rights and each share shall have one (1) vote. However, the shares held by the Company do not carry any voting rights and are excluded from the total number of voting shares held by shareholders attending the shareholders' general meeting.

Where any shareholder, under the Listing Rules of the Hong Kong Stock Exchange, is required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder or its proxies in contravention of such requirement or restriction shall not be counted.

Article 79: Any vote of shareholders at a shareholders' general meeting must be taken by poll except where the chairperson of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company must announce the results of the poll in such manner as prescribed under the Listing Rules of the Hong Kong Stock Exchange.

Article 80: On a poll taken at a meeting, a shareholder (including proxy) that is entitled to two (2) or more votes need not cast all his votes in the same way.

Article 81: The following matters shall be resolved by an ordinary resolution at a shareholders' general meeting:

- (i) operating policies and investment plans of the Company;
- (ii) election and replacement of the non-employee directors, making decisions on the non-employee directors' remuneration and method of payment;
- (iii) work reports of the board of directors;
- (iv) proposed annual financial budgets and final accounts, balance sheets, income statements and other financial statements of the Company;
- (v) plans of the Company for the distribution of profits and recovery of losses;
- (vi) appointment and removal of the Company's auditors who conduct regular statutory audit on the financial reports of the Company;
- (vii) matters other than those required by laws and regulations, regulatory provisions or the Articles of Association to be adopted by special resolution.

Article 82: The following matters shall be resolved by a special resolution at a shareholders' general meeting:

- (i) the increase or reduction of registered capital and the issue of shares of any class, warrants and other similar securities;
- (ii) the issue of debentures of the Company and the Company's listing;
- (iii) the buy-back of the shares of the Company;
- (iv) the division, merger, dissolution and liquidation of the Company, or change of company form;
- (v) amendments to the Articles of Association;

- (vi) the examination and approval on the establishment by the Company of entities which have legal person status and certain matters which are beyond the powers of the board of directors, such as material outbound investments, material asset purchases, material asset disposals and write-offs, pledging of material assets, etc.;
- (vii) the removal of independent directors;
- (viii) to examine and approve share incentive plans formulated in accordance with laws and regulations regarding state-owned assets management;
- (ix) any other matters as provided by laws and regulations, regulatory provisions or the Articles of Association or considered by the shareholders' general meeting to be of a nature which may have a material impact on the Company and where it is passed by way of an ordinary resolution at a shareholders' general meeting that the matter be resolved by way of a special resolution.

Article 83: When matters concerning connected transactions are considered at the shareholders' general meeting, no connected shareholder may participate in voting, and the voting shares held by such shareholders may not be counted as nor included in the total number of valid votes.

Section 7: Special Procedures for Voting by Class Shareholders

Article 84: Those shareholders who hold different classes of shares are "class shareholders".

Class shareholders shall enjoy rights and assume obligations in accordance with laws and regulations and the Articles of Association.

Article 85: Rights conferred on any class shareholders may not be varied or abrogated save with the approval of a special resolution of a shareholders' general meeting and by class shareholders at a separate meeting conducted in accordance with Articles 87 to 91.

Article 86: The following circumstances shall be deemed to be a variation or an abrogation of the rights of shareholders of a particular class:

- (i) an increase or reduction in the number of shares of that class, or an increase or reduction in the number of shares of another class that enjoys the same or more voting rights, distribution rights and other privileges as that class;
- (ii) an exchange of part or all of the shares of that class into another class, or an exchange of part or all of the shares of the other class into that class or authorisation of such a conversion;
- (iii) a cancellation or a reduction of rights to accrued dividends or rights to cumulative dividends attached to shares of that class;
- (iv) a reduction or cancellation of the priority enjoyed by that class to dividend, or the right to priority distribution at the Company's liquidation;
- (v) an increase, cancellation or reduction of the rights of exchange, selection, voting, transfer and preferred subscription, and the rights of receiving the Company's securities, enjoyed by that class;

- (vi) a cancellation or reduction of the right to receive the Company's accounts receivable in designated currency enjoyed by that class;
- (vii) the creation of a new class of shares enjoying the same or more rights of voting, distribution and other privileges as that class;
- (viii) a restriction or an increase in the restriction on the transfer and ownership of that class;
- (ix) an issue of options or conversion rights of that class or other classes;
- (x) an increase in the rights and privileges of shares of other classes;
- (xi) a restructuring of the Company which results in different classes bearing responsibilities disproportionately;
- (xii) a variation or abrogation of the Articles in this Section.

Article 87: Shareholders of the affected class, whether or not otherwise having the right to vote at shareholders' general meetings, shall nevertheless have the right to vote at class meetings on matters concerning subparagraphs (ii) to (viii), (xi) and (xii) of Article 86 but interested shareholder(s) shall not be entitled to vote at class meetings.

The meaning of "interested shareholder(s)" in the preceding paragraph is as follows:

- (i) in the case of a repurchase of shares by pro-rata general offers to all shareholders or through open transactions on the stock exchange pursuant to Article 28 of the Articles of Association, a "controlling shareholder" within the meaning in Article 49 of the Articles of Association;
- (ii) in the case of a repurchase of shares by an off-market agreement pursuant to Article 28 of the Articles of Association, a holder of the shares to which the proposed agreement relates;
- (iii) in the case of a restructuring of the Company, a shareholder within a class who bears less than a proportionate burden imposed on that class under the proposed restructuring or who has an interest in the proposed restructuring different from the interest of the shareholders of that class.

Article 88: Resolutions of a class meeting shall be passed by votes representing two-thirds or more of the class shareholders with the right to vote present at the meeting in accordance with Article 87.

Article 89: When the Company holds a class meeting, in accordance with the requirements about time constraint on notice of a shareholders' general meeting set out in the Articles of Association, the shareholders of that class in the register of shareholders, shall be notified of the matters to be considered, the date and the place of the class meeting.

The quorum required for any class meeting (but not including a resumed meeting) to consider changing the rights of any class of shares must be at least one-third of the holders of such class of shares.

Article 90: Notice of class meetings need only be served on shareholders entitled to vote at the meetings.

Meetings of class shareholders shall be conducted in a manner as similar as possible to that of shareholders' general meetings. The provisions of the Articles of Association relating to the manner of conducting any shareholders' general meeting shall apply to any meeting of class shareholders.

Article 91: In addition to shareholders of other classes of shares, holders of domestic shares and overseas listed foreign invested shares are deemed to be different classes of shareholders.

The special procedures for approval by separate class shareholders shall not apply in the following circumstances:

- (i) where the Company issues, upon approval by a special resolution of a shareholders' general meeting, either separately or concurrently once every twelve (12) months, not more than twenty (20) per cent. of each of the existing issued domestic shares and overseas listed foreign invested shares of the Company;
- (ii) where the Company's plan to issue domestic shares and overseas listed foreign invested shares on incorporation is implemented within fifteen (15) months from the date of approval by the State securities regulatory authority.

Chapter Six: Board of Directors

Section 1: Board of Directors

Article 92: The Company shall have a board of directors. The board of directors shall consist of twelve (12) members, of whom four (4) members are executive directors, seven (7) members are non-executive directors (among them, five (5) members are independent directors), and one (1) employee director. The board of directors shall have one (1) chairperson and may have one (1) vice-chairperson. The chairperson and the vice-chairperson of the board of directors shall be elected and removed by the board of directors with the affirmative votes of more than half of all of the directors.

Article 93: The non-employee directors shall be elected or replaced by the shareholders' general meeting, and may be removed prior to the expiry of his/her term of office. The employee director shall be elected by employees of the Company at the meetings of employee representatives, the assembly of employees or other forms of a democratic election, and may be removed in the same form. The term of office of a director shall be three (3) years, and a director may be eligible for re-election upon the expiry of his term. The term of office of the chairperson and the vice-chairperson shall be three (3) years, and they may be eligible for re-election.

The term of office of a director shall commence from the date when he is formally appointed and shall end on the day when the term of the relevant session of the board of directors expires. Where re-election is not timely conducted upon expiry of the term of office of a director, or where the board of directors is lower than the minimum number specified in the Company Law or two-thirds of the number specified in the Articles of Association due to the resignation of a director during his term of office, such director shall continue to perform his duties as a director in accordance with laws and regulations, regulatory provisions and the Articles of Association until a new director is elected and takes office.

A director is not required to hold any shares of the Company.

Article 94: The shareholders individually or collectively holding three (3) per cent. or more of the Company's voting shares and the Nomination, Remuneration and Review Committee of the board of directors may propose the candidates for directors who are neither independent nor employees. In principle, the number of directors nominated by a shareholder and its affiliates may not exceed one-third of total number of directors, unless otherwise required by applicable national laws and regulations.

The shareholders' general meeting may by ordinary resolution remove any non-employee director prior to the expiration of his term in accordance with the relevant laws and regulations (but without prejudice to any claim for damages under any contract), provided that an independent director may only be removed by special resolution.

Article 95: The board of directors shall exercises the following functions and powers:

- (i) to be responsible for convening shareholders' general meetings and to report on its work to the shareholders' general meeting;
- (ii) to implement the resolutions of the shareholders' general meetings;
- (iii) to decide on the Company's annual business plans and annual investment plans;
- (iv) to formulate the Company's annual financial budgets and final accounts;
- (v) to formulate the Company's plans for distribution of profits and recovery of losses;
- (vi) to formulate proposals for increase or reduction in the registered capital, the issue of bonds or other securities and the Company's listing;
- (vii) to formulate plans for material acquisition, purchase of its own shares or merger, division, dissolution and change of company form of the Company;
- (viii) to consider and approve the outbound investments, asset acquisitions, asset disposals and write-offs, asset mortgages, connected transactions or other transactions of the Company within the limit authorised to the Board by the shareholders' general meeting, data governance and other matters which are required to be submitted to the board of directors for consideration and approval in accordance with laws and regulations and regulatory provisions;
- (ix) to decide on the establishment of the Company's internal management structure;
- (x) to appoint or remove the Company's senior management personnel, and to determine their remuneration, rewards and penalties, and to supervise the senior management to fulfil their duties;
- (xi) to approve the Company's basic management system;
- (xii) to formulate proposals for any amendment to the Articles of Association, set out the procedural rules for shareholders' general meeting and the board of directors, and consider and approve the work rules for the special committees under the board of directors;
- (xiii) to elect members to the special committees;

- (xiv) to propose to the shareholders' general meeting for appointment or removal of the accounting firm which carries out statutory audit on the financial reports of the Company on a regular basis;
- (xv) to be provided with the work report, and review the work, of the president of the Company;
- (xvi) to select and retain the external auditor who conducts audit of the directors and senior management personnel of the Company;
- (xvii) to formulate the Company's development strategy and supervise its implementation;
- (xviii) to formulate the Company's capital planning and the Company's risk tolerance, risk management and internal control policies, and to undertake the ultimate responsibility for internal control, comprehensive risk management and capital or solvency management;
- (xix) to be in charge of the Company's information disclosure, and to undertake the ultimate responsibility for the authenticity, accuracy, completeness and timeliness of accounting and financial reports;
- (xx) to regularly evaluate and improve corporate governance;
- (xxi) to safeguard the legitimate rights and interests of insurance consumers and other stakeholders;
- (xxii) to establish a mechanism for identifying, reviewing and managing conflicts of interest between the Company and shareholders, especially substantial shareholders, and undertake the management responsibility of shareholder affairs;
- (xxiii) to set the objective of compliance management, assume the ultimate responsibility for the effectiveness of compliance management, and perform the powers and duties for compliance management required by applicable laws, regulations and regulatory rules;
- (xxiv) to exercise any other powers conferred by laws and regulations, regulatory provisions, the Articles of Association or the shareholders' general meeting.

Except for board resolutions in respect of the matters specified in the above subparagraphs (vi) and (vii) and the first two (2) matters in subparagraph (xii) as well as significant matters relating to the plans for distribution of profits, remuneration, significant investments, material asset disposals, appointment and removal of senior management personnel, capital supplement plan etc., which shall be passed by two-thirds or more of all the directors, board resolutions in respect of all other matters may be passed by more than half of all the directors.

When the board of directors considers material connected transactions, no connected director may exercise his voting right for his own account or as a proxy of another director, and such board meetings may be held when more than half of the non-connected directors are present. The resolutions of such board meetings shall be passed by two-thirds or more of the non-connected directors. Where less than three (3) non-connected directors are present at a board meeting, the transaction in question shall be submitted to the shareholders' general meeting for consideration, except for the circumstances permitted by laws and regulations, regulatory provisions or the Exchange of the place where the Company is listed.

Any resolutions passed by the board of directors in respect of connected transactions of the Company shall not become effective until it has been signed by the independent directors.

If the external auditor issues a qualified opinion in respect of the financial reports, the board of directors shall make specific explanations of the matters involved in such opinion and make a public disclosure.

The board of directors shall make a report to the shareholders' general meeting on the overview of connected transactions, including but not limited to connected transactions status and implementation of the connected transactions management system once a year.

The board of directors shall solicit the report of the responsible financial officers on the financial conditions, operating results and notable issues of the Company at least once every half a year.

The functions and powers of the board of directors shall be exercised by the board of directors collectively. In principle, the above statutory functions and powers of the board of directors shall not be delegated to the chairperson of the board of directors, a director or any other individual or entity. Where it is necessary to delegate certain powers, such delegation shall be approved by board resolutions in accordance with law. Each delegation shall be for one (1) matter exclusively, and the functions and powers of the board of directors shall not be delegated to any other body or individual of the Company generally or permanently.

Article 96: The opinions of the Party Committee of the Company shall be heard before the board of directors decides on material issues of the Company.

Article 97: The chairperson of the board of directors shall have the following functions and powers:

- (i) to preside over shareholders' general meetings, and convene and preside over board meetings;
- (ii) to prompt and examine the implementation of board resolutions;
- (iii) to sign securities issued by the Company;
- (iv) any other functions and powers vested in him by the board of directors.

Article 98: Regular board meetings shall be held at least four (4) times every year and be convened by the chairperson of the board of directors by serving notice of each board meeting on all the directors in writing fourteen (14) days before the date of the proposed meeting.

A special board meeting may be held where the chairperson of the board of directors deems necessary. Any shareholder holding ten (10) per cent. or more of the voting shares, one-third or more of all of the directors, two (2) or more independent directors, the Audit Committee or the president may propose to convene a special board meeting. The chairperson of the board shall convene and preside over the board meeting within ten (10) days of receipt of such proposal.

The Company shall convene a special board meeting by giving no less than five (5) working days' prior notice. If a special board meeting is necessary due to any emergency, such notice requirements do not apply.

Any board meeting of the Company shall be reported to the insurance regulatory authority of the State Council in accordance with applicable laws, regulations and regulatory rules.

Board meetings shall be conducted in Chinese. If required, a translator may attend board meetings to provide immediate Chinese-English translation.

Article 99: For important matters requiring decision by the board of directors, notice must be given to all the directors by the time specified in Article 98 together with sufficient information, and the meeting must be conducted in strict compliance with the prescribed procedures. Directors may request further information. If a quarter or more of all the directors or two (2) or more non-executive directors consider any information supplied to be insufficient, inconclusive or unclear, they may jointly propose that the board meeting or the discussion of some of the matters be postponed, and the board of directors shall accept such proposal.

Notice of a meeting shall be deemed to have been given to any director who is present at a meeting and does not, either before or during the meeting, object to his not having received any notice of that meeting.

Regular meetings of the board of directors shall be convened as on-site meetings, special board meetings may be convened as on-site meetings or by written resolutions. On-site meetings as referred in this Article refer to meetings convened through on-site attendance, video conference, telephone conference, etc. which can ensure instant communication and discussion among all participants participating in those meetings. Written resolutions refer to another form of meeting where consideration and approval for resolutions on proposals will be circulated or separately delivered.

The board of directors shall not hold a meeting, at which the following matters are voted via written resolutions:

- (i) profit distribution plans;
- (ii) remuneration plans;
- (iii) material investments;
- (iv) proposals on major asset disposals;
- (v) appointment and removal of senior management personnel;
- (vi) capital supplement plan;
- (vii) other matters set out under laws and regulations, regulatory provisions and the rules of securities regulatory authorities of the place where the shares of the Company are listed.

Article 100: A board meeting shall only be held if more than half of the directors (including any director who authorises another director to attend the meeting on his behalf in writing in accordance with Article 101 hereof) are present. Each director shall have one (1) vote. Resolutions of the board of directors shall be decided by a majority of votes.

Article 101: Directors should attend board meetings in person. If, for any reason, a director is unable to attend a meeting, he may appoint in writing another director to attend that meeting on his behalf. The letter of appointment shall specify the scope of authority granted.

A director attending a meeting on behalf of another director shall exercise the rights of the director appointing him within the scope of authority granted to him. Where a director fails to attend a board meeting and has not appointed a representative to attend that meeting on his behalf, he shall be deemed to have waived his voting rights in respect of that meeting.

In principle, a director shall not accept the authorisation of more than two (2) directors who do not attend the meeting in person. An independent director may only authorise another independent director to attend the meeting on his behalf. In relation to board meeting for the consideration of connected transactions, a non-connected director shall not authorise a connected director to attend the meeting on his behalf.

Article 102: The board of directors shall keep minutes in Chinese of the decisions of all matters tabled at a board meeting. The opinions expressed by independent directors shall be set out in each board resolution. Minutes of each board meeting shall be provided to all directors for review as soon as possible. A director who wishes to amend or add to the minutes shall submit his proposed amendments in writing to the chairperson within seven (7) days of receiving the minutes. Once finalised, the minutes shall be signed by the directors who attended that meeting and the person who took the minutes. Minutes of board meetings shall be kept at the Company's address in the PRC and a complete copy shall be given to each director as soon as possible, and the minutes of board meetings shall be kept permanently.

The directors shall bear responsibility for board resolutions. If a board resolution breaches any laws and regulations, the Articles of Association or resolutions of shareholders' general meetings and results in the Company incurring substantial losses, the directors participating in that resolution shall be liable to compensate the Company. If it can be shown that a director objected to any resolution at the time it was passed, and such objection is recorded in the minutes of that meeting, then such director shall be exempted from liability.

Section 2: Independent Directors

Article 103: The Company adopts the independent director system and the non-executive director system. An independent director shall possess the requisite qualifications for being an independent director of a listed insurance company as prescribed under the laws and regulations and regulatory requirements, and shall exercise his functions and powers and perform his duties in accordance with the relevant laws and regulations, the Articles of Association and the procedural rules for the board of directors.

Article 104: Independent directors shall have relatively high professional competence and good reputation, and meet the conditions required by laws and regulations and the insurance regulatory authority of the State Council. At least one (1) independent director shall have appropriate professional qualifications or appropriate accounting or financial expertise, and at least one (1) independent director shall be ordinarily resident in Hong Kong.

Article 105: Without prejudice to the requirements regarding the independence of independent directors under the laws and regulations, rules and the listing rules of the place where the Company is listed, none of the following persons shall act as an independent director:

- (i) any person who was, in the last three (3) years, employed by a shareholder holding five (5) per cent. or more of the Company's shares or the top ten (10) shareholders of the Company, and his close relatives together with main social contacts;
- (ii) any person who was, in the last three (3) years, employed by the Company or an enterprise which the Company has de facto control, and his close relatives together with main social contacts;
- (iii) any person who provided legal, auditing, actuarial or management consultancy services to the Company, its controlling shareholders and their subsidiaries in the past year;

- (iv) any person who is a partner, controlling shareholder or senior management personnel of any banking, legal, consulting or auditing institution which has business relationship with the Company, its controlling shareholders and their subsidiaries in the past year;
- (v) any person holding office in other insurance institutions with similar principal business;
- (vi) any other person whose independent judgment is questioned by the insurance regulatory authority of the State Council and any other person who is prohibited from acting as an independent director by the securities regulatory authorities of the place where the shares of the Company are listed;
- (vii) any other person who is not independent under applicable laws, regulations, regulatory rules and the Articles of Association.

Article 106: An independent director shall not have a relationship with the Company and the shareholders and de facto controllers of the Company, which may affect their independent and objective judgments about the Company's affairs. An independent director must not hold any post in the Company other than that of independent director.

An independent director may report directly to the shareholders' general meeting, the State securities regulatory authority and other relevant departments.

Article 107: Independent directors shall be nominated by the Nomination, Remuneration and Review Committee, the Audit Committee of the board of directors, shareholders who hold one (1) per cent. or more shares of the Company individually or collectively, or other forms set out by the insurance regulatory authority of the State Council, and shall be elected by shareholders' general meetings. A shareholder who has nominated a non-independent director and its affiliates may not nominate an independent director.

An independent director may be re-elected if reappointed upon the expiry of his/her term of office, provided that, the number of years of service of an independent director with the Company may not exceed six (6) years.

Article 108: An independent director shall owe the Company and all its shareholders a duty to act honestly, in good faith and diligently. An independent director shall abide by the requirements of relevant laws and regulations and the Articles of Association, perform his duties faithfully, safeguard the overall interests of the Company, and have particular regard to protecting the lawful rights and interests of the Company's medium and minority shareholders. An independent director shall not be influenced by the substantial shareholder, or de facto controller over the Company and any other entity or individual with a material interest in the Company.

Article 109: In addition to the functions and powers vested in directors by the Company Law, other relevant laws and regulations, regulatory provisions and the Articles of Association, independent directors shall have the following special functions, powers and obligations:

- (i) independent directors shall issue written opinions on the fairness and compliance of, and the obtaining of internal approval for, each material connected transaction and its impact on the rights and interests of insurance consumers. Where the independent directors deem it necessary, an intermediary agency may be retained to provide opinions at the cost of the Company;
- (ii) one-half (1/2) or more and no less than two (2) independent directors may request the board of directors to convene a shareholders' extraordinary general meeting;

- (iii) two (2) or more independent directors may request for holding board meetings;
- (iv) may retain external auditors and advisory institutions separately;
- (v) other functions and powers set out under laws and regulations, regulatory provisions and the Articles of Association.

Article 110: Independent directors shall give objective, impartial and independent opinions on the matters discussed at the shareholders' general meetings or board meetings of the Company, in particular give opinions to the board of directors or shareholders' general meetings on the following matters:

- (i) material connected transactions;
- (ii) nomination, appointment and removal of directors, and appointment and removal of senior management personnel;
- (iii) remuneration of directors and senior management personnel;
- (iv) formulation of strategies and policies of the Company;
- (v) profit distribution plans;
- (vi) appointment or removal of an accounting firm that conducts regular statutory audits of the Company's financial reports;
- (vii) investment, lease, acquisition and disposal of assets, guarantee and other material transactions not contemplated under the business plan;
- (viii) other matters that may have a material effect on the interests of the Company, medium and minority shareholders as well as insurance consumers;
- (ix) other matters set out under laws and regulations, regulatory provisions and the Articles of Association.

Independent directors who abstain from voting or vote against the matters above or find that there are hindrances for them to express any opinion shall submit written opinions to the Company and report it to the insurance regulatory authority of the State Council.

Article 111: An independent director shall keep updated on changes of policies, rules and regulations and the operation and management of the Company, in particular, an independent director shall give special attention to, and supervise over, the matters set out in the preceding Article. The cost of relevant reviews by independent directors and engagement of external agencies shall be borne by the Company.

Article 112: To ensure that the independent directors exercise their powers and functions effectively, the Company shall provide the independent directors with the following necessary conditions:

- (i) The Company shall ensure that the independent directors enjoy the same rights to information as the other directors. For matters requiring decision by the board of directors, advance notice together with sufficient information must be given by the Company to the independent directors within the prescribed statutory time limit. Independent directors may request further information if they consider any information to be insufficient. If two (2) independent directors consider any information to be insufficient, inconclusive or unclear, they may jointly propose that the board meeting or the discussion of the matter at hand be postponed, and the board of directors shall accept such proposal. Any information provided by the Company to an independent director shall be retained by the Company and that independent director for at least five (5) years.
- (ii) The Company shall provide such working conditions as are necessary for the independent directors to carry out their duties. The secretary of the board of directors shall actively provide the independent directors with such assistance as is necessary for the independent directors to perform their duties, such as describing the circumstances and providing relevant materials. Independent opinions, proposals and written explanations provided by the independent directors that shall be announced publicly, the secretary of the board of directors shall timely complete the necessary formalities for making public announcements at the stock exchange.
- (iii) The relevant personnel of the Company shall co-operate fully with the independent directors whilst the independent directors perform their duties and shall not refuse, obstruct or conceal, or interfere with their independent performance of duties.
- (iv) The Company shall pay the independent directors an appropriate allowance. The level of allowance to be paid shall be set by the board of directors beforehand, reviewed and approved by the shareholders' general meeting and disclosed in the annual report of the Company.

Other than the above allowances, independent directors shall not receive any additional undisclosed benefits from the Company and its majority shareholder or any other materially interested entity and individual.

Article 113: An independent director may resign before expiry of his/her tenure. A resigning independent director shall submit a written resignation report to the board of directors, and shall submit a written statement to the board of directors on matters which relate to his/her resignation and are necessary to be highlighted to the shareholders, the board of directors and insurance consumers. If, as a result of the resignation of an independent director, the number of independent directors on the board of directors or on any special committee under the board of directors falls below the minimum number, that independent director shall continue to serve until a new independent director is appointed, except where he/she has resigned due to non-independence or he/she is being dismissed.

An independent director shall not be dismissed without a reason before expiry of tenure. Where an independent director no longer satisfies the independence requirement and he/she does not voluntarily resigns, or an independent director is no longer suitable to act as an independent director due to non-performance of diligence obligation or under other circumstances and he/she does not voluntarily resigns, a shareholder or director may submit a written recommendation for dismissal and proof materials to the board of directors, and the board of directors shall review the recommendation for removal, and submit to a shareholders' general meeting for deliberation. The said independent director may make a defense statement and representation to the board of directors.

A resolution on dismissal of independent director shall be passed by shareholders who hold two-thirds or more of the voting rights at the shareholders' general meeting. The Company shall notify the said independent director in writing at least fifteen (15) days before convening of the shareholders' general meeting, to inform him/her of the reason for dismissal and his/her relevant rights. The said independent director shall have the right to make a defense statement and representation at the shareholders' general meeting before the shareholders vote on the resolution for dismissal.

Where an independent director does not attend board meetings on three (3) consecutive occasions in person, he/she shall be deemed not performing his/her duties, and the Company shall convene a shareholders' general meeting within three (3) months to dismiss the independent director and elect a new independent director. Where an independent director has received two (2) written reminders within his/her tenure, he/she shall not be re-elected.

In the event of resignation or dismissal of an independent director or revocation of director qualification of an independent director by the insurance regulatory authority of the State Council, the Company shall, within three months from receipt of the resignation report or the date of dismissal or revocation of director qualification, convene a shareholders' general meeting for re-election of independent director.

Article 114: Unless provided otherwise by the Articles of Association, the provisions on directors in Chapter 8 of the Articles of Association shall apply to independent directors and non-executive directors.

Section 3: Secretary of the Board of Directors

Article 115: The Company shall have one (1) secretary of the board of directors. The secretary of the board of directors shall be one (1) of the members of senior management.

The board of directors may establish a secretarial department of the board of directors as required.

Article 116: The secretary of the board of directors shall be a natural person with the necessary professional expertise and experience. He shall be nominated by the chairperson of the board of directors and appointed by the board of directors. The term of office of the secretary of the board of directors shall be three (3) years, and the secretary of the board of directors may serve consecutive terms if reappointed.

Article 117: The scope of the powers and functions of the secretary of the board of directors is as follows:

- (i) to make preparations for the meetings of shareholders and directors in accordance with the prescribed procedures and the requirements of the chairperson of the board of directors;
- (ii) to prepare and keep archives of the meetings of shareholders and directors, as well as other meeting materials and documentations, and to keep register and relevant materials of shareholders, directors, senior management personnel of the Company;
- (iii) to report and submit meeting notices and resolutions of the meetings of shareholders and directors to the insurance regulatory authority of the State Council in accordance with regulatory rules;
- (iv) to assist shareholders and directors in exercising their rights and performing obligations;
- (v) to be in charge of information disclosure and investor relations management;
- (vi) to assist the chairperson of the board of directors in drafting corporate governance reports of the Company;

- (vii) to report contradictory issues and problems in corporate governance of the Company in accordance with the requirements of the regulatory authorities;
- (viii) to organize directors and other relevant personnel to attend trainings in accordance with the requirements of the regulatory authorities;
- (ix) to exercise any other functions and powers conferred by laws and regulations, regulatory provisions, the Articles of Association.

Article 118: A director or any other member of senior management may concurrently hold the office of secretary of the board of directors. An accountant from an accounting firm engaged by the Company may not concurrently hold the office of secretary of the board of directors.

If a certain act is required to be undertaken by both a director and the secretary of the board of directors separately, any person who is concurrently holding the offices of director and secretary of the board of directors shall not be permitted to act in both capacities.

Article 119: The secretary of the board of directors shall abide by the Articles of Association, carry out his duties faithfully, safeguard the Company's interests, owe the Company a duty to act honestly and diligently and shall not exploit his position and powers in the Company to obtain personal gain.

Section 4: Special Committees of the Board of Directors

Article 120: The board of directors shall have five (5) special committees: a Strategic Planning Committee/Sustainable Development Committee, an Audit Committee, a Nomination, Remuneration and Review Committee, a Risk Management and Consumers' Rights and Interests Protection Committee (Assets and Liabilities Management and Investment Decision-making Committee) and a Related Party Transaction Control Committee. The members of each special committee shall consist entirely of directors selected by the board of directors.

Article 121: The Strategic Planning Committee/Sustainable Development Committee shall consist of three (3) to seven (7) directors and the chairperson of the committee shall be the chairperson of the Company.

Article 122: The Strategic Planning Committee/Sustainable Development Committee shall exercise the following functions and powers:

- (i) to organise the management and relevant departments of the Company to conduct feasibility study and scientific demonstration of the development planning;
- (ii) to formulate the development planning proposal and submit the proposal to the board of directors for consideration;
- (iii) at the end of the year of planning and at the end of the term under planning, organise to conduct the assessment of the implementation of the planning work, prepare the assessment report and submit the report to the board of directors for consideration;

- (iv) to consider the Company's business plans, material investments, financing plans, annual budget plan and final accounts report, plans for the distribution of profits and recovery of losses, plans for the disposal of material assets, plans for the issue of shares and bonds, plans for the significant adjustment of organisational structure of the Company and plans for the amendment of the Articles of Association;
- (v) to formulate and review the corporate governance policies and norms of the Company;
- (vi) to formulate and amend policies of the Company relating to environment, society, governance and other enterprise social responsibilities, to review related matters and to report and propose to the board of directors;
- (vii) to be responsible for green finance, to supervise and evaluate the implementation of the Company's green finance development strategy;
- (viii) to exercise any other functions and powers conferred by laws and regulations, regulatory provisions, the Articles of Association or the board of directors.

Article 123: The Audit Committee shall consist of three (3) to seven (7) directors who do not hold posts in the management and are not executive directors and more than half of the members shall not hold any posts in the Company other than director, and shall not have any relationship with the Company that may affect their independent and objective judgement. A majority of the members of the Audit Committee shall be independent directors and the chairperson of the committee shall be an independent director. The employee director may be elected as a member of the Audit Committee. The members of the Audit Committee shall have the professional knowledge and experience in financial and other aspects commensurate with their duties, or be familiar with the Company's business and management process, have adequate professional knowledge and experience in relation to internal control, and at least one (1) of such independent directors shall have appropriate professional qualification or expertise in accounting, audit or related financial management. The Company does not have the Supervisory Committee, the powers of which under the Company Law and regulations are delegated to the Audit Committee.

Article 124: The Audit Committee shall exercise the following functions and powers:

- (i) to examine the internal audit management system of the Company and make suggestions to the board of directors;
- (ii) to direct the effective operation of the internal audit of the Company, examine the annual internal audit plan, internal audit budget and human resources plan of the Company and make suggestions to the board of directors, and be responsible to manage and implement these plans after approval by the board of directors;
- (iii) to examine the internal audit work reports, assess the result of internal audit work and prompt the rectification of significant issues;
- (iv) to assess the responsible auditing officer's work and provide opinions to the board of directors, be briefed with the report by the responsible auditing officer on the audit work progress at least once every quarter;
- (v) to propose the appointment of external audit firms;

- (vi) to regularly review the internal control assessment report submitted by the internal audit department;
- (vii) to provide opinions and improvement suggestions to the board of directors as to the matters relating to the internal control of the Company;
- (viii) to examine the financial affairs of the Company;
- (ix) to supervise the acts of the directors, president and other senior management personnel in the performance of their duties, and propose the removal of the directors, president and other senior management personnel who have violated laws, regulations, the Articles of Association or the resolutions of the shareholders' general meeting;
- (x) to require the directors, president and other senior management personnel to correct their acts if such acts damage the interests of the Company;
- (xi) to propose to convene extraordinary general meetings, and convene and preside over the extraordinary general meetings when the board of directors fails to implement the duties to convene and preside over the shareholders' general meetings as prescribed in the Articles of Association;
- (xii) to initiate lawsuits against the directors and senior management personnel according to the Company Law;
- (xiii) to present proposals to the shareholders' general meetings;
- (xiv) to nominate independent directors;
- (xv) to provide opinions to the board of directors on the appointment and dismissal of the responsible financial officers;
- (xvi) to provide opinions to the board of directors on the appointment and dismissal of the accounting firm that undertakes the Company's audit work;
- (xvii) to provide opinions to the board of directors on the disclosure of financial accounting reports;
- (xviii) to exercise any other functions and powers conferred by laws and regulations, regulatory provisions, the Articles of Association or the board of directors.

The Audit Committee shall hold at least one (1) meeting each quarter. In principle, the meeting shall be held on-site and more than two-thirds of the members shall be present. Under the premise of ensuring that all members can fully express their opinions, the meeting may also be held by way of written resolutions.

Voting at the Audit Committee meeting shall be made by show of hands, oral vote or disclosed ballot, with each member having one (1) vote. A resolution passed at a meeting shall require the affirmative vote of more than one half of all members.

The resolutions and voting results of the Audit Committee meeting shall be reported to the board of directors in writing.

Article 125: The Nomination, Remuneration and Review Committee shall consist of three (3) to seven (7) directors who do not hold posts in the management and are not executive directors, a majority of which shall be independent directors and the chairperson of the committee shall be an independent director. At least one (1) of the independent directors serving as members of the Nomination, Remuneration and Review Committee of the board of directors shall have strong ability to recognise and employ talents and manage remuneration, as well as experience in leadership or management positions in enterprises and public institutions.

Article 126: The Nomination, Remuneration and Review Committee shall exercise the following functions and powers:

- (i) to propose and examine the selection and appointment system, the appraisal standards and the remuneration and incentive measures for directors and senior management personnel;
- (ii) to examine the candidates for directors and senior management personnel and make suggestions to the board of directors;
- (iii) to conduct performance appraisal of senior management personnel and provide advice to the board of directors;
- (iv) to keep an eye on whether directors and senior management personnel continue to possess the qualifications for being directors and senior management personnel, and propose to the board of directors for the removal of directors or senior management personnel who are disqualified from being directors or senior management personnel during the course of their tenures;
- (v) to submit to the board of directors the list of qualified candidates for directors;
- (vi) to nominate independent directors;
- (vii) to exercise any other functions and powers conferred by laws and regulations, regulatory provisions, the Articles of Association or the board of directors.

The Nomination, Remuneration and Review Committee shall ensure that the remuneration and incentive measures for senior management personnel of the Company are commensurate with the Company's operating results and their individual performance.

Article 127: The Risk Management and Consumers' Rights and Interests Protection Committee (Assets and Liabilities Management and Investment Decision-making Committee) shall consist of three (3) to seven (7) directors, of which independent directors shall account for no less than one-third in principle. The chairperson of the committee shall be a director with risk management experience. The members of the Risk Management and Consumers' Rights and Interests Protection Committee (Assets and Liabilities Management and Investment Decision-making Committee) shall be familiar with the Company's business and management process and have adequate knowledge and experience in respect of the risks in the insurance business and the identification, assessment and control thereof.

Article 128: The Risk Management and Consumers' Rights and Interests Protection Committee (Assets and Liabilities Management and Investment Decision-making Committee) shall comprehensively understand the various major risks faced by the Company and their management status, and shall exercise the following functions and powers:

- (i) to be responsible for the board of directors by submitting working report of the consumers' rights and interests protection and annual report, undertaking relevant work with authorisation granted by the board of directors, discussing relevant matters, and analysing substantial issues and important policies in relation to protection of consumers' rights and interests;
- (ii) to instruct and promote establishment and improvement of the management system of the consumers' rights and interests protection, ensuring such system and relevant rules are in line with the corporate governance, corporate culture development and operational development strategy;
- (iii) to supervise the senior management and the consumers' rights and interests protection department for comprehensiveness, efficiency and effectiveness of their work in accordance with regulatory requirements, strategies and policies for protection of consumers' rights and interests, implementation of goals and enforcement of assigned work;
- (iv) to hold regular meetings for consumers' rights and interests protection reviewing working reports of the senior management and the consumers' rights and interests protection department, to analyse the annual audit report relating to consumers' rights and interests protection, regulatory correspondence and internal audit results, and to urge the senior management and relevant departments to timely fix issues spotted during the work review;
- (v) to examine the overall objective, basic policies and working systems of the Company on risk management;
- (vi) to examine the risk preference and risk tolerance of the Company;
- (vii) to examine the Company's risk management organisational structure settings and responsibilities;
- (viii) to evaluate the risks of the Company's major business and management matters, and to continuously follow up with the various risks faced by the Company and their management status;
- (ix) to evaluate the operation effectiveness of the risk management systems;
- (x) to examine the solutions to the Company's material risk events;
- (xi) to manage assets and liability of the Company, to take charge of the asset-liability management system and the annual asset-liability management report of the Company;
- (xii) to examine the management model, strategies on utilisation and investment strategies of the insurance funds of the Company;
- (xiii) to examine the establishment and implementation of the risk control system on utilisation of the insurance funds;
- (xiv) to formulate the strategic allocation plans of assets on utilisation of the insurance funds;
- (xv) to deliberate and approve the basic system for compliance management;
- (xvi) to decide on the setting up of the compliance management department;

- (xvii) to decide on the appointment or dismissal of the chief compliance officer, and to assist the board of directors with establishing a mechanism for direct communication with the chief compliance officer;
- (xviii) to decide on the dismissal of senior management personnel who are mainly accountable or accountable as leaders for the occurrence of major illegalities and irregularities or major compliance risks;
- (xix) to evaluate the effectiveness of compliance management and the level of compliance culture construction, and urge the resolution of major issues in compliance management and the compliance culture construction;
- (xx) to exercise any other functions and powers conferred by laws and regulations, regulatory provisions, the Articles of Association or the board of directors.

Article 129: The Related Party Transaction Control Committee shall consist of three (3) or more than three (3) directors, at least one-third of which shall be independent directors in principle, the chairperson of the committee shall be an independent director. The Related Party Transaction Control Committee shall focus on compliance, fairness and necessity of related party transactions.

Article 130: The Related Party Transaction Control Committee shall exercise the following functions and powers:

- (i) to review the related party transaction management system and its implementation of the Company;
- (ii) to conduct overall management over identifying and maintaining related parties;
- (iii) to manage, review, record and approve related parties transactions and to control related risks;
- (iv) to conduct overall management over information disclosure and report of related party transactions;
- (v) to exercise any other functions and powers conferred by laws and regulations, regulatory provisions, the Articles of Association or the board of directors.

Article 131: The chairperson of each special committee shall be responsible for convening the meetings of that special committee. The composition, functions and duties of, and operating procedures for, each special committee shall comply with the laws and regulations and regulatory provisions of the PRC and the place where the Company's shares are listed.

Chapter Seven: President and Other Senior Management Personnel

Article 132: The Company shall have one (1) president and several vice-presidents, chief compliance officers, responsible financial officers, responsible auditing officers, chief actuary and assistants to the president. The president shall be nominated by the chairperson of the board of directors and appointed or removed by the board of directors. The vice-presidents, chief compliance officer, responsible financial officer, chief actuary and assistants to the president shall be nominated by the president and appointed or removed by the board of directors. The responsible auditing officers shall be nominated by the chairperson of the board of directors or the Audit Committee and appointed or removed by the board of directors. A director may also be the president or other senior management personnel, provided that the total number of directors who concurrently serve as president and other senior management personnel and employee directors shall not be more than half of the total number of directors of the Company.

Article 133: The president shall be accountable to the board of directors and shall exercise the following functions and powers:

- (i) to be in charge of the operation and management of the Company and shall organise the implementation of board resolutions;
- (ii) to organise the implementation of the Company's annual business plans and annual investment plans;
- (iii) to issue general administrative documents of the Company;
- (iv) to draft plans for the establishment of the Company's internal management structure and, in accordance with operating needs, decide on general organisational restructuring plans;
- (v) to formulate the Company's basic management system;
- (vi) to formulate basic rules and regulations for the Company;
- (vii) to perform as the legal representative of the Company, exercising civil rights relating to business of the Company and undertaking relevant civil obligations on behalf of the Company;
- (viii) to propose to the board of directors for the appointment or removal of senior management personnel except for the secretary of the board of directors and the responsible auditing officer;
- (ix) to decide to appoint or remove responsible management personnel other than those required to be decided to be appointed or removed by the board of directors;
- (x) to formulate policies for the remuneration, welfare benefits, rewards and penalties of the employees of the Company other than the senior management personnel and shall determine, or authorise subordinate department heads to determine, the employment and removal of the employees other than the senior management personnel and the responsible management personnel described in subparagraph (ix) of this Article;
- (xi) to propose the holding of special board meetings;
- (xii) to exercise any other functions and powers vested in him by laws and regulations, regulatory provisions, the Articles of Association and the board of directors.

Article 134: The president shall attend board meetings and shall be entitled to receive notices of meetings and relevant documents. If the president is not a director, he shall not have any voting rights at the board meetings.

Article 135: The president shall formulate the work rules of the Office of the President, and shall implement the same upon obtaining the approval from the board of directors.

Article 136: The Company shall have responsible financial officers who shall be responsible for accounting, financial management and other enterprise value management activities. The responsible financial officers shall report to the board of directors and the president, and shall perform the following duties:

- (i) to be responsible for accounting and the preparation of financial reports and the establishment and maintenance of the internal control system in relation to financial reporting, and to be responsible for the accuracy of the financial and accounting information;
- (ii) to be responsible for financial management, including budget management, cost control, funds allocation, profits distribution and evaluation of operational performance;
- (iii) to be responsible for or participate in risk management and solvency management;
- (iv) to participate in strategic planning and other significant operation and management activities;
- (v) to review and execute the information and reports to be disclosed externally in accordance with laws and regulations and the relevant regulatory requirements;
- (vi) other duties and powers conferred by laws, regulations and regulatory requirements and Articles of Association.

The responsible financial officers shall be entitled to attend the board meetings which are relevant to their duties.

Article 137: The Company shall appoint a chief actuary, who is accountable to the board of directors and president and performs the following duties:

- (i) to analyze and study empirical data, participate in the development of insurance product development strategies, determine insurance product price and examine materials about insurance products;
- (ii) to take charge of or participate in solvency management;
- (iii) to formulate or participate in formulation of reinsurance system, and examine and approve or participate in examination and approval of reinsurance arrangements or plans;
- (iv) to evaluate reserves and the related liabilities, and participate in budget control;
- (v) to participate in formulating the system for distributing dividends to shareholders, and formulate dividend distribution schemes for dividend insurance and other insurance products;
- (vi) to participate in asset-liability allocation management, and participate in deciding investment plans or in drafting asset allocation guidance;
- (vii) to participate in formulating business operation rules and the system through which payments for intermediate service charges such as service fee and brokerage charges are made;
- (viii) to examine and sign on data and reports to be disclosed to the public in accordance with related regulations and rules of the insurance regulatory authority of the State Council and other related departments;
- (ix) to examine and sign on actuary reports, embedded value reports and other related documents in accordance with regulations and rules of the insurance regulatory authority of the State Council;
- (x) to report major hidden risks to the Company and the insurance regulatory authority of the State Council in accordance with laws, regulations and regulatory requirements; and

- (xi) other duties and powers conferred by laws, regulations and regulatory requirements and Articles of Association.

The chief actuary has the right to attend the meetings of the board of directors of the Company if these meetings involve issues falling within his/her scope of functions and duties and to provide professional opinions on such issues.

Article 138: The Company shall appoint a responsible auditing officer, who is accountable to the board of directors and report to the Audit Committee. The responsible auditing officer shall be responsible for communicating with the management and reporting the audit results and shall perform the following duties:

- (i) to guide the preparation of annual internal audit plans, internal audit budgets and human resources plans of the Company;
- (ii) to organize the implementation of internal audit projects and ensure the quality of internal audit;
- (iii) to report to the Audit Committee, communicate with the management and report the progress of internal audit;
- (iv) to report major issues and potential significant risks identified in internal audit to the Audit Committee or the management in a timely manner;
- (v) to coordinate the relationship between the internal audit departments with other institutions and departments; and
- (vi) other duties required under laws and regulations, regulatory provisions and the Articles of Association.

Article 139: The Company shall appoint a chief compliance officer, who is directly under the leadership of the Company's chairperson of the board and president and is accountable to the board of directors. The chief compliance officer shall be responsible for the compliance management of the Company and its employees and shall perform the following compliance management duties:

- (i) to be responsible for the compliance management of the Company, to organize and promote the construction of the compliance management system, supervise the compliance management department and the performance of compliance positions, and to organize and promote the strict and effective implementation of the compliance rules within the Company;
- (ii) to organize and promote the system construction of compliance management, compliance review, compliance inspection and assessment, handling of major compliance incidents, compliance assessment, problem rectification, team building, etc., and to ensure that the compliance management work is carried out in an orderly manner;
- (iii) to make regular reports to the insurance regulatory authority of the State Council as required;
- (iv) other duties required under laws and regulations, regulatory provisions and the Articles of Association.

Chapter Eight: Qualifications and Obligations of Directors, President and Other Members of Senior Management

Article 140: A director of the Company is a natural person, he shall have a good conduct and reputation, with proper professional knowledge and work experience to discharge his duties and responsibilities and shall satisfy the conditions provided for in laws and regulations and the provisions of the insurance regulatory authority of the State Council. Any election or appointment of directors in violation of the provisions of this Article shall be invalid. If a director fails to satisfy the qualifications or meet the requirements for directors under the laws and regulations and regulatory provisions during his term of office, the Company shall remove the director from his office.

The president and other senior management personnel of the Company shall possess the qualifications as required by the laws and regulations and regulatory provisions.

Article 141: The following persons may not serve as a director, the president or other member of senior management of the Company:

- (i) a person with no or restricted capacity for civil acts;
- (ii) a person who has been sentenced for offences involving corruption, bribery, infringement of property rights, misappropriation of property or the disruption of social economic order of the socialist market economy, or who has been deprived of his political rights due to a criminal conviction, where in each case less than five (5) years have elapsed since the expiration of the sanction period;
- (iii) a person who has been sentenced to other punishment, where less than three (3) years have elapsed since the expiration of the sanction period;
- (iv) a person who has had his qualification cancelled or revoked by a financial regulatory authority, and less than five (5) years have elapsed since the date of cancellation or revocation period of his qualification;
- (v) a person who has been prohibited from entering into the market by a financial regulatory authority, where less than five (5) years have elapsed since the expiration of the prohibition period;
- (vi) a person who was dismissed from public office by government department, where less than five (5) years have elapsed since the date of decision on the dismissal, or a person who, prior to the appointment, was given a warning, a demerit or a major demerit, demotion, removal or any other disciplinary action by a State organ, where within the period such disciplinary action is in force;
- (vii) a person who is a former lawyer, certified public accountant or professional of asset valuation, certification or other organisations, and whose professional qualification has been revoked for being in breach of the law or disciplines, where less than five (5) years have elapsed since the date of revocation of the professional qualification;
- (viii) a person who is a former director, factory manager or manager of a company or an enterprise which was liquidated for insolvency, and who is personally liable for such insolvency, where less than three (3) years have elapsed since the date the liquidation proceedings were completed;
- (ix) a person who is a former legal representative of a company or an enterprise, which had its business licence revoked or was ordered to close down for being in breach of the law, and who is personally liable for such matter, where less than three (3) years have elapsed since the business licence was revoked;

- (x) a person who fails to pay off a relatively large amount of outstanding and due debts;
- (xi) a person who was imposed on administrative punishment by the insurance regulatory authority of the State Council in form of warning or fine within the preceding year prior to the application;
- (xii) a person who is under on-going investigation by the relevant regulatory authorities for suspected serious violations of laws and regulations and the case has not been concluded;
- (xiii) a person who has been imposed on material administrative punishment by other administrative authority in China, where less than two (2) years have elapsed since the expiration of the execution of punishment;
- (xiv) a person who has been identified by the relevant State agencies as a subject of joint punishment for dishonesty due to a serious dishonest act and shall be punished in the insurance sector, or having other bad records of serious dishonesty within the past five (5) years;
- (xv) a director, supervisor or senior management personnel of an insurance company which has been asked to carry out rectification, be taken over, or encounters any major risk where the director, supervisor or senior management personnel has a direct responsibility and during the period of such rectification, take-over or disposal of major risk;
- (xvi) other circumstances where a person is regarded as inappropriate to act as director, president or other senior management personnel of the Company under the requirements of laws and regulations or the insurance regulatory authority of the State Council.

Article 142: Each director shall owe the Company the following duty to act faithfully in compliance with the laws and regulations, regulatory provisions and the Articles of Association:

- (i) not to exploit his position and powers to accept bribes or other illegal income and not to misappropriate any of the Company's property;
- (ii) not to misappropriate the Company's funds;
- (iii) not to deposit the Company's assets or funds in accounts under his name or the name of other individuals;
- (iv) not to lend the Company's funds to other person(s) or use the Company's assets as security for the debts of other person(s) in breach of the Articles of Association or without the consent of the shareholders' general meeting or the board of directors;
- (v) not to directly or indirectly enter into a contract or transaction with the Company without reporting to the board of directors and obtaining a resolution of the board of directors in accordance with the provisions of the Articles of Association;
- (vi) not to take advantage of his position to obtain for his own account or for the account of other persons any business opportunity which belonged to the Company, unless it is reported to and approved by resolution of the board of directors, or the Company is restricted by the laws, regulations, supervisory provisions or the Articles of Association to take advantage of such business opportunity;
- (vii) not to engage in any business that is similar to that of the Company for his own account or for the account of other persons, both without reporting to and being approved by resolutions of the board of directors;

- (viii) not to accept and appropriate commissions for his own in connection with the Company's transactions;
- (ix) not to make unauthorised disclosure of the Company's secrets;
- (x) not to harm the Company's interests by means of his affiliation;
- (xi) such other duties to act faithfully as may be provided under laws and regulations, regulatory provisions and the Articles of Association.

Any illegal income obtained by a director in breach of this Article shall belong to the Company; if the Company suffers loss as a result of such breach, the director shall be liable to pay compensation.

The above subparagraph (v) of this Article shall apply to the entering into of contracts or transaction with the Company by close family members of the directors, enterprises directly or indirectly controlled by the directors or their close family members, as well as related persons with whom the directors have other connected relationships.

Article 143: Each director shall owe the Company the following duty to act diligently in compliance with the laws and regulations, regulatory provisions and the Articles of Association:

- (i) to exercise the rights conferred by the Company carefully, earnestly and diligently to ensure that the business practices of the Company comply with the State laws and regulations and the requirements under the State economic policies and that the business activities of the Company do not exceed the business scope set out in its business licence;
- (ii) to treat all shareholders equally;
- (iii) to understand the business operation and management of the Company in a timely manner;
- (iv) to sign off written confirmatory opinion on the regular reports of the Company, and ensure the truthfulness, accuracy and completeness of the information disclosed by the Company;
- (v) to truthfully inform the Audit Committee of the relevant situation and details and not to hinder the Audit Committee to exercise its or their functions and powers;
- (vi) such other duties to act diligently as may be provided under laws and regulations, regulatory provisions and the Articles of Association.

Article 144: The directors and senior management personnel shall comply with laws and regulations, regulatory provisions and the Articles of Association and shall assume the obligation of loyalty to the Company and take measures to avoid the conflict between their own interests and those of the Company and may not seek any improper interests by taking advantage of their powers. The directors and senior management personnel shall assume the duty of diligence to the Company. When performing their duties, they shall, for the best interests of the Company, exercise the reasonable care that shall be generally possessed by a manager.

The provisions of the Articles of Association relating to the duties of loyalty and diligence of the directors shall apply to the senior management personnel as well.

Article 145: A director shall perform the following duties or obligations:

- (i) to pay continuous attention to the operation and management of the Company, and shall have the right to require the senior management to provide the relevant materials reflecting the operation and management of the Company in a comprehensive, timely and accurate manner or to explain the relevant issues;
- (ii) to attend the meeting of the board of directors on time, fully examine the matters deliberated by the board of directors, express his/her opinions independently, professionally and objectively, and independently vote on the basis of prudent judgment;
- (iii) to be responsible for the resolutions of the board of directors;
- (iv) to supervise the senior management to implement the resolutions of the general meeting of shareholders and the meeting of the board of directors;
- (v) to actively attend the trainings organized by the Company and the regulatory authorities, understand the rights and obligations of a director, be familiar with the relevant laws, regulations and regulatory provisions, and continuously possess the professional knowledge and ability necessary to perform the duties;
- (vi) to be responsible to the Company and all the shareholders, and treat all the shareholders equally when performing his/her duties;
- (vii) to implement the high-standard code of professional ethics, and take the legitimate rights and interests of the stakeholders into consideration;
- (viii) to be loyal and diligent to the Company, perform his/her duties diligently and prudently, and guarantee that to have sufficient time and energy to perform his/her duties; and
- (ix) to abide by the laws, regulations, regulatory provisions and the Articles of Association.

Article 146: A director who fails to attend in person or appoint another director to attend on his behalf board meetings on two (2) consecutive occasions shall be deemed to have failed to perform his duties. The board of directors, the Audit Committee or the shareholders shall propose to the shareholders' general meeting for dismissal and replacement of such director.

If a director fails to attend in person board meetings on two (2) occasions in a year, the Company shall issue a written reminder to such director.

Article 147: A director may resign prior to the end of his term of office. The director who intends to resign shall submit a written resignation report to the board of directors and he is obliged to explain in the resignation report anything relating to the resignation or to which shareholders, the board of directors and the insurance consumers should pay attention.

Unless otherwise provided under laws and regulations, regulatory provisions or the Articles of Association, the resignation of a director shall come into effect when the resignation report is served on the board of directors.

Upon the resignation of a director becoming effective or the end of the term of office of a director, the director shall complete all handover procedures with the board of directors, and the duty to act faithfully he owes to the Company and the shareholders shall survive three (3) years from the date on which his resignation becomes effective or his term of office ends.

Article 148: If a director, the president and other senior management personnel perform their duties in breach of the laws and regulations, regulatory provisions or the Articles of Association, and as a result of which the Company suffers loss, they shall be liable to pay compensation.

Article 149: The duties of the directors, president and other members of senior management to act honestly and in good faith shall not necessarily cease upon the termination of their tenure. Their duty of confidentiality in relation to commercial secrets of the Company shall survive after the termination of their tenure. Other duties may continue for such period as the principle of fairness may require, depending on the length of time that has elapsed since the termination of their tenure up to the relevant act, and the circumstances and conditions under which their relationship with the Company was terminated.

Chapter Nine: The Company's Labour and Personnel Policies and Trade Union

Article 150: The Company shall formulate policies for labour management, personnel management, remuneration and welfare benefits, and social security in accordance with laws and regulations and relevant provisions.

Article 151: The Company must protect the legal rights and interests of its employees. The Company shall adopt such measures as necessary to improve the quality of its workforce through better work education and vocational training.

Article 152: Employees of the Company may form a trade union in accordance with the law, participate in union activities and protect workers' legal rights and interests. The Company shall provide all necessary conditions for the activities of such trade union. The trade union shall, on behalf of the employees, enter into a collective contract with the Company with respect to the employees' remuneration, working hours, rest and vacation, welfare, insurance, work safety and sanitation and other matters in accordance with the law.

When making decisions on restructuring or any important issue relating to business operation, or when formulating important regulations, the Company shall consult its trade union for its opinions, and shall solicit the opinions and proposals of the employees through the meeting of the employees' representatives or other means.

Chapter Ten: Financial and Accounting Systems, Profit Distribution and Auditing

Section 1: Financial and Accounting Systems

Article 153: The Company shall develop its financial and accounting systems in accordance with laws and regulations and PRC GAAP issued by the finance regulatory department of the State Council.

Article 154: The Company shall allocate, pay and utilise the deposits, insurance protection funds and all insurance liability reserve funds in accordance with the relevant laws and regulations and regulatory provisions of the State.

Article 155: The Company's financial year coincides with the calendar year, beginning on 1 January and ending on 31 December in each year.

The Company shall use RMB as its reporting currency in accounts, and shall maintain its books of accounts in Chinese.

At the end of each financial year, the Company shall prepare financial reports which shall have been audited by an accounting firm in accordance with the law.

Article 156: At each annual general meeting, the board of directors shall submit to the shareholders the Company's financial reports prepared in accordance with laws and regulations and model guidelines promulgated by competent regulatory authorities.

Article 157: The Company's financial reports shall be kept at its office for inspection by the shareholders at least twenty (20) days prior to the date of each annual general meeting.

Article 158: In addition to being prepared in accordance with PRC accounting standards and administrative regulations, the Company's financial statements shall also be prepared in accordance with international accounting standards or the accounting standards of the place outside the PRC where the Company is listed. Where there are significant differences in the financial statements prepared in accordance with the two accounting standards, such differences shall be disclosed in the financial statements. The after-tax profits available for distribution by the Company in any financial year shall be the lower of the amount of after-tax profits set out in the two financial statements described above.

Article 159: The Company shall publish its financial reports twice every financial year, namely, an interim financial report to be published within sixty (60) days after the end of the first six (6) months of each financial year and an annual financial report to be published within one hundred twenty (120) days after the end of each financial year.

Article 160: The Company shall not keep any books of accounts other than what is legally required. The funds of the Company shall not be deposited in any account opened under any personal name.

Article 161: Apart from the following actions that can be taken by the Company in its ordinary course of business, the Company shall not provide security in favour of a third party for other persons' debts:

- (i) a security in a lawsuit;
- (ii) a credit security associated with export credit insurance, which is operated by an export credit insurance company;
- (iii) a marine security.

Section 2: Profit Distribution

Article 162: When distributing each year's after-tax profits, the Company shall set aside ten (10) per cent. of the after-tax profits for the statutory common reserve fund. This obligation shall cease when the accumulated balance in the Company's statutory common reserve fund is equal to fifty (50) per cent. of the Company's registered capital.

If the Company's statutory common reserve fund is insufficient to make up for the losses incurred in the previous year, then the current year's profits shall be used to make up these losses before allocation is made to the statutory common reserve fund in accordance with the above paragraph.

After the Company has transferred the requisite amount to the statutory common reserve fund, it may, with the approval of the shareholders' general meeting, set aside funds out of its after-tax profits for the discretionary common reserve fund.

Any after-tax profits remaining after the Company has made up the losses incurred in the previous year and allocated fund to the statutory common reserve fund will be distributed to the shareholders in proportion to their respective shareholdings.

No profit may be distributed for the Company's shares held by the Company.

While formulating a prudent profit distribution plan, the Company needs to consider factors such as profitability, business development planning, shareholder's return, regulatory requirements, social capital cost and external financial environment etc.

Article 163: No profits shall be distributed by the Company to its shareholders before the Company has made up the losses incurred in the previous years and allocated funds to the statutory common reserve or in the event that the Company fails to meet the regulatory provisions of solvency.

Shareholders are entitled to dividends on all shares that have been paid up in full before a call on those shares is made. Shareholders are not entitled to dividends declared on a date that is before the date calls on such paid up shares are required to be met.

Article 164: The Company's capital common reserve fund shall include the following:

- (i) premiums generated from the issue of shares in excess of nominal value;
- (ii) other revenue which is required by the finance department of the State Council to be included in the capital common reserve.

Article 165: The common reserve funds of the Company (i.e. the statutory common reserve fund, the discretionary common reserve fund and the capital common reserve fund) shall be applied for the following purposes: to make up the Company's losses, to expand the Company's business operation, and to increase the registered capital of the Company.

Where the reserve of the Company is used for making up losses, the discretionary common reserve fund and statutory common reserve fund shall be firstly used. If losses still cannot be made up, the capital common reserve fund can be used according to the relevant provisions.

Where the common reserve fund is to be converted into registered capital, then subject to the approval of the shareholders' general meeting, either new shares may be issued to the shareholders in proportion to their existing shareholdings or the nominal value of the existing shares may be increased, provided that the balance of the statutory common reserve fund after such conversion shall not be less than twenty-five (25) per cent. of the registered capital of the Company prior to the increase.

Article 166: The Company may distribute dividends in one (1) of the following forms:

- (i) cash;
- (ii) shares.

Article 167: Dividends in cash and other amounts payable by the Company to holders of domestic shares shall be in RMB. Dividends in cash and other sums payable to holders of overseas listed foreign invested shares shall be calculated and declared by the Company in RMB and paid in RMB or foreign currency. The purchase and exchange of foreign currency to pay cash dividends and other sums payable to holders of overseas listed foreign invested shares shall be conducted in accordance with PRC foreign exchange control requirements.

Article 168: Unless provided otherwise in any laws and regulations, the Company shall adopt the average middle exchange rate of the relevant currency to RMB on the interbank foreign exchange market quoted by the China Foreign Exchange Trade System as authorised by the People's Bank of China for the calendar week immediately before the date on which the dividends and other sums were declared as the exchange rate to calculate the cash dividends and other sums which are payable in foreign currency.

Article 169: Subject to compliance with subparagraph (v) of the first paragraph of Article 57 and subparagraph (v) of the first paragraph of Article 95, the board of directors may resolve to distribute interim dividends and special dividends.

Article 170: The Company shall withhold and pay to the relevant tax authorities any tax payable on any dividends payable to a shareholder in accordance with PRC tax laws.

Article 171: The Company shall appoint one (1) or more receiving agents on behalf of the holders of overseas listed foreign invested shares to receive any dividends and other sums payable to the holders of overseas listed foreign invested shares on their behalf.

Any receiving agent so appointed by the Company shall comply with the laws of the place or requirements of the stock exchange where the Company is listed.

A receiving agent appointed by the Company on behalf of the holders of overseas listed foreign invested shares listed in Hong Kong must be a trust company registered under the Trustee Ordinance of Hong Kong.

Section 3: Internal Audit

Article 172: The Company shall implement internal audit system and employ full-time audit personnel to carry out internal audit and supervision for the Company's financial revenue and expenditure and economic activities, and the proportion of full-time audit personnel shall satisfy the relevant requirements in respect of the proportion of internal audit personnel.

Article 173: The internal audit system of the Company and the duties of audit personnel shall be implemented upon approval by the board of directors. The responsible audit officer shall be accountable to the board of directors and reports to the Audit Committee of the board of directors.

Section 4: Appointment of Auditors

Article 174: The Company shall appoint an independent accounting firm qualified under PRC law to audit the Company's annual financial reports and review the Company's other financial reports.

Article 175: Auditors shall be appointed by the Company for a term commencing from the close of an annual general meeting and ending on the close of the following annual general meeting.

Article 176: The auditors appointed by the Company shall be entitled to:

- (i) inspect the Company's accounts, records or vouchers at any time, and to request the directors, president or any other member of senior management to provide any related information and explanations;
- (ii) require the Company to take all reasonable means to obtain such information and explanation from its subsidiaries which the auditors consider necessary to carry out the audit;
- (iii) attend shareholders' general meetings and to receive all notices of, and any other communications relating to, such meetings which a shareholder is entitled to receive, and to speak at any such meeting in relation to matters concerning their role as the auditors of the Company.

Article 177: If there is a vacancy in the office of the Company's auditors, the board of directors may appoint another accounting firm to fill such vacancy before convening a shareholders' general meeting. During the period of such vacancy, any other accounting firm that has previously been appointed by the Company may continue to act for the Company.

Article 178: The shareholders' general meeting may resolve by ordinary resolution to remove the auditors before the expiration of their term of office, regardless of the terms of the contract between the Company and the auditors, provided that any right that the auditors may have to claim damages as a result of their removal shall not be affected.

Article 179: The remuneration of auditors or the manner in which they are remunerated shall be determined by the shareholders' general meeting. The remuneration of any auditors appointed by the board of directors shall be determined by the board of directors.

Article 180: The Company may remove or not reappoint auditors by giving prior notice to such auditors. Such auditors shall be entitled to make written representations at a shareholders' general meeting. If the auditors propose to resign, such auditors shall notify the shareholders' general meeting whether there has been any impropriety on the part of the Company.

Chapter Eleven: Basic Management System of the Company

Article 181: Pursuant to the laws and regulations and regulatory provisions, the Company shall formulate and improve the basic operation system of the Company and shall formulate the management systems in respect of connected transactions, information disclosure, internal control and compliance, internal audit, protection of the lawful rights and interests of insurance consumers.

Article 182: The Company shall formulate its internal management system for connected transactions and shall submit the same to the insurance regulatory authority of the State Council for filing. The connected transactions management system includes the management structure and corresponding division of responsibilities for connected transactions, identification, reporting, information collection and management of connected parties, pricing, review, recusal, reporting, disclosure, auditing and accountability for connected transactions.

Article 183: The Company shall establish its internal management system for information disclosure and submit the same to the insurance regulatory authority of the State Council for filing. Pursuant to the laws and regulations and regulatory provisions, the Company shall disclose the information in respect of financial affairs, risks and governance structure and shall ensure the truthfulness, accuracy and completeness of the information so disclosed.

Article 184: The Company shall formulate its risk management system and shall specify the risk management strategy, risk preference, risk management organisational structure, risk management mechanism as well as the management requirements for insurance risk, market risk, credit risk, operational risk, strategic risk, reputational risk and liquidity risk, and shall, at least on an annual basis, review and update (if necessary) the solvency risk management system.

Article 185: The Company shall formulate its internal control system and establish the comprehensive, systematic and standardised internal control mechanism, covering all the business processes and operation procedures and connecting the whole operation and management process, so as to enhance the risk prevention capacities and the operation and management level of the Company.

Article 186: The Company shall formulate its compliance management system, improve its compliance management organisational structure, specify its compliance management duties, establish its compliance management mechanism, push forward the establishment of compliance culture, and efficiently identify and actively prevent and defuse compliance risks, so as to ensure the stable operation of the Company.

Article 187: The Company shall formulate its internal audit management system, including but not limited to the establishment and improvement of the audit quality control system and procedure, audit report level-by-level review system, internal audit files management system, internal audit project outsourcing management system, etc.

Article 188: The Company shall establish its system to protect the lawful rights and interests of insurance consumers and uphold the business ethics of “Client First”, and shall fairly and reasonably specify its contractual rights and obligations and determine the product rates, standardise the sales activities, timely and fairly settle claims, enhance insurance service quality and level, protect consumers’ information security, so as to achieve the core value and philosophy of the insurance industry.

Article 189: The Company shall establish the scientifically reasonable, standardised and strict remuneration management system and ensure the remuneration management is strict and in compliance with law.

Chapter Twelve: Merger, Demerger, Dissolution and Liquidation

Section 1: Merger, Demerger, Capital Increase and Capital Reduction

Article 190: The board of directors shall submit any proposal for the merger or demerger of the Company for approval in accordance with the relevant procedures prescribed by the Articles of Association and report to the insurance regulatory authority of the State Council for approval.

Article 191: The merger of the Company may be by way of merger by absorption or through the establishment of a new entity.

Upon a merger of the Company, the parties to the merger shall enter into a merger agreement and shall each prepare a balance sheet and an inventory of assets. The Company shall give written notice to its creditors of any merger within ten (10) days of the relevant resolution being passed and within thirty (30) days of the relevant resolution being passed, publish a public announcement of the merger in a newspaper or on the National Enterprise Credit Information Publicity System.

Following a merger of the Company, the surviving or newly established entity shall succeed the rights to debts and debts of the original merged entities.

Article 192: Upon a demerger of the Company, its assets shall be divided accordingly.

Upon a demerger of the Company, the parties to the demerger shall prepare a balance sheet and an inventory of assets. The Company shall give written notice to its creditors of any demerger within ten (10) days of the relevant resolution being passed, and publish a public announcement of the demerger in a newspaper or on the National Enterprise Credit Information Publicity System within thirty (30) days of the relevant resolution being passed.

The entities established by the demerger shall be jointly and severally liable for the liabilities for any outstanding debts due from the Company, unless the clearance of debts has been otherwise agreed upon in writing by the Company and the creditors before the demerger.

Article 193: If as a result of a merger or demerger, there is a change in the Company's registration, the necessary procedures to amend the Company's registration shall be completed in accordance with the law. If the Company is dissolved, the necessary procedures to cancel the Company's registration shall be completed in accordance with the law. If a new company is established, the necessary procedures to register that company shall be completed in accordance with the law.

Article 194: The Company shall go through the formalities in respect of capital increase or reduction in accordance with the laws and regulations, regulatory provisions and the Articles of Association.

Article 195: The merger, demerger, capital increase and capital reduction of the Company shall be submitted to the insurance regulatory authority of the State Council for approval.

Section 2: Dissolution and Liquidation

Article 196: The Company shall be dissolved and liquidated in accordance with law, if any of the following occurs:

- (i) a resolution for dissolution is passed by the shareholders' general meeting;
- (ii) dissolution is necessary as a result of a merger or demerger of the Company;
- (iii) its business license is cancelled or it is ordered to close down or it is struck off according to the law;
- (iv) serious difficulties arise in the operation and management of the Company and its continued existence would cause material loss to the interests of the shareholders and such difficulties cannot be resolved through other means, in which case shareholders holding 10% or more of all shareholders' voting rights of the Company may petition a people's court to dissolve the Company.

The dissolution of the Company is subject to the approval of the insurance regulatory authority of the State Council. The liquidation of the Company is subject to the supervision and direction by the insurance regulatory authority of the State Council.

Article 197: A liquidation committee shall be set up within fifteen (15) days from the date on which the reason for the dissolution arises pursuant to subparagraphs (i), (iii) and (iv) of the preceding Article. The directors shall be the liquidation obligor of the Company. The liquidation committee shall be composed of the directors, unless it is otherwise elected by the shareholders' general meeting.

Where the Company is liquidated in accordance with the provisions of paragraph 1 of this Article, and the liquidation committee fails to be formed within the time limit or fails to carry out the liquidation after its formation, any interested party may request the people's court to designate relevant persons to form a liquidation committee. The people's court shall accept such request and organize a liquidation committee to carry out the liquidation in a timely manner.

Where the Company is dissolved due to revocation of the business license, being ordered to close down or being cancelled in accordance with the relevant laws, the department or company registration authority that made the decision to revoke the Company's business license, order the Company to close down or dissolve the Company may request the people's court to designate relevant persons to form a liquidation committee for liquidation of the Company.

Article 198: The liquidation committee shall, within ten (10) days from the date of its establishment, notify the creditors of the Company, and within sixty (60) days, publish an announcement in newspaper or on the National Enterprise Credit Information Publicity System of its establishment. Any claims shall be registered with the liquidation committee.

Article 199: During the liquidation process, the liquidation committee shall exercise the following functions and powers:

- (i) to deal with the assets of the Company and prepare a balance sheet and an inventory of the Company's assets;
- (ii) to issue notices and public announcements to the creditors;
- (iii) to dispose of and wind up the Company's outstanding businesses;
- (iv) to pay unpaid taxes and taxes incurred in the liquidation process;
- (v) to clear rights to debts and repay debts;
- (vi) to distribute surplus assets after repayment of all debts;
- (vii) to represent the Company in any civil proceedings.

Article 200: After the liquidation committee has dealt with the assets of the Company and prepared a balance sheet and an inventory of the Company's assets, it shall formulate a liquidation plan and submit such plan to the shareholders' general meeting or the people's court for confirmation.

After payment of the liquidation fees and the common benefits debts as the first priority, the Company's assets shall be applied to pay in the following order: (i) wages, medical expenses, disability allowance and pension of employees, basic endowment insurance and basic medical insurance expenses, statutory compensation; (ii) compensation or insurance premiums; (iii) outstanding social security expenses as required other than that set out in item (i) due by the Company and unpaid taxes; (iv) ordinary liquidation debts.

After the liabilities described in the preceding paragraph have been discharged, any surplus assets shall be distributed to the Company's shareholders according to the class and proportion of their respective shareholdings.

During the liquidation, the Company shall continue to exist, but shall not engage in any business operations unrelated to liquidation during its liquidation. Assets of the Company shall not be distributed to shareholders before the discharge of its liabilities in accordance with the second paragraph of this Article.

Article 201: Where the Company is liquidated due to dissolution, if the liquidation committee, after dealing with the Company's assets and preparing a balance sheet and an inventory of the Company's assets, discovers that the Company's assets are insufficient to repay its outstanding debts, it shall immediately apply to the people's court for a declaration of bankruptcy.

After the people's court accepts the application for bankrupt, the liquidation committee shall refer all liquidation matters to the bankruptcy administrator designated by the people's court.

Article 202: Following completion of the liquidation of the Company, the liquidation committee shall draft a liquidation report and submit it to the shareholders' general meeting or to the people's court for confirmation, and shall submit it to the company registration authority to apply for the cancellation of the registration of the Company.

Article 203: The members of the liquidation committee performing their duties of liquidation are obliged to be loyal and diligent. Any member of the liquidation committee who neglects to fulfil his/her liquidation duties, thus causing any loss to the Company shall be liable for compensation, and any member of the liquidation committee who causes any loss to any creditor due to his/her intentional acts or gross negligence shall be liable for compensation.

Article 204: If the Company is adjudicated bankrupt in accordance with the laws, it shall be liquidated in bankruptcy in accordance with the relevant laws on bankruptcy.

Chapter Thirteen: Special Matters Relating to Corporate Governance

Section 1: Mechanism for Replacement and Appointment

Article 205: If the chairperson of the board of directors is unable or fails to perform his duties, the vice-chairperson of the board of directors shall perform the duties; if the vice-chairperson of the board of directors is unable or fails to perform the duties, the director who is elected by more than one-half of the directors shall perform the duties.

Article 206: If the president is unable or fails to perform his duties, the board of directors may appoint a temporary responsible officer to perform the duties on his behalf.

Article 207: If the ordinary business operation of the Company is affected when the chairperson of the board of directors or the president is unable or fails to perform his duties, the Company shall arrange for election of a new chairperson of the board of directors or for appointment of a new president in accordance with the Articles of Association.

Section 2: Measures to Handle the Failure of the Corporate Governance System

Article 208: A failure of corporate governance system refers to, among others, any of the following circumstances: the board of directors has not been formed for a continuous period of one (1) year or more; inability of the board of directors to make effective resolutions due to long-term conflict between the directors of the Company, which cannot be settled by the shareholders' general meeting; the Company has failed to hold a shareholders' general meeting for a continuous period of one (1) year or more; voting by the shareholders has failed to meet the percentage requirements provided for by law or the Articles of Association and no valid resolutions of the shareholders' general meeting have been made for a continuous period of one (1) year or more; a resolution to increase capital to deal with inadequate solvency has not been passed; the failure of the existing corporate governance system of the Company to operate properly has led to the Company having great difficulty in conducting and managing its business; and other circumstances as determined by the insurance regulatory authority of the State Council.

Article 209: The internal remedy procedures of the Company may include without limitation a consultation between the shareholders and a transfer or buy-back of the shares held by a disputing shareholder.

Article 210: In the event of a failure of corporate governance system set out in the Articles of Association and also a failure to settle it through the internal remedy procedures of the Company, the Company or the shareholders individually or collectively holding one-third or more of the shares of the Company or a majority of the directors shall have the right to apply to the insurance regulatory authority of the State Council to put the Company under the insurance regulatory authority of the State Council's supervision and direction.

Article 211: If there is a failure of corporate governance system of the Company, the insurance regulatory authority of the State Council will provide the corresponding supervision and direction based on the actual circumstances. If it is revealed that there are some significant governance risks that have materially jeopardised or may materially jeopardise the legitimate rights and interests of the consumers who are insurance buyers or the security of insurance funds, the shareholders and the Company undertake that they will accept the regulatory measures that may be imposed by the insurance regulatory authority of the State Council, which may include increase in the capital of the Company, restrictions on the rights of the relevant shareholders and/or transfer of the shares of the Company held by the relevant shareholders. The shareholders and the Company also undertake to accept the measures that may be taken by the insurance regulatory authority of the State Council against the Company, such as rectification and take-over, should the situation is considered to be serious.

Article 212: In the event of inadequate solvency, the shareholders shall assume the obligation to improve the solvency of the Company. If any of the following events occurs, the shareholders who are unable to make or has not made additional capital contribution shall consent to other shareholders or investors adopting reasonable measures to increase the Company's capital, in order to improve the solvency of the Company:

- (i) the insurance regulatory authority of the State Council orders the Company to increase its capital;
- (ii) the Company has to increase its capital as it fails to meet the regulatory requirements on the solvency after having taken the other measures.

Chapter Fourteen: Amendment to the Articles of Association

Article 213: The Company may amend the Articles of Association in accordance with the law, administrative regulations and the Articles of Association, with the approval of the insurance regulatory authority of the State Council.

Under any of the following circumstances, the Company shall amend the Articles of Association:

- (i) following the amendments to the Company Law, the Insurance Law or the relevant laws and regulations and regulatory requirements, the provisions of the Articles of Association are in conflict with such requirements;
- (ii) there is any change in the basic information set out in the Articles of Association or the relevant rights, obligations, duties and procedural rules provided for in the Articles of Association;
- (iii) any other matter occurs which makes the amendment to the Articles of Association necessary.

Article 214: Amendments to the Articles of Association shall be made in accordance with the following procedures:

- (i) the board of directors shall pass a resolution pursuant to the Articles of Association formulating amendments to the Articles of Association;
- (ii) notice of the proposed amendments shall be given to the shareholders and a shareholders' general meeting shall be convened to vote on such amendments;
- (iii) proposed amendments submitted to the shareholders' general meeting for voting shall be passed by a special resolution;
- (iv) proposed amendments to the Articles of Association approved by the shareholders' general meeting shall then be submitted to the insurance regulatory authority of the State Council for approval.

Article 215: If an amendment to the Articles of Association affects the Company's registration, the necessary procedures to amend the Company's registration shall be completed in accordance with the law.

Chapter Fifteen: Notices

Article 216: Any notice, information or statement to be given by the Company to its shareholders shall be served upon any member either personally or by sending it by mail, postage prepaid, or by electronic mail or such other means. Subject to the compliance with the laws and regulations, rules and the listing rules of the place where the Company is listed, such notice, information or statement may be served by posting the same on the Company's own website and such website as designated by the regulatory authorities of the place where the Company is listed.

Article 217: Until a shareholder is replaced by any other person or persons as the registered holder(s) of the relevant shares, any notice, information or statement issued by the Company to that shareholder shall be deemed to have been served on such shareholder, regardless of whether that shareholder is deceased or insolvent at the time the notice was served or whether the Company received notice of his death or insolvency, and regardless of whether or not such shareholder holds the relevant shares severally or jointly with any other person or persons. Any service that is effected under such circumstances shall be deemed for all purposes to have been duly effected on the executor, estate manager or transferee of that shareholder and all other persons (if any) who, together with that shareholder have an interest in any of the relevant shares.

Article 218: A notice delivered by post is deemed to have been delivered and received forty-eight (48) hours after posting if sent in a clearly-addressed envelope with all postage paid and deposited in a post-box.

Article 219: Any notice, document, information or written statement served on the Company by shareholders or directors may be sent by hand or by registered post to the legal address of the Company.

Article 220: The Company shall designate the national media with relatively high influence to publish the announcements and disclose the information of the Company.

Chapter Sixteen: Dispute Resolution

Article 221: The Company shall abide by the following principles for dispute resolution:

- (i) Any disputes or claims arising between either the holders of overseas listed foreign invested shares and the Company, the holders of overseas listed foreign invested shares and the directors, president or any other members of senior management, or the holders of overseas listed foreign invested shares and holders of domestic shares in respect of any rights and obligations under the Articles of Association or the Company Law or any other relevant laws and regulations and the affairs of the Company shall be referred by the relevant parties to arbitration.

Where a dispute or claim described in the preceding paragraph is referred to arbitration, the entire dispute or claim, and not part only, must be referred to arbitration. Any persons with a cause of action based on the same facts giving rise to that dispute or claim, is required to submit to the arbitration if such person is acting on behalf of the Company or a shareholder, director, the president or other member of senior management. Disputes relating to the identity of shareholders or the register of shareholders do not need to be referred to arbitration.

- (ii) A claimant may elect to have the arbitration conducted by either the China International Economic and Trade Arbitration Commission in accordance with its rules or the Hong Kong International Arbitration Centre in accordance with its Securities Arbitration Rules. Once a claimant has submitted a dispute or claim to arbitration, the other party must submit to arbitration by the arbitration body elected by the claimant.

If a claimant elects to have the arbitration conducted at the Hong Kong International Arbitration Centre, any party to the dispute or claim may, in accordance with the Securities Arbitration Rules of the Hong Kong International Arbitration Centre, apply for a hearing to take place in Shenzhen.

- (iii) If any dispute or claim as mentioned in subparagraph (i) is referred to arbitration, the laws of the PRC shall apply, except as otherwise provided by laws and regulations.
- (iv) An arbitration award shall be final and conclusive and binding on all parties.

Chapter Seventeen: Supplementary Provisions

Article 222: The Articles of Association is written in Chinese. If there is any discrepancy between the Chinese and other language version of the Articles of Association, or different versions of the same language of the Articles of Association, the Chinese version most recently filed with the registration authorities shall prevail.

Article 223: References in the Articles of Association to a number “or more” or “before” a number shall be inclusive of that number and references to “over”, “more than”, “less than” or “other than” a number shall be exclusive of that number.

Article 224: The board of directors shall be responsible for the interpretation of the Articles of Association.

Article 225: The Articles of Association shall be examined and approved by the shareholders’ general meeting and shall become effective on the date of the approval by the insurance regulatory authority of the State Council.