

中国人民财产保险股份有限公司

PICC PROPERTY AND CASUALTY COMPANY LIMITED

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

(Stock Code: 2328)

Terms of Reference of the Nomination, Remuneration and Review Committee of the Board

Chapter I General Provisions

Article 1 In order to enhance the working mechanism of the board of directors (the “**Board**”) and standardize the operation procedures of the Nomination, Remuneration and Review Committee, these Terms of Reference are formulated pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “**Listing Rules**”), laws and regulations, regulatory provisions, the Articles of Association of PICC Property and Casualty Company Limited (hereinafter referred to as the “**Articles of Association**”), as well as the Rules of Procedures of the Board of Directors of PICC Property and Casualty Company Limited (hereinafter referred to as the “**Rules of Procedures of the Board**”).

Article 2 The Nomination, Remuneration and Review Committee is a professional committee under the Board and is responsible for recommending candidates for directors, formulating remuneration plans and evaluation standards for directors, the president and other senior management (including vice-presidents, secretary of the Board, the chief compliance officer, the responsible financial officer, the responsible auditing officer, chief actuary and assistants to the president, collectively referred to hereunder) and supervising

implementation of the same.

When recommending candidates for directors, the Nomination, Remuneration and Review Committee shall ensure that the members of the Board have the skills, experience and diversity of viewpoints and perspectives that are appropriate and necessary in light of the Company's business.

Chapter II Composition

Article 3 The Nomination, Remuneration and Review Committee shall comprise three (3) to seven (7) directors, who are not members of the management and are not executive directors. They shall be nominated by the chairperson of the Board, not less than half of the independent directors or not less than one-third of the directors, and elected by the Board, with the independent directors constituting the majority. They shall include at least one (1) director of a different gender.

At least one (1) of the independent directors serving as members of the Nomination, Remuneration and Review Committee of the Board shall have strong capability to recognise and employ talents and manage remuneration, as well as experience in leadership or management positions in enterprises or public institutions.

Article 4 The Nomination, Remuneration and Review Committee shall have one (1) chairperson, who shall be an independent director and shall be responsible for taking charge of the work of the Nomination, Remuneration and Review Committee. The chairperson shall be nominated by the chairperson of the Board and elected by the

Nomination, Remuneration and Review Committee. When the chairperson is unable to fulfill his/her duties, he/she shall designate one (1) independent director in the Nomination, Remuneration and Review Committee to perform his/her duties on his/her behalf. If there is no designation by the chairperson, more than half of the members shall elect an independent director in the Nomination, Remuneration and Review Committee to perform the duties of the chairperson on his/her behalf.

Article 5 The term of office of the members of the Nomination, Remuneration and Review Committee shall be consistent with his/her term of office as a director, and the members are eligible for re-election and reappointment upon the expiration of their terms of office. If a member ceases to be a director of the Company during the term, he/she shall automatically cease to be a member.

Article 6 In the event that the minimum required number of members of the Nomination, Remuneration and Review Committee is not reached, the Board shall fill the vacancy in accordance with the provisions of these Terms of Reference.

Chapter III Terms of Reference

Article 7 The main responsibilities and duties of the Nomination, Remuneration and Review Committee include:

1. to evaluate the reasonableness of the structure of the Board, its size and composition (taking into account factors such as skills, knowledge, experience and diversity of the members of the Board) at least annually, assist the Board in formulating a

board skills matrix, and make recommendations on any proposed changes to the Board to align with the Company's strategy;

2. to identify qualified candidates for directors, recommend candidates for directors to the Board, examine qualifications of candidates for directors, submit review opinions and list of qualified director candidates to the Board;

3. to evaluate the independence of independent directors;

4. to propose to the Board in respect of the appointment and re-election of directors and succession plan for directors, in particular the chairperson of the Board and the president;

5. to propose to the Board in respect of the overall policy and structure for the remuneration of directors, the president and other senior management and establishment of a formal and transparent procedure for developing remuneration policy; to review the remuneration of the above-mentioned personnel with reference to the corporate goals and objectives formulated by the Board and make recommendations to the Board;

6. to evaluate and approve the compensation payable to executive directors and senior management for any loss or termination of office or appointment to ensure that such compensation is consistent with relevant contractual terms or that such compensation is fair and reasonable;

7. to evaluate and approve compensation arrangements relating to dismissal or removal of directors for misconducts to ensure that such arrangements are consistent with relevant contractual terms or that such arrangements are fair and reasonable;

8. to formulate appraisal standards for directors, the president and other senior management, conduct annual appraisals and make recommendations in relation thereto, and support regular evaluation of the performance of the Board;

9. to make recommendations to and review the election and appointment system of the directors and senior management;

10. to review the candidate for senior management and make recommendations to the Board;

11. to monitor whether the directors and senior management continue to hold relevant qualifications for their positions, and for those who have lost their qualifications during their terms of office, make recommendations to the Board in relation to the removal of such director or senior management;

12. to nominate the independent directors;

13. to determine the remuneration packages of individual executive directors and senior management as authorized by the Board or make recommendations to the Board on the remuneration packages of individual executive directors and senior management, including benefits in kind, pension rights and compensation payments (including any compensation payable for loss or termination of their office or appointment);

14. to make recommendations to the Board regarding the remuneration of non-executive directors;

15. to consider remuneration paid by comparable companies, time commitment and responsibilities and employment conditions of other positions in the Company;

16. to ensure that no director or any of their associates is involved in determining that director's own remuneration;

17. to review and/or approve share schemes as stated in the Listing Rules and make recommendations to the Board in relation thereto; and

18. other matters as stipulated by laws, regulations, normative documents and the Articles of Association, as required by domestic and foreign regulatory authorities, and as authorized by the Board.

Article 8 When the Nomination, Remuneration and Review Committee establishes criteria for the selection of director candidates, such criteria should serve the purpose of diversifying the Board, including but not limited to:

1. to select candidates for directors on a merit basis following objective standards, while taking into account factors such as gender, age, cultural and educational background and professional experience of the Board members;

2. to select candidates for directors in accordance with the business characteristics, specific requirements and future development of the Company.

Article 9 The Nomination, Remuneration and Review Committee shall make constructive recommendations to the Board by proactively carrying out the following endeavours:

1. to collect information on the status and development trend of remuneration of senior management in the same sector domestically and internationally, carry out research on the innovation of the remuneration system for senior management, and make proposals

on the optimal combination of the components of remuneration;

2. to study the assessment system of key performance indicators for senior management, propose a scientific plan for setting qualitative and quantitative assessment indicators, and encourage senior management to focus on maximising the Company's value and create long-term value for shareholders;

3. to regularly evaluate the effectiveness of senior management's remuneration incentives and make timely improvement proposals to meet the needs of the Company's development strategy, promote the maximisation of the effectiveness of remuneration incentives and avoid the senior management's short-sighted behaviors;

4. to research on long-term incentives such as equity incentives for senior management and employee share ownership, and formulate implementation drafts.

Chapter IV Rules of Procedure

Article 10 The meetings of the Nomination, Remuneration and Review Committee shall include regular meetings and extraordinary meetings. Regular meetings shall in principle be held before the regular meetings of the Board, and shall be notified in writing to all members not less than seven (7) business days prior to the meeting. In case of emergency, the preceding time limit for notification of meetings shall not apply.

Article 11 An extraordinary meeting may be convened upon the proposal of the chairperson or not less than one-third of the members. Extraordinary meetings shall be notified in writing to all members not less than three (3) business days prior to the meeting.

In case of emergency, the preceding time limit for notification of meetings shall not apply.

Article 12 The notice of the meeting shall be in Chinese, with English if necessary, and shall contain the time, place and method of convening the meeting, the convenor of the meeting, proposal(s) for the meeting, the contact person and contact information, and the date of issuing the notice.

Article 13 The meeting materials shall be provided to all members at least three (3) business days in advance. In case of emergency, the preceding time limit shall not apply.

Article 14 A meeting shall be held only if not less than half and not less than the minimum number of members are present. The meeting can be held on-site (including video conference, telephone conference, etc. which can ensure real-time communication and discussion among all participants participating in those meetings). Provided that all members are able to fully express their opinions, the meeting may also be conducted by way of written resolutions.

Article 15 The meetings shall be convened and presided over by the chairperson. When the chairperson is unable to attend, he/she may authorize another member who is an independent director to preside over the meeting on his/her behalf. When the chairperson fails to make such authorization, a member who is an independent director shall be elected by more than half of all members to preside over the meeting.

Article 16 The members shall attend the meetings in person. If a member cannot attend the meeting in person for any reason, he/she may authorize another member in writing to attend the meeting on his/her behalf. The power of attorney shall specify the

proxy's name, authorized matters, the scope of authorization and the valid term, and shall be affixed with the signature or seal of the principal.

The member attending the meeting as a proxy shall submit the written power of attorney before the meeting and exercise the right of a member within the scope of authorization. If a member authorizes another member to attend the meeting on his/her behalf, the legal liability of the decision made by the proxy within the scope of authorization shall be solely borne by the principal.

Article 17 Voting in the meetings shall be conducted by a show of hands, voice vote or open ballot. Each member shall have one (1) vote. Resolutions of the meeting must be passed by more than half of all members.

Article 18 Directors, senior management, persons in charge of relevant departments and intermediary personnel may be invited to attend the meeting when necessary, and the list of such attendees shall be agreed in advance by the chairperson or the member presiding over the meeting on behalf of the chairperson.

Article 19 Members and attendees shall keep confidential of all matters considered at the meetings. Unauthorized disclosure of the relevant information is prohibited.

Article 20 Minutes shall be taken for the meetings. The first draft of the minutes shall be sent to all members within one (1) week after the meeting, and each member has the right to express his/her opinion within one (1) week after the receipt of the first draft, when the final draft is sent to all members, the members who attended the meeting and the recorder(s) shall sign on the minutes. Minutes shall be kept at the Company's domicile in

China. Resolutions and minutes of meetings shall be clear and traceable.

Article 21 With the consent of the Board, the Committee may, for the purpose of performing its duties under the Articles of Association, the Rules of Procedures of the Board or these Terms of Reference, engage intermediaries to provide professional services at the Company's expense.

Chapter V Supplementary Provisions

Article 22 In these Terms of Reference, the meaning of “not less than” includes the number itself, while “more than” excludes the number itself.

Article 23 Matters not covered in these Terms of Reference shall be implemented in accordance with the relevant national laws, regulations, rules, Listing Rules and other regulatory documents and the provisions of the Articles of Association, Rules of Procedure of the Board and other rules and regulations of the Company. Where otherwise provided in the relevant national laws, regulations, rules, Listing Rules or other regulatory documents, such provisions shall prevail.

Article 24 These Terms of Reference shall be interpreted and amended by the Board and shall come into effect upon issuance.

(The Terms of Reference were prepared in Chinese. The English translation is not an official version and is for reference only. In case of any inconsistencies and discrepancies between the Chinese and English versions, the Chinese version shall prevail.)