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

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

**If you have sold or transferred** all your shares in PICC Property and Casualty Company Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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## **中国人民财产保险股份有限公司**

**PICC PROPERTY AND CASUALTY COMPANY LIMITED**

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

(Stock Code: 2328)

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

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The AGM of PICC Property and Casualty Company Limited will be held at PICC Building, No. 88 Xichang'an Street, Xicheng District, Beijing, the PRC on 28 June 2024 (Friday) at 10:30 a.m. The notice of AGM is set out on pages 36 to 37 of this circular.

If you intend to appoint a proxy to attend the AGM, you are required to complete and return the accompanying proxy form in accordance with the instructions printed thereon not less than 24 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case may be). Completion and return of a proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so wish.

30 May 2024

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at PICC Building, No. 88 Xichang’an Street, Xicheng District, Beijing, the PRC on 28 June 2024 (Friday) at 10:30 a.m.
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board” or “Board of Directors”	the board of directors of the Company
“Company”	PICC Property and Casualty Company Limited, a joint stock company incorporated in the PRC with limited liability, whose H Shares are listed on the Hong Kong Stock Exchange
“Company Law”	the Company Law of the PRC
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	the ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are subscribed for in RMB
“External Supervisor(s)”	independent supervisor(s) of the Company
“Final Dividends”	the final dividends proposed to be distributed of RMB0.489 per Share (inclusive of applicable tax) for the year ended 31 December 2023
“former CBIRC”	former China Banking and Insurance Regulatory Commission (currently known as National Financial Regulatory Administration)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“H Share(s)”	the ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are listed on the Main Board of the Hong Kong Stock Exchange and subscribed for in HK\$

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## DEFINITIONS

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“Independent Director(s)”	independent non-executive director(s) of the Company
“Insurance Law”	the Insurance Law of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Macao”	the Macao Special Administrative Region of the PRC
“Ministry of Finance”	the Ministry of Finance of the PRC
“NFRA”	National Financial Regulatory Administration
“Overseas”	regions outside of the PRC
“PRC”	the Mainland of the People’s Republic of China, for the purpose of this circular and geographic reference, excluding Hong Kong, Macao and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each
“Shareholder(s)”	holder(s) of the Share(s)
“Supervisor(s)”	supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“Tax Measures”	Announcement of the State Taxation Administration on Issuing the Measures for Non-resident Taxpayers’ Enjoyment of Treaty Benefits (Announcement No. 35 [2019] of the State Taxation Administration)
“%”	per cent

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## LETTER FROM THE BOARD

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# 中国人民财产保险股份有限公司

PICC PROPERTY AND CASUALTY COMPANY LIMITED

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

(Stock Code: 2328)

*Board of Directors:*

*Chairman of the Board:*

Wang Tingke (Non-executive Director)

*Vice Chairman of the Board:*

Yu Ze (Executive Director, President)

*Executive Directors:*

Jiang Caishi

Zhang Daoming

Hu Wei

*Non-executive Director:*

Li Tao

*Independent Directors:*

Cheng Fengchao

Wei Chenyang

Li Weibin

Qu Xiaobo

*Registered office:*

Tower 2, No. 2 Jianguomenwai Avenue

Chaoyang District

Beijing 100022

the PRC

*Place of business in Hong Kong:*

15th Floor

Guangdong Investment Tower

148 Connaught Road Central

Central

Hong Kong

30 May 2024

*To the Shareholders*

Dear Sir or Madam,

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

### **INTRODUCTION**

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

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## **LETTER FROM THE BOARD**

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The Performance Report and the Performance Evaluation Results of the Directors for the Year 2023, the Performance Report and the Performance Evaluation Results of the Supervisors for the Year 2023, the Performance Report of Independent Directors for the Year 2023, the Report on the Implementation of Related Party Transactions for the Year 2023 and the Review and Analysis on Solvency Margin for the Four Quarters of the Year 2023 will be tabled at the AGM as reporting documents for Shareholders' review.

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

The business to be transacted at the AGM is set out in the notice of AGM on pages 36 to 37 of this circular.

This circular also provides detailed information on the business of the AGM (see Appendix I), the full text of Capital Planning Outline (2024-2026) (see Appendix II), the Performance Report and the Performance Evaluation Results of the Directors for the Year 2023 (see Appendix III), the Performance Report and the Performance Evaluation Results of the Supervisors for the Year 2023 (see Appendix IV), the Performance Report of Independent Directors for the Year 2023 (see Appendix V), the Report on the Implementation of Related Party Transactions for the Year 2023 (see Appendix VI) and the Review and Analysis on Solvency Margin for the Four Quarters of the Year 2023 (see Appendix VII).

### **ANNUAL GENERAL MEETING**

The notice of AGM is set out on pages 36 to 37 of this circular.

The proxy form for the AGM is enclosed. Shareholders who intend to appoint a proxy to attend the AGM shall complete and return the accompanying proxy form in accordance with the instructions printed thereon not less than 24 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case may be). Completion and return of a proxy form will not preclude a Shareholder from attending and voting in person at the AGM or any adjournment thereof if he so wishes.

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

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

In order to determine the list of Shareholders who are entitled to attend and vote at the AGM, the register of members of the Company will be closed from 25 June 2024 (Tuesday) to 28 June 2024 (Friday), both days inclusive. Holders of H Shares and Domestic Shares whose names appear on the register of members of the Company on 28 June 2024 (Friday) are entitled to attend and vote at this meeting. In order for holders of H Shares of the Company to qualify for attending and voting at this meeting, all transfer documents accompanied by the relevant H Share certificates must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on 24 June 2024 (Monday) for registration.

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## LETTER FROM THE BOARD

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If the profit distribution plan for the Year 2023 is approved, the Final Dividends will be paid around 9 August 2024 (Friday) to the Shareholders whose names appear on the share register of members of the Company on 14 July 2024 (Sunday). In order to determine the list of Shareholders who are entitled to the Final Dividends, the register of members of the Company will be closed from 9 July 2024 (Tuesday) to 14 July 2024 (Sunday), both days inclusive. In order for holders of H Shares of the Company to qualify for the Final Dividends, all transfer documents accompanied by the relevant H Share certificates must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on 8 July 2024 (Monday) for registration.

### RECOMMENDATION

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

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

**1. TO CONSIDER AND APPROVE THE REPORT OF THE BOARD OF DIRECTORS, THE REPORT OF THE SUPERVISORY COMMITTEE, THE AUDITOR'S REPORT AND THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR 2023**

The Report of the Board of Directors for the Year 2023, the Report of the Supervisory Committee for the Year 2023 as well as the Auditor's Report and the audited financial statements for the year ended 31 December 2023 of the Company have been contained in the Company's 2023 Annual Report. This Annual Report has been despatched to the Shareholders on 9 April 2024.

**2. TO CONSIDER AND APPROVE THE PROFIT DISTRIBUTION PLAN FOR THE YEAR 2023**

The profit distribution plan of the Company for the Year 2023 is as follows:

- (1) Pursuant to the relevant requirements of the Company Law and the Ministry of Finance, based on the audited profit after tax of the Company for the Year 2023 of RMB24,908,680,682.17 according to the PRC Accounting Standards for Business Enterprise, the Company proposed that RMB2,490,868,068.22 be appropriated to the statutory surplus reserve, another RMB2,490,868,068.22 be appropriated to the general risk reserve of the Company, each representing 10% of the profit, and RMB45,092,303.72 be appropriated to the severe catastrophe profit reserve. Considering the requirement under the Insurance Law that the self-retained premiums of a property insurance company for the current year shall not exceed four times the combined total of its actual capital and its reserve, the Company decided to appropriate discretionary surplus reserve of RMB7,000,000,000.
- (2) To further promote the market influence of the Company, strengthen confidence of investors in the Company and share profits with Shareholders, the Company proposed to pay, on the basis of total share capital of 22,242,765,303 as of 31 December 2023, a cash final dividend of RMB0.489 per Share (inclusive of applicable tax) to Shareholders whose names appear on the register of members of the Company, with a total distribution amount of RMB10,876,712,233.17.

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

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

*Final Dividends Income Tax Applicable to Overseas Shareholders*

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

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



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

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

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

- (1) For individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty or tax arrangement with the PRC stipulating a tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of these individual H Shareholders in the distribution of the Final Dividends;
- (2) For individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of less than 10%, the Company will temporarily withhold and pay individual income tax at the rate of 10% on behalf of these individual H Shareholders in the distribution of the Final Dividends. If relevant individual H Shareholders would like to apply for a refund of the excess amount of tax withheld and paid, the Company can handle, on their behalf, the applications for tax preferential treatments under relevant tax treaties according to the *Tax Measures*. Qualified Shareholders please submit in time a letter of entrustment and all application materials as required under the *Tax Measures* to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, and collect and retain relevant materials for review, and the Company will then submit the above documents to the competent tax authorities for their examination. If and when approved, the Company will assist in refunding the excess amount of tax withheld and paid;
- (3) For individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of more than 10% but less than 20%, the Company will withhold and pay individual income tax at the effective tax rate stipulated in the relevant tax treaty on behalf of these individual H Shareholders in the distribution of the Final Dividends; and

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

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

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

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

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

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

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

**3. TO CONSIDER AND APPROVE THE APPOINTMENT OF AUDITORS FOR THE YEAR 2024**

In accordance with the Articles of Association and audit needs of the Company for the Year 2024, taking into account the public tender results and recommendations by the Audit Committee, the Board has considered and approved the proposal on the appointment of auditors for the Year 2024. The Board submits the proposal to the AGM for obtaining the approval of appointing Ernst & Young as the international auditor of the Company and appointing Ernst & Young Hua Ming LLP as the domestic auditor of the Company to hold office until the conclusion of the next annual general meeting of the Company. The annual cap for the audit fee payable by the Company is RMB19.5 million. For details of the appointment of the auditors for the Year 2024, please refer to the announcement on the proposed appointment of auditors for the Year 2024 dated 29 May 2024.

PricewaterhouseCoopers and PricewaterhouseCoopers Zhong Tian LLP, the current auditors of the Company, will retire upon the conclusion of the AGM. They have confirmed that there are no matters in connection with the non-renewal of their appointment that need to be brought to the attention of the Shareholders. The Board and the Audit Committee have also confirmed that there are no matters in connection with the change of auditors that need to be brought to the attention of the Shareholders.

**4. TO CONSIDER AND APPROVE CAPITAL PLANNING OUTLINE (2024-2026)**

In accordance with the requirements of the *Rules for the Supervision of Insurance Company Solvency No. 14 – Capital Planning* (Yin Bao Jian Fa [2021] No. 51), in order to ensure that the indicators of the core solvency margin ratio and comprehensive solvency margin ratio meet the regulatory requirements, and maintain a reasonable safety margin and a reasonable capital structure, as well as improve the efficiency of capital utilization, the Board has considered and approved the Capital Planning Outline (2024-2026). The Board submits the proposal to the AGM for obtaining the approval of the Capital Planning Outline (2024-2026). The Capital Planning Outline (2024-2026) is set out in Appendix II to this circular.

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

On 19 June 2023, the annual general meeting of the Company for the Year 2022 considered and approved the proposal on the issue of capital supplementary bonds, approving the issue of a 10-year capital supplementary bonds in one or more tranche(s) in an aggregate amount of no more than RMB12 billion by the Company within 12 months from the date of approval of the resolution by the Shareholders' general meeting, and authorizing the Board to delegate the management of the Company to determine and implement a detailed plan for the issue of capital supplementary bonds.

Affected by the progress of the issuance, the Company was unable to complete the issuance of the capital supplementary bonds within above authorisation period, as such, the Board has considered and approved the resolution on the continuous issue of capital supplementary bonds in an aggregate amount of no more than RMB12 billion. The Board submits the proposal to the AGM for obtaining the approval of authorising the Board to carry out the continuous issue of a 10-year capital supplementary bonds in an aggregate amount of no more than RMB12 billion within 24 months from the date of approval of the resolution by the AGM, and renewing authorisation to the Board to delegate the management of the Company to formulate a detailed plan for the issue of the capital supplementary bonds after taking into account the market conditions and all other relevant factors, and to engage intermediaries to deal with relevant specific matters relating to the

issue. All the proceeds raised from the issuance will be used to improve the Company's solvency. The comprehensive solvency margin ratio of the Company for the second, third and fourth quarter of 2023 and the first quarter of 2024 was 221.64%, 223.30%, 232.38% and 228.10%, respectively.

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

## **6. TO REVIEW THE PERFORMANCE REPORT AND THE PERFORMANCE EVALUATION RESULTS OF THE DIRECTORS FOR THE YEAR 2023**

Pursuant to the requirements of *the Interim Measures on the Performance Evaluation of Directors and Supervisors of Banking and Insurance Institutions* (5th Order in 2021 Issued by the former CBIRC), the Supervisory Committee has considered and approved the Performance Report and the Performance Evaluation Results of the Directors for the Year 2023. The Report shall be submitted to the AGM for Shareholders' review but Shareholders' approval is not required. The performance evaluation results for the Year 2023 of Mr. Yu Ze, Vice Chairman of the Board, Mr. Jiang Caishi, Mr. Zhang Daoming and Mr. Hu Wei\*, the Executive Directors, Mr. Li Tao, the Non-executive Director, Mr. Lo Chung Hing\*\*, Ms. Qu Xiaohui\*\*\*, Mr. Cheng Fengchao and Mr. Wei Chenyang\*\*\*\*, the Independent Directors, are all rated as "Competent". The Performance Report and the Performance Evaluation Results of the Directors for the Year 2023 is set out in Appendix III to this circular.

\* The qualification of Mr. Hu Wei as an Executive Director was approved by the former CBIRC on 16 March 2023.

\*\* Mr. Lo Chung Hing retired as an Independent Director on 8 August 2023.

\*\*\* Ms. Qu Xiaohui has served in the Company for a total of six years. In accordance with the Corporate Governance Standards for Banking and Insurance Institutions (Yin Bao Jian Fa [2021] No. 14), Ms. Qu retired as an Independent Director on 29 April 2024.

\*\*\*\* The qualification of Mr. Wei Chenyang as an Independent Director was approved by the former CBIRC on 12 January 2023.

## **7. TO REVIEW THE PERFORMANCE REPORT AND THE PERFORMANCE EVALUATION RESULTS OF THE SUPERVISORS FOR THE YEAR 2023**

Pursuant to the requirements of *the Interim Measures on the Performance Evaluation of Directors and Supervisors of Banking and Insurance Institutions* (5th Order in 2021 Issued by the former CBIRC), the Supervisory Committee has considered and approved the Performance Report and the Performance Evaluation Results of the Supervisors for the Year 2023. The Report shall be submitted to the AGM for Shareholders' review but Shareholders' approval is not required. The performance evaluation results for the Year 2023 of Mr. Dong Qingxiu\* and Mr. Wang Yadong, the Shareholder Supervisors, Mr. Lu Zhengfei\*\* and Ms. Li Shuk Yin Edwina\*\*\*, the External Supervisors, Mr. Zhou Zhiwen\*\*\*\* and Mr. Fu Xiaoliang\*\*\*\*, the Employee Supervisors, are all rated as "Competent". The Performance Report and the Performance Evaluation Results of the Supervisors for the Year 2023 is set out in Appendix IV to this circular.

- \* The qualification of Mr. Dong Qingxiu as a Supervisor was approved by the NFRA on 23 May 2023.
- \*\* Mr. Lu Zhengfei retired as an External Supervisor on 8 August 2023.
- \*\*\* The qualification of Ms. Li Shuk Yin Edwina as an External Supervisor was approved by former CBIRC on 31 January 2023.
- \*\*\*\* The qualifications of Mr. Zhou Zhiwen and Mr. Fu Xiaoliang as Supervisors were approved by the NFRA on 23 May 2023.

**8. TO REVIEW THE PERFORMANCE REPORT OF INDEPENDENT DIRECTORS FOR THE YEAR 2023**

Pursuant to the requirements of *the Interim Measures on the Performance Evaluation of Directors and Supervisors of Banking and Insurance Institutions* (5th Order in 2021 Issued by the former CBIRC) and *the Administrative Measures on Independent Directors of Insurance Organisations* (Yin Bao Jian Fa [2018] No. 35), the Performance Report of Independent Directors for the Year 2023 shall be submitted to the AGM for Shareholders' review but Shareholders' approval is not required. The Performance Report of Independent Directors for the Year 2023 is set out in Appendix V to this circular.

**9. TO REVIEW THE REPORT ON THE IMPLEMENTATION OF RELATED PARTY TRANSACTIONS FOR THE YEAR 2023**

Pursuant to the requirements of the Articles of Association, the Board of Directors shall report to Shareholders' general meeting in respect of the status of related party transactions and implementation of the related party transactions management system of the Company for the Year 2023. The Report on the Implementation of Related Party Transactions for the Year 2023 will be tabled at the AGM for Shareholders' review but Shareholders' approval is not required. The Report on the Implementation of Related Party Transactions for the Year 2023 is set out in Appendix VI to this circular.

**10. TO REVIEW THE REVIEW AND ANALYSIS ON SOLVENCY MARGIN FOR THE FOUR QUARTERS OF THE YEAR 2023**

In accordance with the requirements of *the Regulatory Rules on Solvency Margin of Insurance Companies No. 15 – Public Disclosure of Solvency Margin Related Information*, insurance companies shall set up a session about solvency margin at the annual general meeting to review and analyze solvency margin of the company for the four quarters of the year. Pursuant to this, the Company has formulated the Review and Analysis on Solvency Margin for the Four Quarters of the Year 2023. The Review and Analysis on Solvency Margin for the Four Quarters of the Year 2023 will be tabled at the AGM for Shareholders' review but Shareholders' approval is not required. The Review and Analysis on Solvency Margin for the Four Quarters of the Year 2023 is set out in Appendix VII to this circular.

In order to strengthen the capital management of the Company, improve the efficiency of capital use, and comply with regulatory policies on capital and meet the regulatory requirements on solvency, the Capital Planning Outline for 2024 – 2026 of the Company is hereby formulated in accordance with the *Rules for the Supervision of Insurance Company Solvency No. 14: Capital Planning*, and the business development and financial plan and asset allocation plan of the Company. The main provisions of this Capital Planning Outline are as follows:

### **1. MANAGEMENT OBJECTIVES OF CAPITAL PLANNING**

The overall management objective of capital planning of the Company is to ensure the compliance of core solvency margin ratio and comprehensive solvency margin ratio with regulatory requirements with a reasonable margin of safety; and ensure that the Company maintains a reasonable capital structure, improve the efficiency of its capital utilisation, and meet the requirements for solvency risk management.

The specific management objectives of capital planning of the Company are set in accordance with “C-ROSS (II)” rules by taking into account of the external environment, development strategy of the Company and the feasibility and sustainability of the capital replenishment of the Company.

### **2. BASIS OF CAPITAL PLANNING**

In formulating the capital planning of the Company, the Company gave full account to the following factors: prudent analysis of the changes to macro-economic situation, insurance regulatory policies and market environment, difference between the impact of basic scenario planning on its business operations and that of adverse scenario planning; compliance of capital adequacy level with capital management objectives, compliance of capital planning with the strategy, business operations and solvency risk management of the Company, increased use of capital planning in capital budget and decomposition, capital analysis and monitoring, and the improvement of operation and management; financial strategy, method of fund raising, capital availability, cost and structure of capital, and ensured the continued compliance of capital level with regulatory requirements.

### **3. METHOD OF PLANNING IN CAPITAL PLANNING**

#### **(1) Method of planning**

Based on actual business operations of the Company and in light of strategic planning and budgetary objective of the Company, the Company gave full account to the impact of changes of business environment on the Company; calculated the actual capital and minimum capital based on “C-ROSS (II)” rules and solvency stress test; made the comparison between comprehensive solvency margin ratio/core solvency margin ratio and the capital planning objectives of the Company by taking full account of the worse scenarios, and proposed the measures for achieving the objectives of the planning from the perspective of both capital supply and capital demand.

**(2) Preconditions to the planning**

Both capital supply and capital demand are considered in the capital planning, in which, the business growth rate and investment allocation were reasonably set; the impact of macro-economy, development of property insurance industry and fluctuation in capital market on the business operations of the Company were taken into full account; and the Company determined the profit retention rate based on the requirements for accrual of surplus reserve and general risk reserve and its dividend policy.

**4. ASSESSMENT OF CAPITAL DEMAND**

Under basic scenario, the Company made the assumptions of premium income based on its judgment of the current domestic economic environment, property insurance market conditions and its market positioning; the Company made the assumptions of ceding ratio based on its policies on reinsurance; the Company made the assumptions of expense ratio by taking into account the development trend of expense ratio and future management measures; the Company made the assumptions of loss ratio by taking into account changes of underwriting and claim settlement processes of the Company and development trend of property insurance market; the Company made the investment assumptions based on macro-economic situation, development trend of capital market and asset allocation strategy of the Company; and the Company made the assumptions of change in capital based on its dividend distribution policies. Under the adverse scenario, certain adverse changes to the above conditions would occur as compared to the basic scenario.

Based on the above assumptions, the Company worked out the comprehensive solvency margin ratios and the core solvency margin ratios for the periods from 2024 to 2026 under the basic scenario and adverse scenario in accordance with “C-ROSS (II)” rules. On this basis, the Company estimated the capital demand of the Company in the next three years with reference to the objectives of its capital planning.

**5. PROPOSAL FOR CAPITAL REPLENISHMENT****(1) Endogenous capital replenishment measures**

The Company gave priority to endogenous capital replenishment measures, such as enhancing its profitability, formulating reasonable profit distribution policies, optimizing product structure, optimizing asset structure, and enhancing risk management capabilities.

In 2024, the Company will deeply implement the guideline of Central Financial Work Conference and Central Economic Work Conference, promote the implementation of Eight Strategic Services, fully implement risk reduction services, promote the technology-empowered upgrading of operation and management, continue to optimize its business and asset structure and enhance its profitability.

In 2024, the Company will, by focusing on “prevention of financial risks” and “overall risk management”, continue to improve its risk management system, enhance its risk assessment, accelerate the establishment of risk and compliance committees of all levels, optimize its risk management information system, lay more emphasis on “prevention and control of key risks, prevention and control from the source, technology-empowered prevention and control and systematic prevention and control”, continued to enhance the risk management capabilities and enhance the effect of risk prevention and control and further promote high-quality development of the Company.

In 2024, the Company will further promote the construction of capital constraint system, give fully play to the functions of balance, constraint, support and guarantee of the capital in its business operations, ensure the match between the risks and capital of the Company and better meet the requirements for solvency risk management.

## **(2) Exogenous capital replenishment measures**

The Company will formulate reasonable measures for capital replenishment from external sources by taking into full account of market environment, capital strength of shareholders and capital cost, which include the reinsurance and issuance of capital replenishment instrument.

Since 2023, the Company continued to promote the transformation of its reinsurance framework, which progressed steadily. The Company expects that its reinsurance framework will remain relatively stable in 2024.

On 9 April 2024, the NFRA issued the Reply on Issuance of Capital Supplemental Bonds by PICC Property and Casualty Company Limited (Jin Fu [2024] No.81), approving the issuance of 10-year redeemable capital supplemental bonds by the Company with an aggregate amount of RMB12 billion in the national inter-bank bond market. The Company will, upon the approval from the People’s Bank of China, complete the issuance within the time limit prescribed by competent authorities.

## **6. ANALYSIS OF IMPLEMENTATION OF CAPITAL PLANNING IN PREVIOUS YEAR**

In 2023, the Company continued to improve its capital management, strengthen the capital constraint, optimized its capital allocation and improved its solvency risk management capabilities. For the purpose of further improving the scientific level, efficiency and safety of capital management of the Company, optimizing the capital management model and complying with “C-ROSS (II)” rules and adapting to the adjustments to capital management functional structure, the Company amended and promulgated its new internal capital management system, established a clear management structure and process and ensured overall planning, overall management and effective allocation of its corporate capital.

In its capital planning for 2023-2025, the Company, in accordance with the objectives of its capital planning and applicable regulatory requirements, made the recommendation for issuance of RMB12 billion capital supplementary bonds to replenish its capital. Since 2023, the Company made steady progress in the examination and approval of issuance of its capital supplementary bonds.

## **7. EMERGENCY PLAN**

### **(1) Triggers**

Based on the results of its solvency assessment and solvency stress test, the Company classified the solvency level into two categories: early warning and emergency response.



**(2) Emergency capital replenishment measures**

Paying close attention to its solvency conditions, the Company was always prepared to respond to the circumstances which may lower the solvency level to early warning level and emergency response level and promptly took the actions set out in the emergency plan based on its solvency level, which ensured a sufficient safety margin of its solvency.

The measures set out in the early warning proposal include the management and recovery of account receivables; optimization of reinsurance proposal; improvement of solvency risk management; reduction of minimum capital for risk control; improvement of cost management, reduction of various cost and expenses; increase of long-term capital by issuance of debt instrument or increase in capital and shares.

The measures set out in emergency response proposal include the adjustment to capital structure, reduction of minimum capital for market risks and credit risks; optimization of business structure and reduction of capital occupancy; issuance of new types of capital instruments.

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

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## **APPENDIX III                      PERFORMANCE REPORT AND THE PERFORMANCE EVALUATION RESULTS OF THE DIRECTORS FOR THE YEAR 2023**

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In the year 2023, pursuant to the *Interim Measures on the Performance Evaluation of Directors and Supervisors of Banking and Insurance Institutions* issued by the former CBIRC and other regulations., the Company has evaluated the performance of the Directors in the year 2023. The relevant information is reported as follows.

### **I.            PERSONNEL EVALUATED**

Yu Ze, Jiang Caishi, Zhang Daoming and Hu Wei, the Executive Directors; Li Tao, the Non-executive Director; Lo Chung Hing, Qu Xiaohui, Cheng Fengchao and Wei Chenyang, the Independent Directors. (Hu Wei's qualification as a Director was approved by the former CBIRC on 16 March 2023, and Wei Chenyang's qualification as a Director was approved by the former CBIRC on 12 January 2023. Lo Chung Hing retired as an Independent Director and from his positions in the relevant specialised committees of the Board on 8 August 2023, and has served in the Company for more than half a year, and therefore is included in the scope of performance evaluation.)

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

In the year 2023, all Directors thoroughly implemented the spirit and deployment of decisions of the Central Committee of Communist Party of China, adhered to Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era as the guidance, and discharged their duties diligently and faithfully in accordance with laws and regulations, regulatory rules and the Articles of Association and other relevant provisions. All Directors acted in the best interests of the Company, highly preserved trade secrets, kept abreast of the daily operation conditions and possible operation risks of the Company, expressed their opinions and exercised their powers at the meetings of the Board of the Directors, proactively and effectively performed their duties as directors, and safeguarded the legal rights and interests of the Company, shareholders and employees.

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

In the year 2023, all Directors performed diligently, attended the shareholders' general meetings, the meetings of the Board of Directors and its professional committees as required, and devoted sufficient time and energy to participate in the affairs of the Company, and acquired information about the Company's operation and management status through various channels to provide a basis for scientific and prudent decision-making.

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

In the year 2023, the Board of Directors and its professional committees held 53 meetings, including 12 meetings of the Board of Directors, 10 meetings of the Audit Committee, 6 meetings of the Nomination, Remuneration and Review Committee, 7 meetings of the Strategic Planning Committee, 9 meetings of the Risk Management and Consumers' Rights and Interests Protection Committee (Assets and Liabilities Management and Investment Decision-making Committee), and 9 meetings of the Related Party Transaction Control Committee. The attendance rate of all the meetings of the Board of Directors was 100%, and the attendance rate of all meetings of its professional committee

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**APPENDIX III                      PERFORMANCE REPORT AND THE PERFORMANCE  
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was 100% as well. All Directors made decisions on all matters considered by the Board of Directors after careful consideration on the basis of full understanding and opinions, none of whom voted against the matters considered by the Board of Directors, and all resolutions were successfully approved by voting. Each professional committee carefully studied the proposals to be submitted to the Board of Directors for consideration and put forward various professional opinions and suggestions, giving full play to the important role of the professional committees of the Board of Directors in assisting decision-making. The attendance of each Director of the Company at the meetings is set out in the table below.

*Attendance at the Board of Directors meetings*

<b>Name</b>	<b>Number of meetings</b>	<b>Attendance in person</b>	<b>Attendance by proxy</b>	<b>Absence</b>
Yu Ze	12	12	0	0
Jiang Caishi	12	10	2	0
Zhang Daoming	12	12	0	0
Hu Wei	10	9	1	0
Li Tao	12	12	0	0
Qu Xiaohui	12	12	0	0
Cheng Fengchao	12	12	0	0
Wei Chenyang	11	11	0	0
Lo Chung Hing	7	7	0	0

*Attendance at the Audit Committee meetings*

<b>Name</b>	<b>Number of meetings</b>	<b>Attendance in person</b>	<b>Attendance by proxy</b>	<b>Absence</b>
Qu Xiaohui	10	10	0	0
Li Tao	10	10	0	0
Cheng Fengchao	4	4	0	0
Wei Chenyang	4	3	1	0
Lo Chung Hing	6	6	0	0

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

Name	Number of meetings	Attendance in person	Attendance by proxy	Absence
Cheng Fengchao	6	6	0	0
Li Tao	4	4	0	0
Qu Xiaohui	6	6	0	0
Wei Chenyang	6	6	0	0
Lo Chung Hing	2	2	0	0

*Attendance at the Strategic Planning Committee meetings*

Name	Number of meetings	Attendance in person	Attendance by proxy	Absence
Yu Ze	7	7	0	0
Jiang Caishi	3	3	0	0
Li Tao	7	7	0	0

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

Name	Number of meetings	Attendance in person	Attendance by proxy	Absence
Yu Ze	9	9	0	0
Jiang Caishi	9	9	0	0
Zhang Daoming	9	9	0	0
Hu Wei	7	7	0	0
Cheng Fengchao	9	9	0	0
Wei Chenyang	8	8	0	0

*Attendance at the Related Party Transaction Control Committee meetings*

Name	Number of meetings	Attendance in person	Attendance by proxy	Absence
Jiang Caishi	9	9	0	0
Zhang Daoming	5	5	0	0
Qu Xiaohui	9	9	0	0
Lo Chung Hing	4	4	0	0

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**APPENDIX III                      PERFORMANCE REPORT AND THE PERFORMANCE  
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**(II) Attendance at the Shareholders' general meetings**

In the year 2023, the Company held 3 Shareholders' general meetings and the attendance is set out in the table below.

*Attendance at Shareholders' General Meetings*

<b>Name</b>	<b>Number of meetings</b>	<b>Attendance in person</b>	<b>Attendance rate</b>
Yu Ze	3	3	100%
Jiang Caishi	3	3	100%
Zhang Daoming	3	3	100%
Hu Wei	2	2	100%
Li Tao	3	3	100%
Qu Xiaohui	3	3	100%
Cheng Fengchao	3	3	100%
Wei Chenyang	2	2	100%
Lo Chung Hing	3	3	100%

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

In the year 2023, each of the Directors acquired information about the operation and management of the Company through various channels which laid a foundation for scientific and prudent decision-making. The Directors kept great communication with the senior management officers of the Company, listened to reports of the management, proactively obtained the information needed for decision-making and conducted research and discussion; comprehensively understood the operation and management of the Company by reading financial reports, internal control reports, internal audit reports, monthly corporate governance information of the Company and reports on stock price and trading situation, premiums and irregular material matters of the Company and obtained independent and objective information from third parties.

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

In the year 2023, all the Directors, while diligently performing their duties, earnestly participated in continuous professional development and thoroughly learned regulatory requirements for relevant domestic and foreign laws and regulations, related party transactions, and directors' ongoing obligations. The Directors attended trainings and conducted research or exchange in areas of relevant laws and regulations, corporate governance, directors' duties, professional knowledge in the insurance industry, anti-money laundering and anti-terrorism financing and information disclosure etc., which continuously enhanced their related knowledge and skills and further improved their ability and level to fulfill the duties. The Directors proactively put forward various scientific and reasonable opinions and suggestions on the Company's management and development to promote the scientific decision-making of the Board of Directors.

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

In the year 2023, all Directors adhered to a high standard of professional ethics code, discharged their duties independently and autonomously, strictly complied with the relevant laws and regulations and the Articles of Association, truly reported to the Company their personal information such as related relationships and changes in positions, actively assisted the Company with information disclosure, consciously safeguarded the interests of shareholders, the Company and employees, promoted the Company's fair treatment to all shareholders, protected the legal rights and interests of stakeholders and actively fulfilled its social responsibilities.

**VI.       PERFORMANCE COMPLIANCE**

In the year 2023, all Directors complied with laws and regulations, regulatory provisions and relevant provisions of the Articles of Association, and performed their duties as Directors faithfully, in good faith, diligently, and prudently. No acts of using their authority to obtain illegal benefits for themselves or others, interfering with the business activities of the management of the Company or leaking trade secrets related to the Company were found. All Directors took various methods to understand and grasp the finance, risk, compliance of internal control and strategic development plan of the Company, etc., which promoted the continuous optimization of the Company's compliance and internal control, and the constant normalization of its operation and management.

**VII.      EVALUATION OF DIRECTORS' PERFORMANCE IN THE YEAR 2023**

After the evaluation of the performance of all Directors in the year 2023, the Company believes that: in the year 2023, the Board of Directors made collective decisions and acted objectively on the development strategy, business plan, financial monitoring, risk management, personnel management, anti-money laundering and other matters of the Company. All Directors performed their duties diligently, spared no effort to handle the affairs of the Board of Directors. All Directors acted honestly and in good faith in the interests of the Company as a whole and paid particular attention to the legal rights and interests of public Shareholders as well as minority Shareholders in their decision-making. All directors complied with national laws and regulations, regulatory rules and the Articles of Association, attended shareholders' general meetings, the meetings of the Board of the Directors and its professional committees as required, and put forward various professional opinions and suggestions; all Directors have diligently participated in continuous professional development, received trainings in various aspects and continuously improved relevant knowledge and skills.

Pursuant to the *Rules of Duty Performance Evaluation of the Directors and Supervisors*, the evaluation result of the performance of each Director in 2023 was "competent".

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

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## **APPENDIX IV                      PERFORMANCE REPORT AND THE PERFORMANCE EVALUATION RESULTS OF THE SUPERVISORS FOR THE YEAR 2023**

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In the year 2023, pursuant to the *Interim Measures on the Performance Evaluation of Directors and Supervisors of Banking and Insurance Institutions* issued by the former CBIRC and other regulations, the Company has evaluated the performance of the Supervisors in the year 2023. The relevant information is reported as follows.

### **I.        PERSONNEL EVALUATED**

Dong Qingxiu and Wang Yadong, the Shareholder Supervisors, Lu Zhengfei and Li Shuk Yin Edwina, the External Supervisors, Zhou Zhiwen and Fu Xiaoliang, the Employee Supervisors. (The qualifications of Dong Qingxiu, Zhou Zhiwen and Fu Xiaoliang as Supervisors were approved by the NFRA on 23 May 2023. The qualification of Li Shuk Yin Edwina as a Supervisor was approved by the former CBIRC on 31 January 2023. Lu Zhengfei retired as an External Supervisor and the chairman of the Financial and Internal Control Supervisory Committee of the Supervisory Committee on 8 August 2023, and has served in the Company for more than half a year, and therefore is included in the scope of performance evaluation.)

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

In the year 2023, all Supervisors thoroughly studied and implemented the spirit of the 20th National Congress of the Communist Party of China and the Central Financial Work Conference and adhered to Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era as the guidance. Each Supervisor acted in the best interests of the Company, highly preserved trade secrets, diligently performed the function of supervision, carried out their work in strict accordance with law and regulations, the Company Law and the Articles of Association and procured the Company to operate legally, continuously safeguarding the efficient operation of corporate governance and the interests of all shareholders, the Company and employees.

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

In the year 2023, the Supervisory Committee resolutely combined the characteristics of the Company and the actual management of the Company to improve its supervisory responsibilities and strengthen daily supervision in accordance with the laws. All Supervisors discharged their duties and responsibilities in an earnest manner, attended shareholders' general meetings and meetings of the Supervisory Committee and its professional committees, joined the meetings of the Board of Directors and its professional committees, adopted a variety of ways to understand and grasp the financial and strategic development plan, material decisions, important operational and management activities, internal control and compliance, risk management, internal audit and protection of customers' rights and interests, and significant solvency risks of the Company, and promoted the continuous standardization of the internal control and compliance and operation and management of the Company.

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

In the year 2023, the Supervisory Committee carried out daily deliberative activities in accordance with the relevant provisions of the Articles of Association. According to the actual situation of the Company, the Supervisory Committee and its professional committees held 19 meetings, including 9

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Supervisory Committee meetings, 3 meetings of the Duty Performance and Fulfillment Supervisory Committee and 7 meetings of the Financial and Internal Control Supervisory Committee. The attendance rate of all the Supervisory Committee meetings was 100%, and the attendance rate of all meetings of its professional committee was 100% as well. All the Supervisors kept abreast of the business operation and management of the Company, focused on material matters such as financial situation, strategic development plan, risk control, corporate governance, internal control and compliance, anti-money laundering and anti-terrorism financing, consumers' interests protection and solvency risk, proactively performed their duties and responsibilities, carefully studied and reviewed the proposals of the meetings and reviewed and listened to relevant reports and put forward professional opinions and suggestions on relevant proposals and provided timely feedback to the Board of Directors and the management of the Company. Attendance of each Supervisor of the Company at the meetings of the Supervisory Committee is as follows.

*Attendance at Supervisory Committee Meetings*

<b>Name</b>	<b>Number of meetings</b>	<b>Attendance in person</b>	<b>Attendance by proxy</b>	<b>Absence</b>
Dong Qingxiu	6	6	0	0
Wang Yadong	9	9	0	0
Li Shuk Yin Edwina	8	8	0	0
Zhou Zhiwen	6	6	0	0
Fu Xiaoliang	6	6	0	0
Lu Zhengfei	5	5	0	0

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

<b>Name</b>	<b>Number of meetings</b>	<b>Attendance in person</b>	<b>Attendance by proxy</b>	<b>Absence</b>
Dong Qingxiu	3	3	0	0
Zhou Zhiwen	3	3	0	0
Fu Xiaoliang	3	3	0	0

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

<b>Name</b>	<b>Number of meetings</b>	<b>Attendance in person</b>	<b>Attendance by proxy</b>	<b>Absence</b>
Wang Yadong	7	7	0	0
Li Shuk Yin Edwina	6	6	0	0
Fu Xiaoliang	3	3	0	0
Lu Zhengfei	4	4	0	0



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**APPENDIX IV                      PERFORMANCE REPORT AND THE PERFORMANCE  
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**(II) Attendance at Shareholders' general meetings and meetings of the Board of Directors and its professional committees**

In the year 2023, the Company held 3 Shareholders' general meetings, 12 meetings of the Board of Directors and 10 meetings of the Audit Committee of the Board of Directors. All Supervisors earnestly performed their duties, attended meetings in accordance with the laws, supervised the legitimacy of the Company's major decision-making matters, decision-making processes and contents and procedures of the meetings, and put forward opinions and suggestions, so as to safeguard the rights and interests of Shareholders. Attendance of all Supervisors at the meetings is as follows.

*Attendance at Shareholders' General Meetings*

<b>Name</b>	<b>Number of meetings</b>	<b>Attendance in person</b>	<b>Attendance rate</b>
Dong Qingxiu	2	2	100%
Wang Yadong	3	3	100%
Li Shuk Yin Edwina	2	2	100%
Zhou Zhiwen	2	2	100%
Fu Xiaoliang	2	2	100%
Lu Zhengfei	2	1	50%

*Attendance at Meetings of the Board of Directors*

<b>Name</b>	<b>Number of meetings</b>	<b>Attendance in person</b>	<b>Attendance rate</b>
Dong Qingxiu	8	7	88%
Wang Yadong	12	10	83%
Li Shuk Yin Edwina	11	10	91%
Zhou Zhiwen	8	8	100%
Fu Xiaoliang	8	8	100%
Lu Zhengfei	7	5	71%

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

<b>Name</b>	<b>Number of meetings</b>	<b>Attendance in person</b>	<b>Attendance rate</b>
Dong Qingxiu	6	4	67%
Wang Yadong	10	8	80%
Li Shuk Yin Edwina	9	8	89%
Zhou Zhiwen	6	6	100%
Fu Xiaoliang	6	5	83%
Lu Zhengfei	5	5	100%

**(III) Diligence in Supervision**

In the year 2023, the Supervisory Committee continued to optimize the supervision system and promote the regularization and systematization of supervision. The Supervisory Committee continuously strengthened communication with internal and external auditors, listened to the external auditors' reports on the audit plan and key audit issues as well as the audit of annual results of the Company, kept abreast of the audit progress, especially focused on the key audit issues, made requests to relevant functional departments and the auditors' work and evaluated the audit results. The Supervisory Committee carefully considered the evaluation report on implementation of the development plan, annual internal control evaluation report, compliance report, risk assessment report, reports in relation to internal audit and other proposals of the Company, paid continuous attention to and supervised the establishment and operation of the Company's internal control and risk management mechanism, related party transactions and the implementation of the related party transaction management system, the protection of consumers' rights and interests, anti-money laundering and anti-terrorism financing, etc., and put forward opinions and suggestions.

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

In the year 2023, all the Supervisors valued enhancement in their competence in the performance of duties, while diligently performing their supervision duties, improved themselves, thoroughly learnt relevant laws and regulations at home and abroad and regulatory requirements on corporate governance, etc., earnestly participated in special trainings in areas of relevant laws and regulations, corporate governance, insurance expertise, anti-money laundering and anti-terrorism financing, information disclosure, etc., organized by regulatory authorities and the Company, among which, all members of the Supervisory Committee participated in the Online Training on Certification of Ability to Perform the Duties of Anti-money Laundering and Anti-terrorist Financing in Insurance Sector for the Year 2023 organized by Zhengzhou Training Institute of the People's Bank of China, and all of them have passed the exam and obtained the certificate of completion.

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

In the year 2023, all Supervisors adhered to a high standard of professional ethics code, discharged their duties independently and autonomously, strictly complied with the relevant laws and regulations and the Articles of Association, truly reported to the Company their personal information such as related relationships and changes in positions, actively assisted the Company with information disclosure, consciously safeguarded the interests of the Company, all shareholders and employees, promoted the Company's fair treatment to all shareholders, and protected the legal rights and interests of stakeholders and actively fulfilled its social responsibilities.

**VI.     PERFORMANCE COMPLIANCE**

In the year 2023, all Supervisors complied with laws and regulations, regulatory rules and relevant provisions of the Articles of Association, continuously regulated their acts and performed their duties in an objective, fair, truthful and pragmatic manner. No acts of using their authority to obtain illegal benefits for themselves or others, interfering with the business activities of the management of the Company, leaking trade secrets related to the Company or damaging the Company's interests were found.

**VII.    EVALUATION OF THE SUPERVISORS' PERFORMANCE IN THE YEAR 2023**

After the evaluation of the performance of duties and responsibilities of all the Supervisors for the year 2023, the Company believes: in the year 2023, all the Supervisors complied with relevant laws and regulations and the Articles of Association, duly performed the duties of due diligence and care. All the Supervisors attended all Supervisory Committee meetings and meetings of its professional committees, joined the meetings of the Board of Directors and Audit Committee of the Board of Directors, independently and objectively fulfilled their duties of supervision, proactively promoted establishment of the Supervisory Committee, attended relevant trainings and communications as well as played a significant role in optimizing corporate governance, promoting healthy development of the Company, enhancing the level of the Company's corporate governance and safeguarding the interests of all shareholders, the Company and employees.

Pursuant to the *Rules of Duty Performance Evaluation of the Directors and Supervisors*, the evaluation result of the performance of all Supervisors in 2023 was "competent".

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

In the year 2023, all the Independent Directors had diligently discharged their duties and responsibilities and exercised their rights as Independent Directors of the Company in a faithful, diligent, prudent and independent manner in accordance with the relevant laws and regulations, regulatory requirements and the provisions of the Articles of Association. The work of the Independent Directors is summarised as follows:

#### I. ATTENDANCE AT MEETINGS

In the year 2023, the attendance of Independent Directors at the meetings of the Board of Directors is as follows.

##### *Attendance at the Board of Directors meetings*

Name	Number of meetings	Attendance in person	Attendance by proxy	Absence
Qu Xiaohui	12	12	0	0
Cheng Fengchao	12	12	0	0
Wei Chenyang	11	11	0	0
Li Weibin	4	4	0	0
Qu Xiaobo	3	2	1	0
Lin Hanchuan	1	1	0	0
Lo Chung Hing	7	7	0	0

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

1. Mr. Wei Chenyang, whose qualification as a Director was approved on 12 January 2023, was eligible to attend the 41st meeting of the fifth session of the Board of the Company held on 20 January 2023, however as the approval of his qualification was received by the Company after the date of the abovementioned Board meeting, Mr. Wei Chenyang was not present at such meeting.
2. Mr. Li Weibin, whose qualification as a Director was approved on 31 July 2023, was eligible to attend the 1st meeting of the sixth session of the Board of the Company held on 8 August 2023, however as the approval of his qualification was received by the Company after the date of the abovementioned Board meeting, Mr. Li Weibin was not present at such meeting.
3. The qualification of Mr. Qu Xiaobo as a Director was approved by the NFRA on 12 September 2023.
4. Mr. Lin Hanchuan resigned as an Independent Director on 17 February 2023 due to age reason.
5. Mr. Lo Chung Hing retired as an Independent Director on 8 August 2023.

In the year 2023, the attendance of Independent Directors as members of each professional committee of the Board at the meetings of each professional committee of the Board is as follows.

*Attendance at the Audit Committee meetings*

Name	Number of meetings	Attendance in person	Attendance by proxy	Absence
Qu Xiaohui	10	10	0	0
Cheng Fengchao	4	4	0	0
Wei Chenyang	4	3	1	0
Li Weibin	3	3	0	0
Lin Hanchuan	1	1	0	0
Lo Chung Hing	6	6	0	0

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

Name	Number of meetings	Attendance in person	Attendance by proxy	Absence
Cheng Fengchao	6	6	0	0
Qu Xiaohui	6	6	0	0
Wei Chenyang	6	6	0	0
Li Weibin	3	3	0	0
Lin Hanchuan	–	–	–	–
Lo Chung Hing	2	2	0	0

*Attendance at the Strategic Planning Committee meetings*

Name	Number of meetings	Attendance in person	Attendance by proxy	Absence
Qu Xiaobo	2	2	0	0

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

Name	Number of meetings	Attendance in person	Attendance by proxy	Absence
Cheng Fengchao	9	9	0	0
Wei Chenyang	8	8	0	0
Qu Xiaobo	2	2	0	0

*Attendance at the Related Party Transaction Control Committee meetings*

Name	Number of meetings	Attendance in person	Attendance by proxy	Absence
Li Weibin	4	4	0	0
Qu Xiaohui	9	9	0	0
Qu Xiaobo	3	3	0	0
Lo Chung Hing	4	4	0	0
Lin Hanchuan	–	–	–	–

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

1. Mr. Wei Chenyang, whose qualification as a Director was approved on 12 January 2023, was eligible to attend the 1st meeting of the Risk Management and Consumers' Rights and Interests Protection Committee (Assets and Liabilities Management and Investment Decision-making Committee) in 2023 held on 19 January 2023, however, as the approval of his qualification was received by the Company after the date on which such meeting was held, Mr. Wei Chenyang was not present at such meeting.
2. Mr. Li Weibin, the qualification of whom as a Director was approved on 31 July 2023, was eligible to attend the 1st meeting of the Related Party Transaction Control Committee of the sixth session of the Board of the Company held on 8 August 2023, however, as the approval of his qualification was received by the Company after the date on which the meeting was held, Mr. Li Weibin was not present at such meeting.
3. The qualification of Mr. Qu Xiaobo as a Director was approved by the NFRA on 12 September 2023.
4. Mr. Lin Hanchuan resigned as an Independent Director on 17 February 2023 due to age reason.
5. Mr. Lo Chung Hing retired as an Independent Director on 8 August 2023.

**II. EXPRESSION OF OPINION**

- (I) In the year 2023, none of the Independent Directors voted against resolutions at the meetings of the Board of Directors.
- (II) In the year 2023, all the Independent Directors expressed affirmative opinions and independent opinions on resolutions relating to, among others, unified transaction agreements, nomination and appointment of the Directors, employment of the senior management officers, remuneration of the Directors and the senior management officers, profit distribution plan and anti-money laundering.

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

In the year 2023, each of the Independent Directors acquired information about the operation and management of the Company through various channels which laid a foundation for their scientific and prudent decision-making. The Independent Directors kept great communication with senior management officers of the Company, listened to reports of the management in a timely manner, proactively conducted research and discussion and obtained decision-making related information and maintained effective communication with the external auditors so as to acquire third party information. The Audit Committee of the Board closely communicated with the Supervisory Committee so as to strengthen the supervision over the Company. The Independent Directors also acquired knowledge about the Company and the insurance industry through various information provided by the Company.

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

In the year 2023, during the performance of the duties of the Independent Directors, there was no right of information of the Independent Directors which was not safeguarded, there was no interference or hindrance in the performance of their duties, and there were no opinions and suggestions put forwarded by Independent Directors to the Board and the management which were not accepted.

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

During the year 2023, all the Independent Directors performed their duties and responsibilities in a diligent and faithful way, listened conscientiously to reports from relevant personnel on the business development, financial management, related party transactions and other affairs of the Company, got an understanding of the day-to-day operation and potential operation risks of the Company in a timely manner, gave opinions and exercised functions and powers at the meetings of the Board, performed their duties and responsibilities as Independent Directors proactively and effectively, and safeguarded the legal rights and interests of the Company and minority Shareholders.

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

The Independent Directors faithfully performed their duties and obligations as Independent Directors in the preparation and disclosure of the 2023 Annual Report. The Independent Directors timely listened to the reports of the management and the finance department of the Company on the operation and management, financial position and major matters of the Company in the year 2023. The Independent Directors also listened to the reports on the audit work arrangement. Upon the issuance of the initial audit opinion by the auditor, the Independent Directors communicated with such auditor through the Audit Committee, which mainly consists of Independent Directors, to fully understand the auditing process.

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

During the year 2023, all the Independent Directors continued to maintain their independence, performed their duties and responsibilities in a diligent manner and acted honestly and in good faith for the interests of the Company as a whole and paid special attention to the legal rights and interests of the public Shareholders and minority Shareholders in the decision-making process.

In the year 2023, all the Independent Directors participated earnestly in continuous professional development. The Independent Directors continued to pay attention to and conduct research on corporate finance and corporate governance, deeply understood the regulatory requirements of relevant domestic and foreign laws and regulations, related party transactions, and directors' ongoing obligations, received trainings and conducted research or exchange in areas of relevant laws and regulations, corporate governance, insurance expertise, anti-money laundering and anti-terrorism financing, information disclosure etc., which continuously enhanced their related knowledge and skills, and they proactively put forward various timely and appropriate advice and suggestions on the Company's management and development.

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

The Board and its professional committees thoroughly implemented the spirit and deployment of decisions of the Central Committee of Community Party of China, operated efficiently in a regulated manner in accordance with national laws and regulations, regulatory requirements and the Articles of Association, and played an active role in corporate governance and decision-making on material matters. The Board made collective decisions and acted objectively on the development strategy, business plan, financial control, risk management, personnel management and other matters of the Company. All Directors performed their duties diligently, spared no effort to handle the affairs of the Board of Directors, were able to act honestly and in good faith on the premise of the overall interests of the Company, and paid special attention to the legitimate rights and interests of public shareholders and minority shareholders in decision-making, were able to comply with national laws, regulations, regulatory requirements and the Articles of Association, attend the shareholders' general meeting, the meetings of the Board and its professional committees as required and put forward various professional opinions and suggestions, actively participated in continuous professional development and received training from various aspects to continuously enhance relevant knowledge and skills.

The management officers of the Company were devoted to their duties and responsibilities, acted bravely, actively served major national strategies to continuously enhance the level of the Company's corporate governance and completed work arrangements for the year 2023 as set by the Board in a relatively satisfactory way.



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

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

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

In 2023, the Company continuously and diligently adhered to laws, regulations and regulatory requirements governing related party transactions and actively performed its obligations as a listed company to ensure the related party transactions management system operated in a sustainable, organized and effective manner so as to prevent related party transactions risk. In accordance with the *Measures on the Administration of Related Party Transactions of Banks and Insurance Companies* (Yin Bao Jian Hui Ling [2022] No. 1), *Guidelines on Consolidated Supervised Insurance Group* (Bao Jian Fa [2014] No. 96) and the requirements of the Group, the implementation of the related party transactions and intra-group transactions of the Company for the year of 2023 are reported as follows:

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

Following the criteria for determining the related parties as set out by the NFRA, the Ministry of Finance and the Hong Kong Stock Exchange, the Company carried out the identification, collection and management of information of related parties according to the positions and changes in equity on a daily basis, and established information files of related parties of the Company. The information and changes of related parties were submitted to relevant authorities within the period required under the regulatory requirements, and a total of nine information updates were completed in the related party transaction supervision system of the NFRA throughout the year. As of the end of December 2023, the Company had reported a total of 253 pieces of information on natural person related parties and 143 pieces of information on corporate related parties.

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

In 2023, all related party transaction agreements entered into by the Company complied with the appropriate approval and management procedures. Related party transactions were carried out in accordance with the principles of good faith, openness and fairness, look-through identification, and clear structure. The relevant responsible departments monitored the implementation of the related party transactions to ensure the compliance of the implementation of the related party transactions and that the related party transactions were conducted in the interests of the Company and the Shareholders as a whole. The transaction submission and implementation statistics were completed on time in accordance with regulatory provision. The Company focused on the construction of its related party transaction information system, optimized the data submission mechanism, and effectively improved the quality of transaction data.

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

The Company strictly followed the internal decision-making process of the related party transactions pursuant to the *Measures on the Administration of Related Party Transactions of Banks and Insurance Companies*, strengthened the transaction pricing management and transaction compliance review on a daily basis. In terms of ordinary related party transactions, the Company considered and granted the approval by strictly following the internal authorization procedures and regularly submitted such transactions to the Related Party Transaction Control Committee of the Board of Directors for record. In terms of material related party transactions and unified transaction agreements, to ensure compliance with the approval

procedures for related party transactions, the Company stringently followed the regulatory requirements and corporate governance procedures and submitted them to the meetings of the Board of Directors or Shareholders' general meetings for their approval.

#### IV. REPORTING OF MATERIAL RELATED PARTY TRANSACTIONS AND UNIFIED TRANSACTIONS AGREEMENTS

In 2023, 12 related party transactions were reported to the NFRA, 13 individual matters were reported in total. **The first** was the 2023 Framework Agreement on Reinsurance Business Cooperation with PICC Reinsurance Company Limited and The People's Insurance Company of China (Hong Kong), Limited, respectively. **The second** was the Reinsurance Standard Agreement on Policy-backed Agricultural Insurance with China Agriculture Reinsurance Corporation and amendments to the annual caps for the Year 2022 thereunder. **The third** was the 2023 PICC Technology Service Agreement with PICC Information Technology Co., Ltd. **The fourth** was the Supplementary Agreement to the Authorization Agency Agreement of Exclusive Asset Management Products Supporting Rural Household and Small Enterprise with PICC Capital Insurance Asset Management Co., Ltd. **The fifth** was the Equity Investment Advisory Services and Technical Support Agreement with PICC Capital Insurance Asset Management Co., Ltd. **The sixth** was the Fully Entrusted Service Agreement for Business Workplace Property Management with PICC Investment Holding Company Limited and PICC Investment Holding (Beijing) Operation Management Company Limited. **The seventh** was the Service Contract for Entrusting PICC Financial Services to Operate 95518 Customer Service with PICC Financial Services Company Limited. **The eighth** was the Auto Parts Procurement Supplemental Contract with Bangbang Auto Sales & Service (Beijing) Co., Ltd. **The ninth** was the Trust Deed of AVIC Trust • Tianqi No. 22A302 Trust of Collective Fund of Industrial and Commercial Enterprise Loan with China Cinda Asset Management Co., Ltd. **The tenth** was the asset management agreement with PICC Asset Management (Hong Kong) Company Limited. **The eleventh** was the Fixed Deposit Contract with Industrial Bank Co., Ltd. **The twelfth** was the Asset Management Supplemental Agreement (II) with PICC Capital Insurance Asset Management Co., Ltd.

The above-mentioned related party transactions were reported to the NFRA in accordance with the required time limit under the regulatory requirements.

#### V. DISCLOSURE OF RELATED PARTY TRANSACTIONS

In 2023, the Company has published a total of 14 announcements of material related party transactions and unified transactions agreements, 54 announcements of related party transactions regarding the use of funds and 4 announcements of related party transactions with quarterly consolidated disclosure by transaction type pursuant to the *Measures on the Administration of Related Party Transactions of Banks and Insurance Companies*, the *Measures on the Administration of Information Disclosure of Insurance Companies* (Yin Bao Jian Hui Ling [2018] No. 2) and the *Standards for the Information Disclosure of Utilisation of Capital by Insurance Companies: No. 1: Related Party Transactions* (Bao Jian Fa [2014] No. 44).

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

The current effective internal control policy of the Company on related party transactions was the *Measures on the Management of Related Party Transactions of PICC Property and Casualty Company Limited* (Ren Bao Cai Xian Fa [2022] No. 778), which was filed with the NFRA.

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

In May 2023, the Audit Center of PICC Group carried out special audit on the related party transactions and the implementation of the related party transactions management policies for the Year 2022, and made suggestions to improve the management of related party transactions. The Company actively implemented audit rectification, promoted the compliant operation of the related party transactions management system.

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## APPENDIX VII THE REVIEW AND ANALYSIS ON SOLVENCY MARGIN FOR THE FOUR QUARTERS OF THE YEAR 2023

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At the end of each of the four quarters of year 2023, the comprehensive solvency margin ratio was 226.28%, 221.64%, 223.30% and 232.38%, respectively, and the core solvency margin ratio was 201.02%, 193.51%, 195.44% and 208.65%, respectively. Compared to the standard of comprehensive solvency margin ratio and core solvency margin ratio being no less than 100% and 50% respectively, the solvency margin ratio of the Company remained at a good level.

### SOLVENCY MARGIN FOR THE FOUR QUARTERS OF THE YEAR 2023

*Unit: million*

<b>Item</b>	<b>As at 31 March 2023</b>	<b>As at 30 June 2023 (reviewed)</b>	<b>As at 30 September 2023</b>	<b>As at 31 December 2023 (audited)</b>
Actual Capital	226,932	225,278	227,079	226,182
Of which: Core Capital	201,596	196,685	198,747	203,088
Minimum Capital	100,288	101,639	101,691	97,334
Core Solvency Margin Ratio	201.02%	193.51%	195.44%	208.65%
Comprehensive Solvency Margin Ratio	226.28%	221.64%	223.30%	232.38%

In September 2023, the NFRA issued the *Notice on Optimizing the Regulatory Standards for the Solvency of Insurance Companies* (Jin Gui [2023] No. 5) to guide insurance companies to return to the core of insurance and better serve the real economy and technological innovation by optimizing capital measurement standards and risk factors. At the end of the fourth quarter of 2023, the Company's audited comprehensive solvency margin ratio and core solvency margin ratio increased as compared with the end of the previous three quarters, mainly because that the arithmetic mean of the retrospective deviation rate of the reserves for liability for remaining coverage of all non-life insurance businesses after reinsurance as at the end of the previous two fiscal years calculated at the end of the most recent quarter (after the audit of the fourth quarter) met the abovementioned optimized solvency regulatory criteria for the first time.

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## NOTICE OF ANNUAL GENERAL MEETING

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# 中国人民财产保险股份有限公司

PICC PROPERTY AND CASUALTY COMPANY LIMITED

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

(Stock Code: 2328)

**NOTICE IS HEREBY GIVEN** that an annual general meeting of PICC Property and Casualty Company Limited (the “Company”) will be held at PICC Building, No. 88 Xichang’an Street, Xicheng District, Beijing, the PRC on 28 June 2024 (Friday) at 10:30 a.m. for the purposes of considering and, if thought fit, passing the following resolutions:

### ORDINARY RESOLUTIONS

1. To consider and approve the Report of the Board of Directors of the Company for the Year 2023.
2. To consider and approve the Report of the Supervisory Committee of the Company for the Year 2023.
3. To consider and approve the Auditor’s Report and the audited financial statements of the Company for the year ended 31 December 2023.
4. To consider and approve the profit distribution plan of the Company for the Year 2023.
5. To consider and appoint Ernst & Young as the international auditor of the Company for the Year 2024 and appoint Ernst & Young Hua Ming LLP as the domestic auditor of the Company for the Year 2024 to hold office until the conclusion of the next annual general meeting, and to approve an audit fee of RMB19.5 million for the Year 2024.
6. To consider and approve the Capital Planning Outline (2024-2026) of the Company.

### SPECIAL RESOLUTION

7. To consider and approve the continuous issue of a 10-year capital supplementary bonds in an aggregate amount of no more than RMB12 billion by the Company within 24 months from the date of approval of the resolution by the annual general meeting for the Year 2023, and to renew the authorisation to the Board of Directors to delegate the management of the Company to formulate a detailed plan for the issue of the capital supplementary bonds after taking into account the market conditions and all other relevant factors, and to engage intermediaries to deal with relevant specific matters relating to the issue.

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## NOTICE OF ANNUAL GENERAL MEETING

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### AS REPORTING DOCUMENTS

8. To review the Performance Report and the Performance Evaluation Results of the Directors of the Company for the Year 2023.
9. To review the Performance Report and the Performance Evaluation Results of the Supervisors of the Company for the Year 2023.
10. To review the Performance Report of Independent Directors for the Year 2023.
11. To review the Report on the Implementation of Related Party Transactions of the Company for the Year 2023.
12. To review the Review and Analysis on Solvency Margin for the Four Quarters of the Year 2023.

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

Beijing, the PRC, 30 May 2024

*Notes:*

1. The register of members of the Company will be closed from 25 June 2024 (Tuesday) to 28 June 2024 (Friday), both days inclusive, during which no transfer of shares will be registered. Holders of H shares and domestic shares whose names appear on the register of members of the Company on 28 June 2024 (Friday) are entitled to attend and vote at this meeting. In order for holders of H shares of the Company to qualify for attending and voting at this meeting, all transfer documents accompanied by the relevant H share certificates must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on 24 June 2024 (Monday) for registration.
2. A shareholder entitled to attend and vote at this meeting may appoint one or more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company but must attend this meeting in person to represent the relevant shareholder.
3. The instrument appointing a proxy must be in writing under the hand of a shareholder or his attorney duly authorised in writing. If the shareholder is a corporation, that instrument must be executed either under its common seal or under the hand of its director(s) or duly authorised attorney. If that instrument is signed by an attorney of the shareholder, the power of attorney authorising that attorney to sign or other authorisation document must be notarised.
4. In order to be valid, the proxy form together with the notarised power of attorney or other authorisation document (if any) must be deposited at the Administrative Department of the Company for holders of domestic shares and at the Company's H share registrar, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for holders of H shares not less than 24 hours before the time fixed for the holding of this meeting or any adjournment thereof (as the case may be). Completion and return of a proxy form will not preclude a shareholder from attending and voting in person at this meeting or any adjournment thereof if he so wishes.
5. Shareholders or their proxies attending this meeting (and any adjournment thereof) shall produce their identity documents.