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中國太平洋保險(集團)股份有限公司

CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

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

(Stock Code: 02601)

SUPPLEMENTAL NOTICE OF THE ANNUAL GENERAL MEETING

Reference is made to the notice of the annual general meeting issued by China Pacific Insurance (Group) Co., Ltd. (the “**Company**”) dated 28 April 2018 (the “**Original AGM Notice**”) which sets out the resolutions to be considered by the shareholders at the 2017 annual general meeting to be held at Meixi Lake Luxury Collection Hotel, Changsha, Hunan, the PRC, on Friday, 15 June 2018 at 1:30 p.m. (“**AGM**” or “**Annual General Meeting**”).

SUPPLEMENTAL NOTICE IS HEREBY GIVEN that the AGM will be held as originally scheduled. In addition to the resolutions set out in the Original AGM Notice, the resolutions set out in this supplemental notice will be considered and if thought appropriate, approved as additional ordinary resolutions.

The below additional No. 12 ordinary resolution was proposed to the Company on 24 May 2018 by Shenergy Group Co., Ltd., as a shareholder of the Company. The below additional No. 13 ordinary resolution was proposed to the Company on 24 May 2018 by Shanghai State-owned Assets Operation Co., Ltd., as a shareholder of the Company.

The additional ordinary resolutions are as follows:

12. To consider and approve the election of Mr. HUANG Dinan as a Non-executive Director of the 8th session of the Board of Directors of the Company

Mr. HUANG Dinan, born in December 1966, is currently the chairman of board of directors of Shenergy Group Co., Ltd.

Mr. HUANG Dinan has served as a researcher, deputy head of the third research team, director assistant and deputy director of Shanghai Turbine Plant Research Institute, general manager assistant, deputy general manager and general manager of Shanghai Turbine Plant Co., Ltd., president assistant, director of president office, vice president and president of Shanghai Turbine Co., Ltd., vice president, president and vice chairman of Shanghai Electric (Group) Corporation, and president, vice chairman and chairman of Shanghai Electric Group Company Limited which is listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange (stock code on the Shanghai Stock Exchange: 601727, stock code on the Hong Kong Stock Exchange: 02727).

Mr. HUANG Dinan is a postgraduate with a master's degree and a professorial level senior engineer.

The term of office of Mr. HUANG Dinan will expire at the end of the 8th session of the Board of Directors, and is qualified for re-election upon election at the shareholders' general meeting of the Company. The directorship qualification of Mr. HUANG Dinan is subject to the approval of the China Banking and Insurance Regulatory Commission.

Mr. HUANG Dinan did not enter into any service contract with the Company, while his emoluments will be determined in accordance with the "Remuneration Management System of Directors and Supervisors" approved by the shareholders at the 2010 annual general meeting of the Company.

Save as disclosed above, Mr. HUANG Dinan has not held any directorship in other listed public companies in the past three years or any position within the Company or any of its subsidiaries, has no relationships with any Directors, Supervisors, senior management officers and substantial or controlling shareholders of the Company, and does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance in Hong Kong.

Furthermore, there is no matter in respect of Mr. HUANG Dinan which needs to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”) nor is there anything which needs to be brought to the attention of the shareholders.

13. To consider and approve the resolution on routine related party transactions between the Company and Shanghai Rural Commercial Bank Co., Ltd.

The resolution on the routine related party transactions between the Company and Shanghai Rural Commercial Bank Co., Ltd. will be submitted to the AGM for approval of shareholders of A shares. Such transactions do not constitute the connected transactions under Chapter 14A of the Hong Kong Listing Rules, and the resolution does not require approval of shareholders of H shares. Such resolution set out in the supplemental notice is only for reference for shareholders of H shares.

The Company and its controlled subsidiaries conduct routine transactions in relation to capital utilisation, asset management and pension security business in accordance with the fair market price with certain counterparties in the usual course of business.

Individual director of the Company also served as the director of the counterparty. According to Rule 10.1.3 of the Listing Rules of the Shanghai Stock Exchange (the “**Shanghai Listing Rules**”) and Article 8 of the Interim Measures for the Administration of Related Party Transactions of Insurance Companies (Bao Jian Fa [2007] No. 24), the aforementioned counterparty is the related legal person of the Company. Therefore, the transactions between the Company and its controlled subsidiaries and the aforementioned counterparty constitute routine related party transactions.

According to relevant requirements of the Shanghai Listing Rules and the Interim Measures for the Administration of Related Party Transactions of Insurance Companies (Bao Jian Fa [2007] No. 24), it is hereby proposed to consider the routine related party transactions in 2018 between the Company and its controlled subsidiaries and the following related party:

I. Introduction to the related party

Name of the related party	Relationship with the Company	Compliance with the Shanghai Listing Rules and the Interim Measures for the Administration of Related Party Transactions of Insurance Companies
Shanghai Rural Commercial Bank Co., Ltd.	A legal person, in which WANG Tayu, a director of the Company, serves as a director.	The related legal person as stipulated in paragraph (III) of Rule 10.1.3 of the Shanghai Listing Rules Article 8 of the Interim Measures for the Administration of Related Party Transactions of Insurance Companies

II. Implementation of routine related party transactions in 2017

Wang Tayu, a director of the Company, has served as a director of Shanghai Rural Commercial Bank Co., Ltd. (“**Shanghai Rural Commercial Bank**”) since 13 February 2018, therefore, Shanghai Rural Commercial Bank has constituted the related legal person of the Company since that date. Therefore, the transactions between the Company and its controlled subsidiaries and Shanghai Rural Commercial Bank in 2017 did not constitute related party transactions. The transactions between the Company and its controlled subsidiaries and Shanghai Rural Commercial Bank in 2017 are as follows:

Unit: RMB’00 million

Contents of transactions	Amount of such type of transactions in 2017
Trading of bonds	31.88
Pledge-style repurchase of bonds	1,092.54
Pension security business	0.45

III. Estimation of routine related party transactions in 2018

In order to realize normal improvement of business scale, the Company takes into account the actual needs of the capital utilisation, asset management and pension security business and summarises and illustrates the routine related party transactions between the Company and its controlled subsidiaries and Shanghai Rural Commercial Bank as follows:

(I) Scope of the routine related party transactions

1. Capital utilisation business: including bond trading, pledge-style repurchase of bonds, bank deposits (including certificate of deposit), tradable financial products (including but not limited to other financial products recognised by the China Banking and Insurance Regulatory Commission, such as securities investment funds, trust plan, insurance asset management products, commercial bank wealth management plan, special asset management plans by securities companies) and other capital utilisation business permitted by the China Banking and Insurance Regulatory Commission.
2. *Asset management and pension security business*
 - 2.1 Asset management business includes the asset management business recognised by the China Banking and Insurance Regulatory Commission, such as transactions with related party of insurance asset management products, infrastructure investment plan, property investment plan, project asset support plan, equity interests or property investment funds.
 - 2.2 Pension security business includes the pension security business permitted by the China Banking and Insurance Regulatory Commission such as collectively trading type pension security products.

(II) Estimation of routine related party transactions

Unit: RMB'00 million

Type of transactions	Contents of transactions	Estimated cap of the routine related party transactions in 2018
Capital utilisation business	Pledge-style repurchase of bonds	2,055
	Trading of bonds	170
	Deposits	110
Asset management and pension security business	Asset management business	70
	Pension security business	2
Total		2,407

IV. Pricing policies of routine related party transactions

The abovementioned routine related party transactions are conducted in accordance with the fair market price.

V. Basis of submission to the shareholders' general meeting

According to the relevant requirements of the Shanghai Listing Rules, the Guidelines of the Shanghai Stock Exchange on Related Party Transactions and the Circular of Further Strengthening the Information Disclosure of Related Transactions of Insurance Companies (Bao Jian Fa [2016] No. 52), as estimated by the Company, the maximum amount of the abovementioned routine related party transactions in 2018 conducted by the Company and its controlled subsidiaries and Shanghai Rural Commercial Bank has reached the standards of submitting to the shareholders' general meeting of the Company for consideration and approval, the transactions shall be submitted to the shareholders' general meeting for consideration and approval.

VI. Matters to be considered

It is proposed to consider the following matters at the shareholders' general meeting:

- (I) approving the estimated cap of the abovementioned routine related party transactions between the Company and its controlled subsidiaries and Shanghai Rural Commercial Bank in 2018. For the routine related party transactions within the estimated cap, each transaction will not be separately submitted to the Board of Directors and the shareholders' general meeting for consideration and approval. If the abovementioned estimated cap is exceeded in the actual implementation, the Company will re-submit to the Board of Directors or shareholders' general meeting for consideration and approval in accordance with the exceeded amount.
- (II) approving that the Board of Directors of the Company authorises the operating management of the Company to sign corresponding transaction agreements within the estimated cap with relevant related parties based on the actual business.

By Order of the Board of Directors
China Pacific Insurance (Group) Co., Ltd.
KONG Qingwei
Chairman

Hong Kong, 26 May 2018

Notes:

- (1) Save for the inclusion of the newly submitted resolutions, there are no other changes to the resolutions set out in the Original AGM Notice. For the details and other matters in relation to other resolutions to be considered at the AGM, please refer to the Original AGM Notice and the original circular of the Company dated 28 April 2018.
- (2) Since the proxy form sent together with the circular dated 28 April 2018 (the “**Original Proxy Form**”) does not contain the additional proposed resolutions as set out in this supplemental notice, a new proxy form (the “**Revised Proxy Form**”) has been prepared and is enclosed with this supplemental notice.
- (3) The Revised Proxy Form for use at the AGM is enclosed and is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the website of the Company (www.cpic.com.cn).

- (4) A holder of H Shares who has not yet lodged the Original Proxy Form with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, should complete and return the enclosed Revised Proxy Form to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the scheduled time for the AGM or any adjournment thereof (as the case may be) (i.e. before 1:30 p.m. on Thursday, 14 June 2018) (the "**Closing Time**"). In this case, the Original Proxy Form should not be lodged with the Company's H Share registrar.
- (5) **IMPORTANT: IF YOU HAVE ALREADY LODGED THE ORIGINAL PROXY FORM WITH THE COMPANY'S H SHARE REGISTRAR, YOU SHALL NOTE THAT:**
- (a) If no Revised Proxy Form is lodged with the Company's H Share registrar prior to the Closing Time or the Revised Proxy Form is not correctly completed, the Original Proxy Form will be treated as a valid proxy form lodged by you if correctly completed. The proxy so appointed by you will be entitled to vote at his or her discretion or to abstain from voting on any resolution properly put to the AGM other than those referred to in the Original AGM Notice and the Original Proxy Form, including the additional resolutions as set out in this supplemental notice of the AGM and in this Revised Proxy Form.
- (b) If the Revised Proxy Form is lodged with the Company's H Share registrar prior to the Closing Time, the Revised Proxy Form will revoke and supersede the Original Proxy Form previously lodged by you if correctly completed. The Revised Proxy Form will be treated as a valid proxy form lodged by you.
- (c) If the Revised Proxy Form is lodged with the Company's H Share registrar after the Closing Time, the Revised Proxy Form will be invalid. However, it will revoke the Original Proxy Form previously lodged by you, and any vote that may be cast by the purported proxy (whether appointed under the Original Proxy Form or the Revised Proxy Form) will not be counted in any poll. Accordingly, you are advised not to lodge the Revised Proxy Form after the Closing Time. If you wish to vote at the AGM, you will have to attend in person and vote at the AGM yourself.
- (6) You are reminded that completion and return of the Original Proxy Form and/or the Revised Proxy Form will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so wish.

As at the date of this announcement, the Executive Directors of the Company are Mr. KONG Qingwei and Mr. HE Qing; the Non-executive Directors of the Company are Mr. WANG Jian, Mr. WANG Tayu, Mr. KONG Xiangqing, Mr. ZHU Keping, Ms. SUN Xiaoning, Mr. WU Junhao and Mr. CHEN Xuanmin; and the Independent Non-executive Directors of the Company are Mr. BAI Wei, Mr. LEE Ka Sze, Carmelo, Mr. LAM Chi Kuen, Mr. ZHOU Zhonghui and Mr. GAO Shanwen.