

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**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)**

### **Overseas Regulatory Announcement**

This overseas regulatory announcement is made pursuant to Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The announcement is attached hereof for information purpose only.

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

Hong Kong, 29 March 2021

*As at the date of this announcement, the Executive Directors of the Company are Mr. KONG Qingwei and Mr. FU Fan; the Non-executive Directors are Mr. HUANG Dinan, Mr. WANG Tayu, Mr. WU Junhao, Mr. CHEN Ran, Mr. ZHOU Donghui, Ms. LIANG Hong, Ms. LU Qiaoling and Mr. John Robert DACEY; and the Independent Non-executive Directors are Ms. LIU Xiaodan, Mr. CHEN Jizhong, Ms. LAM Tyng Yih, Elizabeth, Mr. WOO Ka Biu, Jackson, and Mr. JIANG Xuping.*

\* *Note:* The appointment qualification of Mr. John Robert DACEY is subject to approval by China Banking and Insurance Regulatory Commission.

# Summary of Quarterly Solvency Report

**China Pacific Life Insurance Co., Ltd.**

**4<sup>th</sup> Quarter of 2020**

## CONTENTS

<b>I. BASIC INFORMATION .....</b>	<b>1</b>
<b>II. KEY INDICATORS.....</b>	<b>12</b>
<b>III. ACTUAL CAPITAL .....</b>	<b>12</b>
<b>IV. REQUIRED CAPITAL.....</b>	<b>12</b>
<b>V. INTEGRATED RISK RATING .....</b>	<b>12</b>
<b>VI. RISK MANAGEMENT STATUS.....</b>	<b>12</b>
<b>VII. LIQUIDITY RISK.....</b>	<b>14</b>
<b>VIII. REGULATORY MEASURES TAKEN AGAINST THE COMPANY .....</b>	<b>15</b>

## **I. Basic information**

### **(I) Registered address**

1 Zhongshan Road (South), Huangpu District, Shanghai, the PRC

### **(II) Legal representative**

PAN Yanhong

### **(III) Business scope and territories**

#### 1. Business scope

Life/health insurance denominated in RMB yuan and foreign currencies including life insurance, health insurance, personal accident insurance, etc.; reinsurance of the above said insurance; statutory life/health insurance; agency and business dealings with domestic and overseas insurers and organizations, loss adjustment, claims and other business entrusted from overseas insurance organizations; insurance funds investment as prescribed by The Insurance Law and relevant laws and regulations; international insurance activities as approved; other business as approved by the CIRC.

#### 2. Business territories

Beijing, Shanghai, Tianjin, Chongqing, Heilongjiang Province, Jilin Province, Liaoning Province, Hebei Province, Shanxi Province, Shandong Province, Anhui Province, Jiangsu Province, Zhejiang Province, Fujian Province, Jiangxi Province, Guangdong Province, Hainan Province, Guangxi Zhuang Autonomous Region, Hunan Province, Hubei Province, Henan Province, Yunnan Province, Guizhou Province, Sichuan Province, Shaanxi Province, Gansu Province, Xinjiang Uygur Autonomous Region, Ningxia Hui Autonomous Region, Inner Mongolia Autonomous Region, Qinghai Province.

### **(IV) Ownership structure and shareholders :**

#### 1. Ownership structure (10k shares or 10k RMB)

<b>Equity category</b>	<b>Shares as at the end of the reporting period</b>	<b>Percentage (%)</b>
Domestic shares held by legal entities	842,000	100
Domestic shares held by natural persons	-	-
Foreign shares	-	-
Others	-	-
Total	842,000	100

## 2. Top 10 shareholders (10k shares or 10k RMB)

Name of shareholders	Shares held at the end of the reporting period	Percentage of the shareholding (%)
China Pacific Insurance (Group) Co., Ltd.	827,621.84	98.292
Shenergy Group Co., Ltd.	4,597.90	0.546
Shanghai State-Owned Assets Operation Co., Ltd.	4,576.09	0.544
Shanghai Haiyan Investment Management Company Limited	3,140.45	0.373
Yunnan Hehe (Group) Co., Ltd.	2,063.72	0.245

### (V) Controlling shareholder or de facto controller

China Pacific Insurance (Group) Co., Ltd. is the controlling shareholder, holding 98.292% of the shares of the Company.

### (VI) Subsidiaries, joint or associate ventures

Company name	Number of shares (10k shares)			Shareholding percentage (%)		
	As at the beginning of this quarter	As at the end of this quarter	Change amount	As at the beginning of this quarter	As at the end of this quarter	Change percentage
Changjiang Pension Insurance Co., Ltd.	186,486	186,486	-	62.16	62.16	-
City Island Developments Limited	0.1	0.1	-	100	100	-
Tianjin Trophy	35,369	35,369	-	100	100	-
Pacific Insurance Elderly Care Investment Management Co., Ltd.	300,000	300,000	-	100	100	-
Pacific Health Care Management Co. Ltd.	50,000	50,000	-	100	100	-
CPIC Elderly Care Industry Development (Chengdu) Co. Ltd.	51,000	60,000	9,000	100	100	-
CPIC Elderly Care (Hangzhou) Co. Ltd.	53,000	55,000	2,000	100	100	-
CPIC Elderly Care (Xiamen) Co. Ltd.	34,000	45,000	11,000	100	100	-
CPIC Elderly Care (Nanjing) Co. Ltd.	8,400	8,400	-	100	100	-
CPIC Rehab & Retirement (Shanghai) Industrial Development Co. Ltd.	2,000	16,000	14,000	100	100	-
Shanghai Dabao Guisheng Information Technology Co. Ltd.	1,020	1,020	-	34	34	-
Shanghai Rui Yong Jing Property Development Co. Ltd.	983,500	983,500	-	70	70	-
Lianren Healthcare Big Data Technology Co. Ltd.	50,000	50,000	-	25	25	-
Changjiang Pension-CHEMCHINA Infrastructure Debt Investment Scheme	2,142	2,142	-	71.40	71.40	-
Changjiang Pension-Sichuan Tietou Xugu High-speed Infrastructure Debt Investment Scheme	205	205	-	34.17	34.17	-

Changjiang Pension-Yun'nan Nengtou Infrastructure Debt Investment Scheme	3,565	3,565	-	93.82	93.82	-
Ningbo Zhilin Investment Management (LP)	241,632	241,632	-	90	90	-
Jiaxing Yishang Private Equity Investment Partners (LP)	95,000	95,000	-	94.72	94.72	-
Shanghai Yangtze River Delta Integration Industry Equity Investment Partners (LP)	-	119,478	119,478	-	27.75	27.75
Shanghai Junhe Tongyi Start-ups Industrial Equity Investment Fund Partnerships (LP)	292,300	297,800	5,500	99.97	99.97	-
Shanghai Yibao Health Care Technology Centre (LP)	-	60,000	60,000	-	99.998	99.998
CPIC AMC Yongquan Yihao Customized Product	60,000	60,000	-	100	100	-
CPIC-Jiangsu Communications Holding Debt Investment Plan (Phase 1)	4,000	4,000	-	100	100	-
CPIC – Gansu HATG Debt Investment Plan	600	600	-	100	100	-
Changjiang Pension-SDIC (Shanghai) Technology Commercialization Equity Investment Fund	770	770	-	100	100	-
Changjiang Pension-Ansteel Infrastructural Projects Debt Investment Plan	900	1,800	900	30	72	42
Changjiang Pension-Golden Industries Selective Equity Asset Management	-	12,148	12,148	-	84.67	84.67
Guoian'An New Blue Chips & Dividend One-year Term Open-ended Hybrid Security Investment Fund	25,000	25,000	-	96.15	96.15	-
Guolian'An Zengfu One-year Term Open-ended Bond Security Investment Fund	500,000	500,000	-	99.8	99.8	-
Guolian'An Zengyu One-year Term Open-ended Bond Security Investment Fund	500,000	598,658	98,658	99.80	99.83	0.03
Dongfanghong Dingyuan 3-month Term Open-ended Hybrid Security Investment Fund	-	186,896	186,896	-	99.47	99.47
Zhong Ou Growth 3-month Term Open-ended Hybrid Security Investment Fund	-	100,000	100,000	-	99.01	99.01
Harvest Value 3-month Term Open-ended Hybrid Security Investment Fund	-	100,000	100,000	-	99.01	99.01

Note: Changjiang Pension-CHEMCHINA Infrastructure Debt Investment Scheme, Changjiang Pension-Sichuan Tietou Xugu High-speed Infrastructure Debt Investment Scheme, Changjiang Pension-Yun'nan Nengtou Infrastructure Debt Investment Scheme, CPIC AMC Yongquan Yihao Customized Product, Guoian'An New Blue Chips & Dividend One-year Term Open-ended Hybrid Security Investment Fund, Guolian'An Zengfu One-year Term Open-ended Bond Security Investment Fund, Guolian'An Zengyu One-year Term Open-ended Bond Security Investment Fund, Dongfanghong Dingyuan 3-month Term Open-ended Hybrid Security Investment Fund, Zhong Ou Growth 3-month Term Open-ended Hybrid Security Investment Fund, Harvest Value 3-month Term Open-ended Hybrid Security Investment Fund, Changjiang Pension-Golden Industries Selective Equity Asset Management, CPIC – Jiangsu Communications Holding Debt Investment Plan (Phase 1), CPIC – Gansu HATG Debt Investment Plan, Changjiang Pension-SDIC (Shanghai) Technology Commercialization Equity Investment Fund, Changjiang Pension-Ansteel Infrastructural Projects Debt Investment Plan, Ningbo Zhilin Investment Management (LP), Jiaxing Yishang Private Equity Investment Partners Enterprise (LP), Shanghai Yangtze River Delta

Integration Industry Equity Investment Partners (LP), Shanghai Junhe Tongyi Start-ups Industrial Equity Investment Fund Partnerships (LP), and Shanghai Yibao Health Care Technology Centre (LP) are structured entities.

## **(VII) Directors, supervisors and senior management**

### **1. Directors**

The 6th Board of Directors of the Company has 7 directors in total:

Mr. MA Xin, born in April 1973, has a master's degree. He has been serving as director of the Company since March 2018 (approval document: CIRC Approval [2018] No. 320). Mr. MA currently serves as Vice President and Board Secretary of CPIC Group and director of CPIC P/C, and Changjiang Pension respectively. He previously served as assistant to GM of Chengnan Sub-branch of CPIC Xi'an Branch, assistant to Manager of the Life Insurance General Management Department and Group Insurance Department of Chengnan Sub-branch of CPIC Xi'an Branch, deputy head, and deputy manager of the Marketing Management Department of Chengdong Sub-branch, manager of Individual Business Department and assistant to GM of CPIC Life Xi'an Branch, Deputy GM and GM of CPIC Life Shaanxi Branch, and the Transformation Director, director of Strategic Transformation Office and GM of Strategic Planning Department of CPIC Group.

Mr. KONG Qingwei, born in June 1960, has a master's degree. He has served as the Chairman of the Company since November 5, 2019 (approval document: CBIRC [2019] No.996). Mr. KONG Qingwei currently serves as Chairman and executive director of CPIC Group. Previously, Mr. KONG served as Deputy GM of Shanghai Bund House Exchange Co., Ltd., GM of the Housing Exchange Headquarter of Shanghai Jiushi Corporation, executive deputy director of Shanghai Provident Fund Management Center, Deputy GM of Shanghai Urban Construction Investment Development Corporation, Vice Chairman of Shanghai Minhong (Group) Co., Ltd., director of Shanghai World Expo Land Reserve Center, President of Shanghai World Expo Land Holding Co., Ltd., President of Shanghai World Expo Land Holdings Co., Ltd., GM of Shanghai Urban Construction Investment and Development Corporation, Party Secretary of the Financial Working Committee of the CPC of the city of Shanghai, and Chairman of Shanghai Guosheng (Group) Co., Ltd.

Mr. Benjamin DENG, born in November 1960, has a master's degree and is a chartered financial analyst and financial risk manager. He has served as a director of the Company since May 2020 (approval document: CBIRC Shanghai [2020] No.220). Mr. DENG currently serves as Chief Investment Officer of CPIC Group, director of CPIC AMC and Chief Investment Officer of CPIC HK. Mr. DENG's previous stints include cadre of the Personnel Department of the Ministry of Foreign Trade and Economic Cooperation, mid-office head of the Group Risk Management Department of AIG, market risk management head of AIG's Asia Pacific Division (excluding Japan), market risk director, investment analysis director, investment solutions and derivatives director, and director of China strategic projects of AIA.

Mr. WU Junhao, born in June 1965, has a master's degree. He has served as director of the Company since July 2012 (approval document: CIRC Life [2012] No.816). Mr. WU currently serves as manager of the Financial Management Department of Shenergy (Group) Co., Ltd., non-executive director of CPIC Group, and director of CPIC P/C. He is also director of Shanghai Chengyi New Energy Venture Capital Co., Ltd., director of Orient Securities Co., Ltd., director of Chengdu Xinshen Venture Capital Co., Ltd., supervisor of Shanghai Chengyi Capital Co., Ltd., supervisor of Everbright Banking Co., Ltd., Chairman of the Supervisory Board of Shanghai Shenergy Leasing Co., Ltd., and Chairman of the Supervisory Board of Shanghai Shenergy Chengyi Equity Investment Co., Ltd. Mr. WU was also a supervisor of Shanghai Pharmaceuticals Holding Co., Ltd. (SSE stock code: 601607, SEHK stock code: 02607), a company listed on SSE and on SEHK, and director of Shanghai Jiulian Group Co., Ltd.

Mr. ZHANG Weidong, born in October 1970, holds a bachelor's degree. He has served as director of the Company since March 2018 (approval document: CIRC [2018] No.330). Mr. ZHANG currently serves as Chief Risk Officer, Chief Compliance Officer and Chief Legal Councilor of CPIC Group and director of CPIC P/C and Changjiang Pension respectively. Mr. ZHANG previously served as GM of the Legal Compliance Department and Risk Management Department of CPIC Group, head of Board Office and Supervisors Office of



CPIC Group, and Board Secretary of CPIC P/C, CPIC Life and CPIC AMC.

Mr. ZHANG Yuanhan, born in November 1967, holds a master's degree and is a director of China Association of Actuaries, a member of the Society of Actuaries and American Academy of Actuaries. He has served as director of the Company since March 2018 (approval document: CIRC [2018] No.327). Mr. ZHANG is also Chief Actuary and CFO of CPIC Group, Chief Actuary of CPIC Health (Note: Pacific Health Insurance Co., Ltd., which is former CPIC Allianz Health Insurance Co., Ltd., renamed in March 2021, the same below), and director of CPIC P/C and CPIC AMC respectively. Mr. ZHANG previously served as Chief Risk Officer of CPIC z Health, Chief Actuary of Citi Group TRV-Citi Insurance headquarters, Chief Actuary, Deputy GM and Vice President of MetLife Insurance Company Limited (Shanghai), Chief Actuary of Sino Life Insurance Co., Ltd., and Deputy GM, CFO and Chief Actuary of Sun Life Everbright Life Insurance Co., Ltd.

Ms. PAN Yanhong, born in August 1969, holds a master's degree and the title of Senior Accountant, and is a Chinese Certified Public Accountant. She has served as a director of the Company since June 2014 (approval document: CIRC [2014] No.518). Ms. PAN currently serves as Vice Chairman and GM of the Company, and director of CPIC AMC, Changjiang Pension and CPIC Health respectively. Ms. PAN previously served as Executive Vice President and CFO of CPIC Group, CFO and Deputy GM of the Company, and director of CPIC P/C.

## 2. Supervisors

The 6th Board of Supervisors of the Company has 3 supervisors:

Mr. SUN Peijian, born in September 1963, has a master's degree. He has served as the Chairman of the Board of Supervisors of the Company since August 2019 (approval document: CBIRC Shanghai [2019] No.673). Previously, he served as the assistant to GM and Deputy GM of the Reinsurance Department of CPIC, Deputy GM, GM of the Reinsurance Department of CPIC Group, assistant to GM, Deputy GM, Chief Compliance

Officer, Head of Compliance, and Vice President of CPIC Group, director of CPIC P/C, CPIC Life and CPIC AMC respectively, GM and Chairman of CPIC Health.

Ms. ZHANG Xinmei, born in November 1959, has an MBA degree and the title of Senior Accountant. She has served as supervisor of the Company since June 2016 (approval document: CIRC [2016] No.501). Previously Ms. ZHANG served as deputy section chief of the Finance Department of Shanghai Metallurgical Industries Bureau, Deputy GM and GM of Finance Department of Shanghai Metallurgical (Holding) Group Co., Ltd., Deputy Chief Accountant of Shanghai Metallurgical (Holding) Group Co., Ltd., GM of Finance Department, GM of Capital Management Department, Chief Accountant and Deputy GM of Shanghai Jiushi Corporation. Ms. ZHANG also served as director of Shenwan & Hongyuan Securities Co., Ltd., director of Shenergy Co., Ltd., director of Haitong Securities Co., Ltd., supervisor of the Company, and Vice President of Shanghai Jiushi (Group) Co., Ltd.

Mr. HUANG Lei, born in May 1965, holds a master's degree. He has served as a supervisor of the Company since May 2014 (approval document: CIRC [2014] No.392). Mr. HUANG currently serves as GM of the Legal Compliance Department of the Company and supervisor of Shanghai Dabao Guisheng Information Technology Co., Ltd. He previously served as head of the General Office of the Company, GM of CPIC Life Hunan Branch, Deputy GM of CPIC Changsha Branch, Deputy GM of the Life Insurance Management Department of CPIC, assistant GM and Deputy GM of CPIC Nanning Branch, and assistant to the head of Insurance Department of Bank of Communications Nanning Branch.

### 3. Senior management

As of the end of December 2020, the Company has 13 members of senior management in total:

Ms. PAN Yanhong, born in August 1969, holds a master's degree and the title of Senior Accountant, and is a Chinese Certified Public Accountant. She has served as GM of the Company since August 2019 (approval document: CBIRC [2019] No.818). Ms. PAN currently serves as Vice Chairman and GM of the Company, and director of CPIC AMC, Changjiang

Pension and CPIC Health respectively. Ms. PAN previously served as Executive Vice President and CFO of CPIC Group, Financial Director and Deputy GM of the Company, and director of CPIC P/C.

Mr. WANG Guangjian, born in June 1965, has a master's degree. Mr. HUANG currently serves as the Executive Deputy GM of the Company (approval document: CBIRC [2019] No.637) and GM of the Group Business Unit of the Company. He is also an Executive Director of Pacific Medical Health Management Co., Ltd., director of Shanghai Dabao Guisheng Information Technology Co., Ltd., and supervisor of Shanghai Insurance Exchange. Mr. WANG previously served as Deputy Manager, Manager of the Planning and Finance Department of CPIC Urumqi Branch, Deputy GM of CPIC Life Urumqi Branch, Deputy GM of CPIC Taiyuan Branch, GM of CPIC Shanxi Branch, GM of CPIC Shandong Branch, assistant to the Chairman of the Operation Committee of CPIC Life, Deputy GM and Chief Compliance Officer, Chief Risk Officer of CPIC Life, and Chairman of the Board of Supervisors of CPIC Life. Mr. WANG holds a title of accountant. He has served as the Executive Deputy GM of the Company since August 2019.

Mr. ZHOU Xiaonan, born in April 1966, holds a master's degree. He currently serves as Deputy GM (approval document: CIRC [2014] No.770), Chief Compliance Officer (approval document: CBIRC [2018] No.595), and Chief Risk Officer of the Company. Mr. ZHOU previously served as GM of CPIC Life Nanyang Central Sub-Branch, assistant to GM, Deputy GM, and GM of CPIC Henan Branch, and GM of CPIC Guangdong branch. Mr. ZHOU has served as Deputy GM of the Company since August 2014.

Mr. WEI Lin, born in July 1972, holds a master's degree. He currently serves as Deputy GM of the Company ( approval document: CBIRC [2018] No.449), Executive Director and GM of CPIC Pension Industry Investment Management Co., Ltd., Chairman of Shanghai Ruiyongjing Real Estate Development Co., Ltd., Chairman and legal representative of Pacific ORPEA (Shanghai) Pension Enterprise Service Co., Ltd., and director of CPIC (Dali) Elderly Home Co., Ltd. Mr. WEI previously served as chief staff member of the CIRC Chengdu Office, deputy director of the General Management Division of CIRC Sichuan Bureau, deputy director of

the General Office of CIRC Sichuan Bureau, deputy director of the Personnel and Education Division of CIRC Sichuan Bureau, senior manager of the Board Office of China Insurance (Holdings) Co., Ltd., GM of Investment Management Department of Taiping Group, and GM of Taiping Pension Industry Investment Company. Mr. WEI has served as Deputy GM of the Company since June 2018.

Mr. DAI Wenhao, born in January 1974, holds a master's degree. He currently serves as Deputy GM of the Company (approval document: CBIRC [2018] No.440). Mr. DAI previously served as Manager of Information Technology Department and Human Resources Department of CPIC Life Ningbo Branch, assistant to GM, Deputy GM of the Information Technology Department of CPIC Life Ningbo Branch, GM of the Control Management Center of CPIC Life Ningbo Branch, GM of Contract Department and Operation and Planning Department of CPIC Life Ningbo Branch, GM of CPIC Life Jiangxi Branch, GM of CPIC Life Henan Branch and GM of CPIC Life Yudong Branch. He took up his current position in June 2018.

Mr. CUI Shunxin, born in July 1963, has a master's degree. He is currently Deputy GM of the Company (approval document: CIRC [2014] No.770). Mr. CUI previously served as head of Finance Department of State-Owned Hemp Products Factory in Wen'an County, Hebei Province, deputy director of the factory, deputy head of the Finance Department of the Economic Committee of Wen'an County, Hebei Province, manager and assistant to GM of CPIC Langfang Branch, Deputy GM of CPIC Tangshan Branch, Deputy GM, GM of CPIC Tangshan Central Sub-Branch, assistant to GM, Deputy GM, GM of CPIC Life Hebei Branch, GM of CPIC Life Henan Branch, and assistant to GM of CPIC Life. Mr. CUI holds the title of accountant. He took up his current position in April 2018.

Mr. YE Peng, born in March 1972, holds a master's degree. He is currently Deputy GM of the Company (approval document: CBIRC Shanghai [2019] No.638), CFO (approval document: CBIRC Shanghai [2019] No.689), and director of Changjiang Pension. Mr. YE previously served as accountant of the Financial Department of Shanghai Power Equipment Co., Ltd., auditor of Audit Department, and head of Accounting Department of AIA Shanghai

Branch, staff member of the Shanghai Representative Office of John Hancock Life Insurance Company, manager of Finance Department of John Hancock Tian'an Life Insurance Co., Ltd., chief accountant, CPC committee member of John Hancock Tian'an Life Insurance Co., Ltd., GM of Finance Department of Changjiang Pension, Deputy Financial Director, assistant to GM, CFO, Board Secretary, and Deputy GM of Changjiang Pension. Mr. YE holds a title of senior accountant, and is a certified public accountant and tax advisor in China. He is also a senior member of FAIA, and a member of IFA/IPA. He took up his current position in August 2019.

Mr. LI Jinsong, born in June 1969, holds a master's degree. He currently serves as Deputy GM of the Company (approval document: CBIRC Shanghai [2020] No. 781). Mr. LI previously served as GM of CPIC Life Sichuan Branch, GM of the Bancassurance Department of CPIC Life, assistant to GM of CPIC Life, deputy marketing director of CPIC Group and GM of the Strategic Customer Department of CPIC Group. He took up his current position as Deputy GM of the Company in December 2020.

Ms. CHEN Xiujuan, born in June 1971, holds a master's degree. He is currently Chief Actuary of the Company (approval document: CIRC [2014] No.770). Ms. Chen previously served as deputy head of Actuarial Division of the Actuarial Department of CPIC Life, senior specialist of the Actuarial Department of CPIC Life, assistant to GM, Deputy GM, and GM of CPIC Life. Ms. CHEN has professional qualification of actuary, and is an executive director of the China Association of Actuaries. She took up her current position in September 2014.

Mr. ZHANG Shuming, born in December 1963, holds a bachelor degree. He is currently Deputy GM of the Company (approval document: CBIRC [2018] No.502) and GM of CPIC Jiangsu Branch. Mr. ZHANG previously served as GM of CPIC Life Baoding Central Sub-Branch, GM of CPIC Life Qinhuangdao Central Sub-Branch, assistant to GM and Deputy GM of CPIC Life Hebei Branch, GM of CPIC Life Gansu Branch, GM of CPIC Life Heilongjiang Branch, and assistant to GM of CPIC Life. Prior to that, he was GM of Ping An Insurance Qinhuangdao Central Sub-branch. He took up his current position in June 2019.

Mr. LI Jing, born in September 1972, holds a master's degree. He is currently assistant to

GM of the Company (approval document: CBIRC Shanghai [2019] No. 660) and director of Lianren Healthcare Big Data Technology Co., Ltd. Mr. LI previously served as deputy division head, division head of the Group Business Department of CPIC Life, division head of the Development and Planning Department of CPIC Life, Deputy GM of CPIC Life Ningbo Branch, assistant to GM of the Development and Planning Department of CPIC Life, Deputy GM, GM of the Market Department of CPIC Life, GM of CPIC Life Sichuan Branch, and GM of CPIC Life Zhejiang Branch. He took up his current position in August 2019.

Mr. DAI Chuanjiang, born in September 1973, holds a bachelor's degree. He is currently assistant to GM of the Company (approval document: CBIRC Shanghai [2019] No. 662). Mr. DAI previously served as assistant to Manager, Deputy Manager of CPIC Life Bijie Central Sub-Branch, Deputy Manager, Manager of Guiyang Business Department of CPIC Guizhou Branch, Deputy Manager of Business Division of CPIC Life Guizhou Branch, Manager of Individual Business Management Department of CPIC Life Guizhou Branch, assistant to GM, Deputy GM of CPIC Life Guizhou Branch, and Senior Deputy GM, GM of CPIC Life Shanghai Branch. He took up his current position in August 2019.

Mr. PAN Feng, born in October 1972, holds a master's degree. He is currently Board Secretary of the Company (approval document: CBIRC Shanghai [2019] No. 678), and deputy head of the Board Office of CPIC Group. Mr. PAN previously served as deputy head of the Foreign Affairs Division of the General Office of CPIC Group, Senior External Affairs Manager of the Administration and Personnel /Administration Management Department of CPIC Group, and Deputy GM, GM of the Strategic Planning Department/Investor Relations Department of CPIC Group. Prior to that, Mr. PAN worked at Bank of China Changzhou Branch and China Construction Bank Shanghai No.6 Sub-Branch. He took up his current position in August 2019.

#### **(VIII) Contacts for solvency information disclosure**

Contact person: XIAO Junshi

Office number: +86-21-33965144

Email address: [xiaojunshi@cpic.com.cn](mailto:xiaojunshi@cpic.com.cn)

## II. Main Indicators

Items	As at the end of this quarter/during this quarter	As at the end of last quarter/during last quarter
Core solvency margin ratio	242%	242%
Core solvency margin (10K RMB)	22,134,283	21,636,554
Comprehensive solvency margin ratio	242%	242%
Comprehensive solvency margin (10K RMB)	22,134,283	21,636,554
Latest IRR result	A	A
Premium income (10K RMB)	2,577,680	4,758,987
Net profit (10K RMB)	411,347	438,199
Net assets (10K RMB)	9,374,738	8,426,190

## III. Actual Capital

Items	As at the end of this quarter	As at the end of last quarter
Admitted assets (10K RMB)	147,933,884	144,166,226
Admitted liabilities (10K RMB)	110,213,631	107,243,466
Actual capital (10K)	37,720,253	36,922,760
Tier 1 core capital (10K RMB)	37,720,253	36,922,760
Tier 2 core capital (10K RMB)	-	-
Tier 1 supplement capital (10K RMB)	-	-
Tier 2 supplement capital (10K RMB)	-	-

## IV. Required Capital

Items	As at the end of this quarter	As at the end of last quarter
Required capital (10K RMB)	15,585,970	15,286,207
Required capital for quantitative risk (10K RMB)	15,825,730	15,521,355
1) Required capital for insurance risk (10K RMB)	4,693,774	4,679,589
2) Required capital for market risk (10K RMB)	15,835,135	15,530,644
3) Required capital for credit risk (10K RMB)	3,235,231	3,216,980
4) Diversification effect for quantitative risks (10K RMB)	4,118,238	4,093,901
5) Loss absorption effect for special-type insurance contracts (10K RMB)	3,820,171	3,811,957
Required capital for control risk (10K RMB)	(239,760)	(235,149)
Supplement capital (10K RMB)	-	-
1) Counter-cyclical supplement capital (10K RMB)	-	-
2) Supplement capital of D-SIIs (10K RMB)	-	-
3) Supplement capital of G-SIIs (10K RMB)	-	-
4) Other supplement capital (10K RMB)	-	-

## V. Integrated risk rating (IRR)

The Company received an A rating for both Q3 and Q4 of 2020, according to feedbacks from the regulator on the IRR results.

## VI. Risk management status

### (I) The latest CBIRC Solvency Aligned Risk Management Requirements and

### **Assessment (SARMRA) of the Company**

The Company's SARMRA score for 2017 was 83.03 points. To be specific, it received 16.12 points for risk management infrastructure and environment, 8.82 points for risk management objectives and tools, 8.36 points for insurance risk management, 8.00 points for market risk management, 8.00 points for credit risk management, 8.38 points for operational risk management, 8.96 points for strategic risk management, 8.33 points for reputation risk management, and 8.06 points for liquidity risk management.

In 2018, 2019 and 2020, the regulator conducted no SARMRA assessment of the Company.

### **(II) Measures taken to improve solvency risk management and the latest status in the reporting period**

The Company attaches great importance to risk management. Although exempt from SARMRA assessment between 2018 and 2020, it continued to identify gaps in solvency risk management systems and took effective remedial actions based on an analysis of findings in relation to the regulatory assessment of its peers as well as those of its own internal audits. Below is a summary of what was done in Q4 2020.

First, it strengthened the risk control system for risks in business operation, conducted studies of policy loans and business quality, carried out risk identification & analysis based on in-house data in order to improve overall risk management.

Second, as per latest regulatory requirements and based on achievements of Group Risk Management Integration Project, it launched the review of 2020 Risk Tolerance and Risk KPIs.

Third, as per C-ROSS Phase II progress, it organized studies of regulatory policies and documents, conducted gap analysis, and pushed for rectification across departments based on findings of the 2020 SAMRA self-assessment..

In Q1 of 2021, the Company intends to focus on the following areas for its solvency risk management.

First, initiate the preparation of 2020 Annual Enterprise Risk Management Report, covering the key risks facing the Company, with mitigation and control measures.

Second, complete the amendment of 2021 Risk Tolerance and RAF, pending approval of the Management Committee and the Board.

Third, in line with the C-ROSS Phase II progress, conduct an all-around review of risk management systems of the Company, close the gaps and push for the establishment of a risk control system focusing on "Delivery, Precision, Professionalism and Smartness".



Fourth, focus on asset liability management (ALM), in a bid to further enhance capabilities in investment risk management, strengthen expertise and accumulate experience in project evaluation, improve product management and conduct retrospective evaluation of risks in liabilities via tracking of indicators.

## VII. Liquidity Risk

### (I) Liquidity risk management indicators

#### 1. Net cash flow

Item	During/as at the end of this quarter
Net cash flow (10K RMB)	6,910,933

#### 2. Comprehensive current ratio

Item	Within 3 months
Comprehensive current ratio	185%

#### 3. Liquidity coverage ratio

Item	Stress scenario 1	Stress scenario 2
Liquidity coverage ratio		
-Company level	1980%	1984%

### (II) Liquidity risk analysis and mitigation

Liquidity risk is projected to be largely manageable in the next quarter. The Company has taken the following measures to pro-actively mitigate potential liquidity risk:

1. Introduce cash budgeting management which enables a planned coordination of cash surplus/ shortage. Cash budgeting management includes: cash in the treasury at the beginning of the period, projected cash inflows during the period and cash needed in the period. The mechanism enables the Company to know when there will be a shortage of cash, and how to address the issue; or when there will be cash surplus so that plans can be made for necessary investment.
2. Continue to boost business mix restructuring, formulate effective financial policies to boost the growth of profitable business, and in particular, protection and long-term regular pay business; at the same time optimize the mix of universal life business, adjust the sales strategy of participating insurance business from bancassurance, and control the surrender risk of unit-linked business.
3. Optimize asset mix, balance between asset liquidity and investment yield; keep a healthy gearing ratio and ensure long-term debt repayment capability; maintain healthy short-term debt repayment capability and enhance monitoring of the current ratio and quick ratio.
4. Closely follow the development of business surrenders, with review and analysis

thereof on a regular basis; ensure rational asset allocation based on cash flows of the Company.

5. The impact on liquidity has been duly considered before the Company makes business plans, sells new products or withdraws products from the market, develops or adjusts distribution channels, formulates policyholders' dividend policy for participating insurance business and determines crediting rate for universal life insurance, conducts other insurance business activities such as policy surrenders, payment of benefits and claims and policy loans. The impact is reflected in the cash flow stress testing. The Company will ensure effective ALM based on the actual situation to mitigate the liquidity risk.
6. Closely monitor major events that might lead to liquidity risks, such as irregular concentration of surrenders, expected major maturity payments or survival benefit pay-outs, major claims events, severe investment losses, financial crisis incurred by major counter-parties, significant changes to the Company's credit-ratings, severe adverse publicity of the Company, and the loss of key distributional channels and other material events.

## **VIII. Regulatory Measures Taken Against the Company**

### **(I) Regulatory measures taken against the Company by CBIRC**

The Company head-office received no administrative penalties from CBIRC in Q4 2020.

### **(II) Corrective measures taken by the Company**

The Company will continue to enhance internal control, address the root-causes of risk issues, strengthen its overall compliance and risk management capabilities.

Note: Unless otherwise specified, information contained herein is updated to the end of 2020.