

If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Pacific Insurance (Group) Co., Ltd., you should at once hand this circular and the accompanying proxy form and reply slip to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**REPORTS OF THE BOARD OF DIRECTORS AND THE BOARD OF
SUPERVISORS FOR THE YEAR 2015
ANNUAL REPORTS OF A SHARES AND H SHARES FOR THE YEAR 2015
FINANCIAL STATEMENTS AND REPORT FOR THE YEAR 2015
PROFIT DISTRIBUTION PLAN FOR THE YEAR 2015
PROPOSAL ON APPOINTMENT OF AUDITORS FOR THE YEAR 2016
DUE DILIGENCE REPORT OF THE DIRECTORS FOR THE YEAR 2015
REPORT ON PERFORMANCE OF INDEPENDENT DIRECTORS
FOR THE YEAR 2015
PROPOSAL ON THE GENERAL MANDATE
PROPOSAL ON THE CONTEMPLATED ROUTINE RELATED PARTY
TRANSACTIONS IN RESPECT OF FUNDS UTILISATION
AND FINANCIAL PRODUCT BUSINESS
REPORT ON THE STATUS OF RELATED PARTY TRANSACTIONS AND
THE IMPLEMENTATION OF MANAGEMENT
SYSTEM FOR RELATED PARTY TRANSACTIONS FOR THE YEAR 2015
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the 2015 Annual General Meeting of China Pacific Insurance (Group) Co., Ltd. to be held at Sheraton Dameisha Resort, Shenzhen, Guangdong, the PRC on Friday, 17 June 2016 at 1:30 p.m. is set out on pages 32 to 38 of this circular.

If you intend to appoint a proxy to attend the Annual General Meeting, you are required to complete and return the proxy form in accordance with the instructions printed thereon. For holders of H Shares, the proxy form should be returned to Computershare Hong Kong Investor Services Limited, in any event served in hand or by post not less than 24 hours before the time stipulated for convening the AGM or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting at the AGM or at any adjourned meeting thereof in person if you so wish.

If you intend to attend the Annual General Meeting in person or by proxy, you are required to complete and return the reply slip to Computershare Hong Kong Investor Services Limited on or before Friday, 27 May 2016.

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DEFINITIONS

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

“AGM” or “Annual General Meeting”	the annual general meeting of the Company for the year 2015 to be held at Sheraton Dameisha Resort, Shenzhen, Guangdong, the PRC on Friday, 17 June 2016 at 1:30 p.m.
“Articles of Association”	the articles of association of the Company, as amended from time to time
“A Share(s)”	domestic share(s) of RMB1.00 each in the share capital of the Company which are listed on the Shanghai Stock Exchange and traded in RMB
“Board” or “Board of Directors”	the board of Directors of the Company
“Board of Supervisors”	the board of Supervisors of the Company
“CIRC”	China Insurance Regulatory Commission
“Company” or “the Company” or “CPIC Group”	China Pacific Insurance (Group) Co., Ltd., a joint stock company incorporated in the PRC with limited liability
“Company Law”	The Company Law of the People’s Republic of China
“CPIC P/C”	China Pacific Property Insurance Co., Ltd., a holding subsidiary of CPIC Group
“CPIC HK”	China Pacific Insurance Co., (H.K.) Limited, a wholly-owned subsidiary of CPIC Group
“CSRC”	China Securities Regulatory Commission
“Director(s)”	director(s) of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“H Share(s)”	overseas listed foreign share(s) of RMB1.00 each in the share capital of the Company which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
“Independent Director(s)” or “Independent Non-executive Director(s)”	independent non-executive Director(s) of the Company

DEFINITIONS

“Non-executive Director(s)”	non-executive Director(s) of the Company
“PRC” or “China”	the People’s Republic of China, excluding, for the purposes of this circular only, Hong Kong, Macau Special Administrative Region of the People’s Republic of China, and Taiwan region
“RMB” or “Yuan”	the lawful currency of the PRC
“Share(s)”	A Share(s) and H Share(s) of the Company
“Shareholder(s)”	holder(s) of the Shares of the Company
“Supervisor(s)”	supervisor(s) of the Company
“Shanghai Listing Rules”	the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, as amended from time to time
“SSE”	Shanghai Stock Exchange

Note: If there is any inconsistency between the Chinese and English versions of this circular, the Chinese version shall prevail.



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)

Chairman and Executive Director:

Mr. GAO Guofu

Executive Director:

Mr. HUO Lianhong

Non-executive Directors:

Mr. WANG Jian

Mr. WANG Chengran

Ms. SUN Xiaoning

Mr. WU Jumin

Mr. WU Junhao

Mr. ZHENG Anguo

Ms. HA Erman

Registered Office:

South Tower

Bank of Communications Financial Building

190 Central Yincheng Road

Pudong New District

Shanghai 200120

The PRC

Place of Business in Hong Kong:

Suite 4301, 43/F., Central Plaza

18 Harbour Road, Wanchai, Hong Kong

Independent Non-executive Directors:

Mr. BAI Wei

Mr. LEE Ka Sze, Carmelo

Mr. LAM Chi Kuen

Mr. ZHOU Zhonghui

Mr. GAO Shanwen

To the Shareholders

Dear Sir or Madam,

**REPORTS OF THE BOARD OF DIRECTORS AND THE BOARD OF
SUPERVISORS FOR THE YEAR 2015
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AND
NOTICE OF ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

1. INTRODUCTION

On behalf of the Board of Directors, I invite you to attend the AGM to be held at Sheraton Dameisha Resort, Shenzhen, Guangdong, the PRC on Friday, 17 June 2016 at 1:30 p.m..

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

2. BUSINESS TO BE TRANSACTED AT THE AGM

The business to be transacted at the AGM as specified in the notice of the AGM set out on pages 32 to 38 of this circular.

Ordinary resolutions to be proposed at the AGM for the Shareholders to approve include: (a) the report of the Board of Directors for the year 2015; (b) the report of the Board of Supervisors for the year 2015; (c) the annual report of A Shares for the year 2015; (d) the annual report of H Shares for the year 2015; (e) the financial statements and report for the year 2015; (f) the profit distribution plan for the year 2015; (g) the proposal on appointment of auditors for the year 2016; (h) the due diligence report of the Directors for the year 2015; (i) the report on performance of Independent Directors for the year 2015.

Special resolution to be proposed at the AGM for the Shareholders to approve include: the grant of a general mandate to the Board of Directors to issue new Shares.

A resolution will be proposed at the AGM only for holders of A Shares to approve the proposal on the contemplated routine related party transactions in respect of funds utilisation and financial product business. Such transactions are not subject to approval by the holders of H Shares and the proposal is being included in this circular for information purposes only.

A report will be submitted at the AGM only for Shareholders' review and not for approval: the status of the routine related party transactions and the implementation of management system for related party transactions of the Company for the year 2015.

In order to enable you to have a better understanding of the resolutions to be proposed at the AGM and to make informed decisions upon obtaining sufficient and necessary information, we have provided detailed information in this circular, including explanatory information on the proposed resolutions to be approved and reviewed at the AGM (see Appendix I), the due diligence report of the Directors for the year 2015 (see Appendix II), the report on performance of Independent Directors for the year 2015 (see Appendix III), the report of the Board of Supervisors for the year 2015 (see Appendix IV), the proposal on granting of the general mandate to the Board of Directors to issue new Shares (see Appendix V), the proposal on the contemplated routine related party transactions in respect of funds utilisation and financial product business (see Appendix VI) and the report on the status of related party transactions and the implementation of management system for related party transactions of the Company for the year 2015 (see Appendix VII).

LETTER FROM THE BOARD

3. THE AGM

Along with this circular, the proxy form and the reply slip for the AGM are also enclosed herewith.

If you intend to appoint a proxy to attend the AGM, you are required to complete and return the proxy form in accordance with the instructions printed thereon. For holders of H Shares, the proxy form should be returned to Computershare Hong Kong Investor Services Limited, in any event served in hand or by post not less than 24 hours before the time stipulated for convening the AGM or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting at the AGM or at any adjourned meeting thereof in person if you so wish.

If you intend to attend the AGM in person or by proxy, you are required to complete and return the reply slip to Computershare Hong Kong Investor Services Limited on or before Friday, 27 May 2016.

4. VOTING BY POLL

According to Rule 13.39(4) of the Hong Kong Listing Rules, any vote of shareholders at a 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. Accordingly, the chairman of the AGM will demand a vote by poll in relation to all the proposed resolutions at the AGM in accordance with the requirements of Article 91 of the Articles of Association.

5. RECOMMENDATION

The Board of Directors considers that all resolutions to be proposed at the AGM are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board of Directors recommends that the Shareholders vote in favour of all the resolutions to be proposed at the AGM.

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

Shanghai, the PRC
29 April 2016

1. REPORTS OF THE BOARD OF DIRECTORS AND THE BOARD OF SUPERVISORS FOR THE YEAR 2015

According to the requirements of the Company Law of the PRC and the Articles of Association, the shareholders' general meeting has the right to examine and approve the reports of the Board of Directors and the Board of Supervisors. Pursuant to the Rules of Shareholders' Meeting of Listed Companies of the China Securities Regulatory Commission, the Board of Directors and the Board of Supervisors should issue a report with respect to their work in the preceding year at the AGM. The report of the Board of Directors for the year 2015 is set out in the sections headed "Operation Overview, Letter from Chairman to Shareholders, Review and Analysis of Operating Results, Report of the Board of Directors and Significant Events and Corporate Governance" in the annual report of H Shares for the year 2015. The report of the Board of Supervisors for the year 2015 is set out in Appendix IV to this circular.

2. ANNUAL REPORTS OF A SHARES AND H SHARES FOR THE YEAR 2015

The Board proposes to approve the annual reports of A Shares and H Shares for the year 2015. The annual report of A Shares of the Company for the year 2015 was published on 28 March 2016 on the SSE website (www.sse.com.cn). The annual report of H Shares for the year 2015 was published on 27 April 2016 on the Hong Kong Stock Exchange website (www.hkexnews.hk).

3. FINANCIAL STATEMENTS AND REPORT FOR THE YEAR 2015

The financial statements and report for the year 2015 is set out in the Company's annual report for the year 2015.

4. PROFIT DISTRIBUTION PLAN FOR THE YEAR 2015

The Company intends to distribute a cash dividend of RMB1.00 per share (inclusive of tax) for the year 2015, amounting to approximately RMB9.062 billion in aggregate, based on a total share capital of 9.062 billion shares. The remaining undistributed profits will be carried forward to the year 2016. No capitalization from capital reserve will be implemented for the current year.

5. PROPOSAL ON APPOINTMENT OF AUDITORS FOR THE YEAR 2016

The Board proposed to appoint PricewaterhouseCoopers Zhong Tian LLP as the PRC auditor and the internal control auditor of the Company for the year 2016 and to appoint PricewaterhouseCoopers as the overseas auditor of the Company for the year 2016.

The Board will propose to the Shareholders at the AGM to authorize the Board to authorize the management of the Company to determine their actual remunerations.

6. DUE DILIGENCE REPORT OF THE DIRECTORS FOR THE YEAR 2015

In accordance with the requirements of CIRC, the Board shall conduct an annual due diligence appraisal of the Directors, and submit the due diligence report of the Directors to the Shareholders' general meeting and the Board of Supervisors. Such report is set out in Appendix II to this circular.

7. REPORT ON PERFORMANCE OF INDEPENDENT DIRECTORS FOR THE YEAR 2015

Pursuant to the requirements of CIRC, Independent Directors shall issue a report in respect of the performance of their duties in the year 2015. Such report is set out in Appendix III to this circular.

8. PROPOSAL ON THE GENERAL MANDATE

The purpose of the proposed special resolution number 10 as set out in the notice of AGM dated 29 April 2016 is to seek approval from the Shareholders in the AGM to grant a general mandate to the Board of Directors to allot, issue and deal, with new A Shares and/or H Shares of the Company subject to the applicable laws, rules and regulations. The Board of Directors declares that the Company currently has no plan to issue A Shares and/or H Shares. Such proposal is set out in Appendix V to this circular.

9. PROPOSAL ON THE CONTEMPLATED ROUTINE RELATED PARTY TRANSACTIONS IN RESPECT OF FUNDS UTILISATION AND FINANCIAL PRODUCT BUSINESS

A resolution will be proposed at the AGM for holders of A Shares to approve the proposal on the contemplated routine related party transactions in respect of funds utilisation and financial product business. Based on the status of business transactions with related parties and the amounts of transactions in the recent years, and the general trend of assets growth of the Company in 2016, the Company has prepared a forecast of the categories and amounts of the contemplated routine related party transactions in respect of funds utilisation and financial product business for the year 2016. Such transactions are not subject to approval by the holders of H Shares and the proposal is set out in Appendix VI to this circular for information purposes for the holders of H Shares only.

10. REPORT ON THE STATUS OF RELATED PARTY TRANSACTIONS AND THE IMPLEMENTATION OF MANAGEMENT SYSTEM FOR RELATED PARTY TRANSACTIONS FOR THE YEAR 2015

Pursuant to the requirements of CIRC, the Board shall issue a report in respect of the status of related party transactions and the implementation of the management system for related party transactions for the year 2015 at the AGM. Such report will be laid before the AGM for Shareholders' review but no approval by the Shareholders is required. Such report is set out in Appendix VII to this circular.

In accordance with regulatory requirements of the CIRC, the board of insurance companies shall conduct a due diligence report on its directors annually, and such report shall be submitted to the Board of Supervisors and shareholders' meeting. In 2015, all the directors of the Company performed their duties and responsibilities as stipulated under relevant laws and regulations and the Articles of Association in an honest, diligent, loyal and conscientious manner. The due diligence report of the directors for the year 2015 is set out below:

I. PERFORMING DUTIES WITH DUE DILIGENCE WITH NO ABSENCE FROM BOARD MEETINGS

In 2015, the Company held a total of 7 Board meetings. The Directors of the Company performed their duties with due diligence and mostly attended the meetings in person. For individual cases where some Director were not able to attend due to business reasons, they all appointed another Director as their proxy to attend and vote at the meeting on their behalves. Details are as follows:

Name of Directors	No. of Board meetings requiring attendance	Attendance in person (no. of times)	Attendance by proxy (no. of times)	Absence (no. of times)	Remarks
GAO Guofu	7	7	0	0	
HUO Lianhong	7	7	0	0	
WANG Jian	3	3	0	0	
WANG Chengran	7	6	1	0	Absent from the 9th meeting of the seventh session of the Board of Directors due to business reasons and GAO Guofu, a Director, was appointed as his proxy to attend and vote at the meeting on his behalf.
SUN Xiaoning	7	7	0	0	
WU Junhao	7	7	0	0	
WU Jumin	7	7	0	0	
ZHENG Anguo	7	6	1	0	Absent from the 9th meeting of the seventh session of the Board of Directors due to business reasons and HUO Lianhong, a Director, was appointed as his proxy to attend and vote at the meeting on his behalf.

Name of Directors	No. of Board meetings requiring attendance	Attendance in person (no. of times)	Attendance by proxy (no. of times)	Absence (no. of times)	Remarks
HA Erman	7	6	1	0	Absent from the 9th meeting of the seventh session of the Board of Directors due to business reasons and GAO Guofu, a Director, was appointed as his proxy to attend and vote at the meeting on his behalf.
BAI Wei	7	7	0	0	
LEE Ka Sze, Carmelo	1	1	0	0	
LAM Chi Kuen	7	7	0	0	
ZHOU Zhonghui	7	7	0	0	
GAO Shanwen	7	7	0	0	
YANG Xianghai	2	2	0	0	
FOK Kwong Man	3	3	0	0	

Note:

1. On 22 May 2015, Mr. YANG Xianghai resigned as vice chairman and non-executive director of the Board and member of the Strategic and Investment Decision-Making Committee for work reasons.
2. On 22 May 2015, Mr. WANG Jian was elected as non-executive director of the seventh session of the Board of Directors at the 2014 shareholders' annual general meeting.
3. On 18 June 2015, FOK Kwong Man passed away because of illness and no longer served as independent director of the Board and chairman of the Nomination and Remuneration Committee.
4. On 29 October 2015, at the First Extraordinary General Meeting for 2015, Mr. LEE Ka Sze, Carmelo was elected as independent director of the seventh session of the Board of Directors.

II. EXPRESSING OPINIONS SUFFICIENTLY AND PASSING ALL RESOLUTIONS BY UNANIMOUS VOTE

In 2015, all Directors of the Company diligently performed the power conferred by the Articles of Association, kept updated about the import business information of the Company, paid full attention to the Company's development and actively participated in the Board meetings during the reporting period. All Directors made appropriate decisions after having fully understood the situation and having expressed their opinions, and all resolutions of the Board meetings were passed by unanimous votes.

III. ATTENTION TO THE OPERATION AND MANAGEMENT OF THE COMPANY AND TIMELY FEEDBACK OF VARIOUS OPINIONS AND SUGGESTIONS**(1) Multiple Channels for the Directors to fully understand the operation and management of the Company**

Operations and management information and materials of the Company are provided to all members of the Board on a periodic and ad hoc basis through the management system for reporting information to the Directors. All Directors consider and discuss the operations and management of the Company at the meetings of the Board and Board committees, and also enquire about and seek to understand the operations of the Company promptly by different methods such as e-mails and telephone. Directors may deepen their understanding of the actual operation of branches by visiting office branches and listening to the reports on special projects. When necessary, several Directors or individual Directors may have special discussions with the management on the issues relating to the operations and management that they are concerned about. The Board secretary is responsible for overseeing the implementation of the resolutions of the Board and reporting specifically on the implementation of the resolutions passed at the previous meeting at each Board meeting. He also gives feedback on a timely basis in respect of any issues that draw the attention of the Directors or upon their request in order to help each Director keep abreast of the operations and management of the Company. All members of the Board are of the opinion that with the various channels for understanding the operations of the Company, they can communicate smoothly, and exchange views and feedback in a timely manner, and that there are no obstacles in doing so.

(2) Reviewing special reports with a focus on major issues relating to the implementation of strategies

In 2015, the Board reviewed several special reports with a focus on major issues relating to the implementation of strategies. Thorough discussion and in-depth study were carried out in respect of the effectiveness of strategic transformation of the Company, transformation measures of life insurance, improvement of operation shortcomings for property insurance, analysis of investment performance and development strategies under the new health and pension layouts. These efforts effectively facilitated the establishment of a problem-solving work mechanism of the management.

(3) The Board Committees playing their respective roles and providing professional advice for the decision-making of the Board

The Board has established four committees, namely the Strategic and Investment Decision-Making Committee, the Audit Committee, the Nomination and Remuneration Committee and the Risk Management Committee. The chairmen of the three latter committees are all Independent Directors. The Board and the Board Committees performed their respective duties properly by leveraging their respective expertise to ensure that the Board can make informed and appropriate decisions after considering various advice and suggestions. In 2015, the Strategic and Investment Decision-Making Committee held 5 meetings, the Audit Committee held 10 meetings, the Nomination and Remuneration Committee held 4 meetings, and the Risk Management Committee held 4 meetings. The committees carefully studied and discussed the strategic planning, material capital operation, internal and external auditing, performance assessment and appointment and dismissal of senior management and risk control and management of the Company and provided professional advices for the decision-making of the Board.

IV. ACTIVELY ATTENDING TRAINING TO IMPROVE THE ABILITY OF DIRECTORS TO PERFORM DUTIES

In 2015, some Directors participated in, as requested, various trainings for Directors and Supervisors held by Shanghai branch of CSRC, to further enhance their knowledge in the latest supervision concept and regulation on corporate governance, standards on information disclosure and cases analysis, rights of Directors and Supervisors, obligations and legal responsibilities, protection for investors and investors relationship management, etc. Newly elected Directors all attended training programs for newly appointed directors, supervisors and senior managers organized by CIRC, studied the Insurance Law of the PRC, the new Guo Shi Tiao, C-ROSS, the protection of insurance consumer rights, investment of insurance funds, risks of cases and operation compliance and etc., and obtained qualifications of the director. Newly elected Independent Directors participated in trainings for independent directors of listed companies organized by Shanghai Stock Exchange and were granted the “Independent Director Qualification Certificate”. Some other Independent Directors also participated in follow-up training for independent directors organized by Shanghai Stock Exchange. In addition, all Directors also learnt the latest laws and regulations and Supervisory rules dispatched by the Company on a timely basis as issued from time to time by the CSRC, CIRC, and the stock exchanges in which the company listed and by knowing those relevant laws and regulations and state of supervision of supervisory department to ensure that better performance could be provided.

V. WON MULTIPLE AWARDS AND HIGH RECOGNITION OF THE CORPORATE GOVERNANCE

In 2015, the regulatory authorities and capital market highly recognized the Company’s excellent performance in corporate governance regarding effective operation of the Board, investors relationship management and information disclosure. The Company was honoured with the following domestic and overseas awards:

The Company won the IR Programs of the Year in the 2015 All Asia-Executive Team Rankings organized by the magazine Institutional Investors; the Company was awarded for the “Best Listed Company” and the “Best Board Secretary/Company Secretary” by the famous financial magazine China Finance; and the Company was awarded for “Excellence in Information Disclosure 2014-2015” in the election organized by the Shanghai Stock Exchange.

In 2015, all of the Independent Directors performed their duties faithfully, diligently, independently, strictly in accordance with the requirements of the Company Law of the PRC, the Interim Measures in relation to Independent Directors of Insurance Companies promulgated by CIRC, the Guidance on the Establishment of Independent Directors System in Listed Companies promulgated by the China Securities Regulatory Commission, the terms of reference for Independent Directors of the Company and other relevant laws, rules and regulations, and through actively attending the Board meetings and Shareholders' general meetings and carefully considering and expressing independent opinions on resolutions of the Board to protect the interests of the Company, insureds and minority shareholders. The report on the performance of the Independent Directors is set out below:

I. MEETING THE STATUTORY REQUIREMENTS AND WITH THE ABILITY TO PERFORM DUTIES OF INDEPENDENT DIRECTORS

The seventh session of the Board of Directors consists of five Independent Directors with expertise in finance, auditing and law. The number of Independent Directors consists of one-third of the total number of the members of the Board, which is in compliance with the regulatory rules and the Articles of Association.

The Company's Independent Directors have the required expertise and experience and are able to perform their duties strictly in accordance with the requirements of the applicable laws and regulations, regulatory documents, the Articles of Association and the terms of reference for Independent Directors. They have provided comments and suggestions on, among other things, corporate governance, business operation, risk management and internal control. Independent Directors have played a meaningful role from an impartial and objective perspective, particularly when taking into consideration the legal interests of the minority shareholders, in the Company's decision making process. The details are as follows:

Mr. BAI Wei is currently an Independent Non-executive Director of the Company and partner and lawyer of Jingtian & Gongcheng. Mr. Bai also serves as an independent director of Huatai Securities Co., Ltd., a company listed on SSE, and an independent director of Ningxia Orient Tantalum Industry Co., Ltd., a company listed on Shenzhen Stock Exchange. Mr. Bai previously worked as a lawyer in Global Law Office in China and Sullivan & Cromwell LLP. Mr. Bai holds a master's degree and is a qualified lawyer in China and New York State of the United States.

Mr. LEE Ka Sze, Carmelo is currently an Independent Non-executive Director of the Company, a senior partner of Messrs. Woo, Kwan, Lee and Lo of Hong Kong, and a member of the Hong Kong Securities and Futures Commission (the Hong Kong Stock Exchange Listing) Committee, Disciplinary Panel of the Hong Kong Institute of Certified Public Accountants, Dual Filing Advisory Group of the Hong Kong Securities and Futures Commission, Campaign Committee of the Community Chest of Hong Kong and the co-chairman of the Community Chest Corporate Challenge Half Marathon. Currently, Mr. Lee Ka Sze, Carmelo also serves as a non-executive director of Hopewell Holdings Limited, CSPC Pharmaceutical Group Limited, Yugang International Limited, Y. T. Realty Group Limited, Safety Godown Company Limited, Trembray Industries International (Holdings) Limited, and an independent non-executive director of KWG Property Holding Limited and Esprit Holdings Limited, all of which are companies listed on the Hong Kong Stock Exchange. In addition, Mr. Lee Ka Sze, Carmelo previously served as the deputy chairman and chairman of the Listing Committee of the Hong Kong Stock Exchange, and a non-executive of The Cross-Harbour (Holdings) Limited, a company listed on the Hong Kong Stock Exchange, and an independent non-executive director of Ping An Insurance (Group) Company of China, Ltd., a company listed on the Shanghai Stock Exchange and Hong Kong Stock Exchange. Mr. Lee Ka Sze, Carmelo holds a bachelor's degree in laws and is a solicitor qualified in Hong Kong, England and Wales, Singapore and Australian Capital Territory, Australia.

Mr. LAM Chi Kuen is currently an Independent Non-executive Director of the Company. Mr. Lam was the senior consultant and partner of Ernst & Young and independent director of Leo Paper Group (Hong Kong) Co., Ltd. Mr. Lam holds a higher diploma in accounting and is a member of Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.

Mr. ZHOU Zhonghui is currently an Independent Non-executive Director of the Company, a member of the International Advisory Council of the CSRC, Auditing Standards Committee of the Chinese Institute of Certified Public Accountants, the standing committee of the China Association of Chief Financial Officers and the Advisory Committee of China Appraisal Society. Currently, Mr. Zhou also serves as independent non-executive director of Juneyao Airlines Co., Ltd. and Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd., a company listed on Hong Kong Stock Exchange. Mr. Zhou was a lecturer, associate professor and professor of the accounting department of Shanghai University of Finance and Economics, chief financial officer of Hino Company in Hong Kong, general manager and chief accountant of PricewaterhouseCoopers Zhong Tian LLP, senior partner of PricewaterhouseCoopers, chief accountant of the CSRC and an non-executive independent director of BesTV New Media Co., Ltd., a company listed on SSE. Mr. Zhou is a postgraduate with a doctorate degree and is a Chinese certified public accountant.

Mr. GAO Shanwen is currently an Independent Non-executive Director of the Company and the chief economist of Essence Securities Co. Ltd. Mr. Gao once served as the chief economist with Everbright Securities Co., Ltd. His previous stints include the Financial Institute of the State Council Development Research Center and the Administration Department of the People's Bank of China. Mr. Gao also served as an independent non-executive director of Sunshine Insurance Group Co., Ltd. Mr. Gao is a postgraduate with a doctorate degree.

II. ATTENDING MEETINGS IN PERSON WITH NO ATTENDANCE BY PROXY OR ABSENCE

In 2015, the Company held a total of 7 Board meetings. The Independent Directors all attended in person. Details are as follows:

Name of Independent Director	No. of Shareholders' general meetings attended during the year	Attendance	Attendance	Absence	Remarks
		in person (no. of times)	by proxy (no. of times)	(no. of times)	
BAI Wei	7	7	0	0	
LEE Ka Sze, Carmelo	1	1	0	0	
LAM Chi Kuen	7	7	0	0	
ZHOU Zhonghui	7	7	0	0	
GAO Shanwen	7	7	0	0	
FOK Kwong Man	3	3	0	0	

Note:

- On 18 June 2015, Mr. FOK Kwong Man passed away because of illness and no longer served as independent non-executive director of the Board and chairman of the Nomination and Remuneration Committee of the Board.
- On 29 October 2015, at the First Extraordinary General Meeting of 2015, Mr. LEE Ka Sze, Carmelo was elected as independent director of the seventh session of the Board of Directors.

In 2015, the Company held a total of 2 general meetings. The Independent Directors all attended in person. Details are as follows:

Name of Independent Director	No. of Shareholders' general meetings attended during the year	Attendance	Attendance	Absence
		in person	by proxy	
		(no. of times)	(no. of times)	(no. of times)
BAI Wei	2	2	0	0
LEE Ka Sze, Carmelo	0	0	0	0
LAM Chi Kuen	2	2	0	0
ZHOU Zhonghui	2	2	0	0
GAO Shanwen	2	2	0	0
FOK Kwong Man	1	0	0	1

Note:

1. On 18 June 2015, Mr. FOK Kwong Man passed away because of illness and no longer served as independent non-executive director of the Board and chairman of the Nomination and Remuneration Committee of the Board.
2. On 29 October 2015, at the First Extraordinary General Meeting of 2015, Mr. LEE Ka Sze, Carmelo was elected as independent director of the seventh session of the Board of Directors.

III. REVIEWING AND DISCUSSING PROPOSAL SUFFICIENTLY AND DILIGENTLY WITHOUT ABSTENTION OR NEGATIVE VOTE

The Board meetings and Shareholders' general meetings in 2015 were held in conformity with legal procedures. Material operational decisions were made in accordance with the required procedures and in compliance with the laws and regulations, and the Articles of Association. All of the Independent Directors voted for the resolutions with full understanding of all the matters considered by the Board of Directors during the reporting period after thorough discussions and prudent consideration of such matters. The Independent Directors did not raise any objection to the resolutions of the Board of Directors and relevant matters.

The management of the Company was able to provide responses and to implement relevant opinions, proposals and questions of the Independent Directors. No Independent Director was prevented from expressing his opinion and no opinion raised was rejected by the Company.

IV. TIMELY AND EFFECTIVE COMMUNICATION AND BETTER UNDERSTANDING OF THE OPERATION OF THE COMPANY

Independent Directors understand the operations and management of the Company primarily through the following channels:

Attending Board meetings and Board committee meetings in person to consider and discuss issues relating to the operations and management of the Company. The Independent Directors attended 7 Board meetings and participated in 23 various Board committee meetings of the Board of Directors separately during the year; getting a clear picture of the operations and management of the Company by studying regulatory information, internal newspaper clippings and data, financial reports, solvency reports, internal

control reports, risk compliance reports, audited consolidated reports, and various operational and management information provided by the Company either periodically or on an ad-hoc basis from time to time; communicating with the management specifically on issues concerning the operation as and when necessary. All Independent Directors were in the opinion that they were able to understand the operations of the Company through various channels freely with effective communication in a timely manner without obstruction.

V. FOCUSING ON MAJOR ISSUES IN REGARD OF THE DUTY PERFORMANCE AND OBJECTIVE AND PRUDENT EXPRESSION OF INDEPENDENT OPINIONS

In 2015, all Independent Directors attended Board meetings in a timely manner in order to understand the operations and management of the Company. The Independent Directors conducted investigation and obtained information necessary for making decisions and made independent and clear judgment on and expressed independent opinions in favour of matters including material changes in accounting estimation, routine connected transactions, profit distribution, appointment and dismissal of senior management and remuneration and performance assessment of senior management of the Company.

In 2015, there is no external guarantee or misappropriation of funds of the Company. The use of proceeds was consistent with such usages as resolved and approved by the Shareholders' general meetings and the Board. The proceeds were used to replenish the working capital of the Company to support business growth.

In 2015, a result announcement on forecasted increase was issued by the Company. Prior to the announcement was made, the Company reported to the Board and Independent Directors the financial results of the Company and the proposed announcement. All Independent Directors expressed their opinion in favor of the issuance of the announcement. Within the year, the Company has no discloseable commitments. The information disclosure of the Company was true, accurate and complete and made in a timely manner. The Company has not failed to disclose any discloseable information.

In 2015, the Company is committed to establishing a sound internal control system in order to provide reasonable assurance of the achievement of internal control objectives, including the legal compliance of our operation and management, assets security and reliability, truthfulness and completeness of financial reports and related information, improvement of operation efficiency and implementation of development strategies for the sustainable development of the Company. The Company has conducted self-assessment of internal control as of 31 December 2015 and an audit report was issued by the auditor.

In 2015, the Company held a total of 7 Board meetings, all Independent Directors made appropriate decisions after having fully understood the situation and having expressed their opinions, and all resolutions of the Board meetings were passed by unanimous votes after serious consideration.

The Board has established four committees, namely the Strategic and Investment Decision-Making Committee, the Audit Committee, the Nomination and Remuneration Committee and the Risk Management Committee; the chairmen of the three latter committees are all Independent Directors. The Board and its committees performed their duties properly with their expertise to ensure proper decision making of the Board based on adequate information and upon considering various suggestions and opinions. Within the year, the Strategic and Investment Decision-Making Committee held a total of 5 meetings, the Audit Committee held a total of 10 meetings, the Nomination and Remuneration Committee held a total of 4

meetings, and the Risk Control Committee held 4 meetings. The committees carefully discussed and reviewed the implementation of planning and material capital operation, internal and external audits, performance assessment and engagement of the senior management, and risk control and management, and provided professional advice to the Board as reference for decision-making.

VI. EXERCISING THE PROFESSIONAL EXPERTISE AND FULL EXPRESSION OF CONSTRUCTIVE ADVICE AND SUGGESTIONS

All of the Independent Directors have the necessary professional knowledge and experience to put forward considerable constructive opinions and recommendations regarding the strategic transformation, corporate governance, financial management, appointment of senior management, internal control and risk compliance of the Company based on their own professional expertise and practical experience.

In 2015, the Independent Directors of the Company reviewed several special reports with a focus on major issues relating to the implementation of strategies. Thorough discussion and in-depth study were carried out in respect of the effectiveness of strategic transformation of the Company, transformation measures of life insurance, improvement of operation shortcomings for property insurance, analysis of investment performance and development strategies under the new health and pension layouts. These efforts effectively facilitated the establishment of a problem-solving work mechanism of the management.

In the course of auditing the annual reports, the Independent Directors listened specifically to the reporting by the Company on its financial position and results of operation for the year, attended annual report discussion meetings, and maintained timely and thorough communication with the external auditor, which helped the audit of annual reports being carried out legally and in compliance with relevant rules and regulations.

VII. PROMOTING STABLE AND CONTINUOUS DEVELOPMENT OF THE COMPANY IN A PRUDENT AND DILIGENT MANNER

All of the Independent Directors are of the view that they have duly performed their functions and duties, and fulfilled their obligations to acting with integrity and diligence pursuant to the laws and regulations, and the provisions under the Articles of Association during the reporting period. They actively attended Board meetings and meetings of the Board committees and participated independently and objectively in the decision-making of the Company on significant issues. In particular, they were concerned about the legal rights of the minority Shareholders. All of the Independent Directors made objective and impartial judgments on the issues to be resolved by the Board. They also performed due diligence reviews on the appointment, removal, and performance appraisal of Directors and senior management, and any other issues which might significantly affect the interests of insured parties and the minority shareholders. This helped promote the scientificity and objectivity of the Board's decisions, and helped maintain the sustainable, healthy and stable growth of the Company.

All of the Independent Directors are of the view that the Board has duly performed their functions and duties under the laws and regulations, and the provisions under the Articles of Association during the reporting period. Due to its effectiveness and high standards, the Board effectively plays a central role in the Company's decision-making. In view of the challenging internal and external environments, under the leadership of the Board, and in response to the new normal for economic development, the Company gave priority to innovations and further roll-out of transitioning initiatives, in a bid to improve the Company's input-output ratio and profitability. Additionally, the Company capitalised on opportunities to nurture its values, facilitate transformation and prevent risks. Great efforts were exerted to upgrade the business model centred on customers' needs.

In 2015, under the proper guidance of the shareholder's meeting and the support and cooperation of the Board and management, the Board of Supervisors discharged their duties as stipulated by relevant laws and regulations and the Articles of Association. Based on two fundamental principles of promoting the Company's development and safeguarding shareholders' interests, the Board of Supervisors carried out effective supervision in respect of the strategic development, financial position, internal control and risk management of the Company and fully performed its duty of supervision. The major work report of the Board of Supervisors in 2015 is as follows:

I. NORMATIVELY OPERATING THE SUPERVISORY BOARD AND ORDERLY ORGANIZING AND PARTICIPATING IN MEETINGS

(I) The meetings of the Board of Supervisors were held at appropriate times to enable sufficient performance of the duties of the Board of Supervisors

The Board of Supervisors held 4 meetings in 2015 (please see the announcements published on the websites of Shanghai Stock Exchange and the Company for details), and considered 24 resolutions and received 16 reports. On 27 March 2015, at the 8th meeting of the seventh session of the Board of Supervisors in Shanghai, the Board of Supervisors considered and approved several resolutions including the Resolution relating to the Changes in Accounting Estimates of China Pacific Insurance (Group) Co., Ltd.; on 29 April 2015, at the 9th meeting of the seventh session of the Board of Supervisors in Ningbo, the Board of Supervisors considered and approved, among the others, the Resolution relating to the 2015 1st Quarterly Report of China Pacific Insurance (Group) Co., Ltd.; on 28 August 2015, at the 10th meeting of the seventh session of the Board of Supervisors in Shanghai, the Board of Supervisors considered and approved, among others, the Resolution relating to the Summary and Full Versions of the 2015 Interim Report on the A Shares of China Pacific Insurance (Group) Co., Ltd.; on 30 October 2015, at the 11th meeting of the seventh session of the Board of Supervisors in Shenzhen, the Board of Supervisors considered and approved resolutions including the Resolution relating to the 2015 3rd Quarterly Report of China Pacific Insurance (Group) Co., Ltd.

(II) Attending general meetings and relevant meetings to strengthen the supervision of the senior management and Board of Directors of the Company

In 2015, members of the Board of Supervisors attended the general meeting of the Company and actively took part in the decision-making process of the Board by attending Board meetings. It listened to the discussion and review of the resolutions proposed during the meetings and provided independent suggestions and advice, playing an active role in supervising the decision-making process and the performance of duties by the Board of Directors. The Board of Supervisors supervised and assessed the annual performance of directors and senior managements through data, material review, site visit, inspections, and by organizing the audit of duties performed and formed the performance assessment report according to the supervision. The assessment report has been passed on the Company's annual general meeting of 2014.

II. PERFORMING DUTIES WITH DUE DILIGENCE BY PAYING CLOSE ATTENTION TO MAJOR ISSUES AND RISK MANAGEMENT**(I) Reviewing special reports with a focus on major issues relating to the implementation of strategies**

In 2015, the Board of Supervisors reviewed several special reports with a focus on major issues relating to the implementation of strategies. Thorough discussion and in-depth study were carried out in respect of the effectiveness of strategic transformation of the Company, transformation measures of life insurance, improvement of operation shortcomings for property insurance, analysis of investment performance and development strategies under the new health and pension layouts. These efforts effectively facilitated the establishment of a problem-solving work mechanism of the management.

(II) Strengthening financial supervision and safeguarding shareholders' interests

In 2015, the Board of Supervisors reviewed resolutions including those concerning periodic reports and profit distribution, and paid special attention to activities that had major cash flow consequences, accounting items which had a significant impact on the results of operations as well as matters which had a significant impact on shareholders' equity. Moreover, the Board of Supervisors supervised the preparation and review procedures as well as content and format of reports in respect of their truthfulness, accuracy and completeness, while keeping track of the Company's financial conditions in a timely manner through regular review of its financial reports such as monthly operation indicators and quarterly integrated operation analysis reports. The Board of Supervisors duly performed its duties of financial supervision and safeguarded the legitimate interests of retail investors.

The Board of Supervisors had also expressed its opinions on the Company's appointment of auditors. It was satisfied with the overall performance of the auditors and recommended the general meeting to continue to appoint PricewaterhouseCoopers Zhong Tian LLP (Special General Partnership) as the auditor of the Company for 2015 and PricewaterhouseCoopers as the auditor of financial statements under Hong Kong Financial Reporting Standards ("HKFRSs") of the Company for 2015.

(III) Strengthening internal control and optimising risk management system

The Board of Supervisors regularly reviews the report of the Company on works of strengthening internal control and risk management, and continuously supervises the Board to build and implement comprehensive internal control and risk management mechanism together with the management. In 2015, in order to maintain capital adequacy, the steady growth of value and profits, sufficient liquidity and excellent standards of supervision, the Company further refined and optimised its comprehensive risk management system in accordance with the requirements of the secondary payment supervision system. The Company also optimised its risk tolerance initiatives which were extended to all its major subsidiaries. Reasonable risk limits were established according to its risk tolerance and a corresponding accountability system of management was set up to implement the standards and responsibilities of risk prevention on the business frontline. The Company strived for the effective integration of risk limits with management goals of core insurance and investment businesses to ensure its efficient transformation and satisfactory operation. The Company facilitated the establishment of an all-round internal audit system covering all of the key areas and departments. Efforts were made to improve its ability and measures for identifying material problems through enhancement of remote management technology and risk-oriented audit. The Company also explored new value-added areas. It placed its focus on risks arising from its transformation while providing research report on internal audit and complying with its strategic goals.

III. ACTIVELY PARTICIPATING IN TRAININGS AND IMPROVING THE PERFORMANCE OF SUPERVISORS

The Board of Supervisors actively participated in trainings organized by the Company and lectures conducted by relevant lawyers and experts in relation to the latest regulatory system and industry development and trainings organized by regulatory institutions. In 2015, some Supervisors attended 2015 phase 2 of the training programme for directors and supervisors of listed companies in Shanghai sponsored by CSRC's Shanghai branch, to learn more about the latest supervisory concept and corporate governance regulations, standards on information disclosure and cases analysis, rights of supervisors, obligations and legal responsibilities, protection for investors and investors relationship management, etc..

In addition, all Supervisors also learnt the latest laws and regulations and supervisory rules dispatched by the Company on a timely basis as issued from time to time by the CSRC, CIRC, and the stock exchanges in which the Company was listed and by knowing those relevant laws and regulations and state of supervision of supervisory department. Each Supervisor further reinforced the theoretical basis and professional experience by participating in training activities, whether internal or external.

IV. FOCUSING ON THE KEY PERFORMANCE OF THEIR DUTIES AND PROVIDING INDEPENDENT ADVICE AND SUGGESTIONS

(I) The Company's Operational Compliance

The Board of Supervisors is of the opinion that during the reporting period, the Company maintained legally compliant operations and the Company's operational activities complied with regulatory requirements including those of the Company Law and the Articles of Association. The corporate governance structure was further improved. The decision-making procedures of the Board of Directors and the management were legal and valid, and the Directors and senior management were faithful and diligent in the process of operating and managing the Company. No conduct was found to have breached any laws or regulations or damaged the interests of Shareholders.

(II) Truthfulness of the Financial Statements

The financial statements of the Company for the year were audited by PricewaterhouseCoopers Zhong Tian LLP (Special General Partnership) and PricewaterhouseCoopers, based on their respective independent auditing standards, who issued the standard unqualified opinion of the auditors. The financial statements gave a true and fair view of the Company's financial positions and operational results.

(III) Consistent use of Proceeds from the Fund Raising according to the Grant

During the reporting period, the proceeds of the fund raising had been used by the Company to enrich the capital base to support sustainable business development, which was consistent with the use granted by the resolutions of the general meetings and the Board of Directors of the Company.

(IV) During the Reporting Period, the Company made no Major Asset Acquisition or Major Disposal of Assets.

(V) Fair and Reasonable Related Party Transactions

During the reporting period, the Company's related party transactions were fair and reasonable. No conduct was found to have damaged the interests of the Company and Shareholders.

(VI) No Objection to the Report on Internal Controls

During the reporting period, the Company established a relatively complete, reasonable and effective internal control system. The Board of Supervisors reviewed the Company's "Assessment Report on Internal Control" and raised no objection.

(VII) Effective Implementation of Resolutions Approved by Shareholders at the General Meeting

During the reporting period, the Board of Supervisors raised no objections to any of the reports and resolutions submitted by the Board of Directors for Shareholders' consideration at the general meetings and supervised the implementation of the resolutions approved by Shareholders at the general meetings. The Board of Supervisors is of the opinion that the Board of Directors is able to properly implement the relevant resolutions approved by Shareholders at the general meetings.

The Company proposes to obtain Shareholders' approval for granting a general mandate to authorize the Board of Directors to determine if the Company shall allot, issue and deal with, A Shares and H Shares, separately or concurrently, according to market conditions and the needs of the Company, provided that the respective number of shares shall not exceed 20% of each of the A Shares or H Shares of the Company in issue on the date of the passing of this special resolution. However, notwithstanding the granting of the general mandate to the Board of Directors, any issue of new A Shares would require another Shareholders' approval at a Shareholders' meeting in accordance with the relevant PRC laws and regulations.

- (1) Subject to paragraphs (3) and (4) below and pursuant to the Company Law of the People's Republic of China (the "**Company Law**") and the relevant regulatory stipulations (as amended from time to time) of the places where the shares of the Company are listed, the Board of Directors shall be granted a general and unconditional mandate to exercise all the powers of the Company to allot, issue and deal with new shares during the Relevant Period (as hereinafter defined) and to determine the terms and conditions for the allotment and issue of new shares which include, without limitation, the following terms:
 - (a) the class and number of new shares to be issued;
 - (b) the method of determining the issue price new shares and/or the issue price (including the price range);
 - (c) the starting and closing dates for the issue;
 - (d) the class and number of the new shares to be issued to existing shareholders; and
 - (e) the making or granting of offers, agreements and options which might require the exercise of such powers.
- (2) The approval in paragraph (1) shall authorize the Board of Directors during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period.
- (3) The aggregate nominal amount of the new A Shares and new H Shares allotted, issued and dealt with conditionally or unconditionally (whether pursuant to an option or otherwise) by the Board of Directors pursuant to the approval in paragraph (1), other than the shares issued pursuant to a Rights Issue (as hereinafter defined) or the rights to purchase the shares of the Company under any option scheme or similar arrangement, shall not exceed 20% of each of the A Shares and H Shares of the Company in issue as at the date of passing this resolution.
- (4) In exercising the powers granted in paragraph (1), the Board of Directors must (a) comply with the Company Law and the relevant regulatory stipulations (as amended from time to time) of the places where the shares of the Company are listed; and (b) obtain approval from China Securities Regulatory Commission and other relevant PRC government departments.

- (5) For the purpose of this resolution:

“**Relevant Period**” means the period from the date of passing this resolution until the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the 12-month period following the passing of this resolution; and
- (c) the revocation or variation of the mandate granted under this resolution by a special resolution of the Company’s shareholders in a general meeting.

“**Rights Issue**” means the allotment or issue of shares in the Company or other securities which would or might require shares to be allotted and issued pursuant to an offer made to all the shareholders of the Company (excluding for such purpose any shareholder who is resident in a place where such offer is not permitted under the law of that place) and, where appropriate, the holders of other equity securities of the Company entitled to such offer, pro rata (apart from fractional entitlements) to their existing holdings of shares or such other equity securities.

- (6) The Board of Directors, subject to the approval of the relevant authorities of the PRC and in accordance with the Company Law, shall be authorized to increase the registered capital of the Company to the required amount upon the exercise of the powers pursuant to paragraph (1) above.
- (7) The Board of Directors shall be authorized to sign the necessary documents, complete the necessary formalities and take other necessary steps to complete the allotment, issue and listing of new shares, provided that the same do not violate the relevant laws, administrative regulations and regulatory stipulations (as amended from time to time) of the places where the shares of the Company are listed, and the Articles of Association.
- (8) Subject to the approval of the relevant PRC authorities, the Board of Directors shall be authorized to make amendments to the Articles of Association as appropriate and necessary after the completion of the allotment and issue of new shares according to the method of the allotment and issue of new shares by the Company, the type and number of new shares to be allotted and issued by the Company, and the actual shareholding structure of the Company at the time of completion of the allotment and issue of new shares, in order to reflect the changes in the share capital structure and the registered capital of the Company pursuant to the exercise of this mandate.

**APPENDIX VI PROPOSAL ON THE CONTEMPLATED ROUTINE RELATED PARTY TRANSACTIONS
IN RESPECT OF FUNDS UTILISATION AND FINANCIAL PRODUCT BUSINESS**

In the course of routine business, the Company and its subsidiaries (including China Pacific Property Insurance Co., Ltd., China Pacific Life Insurance Co., Ltd., Pacific Asset Management Co., Ltd. and Changjiang Pension Insurance Co., Ltd.) carry out routine trading related to the funds utilization, including bonds, pledge-style bond repurchase, securities investment funds, asset management products, time deposits, trust products, integrated pension products as well as asset management products of the underlying assets of related parties at fair market prices with several counterparties and natural persons at fair market prices.

Certain individual Directors or Supervisors of the Company also serve as directors of the above-mentioned counterparties. According to Article 10.1.3 of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange (the “Shanghai Listing Rules”), such counterparties are the related legal persons of the Company. Certain Directors, Supervisors and senior management of the Company and their close family members subscribed the financial products issued by the Company and its subsidiaries. According to Article 10.1.5 of the “Shanghai Listing Rules”, such natural persons are the related natural persons of the Company. Therefore, the routine transactions, involving the types of transactions for bonds, pledge-style bond repurchase, securities investment funds, asset management products, time deposits, trust products, integrated pension products as well as asset management products of the underlying assets of related parties, between the Company as well as its subsidiaries and the aforesaid counterparties and natural persons constitute routine related party transaction. It is hereby proposed:

**APPENDIX VI PROPOSAL ON THE CONTEMPLATED ROUTINE RELATED PARTY TRANSACTIONS
IN RESPECT OF FUNDS UTILISATION AND FINANCIAL PRODUCT BUSINESS**

I. Introduction of related parties

Short Form	Company Name	Connected Relationship
Fortune Investment (華寶投資)	Fortune Investment Co., Ltd. (華寶投資有限公司)	Shareholder which holds more than 5% of shares in the Company, the company, in which Director ZHENG Anguo was a director
Orient Securities (東方證券)	Orient Securities Co., Ltd. (東方證券股份有限公司)	The company, in which Director WU Junhao was a director
Fortune Sg Fund (華寶興業基金)	Fortune Sg Fund Management Co., Ltd. (華寶興業基金管理有限公司)	The company, in which Director ZHENG Anguo was a director
Fortune Trust (華寶信託)	Fortune Trust Co., Ltd. (華寶信託有限責任公司)	The company, in which Director WANG Chengran was a director
Bohai Bank (渤海銀行)	China Bohai Bank Co., Ltd. (渤海銀行股份有限公司)	The company, in which Director WANG Chengran was a director
New China Asset (新華資產)	New China Asset Management Co., Ltd. (新華資產管理股份有限公司)	The company, in which Director WANG Chengran was a director
Shenwan & Hongyuan (申萬宏源)	Shenwan & Hongyuan Securities Co., Ltd. (申萬宏源證券有限公司)	The company, in which Supervisor ZHANG Xinmei was a director
Haitong Securities (海通證券)	Haitong Securities Co. Ltd. (海通證券股份有限公司)	The company, in which Supervisor ZHANG Xinmei was a director
Shanghai International Trust (上海國際信託)	Shanghai International Trust Co. Ltd. (上海國際信託有限公司)	The company, in which former Supervisor ZHANG Jianwei was a director
Related natural persons	/	Directors, Supervisors and senior management of the Company and their close family members

**APPENDIX VI PROPOSAL ON THE CONTEMPLATED ROUTINE RELATED PARTY TRANSACTIONS
IN RESPECT OF FUNDS UTILISATION AND FINANCIAL PRODUCT BUSINESS**

II. Estimate of categories and amounts of routine related party transaction in 2016

(I) Funds utilisation

To increase business scale, improve return rate and increase alternative asset allocation while realising liquidity management and reducing financing cost, the routine related party transactions of fund utilisation are categorized and summarized as follows:

Content of Transactions	Related Party	Amount	
		Amount Actually Generated in 2015 (RMB100 million)	Expected to be Generated in 2016 (RMB100 million)
Sale or purchase of debt securities	Fortune Trust (華寶信託)	0	60
	Fortune Sg Fund (華寶興業基金)	0.50	70
	Bohai Bank (渤海銀行)	0.20	30
	New China Asset (新華資產)	0	30
	Shenwan & Hongyuan (申萬宏源)	0	75
	Orient Securities (東方證券)	30.45	100
	Haitong Securities (海通證券)	10.30	200
Pledge-style bond repurchase	Fortune Trust (華寶信託)	0	65
	Fortune Sg Fund (華寶興業基金)	0	65
	Bohai Bank (渤海銀行)	0	65
	Orient Securities (東方證券)	0	65
	Shenwan & Hongyuan (申萬宏源)	0	65
	New China Asset (新華資產)	0	65
	Haitong Securities (海通證券)	0	65

**APPENDIX VI PROPOSAL ON THE CONTEMPLATED ROUTINE RELATED PARTY TRANSACTIONS
IN RESPECT OF FUNDS UTILISATION AND FINANCIAL PRODUCT BUSINESS**

Content of Transactions	Related Party	Amount	
		Amount Actually Generated in 2015 (RMB100 million)	Expected to be Generated in 2016 (RMB100 million)
Purchase of asset management products	New China Asset (新華資產)	0	40
	Orient Securities (東方證券)	48.90	20
	Haitong Securities (海通證券)	0	20
Subscription and Redemption of Fund	Fortune Sg Fund (華寶興業基金)	17.62	1,065
Investment in time deposits (Balance)	Bohai Bank (渤海銀行)	30	72
Purchase of Trust Plan	Fortune Trust (華寶信託)	0	140
	Shanghai International Trust (上海國際信託)	16.09	150

(II) Financial product business

In order to expand the asset management business and diversify product types, the routine related party transactions of financial product business are categorized and summarized as follows:

Content of Transactions	Related Party	Amount	
		Amount Actually Generated in 2015 (RMB100 million)	Expected to be Generated in 2016 (RMB100 million)
Sale of asset management products, integrated pension products	Bohai Bank (渤海銀行)	0	20
	Orient Securities (東方證券)	0	20
	Haitong Securities (海通證券)	0	20
	Fortune Investment (華寶投資)	0	20
	Fortune Trust (華寶信託)	23.87	20
	Fortune Sg Fund (華寶興業基金)	0	20
	Shanghai International Trust (上海國際信託)	0	20
	Shenwan & Hongyuan (申萬宏源)	0	20
	New China Asset (新華資產)	0	20
	Related natural persons	0.02	According to the actual amount occurred

**APPENDIX VI PROPOSAL ON THE CONTEMPLATED ROUTINE RELATED PARTY TRANSACTIONS
IN RESPECT OF FUNDS UTILISATION AND FINANCIAL PRODUCT BUSINESS**

Content of Transactions	Related Party	Amount	
		Amount Actually Generated in 2015 (RMB100 million)	Expected to be Generated in 2016 (RMB100 million)
Issuance of asset management products of the underlying assets of related parties	Orient Securities (東方證券)	0	50
	Haitong Securities (海通證券)	0	50
	Shenwan & Hongyuan (申萬宏源)	0	50

III. Pricing policy and basis for routine related party transactions

The transaction categories mentioned above are the business in relation to routine funds utilization and financial product business of the Company and its subsidiaries conducted at fair market prices. The Company has estimated the transaction amounts mentioned above on the basis of the business transactions with the related parties and actual transaction amounts in recent years, in combination with the overall growth of the asset scale of the Company in 2016.

According to the relevant requirements of the Shanghai Listing Rules, the Company expects that the transaction amounts with the related parties under the above-mentioned transactions in relation to funds utilization and financial product business will reach the standard where submissions to the Board of Directors and the general meeting of the Company are required in the forthcoming year (2016). Under the premise of complying with the examination, approval and disclosure procedure according to the Shanghai Listing Rules, and for the purpose of enhancing the decision-making and execution efficiency in the routine related party transactions with such related parties, and facilitating the business development of the transactions in relation to funds utilisation and financial product business, the Company has submitted the maximum quota for the transactions in relation to funds utilization and financial product business with the related parties in the year to come for consideration by the Board of Directors and at the General Meeting. As for the routine related party transactions within the scope of the above-mentioned estimation, such transactions will no longer be submitted separately to the Board of Directors and the General Meeting for consideration for approval. In the event of the estimated total amount mentioned above being exceeded in actual execution, the Company will submit the case again to the Board of Directors or the General Meeting for consideration based on the amount exceeding the limit.

Under the “Interim Measures for the Administration of related party transaction of Insurance Companies” (No. 24 [2007] China Insurance Regulatory Commission, hereinafter referred to as the “Interim Measures”) of China Insurance Regulatory Commission (the “CIRC”), “the board of an insurance company shall report annually to the shareholders’ general meeting on the status of related party transaction and the implementation of a related party transaction administration system”. Under the “Guidelines for Consolidated Supervision of Insurance Groups”(hereinafter referred to as the “Guidelines for Consolidated Supervision” promulgated by CIRC, “The compliance department of the insurance group or the company shall make annual appraisal reports by evaluating the internal transactions of the group. Such annual appraisal reports shall be submitted to the Board of Directors and the Board of Supervisors, and the Board of Directors shall submit the annual report to the General Meeting.” In particular, the “internal transactions” mentioned in the “Guidelines for Consolidated Supervision” shall mean within the scope of “related party transaction” stipulated by the Interim Measures. The status of related party transactions (including the internal transactions) of China Pacific Insurance (Group) Co., Ltd. (hereinafter referred to as the “Company”) and the implementation of the management system for related party transactions are hereby reported as follows:

I. STATUS OF RELATED PARTY TRANSACTION (INCLUDING THE INTERNAL TRANSACTIONS) IN 2015

(I) Status and appraisal of internal transactions

For details of the specific status of internal transactions among the CPIC Group and its member companies, please see the financial report of the Company in 2015.

For the year ended 31 December 2015, the Company has formulated the “Interim Management Measures for the Connected Transaction of China Pacific Insurance (Group) Co., Ltd.” and its implementation rules to set up the policy and procedure for monitoring, reporting on, controlling and handling the internal transactions in compliance with the regulatory requirements of “Guidelines for Consolidated Supervision”. The internal transactions have been conducted in accordance with the reasonable pricing and normal business standards, with neither damage to the clients’ benefits nor unfavorable impact on the stability of the Group.

(II) New material related party transactions

1. Subscription for fixed-income products. CPIC Allianz Health Insurance Co., Ltd. (the “CPIC Allianz”) authorized the fund of “CPIC Allianz authorized China Construction Bank Changjiang Pension Account” (太保安聯委託建設銀行長江養老專戶) managed by Changjiang Pension Insurance Co., Ltd. (the “Changjiang Pension”) to subscribe for CPIC Fixed Income Product No.1 for Wealth Management (太平洋理財寶一號固定收益型產品) issued by Pacific Asset Management Co., Ltd. (“CPIC AMC”). According to the requirements of the Interim Measures, the transaction constituted a material related party transaction between CPIC Allianz and CPIC AMC and was reviewed and approved by the first extraordinary general meeting of CPIC Allianz for 2015. The aforesaid material related party transaction was carried out at fair market prices. CPIC Allianz has made filings to CIRC in accordance with the requirements of the Interim Measures and made the disclosure of information in accordance with the rules of the CIRC.

2. Subscription for asset management products. CPIC P/C authorized the fund managed by CPIC AMC to subscribe for “CPIC Chenxin No.48 equity-type products” (太平洋誠信四十八號收益權型產品) and “Pacific Chenxin No.49 equity-type products” (太平洋誠信四十九號收益權型產品) issued by CPIC AMC. These products comprised the underlying assets of Orient Securities, a related party of CPIC P/C. According to the requirements of the Interim Measures, these transactions constituted material related party transactions between CPIC P/C and Orient Securities and were reviewed and approved by the second extraordinary meeting for 2015 of the fifth session of the board of directors of CPIC P/C. The aforesaid material related party transactions were carried out at fair market prices. CPIC P/C has made filings to CIRC in accordance with the requirements of the Interim Measures and made the disclosure of information in accordance with the regulations of the CIRC.
3. Equity transfer. CPIC P/C transferred 75.5 million shares of Changjiang Pension held by it to CPIC Life by way of share transfer agreement. According to the requirements of the Interim Measures, the transaction constituted a material related party transaction between CPIC AMC and CPIC Life and was reviewed and approved by the first extraordinary general meeting of CPIC AMC for 2015. CPIC AMC has made filings to CIRC in accordance with the requirements of the Interim Measures and made the disclosure of information in accordance with the rules of the CIRC.
4. Reinsurance Business. CPIC Allianz and CPIC Life entered into multiple “Health Reinsurance Agreements” (健康險成數再保險合同) for the insurance products of “Anxin•Yi Hospitalization Charges Medicare Insurance (H2014)” (心安•怡住院費用醫療保險 (H2014)), “Group Comprehensive Medical Insurance (H2015)” (團體綜合醫療保險 (H2015)), “Zhizhong Youxiang Medical Insurance for Cancer Prevention (H2015)” (質重優享防癌醫療保險 (H2015)) and etc. According to the requirements of the Interim Measures, these transactions constituted material related party transactions between CPIC Allianz and CPIC Life and were reviewed and approved by the first extraordinary general meeting of CPIC Allianz for 2014. The aforesaid material related party transactions were carried out at fair market prices. CPIC P/C has made filings to CIRC in accordance with the requirements of the Interim Measures and made the disclosure of information in accordance with the regulations of the CIRC.
5. Reinsurance Business. In order to diversify business risk and expand the areas of reinsurance cooperation, CPIC P/C and CPIC HK renewed “Reinsurance Agreement for Non-life Insurance Agreement” (非壽險協議分保合同). According to the requirements of the Interim Measures, the ceded premiums transactions of reinsurance business in 2015 constituted a material related party transaction between CPIC P/C and CPIC HK and were reviewed and approved by the second extraordinary meeting of the 3th board of directors of CPIC P/C for 2008. According to the board resolution, the aforesaid contract could be renewed upon expiry. The aforesaid material related party transaction was carried out at fair market prices. CPIC P/C has made filings to CIRC in accordance with the requirements of the Interim Measures and made the disclosure of information in accordance with the regulations of the CIRC.

(III) Funds utilisation for routine related party transaction

The Company and its subsidiaries carry out the routine trading of debt securities, securities investment funds, pledge-style bond repurchase, trust products, asset management products and routine transaction in respect of funds utilization and financial products with various counterparties at fair market prices. The Board meeting of the Company for 2015 approved the routine related party transactions of the fund utilization by all subsidiaries of the Company within the expected annual maximum amounts, without the necessity for separate submission to the Board of Directors for consideration for each of such transactions. The routine related party transactions of the fund utilization in 2015 are categorized and summarized as follows:

Unit: RMB100 million

Content of Transactions	Connected Party	Amount Expected to be Generated in 2015	Amount Actually Generated in 2015	Amounts of comparable transactions in 2015	Proportion in amounts of comparable transactions in 2015 (%)
Trading of debt securities with related parties	Orient Securities (東方證券)	100	30.45	1,538.84	1.98%
	Haitong Securities (海通證券)	200	10.3	1,538.84	0.67%
	Fortune Sg Fund (華寶興業基金)	—	0.5	1,538.84	0.03%
	Bohai Bank (渤海銀行)	—	0.2	1,538.84	0.01%
Application for fund redemption	Fortune Sg Fund (華寶興業基金)	60	17.62	1,200.53	1.47%
Purchase of trust plans	Shanghai International Trust (上海國際信託)	70	16.09	202.21	7.96%
Sale or purchase of asset management products	Orient Securities (東方證券)	69	48.9	357.54	13.68%
	安信農險 (Anxin Agricultural Insurance)	—	0.77	357.54	0.22%
	Fortune Trust (華寶信託)	—	23.87	357.54	6.68%

The above routine related party transactions which were conducted by the Company in accordance with the normal commercial terms during its ordinary course of business, had no influence on the independence of the Company. Though the above routine related party transactions were not required to be approved at the shareholders' general meetings, it was required to be disclosed collectively pursuant to the Shanghai Listing Rules and therefore a disclosure was made in the Company's annual report.

II. IMPLEMENTATION OF MANAGEMENT SYSTEM FOR RELATED PARTY TRANSACTIONS

With the establishment of a comprehensive management system of the related party transactions, the Company and its subsidiaries have kept on enhancing and optimizing the management of related party transactions. In 2015, the Company stringently put forward the management system for related party transactions. Based on its experience in managing related party transactions, it further organized and optimized the update of information on related parties and strengthened the management of processes, such as the review, approval and disclosure of related party transactions, and continuously enhanced the effectiveness of its management of related party transactions, in order to ensure that the related party transactions of the Company meet the requirements of the regulatory authorities and the listing rules of the Company's places of listing, and prevent the risks related to the related party transactions so as to safeguard the interests of the Company and its Shareholders.

(I) Timely update of information on related parties

In order to further enhance the quality of information about related parties and improve the management of related party transactions, the Company will update information on related parties annually in a timely manner. The Company also regularly requests related parties to take note of new regulations and rules, and to actively make voluntary reports on the related parties in accordance with regulatory requirements. In view of the increase in equity investments, the Company has further enhanced its management on the collection of information of related parties regarding external equity investments. As at 31 December 2015, the Company and its subsidiaries had 1,305 related legal persons and other organizations (including subsidiaries of Allianz SE), and 906 related natural persons.

(II) Strengthening review of related party transactions

According to the Interim Management Measures on Related Party Transactions of China Pacific Insurance (Group) Co., Ltd and the Interim Management Measures on Connected Transactions of H Shares of China Pacific Insurance (Group) Co., Ltd, Board meetings or Shareholders' general meetings of the Company are responsible for reviewing and approving major related party transactions, and delegating the Company and its relevant departments to review general related party transactions.

(III) Proper information disclosure and reporting

In compliance with the relevant regulations and due completion of the disclosure on related party transaction as well as regulatory reporting work. Based on the regulation of "Standards for Disclosure of Information on Funds Utilisation by Insurance Companies No. 1: Related Party Transaction" of the CIRC, the Company made public disclosure of information in respect of conducting the utilisation of insurance capital funds through the website of the Company and the website of Association of Insurance Industry and urged subsidiaries to complete the filing and disclosure procedures on the material related party transactions in 2015 in accordance with the requirements of CIRC.

(IV) Conducting special audit of related party transactions regularly

Based on the requirements of the Interim Measures of CIRC, the audit department of the Company carried out special audits of related party transactions of the Company and the implementation of its procedures during the year of 2015 and gave opinions on the policy implementation problems faced by the Company. The compliance management department of the Company asked the relevant departments to promptly rectify such problems so as to ensure the compliancy and fairness of the Company's related party transactions and to safeguard the legitimate interests of the Company and its Shareholders.

NOTICE OF THE ANNUAL GENERAL MEETING



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)

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (“AGM” or “**Annual General Meeting**”) of China Pacific Insurance (Group) Co., Ltd. (the “**Company**”) will be held at Sheraton Dameisha Resort, Shenzhen, Guangdong, the People’s Republic of China (the “**PRC**”) on Friday, 17 June 2016 at 1:30 p.m., for the following purposes:

ORDINARY RESOLUTIONS:

1. To consider and approve the report of the Board of Directors of the Company for the year 2015.
2. To consider and approve the report of the Board of Supervisors of the Company for the year 2015.
3. To consider and approve the full text and the summary of the annual report of A shares of the Company for the year 2015.
4. To consider and approve the annual report of H shares of the Company for the year 2015.
5. To consider and approve the financial statements and report of the Company for the year 2015.
6. To consider and approve the profit distribution plan of the Company for the year 2015.
7. To consider and approve the proposal on the appointment of auditors for the year 2016.
8. To consider and approve the due diligence report of the Directors for the year 2015.
9. To consider and approve the report on performance of Independent Directors for the year 2015.

NOTICE OF THE ANNUAL GENERAL MEETING

SPECIAL RESOLUTION:

10. As special business, to authorize the Board of Directors of the Company to determine if the Company shall allot, issue and deal with, A Shares and H Shares, separately or concurrently, according to market conditions and the needs of the Company, provided that the respective number of shares shall not exceed 20% of each of the A Shares or H Shares of the Company in issue on the date of the passing of this special resolution. However, notwithstanding the granting of the general mandate to the Board of Directors, any issue of new A Shares would require another shareholders' approval at a shareholders' meeting in accordance with the relevant PRC laws and regulations.
- (1) Subject to paragraphs (3) and (4) below and pursuant to the Company Law of the People's Republic of China (the "**Company Law**") and the relevant regulatory stipulations (as amended from time to time) of the places where the shares of the Company are listed, the Board of Directors shall be granted a general and unconditional mandate to exercise all the powers of the Company to allot, issue and deal with new shares during the Relevant Period (as hereinafter defined) and to determine the terms and conditions for the allotment and issue of new shares which include, without limitation, the following terms:
- (a) the class and number of new shares to be issued;
 - (b) the method of determining the issue price new shares and/or the issue price (including the price range);
 - (c) the starting and closing dates for the issue;
 - (d) class and number of the new shares to be issued to existing shareholders; and
 - (e) the making or granting of offers, agreements and options which might require the exercise of such powers.
- (2) The approval in paragraph (1) shall authorize the Board of Directors during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period.
- (3) The aggregate nominal amount of the new A Shares and new H Shares allotted, issued and dealt with conditionally or unconditionally (whether pursuant to an option or otherwise) by the Board of Directors pursuant to the approval in paragraph (1), other than the shares issued pursuant to a Rights Issue (as hereinafter defined) or the rights to purchase the shares of the Company under any option scheme or similar arrangement, shall not exceed 20% of each of the A Shares and H Shares of the Company in issue as at the date of passing this resolution.
- (4) In exercising the powers granted in paragraph (1), the Board of Directors must (a) comply with the Company Law and the relevant regulatory stipulations (as amended from time to time) of the places where the shares of the Company are listed; and (b) obtain approval from China Securities Regulatory Commission and other relevant PRC government departments.

NOTICE OF THE ANNUAL GENERAL MEETING

- (5) For the purpose of this resolution:

“**Relevant Period**” means the period from the date of passing this resolution until the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the 12-month period following the passing of this resolution; and
- (c) the revocation or variation of the mandate granted under this resolution by a special resolution of the Company’s shareholders in a general meeting.

“**Rights Issue**” means the allotment or issue of shares in the Company or other securities which would or might require shares to be allotted and issued pursuant to an offer made to all the shareholders of the Company (excluding for such purpose any shareholder who is resident in a place where such offer is not permitted under the law of that place) and, where appropriate, the holders of other equity securities of the Company entitled to such offer, pro rata (apart from fractional entitlements) to their existing holdings of shares or such other equity securities.

- (6) The Board of Directors, subject to the approval of the relevant authorities of the PRC and in accordance with the Company Law, shall be authorized to increase the registered capital of the Company to the required amount upon the exercise of the powers pursuant to paragraph (1) above.
- (7) The Board of Directors shall be authorized to sign the necessary documents, complete the necessary formalities and take other necessary steps to complete the allotment, issue and listing of new shares, provided that the same do not violate the relevant laws, administrative regulations, and regulatory stipulations (as amended from time to time) of the places where the shares of the Company are listed, and the Articles of Association.
- (8) Subject to the approval of the relevant PRC authorities, the Board of Directors shall be authorized to make amendments to the Articles of Association as appropriate and necessary after the completion of the allotment and issue of new shares according to the method of the allotment and issue of new shares by the Company the type and number of new shares to be allotted and issued by the Company, and the actual shareholding structure of the Company at the time of completion of the allotment and issue of new shares, in order to reflect the changes in the share capital structure and the registered capital of the Company pursuant to the exercise of this mandate.

PROPOSAL FOR APPROVAL BY HOLDERS OF A SHARES OF THE COMPANY (FOR INFORMATION PURPOSES ONLY AND NOT SUBJECT TO APPROVAL BY HOLDERS OF H SHARES OF THE COMPANY)

- 11. Proposal on the contemplated routine related party transactions in respect of funds utilisation and financial product business.

REPORT TO BE REVIEWED

- 12. To review the report on the status of related party transactions and the implementation of management system for related party transactions for the year 2015.

NOTICE OF THE ANNUAL GENERAL MEETING

Note: The English version of this notice is an unofficial translation and is for reference only. In case of inconsistency between the English and Chinese versions, the Chinese version shall prevail.

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

Shanghai, the PRC
29 April 2016

Notes:

1. Eligibility for attending the Annual General Meeting and closure of register of members for H Shares

The Annual General Meeting will be held on Friday, 17 June 2016. The H Share Register of Members of the Company will be closed for the purpose of determining H Share shareholders' entitlement to attend the AGM, from Wednesday, 18 May 2016 to Friday, 17 June 2016 (both days inclusive), during which no transfer of H Shares will be registered. In order to attend the AGM, H Share shareholders should ensure that all transfer documents, accompanied with the relevant share certificates, are lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, by no later than 4:30 p.m. on Tuesday, 17 May 2016.

2. Proposed final dividend

On 25 March 2016, the Board recommended a final dividend of RMB1.00 per share (including tax) for the year ended 31 December 2015, amounting to approximately RMB9.062 billion in aggregate. The proposed final dividend is subject to the approval of shareholders at the 2015 Annual General Meeting. If approved, it is expected that the payment of the final dividend will be made on or before Thursday, 11 August 2016 to the shareholders whose names appear on the H Share Register of Members of the Company on Tuesday, 28 June 2016.

3. Withholding of dividend income tax

Pursuant to the applicable provisions of the Enterprise Income Tax Law of the PRC and its implementation rules enacted in 2008, the Company is required to withhold 10% of corporate income tax when it distributes the final dividend to its non-resident enterprise shareholders whose names appear on the H Share Register of Members of the Company on Tuesday, 28 June 2016.

Pursuant to the applicable provisions of the Individual Income Tax Law of the PRC and its implementation rules and confirmed by the relevant tax authorities in the PRC after consulting with them by the Company, the Company will withhold individual income tax at the tax rate of 10% when it distributes the final dividend for 2015 to individual holders of H Shares appeared on the Company's H Share Register of Members on Tuesday, 28 June 2016. However, if it is otherwise stated in the tax regulations and relevant tax treaty, the Company will withhold individual income tax based on their dividend at the required tax rate and in accordance with the relevant procedures. If the applicable dividend tax rate is less than 10%, the individual H Share shareholders are entitled to apply for refund of the over-deducted amount on their own or appoint an agent to act on their behalf according to the tax treaty entered into between their countries of domicile and the PRC and the regulations of the relevant PRC tax authorities.

NOTICE OF THE ANNUAL GENERAL MEETING

The Company will withhold the enterprise income tax as well as the individual income tax as required by law for H Share shareholders whose names appeared on the Company's H Share Register of Members on Tuesday, 28 June 2016. The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the individual H Share shareholders and for any claims arising from any delay in or inaccurate determination of the tax status or tax treatment of the individual H Share shareholders or any disputes over the withholding mechanism or arrangements.

Withholding of Income Tax for Holders of H Shares via the Hong Kong Stock Connect

Pursuant to the Notice on Relevant Taxation Policies Concerning the Pilot Inter-connected Mechanism for Trading on the Shanghai Stock Market and the Hong Kong Stock Market (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)) promulgated on 17 November 2014:

- In respect of the dividends received by Mainland individual investors who invest in the H shares of the Company via the Shanghai-Hong Kong Stock Connect Program, the Company will withhold individual income tax at the rate of 20%. Individual investors may, by producing valid tax payment proofs, apply to the competent tax authority of China Securities Depository and Clearing Company Limited for tax credit relating to the withholding tax already paid abroad. In respect of the dividends received by Mainland securities investment funds that invest in the H shares of the Company via the Shanghai-Hong Kong Stock Connect Program, the Company will withhold individual income tax in the same way as the foregoing requirements;
- In respect of the dividends received by Mainland corporate investors that invest in the H shares of the Company via the Shanghai-Hong Kong Stock Connect Program, the Company will not withhold any income tax from the dividend and the Mainland corporate investors shall file the tax returns on their own.

Withholding of Income Tax for Holders of A Shares via the Shanghai Stock Connect

For investors of the Hong Kong Stock Exchange (including enterprises and individuals) investing in the A shares of the Company listed on the Shanghai Stock Exchange (the "Shanghai Stock Connect"), the dividends received by them will be distributed in RMB by the Company through the Shanghai Branch of China Securities Depository and Clearing Corporation Limited as the nominee account holding such A shares. Pursuant to the Notice on Relevant Taxation Policies Concerning the Pilot Inter-connected Mechanism for Trading on the Shanghai Stock Market and the Hong Kong Stock Market (Cai Shui [2014] No. 81) (《財政部、國家稅務總局、證監會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)), the Company will withhold income tax at the rate of 10% on behalf of those investors and will undertake the reporting procedures on the tax withholding and payment with the tax authorities, and the after-tax cash dividend will be RMB0.90 per share. For investors of Shanghai Stock Connect who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may apply to the competent tax authorities for the entitlement of the rate under such tax treaty. Upon approval by the tax authorities, the amount paid in excess of the tax payable based on the tax rate according to such tax treaty will be refunded.

All investors should read this notice carefully. Shareholders are recommended to consult their tax advisors on the PRC, Hong Kong and other tax effects regarding their holding and disposing of H shares of the Company.

NOTICE OF THE ANNUAL GENERAL MEETING

4. Eligibility for proposed final dividend and closure of H Share register of members

The H Share Register of Members of the Company will be closed from Thursday, 23 June 2016 to Tuesday, 28 June 2016 (both days inclusive), during which period no transfer of H Shares will be registered. In order to be eligible for the entitlement of the final dividend, H Share shareholders should ensure that all transfer documents, accompanied with the relevant share certificates, are lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, by no later than 4:30 p.m. on Wednesday, 22 June 2016.

5. Proxy

- (1) Each shareholder entitled to attend and vote at the Annual General Meeting may appoint one or more proxies in writing to attend and vote on his behalf. A proxy need not be a shareholder of the Company.
- (2) The instrument appointing a proxy must be in writing by the appointor or his attorney duly authorized in writing, or if the appointor is a legal entity, either under seal or signed by a director or a duly authorized attorney. If that instrument is signed by an attorney of the appointor, the power of attorney authorizing that attorney to sign or other document of authorization must be notarized.

To be valid, for holders of H Shares, the form of proxy and notarized power of attorney or other document of authorization must be delivered to Computershare Hong Kong Investor Services Limited, not less than 24 hours before the time appointed for the Annual General Meeting (Form of proxy for use at the Annual General Meeting is attached herewith).

- (3) If a shareholder appoints more than one proxy, such proxies shall only exercise the right to vote by poll.

6. Registration procedures for attending the Annual General Meeting

- (1) A shareholder or his proxy should produce proof of identity when attending the Annual General Meeting. If a shareholder is a legal person, its legal representative or other person authorized by the board of directors or other governing body of such shareholder may attend the Annual General Meeting by producing a copy of the resolution of the board of directors or other governing body of such shareholder appointing such person to attend the meeting.
- (2) Shareholders of the Company intending to attend the Annual General Meeting in person or by their proxies should complete and return the reply slip for attending the Annual General Meeting to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong on or before Friday, 27 May 2016.

7. Voting by poll

According to Rule 13.39(4) of the Hong Kong Listing Rules, any vote of shareholders at a 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. Accordingly, the chairman of the Annual General Meeting will demand a poll in relation to all the proposed resolutions at the Annual General Meeting in accordance with Article 91 of the Articles of Association of the Company.

NOTICE OF THE ANNUAL GENERAL MEETING

8. Miscellaneous

(1) The Annual General Meeting is expected to be held for no more than half a day. Shareholders who attend the meeting in person or by proxy shall bear their own travelling and accommodation expenses.

(2) The address of Computershare Hong Kong Investor Services Limited is:

17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

(3) The address of China Securities Depository and Clearing Corporation Limited Shanghai Branch is:

Level 36, China Insurance Building, 166 East Lujiazui Road, Pudong New District, Shanghai, the People's Republic of China.

(4) The registered office of the Company is at:

South Tower, Bank of Communications Financial Building, 190 Central Yincheng Road, Pudong New District, Shanghai 200120 The People's Republic of China

Contact office: Office of the Board

Contact Person: XU Yuzhao, OU Tao

Telephone No.: 86 (21) 3396 1627, 3396 1192

Facsimile No.: 86 (21) 6887 0791

As of the date of this notice, the Executive Directors of the Company are Mr. GAO Guofu and Mr. HUO Lianhong; the Non-executive Directors of the Company are Mr. WANG Jian, Mr. WANG Chengran, Ms. SUN Xiaoning, Mr. WU Jumin, Mr. WU Junhao, Mr. ZHENG Anguo and Ms. HA Erman; 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.