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**PING AN**

Insurance • Banking • Investment

# **中国平安保险(集团)股份有限公司**

**Ping An Insurance (Group) Company of China, Ltd.**

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

**(Stock Code: 2318)**

**(i) PROPOSED ADOPTION OF THE LONG-TERM SERVICE PLAN**

**(ii) PROPOSED ELECTION OF INDEPENDENT NON-EXECUTIVE  
DIRECTORS**

**(iii) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

**AND**

**(iv) PROPOSED THE SHARE BUY-BACK AND THE RELEVANT  
AUTHORIZATION**

## **PROPOSED ADOPTION OF THE LONG-TERM SERVICE PLAN**

On October 29, 2018, the Board has proposed to adopt the Long-term Service Plan, which is subject to the approval of the Shareholders at the EGM.

## **PROPOSED ELECTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS**

On October 29, 2018, the Board has proposed to appoint Mr. Ng Sing Yip, Mr. Chu Yiyun and Mr. Liu Hong as Independent Non-executive Directors in place of Mr. Yip Dicky Peter, Mr. Wong Oscar Sai Hung and Mr. Sun Dongdong.

## **PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

On October 29, 2018, the Board has proposed to approve, among others, the resolution in relation to the Proposed Amendments to the Articles of Association. Details of the Proposed Amendments are set out in the Appendix to this announcement. The Proposed Amendments are subject to the Shareholders' approval at the general meeting by way of special resolution and will become effective upon approval by the CBIRC.

## **PROPOSED THE SHARE BUY-BACK AND THE RELEVANT AUTHORIZATION**

On October 29, 2018, the Board has approved the Proposed the plan of Share Buy-back and the relevant authorization, subject to the Shareholder's approval at the general meeting by way of special resolutions. The relevant authorization shall take effective from the date of approval of the general meeting of the Company.

## GENERAL

A circular containing, inter alia, details of the proposed adoption of the Long-term Service Plan, the proposed election of Independent Non-executive Directors, the proposed amendments to the Articles of Association, the proposed Share Buy-back and the relevant authorization and the notice of the EGM will be despatched to the Shareholders in due course.

### I. PROPOSED ADOPTION OF THE LONG-TERM SERVICE PLAN

The board (the “**Board**”) of directors (the “**Directors**”) of Ping An Insurance (Group) Company of China, Ltd. (the “**Company**”) proposed to adopt a Long-term Service Plan (the “**Plan**”) for the key talents (including executive Directors and senior management) of the Company and its subsidiaries (collectively, the “**Company**”).

The purpose of the Plan is to (i) strengthen the long-term bundling on the interests of the Company and the employees and ensure that employees consciously promote the sustainable development of the Company with benefit sharing and risk sharing so as to create long-term and sustainable value for the shareholders of the Company (the “**Shareholders**”); (ii) strengthen internal incentives, respond actively to increasingly fierce competition for talents, and encourage core talents to serve and take root in the Company for a long time so as to ensure the health and stability of the talent team of the Company; and (iii) improve the corporate governance structure of the Company and improve the long-term incentive and restraint mechanisms of the Company. The relevant interests of the Plan shall be vested in the key talents approved for participation in the Plan, subject to the confirmation of their applications made when they reach the retirement age as stipulated under the laws of China and no longer have any employment relationship with the Company, as well as the payment of the applicable taxes.

The Company formulated the Plan in accordance with the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China and other laws, regulations, regulatory documents and the Articles of Association of the Company.

The Board proposed to adopt the Plan and resolved to submit the same to the forthcoming extraordinary general meeting of the Company (the “**EGM**”) for Shareholders’ approval and for authorizing the Board to handle the relevant matters of the Plan. It is proposed that China Merchants Securities Asset Management Co., Ltd. would be appointed as the asset management organization of the Plan, which will in turn, help establish an asset management plan to attend to the purchase on market and hold the relevant interests of the Plan.

The Plan does not involve the grant of options over new Shares or other new securities issued by the Company and does not constitute a share option Plan as defined in Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

## II. PROPOSED ELECTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Pursuant to the “Guidance relating to the Establishment of Independent Director System of Listed Company” issued by China Securities Regulatory Commission and the “Measures relating to the Management of Independent Director of Insurance Organizations” issued by China Banking and Insurance Regulatory Commission (the “CBIRC”), an independent non-executive Director of the Ping An Insurance (Group) Company of China, Ltd. (the “Company”) (the “Independent Non-executive Director”) shall not hold office for more than 6 years. Mr. Yip Dicky Peter, Mr. Wong Oscar Sai Hung and Mr. Sun Dongdong have been the Independent Non-executive Directors since June 2013 and will have held their offices for 6 years in June 2019. As the qualification as Director needs to be approved by the CBIRC, to ensure the normal operation of the Board, the Board has nominated Mr. Ng Sing Yip (“Mr. Ng”), Mr. Chu Yiyun (“Mr. Chu”) and Mr. Liu Hong (“Mr. Liu”, collectively as the “Candidates”) as candidates for election as Independent Non-executive Directors of the 11th Session of the Board (the “Proposed Appointments”) on October 29, 2018. The Proposed Appointments shall become effective upon the approval from the Shareholders at the EGM and the approval of their qualifications as Directors from the CBIRC are obtained. Mr. Yip Dicky Peter, Mr. Wong Oscar Sai Hung and Mr. Sun Dongdong will resign as Directors upon the appointments of Mr. Ng, Mr. Chu and Mr. Liu as the Independent Non-executive Directors become effective.

Biographical details of the Candidates are set out below:

**Mr. Ng Sing Yip**, 67 years old, is currently vice chairman of the Legal Committee of the Hong Kong General Chamber of Commerce, member of the Professional Advisory Board, Asian Institute of International Financial Law, the University of Hong Kong, chairman of the Board of Supervision of HSBC Bank Vietnam Limited, and non-executive director of HSBC Bank (China) Co Limited. Mr. Ng is also a non-executive director of Hang Seng Bank Limited (0011.HK). Mr. Ng is admitted as a solicitor to the Supreme Courts of England, Hong Kong and Victoria, Australia. He previously worked as a Crown Counsel in the Attorney General’s Chambers before going into private practice. Mr. Ng joined HSBC in June 1987 as Assistant Group Legal Consultant, was later appointed Deputy Head of the Legal and Compliance Department in February 1993, and promoted to Head of Legal & Compliance in 1997 until retiring in 2016. Mr. Ng has a Bachelor’s degree and Master’s degree in Laws (L.L.B. and L.L.M.) from the University of London, and also has a Bachelor’s degree in Laws (L.L.B.) from Beijing University.

**Mr. Chu Yiyun**, 54 years old, is currently a professor and doctoral supervisor of Accounting College of Shanghai University of Finance and Economics, a full-time researcher of the Accounting and Finance Research Institute of Shanghai University of Finance and Economics, a Key Research Institute of Humanities and Social Sciences of the Ministry of Education, and the executive secretary of the Accounting Education Branch of the Accounting Society of China. Mr. Chu is also an independent supervisor of Ping An Bank Co., Ltd. (000001.SZ), an independent director of China Jushi Co., Ltd. (600176.SH), Shanghai Tongji Science & Technology Industrial Co., Ltd. (600846.SH), Tellhow Sci-Tech Co., Ltd. (600590.SH), Huan Xu Electronics Co., Ltd. (601231.SH) and Bank Of Jiaxing Co., Ltd., a director of the 8th Council of the Accounting Society of China and a member of the First Accounting Standards Advisory Committee of the Ministry of Finance. Previously, Mr. Chu served as an independent director of Ping An Bank Co., Ltd and Shanghai JinFeng Wine Company Limited (600616.SH). Mr. Chu received his Ph.D. degree in Accounting from Shanghai University of Finance and Economics.

**Mr. Liu Hong**, 51 years old, is currently a Full Professor and doctoral supervisor of Peking University (PKU) as well as the Vice President of Chinese Association for Artificial Intelligent. Mr. Liu is also an independent non-executive director of Shenzhen JingQuanHua Electronics Co., Ltd. (002885.SZ), a member of the leading expert group of “Intelligent Robots” in the National “13th Five-Year Plan” Key Research and Development Plan and one of the first “National High-level Talents Special Support Plan” experts. Mr. Liu engages in teaching, research and industrialization in fields including artificial intelligence and robots, and received the Chinese National Aerospace Award and the Wu Wenjun Award on Artificial Intelligence. Mr. Liu received the Ph.D. degree in mechanical electronics and automation and completed his postdoctoral research in PKU.

It is proposed that each of the Candidates will be appointed to hold office until the expiry of the 11th Session of the Board. If each of the Candidates are appointed as the Director, he will enter into a service contract with the Company upon his appointment. The Candidates have met the independence requirements as set out in Rule 3.13 of the Listing Rules.

It is proposed that each of the Candidates will receive an annual fee of RMB600,000. In addition, the standard rate of working allowance for the Independent Non-executive Director for attending the meetings in person (excluding the meetings held by way of written communication) is RMB10,000/time, however attending different meetings during the same meeting period shall not be accumulated and shall be calculated as one time. The Independent Non-executive Director attending the meeting by proxy shall not receive the allowance for such meeting.

Save as disclosed above, as at the date of the announcement, each of the Candidates (i) had not held any other directorships in any listed public companies, in Hong Kong or overseas, and in the Company and its subsidiaries in the last three years or has held any other positions within the Group; (ii) had not had any relationship with any Directors, supervisors, senior management, substantial shareholders or controlling shareholders of the Company; and (iii) had not had any interests in the Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

According to the Articles of Association, the term of each session of the Board is three years and Directors are eligible for re-election upon completion of their term subject to the stipulations in the Articles of Association.

Save as disclosed herein, as at the date of the announcement, there were no other matters relating to the Proposed Appointment that need to be brought to the attention of the Shareholders nor was there any information to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

### **III. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

The Board convened the 3rd meeting of the 11th session of the Board on October 29, 2018 and approved, among others, the resolution in relation to the amendments (the “**Proposed Amendments**”) to the articles of association of the Ping An Insurance (Group) Company of China, Ltd. (the “**Articles of Association**”).

Details of the Proposed Amendments are set out in the Appendix to this announcement.

The Proposed Amendments are subject to the Shareholders' approval at the EGM by way of special resolution and will become effective upon approval by the CBIRC.

#### **IV. PROPOSED THE SHARE BUY-BACK AND THE RELEVANT AUTHORIZATION**

In accordance with "The Resolution on Amendments to the PRC's Company Laws" passed on the 6th meeting of the 13th session of Standing Committee of the National People's Congress held on October 26, 2018 and the Articles of Association, in order to actively respond to the policy orientation of the PRC's government and regulatory authorities, stabilize the capital market and maximize shareholders' value, Ping An Insurance (Group) Co., Ltd. (the "**Company**") has formulated a share buy-back plan, of which the details are as follows:

##### **1. Reasons of the Buy-Back**

Share buy-back is to maintain stability of the Company's operations, development and share price, to safeguard and protect the long-term interests of the Shareholders, to promote the maximization of Shareholders' value, to further improve and refine the long-term incentive and talent retention mechanism, and to ensure the sustainable operations and healthy development of the Company.

##### **2. Method of the Buy-back**

The Company will buy-back its outstanding domestic and/or overseas shares as appropriate and at suitable times based on volatility and changes in the capital market and the share price of the Company, with a maximum amount of no more than 10% of the total number of Shares of the Company in issue. The Company will apply internal funds legally available for such purpose in accordance with the Articles of Association and the laws of the People's Republic of China.

##### **3. Authorisation of the Buy-back**

Considering that the capital market is changing rapidly with opportunities fleeting, in order to accurately grasp the timing to ensure smooth commencement of buy-back and related issues, it is proposed to the general meeting to grant a general mandate to the Board, and the consent to the Board to further authorize executive Directors to handle related matters regarding the buy-back. The Proposed Share Buy-back Mandate is subject to the Shareholders' approval at the relevant general meetings by way of special resolutions. Such authorization shall take effective from the date of approval of the general meetings of the Company.

## V. GENERAL

A circular containing, inter alia, details of the proposed adoption of the Long-term Service Plan, the proposed election of Independent Non-executive Directors, the Proposed Amendments to the Articles of Association, the proposed Share Buy-back and the relevant authorization and the notice of the EGM will be despatched to the Shareholders in due course.

By order of the Board  
**Yao Jun**  
Company Secretary

Shenzhen, PRC, October 29, 2018

*As at the date of this announcement, the Executive Directors of the Company are Ma Mingzhe, Sun Jianyi, Ren Huichuan, Yao Jason Bo, Lee Yuansiong and Cai Fangfang; the Non-executive Directors of the Company are Soopakij Chearavanont, Yang Xiaoping, Liu Chong and Wang Yongjian; the Independent Non-executive Directors of the Company are Yip Dicky Peter, Wong Oscar Sai Hung, Sun Dongdong, Ge Ming and Ouyang Hui.*



## Appendix:

### Particulars of the Proposed Amendments to the Articles of Association

Existing Articles of Association	Revised Articles of Association
<p><b>Article 36</b></p> <p>The Company may, in <u>the following circumstances, buy back its own issued and outstanding shares in accordance with the procedures provided for in laws, administrative measures, departmental regulations and these Articles of Association, and submit for approval by the relevant State authorities:</u></p> <p>(1) <u>cancellation of shares in order to reduce its capital;</u></p> <p>(2) merger with another company holding shares in the Company;</p> <p>(3) <u>award shares to the staff of the Company;</u></p> <p>(4) request the Company to buy back shares held by shareholders disputing resolutions passed during shareholders' general meeting in relation to the mergers and divisions of the Company; or</p> <p>(5) <u>other circumstances permitted by laws or administrative regulations.</u></p> <p><u>The Company shall not conduct any activities to buy-back shares other than in the above circumstances.</u></p>	<p><b>Article 36</b></p> <p>The Company may, in <u>one of the following circumstances, purchase the shares of the Company:</u></p> <p>(1) <u>reduction in its registered capital;</u></p> <p>(2) merger with another company holding shares in the Company;</p> <p>(3) <u>using the shares for employee shareholding schemes or as share incentives;</u></p> <p>(4) request the Company to buy back shares held by shareholders disputing resolutions passed during shareholders' general meeting in relation to the mergers and divisions of the Company;</p> <p>(5) <u>using the shares for converting bonds issued by the Company to convert them to stocks; or</u></p> <p>(6) <u>necessary acts by the Company to protect its value while safeguarding the interests of shareholders.</u></p> <p>When the Company is to buy back shares because of the circumstances (1) <u>and (2)</u> set out above, prior approval shall be obtained in shareholders' general meeting; <u>when the Company is to buy back shares because of the circumstances (3), (5) and (6) set out above, prior approval shall be obtained in board meeting where over two-thirds of the directors are present.</u></p>

Existing Articles of Association	Revised Articles of Association
<p>When the Company is to buy back shares because of the circumstances (1) <b>to (3)</b> set out above, prior approval shall be obtained in shareholders' general meeting. Under the circumstances set out in (1), the shares shall be cancelled within 10 days of buy-back; Under the circumstances set out in (2), (4), the shares shall be transferred or cancelled within six months of buy-back. <u>Not more than 5% of the total issued share capital of the Company shall be bought back by the Company under the circumstance set out in (3); the capital used to buy back shares shall be out of the after tax profit. The buy back shares shall be transferred to the staff within one year from the date of buy back.</u></p>	<p><u>Upon the purchase of the shares of the Company, the Company should fulfil its disclosure obligation as required under the Securities Law.</u></p>
<p><b>Article 70</b></p> <p>The shareholders' general meeting shall exercise the following functions and powers:</p> <p>(1) to determine the business policies and investment plans of the Company;</p> <p>.....</p> <p>(18) to pass resolutions on <u>purchase of the shares of the Company;</u></p> <p>.....</p>	<p><b>Article 70</b></p> <p>The shareholders' general meeting shall exercise the following functions and powers:</p> <p>(1) to determine the business policies and investment plans of the Company;</p> <p>.....</p> <p>(18) to pass resolutions on <u>purchase of the shares of the Company because of the circumstances (1) and (2) as required in Article 36 of these Articles of Association;</u></p> <p>.....</p>
<p><b>Article 99</b></p> <p>The following matters shall be resolved by way of a special resolution of the shareholders' general meeting:</p> <p>(1) increase or reduction of the Company share capital;</p> <p>(2) <u>buy-back</u> of Company's shares;</p>	<p><b>Article 99</b></p> <p>The following matters shall be resolved by way of a special resolution of the shareholders' general meeting:</p> <p>(1) increase or reduction of the Company share capital;</p> <p>(2) <u>purchase of Company's shares because of the circumstances (1) and (2) as required in Article 36 of these Articles of Association;</u></p>



Existing Articles of Association	Revised Articles of Association
<p><b>Article 138</b></p> <p>The board of directors shall be accountable to the shareholders' general meeting and shall exercise the following functions and powers:</p> <p>(1) to be responsible for convening shareholders' general meetings and reporting its work to the shareholders' general meetings;</p> <p>.....</p> <p>(7) to draft plans for important acquisition or acquisition of the shares of the Company or the plans of merger, division, dissolution and change of the formation of the Company;</p> <p>.....</p> <p>(18) to exercise other powers as provided by laws, administrative rules or these Articles of Association and as authorized by the shareholders' general meeting.</p> <p>.....</p>	<p><b>Article 138</b></p> <p>The board of directors shall be accountable to the shareholders' general meeting and shall exercise the following functions and powers:</p> <p>(1) to be responsible for convening shareholders' general meetings and reporting its work to the shareholders' general meetings;</p> <p>.....</p> <p>(7) to draft plans for important acquisition or acquisition of the shares of the Company <b><u>because of the circumstances (1) and (2) as required in Article 36 of these Articles of Association</u></b> or the plans of merger, division, dissolution and change of the formation of the Company;</p> <p>.....</p> <p><b><u>(18) to pass resolutions on purchase of the shares of the Company because of the circumstances (3), (5) and (6) as required in Article 36 of these Articles of Association;</u></b></p> <p>(19) to exercise other powers as provided by laws, administrative rules or these Articles of Association and as authorized by the shareholders' general meeting.</p> <p>.....</p>

Existing Articles of Association	Revised Articles of Association
<p><b>Article 147</b></p> <p>The quorum for a board of directors meeting shall be more than one half of the directors, including the directors authorized to attend pursuant to Article 151.</p> <p>Each director shall be entitled to one vote. Unless otherwise required in these Articles of Association, resolutions of the board of directors shall be passed by more than half of all the directors.</p> <p>.....</p>	<p><b>Article 147</b></p> <p><u>Unless otherwise required in these Articles of Association,</u> the quorum for a board of directors meeting shall be more than one half of the directors, including the directors authorized to attend pursuant to Article 151.</p> <p>Each director shall be entitled to one vote. Unless otherwise required in these Articles of Association, resolutions of the board of directors shall be passed by more than half of all the directors.</p> <p>.....</p>