

# **PING AN INSURANCE (GROUP) COMPANY OF CHINA, LTD.**

## **TERMS OF REFERENCE AND MODUS OPERANDI OF NOMINATION AND REMUNERATION COMMITTEE**

The terms of reference and modus operandi of the Nomination and Remuneration Committee (the “Nomination and Remuneration Committee” or the “Committee”) under the board of directors (the “Board”) of Ping An Insurance (Group) Company of China, Ltd. (the “Company”) are as follows:

### **Composition of the Committee**

1. The Committee shall be comprised of three or more independent non-executive directors, and at least one of them should possess relatively strong capability in identifying and making good use of talents, and remuneration management, and possess working experience as leaders or management of private or government-sponsored enterprises.
2. The Committee shall have one chairman, responsible for presiding over the work of the Committee. The chairman and other members of the Committee shall be elected by the Board.
3. The Committee shall have the same term of office as the Board. A member will automatically lose his/her office as a member of the Committee if he/she no longer takes the position of director in the Company during the term of office, in which case, the Board will fill the vacancy according to the requirements under the provisions 1 and 2 above.
4. The Committee shall have one secretary (the “Secretary of the Committee”) designated by the Board or elected by the Committee, responsible for daily liaison, organization of meetings and other matters of the Committee.

## **Duties and Powers of the Committee**

5. The main duties and powers of the Committee are as follows:

(a) Nomination for Appointment

- (1) to make recommendations to the Board in respect of the size and composition of the Board including skills, knowledge and experience;
- (2) to review the criteria and procedures for selection of directors and senior management, to select qualified candidates, to review their qualifications (including those not nominated by the Committee) and to make recommendations to the Board (including assessing the independence of independent non-executive directors).

(b) Remuneration Review

- (1) to study and review the Company's policy, plan and structure for the remuneration of the directors and senior management and to make recommendations to the Board on developing such remuneration policies as to ensure a formal and transparent procedure;
- (2) to review and approve management remuneration proposals with reference to the Board's corporate goals and objectives;
- (3) to make recommendation to the Board on remuneration package for the chairman of the Board and non-executive directors;
- (4) to consider and determine the remuneration of other executive directors and senior management and report the same to the Board under authorization of the Board. The remuneration includes benefits in kind, pension rights and compensation payments (including compensation payable for loss of office or termination of appointment). Factors considered by the Committee include remuneration packages offered by comparable companies, time commitment and responsibilities and employment conditions for other positions of the Group;
- (5) to review and approve compensation payable to executive directors and senior management for any loss or termination of office or appointment, or compensation arrangement in connection with dismissal of directors for misconduct to ensure that such compensation is consistent with contractual terms, and, if not, that the compensation is fair and reasonable;
- (6) to ensure that no director or any of his/her associate is not involved in determining his/her own remuneration;
- (7) to review the recovery of performance-based remuneration of senior management, and make recommendations to the Board.

(c) Performance Evaluation

To participate in the evaluation of the performance of the senior management during their term of office, arrive at the evaluation results, and make recommendations to the Board.

(d) Performance Appraisal

To review the criteria for appraisal of directors and senior management, conduct appraisals, and make recommendations to the Board.

(e) Operation Supervision

To review the annual remuneration related report submitted to regulatory authorities according to the relevant regulatory requirements, review the performance of the Committee and regularly assess application of the terms of reference of the Committee, and make recommendations to the Board.

(f) Other issues required by relevant laws and regulations or authorized by the Board.

6. When performing its duties, the Committee shall:

- (1) listen to the recommendations from the Group's Strategic Development Advisory Committee on selection and appointment, performance evaluation, performance appraisal and market remuneration evaluation of directors and senior management to ensure decisions would be made on a more scientific, professional and stringent manner.
- (2) be entitled to request for any information from the Company for performing its duties, and the Company is liable to timely provide the same and relevant assistance within a determined time of period.
- (3) be allowed, if needed, to engage other professional parties to provide professional advice for its decision at the expense of the Company.

## Rules of Procedures of the Committee

7. The Board Office and the Human Resources Department shall be responsible for preliminary preparation for the matters to be submitted to the Committee for consideration, and provide any supporting documents as needed at the meetings.
8. The Committee shall hold at least one regular meeting every year. Notice of the meeting shall be served to all the members of the Committee seven days prior to the date of the meeting, while an extraordinary meeting may not be subject to this time restrictions provided that members of the Committee are given sufficient time to review the meeting documents.
9. Meetings of the Committee shall be chaired by the chairman of the Committee, who, if unable to attend, may appoint another member as proxy to act on his/her behalf.
10. Meetings of the Committee shall be convened by a quorum of more than one-half of its members. Each member shall have one vote, and resolutions proposed at the meeting must be passed by simple majority. If a member is unable to attend a meeting, he/she may authorize another member to attend and perform his/her duties on his/her behalf.
11. Meetings of the Committee may be held by way of on-site meetings, video conferences, telephone conferences or by correspondence. The Committee may vote by a show of hands or by poll in the case of an on-site meeting, or by written resolution in the case of a meeting held by correspondence.
12. In respect of significant issues, the Committee may, if it considers necessary, seek for opinions and recommendations from the Group's Strategic Development Advisory Committee.
13. The Committee may invite directors, supervisors and other senior management to attend the meetings as observers when it considers necessary.
14. The procedures for convening the meeting, matters discussed and resolutions passed at the meeting of the Committee must comply with relevant laws, regulations, the Articles of Association of the Company and the terms of reference of the Committee.
15. Minutes should be permanently maintained for meetings of the Committee, which shall be prepared by the Secretary of the Committee, and members attending the relevant meeting shall sign the minutes.
16. Resolutions and voting results adopted at the meetings of the Committee shall be reported to the Board in writing.
17. Members of the Committee attending the meeting shall keep all matters discussed at the meeting confidential. Unauthorized disclosure of the relevant information shall be prohibited.

*Note: This document was originally drafted in Chinese and the English translation is for your reference only. In case of any inconsistencies between the Chinese and the English version, the Chinese version shall prevail.*