

PICC Property and Casualty Company Limited (the “Company”)
(a joint stock limited company incorporated in the People’s Republic of China with limited liability)

(Stock Code: 2328)

**Terms of Reference of the Risk Management and
Investment Decision-making Committee (Revised)**

The duties and responsibilities of the Risk Management and Investment Decision-making Committee as revised are set out below:

1. evaluate and clearly determine the nature and extent of the risks the Company is willing to take in achieving the Company’s business objectives; consider the overall goal, basic policies and working system of risk management of the Company;
2. consider the organisational structure and duties and responsibilities of risk management of the Company;
3. consider the report on risk assessment of major decisions and proposed solutions to major risks of the Company;
4. consider the annual risk assessment reports of the Company;
5. discuss the risk management system of the Company with the management to ensure that the management has performed its duty to establish an effective risk management system;
6. review the risk management system of the Company, and ensure that a review of the effectiveness of the risk management system of the Company and its subsidiaries is conducted at least annually;
7. consider major investigation findings on risk management matters as delegated by the Board of Directors or on its own initiative and the management’s response to these findings;
8. consider the overall objective, preference for risks, risk tolerance level and risk management policies in respect of the Company’s risk management of solvency margin;
9. consider the organisational structure and duties and responsibilities of the Company’s risk management of solvency margin;
10. evaluate the effectiveness of the operation of the Company’s risk management system of solvency margin;
11. consider the proposed solutions to the major risk matters of the Company’s solvency margin;
12. perform functions related to the assets and liabilities management:
 - (1) consider the overall objective and strategy of assets and liabilities management and present consideration and approval opinions to the Board of Directors;

(2) consider or, as authorised by the Board of Directors, consider and approve the organisational and decision-making systems of assets and liabilities management as well as asset allocation;

(3) consider the risk management policies related to the assets and liabilities management as well as asset allocation and present consideration and approval opinions to the Board of Directors;

(4) consider asset allocation policies and present consideration and approval suggestions to the Board of Directors; review or, as authorised, consider and approve the adjustment plans for asset allocation policies;

(5) evaluate the influence of business planning and comprehensive budget on assets and liabilities matching and present consideration and approval suggestions to the Board of Directors;

(6) consider products that may cause significant impact on assets and liabilities matching of the Company and present consideration and approval suggestions to the Board of Directors;

(7) consider the annual reports on assets and liabilities management and present consideration and approval suggestions to the Board of Directors;

13. consider the management system of the operations of using insurance funds and the plans for entrusting and custody of insurance funds of the Company, review the effectiveness and adequacy of the investment management system of the Company;

14. consider the internal rules and regulations, decision-making process, delegation policies, plans for delegation by the Board of Directors to the operational management in relation to the operations of using insurance funds of the Company;

15. formulate the Company's annual strategic allocation plans for and investment policies on assets;

16. formulate investment strategies and plans for new investment products;

17. regularly review any findings of the Company's inspection of risk control on the operations of using insurance funds and understand the risks faced by the Company in relation to the operations of using insurance funds;

18. review the annual Reports on Assets and Liabilities Matching of the Company;

19. examine matters in relation to changes in accounting policies of the Company regarding the operations of using insurance funds; and

20. other matters authorised by the Board of Directors of the Company.

13 June 2018