

CPIC ( SH601601, HK02601 )

**Stock Data (ending Sep 30, 2017)**

Total equity base (in million)	9,062
A-share	6,287
H-share	2,775
Total Cap ( in RMB million )	311,523
A-share	232,179
H-share ( in HKD million )	93,379
6-mth highest/lowest	
A-share (in RMB)	39.65/25.66
H-share (in HKD)	38.10/27.80

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**Investor Relations Calendar**

November 2-3, 2017

Citi Greater China Conference  
Shenzhen

November 9, 2017

Bank of America Merrill Lynch 2017  
Annual Investor Conference  
Beijing

November 22, 2017

CS Asia Financials Corporate Day  
Hong Kong

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**Premium Income (Unit: in RMB million)**

	Jan. to Sep.	Changes	Sep.	Changes
P&C	77,783	8.80%	9,057	12.30%
Life	153,346	30.69%	13,361	24.00%

## Briefing

- **CPIC Life launches product for 2018 “Jump-start” Campaign**

The product, known as *Jubaopen* Annuity Insurance (participating), will be officially launched on November 5. It was the first product released by the company since CIRC issued The Circular on Regulating Product Design of Life/Health Insurance Companies (Document No.134).

**Appendix: Product Description of *Jubaopen***

	<i>Jubaopen</i> Annuity Insurance (participating)
Insurance Period	Whole life
Pay Duration	3/5/10 years
Insurance Benefits	Living benefits (1): premium of RMB 10,000 per policy, with a return of premium of RMB1,800 at the 5 <sup>th</sup> policy anniversary.
	Living benefits (2): an annual payment equal to 18% of basic SA starting from the 5 <sup>th</sup> policy anniversary throughout the lifetime of the insured.
	Living benefits (3): a return of 108% of paid premiums stretching over 6 years, i.e., 18% per annum, starting from the 25 <sup>th</sup> policy anniversary or 65 years of the insured, whichever date is earlier.
	Policyholder dividend: determined annually based on business performance of corresponding participating insurance.
Product Bundling	For children of 0-13 years: bundled with the rider of <i>Weilaixing</i> Endowment (participating). The insured are entitled to an annual payment equal to 30% of basic SA at 18, 19, 20 and 21 years each, as well as a lump-sum payment of 110% of basic SA at 30 years.
	For better value growth: bundled with <i>Caifuyingjia</i> Annuity (universal), which is a stand-alone product and offers a guaranteed interest rate of 2% per year on the living benefits and policyholder dividend of <i>Jubaopen</i> .

## Company Updates

- **CPIC Life launches face-recognition on its official We-chat**

With this new technology, the turn-around for customer ID confirmation has been shortened from 2 work days to 2 minutes, marking a firm step forward in the application of InsurTech by CPIC

Life. Over the past week, over 5,000 customers have successfully tested the AI technology.

- **CPIC P/C qualifies as insurer for the pilot program of government-subsidized insurance for key new materials**

The program is co-sponsored by the Industrial and Information Technology Ministry, the Ministry of Finance and CIRC, aiming to facilitate the commercialization of technological innovations in key new materials and serve China's national strategy. Under the pilot program, the central government will subsidize 80% of annual premiums for producers of officially-designated key new materials. So far, only CPIC, PICC and Ping An have obtained the qualification to participate in the program.

- **Alpha Insurance listed as Cases of Financial Innovations of Shanghai Free Trade Zone**

On October 12, Shanghai Free Trade Zone held the Press Conference on the 8th Batch of Cases of Financial Innovations. CPIC was invited to release its Alpha Insurance which was also on the list of financial innovations.

Since its debut, Alpha Insurance has won extensive recognition on the market. CPIC Life used the platform to calculate the "risk cover index" for its customers, promoting new customer acquisition and up-sell. Customers' feedback has also been positive.

## Regulatory Updates

- **CIRC releases Program of Phase II of C-ROSS**

Recently, CIRC issued The Program of Phase II of China Risk-oriented Solvency System. The document seeks to improve regulatory rules, optimize operational mechanisms and strengthen regulatory cooperation, in a bid to further enhance China's solvency regulation.

The document also sets out the overarching objectives of the program: first, risk-orientation, which strives to extend risk coverage and improve risk measurement and management in a bid to more accurately reflect the solvency position and changes to risk profiles of the insurance industry; second, problem-orientation, i.e., tightening the regulation of capital to improve the risk management capability and resilience of the sector; third, persisting in opening-up, which requires sharing of China's experience and information, contributing to international financial governance and enhanced international collaboration to mitigate contagion across markets, sectors and regions; fourth, adhering to the forward-looking

principle, which means closely tracking the development of fin-tech and increase the use of technology in regulation.

The program outlines 3 missions which further consist of 26 tasks. The 3 missions include improving regulatory rules, optimizing operational mechanisms and enhancing regulatory collaboration. Of this, the improvement of regulatory rules is composed of 15 tasks, in a bid to address some of the problems and deficiencies facing the insurance industry, such as the risk of overstating capital or assets, complicated related party transactions, lack of transparency in both insurance products and underlying assets for certain investments, irrational purchase of over 5% of shares of listed companies, acute liquidity risk for some insurers and deviation from the central value proposition of insurance.