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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult an exchange participant or other securities dealer licensed as a licensed person under the Securities and Futures Ordinance, bank manager, solicitor, certified public accountant or other professional adviser.

If you have sold or transferred all your shares in AIA Group Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, exchange participant or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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AIA Group Limited 友邦保險控股有限公司

(Incorporated in Hong Kong with limited liability)

Stock Code: 1299

PROPOSALS FOR RE-ELECTION OF DIRECTORS, GENERAL MANDATES TO ISSUE SHARES AND BUY BACK SHARES, REVISION OF ANNUAL CAP FOR DIRECTORS' FEES, AMENDMENTS TO SHARE OPTION SCHEME, RESTRICTED SHARE UNIT SCHEME, EMPLOYEE SHARE PURCHASE PLAN AND AGENCY SHARE PURCHASE PLAN AND NOTICE OF ANNUAL GENERAL MEETING

The notice convening the annual general meeting of AIA Group Limited to be held at 11:00 a.m. on Thursday, 18 May 2023 at the Grand Ballroom 3 & 5, Level B, Hong Kong Ocean Park Marriott Hotel, 180 Wong Chuk Hang Road, Aberdeen, Hong Kong is set out on pages 28 to 35 of this circular.

Whether or not you are able to attend the meeting, please complete and return the enclosed proxy form in accordance with the instructions printed thereon to the Company's share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or via email to aia.epoxy@computershare.com.hk as soon as possible and in any event not less than 48 hours before the time appointed for holding the 2023 AGM or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the 2023 AGM or any adjournment thereof should you so wish.

SPECIAL ARRANGEMENTS FOR THE 2023 ANNUAL GENERAL MEETING ("2023 AGM")

The Company will adopt certain special arrangements at the venue of the 2023 AGM to minimize the risks of infection of the Coronavirus Disease 2019 ("COVID-19") and generally safeguard the health and safety of Shareholders and other attendees, which include the (1) provision of face masks for voluntary use by attendees; and (2) body temperature check.

No corporate gifts or refreshments will be provided at the 2023 AGM.

Shareholders not attending the 2023 AGM in person may view a live webcast of the 2023 AGM proceedings through the Company's website. The passcode to access the webcast will be sent to Shareholders under a separate letter from the Company.

(In case of any discrepancy between the English version and Chinese version of this circular, the English version shall prevail.)

12 April 2023

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SPECIAL ARRANGEMENTS FOR THE 2023 ANNUAL GENERAL MEETING

The Company will adopt certain special arrangements at the venue of the 2023 AGM to minimize the risks of infection of COVID-19 and generally safeguard the health and safety of Shareholders and other attendees, which include the:

- (1) Provision of face masks for voluntary use by attendees;
- (2) Body temperature check to be conducted on those attendees who agree to undertake such check; and
- (3) Any additional precautionary measures where appropriate or in accordance with prevailing guidelines published by the Government and regulatory authorities.

To the extent permitted by the laws, any person who has a fever or exhibits flu-like symptoms, may be denied entry into the meeting venue.

Shareholders who are not feeling well or have any COVID-19 or flu-like symptoms should avoid attending the 2023 AGM in person.

The Company reminds Shareholders that they may appoint the chairman of the meeting as their proxy to vote on the relevant resolutions at the 2023 AGM as an alternative to attending the meeting in person.

No corporate gifts or refreshments will be provided at the 2023 AGM.

OTHER ARRANGEMENTS FOR THE 2023 AGM

1. Shareholders not attending the 2023 AGM in person may view a live webcast of the 2023 AGM proceedings through the Company's website. The 2023 AGM webcast will be opened approximately 30 minutes prior to the commencement of the 2023 AGM and can be accessed from any location via the internet with a smart phone, tablet device or computer. Please however note that in accordance with the Company's Articles of Association, Shareholders joining the 2023 AGM via webcast will not be counted towards a quorum nor will they be able to cast their votes online.

To access the webcast, please follow the instructions on the Company's website at <https://www.aia.com/2023agm> and enter the passcode printed on the enclosed notification letter to Shareholders. Please keep the passcode in safe custody for use on the day of the 2023 AGM and do not disclose it to any other person.

The non-registered Shareholders who are on the Company's corporate communications mailing list obtained from HKSCC Nominees Limited by the Company's share registrar, Computershare Hong Kong Investor Services Limited, will also be sent the passcode to access the webcast. Any non-registered Shareholder who does not receive the passcode may contact his/her intermediary or nominee for the passcode should he/she wish to view the webcast instead of attending the 2023 AGM in person.

SPECIAL ARRANGEMENTS FOR THE 2023 ANNUAL GENERAL MEETING

2. Should Shareholders have questions on the business of the 2023 AGM, please send them in advance by email to 2023agm@aia.com before 11:00 a.m., Tuesday, 16 May 2023. The Company will endeavour to address those questions relevant to the meeting at the 2023 AGM if time permits, or failing that, unanswered questions will be responded to after the 2023 AGM as appropriate.

3. If Shareholders have any questions relating to the 2023 AGM, please contact the hotline of the Company's share registrar, Computershare Hong Kong Investor Services Limited, as follows:

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong
Telephone hotline: +852 2862 8555 (during business hours from 9:00 a.m. to 6:00 p.m.
Hong Kong time, Mondays to Fridays, excluding public holidays)
Website: www.computershare.com/hk/contact

DEFINITIONS

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

“2023 AGM”	the annual general meeting of the Company to be held at 11:00 a.m. on Thursday, 18 May 2023 or, where the context so admits, any adjournment thereof, notice of which is set out on pages 28 to 35 of this circular
“2023 AGM Notice”	the notice convening the 2023 AGM, which is set out on pages 28 to 35 of this circular
“Amendments to ASPP”	the proposed amendments to the ASPP. A summary of the principal terms of the ASPP incorporating all such amendments is set out in Appendix VI to this circular
“Amendments to ESPP”	the proposed amendments to the ESPP. A summary of the principal terms of the ESPP incorporating all such amendments is set out in Appendix V to this circular
“Amendments to RSU Scheme”	the proposed amendments to the RSU Scheme. A summary of the principal terms of the RSU Scheme incorporating all such amendments is set out in Appendix IV to this circular
“Amendments to SO Scheme”	the proposed amendments to the SO Scheme to be considered and, if thought fit, approved by Shareholders at the 2023 AGM. A summary of the Amendments to SO Scheme and the principal terms of the SO Scheme incorporating all such amendments are set out in Appendix III to this circular
“Annual Report 2022”	annual report (comprising, among others, the audited consolidated financial statements, the auditor’s report and the report of the Directors) of the Company for the year ended 31 December 2022
“Articles of Association”	the articles of association of the Company, as amended from time to time
“ASPP”	the agency share purchase plan adopted by the Company on 1 February 2021 (as amended), a share purchase plan with matching offer of new Shares to facilitate and encourage ownership of Shares by agents, which is effective for a period of 10 years from the date of adoption

DEFINITIONS

“associate(s)”	shall have the meaning ascribed to it under the Listing Rules
“Audit Committee”	audit committee of the Company established by the Board
“Board”	the board of Directors
“Buy-back Mandate”	the general and unconditional mandate proposed under ordinary resolution numbered 7(B) in the 2023 AGM Notice set out on pages 28 to 35 of this circular
“Companies Ordinance”	Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended from time to time
“Company”	AIA Group Limited, a company incorporated in Hong Kong with limited liability, whose Shares are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 1299)
“connected person(s)”	shall have the meaning ascribed to it under the Listing Rules
“Consultation Conclusions”	consultation conclusions on the proposed amendments to the Listing Rules relating to share schemes of listed issuers and housekeeping rule amendment published by the Hong Kong Stock Exchange in July 2022
“Corporate Governance Code”	Corporate Governance Code set out in Appendix 14 to the Listing Rules, as amended from time to time
“Director(s)”	director(s) of the Company
“ESPP”	Employee Share Purchase Plan of the Company adopted on 1 August 2020 (as amended), a share purchase plan with matching offer of new or existing Shares to facilitate and encourage ownership of Shares by employees, and is effective for a period of 10 years from the date of adoption
“Group”	AIA Group Limited and its subsidiaries
“Hong Kong” or “HKSAR”	Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Non-executive Director(s)”	independent non-executive director(s) of the Company
“Issue Mandate”	the general and unconditional mandate proposed under ordinary resolution numbered 7(A) in the 2023 AGM Notice set out on pages 28 to 35 of this circular
“Latest Practicable Date”	31 March 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Nomination Committee”	nomination committee of the Company established by the Board
“Remuneration Committee”	remuneration committee of the Company established by the Board
“Risk Committee”	risk committee of the Company established by the Board
“RSU”	restricted share units under the RSU Scheme
“RSU Scheme”	the restricted share unit scheme adopted by the Company on 1 August 2020 (as amended), under which the Company may grant RSU awards to employees, directors (excluding non-executive directors) or officers of the Company or any of its subsidiaries, and is effective for a period of 10 years from the date of adoption
“Service Provider(s)”	person(s) who provide services to the Group on a continuing and recurring basis in its ordinary and usual course of business which are in the interest of the long term growth of the Group including but not limited to person(s) who work for the Company as independent contractors (including advisers, consultants, distributors, contractors, suppliers, agents and service providers of any member of the Group) where the continuity and frequency of their services are akin to those of employees, but excluding placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions or professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity

DEFINITIONS

“Service Provider Limit”	the limit on the total number of new Shares issued and to be issued by the Company pursuant to the ASPP and any other agency share purchase plan of the Company (excluding awards that have lapsed), being 2.5% of the number of Shares in issue on the date of the 2023 AGM
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“Share(s)”	ordinary share(s) in the share capital of the Company
“Share Buy-back Programme”	the Company’s programme to buy back Shares of up to US\$10 billion from the open market over three years from 2022
“Share Scheme(s)”	share option schemes and/or share award schemes involving issuance of new Shares adopted and to be adopted by the Company from time to time, including the SO Scheme, the RSU Scheme, the ESPP and the ASPP, in their respective present form and as amended from time to time in accordance with their respective provisions thereof
“Shareholder(s)”	holder(s) of Shares
“SO Scheme”	the share option scheme of the Company adopted on 29 May 2020 as approved by the Shareholders, under which the Company may grant share options to employees, directors (excluding Independent Non-executive Directors) or officers of the Company or any of its subsidiaries, and is effective for a period of 10 years from the date of adoption
“Takeovers Code”	Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission, as amended from time to time
“US\$”	United States dollar(s), the lawful currency of the United States of America
“%”	per cent

LETTER FROM THE BOARD



AIA Group Limited
友邦保險控股有限公司
(Incorporated in Hong Kong with limited liability)
Stock Code: 1299

*Independent Non-executive Chairman and
Independent Non-executive Director:*
Mr. Edmund Sze-Wing TSE

Registered Office:
35/F, AIA Central
No. 1 Connaught Road Central
Hong Kong

Executive Director:
Mr. LEE Yuan Siong

Independent Non-executive Directors:
Mr. Jack Chak-Kwong SO
Mr. Chung-Kong CHOW
Mr. John Barrie HARRISON
Mr. George Yong-Boon YEO
Professor Lawrence Juen-Yee LAU
Ms. Swee-Lian TEO
Dr. Narongchai AKRASANE
Mr. Cesar Velasquez PURISIMA
Ms. SUN Jie (Jane)

12 April 2023

Dear Shareholders,

**PROPOSALS FOR RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE SHARES
AND BUY BACK SHARES,
REVISION OF ANNUAL CAP FOR DIRECTORS' FEES,
AMENDMENTS TO SHARE OPTION SCHEME,
RESTRICTED SHARE UNIT SCHEME,
EMPLOYEE SHARE PURCHASE PLAN
AND AGENCY SHARE PURCHASE PLAN
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with the 2023 AGM Notice, including relevant information regarding the resolutions proposed for the Shareholders to consider and, if thought fit, approve (i) the receipt of the audited financial statements; (ii) the declaration of a final dividend; (iii) the re-election of Directors; (iv) the re-appointment of auditor and authorising the Board to fix its remuneration; (v) the grant of the Issue Mandate and the Buy-back Mandate; (vi) the revision of annual cap for Directors' fees; and (vii) the Amendments to SO Scheme and the terms of each of the RSU Scheme, the ESPP and the ASPP.

LETTER FROM THE BOARD

2. RECEIPT OF THE AUDITED FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company for the year ended 31 December 2022 together with the Report of the Directors and the Independent Auditor's Report, are set out in the Annual Report 2022 which are available in English and Chinese languages under the "Investor Relations" section of the Company's website at www.aia.com. The consolidated financial statements were audited by the Company's external auditor, PricewaterhouseCoopers ("PwC"), and reviewed by the Audit Committee. The Independent Auditor's Report is set out on pages 141 to 148 of the Annual Report 2022.

3. DECLARATION OF A FINAL DIVIDEND

The Board has recommended an increase of 5% in the payment of a final dividend to 113.40 Hong Kong cents per Share for the year ended 31 December 2022, consistent with the Company's established prudent, sustainable and progressive dividend policy. The dividend reflects the strength of the Group's financial results and the Board's continued confidence in the future prospects of the Group. The recommended dividend is subject to Shareholders' approval at the 2023 AGM.

4. RE-ELECTION OF DIRECTORS

Mr. Edmund Sze-Wing Tse, Mr. Jack Chak-Kwong So and Professor Lawrence Juen-Yee Lau shall retire from office by rotation at the 2023 AGM pursuant to Article 100 of the Articles of Association and, being eligible, will offer themselves for re-election at the 2023 AGM.

Mr. Tse is the Independent Non-executive Chairman and an Independent Non-executive Director of the Company. He was appointed as Non-executive Director of the Company on 27 September 2010 and elected the Non-executive Chairman of the Company on 1 January 2011. He was re-designated as the Independent Non-executive Chairman and an Independent Non-executive Director of the Company on 23 March 2017. Mr. Tse's appointments during the period for over 60 years with the Group and its predecessor, AIG Group, include serving as the Honorary Chairman of AIA Company Limited from July 2009 to December 2010, Chairman and Chief Executive Officer from 2000 to June 2009 and President and Chief Executive Officer from 1983 to 2000. His extensive insurance industry knowledge and experience, together with his in-depth understanding of the Group's operations and business gained throughout the years, has enabled him to provide effective leadership to the Board as the Independent Non-Executive Chairman and to contribute meaningfully and objectively to the Company as an Independent Non-executive Director. With his wealth of skills, knowledge and experience, the Nomination Committee and the Board are of the view that Mr. Tse contributes to the quality and diversity of the Board. His contribution to the Company is also demonstrated while serving as the Chairman of the Board since 2011, the Chairman of the Nomination Committee since 2012, as well as a member of the Risk Committee and the Remuneration Committee since 2010 and 2016 respectively. Notwithstanding that Mr. Tse has served the Board for more than nine years, he continues to demonstrate strong independence and a firm commitment to his role and brings valuable experience to the Board in support of promoting the best interests of the Company and

LETTER FROM THE BOARD

the Shareholders. In addition, Mr. Tse has not taken part in the day-to-day management of the Company and has no financial or family relationship with any Directors, senior management or substantial or controlling Shareholders (as defined in the Listing Rules) of the Company.

Mr. So was appointed as Non-executive Director of the Company on 28 September 2010 and re-designated as an Independent Non-executive Director of the Company on 26 September 2012. As an Independent Non-executive Director, Mr. So brings a deep and diverse commercial background to his role, including his extensive experience in international advisory, banking and finance. He has developed an in-depth understanding of the Group's operations and business, all of which has enabled him to contribute meaningfully and objectively to the Company as a Director. With his wealth of skills, knowledge and experience, the Nomination Committee and the Board are of the view that Mr. So contributes to the quality and diversity of the Board. His contribution to the Company is also demonstrated while serving as a member of the Remuneration Committee since 2012, as well as a member of the Audit Committee and the Nomination Committee since 2010. Notwithstanding that Mr. So has served the Board for more than nine years, he continues to demonstrate strong independence and a firm commitment to his role and brings valuable experience to the Board in support of promoting the best interests of the Company and the Shareholders. In addition, Mr. So has not taken part in the day-to-day management of the Company and has no financial or family relationship with any Directors, senior management or substantial or controlling Shareholders (as defined in the Listing Rules) of the Company.

Professor Lau has been an Independent Non-executive Director since 18 September 2014. Professor Lau brings deep insights and experience to his role, particularly around his renowned work in the field of economic and finance with a special focus on China and other Asian markets. This experience, coupled with his knowledge of financial markets and understanding of the Group's operations and business, has enabled him to contribute meaningfully and objectively to the Company as a Director. With his deep knowledge of the China market and global economies, the Nomination Committee and the Board are of the view that Professor Lau contributes to the quality and diversity of the Board. His contribution to the Company is also demonstrated while serving as a member of the Nomination Committee and the Risk Committee since 2014. He continues to demonstrate strong independence and a firm commitment to his role and brings valuable experience to the Board in support of promoting the best interests of the Company and the Shareholders. In addition, Professor Lau has not taken part in the day-to-day management of the Company and has no financial or family relationships with any Directors, senior management or substantial or controlling Shareholders (as defined in the Listing Rules) of the Company.

Each of Mr. Tse, Mr. So and Professor Lau has given an annual confirmation of independence to the Company. Each of them is subject to ongoing obligations to declare their past or present financial or other interests in the Group's business, or their connection with any of the Company's connected persons. In addition, they are also required to notify the Board Chairman as soon as practicable of any direct conflict of interest which may arise due to their duties as an Independent Non-executive Director and any other duties or business interests

LETTER FROM THE BOARD

which they may have and to seek the Board's written approval before any other duties or business can be undertaken. They are further required to consult with and obtain the written approval of the Board Chairman prior to accepting any other directorships of listed companies.

The Nomination Committee assesses independence with regard to all relevant factors concerned rather than limiting its assessment to the length of services of the individual in question. The Board considers individuals over time gain valuable insight into the Group's operations in various markets. In this regard, the Nomination Committee has, in its March 2023 meeting, considered the long service of each of Mr. Tse and Mr. So on the Board and their proposed re-election at the 2023 AGM with reference to the Directors' Nomination Policy of the Company, with due regard to their independence and ability to contribute to the Board in light of the skills, knowledge and experience required. The Nomination Committee has formed the view that each of Mr. Tse and Mr. So remains independent despite their long service to the Company as Independent Non-executive Directors.

Having assessed their respective independence, the Nomination Committee has also affirmed that each of Mr. Tse, Mr. So and Professor Lau satisfies the criteria of independence as set out in Rule 3.13 of the Listing Rules. The Nomination Committee has nominated them to the Board for it to recommend to the Shareholders for re-election at the 2023 AGM. Each retiring Director, who is also a Nomination Committee member, abstains from assessing his own independence.

With respect to each of Mr. Tse and Mr. So, the Board, having considered the assessment and recommendation of the Nomination Committee, considers and satisfies itself that the length of his tenure has not affected his independence having regard to his actual contributions, impartiality and ability to contribute to demonstrate effective oversight of management of the Company. The Board has therefore accepted the Nomination Committee's recommendations and considers that the re-election of each of Mr. Tse, Mr. So and Professor Lau is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommended Mr. Tse, Mr. So and Professor Lau to stand for re-election as Independent Non-executive Directors at the 2023 AGM.

Biographical details of the Directors standing for re-election at the 2023 AGM are set out in Appendix I to this circular.

5. RE-APPOINTMENT OF AUDITOR AND AUTHORISING THE BOARD TO FIX ITS REMUNERATION

For the year ended 31 December 2022, the remuneration payable by the Group to PwC was approximately US\$36.8 million (for the year ended 31 December 2021: US\$27.7 million), of which approximately US\$22.7 million (for the year ended 31 December 2021: US\$21.2 million) was for audit services.

LETTER FROM THE BOARD

In addition to approving the remuneration of PwC, the Audit Committee also reviewed its work, and was satisfied with its independence, objectivity, and the effectiveness of the audit process. The Board has accepted the recommendation from the Audit Committee to re-appoint PwC as the Company's external auditor and PwC has expressed its willingness to continue in office.

6. ISSUE MANDATE AND BUY-BACK MANDATE

Pursuant to the ordinary resolution passed by the Shareholders at the last annual general meeting of the Company held on 19 May 2022, general mandates were given to the Directors to issue new Shares and to buy back existing Shares. Such general mandates will lapse at the conclusion of the 2023 AGM. Accordingly, the Company seeks Shareholders' approval to renew this authority, subject to the restrictions described in ordinary resolutions numbered 7(A) and 7(B) in the 2023 AGM Notice, which are summarised herein below.

The Issue Mandate is limited to 10% of the number of Shares in issue as at the date of the passing of the relevant resolution. This is significantly lower than the permissible size of 20% under the Listing Rules. For clarity, Shares bought back through any exercise of the Buy-back Mandate will not be added to the number of Shares that may be issued under the Issue Mandate. In addition, in the case of a placing or open offer of securities, any Shares to be issued for cash under the authority granted by the Issue Mandate will only be issued subject to a maximum discount of 10% to the "benchmarked price" (defined with reference to Rule 13.36(5) of the Listing Rules). Shareholders may wish to take note that the proposed discount limit is more restrictive than the requirements of the Listing Rules which permit a maximum discount of 20% to the benchmarked price for any issue of shares in a placement for cash pursuant to a general mandate.

The Issue Mandate is necessary to give the Directors some flexibility to allot Shares where they believe it is in the best interests of the Shareholders to do so, in particular, pursuant to any capital raising or other strategic needs that may arise from time to time.

Any buy-back of Shares under the Share Buy-back Programme will be conducted pursuant to the buy-back mandate granted to the Directors by the Shareholders at annual general meetings from time to time authorising them to exercise all powers of the Company to buy back Shares on-market. The Buy-back Mandate, if approved at the 2023 AGM, will allow the Company to buy back Shares on market not exceeding 10% of the total number of issued Shares as at the date of the passing of the relevant resolution.

The Issue Mandate and the Buy-back Mandate, if approved at the 2023 AGM, will continue to be in force until the conclusion of the next annual general meeting of the Company or the expiry of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws to be held, or until revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever occurs first.

LETTER FROM THE BOARD

Details of the Issue Mandate and the Buy-back Mandate are set out in ordinary resolutions numbered 7(A) and 7(B) respectively in the 2023 AGM Notice. An explanatory statement as required by the Listing Rules to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision on the proposed resolution for the granting of the Buy-back Mandate is set out in Appendix II to this circular.

7. REVISION OF ANNUAL CAP FOR DIRECTORS' FEES

Article 91(a) of the Articles of Association provides that the Directors shall be paid out of the fund of the Company by way of fees for their services as Directors such sums (if any) as the Company in general meeting may determine from time to time. The existing limit of the annual aggregate Directors' fees was last adjusted and approved by Shareholders as US\$2,500,000 (the "Annual Fee Cap") at the Company's annual general meeting held on 17 May 2019.

The Remuneration Committee has the delegated authority to make recommendations to the Board on the remuneration of the Directors. It reviews fee levels for Board members from time to time to ensure fees are competitive and that they reflect the scope and accountabilities associated with an appointment to the Board and the respective Board committees.

During 2021, the Remuneration Committee engaged an external professional consultant firm specialising in performance and rewards to review the fee levels for the non-executive Directors. Taking into account (1) the Group's increasing scope and complexity, as it operates across a complex and rapidly evolving region with a wide variety of regulatory regimes; (2) its prominence in the Asia Pacific region and its size in terms of market capitalization, revenue and total assets; (3) the increasing responsibilities and workload of the Directors in areas such as strategic decision making and risk mitigation; and (4) a benchmarking exercise covering a number of international insurance companies that are comparable to the Company in terms of size, coverage and lines of business, as well as major Hong Kong listed companies whose shareholdings are broadly held, and on the recommendation of the external professional consultant firm, the Remuneration Committee recommended, and the Board approved an adjustment of the Board membership fee, raising the annual Board membership fee for each non-executive Director from US\$168,000 to US\$220,000, effective 1 January 2022. Such increase in the annual Board membership fees, as well as increases in the annual Board Committees' membership and chairman fees, were disclosed in the Remuneration Report set out in the Company's annual report for the year ended 31 December 2021.

In view of the latest fee adjustment, the annual aggregate Directors' fees payable by the Company is approaching the Annual Fee Cap. To allow sufficient flexibility to accommodate any additions to the Board and any adjustments in fees required to ensure that Board compensation remains competitive and appropriate, a resolution will be proposed at the 2023 AGM to increase the Annual Fee Cap from US\$2,500,000 to US\$3,800,000.

LETTER FROM THE BOARD

8. AMENDMENTS TO THE SO SCHEME, THE RSU SCHEME, THE ESPP AND THE ASPP

(A) Overview

The Company currently has four Share Schemes in effect, namely the SO Scheme, the RSU Scheme, the ESPP and the ASPP. These schemes involve the issuance or potential issuance of new Shares and therefore each of these schemes constitutes a share scheme governed by the amended Chapter 17 of the Listing Rules which came into effect on 1 January 2023.

To bring the terms of these schemes in line with the amended Chapter 17 of the Listing Rules, the Board proposes to make certain amendments to the existing terms of each of the SO Scheme, the RSU Scheme, the ESPP and the ASPP. In addition, other amendments are also proposed to be made to these schemes to align with market practice.

(B) The SO Scheme

Background

Reference is made to the circular of the Company dated 27 April 2020 regarding, among other things, the proposed adoption of the SO Scheme and a description of the principal terms of the SO Scheme. The SO Scheme (in its current form prior to the Amendments to SO Scheme currently being proposed) was adopted on 29 May 2020 and is effective for a period of 10 years from the date of adoption. The SO Scheme replaced the then existing share option scheme which was adopted by the Company on 28 September 2010 for a term of 10 years from the date of adoption and terminated on 29 May 2020 (the “**Predecessor SO Scheme**”).

Upon termination of the Predecessor SO Scheme, no further share options can be granted thereunder. However, the Predecessor SO Scheme remains in full force and effect for all share options granted and outstanding prior to its termination, and the exercise of such share options shall be subject to and in accordance with the terms on which they were granted under the provisions of the Predecessor SO Scheme and the Listing Rules.

Since the adoption date of the SO Scheme and up to the Latest Practicable Date, (i) the Company awarded 6,287,277 share options under the SO Scheme, while 7,231,307 share options have been exercised under the SO Scheme and the Predecessor SO Scheme and the Company issued 7,231,307 new Shares to the grantees accordingly; and (ii) outstanding options that have been granted and exercisable under the Predecessor SO Scheme and the SO Scheme, respectively, would entitle their holders to subscribe for a total of 19,809,107 new Shares.

LETTER FROM THE BOARD

Proposed Amendments to SO Scheme

A summary of the key proposed Amendments to SO Scheme and the principal terms of the SO Scheme (which incorporated all the Amendments to SO Scheme being proposed) are set out in Appendix III to this Circular. Other than the Amendments to SO Scheme, the terms of the SO Scheme remain the same as those adopted by the Company on 29 May 2020.

One of the Amendments to SO Scheme relates to the extension of the minimum period of vesting of options granted under the SO Scheme from 6 months to 12 months, except in cases where a grant is made to (i) a selected person to compensate for any forfeited compensation and benefits in respect of prior employment and/or (ii) a selected person falls within certain good leaver criteria (as detailed in Appendix III to this Circular).

The Board and the Remuneration Committee are of the view that the shorter vesting period (which may potentially be less than 12 months) permitted under each of the exceptions set out above is appropriate and in line with the purposes of the SO Scheme and market practice, as it allows the Company to make buyout grants to new hires so as to attract key talents, compensating them for any forfeited remuneration and benefits in respect of their prior employment, as well as to reward good leavers with accelerated vesting in exceptional circumstances where justified.

In addition, the Amendments to SO Scheme provide that the exercise criteria and conditions are generally contingent on the continued service of the selected participant and that unless otherwise stated in the grant letter, there is neither any performance targets required to be achieved by the relevant participant before the exercise of any options nor any clawback mechanism.

The Board and the Remuneration Committee are of the view that the share options are granted under the SO Scheme to drive long-term focus and shareholder value creation. The value of the share options is linked to the future Share price, which in turn depends on the performance of the Company. Further, the share options are typically granted to key talents together with other long-term incentives, such as grants made under the RSU Scheme, that have performance conditions to holistically support attraction, motivation and retention considerations.

The Amendments to SO Scheme do not affect the existing approved scheme mandate limit on the total number of Shares which may be issued during the scheme period upon exercise of all options to be granted under the SO Scheme and those granted under any other share option scheme(s) of the Company (including options granted but remain unvested under the Predecessor SO Scheme and excluding any options that have lapsed) when the SO Scheme was adopted on 29 May 2020 (that is, 302,264,978 Shares, being 2.5% of the number of Shares then in issue on the adoption date) (the “**Option Scheme Limit**”). However, the Amendments to SO Scheme propose that the Option Scheme Limit,

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when aggregated with the scheme limits of all other Share Schemes (excluding those scheme(s) which have expired or terminated), shall not exceed 10% of the number of Shares in issue as at the date of the 2023 AGM (currently being 1,166,984,054 Shares based on the number of Shares in issue as at the Latest Practicable Date and assuming there is no change in the number of Shares in issue between the Latest Practicable Date and the date of the 2023 AGM).

Further, the Amendments to SO Scheme provide that an individual limit will be imposed on the total number of Shares that may underlie all grants (i.e. the new Shares issued and to be issued in respect of all options and awards granted) under the SO Scheme and any other Share Schemes (which will be satisfied by newly issued Shares) (excluding awards and/or options that have lapsed thereunder) to any one participant in the 12-month period up to and including the relevant date of the grant letter, which shall not exceed 1% of the Shares in issue on the relevant date of the grant letter. Any grant exceeding such 1% limit would require Shareholders' approval.

If the Option Scheme Limit were to be refreshed, the total number of new Shares which may be issued pursuant to any refreshment of the Option Scheme Limit upon exercise of all options to be granted under the SO Scheme and the total number of new Shares issued and to be issued in respect of all grants made pursuant to any other Share Schemes (excluding those scheme(s) which have expired or terminated) must not exceed 10% of the number of Shares in issue as at the date of the refreshment of the Option Scheme Limit.

(C) The RSU Scheme

Background

The Company adopted the RSU Scheme (in its current form prior to the Amendments to RSU Scheme currently being proposed) on 1 August 2020 which is effective for a period of 10 years from the date of adoption. The RSU Scheme was adopted to replace the then existing restricted share unit scheme which was adopted by the Company on 28 September 2010 with a term of 10 years and was terminated with effect from 31 July 2020 (the "**Predecessor RSU Scheme**").

Upon termination of the Predecessor RSU Scheme, no further restricted share unit awards (the "**RSU Awards**") can be granted thereunder. However, the Predecessor RSU Scheme remains in full force and effect for all RSU Awards granted and outstanding prior to its termination, and the vesting of such RSU Awards shall be subject to and made in accordance with the terms on which they were granted under the Predecessor RSU Scheme.

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When adopted on 1 August 2020, the RSU Scheme was not a share scheme governed by the then Chapter 17 of the Listing Rules. The requirements under the amended Chapter 17 of the Listing Rules, which came into effect on 1 January 2023, apply to all Share Schemes, including the RSU Scheme. Accordingly, the Board is proposing the Amendments to RSU Scheme primarily to bring the terms of the RSU Scheme in line with the amended Chapter 17 of the Listing Rules. Other amendments are also proposed to be made to the RSU Scheme to align its terms with market practice.

Under the existing terms of the RSU Scheme, the maximum aggregate number of Shares (new and existing Shares) that may underlie all RSU Awards granted by the Company (excluding RSU Awards that have lapsed or been cancelled) under the RSU Scheme and any other restricted share unit scheme of the Company (including the Predecessor RSU Scheme) (excluding awards that have lapsed or been cancelled thereunder) is 302,264,978 Shares, being 2.5% of the number of Shares then in issue on 29 May 2020. Currently (and prior to the Amendments to RSU Scheme becoming effective), the Company relies on the general mandate approved by the Shareholders at the annual general meeting of the Company convened on 19 May 2022 to issue and allot shares of the Company underlying any RSU Awards made to the participants which may be satisfied by new Shares as and when the RSU Awards vest. Notwithstanding the foregoing, the Company intends to satisfy any RSU Awards granted under the RSU Scheme (prior to the Amendments to RSU Scheme becoming effective) and the Predecessor RSU Scheme with existing Shares only as and when the relevant awards vest, whilst retaining the flexibility of utilizing new Shares to satisfy the RSU Awards should it consider appropriate at the relevant time.

Since the adoption date of the RSU Scheme and up to the Latest Practicable Date, a cumulative total of 16,703,823 RSU Awards have been vested under the Predecessor RSU Scheme and the RSU Scheme. During the same period, no new Shares have been issued under either the Predecessor RSU Scheme or the RSU Scheme to satisfy such RSU Awards.

Principal terms of the RSU Scheme

A summary of the principal terms of the RSU Scheme (which incorporated all the Amendments to RSU Scheme currently being proposed) is set out in Appendix IV to this Circular. Some key features of the RSU Scheme are highlighted below:

– *Scheme mandate limit*

Under the RSU Scheme, the aggregate number of Shares underlying all grants made during the scheme period pursuant to the RSU Scheme and that will be satisfied by new Shares (excluding RSU Awards that have lapsed in accordance with the rules of the RSU Scheme) and any other restricted share unit scheme of the Company (excluding those awards that have lapsed thereunder) shall not exceed in total 2.5% of the number of Shares in issue as at the date of 2023 AGM on which

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a Share issuance mandate for the purpose of the RSU Scheme is granted to the Company by the Shareholders (currently being 291,746,013 Shares based on the number of Shares in issue as at the Latest Practicable Date and assuming there is no change in the number of Shares in issue between the Latest Practicable Date and the date of the 2023 AGM) (the “**RSU Scheme Limit**”).

Furthermore, the RSU Scheme Limit, aggregated with the scheme limits for new Shares to be issued under all other Share Schemes (excluding those scheme(s) which have expired or terminated) shall not exceed 10% of the number of Shares in issue as at the date of the 2023 AGM (currently being 1,166,984,054 Shares based on the number of Shares in issue as at the Latest Practicable Date and assuming there is no change in the number of Shares in issue between the Latest Practicable Date and the date of the 2023 AGM).

If the RSU Scheme Limit were to be refreshed, the total number of Shares that may underlie all grants made (i.e. the new Shares which may be issued in respect of all options and awards to be granted) pursuant to any refreshment of the RSU Scheme Limit under the RSU Scheme, and pursuant to any other Share Schemes (excluding those scheme(s) which have expired or terminated) must not exceed 10% of the number of Shares in issue as at the date of the refreshment of the RSU Scheme Limit.

There is no limit for grants made during the scheme period pursuant to the RSU Scheme that will be satisfied by existing Shares.

– *Individual limit*

The RSU Scheme provides that the total number of Shares that may underlie all grants made (i.e. the new Shares issued and to be issued in respect of all options and awards granted) pursuant to the RSU Scheme (excluding RSU Awards that have lapsed in accordance with the RSU Scheme) and any other Share Schemes (excluding those awards or options that have lapsed thereunder) to any one participant in the 12-month period up to and including the relevant date of the grant letter must not exceed 1% of the Shares in issue on the relevant date of the grant letter. Any grant exceeding such limit must be separately approved by the Company in general meeting in the manner prescribed by the Listing Rules.

– *Vesting period*

Under the RSU Scheme, the minimum period of vesting of RSU Awards granted thereunder is 12 months, except in cases where a grant is made to (i) a selected person to compensate for any forfeited compensation and benefits in respect of prior employment and/or (ii) a selected person who falls within certain good leaver criteria (as detailed in paragraph (10)(a) of Appendix IV to this Circular).

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The Board and the Remuneration Committee are of the view that allowing for a shorter vesting period (which may potentially be less than 12 months) in each of the above specific circumstances is appropriate and in line with the purposes of the RSU Scheme and the market practice, as it allows the Company to make buyout grants to new hires so as to attract key talents, compensating them for any forfeited remuneration and benefits in respect of their prior employment, as well as to reward good leavers with accelerated vesting in exceptional circumstances where justified.

– *Performance targets and clawback mechanism*

In addition, the RSU Scheme provides that the Board may determine the vesting criteria and conditions which are contingent on service requirements and the extent of achievement of pre-defined performance target(s) and/or measure(s) which may include the Group's value of new business, the embedded value equity and the relative total shareholder return. In cases where a grant is made to support the retention of key talents and/or to a selected person to compensate for any forfeited compensation and benefits in respect of prior employment, the Remuneration Committee and the Board consider that performance conditions should not be applied to those grants which are made for the purpose of retaining key talents or compensating key talents for any forfeited compensation and benefits in respect of their prior employment.

Further, under the RSU Scheme, the RSU Award may be clawbacked or forfeited if, within two years following the vesting of any RSU Award, the Board in its absolute discretion determines that a specific event has occurred, including for instance, the conduct of the participant has harmed the business or reputation of the Group or the granting and/or vesting of awards was based on materially inaccurate financial statements or any other materially inaccurate performance metric criteria.

(D) The ESPP

Background

The Company adopted the ESPP (in its current form prior to the Amendments to ESPP currently being proposed) on 1 August 2020 which is effective for a period of 10 years from the date of adoption. The ESPP was adopted to replace the then existing employee share purchase plan which was adopted by the Company on 25 July 2011 with a term of 10 years and was terminated with effect from 31 October 2020 (the "**Predecessor ESPP**"). Under the existing terms of the ESPP, eligible employees of the Group may elect to purchase the Shares and, through the grant of matching restricted stock purchase units (the "**RSPUs**"), receive one matching Share for every two Shares purchased and held until the end of the vesting period.

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Upon the termination of the Predecessor ESPP, no further RSPUs can be granted thereunder. However, the Predecessor ESPP shall remain in full force and effect for all RSPUs granted prior to its termination, and the vesting of such RSPUs shall be subject to and made in accordance with the terms on which they were granted under the Predecessor ESPP.

When adopted on 1 August 2020, the ESPP was not a share scheme governed by the then Chapter 17 of the Listing Rules. The requirements under the amended Chapter 17 of the Listing Rules, which came into effect on 1 January 2023, apply to all Share Schemes, including the ESPP. Accordingly, the Board is proposing the Amendments to ESPP primarily to bring the terms of the ESPP in line with the amended Chapter 17 of the Listing Rules.

Under the existing terms of the ESPP, the Shares that may be delivered to the participants thereunder may be newly issued or previously issued Shares acquired by the relevant trustee in the open market or in private transactions. The maximum aggregate number of new Shares which can be issued by the Company pursuant to the ESPP and any other employee share purchase plan of the Company (including the Predecessor ESPP) is 302,264,978 Shares, being 2.5% of the number of Shares then in issue on 29 May 2020. No new Shares have been issued pursuant to the Predecessor ESPP nor the existing ESPP since their respective adoption. Since the adoption date of the ESPP and up to the Latest Practicable Date, a cumulative total of 3,420,549 matching RSPUs were granted but remain unvested under the Predecessor ESPP and the ESPP. Currently (and prior to the Amendments to ESPP becoming effective), the Company relies on the general mandate approved by the Shareholders at the annual general meeting of the Company convened on 19 May 2022 to issue and allot the new Shares as and when the matching RSPUs vest. Notwithstanding the foregoing, the Company intends to satisfy any RSPUs granted under the ESPP (prior to the Amendments to ESPP becoming effective) and the Predecessor ESPP with existing Shares only as and when the relevant awards vest, whilst retaining the flexibility of utilizing new Shares to satisfy the RSPUs should it consider appropriate at the relevant time.

Principal terms of the ESPP

A summary of the principal terms of the ESPP (which incorporated all Amendments to ESPP) is set out in Appendix V to this Circular. Some key features of the ESPP are highlighted below:

– *Scheme mandate limit*

Under the ESPP, the aggregate number of new Shares issued or to be issued by the Company during the 10-year period commencing on the adoption date of the ESPP (i.e. 1 August 2020) pursuant to the ESPP (excluding matching RSPUs that have lapsed in accordance with the ESPP) and any other employee share purchase plan of the Company (excluding those awards that have lapsed thereunder) shall not exceed 2.5% of the number of Shares in issue on the date of the 2023 AGM on which a Share issuance mandate for the purpose of the ESPP is granted to the Company by the Shareholders (currently being 291,746,013 Shares based on the number of

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Shares in issue as at the Latest Practicable Date and assuming there is no change in the number of Shares in issue between the Latest Practicable Date and the date of the 2023 AGM) (the “**ESPP Scheme Limit**”).

Furthermore, the ESPP Scheme Limit, aggregated with the scheme limits for new Shares to be issued under all other Share Schemes (excluding those scheme(s) which have expired or terminated) shall not exceed 10% of the number of Shares in issue as at the date of the 2023 AGM (currently being 1,166,984,054 Shares based on the number of Shares in issue as at the Latest Practicable Date and assuming there is no change in the number of Shares in issue between the Latest Practicable Date and the date of the 2023 AGM).

If the ESPP Scheme Limit were to be refreshed, the total number of Shares that may underlie all grants made (i.e. the new Shares which may be issued in respect of all options and awards to be granted) pursuant to any refreshment of the ESPP Scheme Limit under the ESPP, and pursuant to any other Share Schemes (excluding those scheme(s) which have expired or terminated) must not exceed 10% of the number of Shares in issue as at the date of the refreshment of the ESPP Scheme Limit.

There is no limit for grants made during the scheme period pursuant to the ESPP that will be satisfied by existing Shares.

– *Individual limit*

The total number of Shares that may be issued pursuant to any allocated matching RSPUs under the ESPP and any other Share Schemes (excluding awards or options that have lapsed thereunder) to each individual participant in the 12-month period up to and including the relevant date of the election form filed by the participant must not exceed 1% of the Shares in issue on the relevant date of the election form. Any grant exceeding such 1% limit must be separately approved by the Shareholders in the manner prescribed by the Listing Rules.

– *Vesting period*

Under the ESPP, the vesting period of the RSPUs granted thereunder is three years except in the cases where (i) the participation in the ESPP by the participant is terminated and he/she is a good leaver; or (ii) there is a change in control or the winding up of the Company under which each participant’s matching RSPUs shall vest immediately.

The Board and the Remuneration Committee believe that a shorter vesting period (which may potentially be less than 12 months) in each of the specific circumstances described above is appropriate and in line with the purposes of the ESPP as it allows the Company to reward good leavers with accelerated vesting in exceptional circumstances where justified.

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- *No performance target or clawback mechanism*

Vesting of the matching RSPUs are not subject to the extent of achievement of pre-defined performance target(s) for the pre-defined performance measure(s) during the performance period of the Group. Further, upon vesting of the matching RSPUs, the Shares delivered in satisfaction thereof and their allocation to the relevant ESPP Account are not subject to any clawback mechanism.

The Board and the Remuneration Committee are of the view that it is not necessary to provide for performance targets and clawback mechanisms for the Company to recover or withhold any awards granted under the ESPP as the grants are time-vesting and intended for eligibility wider than Directors and senior management of the Group. The ESPP focuses on strengthening the sense of belonging and engagement of employees by holding an equity stake in the Company.

(E) **The ASPP**

Background

The Company adopted the ASPP (in its current form prior to the Amendments to ASPP) on 1 February 2021 which is effective for a period of 10 years from the date of adoption. The ASPP was adopted to replace the then existing agency share purchase plan which was adopted by the Company on 23 February 2012 with a term of 10 years and expired on 22 February 2022 (the “**Predecessor ASPP**”). Under the existing terms of the ASPP, those agents or agency leaders of the Group (together, the “**Agents**”) selected to participate in the plan may elect to purchase the Shares and, through the grant of matching restricted stock subscription units (the “**RSSUs**”), receive one matching Share for every two Shares purchased and held until the end of the vesting period.

Upon the termination of the Predecessor ASPP, no further RSSUs can be granted thereunder. However, the Predecessor ASPP shall remain in full force and effect for all RSSUs granted prior to its termination, and the vesting of such RSSUs shall be subject to and made in accordance with the terms on which they were granted under Predecessor ASPP.

When adopted on 1 February 2021, the ASPP was not a share scheme governed by the then Chapter 17 of the Listing Rules. The requirements under the amended Chapter 17 of the Listing Rules, which came into effect on 1 January 2023, apply to all Share Schemes, including the ASPP. Accordingly, the Board is proposing the Amendments to ASPP primarily to bring the terms of the ASPP in line with the amended Chapter 17 of the Listing Rules.

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Under the existing terms of the ASPP, the matching RSSUs awarded will only be satisfied by the issue of new Shares to the participants. The maximum aggregate number of new Shares which can be issued by the Company pursuant to the ASPP and any other agency share purchase plan of the Company (including the Predecessor ASPP) is 302,264,978 Shares, being 2.5% of the number of Shares then in issue on 29 May 2020. Currently (and prior to the Amendments to ASPP becoming effective), the Company relies on the general mandate approved by the Shareholders at the annual general meeting of the Company convened on 19 May 2022 to issue and allot the new Shares as and when the RSSUs vest.

Since the adoption date of the ASPP and up to the Latest Practicable Date, a cumulative total of 8,930,993 matching RSSUs were vested under the Predecessor ASPP and the ASPP and 8,930,993 new Shares were issued for the RSSUs.

Principal terms of the ASPP

A summary of the principal terms of the ASPP (which incorporated all Amendments to ASPP) is set out in Appendix VI to this Circular. Some key features of the ASPP are highlighted below:

– *Scheme mandate limit*

Under the ASPP, the aggregate number of new Shares issued and to be issued by the Company during the 10-year period commencing on the adoption date of the ASPP (i.e. 1 February 2021) pursuant to the ASPP (excluding matching RSSUs that have lapsed in accordance with the ASPP) and any other agency share purchase plan of the Company (excluding those awards that have lapsed thereunder) shall not exceed 2.5% of the number of Shares in issue as at the date of the 2023 AGM on which a Share issuance mandate for the purpose of the ASPP is granted to the Company by the Shareholders (currently being 291,746,013 Shares based on the number of Shares in issue as at the Latest Practicable Date and assuming there is no change in the number of Shares in issue between the Latest Practicable Date and the date of the 2023 AGM).

Furthermore, the above 2.5% limit for new Shares, also being the Service Provider Limit, aggregated with the scheme limits for new Shares to be issued under all other Share Schemes (excluding those scheme(s) which have expired or terminated) shall not exceed 10% of the number of Shares in issue as at the date of the 2023 AGM (currently being 1,166,984,054 Shares based on the number of Shares in issue as at the Latest Practicable Date and assuming there is no change in the number of Shares in issue between the Latest Practicable Date and the date of the 2023 AGM).

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If the Service Provider Limit were to be refreshed, the total number of Shares that may underlie all grants made (i.e. the new Shares which may be issued in respect of all options and awards to be granted) pursuant to any refreshment of the Service Provider Limit under the ASPP, and pursuant to any other Share Schemes (excluding those scheme(s) which have expired or terminated) must not exceed 10% of the number of Shares in issue as at the date of the refreshment of the Service Provider Limit.

There is no limit for grants made during the scheme period pursuant to the ASPP that will be satisfied by existing Shares.

The basis for determining the Service Provider Limit includes the potential dilution effect arising from the grants made to the Agents under the ASPP and the contribution by the Agents to the Group. The Board is of the view that the Service Provider Limit is appropriate and reasonable after taking into account (i) the actual and expected future sales contribution by the Agents to the Group's revenue and to its long-term growth; (ii) the benefit to the Group by providing long-term equity incentives to maintain the recurring and continuing contributions of the Agents to the Group; and (iii) the minimal potential dilution to the shareholding of other Shareholders in the Company following the vesting of the matching RSSUs to be granted to the Agents under the Service Provider Limit.

– *Individual limit*

The total number of new Shares that may be issued pursuant to any allocated matching RSSUs under the ASPP (excluding matching RSSUs that have lapsed in accordance with the ASPP) and any other Share Schemes (excluding those awards or options that have lapsed thereunder) to any one participant in the 12-month period up to and including the relevant date of the election form filed by the participant must not exceed 1% of the Shares in issue on the relevant date of the election form. Any issuance of Shares pursuant to any allocated matching RSSUs under the ASPP which exceeds the above limit shall be separately approved by the Company in general meeting in the manner prescribed by the Listing Rules.

– *Participants under the ASPP*

Under the ASPP, eligible participants are the Agents selected by the Board who has entered into a subsisting service contract with the Group on selling and servicing of insurance for the Group (excluding any employee of the Group or connected person of the Company). The ASPP is specifically designed to give incentives to the Agents who, whilst are not employees of the Group, are Service Providers whose industry-specific knowledge and expertise, client network, deep understanding and insight in the business of the Group would benefit the Group on a continuing and recurring basis in its ordinary and usual course of business, which are substantively comparable to contributions of highly-skilled or executive employees of the Group.

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The Board (including the Independent Non-executive Directors) is of the view that the ASPP provides the Agents, being Service Providers of the Group, with a means of acquiring an equity interest in the Company so as to provide an incentive to them to exert maximum efforts for the success of the Company.

In determining the basis of eligibility of the participants in the ASPP, the Board would take into account factors including, among others, the performance of the Agents (including the amount of commission they earned in the performance period), and for Agents who are also agency leaders, the number of active agents in their teams and the number of new Agents they recruited during the performance period.

– *No performance targets or clawback mechanism*

In addition, vesting of the matching RSSUs are not subject to the extent of achievement of pre-defined performance target(s) for the pre-defined performance measure(s) during the performance period of the Group. Further, upon vesting of the matching RSSUs, the Shares delivered in satisfaction thereof and their allocation to the relevant participants are not subject to any clawback mechanism.

The Board and the Remuneration Committee are of the view that it is not necessary to provide for performance targets and clawback mechanisms for the Company to recover or withhold any awards granted under the ASPP as the grants are time-vesting and intended for eligibility wider than Directors and senior management of the Group. The ASPP focuses on strengthening the sense of belonging and engagement of Agents by holding an equity stake in the Company.

(F) Implications Under The Listing Rules

Each of the SO Scheme, the RSU Scheme, the ESPP and the ASPP involves the potential issuance of new Shares and therefore constitutes a share scheme under the amended Chapter 17 of the Listing Rules which came into effect on 1 January 2023.

Pursuant to the requirements under the amended Chapter 17 of the Listing Rules, a share scheme of a listed issuer must be approved by its shareholders in general meeting. Further, the Listing Rules require that any alterations to the terms and conditions of a share scheme which are of a material nature, or any change to the terms of options or awards granted to a participant (which does not take effect automatically under the existing terms of the scheme and the initial grant was approved by the shareholders) shall be approved by the shareholders of the listed issuers.

The proposed amendments to SO Scheme are of a material nature and may affect certain rights of the participants accrued prior to such amendments becoming effective. Accordingly, such amendments are subject to the Shareholders' approval at the 2023 AGM. In addition, resolutions will be proposed at the 2023 AGM to approve and adopt the terms and conditions of each of the RSU Scheme, the ESPP and the ASPP, all of which are currently subject to the requirements under the amended Chapter 17 of the Listing Rules.

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In the event that any of the relevant resolutions for approving the respective terms and conditions of the RSU Scheme, the ESPP and the ASPP is not passed at the 2023 AGM, the existing RSU Scheme, the ESPP or the ASPP (as the case may be) shall continue to operate until the expiry of their respective term or termination save that no new Shares can be issued thereunder to satisfy any awards after the application of the transitional arrangements as set out in the Consultation Conclusions ends on the date of the second annual general meeting of the Company after 1 January 2023, including the allotment and issuance of new Shares pursuant to the general mandate obtained by the Company at its annual general meeting.

The Board considers that the terms and conditions of each of the Share Schemes, with the amendments proposed to each of them respectively, are in compliance with the requirements of Chapter 17 of the Listing Rules. For grants made pursuant to the RSU Scheme, the ESPP or the ASPP that will be satisfied by existing Shares, the Company will comply with the relevant requirements under Rule 17.12 of the Listing Rules and Chapter 14A of the Listing Rules in respect of any grants to connected persons (as and when required, unless there is an applicable exemption under those rules).

An application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the new Shares that may be issued pursuant to the vesting of the share awards which have been or may be granted under each of the RSU Scheme, the ESPP and the ASPP, as amended.

None of the Directors is a trustee of trusts operated under the RSU Scheme, the ESPP or the ASPP, or has a direct or indirect interest in such trustees.

9. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

10. ANNUAL GENERAL MEETING

The 2023 AGM Notice is set out on pages 28 to 35 of this circular. At the 2023 AGM, relevant resolutions will be proposed to approve (i) the receipt of the audited financial statements; (ii) the declaration of a final dividend; (iii) the re-election of Directors; (iv) the re-appointment of auditor and authorising the Board to fix its remuneration; (v) the grant of the Issue Mandate and the Buy-back Mandate; (vi) the revision of annual cap for Directors' fees; and (vii) the Amendments to SO Scheme and the terms of each of the RSU Scheme, the ESPP and the ASPP.

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As a registered Shareholder, you are entitled to attend and vote at the 2023 AGM in person. Whether or not you intend to attend the 2023 AGM or any adjournment thereof, please complete the enclosed proxy form in accordance with the instructions printed thereon and return the same to the Company's share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or via email to aia.eproxy@computershare.com.hk as soon as possible and in any event not less than 48 hours before the time appointed for holding the 2023 AGM or any adjournment thereof. You may appoint one or more proxies to attend and vote on your behalf. A proxy need not be a Shareholder. Completion and return of the proxy form will not preclude you from attending and voting in person at the 2023 AGM or any adjournment thereof should you so wish. In the event that a Shareholder who has lodged a proxy form attends the 2023 AGM, his/her proxy form will be deemed to have been revoked.

As a non-registered Shareholder (i.e. your Shares are held through an intermediary or a nominee), you may give instructions to your intermediary or nominee to vote on your behalf or appoint you as a representative to attend and vote at the 2023 AGM.

The Company reminds Shareholders that they may appoint the chairman of the 2023 AGM as their proxy to vote according to their indicated voting instructions and to view the 2023 AGM proceedings via webcast as an alternative to attending the 2023 AGM in person.

11. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, the chairman of the 2023 AGM will exercise his right to demand a poll pursuant to Article 70 of the Articles of Association on each of the resolutions to be proposed at the 2023 AGM except where the chairman of the 2023 AGM, 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.

After closure of the 2023 AGM, the poll results will be published on the websites of both the Hong Kong Exchanges and Clearing Limited and the Company.

12. RECOMMENDATION

The Directors consider that the receipt of the audited financial statements, the declaration of a final dividend, the re-election of Directors, the re-appointment of auditor and authorising the Board to fix its remuneration, the grant of the Issue Mandate and the Buy-back Mandate, the revision of annual cap for Directors' fees, and the Amendments to SO Scheme and the terms of each of the RSU Scheme, the ESPP and the ASPP are in the best interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of all the resolutions to be proposed at the 2023 AGM.

LETTER FROM THE BOARD

Except for Computershare Hong Kong Trustees Limited, as the trustee holding unvested Shares under the RSU Scheme, the ESPP and the ASPP, which is required to abstain from voting on matters that require Shareholders' approval under Rule 17.05A of the Listing Rules, no other Shareholder is required to abstain from voting in respect of any of the resolutions to be proposed at the 2023 AGM.

13. DOCUMENT ON DISPLAY

Copies of (i) the SO Scheme; (ii) the RSU Scheme; (iii) the ESPP; and (iv) the ASPP, which incorporated the proposed amendments to each of these schemes respectively will be published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.aia.com) for a period of not less than 14 days before the date of the 2023 AGM and will be made available for inspection at the 2023 AGM.

Yours faithfully,
On behalf of the Board
Edmund Sze-Wing Tse
Independent Non-executive Chairman

NOTICE OF ANNUAL GENERAL MEETING



AIA Group Limited
友邦保險控股有限公司
(Incorporated in Hong Kong with limited liability)
Stock Code: 1299

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**2023 AGM**”) of AIA Group Limited (the “Company”) will be held at the Grand Ballroom 3 & 5, Level B, Hong Kong Ocean Park Marriott Hotel, 180 Wong Chuk Hang Road, Aberdeen, Hong Kong on Thursday, 18 May 2023 at 11:00 a.m. for the following purposes. Unless otherwise indicated, capitalised terms used herein shall have the same meaning as those defined in the circular of the Company dated 12 April 2023 (the “**Circular**”).

ORDINARY RESOLUTIONS

1. To receive the audited consolidated financial statements of the Company, the Report of the Directors and the Independent Auditor’s Report for the year ended 31 December 2022.
2. To declare a final dividend of 113.40 Hong Kong cents per share for the year ended 31 December 2022.
3. To re-elect Mr. Edmund Sze-Wing Tse as Independent Non-executive Director of the Company.
4. To re-elect Mr. Jack Chak-Kwong So as Independent Non-executive Director of the Company.
5. To re-elect Professor Lawrence Juen-Yee Lau as Independent Non-executive Director of the Company.
6. To re-appoint PricewaterhouseCoopers as auditor of the Company and to authorise the board of directors of the Company (the “Board”) to fix its remuneration.

NOTICE OF ANNUAL GENERAL MEETING

7. To consider and, if thought fit, pass with or without modification, the following resolutions as ordinary resolutions of the Company in relation to the proposed grant of general mandates to the Board:

(A) **“THAT:**

- (a) subject to sub-paragraph (c) of this resolution and pursuant to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the Company, to grant rights to subscribe for, or to convert any security into, shares of the Company (including the issue of any securities convertible into shares, or options, warrants or similar rights to subscribe for any shares) and to make, enter into or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in sub-paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make, enter into or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares in the Company) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares in the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in sub-paragraphs (a) and (b) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined below), or (ii) the exercise of rights of subscription or conversion under the terms of any options, warrants or similar rights granted by the Company or any securities which are convertible into shares in the Company, or (iii) the grant of options or an issue of shares in the Company upon the exercise of options granted under any share option scheme adopted by the Company from time to time, or (iv) any scrip dividend or similar arrangement providing for the allotment and issue of shares in the Company in lieu of the whole or part of a dividend on shares in the Company in accordance with the articles of association of the Company, shall not exceed 10 per cent of the number of shares of the Company in issue as at the date of the passing of this resolution (as such number of shares may be adjusted in the event of any consolidation or subdivision of shares of the Company after the date of this resolution), and the said approval shall be limited accordingly, and

NOTICE OF ANNUAL GENERAL MEETING

any refreshments of the approval in sub-paragraph (a) of this resolution before the next annual general meeting of the Company are subject to prior approval of the shareholders of the Company at its general meeting;

- (d) any shares in the Company to be allotted, issued or dealt with (whether wholly or partly for cash or otherwise) pursuant to the approval in sub-paragraphs (a) and (b) of this resolution shall not be at a discount of more than 10 per cent to the Benchmarked Price (as defined below) of such shares in the Company, save for any issue of securities convertible into new shares of the Company for cash consideration pursuant to the approval in sub-paragraphs (a) and (b) of this resolution, where the initial conversion price shall not be lower than the Benchmarked Price of the shares of the Company at the time of the placing; and
- (e) for the purposes of this resolution:

“Benchmarked Price” means the higher of:

- (i) the closing price of the shares in the Company as quoted on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) on the date of the agreement involving the relevant proposed issue of shares in the Company; and
- (ii) the average closing price of the shares in the Company as quoted on the Hong Kong Stock Exchange for the five business days immediately preceding the earlier of the date: (A) of announcement of the transaction or arrangement involving the relevant proposed issue of shares in the Company; (B) of the agreement involving the relevant proposed issue of shares in the Company; and (C) on which the price of shares in the Company that are proposed to be issued is fixed.

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiry of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means an offer of shares of the Company or an offer or issue of warrants or options or similar instruments to subscribe for, or of securities convertible into, shares of the Company open for a period fixed by the Directors to holders of shares in the Company or any class thereof on the register of members on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”

(B) **“THAT:**

- (a) subject to sub-paragraph (b) of this resolution and pursuant to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to buy back shares of the Company on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Hong Kong Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Hong Kong Stock Exchange or of any other stock exchange as amended from time to time and all applicable laws in this regard, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of shares in the Company which may be bought back pursuant to the approval in sub-paragraph (a) of this resolution shall not exceed 10 per cent of the number of shares in the Company in issue as at the date of the passing of this resolution (as such number of shares may be adjusted in the event of any consolidation or subdivision of shares of the Company after the date of this resolution), and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) for the purposes of this resolution, “Relevant Period” means the period from the passing of this resolution until the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiry of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
 - (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”
- 8. To adjust the limit of the annual sum of the aggregate fees payable to the Directors for their services as Directors to US\$3,800,000 pursuant to article 91(a) of the articles of association of the Company.
- 9. To consider and, if thought fit, pass with or without modification, the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) the proposed amendments (the “**Proposed SO Amendments**”) to the terms of the share option scheme of the Company (the “**Share Option Scheme**”) adopted on 29 May 2020 as set out in the circular of the Company dated 12 April 2023 and shown in the mark-up version of the Share Option Scheme, a copy of which is available for inspection as detailed in the Circular and produced to this meeting marked “A” and for the purposes of identification initialed by the chairman of this meeting, be and are hereby approved;
- (b) the Proposed SO Amendments shall apply to the outstanding options granted under the Share Option Scheme which remain unexercised as at the date of the 2023 AGM and options to be granted under the amended Share Option Scheme with effect from the date of the 2023 AGM; and
- (c) the Directors be and are hereby authorised to do all such acts and execute such documents as may be necessary, desirable or expedient in order to give full effect to the implementation of the amended Share Option Scheme reflecting all the Proposed SO Amendments.”

NOTICE OF ANNUAL GENERAL MEETING

10. To consider and, if thought fit, pass with or without modification, the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) the restricted share unit scheme of the Company (as amended) (the “**RSU Scheme**”), the terms and conditions of which (together with the scheme limit thereunder) set out in the document produced to this meeting marked “B” and for the purposes of identification initialed by the chairman of this meeting, be and is hereby approved and adopted; and
- (b) the Directors be and are hereby authorised to grant awards thereunder and to allot, issue, procure the transfer of and otherwise deal with any shares of the Company in connection with the RSU Scheme and to do all such acts as they may in their absolute discretion consider necessary or expedient in order to give full effect to the RSU Scheme.”

11. To consider and, if thought fit, pass with or without modification, the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) the employee share purchase plan of the Company (as amended) (the “**Employee Share Purchase Plan**”), the terms and conditions (together with the scheme limit thereunder) of which are set out in the document produced to this meeting marked “C” and for the purposes of identification initialed by the chairman of this meeting, be and is hereby approved and adopted; and
- (b) the Directors be and are hereby authorised to grant awards thereunder and to allot, issue, procure the transfer of and otherwise deal with any shares of the Company in connection with the Employee Share Purchase Plan and to do all such acts as they may in their absolute discretion consider necessary or expedient in order to give full effect to the Employee Share Purchase Plan.”

12. To consider and, if thought fit, pass with or without modification, the following resolution as ordinary resolutions of the Company:

“THAT:

- (a) the agency share purchase plan of the Company (as amended) (the “**Agency Share Purchase Plan**”), the terms and conditions of which (together with the scheme limit thereunder) are set out in the document produced to this meeting marked “D” and for the purposes of identification initialed by the chairman of this meeting, be and is hereby approved and adopted; and

NOTICE OF ANNUAL GENERAL MEETING

- (b) the Directors be and are hereby authorised to grant awards thereunder and to allot, issue, procure the transfer of and otherwise deal with any shares of the Company in connection with the Agency Share Purchase Plan and to do all such acts as they may in their absolute discretion consider necessary or expedient in order to give full effect to the Agency Share Purchase Plan.”

By Order of the Board
Nicole Pao
Group Company Secretary

Hong Kong, 12 April 2023

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. **All shareholders of the Company who intend to attend the 2023 annual general meeting of the Company (“2023 AGM”) in person should read the section headed “Special Arrangements for the 2023 Annual General Meeting” on pages 1 to 2 of the circular of the Company for the 2023 AGM dated 12 April 2023.**
2. The register of members of the Company will be closed from Monday, 15 May 2023 to Thursday, 18 May 2023 (both days inclusive) during which period no transfer of share(s) will be registered. To be eligible to attend and vote at the 2023 AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company’s share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Friday, 12 May 2023.

In order to qualify for the entitlement of the final dividend to be approved at the 2023 AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company’s share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Wednesday, 24 May 2023, being the record date for determining the entitlement to the final dividend for the year ended 31 December 2022.

3. A shareholder of the Company entitled to attend and vote at the 2023 AGM is entitled to appoint one or more proxies to attend and vote on his/her behalf. A proxy need not be a shareholder of the Company.
4. In order to be valid, a proxy form and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney or authority, must be deposited at the Company’s share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong or via email to aia.eproxy@computershare.com.hk, not less than 48 hours before the time appointed for holding the 2023 AGM or any adjournment thereof. Completion and return of the proxy form will not preclude any shareholder of the Company from attending and voting in person at the 2023 AGM or any adjourned meeting should he/she so wish.
5. Where there are joint registered holders of any shares, any one of such persons may vote at the 2023 AGM or any adjourned meeting, either personally or by proxy, in respect of such shares as if he/she were solely entitled thereto; but the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
6. Shareholders of the Company having any queries relating to the 2023 AGM may call the hotline of the Company’s share registrar, Computershare Hong Kong Investor Services Limited, by telephone at (852) 2862 8555 during business hours from 9:00 a.m. to 6:00 p.m. (Hong Kong time) Mondays to Fridays, excluding public holidays, or by online form via its website at www.computershare.com/hk/contact.

As at the date of this circular, the Board comprises:

Independent Non-executive Chairman and Independent Non-executive Director:

Mr. Edmund Sze-Wing TSE

Executive Director:

Mr. LEE Yuan Siong

Independent Non-executive Directors:

Mr. Jack Chak-Kwong SO, Mr. Chung-Kong CHOW, Mr. John Barrie HARRISON, Mr. George Yong-Boon YEO, Professor Lawrence Juen-Yee LAU, Ms. Swee-Lian TEO, Dr. Narongchai AKRASANE, Mr. Cesar Velasquez PURISIMA and Ms. SUN Jie (Jane)

Details of the retiring Directors proposed to be re-elected at the 2023 AGM are set out as follows:

1. MR. EDMUND SZE-WING TSE

Aged 85, is the Independent Non-executive Chairman and an Independent Non-executive Director of the Company. He was appointed Non-executive Director of the Company on 27 September 2010 and elected Non-executive Chairman on 1 January 2011. He was re-designated as the Independent Non-executive Chairman and an Independent Non-executive Director of the Company on 23 March 2017. Mr. Tse is also the Chairman of the Nomination Committee and a member of the Remuneration Committee and the Risk Committee of the Company. He is a director of AIA Foundation. Mr. Tse's appointments during the period for over 60 years with the Group and its predecessor, AIG Group, include serving as Honorary Chairman of AIA Company Limited from July 2009 to December 2010, Chairman and Chief Executive Officer from 2000 to June 2009 and President and Chief Executive Officer from 1983 to 2000. He also served as Chairman of AIA Philippines Life and General Insurance Company Inc. (formerly known as The Philippine American Life and General Insurance (PHILAM LIFE) Company) from 2005 to 2015. Mr. Tse is a non-executive director of PCCW Limited (listed on the Hong Kong Stock Exchange), a director of Bridge Holdings Company Limited (formerly known as PineBridge Investments Limited) and the non-executive Chairman of PineBridge Investments Asia Limited. Mr. Tse is also a member of the membership committee and a fellow of the Hong Kong Academy of Finance. He served as a non-executive director of PICC Property and Casualty Company Limited (listed on the Hong Kong Stock Exchange) from 2004 to July 2014. In recognition of his outstanding contributions to the development of Hong Kong's insurance industry, Mr. Tse was awarded the Gold Bauhinia Star by the HKSAR Government in 2001. Mr. Tse received an honorary fellowship and an honorary degree of Doctor of Social Sciences from The University of Hong Kong in 1998 and 2002, respectively. He also received an honorary degree of Doctor of Business Administration from Lingnan University in 2018. In 2003, he was elected to the prestigious Insurance Hall of Fame and in 2017, Mr. Tse was awarded the first ever Lifetime Achievement Award at the Pacific Insurance Conference in recognition of his outstanding contribution to the insurance industry.

Mr. Tse's appointment is for a term of approximately three years from the 2023 AGM, subject to the directors' retirement and re-election requirements under the Articles of Association and the Corporate Governance Code.

As at the Latest Practicable Date, Mr. Tse holds 3,330,400 Shares and/or underlying Shares as beneficial owner and 230,000 Shares and/or underlying Shares through controlled corporation, together representing 0.02% of the total number of Shares in issue. Save as disclosed above, Mr. Tse does not hold any Shares within the meaning of Part XV of the SFO.

Details of Mr. Tse's remuneration are set out in the Remuneration Report and note 40 to the financial statements in the Annual Report 2022.

Save as disclosed above, Mr. Tse has not held any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. Mr. Tse does not have any relationship with any Directors, senior management or substantial or controlling Shareholders (as defined in the Listing Rules) of the Company.

Save as disclosed above, there is no information about Mr. Tse that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

2. MR. JACK CHAK-KWONG SO

Aged 78, is an Independent Non-executive Director of the Company. He was appointed as Non-executive Director of the Company on 28 September 2010 and re-designated as an Independent Non-executive Director of the Company on 26 September 2012. He is also a member of the Audit Committee, the Nomination Committee and the Remuneration Committee of the Company. From August 2007 to September 2010, Mr. So served as an independent non-executive director of AIA Company Limited. He is currently an independent non-executive director of China Resources Power Holdings Co. Ltd. (listed on the Hong Kong Stock Exchange) and the Chairman of Airport Authority Hong Kong. Mr. So was previously an independent senior advisor to Credit Suisse, Greater China from January 2008 to October 2022, a non-official member of the Chief Executive's Council of Advisers on Innovation and Strategic Development from March 2018 to June 2022 and Chairman of the Consultative Committee on Economic and Trade Co-operation between Hong Kong and Mainland China from October 2013 to December 2015. Mr. So was awarded the Gold Bauhinia Star and the Grand Bauhinia Medal by the HKSAR Government in 2011 and 2017, respectively. Mr. So served as an executive director of the Hong Kong Trade Development Council from 1985 to 1992 and served as its Chairman from 2007 to 2015. He was an independent non-executive director of Cathay Pacific Airways Limited (listed on the Hong Kong Stock Exchange) from 2002 to 2015, a non-executive director of The Hongkong and Shanghai Banking Corporation Limited from 2000 to 2007, the Chairman of the Hong Kong Film Development Council from 2007 to 2013 and a member of the Chinese People's Political Consultative Conference from 2008 to 2018.

Mr. So's appointment is for a term of approximately three years from the 2023 AGM, subject to the directors' retirement and re-election requirements under the Articles of Association and the Corporate Governance Code.

As at the Latest Practicable Date, Mr. So holds 130,000 Shares and/or underlying Shares through his beneficially wholly owned company, Cyber Project Developments Limited, representing less than 0.01% of the total number of Shares in issue. Save as disclosed above, Mr. So does not hold any Shares within the meaning of Part XV of the SFO.

Details of Mr. So's remuneration are set out in the Remuneration Report and note 40 to the financial statements in the Annual Report 2022.

Save as disclosed above, Mr. So has not held any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. Mr. So does not have any relationship with any Directors, senior management or substantial or controlling Shareholders (as defined in the Listing Rules) of the Company.

Save as disclosed above, there is no information about Mr. So that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

3. PROFESSOR LAWRENCE JUEN-YEE LAU

Aged 78, is an Independent Non-executive Director of the Company, having been appointed on 18 September 2014. He is also a member of the Nomination Committee and the Risk Committee of the Company. Professor Lau currently serves as an independent non-executive director of CNOOC Limited (listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange; and previously listed on the New York Stock Exchange) and Semiconductor Manufacturing International Corporation (listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange; and previously listed on the New York Stock Exchange). He is also an independent non-executive director of Far EasTone Telecommunications Company Limited (listed on the Taiwan Stock Exchange). He has been serving as the Ralph and Claire Landau Professor of Economics at The Chinese University of Hong Kong (CUHK) since 2007 and the Chairman of the Council of Shenzhen Finance Institute of CUHK, Shenzhen since 12 January 2017. He currently serves as a member of the Currency Board Sub-committee of the Exchange Fund Advisory Committee of the HKSAR, a non-official member of the Candidate Eligibility Review Committee of the HKSAR and a non-official member of the board of directors of Hong Kong Investment Corporation Limited. In addition, he serves as a Fellow of the Hong Kong Academy of Finance; a Director of the Chiang Ching-Kuo Foundation for International Scholarly Exchange, Taipei; and the C.V. Starr Distinguished Fellow of China Development Research Foundation, Beijing since 2019. He was formerly a member of the Exchange Fund Advisory Committee of the HKSAR, Chairman of its Governance Sub-committee and a member of its Investment Sub-committee until 2019; a Vice Chairman of China Center for International Economic Exchanges, Beijing until 2021; a member and Chairman of the Prize Recommendation Committee of the LUI Che Woo Prize Limited, from 2015 to 2021; as well as a member of the Hong Kong Trade Development Council Belt and Road & Greater Bay Area Committee, from 2019 to 2021. He was appointed a Justice of the Peace by the HKSAR Government in 2007 and awarded the Gold Bauhinia Star by the HKSAR Government in 2011. From 2004 to 2010, Professor Lau served as Vice-Chancellor (President) of CUHK. From 2009 to 2012, he served as a Non-official Member of the Executive Council of the HKSAR. He was appointed Chairman of CIC International (Hong Kong) Co., Limited, a wholly-owned subsidiary of China Investment Corporation, in November 2010 and retired from the position in September 2014. He was a member of the 11th and 12th National Committees of the Chinese People's Political Consultative Conference from 2008 to 2012 and from 2013 to 2018 respectively, a Vice-Chairman of the Sub-committee of Population, Resources and Environment, from 2010 to 2013, and a Vice-Chairman of the Sub-committee of Economics from 2013 to 2018. From 2014 to 2020, he was an independent

non-executive director of Hysan Development Company Limited (listed on the Hong Kong Stock Exchange). He received his B.S. degree (with Great Distinction) in Physics from Stanford University in 1964 and his M.A. and Ph.D. degrees in Economics from the University of California at Berkeley in 1966 and 1969, respectively. He joined the faculty of the Department of Economics at Stanford University in 1966, becoming its Professor of Economics in 1976 and the first Kwoh-Ting Li Professor in Economic Development in 1992. From 1992 to 1996, he served as a Co-Director of the Asia-Pacific Research Center at Stanford University, and from 1997 to 1999 as the Director of the Stanford Institute for Economic Policy Research. He became its Kwoh-Ting Li Professor in Economic Development, Emeritus, upon his retirement from Stanford University in 2006.

Professor Lau's appointment is for a term of approximately three years from the 2023 AGM, subject to the directors' retirement and re-election requirements under the Articles of Association and the Corporate Governance Code.

As at the Latest Practicable Date, Professor Lau is deemed to be interested in 250,000 Shares and/or underlying Shares held by his spouse, Ms. Ayesha Abbas Macpherson, as beneficial owner, representing less than 0.01% of the total number of Shares in issue. Save as disclosed above, Professor Lau does not hold any Shares within the meaning of Part XV of the SFO.

Details of Professor Lau's remuneration are set out in the Remuneration Report and note 40 to the financial statements in the Annual Report 2022.

Save as disclosed above, Professor Lau has not held any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. Professor Lau does not have any relationship with any Directors, senior management or substantial or controlling Shareholders (as defined in the Listing Rules) of the Company.

Save as disclosed above, there is no information about Professor Lau that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

Save as disclosed in this Appendix I, there are no other matters in relation to the proposed re-election of the above Directors that need to be brought to the attention of the Shareholders.

This serves as an explanatory statement, as required to be sent to all Shareholders under the Listing Rules, to provide the relevant information in connection with the Buy-back Mandate and also constitutes the memorandum required under Section 239 of the Companies Ordinance.

1. EXERCISE OF THE BUY-BACK MANDATE

As at the Latest Practicable Date, the number of Shares in issue was 11,669,840,546 Shares.

Subject to the passing of the resolution in relation to the Buy-back Mandate and on the basis that no further Shares are issued or bought back by the Company from the Latest Practicable Date and up to the date of the 2023 AGM, the Company will be allowed under the Buy-back Mandate to buy back a maximum of 1,166,984,054 Shares (representing 10% of the number of Shares in issue) during the period from the date of the passing of the ordinary resolution numbered 7(B) in the 2023 AGM Notice set out on pages 28 to 35 of this circular up to:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiry of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws to be held; and
- (iii) the date on which the authority set out in the ordinary resolution numbered 7(B) is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

For clarity, Shares bought back through any exercise of the Buy-back Mandate will not be added to the number of Shares that may be issued under the Issue Mandate.

2. SOURCE OF FUNDS

In buying back the Shares, the Company must be funded from the funds legally available for the purpose in accordance with the Articles of Association and the applicable laws of Hong Kong. The Company may not buy back the Shares on the Hong Kong Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Hong Kong Stock Exchange. Subject to the above, the Company may make buy-backs with funds which would otherwise be available for dividend or distribution or out of an issue of new Shares for the purpose of the buy-backs.

3. REASONS FOR THE BUY-BACKS

The Directors believe that it is in the Company's and the Shareholders' best interests for the Directors to have general authority to execute buy-backs of the Shares in the market. Such buy-backs may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such buy-backs will benefit the Company and the Shareholders as a whole.

With regard to the reasons for implementing the Share Buy-back Programme, please refer to the Company's announcement dated 11 March 2022 for more details.

4. FUNDING OF BUY-BACKS

In buying back the Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles of Association, the applicable laws of Hong Kong and the Listing Rules.

On the basis of the financial position of the Company as disclosed in the Annual Report 2022 and taking into account the current working capital position of the Company, the Directors believe that, if the Buy-back Mandate is to be exercised in full, it might have a material adverse effect on its working capital. However, the Directors do not propose to exercise the Buy-back Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

5. CONFIRMATION

The Company confirms that this explanatory statement contains the information required under Rule 10.06(1)(b) of the Listing Rules and that neither this explanatory statement nor the Buy-back Mandate has any unusual features.

6. GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) currently intends to sell any Shares to the Company or its subsidiaries if the Buy-back Mandate is granted by the Shareholders.

The Directors have undertaken to the Hong Kong Stock Exchange that, so far as the same may be applicable, they will exercise the Buy-back Mandate in accordance with the Listing Rules, the Articles of Association, the Companies Ordinance and any other applicable laws of Hong Kong.

If, as a result of any buy-back of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. The Directors are not aware of any consequences which would arise under the Takeovers Code as a result of an exercise of the Buy-back Mandate.

No core connected person has notified the Company that he or she or it has a present intention to sell his or her or its Shares to the Company, or has undertaken not to do so, if the Buy-back Mandate is exercised.

7. SHARE BUY-BACK MADE BY THE COMPANY

The Company bought back a total of 229,308,400 Shares on the Hong Kong Stock Exchange during the six months immediately preceding the Latest Practicable Date pursuant to the Share Buy-back Programme, the details of which were as follows:

Date of buy-back	Number of Shares bought back*	Price per Share	
		Highest price paid (HK\$)	Lowest price paid (HK\$)
3 October 2022	2,736,000	65.55	64.55
5 October 2022	829,600	69.05	67.35
6 October 2022	250,400	69.55	68.70
7 October 2022	1,425,600	70.45	69.85
10 October 2022	2,573,800	70.00	68.70
11 October 2022	2,634,000	68.80	66.95
12 October 2022	2,622,000	69.05	66.70
13 October 2022	2,628,000	69.00	66.55
14 October 2022	2,591,600	70.00	67.80
17 October 2022	2,644,400	68.15	66.55
18 October 2022	2,623,600	68.70	66.90
19 October 2022	2,603,000	69.25	67.80
20 October 2022	2,662,000	67.80	65.95
21 October 2022	2,689,400	67.35	65.40
24 October 2022	2,898,200	65.15	59.50
25 October 2022	3,040,400	60.00	57.65
26 October 2022	3,009,000	60.40	57.95
27 October 2022	2,922,800	62.10	59.95
28 October 2022	2,992,000	62.10	57.50
31 October 2022	2,998,600	60.25	57.30
1 November 2022	720,200	61.95	59.80
2 November 2022	36,400	63.10	62.60
3 November 2022	3,570,000	64.10	62.30
4 November 2022	937,200	64.55	62.85
7 November 2022	867,400	66.15	65.90
8 November 2022	720,800	67.85	67.30
9 November 2022	3,315,800	68.50	67.15
10 November 2022	3,352,000	68.05	66.40
11 November 2022	270,400	70.80	70.75
16 November 2022	1,623,800	75.50	74.05

Date of buy-back	Number of Shares bought back*	Price per Share	
		Highest price paid (HK\$)	Lowest price paid (HK\$)
17 November 2022	2,970,600	77.15	74.00
18 November 2022	2,945,600	77.25	75.55
21 November 2022	3,045,200	74.55	72.60
22 November 2022	3,018,000	76.20	73.75
23 November 2022	3,017,400	75.00	73.55
24 November 2022	3,003,400	75.30	74.30
25 November 2022	3,007,400	75.35	73.85
28 November 2022	3,140,000	72.75	70.10
29 November 2022	3,008,600	76.30	72.50
30 November 2022	1,567,000	78.20	76.80
2 December 2022	2,811,600	80.15	79.45
5 December 2022	4,000	81.25	81.25
6 December 2022	1,961,200	83.60	81.80
7 December 2022	2,730,000	84.40	79.35
8 December 2022	2,711,800	84.45	79.60
9 December 2022	2,634,400	86.25	83.30
12 December 2022	2,634,400	85.75	83.65
13 December 2022	2,616,200	87.10	84.70
14 December 2022	2,652,600	85.85	83.45
15 December 2022	2,663,200	85.30	83.05
16 December 2022	2,658,400	85.90	83.35
19 December 2022	2,676,000	85.20	83.20
20 December 2022	2,669,400	84.95	83.00
21 December 2022	2,655,000	85.30	83.85
22 December 2022	2,648,800	86.15	83.35
23 December 2022	2,607,400	87.40	83.25
28 December 2022	2,564,400	88.85	86.90
29 December 2022	2,639,800	85.35	84.20
30 December 2022	2,578,600	87.90	86.05
3 January 2023	2,571,800	88.60	84.50
4 January 2023	2,203,200	91.05	88.70
5 January 2023	2,507,000	92.05	88.90
6 January 2023	2,558,600	88.90	86.50
9 January 2023	2,571,400	89.35	86.40
10 January 2023	2,596,200	88.00	86.05
11 January 2023	2,596,000	87.25	85.60
12 January 2023	2,579,800	88.40	85.55
13 January 2023	2,546,000	89.35	87.35
16 January 2023	2,563,000	88.35	86.30
17 January 2023	2,608,600	87.30	85.40

Date of buy-back	Number of Shares bought back*	Price per Share	
		Highest price paid (HK\$)	Lowest price paid (HK\$)
18 January 2023	2,609,200	86.75	85.35
19 January 2023	2,581,800	87.80	86.00
20 January 2023	2,578,000	88.20	86.25
26 January 2023	2,507,600	90.05	88.75
27 January 2023	2,525,200	90.05	88.25
30 January 2023	2,509,600	90.60	88.60
31 January 2023	2,519,800	90.55	87.85
1 February 2023	2,564,200	89.65	86.35
2 February 2023	2,613,800	87.60	84.75
3 February 2023	2,657,200	85.20	83.75
6 February 2023	2,630,800	86.00	84.75
7 February 2023	2,633,600	85.75	84.65
8 February 2023	2,621,600	86.50	85.20
9 February 2023	2,580,600	88.30	85.05
13 March 2023	1,577,400	84.60	81.85
14 March 2023	1,629,200	83.55	78.65
15 March 2023	1,635,200	82.60	79.50
16 March 2023	1,734,200	76.60	75.15
17 March 2023	1,695,000	79.20	76.45
20 March 2023	1,734,200	78.35	74.90
21 March 2023	1,700,200	78.20	77.15
22 March 2023	1,647,400	80.85	78.80
23 March 2023	1,643,800	81.15	78.85
24 March 2023	1,624,000	81.95	80.35
27 March 2023	1,641,800	81.85	79.55
28 March 2023	1,614,200	82.50	80.80
29 March 2023	1,588,400	84.10	82.60
30 March 2023	1,587,800	83.30	82.15
31 March 2023	1,592,200	84.15	82.10

* These Shares have been cancelled/will be subsequently cancelled after the Latest Practicable Date.

In addition, purchases of approximately 9,829,543 Shares under the RSU Scheme and the ESPP at a total consideration of approximately US\$105 million (equivalent to approximately HK\$825 million) were made by the plan trustee on the Hong Kong Stock Exchange in the six months up to the Latest Practicable Date. These Shares are held on trust for participants of the RSU Scheme and the ESPP and therefore were not cancelled. The average prices for these purchases were as follows:

Date of purchase	Number of Shares purchased	Average price per Share (HK\$)
17 October 2022	170,004	67.53
15 November 2022	164,169	75.74
15 December 2022	149,578	84.38
16 January 2023	145,973	87.82
3 February 2023	294,800	84.47
6 February 2023	291,800	85.33
7 February 2023	292,200	85.24
8 February 2023	290,600	85.63
9 February 2023	285,200	87.32
10 February 2023	287,400	86.69
13 February 2023	290,800	85.63
14 February 2023	288,400	86.34
15 February 2023	447,664	84.57
16 February 2023	290,600	85.67
17 February 2023	296,400	83.96
20 February 2023	298,400	83.41
21 February 2023	301,200	82.65
22 February 2023	300,800	82.78
23 February 2023	305,400	81.53
24 February 2023	307,200	81.05
27 February 2023	304,800	81.65
28 February 2023	298,000	83.54
1 March 2023	292,200	85.22
2 March 2023	289,000	86.13
3 March 2023	287,000	86.76
6 March 2023	286,600	86.87
7 March 2023	285,400	87.20
8 March 2023	293,800	84.75
9 March 2023	290,600	85.68
10 March 2023	301,800	82.51
13 March 2023	296,400	84.04
14 March 2023	307,800	80.89
15 March 2023	463,752	81.06
16 March 2023	333,800	76.12

Save for disclosed above, the Company has not bought back or purchased any of its Shares (whether on the Hong Kong Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

8. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Hong Kong Stock Exchange during each of the twelve months before the Latest Practicable Date were as follows:

	Price per Share	
	Highest (HK\$)	Lowest (HK\$)
2022		
April	84.40	74.10
May	81.45	71.60
June	86.65	76.65
July	86.40	78.60
August	79.75	73.90
September	75.40	64.10
October	71.15	57.25
November	78.75	59.80
December	88.95	79.30
2023		
January	93.65	84.40
February	89.70	79.25
March	88.40	74.90

The proposed key Amendments to SO Scheme are summarised as follows:

- (i) **Individual limit:** To impose an individual limit on the total number of Shares that may underlie all grants (which will be satisfied by newly issued Shares) under the SO Scheme and any other Share Schemes (excluding awards and/or options that have lapsed thereunder) to any one participant of the SO Scheme (the “**SO Participant**”) in the 12-month period up to and including the relevant date of the grant letter, which shall not exceed 1% of the Shares in issue on the relevant date of the grant letter. Any grant exceeding such 1% limit would require Shareholders’ approval;
- (ii) **Additional limits on grants to substantial Shareholders:** Under the current terms of the SO Scheme, any grant to a substantial Shareholder must be approved by the independent Shareholders if the Shares issued and to be issued upon exercise of all options already granted and proposed to be granted to that person under the SO Scheme and any other share option scheme of the Company (whether exercised, cancelled or outstanding) in the 12-month period up to and including the proposed grant date: (a) would represent in aggregate more than 0.1% of the number of Shares then in issue; and (b) would have an aggregate value, based on the closing price of the Shares as stated in the Hong Kong Stock Exchange’s daily quotation sheets on each relevant grant date, in excess of HK\$5 million.

Under the Amendments to SO Scheme, the de-minimis exemption for grants under HK\$5 million to substantial Shareholders will be removed, and for the purpose of calculating the 0.1% limit, the number of Shares in respect of all grants made under the SO Scheme (as well as all Share Schemes) (excluding options or awards that have lapsed thereunder) will be taken into account;

- (iii) **Exercise conditions:**
 - (a) **Vesting period:** The minimum period for vesting of options will be extended from 6 months to 12 months, except in cases where a grant is made to (i) a selected person to compensate for any forfeited compensation and benefits in respect of prior employment and/or (ii) a selected person falls within certain good leaver criteria (as detailed under sub-paragraph (b) below).
 - (b) **Vesting timeline for good leavers:** To reinforce the Company’s values and proposition by recognizing the contribution of employees, as well as to align with market practice, the Amendments to SO Scheme propose to distinguish the treatment of the following good leavers, namely (A) leavers whose employment are terminated due to death or disability from (B) leavers whose employment are terminated due to redundancy or where his/her relevant employer ceases to be a member of the Group. In the case of (A) above, share options granted will be accelerated and vest in full as at the relevant last date

of employment, whereas in the case of (B) above, share options will vest in full as at the relevant last date of employment subject to the satisfaction of any applicable performance criteria and the reduction of the number of exercisable options on a proportional basis based on the proportion of the restricted period which has elapsed at the date of leaving. Further, in both of the cases (A) and (B) above, to provide a more appropriate exercise period for the options, the relevant exercise period of the options granted will be extended to up to 36 months from the relevant last date of employment or the original expiry date of the option period (whichever is earlier). The Board may also exercise its discretion to determine the timing of vesting of the options and the duration of the option period in such cases.

In addition, the treatment of retiring good leaver cases will also be changed under the Amendments to SO Scheme to allow the full vesting of options, under which there will be no deduction in the number of Shares to be awarded to a good leaver in respect of his/her outstanding options by such number of Shares equal to the proportion that (i) the time in months (rounded to the nearest whole month) between the retirement of the good leaver and the date of the commencement of the relevant option period bears to (ii) the entire period from the relevant grant date to the commencement of the option period in months if the relevant option period has not commenced as at the date of retirement.

- (iv) **Overall limit across all Share Schemes:** The Amendments to SO Scheme do not affect the existing 2.5% scheme mandate limit on the total number of Shares which may be issued during the scheme period upon exercise of all options to be granted under the SO Scheme and those granted under any other share option scheme(s) of the Company (including options granted but remain unvested under the Predecessor SO Scheme and excluding any options that have lapsed) (that is, 302,264,978 Shares). The Amendments to SO Scheme propose that the Option Scheme Limit, when aggregated with the scheme limits of all other Share Schemes (excluding those scheme(s) which have expired or terminated), shall not exceed 10% of the number of Shares in issue as at the date of the 2023 AGM.
- (v) **Renewal of the Option Scheme Limit:** Under the SO Scheme, the Option Scheme Limit may be refreshed with Shareholders' approval. The refreshed limit must not exceed 2.5% of the number of Shares in issue as at the relevant date of approving such refreshed limit (the "**Refresher Date**"), and no options may be granted under the SO Scheme and any other option scheme(s) of the Company if such grant will result in the new refreshed limit being exceeded.

The Amendments to SO Scheme further provide that the total number of Shares which may be issued pursuant to the refreshed limit upon exercise of all options to be granted under the SO Scheme and the total number of new Shares that may underlie all grants made pursuant to any other Share Schemes (excluding those scheme(s) which have expired or terminated) following the Refresher Date must not exceed 10% of the number of Shares in issue as at the Refresher Date;

- (vi) **Separate Shareholder approval:** The Amendments to SO Scheme will permit the granting of options beyond the Option Scheme Limit or any refreshed limit, provided that separate Shareholders' approval is obtained, and any such grants are only made to eligible SO Participants specifically identified by the Company before such approval. The approval must be obtained in the manner prescribed by the Listing Rules; and
- (vii) **Amendment:** In respect of any change to the terms of Options granted, the Amendments to SO Scheme provide that where the initial grant of an Option requires the approval by the Board, the Remuneration Committee, the Independent Non-executive Directors and/or the Shareholders (as the case may be), any subsequent change must be approved by the Board, the Remuneration Committee, the Independent Non-executive Directors and/or the Shareholders, except where the proposed change takes effect automatically under the terms of the SO Scheme.

The principal terms of the SO Scheme (with the Amendments to SO Scheme underlined) are summarized as follows:–

(1) PURPOSE OF THE SO SCHEME

The purposes of the SO Scheme are to align the interests of the SO Participants with those of the Group through ownership of Shares and/or the increase in value of Shares, and to encourage and retain SO Participants to make contributions to the long-term growth and profits of the Group, with a view to achieving the objective of increasing the value of the Group.

(2) TERM OF THE SO SCHEME

The SO Scheme will be valid and effective for a period of 10 years, commencing on the date on which the SO Scheme was adopted by the Company (the “**SO Scheme Period**”), after which period no further options will be granted or accepted, but the provisions of the SO Scheme shall remain in full force and effect in order to give effect to the exercise of any options granted and accepted prior to the expiration of the SO Scheme Period.

(3) PARTICIPANTS IN THE SO SCHEME

Persons eligible to receive options under the SO Scheme are existing employees, directors (whether executive or non-executive, but excluding independent non-executive directors) or officers of the Group (the “**SO Eligible Persons**”). The Board selects the SO Eligible Persons to receive options under the SO Scheme at its discretion. The basis of eligibility to a grant of options under the SO Scheme shall be determined by the Board from time to time taking into account such factors as the Board may at its discretion consider appropriate. The Board’s determinations under the SO Scheme need not be uniform and may be made by it selectively with respect to persons who receive, or are eligible to receive, options under SO Scheme (whether or not such persons are similarly situated). The Board shall be entitled, among other things, to make non-uniform and selective determinations as to the persons to become SO Selected Persons (as defined herein below).

(4) GRANT AND ACCEPTANCE**(a) Making an offer**

An offer to grant an option will be made to an SO Eligible Person selected by the Board (the “**SO Selected Person**”) by a letter, in such form as the Board may from time to time determine (the “**SO Grant Letter**”). The SO Grant Letter will specify among other things the number of Shares comprised in the option, the period within which the option must be exercised, the subscription price and exercise criteria and conditions, length of the holding period during which Shares awarded following the exercise of the option must continue to be held in accordance with applicable law and will require the SO Selected Person to undertake to hold the option on the terms on which it is granted and to be bound by the provisions of the SO Scheme.

(b) Acceptance of an offer

A SO Selected Person accepts the grant of an option by returning a notice of acceptance to the Board (the “**Acceptance Notice**”) within the prescribed time and in such manner as specified in the SO Grant Letter. The SO Selected Person is not required to pay any amount on acceptance of the option. Once accepted, the option is granted as from the date on which it was offered to the SO Selected Person (the “**SO Grant Date**”). Upon acceptance by the SO Selected Person, the SO Selected Person will become a “SO Participant”. Where the SO Selected Person does not return the Acceptance Notice within the time and in the manner prescribed, the option will lapse.

(c) Restrictions on grant

The Board may not grant any options to any SO Selected Persons in any of the following circumstances:

- (i) the requisite approvals for that grant from any applicable regulatory authorities have not been granted;
- (ii) the securities laws, rules or regulations require that a prospectus or other offer documents be issued in respect of the grant of the options or in respect of the SO Scheme, unless the Board determines otherwise;
- (iii) where granting the option would result in a breach by any member of the Group, or its directors of any applicable securities laws, rules or regulations;
- (iv) after a price sensitive event in relation to the Company's securities has occurred or a price sensitive matter in relation to the Company's securities has been the subject of a decision, until an announcement of such price sensitive information has been duly published in accordance with the Listing Rules;
- (v) within the period commencing one month immediately preceding the earlier of:
 - (a) the date of a meeting of the Board (as such date is first notified to the Hong Kong Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
 - (b) the deadline to publish an announcement of the Company's results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),and ending on the date of the results announcement; or
- (vi) such a grant would result in a breach of the Option Scheme Limit (as set out in paragraph (6)(a) below) or the individual limit (as set out in paragraph (4)(d) below).

(d) Individual limits

The total number of Shares that may underlie all grants pursuant to the SO Scheme (excluding options that have lapsed in accordance with the SO Scheme) and any other Share Schemes (excluding those awards or options that have lapsed thereunder) to any one SO Selected Person in the 12-month period up to and including the relevant date of the SO Grant Letter must not exceed 1% of the Shares in issue on the relevant date of the SO Grant Letter.

Where any grant of options to a SO Selected Person would exceed the above individual limit, such grant must be separately approved by the Company in general meeting in the manner prescribed by the Listing Rules.

For the avoidance of doubt, the above individual limit only applies to grants pursuant to the SO Scheme and any other Share Schemes to the extent that the grants will be satisfied by newly issued Shares.

(e) Grants to Directors

Where any option is proposed to be granted to a Director (or other person, who, because of their office or employment with a member of the Group, is likely to possess inside or price sensitive information in relation to Shares), it shall not be granted on any day on which the Company's financial results are published and during the period of:

- (i) 60 days immediately preceding the publication date of the Company's annual results or, if shorter, the period from the end of the Company's relevant financial year up to the publication date of the Company's results; and
- (ii) 30 days immediately preceding the publication date of the Company's quarterly results (if any) and half-year results or, if shorter, the period from the end of the Company's relevant quarterly or half-year period up to the publication date of the Company's results.

(f) Grants to connected persons

Any grant of options to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, must first be approved by all the independent non-executive Directors and shall be subject to compliance with the Listing Rules.

(g) Grants to substantial Shareholders

A grant of options to a SO Selected Person who is also a substantial Shareholder, or any of his/her Associates, must be approved by the independent Shareholders in general meeting, if the total number of Shares that may underlie all grants pursuant to the SO Scheme (excluding options that have lapsed in accordance with the SO Scheme) and any other Share Schemes (excluding those awards or options that have lapsed thereunder) to such person in the 12-month period up to and including the relevant date of the SO Grant Letter, would exceed in aggregate 0.1% of the Shares in issue on the relevant date of the SO Grant Letter as a result of such grant. The approval must be obtained in the manner prescribed by the Listing Rules.

(5) SUBSCRIPTION PRICE

The price per Share at which a SO Participant may subscribe for Shares upon exercise of an option (the “**Option Subscription Price**”) will, subject to any adjustment under the terms of the SO Scheme, be a price determined by the Board and set out in the SO Grant Letter, but in any event shall be at least the higher of:

- (i) the closing price of the Shares, as stated in the Hong Kong Stock Exchange’s daily quotation sheet on the relevant SO Grant Date (which must be a business day); and
- (ii) the average closing price of the Shares as stated in the Hong Kong Stock Exchange’s daily quotations sheets for the five business days immediately preceding the relevant SO Grant Date.

(6) MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION**(a) Option Scheme Limit**

Subject to the provisions under this paragraph 6, the total number of Shares which may be issued upon exercise of all options to be granted during the SO Scheme Period (excluding options that have lapsed in accordance with the terms of the SO Scheme), together with all options to be granted under any other share option scheme(s) of the Company (excluding those options that have lapsed thereunder) must not exceed 2.5% of the number of Shares in issue as of the adoption date of the SO Scheme (that is, 302,264,978 Shares (or such number of Shares as shall result from a sub-division or a consolidation of such 302,264,978 Shares from time to time), and (unless otherwise approved pursuant to paragraph (6)(d) below) no options may be granted if such grant will result in the Option Scheme Limit being exceeded.

(b) Overall limit across all Share Schemes

The Option Scheme Limit, aggregated with the scheme limits of all other Share Schemes (excluding those scheme(s) which have expired or terminated) shall not exceed 10% of the number of Shares in issue as at the date of the 2023 AGM.

(c) Renewal of Option Scheme Limit

The Company may seek approval from the Shareholders in general meeting to refresh the Option Scheme Limit (the “**Refreshed Option Scheme Limit**”) in accordance with the provisions of the Listing Rules provided that the aggregate number of Shares in respect of which options may be granted under the SO Scheme and in respect of which options may be granted under any other share option scheme(s) of the Company (excluding those options that have lapsed thereunder) must not exceed 2.5% of the total number of Shares in issue as at the date of such Shareholders’ approval.

No options (excluding options that have lapsed in accordance with the terms of the SO Scheme) and no share options under any other share option scheme(s) of the Company (excluding those options that have lapsed thereunder) may be granted to (and, as the case may be, subject to acceptance by) a SO Selected Person on or after the Refresher Date if such grant will result in the Refreshed Option Scheme Limit being exceeded.

For the avoidance of doubt, the total number of Shares which may be issued pursuant to the Refreshed Option Scheme Limit upon exercise of all options to be granted under the SO Scheme and the total number of Shares that may underlie all grants made pursuant to any other Share Schemes (excluding those scheme(s) which have expired or terminated) following the Refresher Date must not exceed 10% of the number of Shares in issue as at the Refresher Date.

(d) Separate shareholder approval

The Company may seek separate approval by the Shareholders in general meeting for granting options beyond the Option Scheme Limit or any Refreshed Option Scheme Limit, provided that any such grants are only made to SO Eligible Persons specifically identified by the Company before such approval. The approval must be obtained in the manner prescribed by the Listing Rules.

(e) Options involving newly issued Shares only

For the avoidance of doubt, the Option Scheme Limit and the Refreshed Option Scheme Limit only apply to grants made pursuant to the SO Scheme and any other Share Schemes to the extent that the grants will be satisfied by newly issued Shares.

(7) RIGHTS ATTACHED TO OPTIONS

Unless otherwise regulated by applicable law, a SO Participant does not have any rights as a Shareholder with respect to any Shares underlying an option before the SO Participant exercises the relevant option.

(8) RIGHTS ATTACHED TO SHARES

The Shares to be allotted upon the exercise of an option will be subject to all the provisions of the Articles of Association and will form a single class with the fully paid Shares in issue on the date of allotment or, if that is a day when the register of members of the Company is closed, the first day of the reopening of the register of members (the “**Registration Date**”). Accordingly, the Shares will entitle the holders to participate in all dividends or other distributions paid or made on or after the Registration Date, other than any dividend or other distribution previously declared or recommended or resolved to be paid or made with respect to a record date which is before the Registration Date.

A Share issued upon the exercise of an option does not carry any voting, dividend, transfer or other rights (including those arising on any liquidation of the Company), until the registration of the SO Participant or their nominee as the holder of the Share on the register of members of the Company.

(9) ASSIGNMENT OF OPTIONS

Options granted pursuant to the SO Scheme will be personal to each SO Participant and are not assignable (unless a waiver has been obtained from the Hong Kong Stock Exchange in accordance with the Listing Rules). SO Participants are prohibited from selling, transferring, assigning, charging, mortgaging, encumbering, hedging or creating any interest in favour of any third party over or in relation to any option.

(10) EXERCISE OF OPTIONS

(a) General

The Board has absolute discretion to determine such criteria and conditions or periods for the options to be exercised under the SO Scheme which shall be set out in the relevant SO Grant Letter, provided that the period between the date of the acceptance and the date on which the option can be exercised shall not be shorter than twelve months (save (i) in the event that a grant is made to a SO Selected Person to compensate for any forfeited compensation and benefits in respect of prior employment and/or (ii) to the extent that the provisions described under paragraphs (11)(b) and (11)(c) below apply).

Without limiting the generality of the above, such exercise criteria and conditions are generally contingent on the continued service of the SO Selected Person.

(b) Award in cash or Shares

Within a reasonable period of time after the Company receives an exercise notice from a SO Participant, the SO Participant will receive at the Board's discretion, either Shares (subject to the receipt by the Company of the required Option Subscription Price in respect of the Shares), or an equivalent value in cash which is equal to the difference between the Option Subscription Price and the market value of the Shares on or about the date on which the option is exercised, as the Board may determine.

(c) Rights on a takeover

If a general offer to acquire the Shares (whether by takeover offer, merger or otherwise in a like manner) is made to all of the Shareholders (or the Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror) and the general offer to acquire the Shares is approved and the offer becomes or is declared unconditional in all respects, a SO Participant shall be entitled to exercise all or any

of his/her options, even if the relevant option period has not yet commenced, for a period of one month following receipt of the notice of the general offer given by the Company to the SO Participant by giving notice in writing to the Company, along with a remittance for the full aggregate amount of the Option Subscription Price if the option is to be satisfied by way of Shares. All other options shall automatically lapse to the extent not already exercised, upon the expiry of the one-month election period referred to above.

(d) Rights on a compromise or arrangement

If a compromise or arrangement between the Company and the Shareholders or its creditors is proposed in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies and a notice is given by the Company to the Shareholders to convene a general meeting to consider and if thought fit approve such compromise or arrangement, the Company shall inform the SO Participants, and a SO Participant shall be entitled to exercise all or any of his/her options, even if the relevant option period has not yet commenced, by giving notice to the Company, along with a remittance for the full amount of the aggregate Option Subscription Price if the option is to be satisfied by way of Shares, at any time not later than five business days prior to the record date for ascertaining entitlements to attend and vote at the proposed general meeting. All other options shall automatically lapse to the extent not already exercised, upon the expiry of the election period referred to above.

(e) Rights on a voluntary winding-up

If an effective resolution is passed during the SO Scheme Period for the voluntary winding-up of the Company (other than for the purposes of a reconstruction, amalgamation or scheme of arrangement) a SO Participant may, by notice sent to the Company within 21 days after such resolution, elect to be treated as if his/her options (to the extent not already exercised) had been exercised immediately before the passing of such resolution. Such notice must be accompanied with a remittance for the full amount of the aggregate Option Subscription Price for the Shares under the notice. No Shares will be allotted, and no cash alternative will be paid to the SO Participant, but the SO Participant will be entitled to receive out of the assets available in liquidation on an equal basis with the Shareholders, such sum as they would have received had the SO Participant held those Shares at the time of the resolution. All other options shall automatically lapse to the extent not already exercised, upon the date of commencement of the winding-up of the Company.

(11) LAPSE OF OPTIONS**(a) General**

An option will lapse automatically (to the extent not already exercised) on the earliest of:

- (i) the date the SO Participant's employment or service terminates for any reason, except:
 - (A) the employment or service is terminated by reason of the SO Participant's death, disability, redundancy, or the company employing the SO Participant ceases to be a member of the Group,
 - (B) the employment or service is terminated by reason of retirement, or
 - (C) exercise of the Board's discretion to apply those exceptions set out in sub-paragraph (A) or (B) above;
- (ii) the expiry of the option period;
- (iii) the expiry of any applicable period relating to termination of the SO Participant's employment or service in the scenarios set out in sub-paragraph (A) or (B) above, or a compromise or arrangement between the Company and its members or creditors as more particularly described in paragraph (10)(d) above, or a general offer to acquire the Shares made to the Shareholders in paragraph (10)(c) above;
- (iv) the date of commencement of the winding up of the Company; and
- (v) breach by the SO Participant of the prohibition on the sale, transfer, assignment, charging, mortgaging, encumbering, hedging or creation of any interest in favour of any third party of the option.

(b) Termination by death or disability

Where the SO Participant's employment or service with the Company or its subsidiary terminates by reason of the SO Participant's death or disability, all the outstanding option(s) may be exercised from the date of termination until the earlier of the expiry date of the relevant option period and the day falling 36 months after the date of termination by the SO Participant or his/her legal personal representative(s) (as the case may be).

(c) Termination by redundancy or reorganisation

Where the SO Participant's employment or service with the Company or its subsidiary terminates by reason of redundancy or the company of which he/she is an employee or director ceases to be a member of the Group, if the options are exercisable, they can be exercised from the date of termination until the earlier of the expiry date of the option period and the day falling 36 months after the date of termination.

If the option period has not commenced at the date of termination, the number of Shares in respect of which the outstanding option(s) may be exercised will be reduced (if necessary) by such number of Shares equal to the proportion that (A) the time between the date of termination and the commencement of the option period bears to (B) the entire period between the relevant grant date and the commencement of the option period, subject to the extent any performance criteria set out in the relevant grant letter have been fully satisfied at the date of termination.

Notwithstanding the foregoing, the Board may in its absolute discretion determine (either at the time the termination, or in connection with any later event, including the death of the SO Participant) that the option(s) may be exercised for such other period (not ending later than ten years from the relevant grant date, and which may start before the commencement of the relevant option period) as it may determine.

(d) Termination by retirement

Where the SO Participant's employment or service with the Company or its subsidiary terminates by reason of retirement, all the outstanding option(s) may be exercised during the option period, subject to the criteria and conditions set out in the relevant grant letter. Notwithstanding the foregoing, the Board may in its absolute discretion determine that the option(s) may be exercised for such other period not ending later than 10 years from the relevant grant date.

(e) Termination by other reasons

Where the SO Participant's employment or service with the Company or its subsidiary terminates for any reason other than those specified in the provisions described under paragraphs (11)(b), (11)(c) or (11)(d) above, the Board may in its absolute discretion determine that the outstanding option(s) shall be treated as set out in those aforementioned provisions, save that the period between the date of the acceptance of the grant of option(s) and the date on which such option(s) can be exercised shall not be shorter than twelve months.

(12) CANCELLATION OF OPTIONS

The Board may cancel any options granted but not exercised by a SO Participant on such terms as may be agreed with the SO Participant, in any way that the Board may see fit, and in a way which complies with the legal requirements for such cancellation.

Where the Company cancels any options granted but not exercised (to the extent they will be satisfied by newly issued Shares) and grants new options or other share awards or options under any other Share Schemes (to the extent that they will be satisfied by newly issued Shares) (as applicable) to the same SO Participant, such grant of new options or other share awards or options (as applicable) may only be made under the SO Scheme if there is available Option Scheme Limit. In other words, such cancelled options will be regarded as utilised for the purpose of calculating the relevant limits.

(13) REORGANISATION OF CAPITAL STRUCTURE

If the Company's capital structure changes due to any capitalisation issue, rights issue, consolidation, sub-division or reduction of share capital (other than an issue of Shares as consideration in respect of a transaction), any one or more of the following adjustments will be made to all outstanding options to the extent that it is granted and yet to be exercised (and not lapsed or cancelled):

- (i) the number of Shares subject to the SO Scheme;
- (ii) the number of Shares subject to the outstanding options (rounded to the nearest whole Share); and/or
- (iii) the Option Subscription Price in relation to each outstanding option,

provided that the following two criteria are met in respect of the adjustment(s):

- (i) the proportion of the issued share capital of the Company to which an option entitles that SO Participant to subscribe after the relevant adjustment(s) must, unless the Board determines otherwise, be the same as that to which the option entitled the SO Participant to subscribe immediately before such adjustment(s); and
- (ii) the adjustment would not enable any Share to be issued at less than its nominal value (only where there is a nominal value to each Share).

In respect of any such adjustments, an independent financial advisor or the auditors of the Company must confirm to the Board in writing that the adjustments, in their opinion, satisfy the foregoing requirements. Within 28 days after the receipt of this confirmation, the Company must inform the SO Participant of this alteration and of any adjustment to be made in accordance with the confirmation obtained from the independent financial advisor or the auditors of the Company (as the case may be).

The costs of the independent financial advisor or the auditors of the Company will be borne by the Company.

(14) AMENDMENTS TO SO SCHEME

Save as provided in the SO Scheme, the Board may alter any of the terms of the SO Scheme at any time.

The specific provisions of the SO Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules cannot be altered to the advantage of SO Participants and changes to the authority of the Board in relation to any alteration of the terms of the SO Scheme may not be made, in either case, without the prior approval of the Shareholders in a general meeting. Any material alteration to the terms and conditions of the SO Scheme must also, to be effective, be approved by the Shareholders in a general meeting, except where the alterations take effect automatically under the existing terms of the SO Scheme. Alterations which operate to adversely affect the terms of any option already granted will also require the SO Participant's consent. The amended terms of the SO Scheme must comply with Chapter 17 of the Listing Rules.

Where the initial grant of an option requires the approval of the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be), any changes to the terms of such option must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders. This requirement does not apply where the proposed change takes effect automatically under the terms of the SO Scheme.

(15) TERMINATION OF THE SO SCHEME

The Board may resolve to terminate the SO Scheme at any time before the expiry of the SO Scheme Period and in such event no further options will be granted or accepted but the provisions of the SO Scheme will remain in force in all other respects. All options granted and accepted prior to the termination of the SO Scheme but not yet exercised will continue to be valid and exercisable subject to and in accordance with the terms of the SO Scheme.

(16) MALUS AND CLAWBACK

If, within two years after the exercise of an option, the Board determines that any of the events described in this paragraph has occurred, the SO Participant shall (as determined by the Board): (i) transfer to or to the order of the Company or as otherwise directed some or all of the Shares previously issued or transferred to the SO Participant under the SO Scheme; (ii) repay to or to the order of the Company or the relevant subsidiary some or all of the cash amounts previously paid to the SO Participant under the SO Scheme; and/or (iii) pay to or to the order of the Company or the relevant subsidiary an amount equal to the sale proceeds of or the value of some or all of the Shares issued or transferred to the SO Participant under the SO Scheme.

If, before an option has been exercised the Board determines that any of the events described in this paragraph has occurred, the Board may direct that: (i) the option shall be forfeited wholly or in part; (ii) the date on which the option is treated as exercised will be delayed for such period the Board may determine; and/or (iii) exercise of the option will be subject to any additional conditions imposed by the Board.

In exercising its discretion under this paragraph, the Board shall consider the extent to which any of the following events have occurred:

- (i) the granting of any option or its becoming exercisable was based on materially inaccurate financial statements or any other materially inaccurate performance metric criteria;
- (ii) the performance forming the basis on which grant of the option or its becoming exercisable has been proved not genuine;
- (iii) any terms and conditions set out in the rules of the SO Scheme and the relevant grant letter in respect of such option were not satisfied;
- (iv) any other circumstances in which the Board considers that the conduct of the SO Participant has harmed the business or reputation of the Company or its subsidiary;
or
- (v) any other circumstances in respect of which the Board considers that the application or the operation of this paragraph would otherwise be appropriate.

The principal terms of the RSU Scheme (as amended) are summarized as follows:–

(1) PURPOSE OF THE RSU SCHEME

The purpose of the RSU Scheme is: (a) to align the interests of participants in the RSU Scheme with those of the Group through ownership of the Shares and/or the increase in value of the Shares; and (b) to encourage and retain RSU Participants to make contributions to the long-term growth and profits of the Group, in each case with a view to achieving the objective of increasing the value of the Group.

(2) TERM OF THE RSU SCHEME

Subject to the termination of the RSU Scheme by the Board at any time before its expiry, the RSU Scheme shall be valid and effective for a period of ten (10) years (the “**RSU Scheme Period**”) from its adoption date of 1 August 2020 and thereafter for so long as there are outstanding any RSU awards granted under the RSU Scheme and accepted prior to its expiry, in order to give effect to the vesting of such RSU Awards or otherwise as may be required in accordance with the provisions of the RSU Scheme. Upon termination of the RSU Scheme, no further RSU Awards shall be granted thereunder.

(3) PARTICIPANTS IN THE RSU SCHEME

Persons eligible to participate in the RSU Scheme and receive RSU Awards are existing employees, directors (whether executive or non-executive, but excluding independent non-executive) or officers of any member of the Group (the “**RSU Eligible Persons**”).

The Board may, from time to time at its absolute discretion, grant a RSU Award to any RSU Eligible Person (the “**RSU Selected Person**”) during the RSU Scheme Period subject to certain restrictions provided under the RSU Scheme. The RSU Selected Person is required to confirm his/her acceptance of the RSU Award, and upon confirmation of the award will become a participant of the RSU Scheme (the “**RSU Participant**”).

(4) THE RSU AWARDS

A RSU Award entitles a RSU Participant a conditional right upon the vesting of such RSU Award to obtain either Shares (existing Shares in issue or new Shares to be issued by the Company) or an equivalent value in cash with reference to the market value of the Shares on or about the date of vesting of the relevant RSU Awards, as determined by the Board in its absolute discretion. A RSU Award may include, if so specified by the Board in its entire discretion, cash and non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares underlying the RSU Awards from the date that the RSU Award is granted to the date that it vests.

(5) GRANT AND ACCEPTANCE**(a) Making an offer**

An offer to grant a RSU Award will be made to a RSU Selected Person by a letter in such form as the Board may determine (the “**RSU Grant Letter**”). The RSU Grant Letter will specify the value and the number of Shares underlying the RSU Award (or if the value or number of Shares is not available, the methodology by which that is calculated), the vesting criteria and conditions, the vesting schedule and such other details as the Board considers necessary, and will require the RSU Selected Person to undertake to hold the RSU Award on the terms on which it is granted and to be bound by the provisions of the RSU Scheme.

(b) Acceptance of an offer

A RSU Selected Person accepts the grant of a RSU Award in such manner and form as set out in the RSU Grant Letter. Once accepted, the RSU Award is granted from the date on which it was offered to the RSU Selected Person (the “**RSU Grant Date**”). Unless the Board decides otherwise and specifies the same in the RSU Grant Letter, no amount is payable on acceptance of the RSU Award.

(c) Restrictions on grants

The Board may not grant any RSU Awards to any RSU Selected Persons in any of the following circumstances:

- (i) the requisite approval from any applicable regulatory authorities has not been granted;
- (ii) the securities laws, rules or regulations require that a prospectus or other offering documents be issued in respect of the grant of the RSU Awards or in respect of the RSU Scheme, unless the Board determines otherwise;
- (iii) where granting the RSU Award would result in a breach by the Company, its subsidiaries or any of their respective directors of any applicable securities laws, rules or regulations;
- (iv) after a price sensitive event in relation to the Company’s securities has occurred or a price sensitive matter in relation to the Company’s securities has been the subject of a decision, until such price sensitive information has been duly published in accordance with the Listing Rules; or
- (v) within the period commencing one month immediately preceding the earlier of:

- (A) the date of meeting of the Board (as such date is first notified to the Hong Kong Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (B) the deadline to publish an announcement of the Company's results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement; or

- (vi) where such grant of any RSU Award would result in a breach of the RSU Scheme Limit (as set out in paragraph (6)(d) below) or the individual limit (as set out in paragraph (6)(a) below).

(d) Grants to Directors

Where any RSU Award is proposed to be granted to a Director, it shall not be granted on any day on which the Company's financial results are published and during the period of: (i) 60 days immediately preceding the publication date of the Company's annual results or, if shorter, the period from the end of the Company's relevant financial year up to the publication date of its results; and (ii) 30 days immediately preceding the publication date of the Company's quarterly results (if any) and half-year results or, if shorter, the period from the end of the Company's relevant quarterly or half-year period up to the publication date of the results.

(e) Grants to non-salaried participants

Where any RSU Award is proposed to be granted to any RSU Selected Person (i.e. any existing employee, directors (whether executive or non-executive, but excluding independent non-executive) or officer of any member of the Group) who is not in salaried employment with the Group, such RSU Award may only be granted as a conditional right to a cash sum in accordance with the terms of the RSU Scheme.

(f) Grants to connected persons

Before making any grant to a Director, chief executive of the Company or substantial Shareholder, or any of their respective associates, such proposed grant must first be approved by all the Independent Non-executive Directors and shall otherwise be subject to compliance with the Listing Rules.

(6) MAXIMUM NUMBER OF SHARES PURSUANT TO RSU AWARDS**(a) Individual limit**

The total number of Shares that may underlie all grants made pursuant to the RSU Scheme (excluding RSU Awards that have lapsed in accordance with the RSU Scheme) and any other Share Schemes (excluding those awards or options that have lapsed thereunder) to any one RSU Selected Person in the 12-month period up to and including the relevant date of the RSU Grant Letter must not exceed 1% of the Shares in issue on the relevant date of the RSU Grant Letter. Any grant exceeding such limit must be separately approved by the Company in general meeting in the manner prescribed by the Listing Rules.

(b) Limit on grants to a Director or chief executive of the Company

A grant of RSU Awards to a Director or chief executive of the Company, or any of their respective associates, must be approved by Shareholders in the manner prescribed by the Listing Rules, if the total number of Shares that may underlie all grants pursuant to the RSU Scheme (excluding RSU Awards that have lapsed in accordance with the RSU Scheme) and any other Share Schemes (excluding those awards that have lapsed thereunder) to such person in the 12-month period up to and including the relevant date of the RSU Grant Letter, would exceed in aggregate 0.1% of the Shares in issue on the relevant date of the RSU Grant Letter as a result of such grant.

(c) Limit on grants to substantial Shareholders

A grant of RSU Awards to a substantial Shareholder, or any of his/her associates, must be approved by Shareholders in the manner prescribed by the Listing Rules, if the total number of Shares that may underlie all grants pursuant to the RSU Scheme (excluding RSU Awards that have lapsed, in accordance with the RSU Scheme) and any other Share Schemes of the Company (excluding those awards or options that have lapsed thereunder) to such person in the 12-month period up to and including the relevant date of the RSU Grant Letter, would exceed in aggregate 0.1% of the Shares in issue on the relevant date of the RSU Grant Letter as a result of such grant.

(d) RSU scheme limit

Subject to the provisions as described under paragraphs (6)(f) and (g) below, no RSU Award shall be granted pursuant to the RSU Scheme if as a result of such grant (assumed accepted), the aggregate number of Shares underlying all grants made during the RSU Scheme Period pursuant to the RSU Scheme (excluding RSU Awards that have lapsed in accordance with the rules of the RSU Scheme) and those granted under any other restricted share unit scheme of the Company (excluding those awards that have lapsed thereunder) will exceed in total 2.5% of the number of Shares in issue as at the date (the “**RSU Scheme Limit Reference Date**”) on which a Share issuance mandate for the purpose of the RSU Scheme is granted to the Company by the Shareholders (currently being 291,746,013 Shares based on the number of Shares in issue as at the Latest Practicable Date and assuming there is no change in the number of Shares in issue prior to the RSU Scheme Limit Reference Date).

(e) Overall limit across all Share Schemes

The RSU Scheme Limit, aggregated with the scheme limits of all other Share Schemes (excluding those scheme(s) which have expired or terminated) shall not exceed 10% of the number of Shares in issue as at the RSU Scheme Limit Reference Date.

(f) Renewal of RSU Scheme Limit

The RSU Scheme Limit may be renewed subject to any applicable Shareholders' approval requirements under the Listing Rules, but in any event the total number of Shares that may underlie the RSU Awards granted following the date of approval of the renewed limit (the "**New RSU Scheme Limit Approval Date**") as renewed from time to time, must not exceed 2.5% of the number of Shares in issue as at the relevant New RSU Scheme Limit Approval Date (excluding RSU Awards that have lapsed in accordance with the RSU Scheme).

For the avoidance of doubt, the total number of Shares that may underlie all grants made pursuant to the RSU Scheme under the renewed limit, and pursuant to any other Share Schemes (excluding those scheme(s) which have expired or terminated) following the New RSU Scheme Limit Approval Date must not exceed 10% of the number of Shares in issue as at the relevant New RSU Scheme Limit Approval Date.

(g) Separate shareholder approval

The Company may seek separate Shareholders' approval in the manner prescribed by the Listing Rules for granting RSU Awards beyond the RSU Scheme Limit, provided that any such grants are only made to RSU Eligible Persons specifically identified by the Company before such approval is sought.

(h) Grants involving newly issued Shares only

For the avoidance of doubt, the RSU Scheme Limit (as may be renewed from time to time) and all limits referred to in this paragraph 6 only apply to grants made pursuant to the RSU Scheme and any other Share Schemes to the extent that such grants will be satisfied by newly issued Shares.

(7) RIGHTS ATTACHED TO RSU AWARDS

A RSU Participant does not have any contingent interest in any Shares underlying a RSU Award unless and until such Shares are actually transferred to the RSU Participant. Further, a RSU Participant may not exercise voting rights in respect of the Shares underlying his/her RSU Award, nor does he/she have any rights to any cash and non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions from any Shares underlying a RSU Award unless otherwise specified by the Board in its sole discretion in the RSU Grant Letter to the RSU Participant.

(8) RIGHTS ATTACHED TO SHARES

Any Shares to be allotted and issued to the trustee(s) of the RSU Scheme (the “**RSU Trustee(s)**”) and/or transferred to a RSU Participant in respect of any RSU Award will be subject to all the provisions of the Articles of Association and will rank pari passu with the fully paid Shares in issue on the relevant date. Once transferred, the Shares will entitle the holders to participate in all dividends or distributions paid or made on or after the date of the transfer applicable to the holders of Shares.

(9) ASSIGNMENT OF RSU AWARDS

RSU Awards granted pursuant to the RSU Scheme will be personal to each RSU Participant and are not assignable (unless a waiver has been obtained from the Hong Kong Stock Exchange in accordance with the Listing Rules). RSU Participants are prohibited from selling, transferring, assigning, charging, mortgaging, encumbering, hedging or creating any interest in favour of any other person over or in relation to any property held by the RSU Trustee on trust for the RSU Participants, RSU Awards, Shares underlying any RSU Awards or interests or benefits therein.

(10) VESTING OF RSU AWARDS**(a) Vesting period**

The Board shall determine the time for the vesting of the RSU Awards, but the period between the date of the acceptance of the RSU Awards and the date on which the RSU Awards vest shall not be less than twelve months, save (i) in the event that a grant is made to a RSU Selected Person to compensate for any forfeited compensation and benefits in respect of prior employment; (ii) where the RSU Participant’s employment is terminated by reason of (A) death; (B) disability; (C) redundancy; or (D) the company with which the RSU Participant is employed ceasing to be a member of the Group (although the RSU Participant’s employment with that company may continue).

In the case of termination by reasons set out in (A) or (B) above, all the outstanding RSU Award(s) shall be forthwith vested on the RSU Participant or his/her legal personal representative(s) (as the case may be). In the case of termination by reasons set out in (C) or (D) above, the outstanding RSU Award(s) shall be forthwith vested on the RSU Participant to the extent represented by the proportion that (A) the time between the RSU Grant Date and the relevant date of termination bears to (B) the entire vesting period set out in the RSU Participant’s RSU Grant Letter.

For the purposes of the above, if a “target level” is referred to in the RSU Grant Letter, where it is not known at the time of vesting to what extent any performance criteria set out therein have been satisfied, those criteria shall be applied on the basis that they have been satisfied at the “target level” as referred to in the RSU Grant Letter. In addition, in the case of termination by reasons set out in (C) and (D) above, the performance criteria set out in the RSU Grant Letter (treated as satisfied as specified above) shall be applied prior to (and in addition to) the relevant time-based pro-rating.

Where the RSU Participant's employment is terminated by reason of retirement, the outstanding RSU Award(s) shall continue to vest according to the vesting schedule set out in the RSU Grant Letter, and subject to the original vesting criteria and conditions (including any performance criteria) set out in the RSU Grant Letter.

Where the RSU Participant's employment is terminated by any reason other than retirement or those specified in (A) to (D) above, the Board may in its absolute discretion determine that the outstanding RSU Award(s) shall be treated as set out in the aforementioned provisions under this paragraph, save that the period between the date of the acceptance of RSU Award(s) and the vesting date for such RSU Award(s) shall not be shorter than twelve months.

Notwithstanding any of the foregoing, the Board may in its absolute discretion determine that the relevant outstanding RSU Award(s) shall vest to a greater or lesser extent than specified above (with any unvested portion of the award lapsing), but not so as to vest to a greater extent than the maximum number of restricted Shares subject to the RSU Award(s).

(b) Vesting criteria and condition

The Board may determine the vesting criteria and conditions which shall be set out in the relevant RSU Grant Letter issued to each RSU Selected Person. Such vesting criteria and conditions are contingent on service requirements and the extent of achievement of pre-defined performance target(s) for the pre-defined performance measure(s) during the performance period of the Group. In principle, performance measure(s) and target levels are defined prior to the beginning of the performance period and assessed at the end of the performance period. Performance measures may be of qualitative and/or quantitative nature and/or may be linked to the performance of the Company and/or any member of the Group, and may include the Group's value of new business, the embedded value equity and the relative total shareholder return. Such vesting criteria and conditions may provide that part or all of the RSU Awards will lapse to the extent that the vesting conditions are not satisfied.

(c) Role of the RSU Trustee

The RSU Trustee will hold Shares underlying the RSU Awards granted to RSU Participants pending the vesting of the RSU Awards, but may not exercise voting rights in respect of such Shares being held by it. The RSU Trustee shall subscribe for new Shares or purchase existing Shares from the market. The Company or its subsidiaries shall provide funds to enable the RSU Trustee to subscribe for new Shares or to make such on-market purchases of Shares.

(d) Award in cash or Shares

Subject to the RSU Participant executing all documents that the Board considers necessary for the vesting, the Board may decide at its absolute discretion to:

- (i) direct and procure the RSU Trustee to transfer the number of Shares underlying the RSU Award to the RSU Participant (and, if applicable, the cash and non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares) which either the RSU Trustee has acquired by making on-market purchases of Shares or the Company has allotted and issued to the RSU Trustee as fully paid up Shares; or

- (ii) pay, or direct and procure the RSU Trustee to pay, to the RSU Participant in cash an amount which is equivalent to the value of the Shares.

(e) Rights on a takeover

If a general offer to acquire the Shares (whether by takeover offer, merger, or otherwise in a like manner) is made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror) and such offer, having been approved, becomes or is declared unconditional in all respects, a RSU Participant's all outstanding RSU Awards will vest immediately to the extent specified in a notice given by the Company to the RSU Participant, even if the vesting period has not yet commenced.

(f) Rights on a compromise or arrangement

If a compromise or arrangement between the Company and the Shareholders or creditors is proposed in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies and a notice is given by the Company to the Shareholders to convene a general meeting to consider and if thought fit approve such compromise or arrangement, a RSU Participant's all outstanding RSU Awards will vest immediately to the extent specified in a notice given by the Company to the RSU Participant, even if the vesting period has not yet commenced.

(g) Rights on a voluntary winding-up

If an effective resolution is passed during the RSU Scheme Period for the voluntary winding-up of the Company (other than for the purposes of a reconstruction, amalgamation or scheme of arrangement), all outstanding RSU Awards shall be treated as having vested immediately before the passing of such resolution to the extent represented by the proportion that (A) the time between the RSU Grant Date and the passing of the relevant resolution bears to (B) the entire vesting period set out in the RSU Grant Letter. No Shares will be transferred, and no cash will be paid, to the RSU Participant, but the RSU Participant will be entitled to receive out of the assets available in the liquidation *pari passu* with the Shareholders such sum as would have been received in respect of the RSU Award.

(11) LAPSE OF RSU AWARDS

A RSU Award will automatically lapse immediately and no Shares shall vest in any event where:

- (i) such RSU Participant's employment or service terminates for any reason, except by reason of (A) death, (B) disability, (C) redundancy, (D) where the company employing the RSU Participant ceases to be one of the Company's subsidiaries or (E) retirement or as otherwise determined by the Board in its absolute discretion; or

- (ii) the RSU Participant makes any attempt or takes any action to sell, transfer, assign, charge, mortgage, encumber, hedge or create any interest in favour of any other person over or in relation to any Shares underlying the RSU Award or any interests or benefits pursuant to the RSU Award.

(12) CLAWBACK MECHANISM

The RSU Award may be clawbacked or forfeited if, within two years following the vesting of any RSU Award, the Board in its absolute discretion determines that any of the following events has occurred:

- (i) the granting and/or vesting of any RSU Award was based on materially inaccurate financial statements or any other materially inaccurate performance metric criteria;
- (ii) the performance forming the basis on which grant or vesting of the RSU Award has been proved not genuine;
- (iii) any terms and conditions set out in the rules of the RSU Scheme and the grant letter in respect of such RSU Award were not satisfied;
- (iv) any circumstances in which the Board considers that the conduct of the RSU Participant has harmed the business or reputation of the Company or its subsidiary; or
- (v) any other circumstances in respect of which the Board considers that the application or the operation of the clawbacks or forfeiture of the RSU Awards would otherwise be appropriate.

(13) CANCELLATION OF RSU AWARDS

The Board may at its discretion cancel any RSU Award that has not vested or lapsed, provided that:

- (i) the Company or its subsidiary pays to the RSU Participant an amount equal to the fair value of the RSU Award at the date of the cancellation as determined by the Board, after consultation with its auditors or an independent financial adviser appointed by the Board;
- (ii) the Company or its relevant subsidiary provides to the RSU Participant a replacement RSU Award (or a grant or option under any other restricted share unit scheme, share option scheme or share-related incentive scheme) of equivalent value to the RSU Award to be cancelled; or
- (iii) the Board makes any arrangement as the RSU Participant may agree in order to compensate him/her for the cancellation of the RSU Award.

Any cancelled RSU Award will be regarded as utilised for the purpose of calculating the RSU Scheme Limit (as may be renewed from time to time).

(14) REORGANISATION OF CAPITAL STRUCTURE

In the event of any capitalisation issue, rights issue, consolidation, sub-division or reduction of the share capital of the Company, the Board may, at its absolute discretion, make such equitable adjustments, designed to protect the RSU Participants' interests, to the number of Shares underlying the outstanding RSU Awards or to the amount of the equivalent value, as it may deem appropriate.

(15) AMENDMENT OF THE RSU SCHEME

Save as provided in the RSU Scheme, the Board may alter any of the terms of the RSU Scheme at any time in accordance with the requirements of the Listing Rules. Unless the Hong Kong Stock Exchange agrees, or the Listing Rules allow otherwise, the Shareholders in general meeting (by ordinary resolution) must approve any proposed change to the RSU Scheme:

- (i) which relates to the matters set out in Rule 17.03 of the Listing Rules and is to the advantage of RSU Participants; or
- (ii) which is of a material nature; or
- (iii) which changes the authority of the Board in relation to any alteration of the terms of the RSU Scheme.

Where the initial grant of a RSU Award requires the approval of the Board, the Remuneration Committee, the Independent Non-executive Directors and/or the Shareholders (as the case may be), any changes to the terms of such RSU Award must be approved by the Board, the Remuneration Committee, the Independent Non-executive Directors and/or the Shareholders. This requirement does not apply to the extent that the proposed change takes effect automatically under the terms of the RSU Scheme.

(16) TERMINATION OF THE RSU SCHEME

The Board may terminate the RSU Scheme at any time before the expiry of the RSU Scheme Period and no further RSU Awards shall be granted thereafter, but the provisions of the RSU Scheme shall remain in force in all other respects. All RSU Awards granted and accepted prior to the termination of the RSU Scheme shall continue to be valid subject to and in accordance with the terms of the grants. Any termination shall be without prejudice to any subsisting rights of any RSU Participant, unless the outstanding RSU Awards are cancelled in accordance with the terms of the RSU Scheme.

The principal terms of the ESPP (as amended) are summarized as follows:–

(1) PURPOSE OF THE ESPP

The primary purpose of the ESPP is to facilitate and encourage long-term AIA share ownership by employees of the Group by making Employee Contributions (as defined below) to the trustee(s) of the ESPP (the “**ESPP Trustee(s)**”) and by awarding matching RSPUs credited to their respective plan account (the “**ESPP Account**”) held on trust by the ESPP Trustee on behalf of the relevant ESPP Participant (as defined below), which upon vesting are settled in Shares.

(2) TERM OF THE ESPP

Subject to renewal of the ESPP for an additional period in accordance with its terms and all applicable law, the ESPP shall remain in effect until the earlier of the date the ESPP is otherwise terminated in accordance with the terms thereunder or the tenth anniversary of the adoption date of the ESPP.

(3) PARTICIPANTS IN THE ESPP

Each permanent employee of the Group (including any employee who is also a Director) shall be eligible to participate in the ESPP for the 12 month period commencing on 1 October of a calendar year (or other commencement date and/or period as the Board may determine) (the “**ESPP Offering Period**”) if, as of the first day of the invitation period with respect to such ESPP Offering Period, he/she: (i) has completed the applicable probationary period (if any), and (ii) is not excluded from participation as determined by the Board at its discretion.

An eligible employee may, during an invitation period designated by the Company (typically of three weeks), elect to participate in the ESPP (the “**ESPP Participant**”) for the ESPP Offering Period by filing an election form (the “**ESPP Election Form**”) in the form and manner prescribed under the ESPP which shall specify an amount of monthly Employee Contributions (as defined below) that he/she will make during the ESPP Offering Period for participation in the ESPP.

(4) PARTICIPATION OF CERTAIN ELIGIBLE EMPLOYEES

Where a Director or, chief executive or any connected person of the Company, or any of their respective associates, propose to participate in the ESPP, such proposed participation and associated matters (including the making of the any contributions, the crediting and allocation of the matching RSPUs and the issuance of Shares pursuant to any allocated matching RSPUs) must first be approved by all the Independent Non-executive Directors and shall otherwise be subject to compliance with the Listing Rules.

(5) MAXIMUM NUMBER OF SHARES SUBJECT TO THE ESPP**(a) Conditions in respect of newly issued Shares**

The Shares that may be delivered under the ESPP may be newly issued or previously issued Shares acquired by the ESPP Trustee in the open market or in private transactions. Newly issued Shares may not be used to satisfy awards to any connected persons of the Company or other persons unless the relevant provisions of the ESPP and/or the applicable requirements (if any) under the Listing Rules have been complied with.

(b) Individual limit

The total number of Shares that may be issued pursuant to any allocated matching RSPUs under the ESPP and any other Share Schemes (excluding awards or options that have lapsed thereunder) to each individual ESPP Participant in the 12-month period up to and including the relevant date of the ESPP Election Form must not exceed 1% of the Shares in issue on the relevant date of the ESPP Election Form. Any grant exceeding such 1% limit must be separately approved by the Shareholders in the manner prescribed by the Listing Rules.

(c) Limit on grant to Director or chief executive of the Company

In relation to a Director or chief executive of the Company, or any of their respective associates, their participation in the ESPP and the associated matters must be approved by the Shareholders in the manner prescribed by the Listing Rules, if the total number of Shares that may be allocated and vested under the matching RSPUs pursuant to the ESPP (excluding matching RSPUs that have lapsed in accordance with the ESPP) and any other Share Schemes (excluding those awards that have lapsed thereunder) to such person in the 12-month period up to and including the relevant date of the ESPP Election Form, would exceed in aggregate 0.1% of the Shares in issue on the relevant date of the ESPP Election Form as a result of such participation and associated matters.

(d) Limit on grant to substantial Shareholders

In relation to a substantial Shareholder, or any of their respective associates, their participation in the ESPP and the associated matters, must be approved by the Shareholders in the manner prescribed by the Listing Rules, if the total number of Shares that may be allocated and vested under the matching RSPUs pursuant to the ESPP (excluding matching RSPUs that have lapsed in accordance with the ESPP) and any other Share Schemes (excluding those awards or options that have lapsed thereunder) to such person in the 12-month period up to and including the relevant date of the ESPP Election Form, would exceed in aggregate 0.1% of the Shares in issue on the relevant date of the ESPP Election Form as a result of such participation and associated matters.

(e) ESPP scheme limit

Subject to the Listing Rules and the provisions as described under paragraphs (4)(g) and (h) below, participation in the ESPP and the associated matters (including the issuance of Shares pursuant to any allocated matching RSPUs) shall not be permitted if, as a result of such participation and associated matters, the aggregate number of Shares issued by the Company during the 10-year period commencing on the adoption date of the ESPP (i.e. 1 August 2020), pursuant to the ESPP (excluding matching RSPUs that have lapsed in accordance with the ESPP) and any other employee share purchase plan of the Company (excluding those awards that have lapsed thereunder), would exceed 2.5% of the number of Shares in issue on the date of the 2023 AGM (currently being 291,746,013 Shares based on the number of Shares in issue as at the Latest Practicable Date and assuming there is no change in the number of Shares in issue between the Latest Practicable Date and the date of the 2023 AGM).

(f) Overall limit across all Share Schemes

The ESPP Scheme Limit, aggregated with the scheme limits of all other Share Schemes (excluding those scheme(s) which have expired or terminated) shall not exceed 10% of the number of Shares in issue as at the date of the 2023 AGM.

(g) Renewal of the ESPP Scheme Limit

The ESPP Scheme Limit may be renewed subject to any applicable Shareholders' approval requirements under the Listing Rules and the total number of Shares that may be issued pursuant to the ESPP (excluding matching RSPUs that have lapsed in accordance with the ESPP) and any employee share purchase plan of the Company (excluding those awards that have lapsed thereunder) following the date of approval of the renewed limit (the "**New ESPP Scheme Limit Approval Date**") as renewed from time to time, must not exceed 2.5% of the number of Shares in issue as at the relevant New ESPP Scheme Limit Approval Date.

For the avoidance of doubt, the total number of Shares that may underlie all grants made pursuant to the ESPP, and any other Share Schemes (excluding those scheme(s) which have expired or terminated) following the New ESPP Scheme Limit Approval Date must not exceed 10% of the number of Shares in issue as at the relevant New ESPP Scheme Limit Approval Date.

(h) Separate shareholder approval

The Company may seek separate Shareholders' approval in accordance with the Listing Rules for participation in the ESPP and associated matters beyond the ESPP Scheme Limit, provided that any such issuance of Shares is only to eligible ESPP Participant specifically identified by the Company before such approval is sought.

(i) **Grants involving newly issued Shares only**

For the avoidance of doubt, the ESPP Scheme Limit (as may be renewed from time to time) and all limits referred to in this paragraph above only apply to participation in the ESPP, its associated matters and grants under any other Share Schemes, to the extent that entitlements under the ESPP or such relevant grants will be satisfied by newly issued Shares.

(6) **CONTRIBUTIONS MADE BY THE ESPP PARTICIPANTS**

An ESPP Participant shall direct his/her employer to pay to the ESPP Trustee a fixed amount of his/her base salary earned as specified in his/her ESPP Election Form, net of withholding, payable during each calendar month of the 12 month period beginning with the month immediately preceding such ESPP Offering Period and ending with the penultimate month of such ESPP Offering Period (the “**Employee Contributions**”). The monthly Employee Contributions specified by the ESPP Participant is subject to a maximum amount which is the lesser of (A) HK\$12,500 per calendar month and (B) an amount equal to 10% of the ESPP Participant’s monthly earnings as at a specified cut-off date; and subject to a minimum amount of HK\$150 per calendar month (or such other maximum or minimum amount or percentage as the Board may in its sole discretion determine).

Participation in the ESPP shall be automatically terminated immediately upon the earlier of the date the relevant ESPP Participant ceases to be eligible to participate in the ESPP, and termination of the ESPP Participant’s employment with the Group for any reason, including without limitation retirement, voluntary or involuntary termination or death.

(7) **PURCHASE AND ALLOCATION OF SHARES, MATCHING RSPUs AND DISTRIBUTIONS**

(a) **Purchase and allocation of Shares**

On each monthly allocation date for the Employee Contributions (the “**ESPP Allocation Date**”) within an ESPP Offering Period, the ESPP Trustee shall purchase, in one or more tranches, as many Shares as may be purchased by using all Employee Contributions of the ESPP Participants made for the preceding month and held under the trust on such date (the “**Employee Contribution Shares**”), which shall be allocated to the ESPP Account of each ESPP Participants with reference to their respective Employee Contributions.

(b) **Matching RSPUs**

As of each monthly ESPP Allocation Date within an ESPP Offering Period, the Company shall credit to an ESPP Account matching RSPUs (including fractional RSPUs) in the ratio of one matching RSPU for each two Shares allocated to such account in accordance with the terms of the ESPP. The Company may revise, from time to time as appropriate, the ratio of matching RSPUs to Employee Contribution Shares, provided that any such adjustment shall apply only to ESPP Offering Periods commencing after the date of such action.

Notwithstanding anything to the contrary, the Board in its discretion may require that matching RSPUs of one or more ESPP Participants, under any circumstances specified by the Board, be settled in cash in an amount equal to the fair market value of a Share on such date as prescribed under the ESPP. In such event, the Board shall also specify whether cash payment shall be made by the ESPP Trustee or directly by the Company to the ESPP Participant.

(c) Vesting

An ESPP Participant shall be immediately vested in Employee Contribution Shares allocated to his/her ESPP Account. Provided that an ESPP Participant has not forfeited vesting entitlements or that the relevant matching RSPUs have not lapsed for any reason set out in the ESPP, the matching RSPUs will vest on the last day of the period commencing on the first ESPP Allocation Date of the ESPP Offering Period in which such matching RSPU was credited to the relevant ESPP Account, and ending on the third anniversary of such date (the “**RSPU Vesting Period**”), such period may be shortened in the cases where (i) the ESPP Participant’s participation in the ESPP is terminated and he/she is a good leaver; or (ii) there is a change in control or the winding up of the Company under which each ESPP Participant’s matching RSPUs shall vest immediately.

(d) Performance targets and clawback mechanism

Vesting of the matching RSPUs are not subject to the extent of achievement of pre-defined performance target(s) for the pre-defined performance measure(s) during the performance period of the Group. Further, the Shares delivered are not subject to any clawback mechanism upon vesting of the matching RSPUs, the delivery in satisfaction thereof of Shares to the ESPP Trustee and their allocation to the ESPP Accounts in accordance with the terms of the ESPP.

(8) ENTITLEMENT TO DIVIDENDS AND VOTING RIGHTS

An ESPP Participant shall be entitled to dividends on Employee Contribution Shares that have been purchased and allocated to his/her ESPP Account, and dividends on Shares issued in satisfaction of matching RSPUs and allocated to such account. An ESPP Participant shall also be entitled to direct the Company which in turn directs the ESPP Trustee with respect to voting Shares allocated to his/her ESPP Account, subject to such restrictions as imposed, and in accordance with such procedures as established, by the ESPP Trustee.

(9) TRANSFERABILITY

The right of an ESPP Participant to purchase Shares under the ESPP is personal to the ESPP Participant and may not be transferred, pledged or assigned by the ESPP Participant and his rights thereunder may be exercised during his/her lifetime only by him/her. No ESPP Participant may sell, transfer, assign, pledge, or create any interest in favour of any person in the his/her ESPP Account except by will or pursuant to the laws of descent and distribution.

(10) CANCELLATION OF UNVESTED MATCHING RSPUs

The Board may at its discretion cancel any matching RSPUs credited to an ESPP Account that have not vested or lapsed, provided that:

- (i) the Group pays to the ESPP Participant an amount equal to the fair value of the matching RSPUs at the date of the cancellation as determined by the Board, after consultation with the auditors of the Company or an independent financial adviser appointed by the Board;
- (ii) the Group provides to the ESPP Participant replacement matching RSPUs (or a grant or option under any other restricted share unit scheme, share option scheme or share-related incentive scheme) of equivalent value to the matching RSPUs to be cancelled; or
- (iii) the Board makes any arrangement as the ESPP Participant may agree in order to compensate him for the cancellation of the matching RSPUs.

Such cancelled matching RSPUs (to the extent they will be satisfied by newly issued Shares) will be regarded as utilised for the purpose of calculating the ESPP Scheme Limit.

(11) ADJUSTMENT TO AWARDS

In the event of any capitalisation issue, rights issue, consolidation or sub-division of Shares or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction), the Board may make such equitable adjustments, as it determines appropriate to preserve the benefits or potential benefits of the ESPP and the rights thereunder, to the number of shares subject to outstanding rights under the ESPP (rounded to the nearest whole Share) or to the share equivalents, insofar as such adjustment is in line with the requirements of the Listing Rules.

(12) AMENDMENT OF THE ESPP

The Company may, at any time and in any manner, amend, suspend or terminate the ESPP or any election outstanding under the ESPP. Unless the Hong Kong Stock Exchange agrees otherwise, the Shareholders must approve by ordinary resolutions any proposed change to the ESPP:

- (i) which relates to the matters set out in Rule 17.03 of the Listing Rules and is to the advantage of ESPP Participants; or
- (ii) which is of a material nature; or
- (iii) which changes the authority of the Board in relation to any alteration of the terms of the ESPP.

Where the participation or proposed participation in the ESPP or associated matters requires the approval of the Board, the Remuneration Committee, the Independent Non-executive Directors and/or the Shareholders (as the case may be), any changes to the terms of such participation, proposed participation and associated matters must be approved by the Board, Remuneration Committee, the Independent Non-executive Directors and/or the Shareholders (as the case may be). This requirement does not apply to the extent that the proposed change takes effect automatically under the terms of the ESPP.

(13) TERMINATION OF THE ESPP

Upon termination (whether due to early termination or upon expiry of the ESPP), no further ESPP Election Form shall be filed. The Group shall notify the ESPP Trustee and all ESPP Participants of such termination and of how the trust established under the ESPP (including, but not limited to, any Shares held under the relevant trust) and the outstanding matching RSPUs shall be dealt with. Any termination of the ESPP shall be without prejudice to any subsisting rights of any ESPP Participant, unless the outstanding matching RSPUs are cancelled in accordance with the terms under the ESPP.

The principal terms of the ASPP (as amended) are summarized as follows:–

(1) PURPOSE OF THE ASPP

The primary purpose of the ASPP is to facilitate and encourage long-term share ownership by selected agents and agency leaders (the “**ASPP Participants**”) by making monthly contributions to the trustee(s) of the ASPP (the “**ASPP Trustee(s)**”) and by awarding matching RSSUs credited to a plan account (the “**ASPP Account**”) held on trust by the ASPP Trustee(s) on behalf of the relevant ASPP Participant, which upon vesting are settled in Shares.

(2) TERM OF THE ASPP

Subject to renewal of the ASPP for an additional period in accordance with its terms and all applicable law, the ASPP shall remain in effect until the earlier of the date the ASPP is otherwise terminated in accordance with the provisions of the ASPP or the tenth anniversary of the adoption date of the ASPP.

(3) PARTICIPANTS IN THE ASPP

Subject to the terms and conditions of the ASPP, each Agent who has entered into a subsisting service contract with a member of the Group on selling and servicing of insurance for the Group (excluding any employee of the Group or any person who would be a connected person of the Company) who is selected by the Board for invitation in respect of the 12-month period commencing on 1 May of a calendar year (or other period or commencement date as the Board may determine) (the “**ASPP Offering Period**”) shall be eligible to participate in the ASPP for that ASPP Offering Period.

An eligible Agent may, during an invitation period designated by the Company (typically of three weeks), elect to participate in the ASPP for the ASPP Offering Period by filing an election form (the “**ASPP Election Form**”) in the form and manner prescribed by the Company which shall specify an amount of monthly Agent Contributions (as defined below) that he/she will make during the ASPP Offering Period for participation in the ASPP.

(4) MAXIMUM NUMBER OF SHARES PURSUANT TO MATCHING RSSUs

(a) Conditions in respect of newly issued Shares

The Shares that may be delivered under the ASPP may be newly issued or previously issued Shares acquired by the ASPP Trustee in the open market or in private transactions but matching RSSUs will only be satisfied by the issue of new Shares to the ASPP Participants. Newly issued Shares may not be used to satisfy awards to connected persons of the Company or other persons unless the relevant provisions of the ASPP and/or the applicable requirements (if any) under the Listing Rules have been complied with.

(b) Individual limits

The total number of Shares that may be issued pursuant to any allocated matching RSSUs under the ASPP (excluding matching RSSUs that have lapsed in accordance with the ASPP) and any other Share Schemes (excluding those awards or options that have lapsed thereunder) to any one ASPP Participant in the 12-month period up to and including the relevant date of the ASPP Election Form must not exceed 1% of the Shares in issue on the relevant date of the ASPP Election Form (the “**ASPP Individual Limit**”). Any issuance of Shares pursuant to any allocated matching RSSUs under the ASPP which exceeds the ASPP Individual Limit shall be separately approved by the Company in general meeting in the manner prescribed by the Listing Rules.

(c) Service provider limit

Participation in the ASPP and the associated matters (including the issuance of Shares pursuant to any allocated matching RSSUs thereunder) shall not be permitted if, as a result of such participation and associated matters, the aggregate number of Shares issued by the Company during the 10-year period commencing on the adoption date of the ASPP (i.e. 1 February 2021), pursuant to the ASPP (excluding matching RSSUs that have lapsed in accordance with the ASPP) and any other agency share purchase plan of the Company (excluding those awards that have lapsed thereunder), would exceed 2.5% of the number of Shares in issue on the date of the 2023 AGM (currently being 291,746,013 Shares based on the number of Shares in issue as at the Latest Practicable Date and assuming there is no change in the number of Shares in issue between the Latest Practicable Date and the date of the 2023 AGM).

(d) Overall limit across all Share Schemes

The Service Provider Limit, aggregated with the scheme limits of all other Share Schemes (excluding those scheme(s) which have expired or terminated) shall not exceed 10% of the number of Shares in issue as at the date of the 2023 AGM.

(e) Renewal of the Service Provider Limit

The Service Provider Limit may be renewed subject to any applicable Shareholders' approval requirements under the Listing Rules and the total number of Shares that may be issued pursuant to the ASPP (excluding matching RSSUs that have lapsed in accordance with the ASPP) and any other agency share purchase plan of the Company (excluding those awards that have lapsed thereunder) following the date of approval of the renewed limit (the “**New Service Provider Limit Approval Date**”) as renewed from time to time, must not exceed 2.5% of the number of Shares in issue as at the relevant New Service Provider Limit Approval Date.

For the avoidance of doubt, the total number of Shares that may underlie all grants made pursuant to the ASPP, and any other Share Schemes (excluding those scheme(s) which have expired or terminated) following the New Service Provider Limit Approval Date must not exceed 10% of the number of Shares in issue as at the relevant New Service Provider Limit Approval Date.

(f) Separate Shareholder approval

The Company may seek separate Shareholders' approval in the manner prescribed by the Listing Rules for participation in the ASPP and associated matters beyond the Service Provider Limit (as may be renewed in accordance with the ASPP), provided that any such issuance of Shares is only to eligible Agent specifically identified by the Company before such approval is sought.

(g) Grants involving newly issued Shares only

For the avoidance of doubt, the ASPP Individual Limit and the Service Provider Limit (as may be renewed from time to time) only apply to participation in the ASPP, its associated matters and grants under any other Share Schemes, to the extent that entitlements under the ASPP or such relevant grants will be satisfied by newly issued Shares.

(5) CONTRIBUTIONS MADE BY THE ASPP PARTICIPANTS

An ASPP Participant shall direct the member(s) of the Group by whom his/her earnings (the "**Earnings**") (which include commissions and bonus and other payments received from the Group for normal agency services in relation to life insurance business performed for the Group but exclude any benefits under the ASPP and any earnings from other agency services) are paid to pay to the ASPP Trustee a fixed amount of the Earnings as specified in his/her ASPP Election Form, net of withholding, payable during each calendar month of the ASPP Offering Period (the "**Agent Contributions**"). The monthly Agent Contributions specified by the ASPP Participant is subject to minimum and maximum amounts which shall be set by the Board. The minimum and maximum amounts for the monthly Agent Contributions which have been set by the Board are HK\$150 and HK\$12,500, respectively. Each ASPP Participant's Agent Contributions shall be allocated to his/her ASPP Account.

An ASPP Participant's participation in the ASPP shall be automatically terminated immediately upon the date the ASPP Participant ceases to be an Agent for any reason.

(6) PURCHASE AND ALLOCATION OF SHARES, MATCHING RSSUs, AND DISTRIBUTIONS**(a) Purchase and allocation of Shares**

On the twenty-seventh day of each calendar month within an ASPP Offering Period (the “**ASPP Allocation Date**”), the ASPP Trustee shall purchase, in one or more tranches, as many Shares as may be purchased by using all of the Agent Contributions made in the month preceding the relevant ASPP Allocation Date held under the trust established for the ASPP, which shall be allocated to the ASPP Accounts of the ASPP Participants with reference to their respective Agent Contributions.

(b) Matching RSSUs

As of each ASPP Allocation Date, the Company shall credit to an ASPP Participant’s ASPP Account matching RSSUs (including fractional RSSUs) in the ratio of one matching RSSU for each two Shares allocated to such account. The Company shall have the discretion to revise, from time to time as appropriate, the ratio of matching RSSUs to the Shares purchased with the Agent Contributions (the “**Agent Contribution Shares**”), provided that any such adjustment shall apply only to ASPP Offering Periods commencing after the date of such action.

Notwithstanding anything to the contrary, the Board in its discretion may require that matching RSSUs of one or more ASPP Participants, under any circumstances specified by the Committee, be settled in cash in an amount equal to the fair market value of a Share on such dates as prescribed under the ASPP. In such event, the Board shall also specify whether cash payment shall be made by the ASPP Trustee or directly by the Company to the ASPP Participant.

(c) Vesting

An ASPP Participant shall be immediately vested in Agent Contribution Shares allocated to his/her ASPP Account. Provided that the relevant ASPP Participant has not forfeited vesting entitlements or that the relevant matching RSSUs have not lapsed for any reason set out in the ASPP, matching RSSUs will vest on the last day of the period commencing on the first ASPP Allocation Date of the ASPP Offering Period in which such matching RSSU was credited to his/her ASPP Account, and ending on the third anniversary of such date (the “**RSSU Vesting Period**”), save that the RSSU Vesting Period may be shortened in the cases where:

- (i) the relevant ASPP Participant (who is a good leaver) ceases to be an Agent by reason of ill-health, injury or disability, death or the member of the Group with which the ASPP Participant has contracted to provide services as an Agent leaving the Group, or any other circumstance as determined by the Board, provided that the relevant vesting date be at least 12 months from the allocation of awards; or

- (ii) there is a change in control prescribed under the terms of the ASPP or the winding up of the Company following which each ASPP Participant's matching RSSUs shall vest immediately either upon the date of such occurrence of events or upon the date that falls at least 12 months from the date that the relevant matching RSSUs was allocated to the ASPP Participant's ASPP Account, whichever is the later. Accordingly, the vesting period would be at least 12 months from the date that the relevant matching RSSUs were allocated to the ASPP Participant's ASPP Account, unless the Company has obtained a waiver from strict compliance with the relevant law, regulation or rules (including without limitation the Listing Rules) requiring such vesting period.

(d) Subscription price for the matching RSSUs

The ASPP Participant will irrevocably undertake to the Company to pay, no later than 15 business days after the vesting of the RSSUs, a subscription price of US\$1.00 (the "**RSSU Subscription Price**") for each of the matching Shares underlying the matching RSSUs being vested. The ASPP Participant authorizes the Company to sell sufficient matching Shares on his/her behalf to raise such amount (plus any fees, taxes, levies or other costs of sale) and to retain the proceeds in satisfaction of the RSSU Subscription Price. Alternatively, the Company shall deduct the RSSU Subscription Price from any Earnings or other amount due to the ASPP Participant or permit the ASPP Participant to pay the RSSU Subscription Price from his own funds.

Subject to conclusion of arrangements for payment of the RSSU Subscription Price satisfactory to the Company, the Company will issue to the ASPP Trustee the relevant number of Shares to be allocated to the relevant ASPP Participant's ASPP Account, unless the matching RSSU is to be cash settled, in which case if the ASPP Participant does not pay the RSSU Subscription Price or conclude the arrangements within the time stipulated above, the matching RSSUs shall immediately lapse.

(e) Performance targets and clawback mechanism

Vesting of the matching RSSUs are not subject to the extent of achievement of pre-defined performance target(s) for the pre-defined performance measure(s) during the performance period of the Group. Further, the Shares are not subject to any clawback mechanism upon vesting of matching RSSUs, the delivery in satisfaction thereof of Shares to the ASPP Trustee and their allocation to the ASPP Accounts in accordance with the terms of the ASPP.

(7) ENTITLEMENT TO DIVIDENDS AND VOTING RIGHTS

An ASPP Participant shall be entitled to dividends on Agent Contribution Shares that have been purchased and allocated to his/her ASPP Account, and dividends on Shares issued in satisfaction of matching RSSUs and allocated to such account. An ASPP Participant shall also be entitled to direct the Company which in turn directs the ASPP Trustee with respect to voting Shares allocated to his/her ASPP Accounts, subject to such restrictions as imposed, and in accordance with such procedures as established, by the ASPP Trustee.

(8) TRANSFERABILITY

The right of an ASPP Participant to acquire Shares under the ASPP is personal to the ASPP Participant and may not be transferred, pledged or assigned by the ASPP Participant and his/her rights thereunder may be exercised during his lifetime only by him/her. No ASPP Participant may sell, transfer, assign, pledge, or create any interest in favour of any person in his/her ASPP Account except, in the case of an Agent who is a natural person, by will or pursuant to the laws of descent and distribution.

(9) CANCELLATION OF UNVESTED MATCHING RSSUs

The Board may at its discretion cancel any matching RSSUs credited to an ASPP Account that have not vested or lapsed, provided that:

- (i) the Group pays to the ASPP Participant an amount equal to the fair value of the matching RSSUs at the date of the cancellation as determined by the Board, after consultation with the auditors of the Company or an independent financial adviser appointed by the Board;
- (ii) the Company or its relevant subsidiary provides to the ASPP Participant replacement matching RSSUs of equivalent value to the matching RSSUs to be cancelled; or
- (iii) the Board makes any arrangement as the ASPP Participant may agree in order to compensate him/her for the cancellation of the matching RSSUs.

Any cancelled matching RSSUs will be regarded as utilised for the purpose of calculating the Service Provider Limit.

(10) ADJUSTMENTS TO AWARDS

In the event of any capitalisation issue, rights issue, consolidation or sub-division of Shares or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction), the Board may make such equitable adjustments, as it determines appropriate to preserve the benefits or potential benefits of the ASPP and the rights thereunder, to the number of shares subject to outstanding rights under the ASPP (rounded to the nearest whole Share) or to the share equivalents, insofar as such adjustment is in line with the requirements of the Listing Rules.

(11) AMENDMENT TO THE ASPP

The Company may, at any time and in any manner, amend, suspend or terminate the ASPP or any election outstanding under the ASPP subject to the requirements of the Listing Rules. Unless the Hong Kong Stock Exchange agrees otherwise, the Shareholders in general meeting (by ordinary resolution) must approve any proposed change to the ASPP:

- (i) which relates to the matters set out in Rule 17.03 of the Listing Rules and is to the advantage of ASPP Participants; or
- (ii) which is of a material nature; or
- (iii) which changes the authority of the Board in relation to any alteration of the terms of the ASPP.

Where the participation or proposed participation in the ASPP or associated matters (including the making of the Agent Contributions, the crediting and allocation of the matching RSSUs and the issuance of Shares pursuant to any allocated matching RSSUs) requires the approval of the Board, the Remuneration Committee, the Independent Non-executive Directors and/or the Shareholders (as the case may be), any changes to the terms of such participation, proposed participation and associated matters must be approved by the Board, the Remuneration Committee, the Independent Non-executive Directors and/or the Shareholders (as the case may be). This requirement does not apply to the extent that the proposed change takes effect automatically under the terms of the ASPP.

(12) TERMINATION OF THE ASPP

Upon termination (whether due to early termination or upon expiry of the ASPP), no further ASPP Election Form shall be filed. The Company or its relevant subsidiary shall notify the ASPP Trustee(s) and all ASPP Participants of such termination and of how the trust (including, but not limited to, any Shares held under the trust) and the outstanding matching RSSUs shall be dealt with. Any termination of the ASPP shall be without prejudice to any subsisting rights of any ASPP Participant, unless the outstanding matching RSSUs are cancelled in accordance with the terms of the ASPP.