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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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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.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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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  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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The notice convening the annual general meeting of AIA Group Limited to be held at 11:00 a.m. on Thursday, 20 May 2021 at the Grand Ballroom, Lower Level 1, Kowloon Shangri-La, 64 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong is set out on pages 14 to 19 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 as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or adjourned meeting (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the meeting or at any adjourned meeting should you so wish.

**PRECAUTIONARY MEASURES FOR THE 2021 ANNUAL GENERAL MEETING**

The Company will implement any or all of the following precautionary measures at the 2021 AGM including:

- mandatory use of face masks;
- compulsory body temperature screening;
- mandatory health declaration;
- limiting the number of attendees at the 2021 AGM in compliance with the applicable laws and regulations; and
- no distribution of corporate gifts and/or refreshments.

In light of the continuing public health risks posed by the Coronavirus Disease 2019 ("COVID-19") pandemic, the Company strongly encourages Shareholders to appoint the chairman of the 2021 AGM as their proxy to vote according to their indicated voting instructions and to view the 2021 AGM proceedings via webcast as an alternative to attending the 2021 AGM in person, and discourages Shareholders from attending the 2021 AGM in person.

Due to the constantly evolving COVID-19 pandemic situation in Hong Kong, the Company may be required to implement further measures for the 2021 AGM at short notice. Shareholders should check for any updates on the 2021 AGM arrangements from the "General Meetings Information" tab under sub-section headed "Shareholder Centre" in the "Investor Relations" section of the Company's website ([www.aia.com](http://www.aia.com)).

Shareholders not attending the 2021 AGM in person may view a live webcast of the 2021 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.)*

9 April 2021



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## **PRECAUTIONARY MEASURES FOR THE 2021 ANNUAL GENERAL MEETING**

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To ensure the safety of the attendees of the 2021 AGM and to prevent the spreading of the COVID-19 pandemic, the following precautionary measures will be implemented at the 2021 AGM.

### **LIMITING ATTENDANCE IN PERSON AT THE 2021 AGM VENUE**

The Company will be required to comply with the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation 2020 (Chapter 599G of the Laws of Hong Kong) for the purpose of holding the 2021 AGM (“2020 Regulation”).

**The Company will limit attendance in person at the 2021 AGM venue in compliance with the 2020 Regulation prevailing at the time of the 2021 AGM. Given the limited capacity of the 2021 AGM venue and the requirements for social distancing to ensure attendee safety, only Shareholders and/or their representatives and relevant Company’s staff will be admitted to the 2021 AGM. Admission to the 2021 AGM venue will be granted on a first-come-first-served basis and not in excess of the capacity of the 2021 AGM venue.**

A webcast of the 2021 AGM will be made available on the Company’s website at <https://www.aia.com/2021agm> for both the registered Shareholders and non-registered Shareholders (who are on the mailing list kept by HKSCC Nominees Limited) on the date of the 2021 AGM.

### **HEALTH AND SAFETY MEASURES AT THE 2021 AGM**

The following measures will also be implemented at the 2021 AGM:

1. Every attendee will be required to wear a face mask at any time within the venue of the 2021 AGM. Attendees are advised to maintain appropriate social distance with each other at all times when attending the 2021 AGM.
2. There will be compulsory body temperature screening conducted by Kowloon Shangri-La for all persons entering the hotel. Denied entry to Kowloon Shangri-La also means the person will not be allowed to attend the 2021 AGM.
3. All attendees are required to complete and submit at the entrance of Kowloon Shangri-La and/or the 2021 AGM venue health declaration form and/or other declaration required by the Company confirming their recent travel history and health conditions, etc.
4. In light of the continuing public health risks posed by the COVID-19 pandemic, the Company strongly encourages Shareholders to appoint the chairman of the 2021 AGM as their proxy to vote according to their indicated voting instructions and to view the 2021 AGM proceedings via webcast as an alternative to attending the 2021 AGM in person and discourages Shareholders from attending the 2021 AGM in person.

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## PRECAUTIONARY MEASURES FOR THE 2021 ANNUAL GENERAL MEETING

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5. Due to the constantly evolving COVID-19 pandemic situation in Hong Kong, the Company may be required to implement further measures for the 2021 AGM at short notice. Shareholders should check for any updates on the 2021 AGM arrangements from the “General Meetings Information” tab under sub-section headed “Shareholder Centre” in the “Investor Relations” section of the Company’s website ([www.aia.com](http://www.aia.com)).

**Should any attendee refuse to comply with the above precautionary measures, or have any flu-like symptoms or is otherwise unwell will be denied entry into or be required to leave the 2021 AGM venue at the absolute discretion of the Company as permitted by law. Shareholders are requested not to attend the 2021 AGM if they have contracted or are suspected to have contracted COVID-19 or have been in close contact with anybody who has contracted or is suspected to have contracted COVID-19.**

### DETAILED ARRANGEMENTS FOR THE 2021 AGM

1. Shareholders not attending the 2021 AGM in person may view a live webcast of the 2021 AGM proceedings through the Company’s website (<https://www.aia.com/2021agm>). The 2021 AGM webcast will be opened approximately 30 minutes prior to the commencement of the 2021 AGM and can be accessed from any location with access to the internet with a smart phone, tablet device or computer. Please however note that in accordance with the Company’s Articles of Association, the Shareholders joining the 2021 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 (<https://www.aia.com/2021agm>) 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 2021 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 2021 AGM in person.

2. Should Shareholders have questions which they would have raised at the 2021 AGM, the Company advises Shareholders to instead send their questions in advance by email to [2021agm@aia.com](mailto:2021agm@aia.com) before 11:00 a.m., Tuesday, 18 May 2021. The Company will endeavour to address the questions at the 2021 AGM if time permits, or failing that, unanswered questions will be responded to after the 2021 AGM as appropriate.
3. In view of the travel restrictions and border controls imposed by various jurisdictions to prevent the spread of COVID-19, certain Director(s) of the Company may attend the 2021 AGM through audio or video conference or similar electronic facilities.

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## PRECAUTIONARY MEASURES FOR THE 2021 ANNUAL GENERAL MEETING

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4. As the COVID-19 situation continues to evolve, the Company will closely monitor the situation and reserves the right to implement further measures as appropriate in order to minimise any risks to Shareholders and others attending the 2021 AGM and to comply with any legal requirements or recommendations of the Hong Kong Government or any regulatory authorities from time to time.
5. If Shareholders have any questions relating to the 2021 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](http://www.computershare.com/hk/contact)

6. **Please note that there will be no distribution of corporate gift and/or refreshments at the 2021 AGM by the Company.**

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## DEFINITIONS

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

“2012 ASPP”	the agency share purchase plan adopted by the Company on 23 February 2012, a share purchase plan with matching offer to facilitate and encourage ownership of Shares by agents. It was terminated with effect from 31 March 2021 (being the last day of the 2020/2021 plan year)
“2021 ASPP”	the agency share purchase plan adopted by the Company on 1 February 2021, a share purchase plan with matching offer to facilitate and encourage ownership of Shares by agents, which is effective for a period of 10 years from the date of adoption
“2021 AGM”	the annual general meeting of the Company to be held at 11:00 a.m. on Thursday, 20 May 2021 or, where the context so admits, any adjournment thereof, notice of which is set out on pages 14 to 19 of this circular
“2021 AGM Notice”	the notice convening the 2021 AGM, which is set out on pages 14 to 19 of this circular
“Annual Report 2020”	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 2020
“Articles of Association”	the articles of association of the Company, as amended from time to time
“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
“Business Day”	means a day on which the Hong Kong Stock Exchange is open for the business of dealing in securities

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## DEFINITIONS

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“Buy-back Mandate”	the general and unconditional mandate proposed under ordinary resolution numbered 9(B) in the 2021 AGM Notice set out on pages 14 to 19 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)
“Corporate Governance Code”	Corporate Governance Code set out in Appendix 14 to the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	AIA Group Limited and its subsidiaries
“Hong Kong” or “HKSAR”	Hong Kong Special Administrative Region of the People’s Republic of China
“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 9(A) in the 2021 AGM Notice set out on pages 14 to 19 of this circular
“Latest Practicable Date”	29 March 2021, 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
“RSU(s)”	restricted share unit(s) in relation to the RSU Scheme

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## DEFINITIONS

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“RSU Award(s)”	restricted share unit award(s) granted to participants under the RSU Scheme
“RSU Scheme”	the restricted share unit scheme adopted by the Company on 1 August 2020, under which the Company may award RSUs 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
“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
“Shareholder(s)”	holder(s) of Shares
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission, as amended from time to time
“%”	per cent.

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## LETTER FROM THE BOARD

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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**

*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

9 April 2021

Dear Shareholders,

**PROPOSALS FOR RE-ELECTION OF DIRECTORS,  
GENERAL MANDATES TO ISSUE SHARES AND BUY BACK SHARES  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide you with the 2021 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; and (v) the grant of the Issue Mandate and the Buy-back Mandate.

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## LETTER FROM THE BOARD

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### 2. RECEIPT OF THE AUDITED FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company for the year ended 31 December 2020 together with the Report of the Directors and the Independent Auditor's Report, are set out in the Annual Report 2020 which are available in English and Chinese languages under the "Investor Relations" section of the Company's website at [www.aia.com](http://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 125 to 131 of the Annual Report 2020.

### 3. DECLARATION OF A FINAL DIVIDEND

The Board has recommended an increase in the payment of a final dividend for the year ended 31 December 2020 by 7.5% to 100.30 Hong Kong cents per Share, 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 2021 AGM.

### 4. RE-ELECTION OF DIRECTORS

Mr. Lee Yuan Siong was appointed as Executive Director on 1 June 2020. In accordance with Article 104 of the Articles of Association and paragraph A.4.2 of the Corporate Governance Code, Mr. Lee will hold his office until the next following annual general meeting of the Company and will then be eligible for re-election. Mr. Lee will offer himself for re-election at the 2021 AGM.

Mr. Chung-Kong Chow, Mr. John Barrie Harrison, Professor Lawrence Juen-Yee Lau and Mr. Cesar Velasquez Purisima shall retire from office by rotation at the 2021 AGM pursuant to Article 100 of the Articles of Association and, being eligible, will offer themselves for re-election at the 2021 AGM.

Mr. Chow has been an Independent Non-executive Director since the listing of the Company in 2010, and hence, has served the Board for more than ten years. It is the Board's view that Mr. Chow's deep and diverse business and regulatory experience coupled with his knowledge of financial markets and in-depth understanding of the Group's operations and business, has enabled him to contribute meaningfully and objectively to the Company during his tenure. He continues to demonstrate strong independence and a firm commitment to his role and continues to bring valuable skills, experience and fresh perspectives gained from his other directorships and appointments to the Board on an ongoing basis in support of promoting the best interests of the Company and the Shareholders. With his wealth of skills, knowledge and experience, the Nomination Committee and the Board are of the view that Mr. Chow contributes to the diversity of the Board. His contribution to the Company is also demonstrated

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## LETTER FROM THE BOARD

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by his acting as the chairman of the Risk Committee of the Company since 2010. In addition, Mr. Chow has no financial or family relationships with any Director, substantial Shareholder, controlling Shareholder (as defined in the Listing Rules) or senior management of the Company.

Mr. Harrison has been an Independent Non-executive Director since July 2011, and hence, has served the Board for more than nine years. As an Independent Non-executive Director, Mr. Harrison brings a deep and diverse commercial background to his role, including his extensive international experience in accounting, financial reporting, audit, assurance based advisory services, corporate governance and financial risk management. 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 during his tenure. He continues to demonstrate strong independence and a firm commitment to his role and continues to bring valuable skills, experience and fresh perspectives gained from his other directorships and appointments to the Board on an ongoing basis in support of promoting the best interests of the Company and the Shareholders. With his wealth of skills, knowledge and experience, the Nomination Committee and the Board are of the view that Mr. Harrison contributes to the diversity of the Board. His contribution to the Company is also demonstrated by his acting as the chairman of the Audit Committee of the Company since 2011. In addition, Mr. Harrison has no financial or family relationships with any Director, substantial Shareholder, controlling Shareholder (as defined in the Listing Rules) or senior management of the Company.

Professor Lau has been an Independent Non-executive Director since September 2014. As an Independent Non-executive Director, 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 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 no financial or family relationships with any Director, substantial Shareholder, controlling Shareholder (as defined in the Listing Rules) or senior management of the Company.

Mr. Purisima has been an Independent Non-executive Director since September 2017. Mr. Purisima brings his strong and extensive commercial and regulatory experience to his role, including his extensive public accounting and finance experience in the Philippines and abroad. 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. The Nomination Committee and the Board are of the view that Mr. Purisima contributes to various diversity aspects of the Board, including his professional

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## LETTER FROM THE BOARD

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accounting knowledge, skills and experience. 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. Purisima has no financial or family relationships with any Director, substantial Shareholder, controlling Shareholder (as defined in the Listing Rules) or senior management of the Company.

The Company received the annual confirmation of independence from Mr. Chow, Mr. Harrison, Professor Lau and Mr. Purisima. The Nomination Committee has assessed their independence and formed the view that each of Mr. Chow, Mr. Harrison, Professor Lau and Mr. Purisima continues to be independent in character and judgement, and that each of them has met the independence guidelines set out in Rule 3.13 of the Listing Rules and is independent.

In view of the above, and based on the recommendation from the Nomination Committee, the Board considers that the re-election of each of Mr. Lee, Mr. Chow, Mr. Harrison, Professor Lau and Mr. Purisima is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommended Mr. Lee to stand for re-election as Executive Director and Mr. Chow, Mr. Harrison, Professor Lau and Mr. Purisima to stand for re-election as Independent Non-executive Directors at the 2021 AGM.

Biographical details of the Directors standing for re-election at the 2021 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 2020, the remuneration payable by the Group to PwC was approximately US\$25,200,000 (for the year ended 31 December 2019: US\$26,000,000), of which approximately US\$20,000,000 (for the year ended 31 December 2019: US\$18,900,000) was for audit services.

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 29 May 2020, 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 2021 AGM. Accordingly, the Company seeks Shareholders' approval to renew this authority, subject to the restrictions described in ordinary resolutions numbered 9(A) and 9(B) in the 2021 AGM Notice, which are summarised herein below.

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## LETTER FROM THE BOARD

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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 (other than on the vesting of awards under the RSU Scheme, the 2012 ASPP and 2021 ASPP, or any other restricted share unit scheme(s) and agency share purchase plan(s) adopted by the Company from time to time) 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.

The Directors may issue new Shares under the Issue Mandate for, among other purposes, the issuance of Shares for the purposes of satisfying any RSU Awards granted under the RSU Scheme, as well as the issuance of matching Shares under the agency share purchase plans of the Company from time to time. Under the 2012 ASPP and the 2021 ASPP, the participants will receive one matching Share for each two Shares purchased under the plan upon satisfaction of certain vesting conditions, and they are required to pay a subscription price of US\$1.00 for each new matching Share issued to them by the Company pursuant to the Issue Mandate. More details on the RSU Scheme, the 2012 ASPP and the 2021 ASPP are set out in the Annual Report 2020.

The Issue Mandate and the Buy-back Mandate, if approved at the 2021 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.

Details of the Issue Mandate and the Buy-back Mandate are set out in ordinary resolutions numbered 9(A) and 9(B) respectively in the 2021 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.

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## LETTER FROM THE BOARD

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### 7. 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.

### 8. ANNUAL GENERAL MEETING

The 2021 AGM Notice is set out on pages 14 to 19 of this circular. At the 2021 AGM, relevant resolutions will be proposed to approve 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, and the grant of the Issue Mandate and the Buy-back Mandate.

As a registered Shareholder, you are entitled to attend and vote at the 2021 AGM in person. Whether or not you intend to attend the 2021 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 as soon as possible and in any event not less than 48 hours before the time appointed for holding the 2021 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 2021 AGM or any adjournment thereof should you so wish. In the event that a Shareholder who has lodged a proxy form attends the 2021 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 2021 AGM.

Nevertheless, in light of the continuing public health risks posed by the COVID-19 pandemic, Shareholders are strongly encouraged to appoint the chairman of the 2021 AGM as their proxy to vote according to their indicated voting instructions and to view the 2021 AGM proceedings via webcast as an alternative to attending the 2021 AGM in person.

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## LETTER FROM THE BOARD

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### 9. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, the chairman of the 2021 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 2021 AGM except where the chairman of the 2021 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 2021 AGM, the poll results will be published on the websites of both the Hong Kong Exchanges and Clearing Limited and the Company.

### 10. 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, and the grant of the Issue Mandate and the Buy-back Mandate 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 2021 AGM.

No Shareholder is required to abstain from voting in respect of any of the resolutions to be proposed at the 2021 AGM.

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

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## NOTICE OF ANNUAL GENERAL MEETING

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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**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of AIA Group Limited (the “Company”) will be held at the Grand Ballroom, Lower Level 1, Kowloon Shangri-La, 64 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Thursday, 20 May 2021 at 11:00 a.m. for the following purposes:

### **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 2020.
2. To declare a final dividend of 100.30 Hong Kong cents per share for the year ended 31 December 2020.
3. To re-elect Mr. Lee Yuan Siong as Executive Director of the Company.
4. To re-elect Mr. Chung-Kong Chow as Independent Non-executive Director of the Company.
5. To re-elect Mr. John Barrie Harrison as Independent Non-executive Director of the Company.
6. To re-elect Professor Lawrence Juen-Yee Lau as Independent Non-executive Director of the Company.
7. To re-elect Mr. Cesar Velasquez Purisima as Independent Non-executive Director of the Company.
8. 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.

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## NOTICE OF ANNUAL GENERAL MEETING

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9. 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 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;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (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 (other than on the vesting of awards under the restricted share unit scheme(s) and the agency share purchase plan(s) adopted by the Company from time to time) 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.

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“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
- (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;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (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.”

By Order of the Board  
**Nicole Pao**  
*Group Company Secretary*

Hong Kong, 9 April 2021

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## NOTICE OF ANNUAL GENERAL MEETING

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*Notes:*

1. **All shareholders of the Company who intend to attend the 2021 annual general meeting of the Company (“2021 AGM”) in person should read the section headed “Precautionary Measures for the 2021 Annual General Meeting” on pages 1 to 3 of the circular of the Company for the 2021 AGM dated 9 April 2021.**
2. The register of members of the Company will be closed from Friday, 14 May 2021 to Thursday, 20 May 2021 (both days inclusive) during which period no transfer of share(s) will be registered. To be eligible to attend and vote at the 2021 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 Thursday, 13 May 2021.

In order to qualify for the entitlement of the final dividend to be approved at the 2021 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, 26 May 2021, being the record date for determining the entitlement to the final dividend for the year ended 31 December 2020.

3. A shareholder of the Company entitled to attend and vote at the 2021 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, not less than 48 hours before the time appointed for holding the 2021 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 2021 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 2021 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 2021 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](http://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 and Mr. Cesar Velasquez PURISIMA

*Details of the retiring Directors proposed to be re-elected at the 2021 AGM are set out as follows:*

#### **1. MR. LEE YUAN SIONG, EXECUTIVE DIRECTOR**

Aged 55, is an Executive Director and the Group Chief Executive and President of the Company, having been appointed on 1 June 2020. Mr. Lee is also a member of the Risk Committee of the Company. He joined the Group in March 2020 and has more than 30 years experience in the insurance sector. He is a director of various companies within the Group including acting as Chairman and Chief Executive Officer of AIA Company Limited. Prior to his current role, Mr. Lee was an executive director of Ping An Insurance (Group) Company of China, Ltd. from June 2013 and served as the company's co-CEO and Chief Insurance Business Officer. Before joining Ping An, Mr. Lee held a number of senior leadership positions with Prudential plc of the United Kingdom, including President of CITIC-Prudential Life Insurance Company Limited, a life insurance joint venture in Mainland China. He also has significant experience across a number of Asian markets, including Hong Kong SAR, India, Indonesia, Taiwan (China), Thailand and Vietnam. Mr. Lee began his career at the Monetary Authority of Singapore. He has been a member of the Hong Kong Academy of Finance since 2020. He holds a Master of Philosophy (Finance) degree from the University of Cambridge and is a Fellow of the Society of Actuaries (US).

The term under the service contract with Mr. Lee as Group Chief Executive and President is three years, with an option for the Company to renew for a further three years. Mr. Lee's appointment as Executive Director of the Company is for a term of approximately three years from the 2021 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. Lee is and is deemed to be interested in 4,613,826 Shares and/or underlying Shares, representing approximately 0.03% of the total number of Shares in issue. Save as disclosed above, Mr. Lee does not hold any Shares within the meaning of Part XV of the SFO.

Details of Mr. Lee's remuneration are set out in the Remuneration Report and note 41 to the financial statements in the Annual Report 2020.

Save as disclosed above, Mr. Lee 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. Lee does not have any relationship with any Director, substantial Shareholder, controlling Shareholder (as defined in the Listing Rules) or senior management of the Company.

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

**2. MR. CHUNG-KONG CHOW, INDEPENDENT NON-EXECUTIVE DIRECTOR**

Aged 70, is an Independent Non-executive Director of the Company, having been appointed on 28 September 2010. He is also the Chairman of the Risk Committee and a member of the Nomination Committee of the Company. Mr. Chow was appointed a non-official member of the Executive Council of the HKSAR on 1 July 2012 and was further appointed for a new term of office from 1 July 2017. Mr. Chow was also appointed as the Chairman of the Advisory Committee on Admission of Quality Migrants and Professionals of the HKSAR from 1 July 2016, a director of the Community Chest of Hong Kong from 19 June 2017, a member of the Financial Leaders Forum set up by the HKSAR Government from 18 August 2017, a non-official member of the Human Resources Planning Commission of the HKSAR Government from 1 April 2018, a member of the InnoHK Steering Committee from 4 February 2019 and the Chairman of the Urban Renewal Authority Board from 1 May 2019. Mr. Chow was knighted in the United Kingdom for his contribution to industry in 2000 and was awarded the Gold Bauhinia Star by the HKSAR Government in 2015. Mr. Chow was a Steward of The Hong Kong Jockey Club from 2011 to 2020, the Chairman of the Advisory Committee on Corruption of the Independent Commission Against Corruption from 2013 to 2018, the Chairman of Hong Kong Exchanges and Clearing Limited (listed on the Hong Kong Stock Exchange) from 2012 to 2018, Chief Executive Officer of MTR Corporation Limited (listed on the Hong Kong Stock Exchange) from 2003 to 2011, Chief Executive Officer of Brambles Industries plc, a global support services company, from 2001 to 2003, and Chief Executive of GKN plc, a leading industrial company based in the United Kingdom, from 1997 to 2001. He was an independent non-executive director of Anglo American plc from 2008 to 2014, independent non-executive director of Standard Chartered plc from 1997 to 2008 and the Chairman of the Hong Kong General Chamber of Commerce from 2012 to June 2014.

Mr. Chow's appointment is for a term of approximately three years from the 2021 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. Chow holds 126,000 Shares and/or underlying Shares as beneficial owner, representing less than 0.01% of the total number of Shares in issue. Save as disclosed above, Mr. Chow does not hold any Shares within the meaning of Part XV of the SFO.

Details of Mr. Chow's remuneration are set out in the Remuneration Report and note 41 to the financial statements in the Annual Report 2020.

Save as disclosed above, Mr. Chow 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. Chow does not have any relationship with any Director, substantial Shareholder, controlling Shareholder (as defined in the Listing Rules) or senior management of the Company.

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

**3. MR. JOHN BARRIE HARRISON, INDEPENDENT NON-EXECUTIVE DIRECTOR**

Aged 64, is an Independent Non-executive Director of the Company, having been appointed on 1 July 2011. He is also the Chairman of the Audit Committee and a member of the Nomination Committee and the Risk Committee of the Company. Mr. Harrison is an independent non-executive director of Cathay Pacific Airways Limited (listed on the Hong Kong Stock Exchange). He is also an independent non-executive director of Grosvenor Asia Pacific Limited since 1 December 2017. He was appointed an Honorary Court Member of The Hong Kong University of Science and Technology with effect from 20 September 2016. Mr. Harrison was an independent non-executive director of BW Group Limited from 2010 to 2020 and the Vice Chairman of BW LPG Limited from 2013 to 2020. He was an independent non-executive director of Hong Kong Exchanges and Clearing Limited (listed on the Hong Kong Stock Exchange) from 20 April 2011 to 26 April 2017, The London Metal Exchange Limited from 6 December 2012 to 26 April 2017 and LME Clear Limited from 16 December 2013 to 26 April 2017. From 2012 to May 2015, he was also a member of the Asian Advisory Committee of AustralianSuper Pty Ltd. From 2008 to 2010, Mr. Harrison was Deputy Chairman of KPMG International. In 2003, he was elected Chairman and Chief Executive Officer of KPMG, China and Hong Kong and Chairman of KPMG Asia Pacific. Mr. Harrison began his career with KPMG in London in 1977, becoming a partner of KPMG Hong Kong in 1987. Mr. Harrison received an honorary fellowship from The Hong Kong University of Science and Technology in 2017. Mr. Harrison is a Fellow of the Institute of Chartered Accountants in England and Wales and a member of the Hong Kong Institute of Certified Public Accountants.

Mr. Harrison's appointment is for a term of approximately three years from the 2021 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. Harrison holds 80,000 Shares and/or underlying Shares jointly with his spouse, Ms. Rona Irene Harrison, as beneficial owners, representing less than 0.01% of the total number of Shares in issue. Save as disclosed above, Mr. Harrison does not hold any Shares within the meaning of Part XV of the SFO.

Details of Mr. Harrison's remuneration are set out in the Remuneration Report and note 41 to the financial statements in the Annual Report 2020.

Save as disclosed above, Mr. Harrison 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. Harrison does not have any relationship with any Director, substantial Shareholder, controlling Shareholder (as defined in the Listing Rules) or senior management of the Company.

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

**4. PROFESSOR LAWRENCE JUEN-YEE LAU, INDEPENDENT NON-EXECUTIVE DIRECTOR**

Aged 76, 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 New York Stock Exchange) and Semiconductor Manufacturing International Corporation (listed on the Hong Kong Stock Exchange and the Shanghai 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. 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. In addition, he serves as a member and Chairman of the Prize Recommendation Committee for the LUI Che Woo Prize Limited; Vice-Chairman of the Our Hong Kong Foundation; Vice-Chairman of China Center for International Economic Exchanges, Beijing; a member of the Hong Kong Trade Development Council Belt and Road & Greater Bay Area Committee; a Fellow of the Hong Kong Academy of Finance; a Director of the Chiang Ching-Kuo Foundation for International Scholarly Exchange, Taipei; as well as the C.V. Starr Distinguished Fellow of China Development Research Foundation, Beijing, 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, Professor Lau was appointed as a Non-official Member of the Executive Council of the HKSAR. He was appointed as 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 2021 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 160,000 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 41 to the financial statements in the Annual Report 2020.

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 Director, substantial Shareholder, controlling Shareholder (as defined in the Listing Rules) or senior management 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.

#### **5. MR. CESAR VELASQUEZ PURISIMA, INDEPENDENT NON-EXECUTIVE DIRECTOR**

Aged 60, is an Independent Non-executive Director of the Company, having been appointed on 1 September 2017. He is also a member of the Audit Committee and the Nomination Committee of the Company. Mr. Purisima currently serves as an independent director of Ayala Land, Inc., Universal Robina Corporation and Jollibee Foods Corporation, all of which are listed on The Philippine Stock Exchange. He is also a founding partner of Ikhlas Capital Singapore Pte. Ltd., a member of the Global Advisory Council of Sumitomo Mitsui Banking Corporation, and a member of Singapore Management University's International Advisory Council in the Republic of the Philippines (the Philippines). He is also a member of the board of trustees of the World Wildlife Fund – Philippines, De La Salle University, and the International School of Manila. He is an Asia Fellow at the Milken Institute, a global, non-profit, non-partisan think tank. Mr. Purisima served in the government of the Philippines as Secretary of Finance from July 2010 to June 2016 and as Secretary of Trade and Industry from January 2004 to February 2005. He also previously served on the boards of a number of government institutions, including as a member of the Monetary Board of the Bangko Sentral ng Pilipinas (Central Bank of the Philippines), Governor of the World Bank Group for the Philippines, Governor of the Asian Development Bank for the Philippines, Alternate Governor of the International Monetary Fund for the Philippines and Chairman of Land Bank of the Philippines. He was conferred the Chevalier dans l'Ordre national de la Légion d'Honneur (Knight of the National Order of the Legion of Honour) by the President of the French Republic

in 2017, the Order of Lakandula, Rank of Grand Cross (Bayani) by the President of the Philippines in 2016 and the Chevalier de l'Ordre national du Mérite (Knight of the National Order of Merit) by the President of the French Republic in 2001. Mr. Purisima is a certified public accountant. He has extensive experience in public accounting both in the Philippines and abroad. He was Chairman and Managing Partner of SyCip, Gorres, Velayo & Co. (a member firm of Andersen Worldwide until 2002 when it became a member firm of Ernst & Young Global Limited) from 1999 until 2004. During the period, Mr. Purisima was also the Asia-Pacific Area Managing Partner for Assurance and Business Advisory Services of Andersen Worldwide from 2001 to 2002 and Regional Managing Partner for the ASEAN Practice of Andersen Worldwide from 2000 to 2001. Mr. Purisima obtained his Bachelor of Science in Commerce (Majors in Accounting & Management of Financial Institutions) degree from De La Salle University (Manila) in 1979, Master of Management degree from J. L. Kellogg Graduate School of Management, Northwestern University in 1983 and Doctor of Humanities honoris causa degree from Angeles University Foundation (the Philippines) in 2012.

In the decision promulgated by the Commission on Audit (“COA”) on 17 December 2019 in the case titled Petition for Review of the Trade and Investment Development Corporation of the Philippines of Commission on Audit Corporate Government Sector – Cluster 2 Decision No. 2015-006 dated May 6, 2015 (“COA Decision”), Mr. Purisima was being held solidarily liable with the other members of the Trade and Investment Development Corporation of the Philippines (“TIDCORP”) Board of Directors for the refund of certain disbursements of TIDCORP relating to salaries and other benefits which were disallowed in audit by the COA. He was impleaded therein in his capacity as former Secretary of Finance and Ex-Officio Chairman of TIDCORP (now known as the Philippine Guarantee Corporation or PhilGuarantee). PhilGuarantee had, on 30 January 2020, filed a motion for reconsideration of the COA Decision. Mr. Purisima had also filed a motion for leave to intervene and a supplemental motion for reconsideration *Ex Abundanti Ad Cautelam* with the COA Proper on 15 December 2020. It was maintained in the supplemental motion that Mr. Purisima should not be held liable for the refund of the disallowed disbursements of the TIDCORP. This supplemental motion, together with the motion for reconsideration filed by PhilGuarantee, are currently pending resolution and therefore the case is still pending up to the present.

The Company has reviewed the above-mentioned matter with legal counsel in the Philippines and to the best knowledge, information and belief of the Board, the above matter neither relate to the affairs of the Group, nor reflect adversely on the character or integrity of Mr. Purisima. The Board further believes that it will not impact on Mr. Purisima’s ability to carry out his duties as an independent non-executive director of the Company.

Mr. Purisima’s appointment is for a term of approximately three years from the 2021 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. Purisima does not hold any Shares within the meaning of Part XV of the SFO.

Details of Mr. Purisima's remuneration are set out in the Remuneration Report and note 41 to the financial statements in the Annual Report 2020.

Save as disclosed above, Mr. Purisima has not held any 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. Purisima does not have any relationship with any Director, substantial Shareholder, controlling Shareholder (as defined in the Listing Rules) or senior management of the Company.

Save as disclosed above, there is no information about Mr. Purisima 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 standing for 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 12,094,977,085 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 2021 AGM, the Company will be allowed under the Buy-back Mandate to buy back a maximum of 1,209,497,708 Shares (representing 10% of the number of Shares in issue) during the period from the date of the passing of the ordinary resolution numbered 9(B) in the 2021 AGM Notice set out on pages 14 to 19 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 9(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.

### **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 2020 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 as compared with the position disclosed in the Annual Report 2020. 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 (as defined in the Listing Rules) 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**

Save for the purchases of 7,483,354 Shares under the RSU Scheme, the Employee Share Purchase Plan adopted by the Company on 25 July 2011 ("2011 ESPP") and the new Employee Share Purchase Plan adopted by the Company on 1 August 2020 ("2020 ESPP") at a total consideration of approximately US\$96 million (equivalent to approximately HK\$744 million) in the six months up to the Latest Practicable Date, no purchase of Shares has been made by the Company during the same period. These purchases were made by the plan trustees on the Hong Kong Stock Exchange. These Shares are held on trust for participants of the RSU Scheme, the 2011 ESPP and the 2020 ESPP and therefore were not cancelled. The average prices for the Shares purchased by the trustee under the RSU Scheme, the 2011 ESPP and the 2020 ESPP during the six months up to the Latest Practicable Date were as follows:

<b>Date of purchase</b>	<b>Number of Shares purchased</b>	<b>Average price per Share (HK\$)</b>
15 October 2020	116,677	81.0557
16 November 2020	142,278	86.5251
15 December 2020	135,821	91.4888
15 January 2021	122,146	102.3283
8 February 2021	221,600	100.8737
9 February 2021	220,200	101.5103
10 February 2021	217,000	102.9382
11 February 2021	217,000	103.0435
16 February 2021	332,308	104.7910
17 February 2021	213,200	104.8126
18 February 2021	219,600	101.7247
19 February 2021	221,400	100.9855
22 February 2021	219,400	101.9211
23 February 2021	215,600	103.6633
24 February 2021	217,600	102.7738
25 February 2021	220,200	101.4936
26 February 2021	226,000	98.9162
1 March 2021	223,800	99.8680

Date of purchase	Number of Shares purchased	Average price per Share (HK\$)
2 March 2021	228,400	97.8641
3 March 2021	226,600	98.6088
4 March 2021	227,000	98.5163
5 March 2021	228,000	98.0300
8 March 2021	232,800	96.0322
9 March 2021	226,400	98.7330
10 March 2021	224,000	99.7817
11 March 2021	222,800	100.3461
12 March 2021	228,800	97.6854
15 March 2021	354,121	98.2166
16 March 2021	231,000	97.0434
17 March 2021	229,600	97.7184
18 March 2021	227,200	98.6857
19 March 2021	231,000	97.1002
22 March 2021	231,000	97.0741
23 March 2021	232,800	96.7320

## 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\$)
<b>2020</b>		
March	77.65	60.05
April	74.30	67.80
May	71.75	61.25
June	76.50	65.00
July	80.80	69.50
August	82.40	68.85
September	82.50	75.75
October	82.00	73.05
November	90.90	73.10
December	97.80	86.35
<b>2021</b>		
January	109.30	92.95
February	106.20	93.65
March (up to the Latest Practicable Date)	103.00	92.50