



中国远洋海运集团有限公司
CHINA COSCO SHIPPING CORPORATION LIMITED



2019 Sustainability Report



About this Report

Introduction

This report is the fourth sustainability report issued by China COSCO SHIPPING Corporation Limited for all stakeholders, and it discloses the opportunities and challenges encountered by the Group and the efforts to integrate our social responsibility into corporate management for sustainable development.

Reporting Period

The time frame for the activities mentioned in this report is from January 1, 2019 to December 31, 2019, though some content may extend beyond the stated time frame when necessary.

Reporting Scope

The information and content disclosed in this report cover China COSCO SHIPPING Corporation Limited and its subsidiaries. Information and content that is only relevant to subsidiaries will be indicated.

Reporting Basis

This report is compiled in accordance with the *GRI Sustainability Reporting Standards* (GRI Standards) issued by Global Sustainability Standard Board (GSSB), *GB/T 36001 Guidance on Social Responsibility Reporting, ISO 26000: Guidance on Social Responsibility (2010)*, the *2030 Agenda for Sustainable Development* of the United Nations.

Data Source

The information and data disclosed in this report is derived from internal documents and relevant statistical data from China COSCO SHIPPING Corporation Limited.

Appellations

For better readability, "China COSCO SHIPPING Corporation Limited" shall be referred to as "COSCO SHIPPING", "we", and "the Group" in this report. "COSCO SHIPPING Lines Co., Ltd." shall be referred to as "COSCO SHIPPING Lines". "COSCO SHIPPING Energy Transportation Co., Ltd." shall be referred to as "COSCO SHIPPING Energy". "COSCO SHIPPING Bulk Co., Ltd." shall be referred to as "COSCO SHIPPING Bulk". "COSCO SHIPPING Logistics Co., Ltd." shall be referred to as "COSCO SHIPPING Logistics". "COSCO SHIPPING Specialized Carriers Co., Ltd." shall be referred to as "COSCO SHIPPING Specialized Carriers". "COSCO SHIPPING Heavy Industry Co., Ltd." shall be referred to as "COSCO SHIPPING Heavy Industry". "COSCO SHIPPING Ports Limited" shall be referred to as "COSCO SHIPPING Ports". "COSCO SHIPPING Technology Co., Ltd." shall be referred to as "COSCO SHIPPING Technology". "Shanghai Ship and Shipping Research Institute" shall be referred to as "SSRI".

Access to this Report

This report is published in Chinese and English. For any ambiguity between the two versions, the Chinese version shall prevail. You can download an electronic version from our official website: <http://www.coscoshipping.com/>



Scan to know more about COSCO SHIPPING

Contents

Message from the Chairman	02
About Us	04
Corporate Governance	12
Sustainability Management	14
CSR Focus I - Taking China further onto the Global Stage and Making New Endeavors in a New Era	18
CSR Focus II - Taking Well-targeted Steps to Bring a Better Life to the Impoverished	22
Innovation - Stimulating Momentum for Continued Progress	26
Coordination - Coordinating Forces for Sustainable Development	34
Green Development - Protecting the Earth, Blue Seas and Skies	44
Opening up - Sailing on the Maritime Silk Road	54
Sharing - Working Together for a Better Future	64
Outlook for 2020	74
Expert Insights	76
GRI Content Index	78
Reader Feedback	81

Message from the Chairman

Seventy years ago, M.V. Hai Liao forced its way through heavy blockades and eventually returned to the port of Dalian, becoming the first commercial vessel to fly the Five-starred Red Flag, the national flag of the People's Republic of China (the PRC), and opening a new chapter for China's shipping industry. In the past seven decades, generations of seafarers have made strenuous efforts, weathered the storm and witnessed China's shipping industry grow from scratch and gradually build its strengths and resilience along with national development, writing a glorious chapter in the global shipping history.

2019 was an extraordinary year for COSCO SHIPPING. We celebrated the 70th anniversary of the founding of the PRC and the 3rd anniversary of the Group's reform and restructuring. In the past 1,100-more days, we have shouldered the mission of serving "world trade prosperity", deepened reforms and improved performance, and braved the global downturn. Working hand in hand with our partners in a humbled manner, we sustained stable growth in terms of scale, and made considerable progress in profitability, resistance to cyclical risks, and development worldwide. Yet, 2019 was also a year of ups and downs. Facing the complex environment of

increasing downside risks of the world economy and intensifying competition in the global shipping market, COSCO SHIPPING kept ahead of the curve and made progress in changes. In order to "stay ahead of the market, the changes and the times", we strengthened industrial chain coordination and integration, conducted win-win cooperation, and deepened reform and innovation, striving to build a more dynamic and resilient enterprise that leads a new industry ecosystem featuring higher quality and sustainable development. By doing so, we endeavor to create value for and bridge the dreams of the country, society, customers and employees.

The shipping industry is highly internationalized. COSCO SHIPPING, with its global vision, international network and resource advantages, has been practicing the concept of "Innovative, Coordinated, Green, Open and Shared Development" and is well-prepared for any sustainability opportunities and challenges. We work hard to improve the brand image, and contribute China's wisdom to the development of the global shipping industry. We embrace the fourth industrial revolution, continue to pursue innovation-driven development, promote the integration of innovation resources and speed up the technology

iteration and commercialization as a platform-based enterprise, endeavoring to create a new ecosystem of smart shipping. Holding on to the industrial nature of the shipping industry, we strengthen the coordination and cooperation of industrial clusters and industrial chains for long-term development, and contribute to the coordinated development at the industrial, regional and national levels. Devoted to ecological conservation, we actively respond to the IMO (International Maritime Organization) 2020 Low Sulphur Regulation and other policies tightening emission reduction in the global shipping industry, promote the construction of a green shipping ecosystem, protect marine ecology, and help mitigate global climate change. In pursuit of win-win outcomes for all with an open and inclusive mind, we actively engage ourselves in globalization and the Belt and Road Initiative, facilitate global connectivity and unimpeded trade, and make further efforts to serve global socioeconomic development. We share development results with employees and communities, address their needs, and invest in employee development, targeted poverty alleviation and overseas CSR practices, contributing our due part to the delivery of a better life.

As a Chinese poem writes: as the ship sails fast if it goes along with the current, a man will not lose the way as long as he stays on the right path, we will remain committed to high-quality development, carry forward the spirit of "forging ahead together", and continue to innovate with a global vision. We will further implement the sustainability vision of "linking the world, sharing the future" and explore a sustainable business model that meets the current development needs. Furthermore, we will rise to challenges in the global market, devote ourselves to the realization of the UN Sustainable Development Goals (SDGs), and create a sustainable and bright future together with our stakeholders.

Chairman of China COSCO SHIPPING Corporation Limited

Xu Lirong

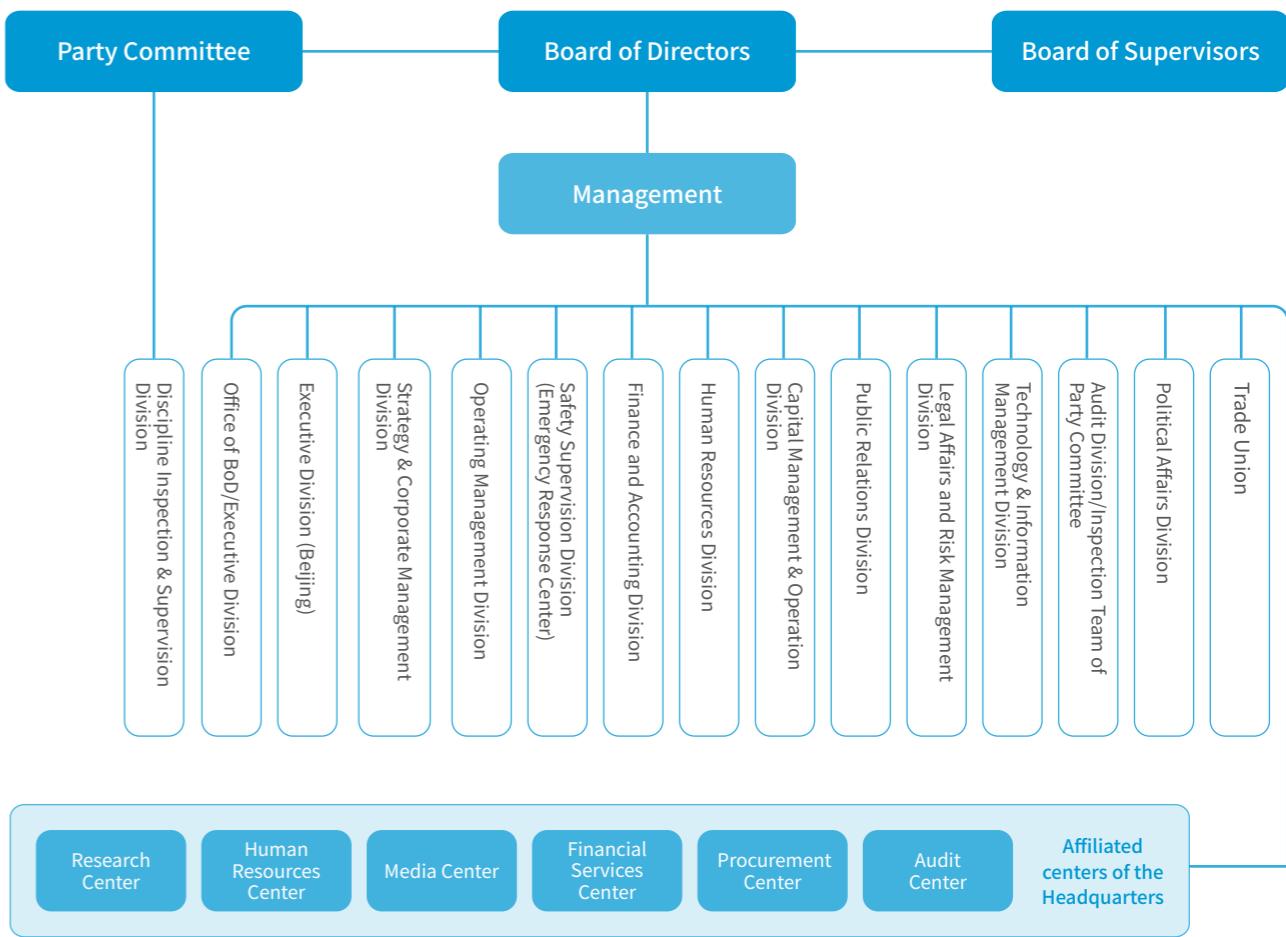




About Us

Overview

Headquartered in Shanghai, China COSCO SHIPPING Corporation Limited (COSCO SHIPPING) is the merged entity of China Ocean Shipping (Group) Company (COSCO) and China Shipping (Group) Company (China Shipping), and an extremely large state-owned enterprise (SOE) directly under the management of the Chinese central government. Upholding the concept of "One Team, One Culture, One Goal, and One Dream", COSCO SHIPPING endeavors to become an outstanding enterprise that is "larger, more globalized, more competitive, and more valuable". It is committed to becoming a better practitioner of international trade, a better service provider for customers, a better partner of suppliers, and a better platform for employee growth.



Our Vision

The vision of COSCO SHIPPING is to help fulfill the mission of China's economic globalization and to integrate superior resources to build a world-class logistics service provider featuring multiple industrial clusters with shipping, integrated logistics and related financial services as the core business.

Focusing on four strategic dimensions of "Scale Growth, Profitability, Anti-cyclical Capability and a Global Company", the Group highlights the "6+1" industrial clusters layout. The six industrial clusters include shipping, logistics, finance, equipment manufacturing, shipping services, and social services. The 1 means "Internet Plus" business based on business model innovation. This layout will help facilitate the integration of shipping factors and build a world-class logistics service and supply chain service provider.

Logistics Industrial Cluster

The cluster is comprised of project logistics, cargo agency, storage facilities, intermodal transport, shipping agency. Positioned as a leading global third-party integrated logistics service provider, it will be a preferred global logistics partner of Chinese enterprises as they enter the global market.

Shipping Industrial Cluster

The cluster is comprised of container shipping, terminal investment and operation, tanker shipping, LNG shipping, dry bulk shipping and passenger liner services. As one of the core industrial clusters, it will further cement the position of COSCO SHIPPING as the No. 1 integrated shipping company in the world.



Shipping Finance Industrial Cluster

The cluster is comprised of ship chartering, shipping insurance, supply chain finance, logistics park investment, equity investment, and asset investment (especially infrastructure investment along the Belt and Road). Its objective is to become the No. 1 shipping finance and logistics finance industrial cluster in China and gradually take the leading position in the world.

Equipment Manufacturing Industrial Cluster

The cluster is comprised of shipbuilding, offshore equipment manufacturing, ship repairing, and container manufacturing. As a key industrial cluster, it will further sharpen its advantages in core technologies and market share in offshore equipment manufacturing, shipbuilding and other related fields.



Shipping Services Cluster

The cluster is comprised of ship management, crew management, ship spare parts procurement, communication & navigation technology management, ship fuel and materials supply. It will provide a strong guarantee for the major business segments of the Group.



Social Services Industrial Cluster

The cluster is comprised of real estate development, hotel management, hospitals, universities and other social services. It is both an incubator for new industries and a base for professional training.

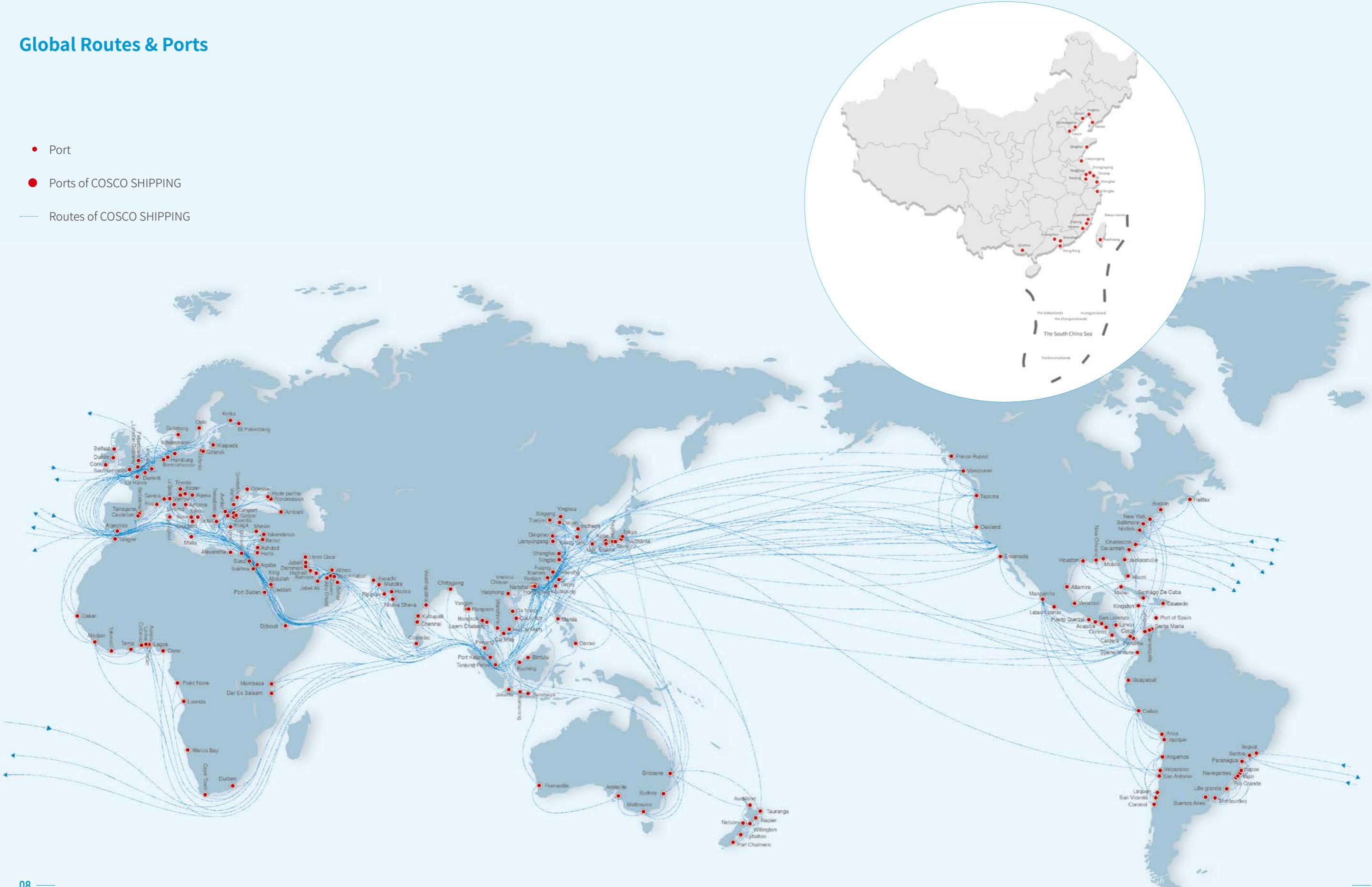
"Internet Plus" Business

Based on business model innovation, the "Internet Plus" business will serve new business forms with high-quality big data, facilitate the transformation and upgrade of different business segments, and achieve the integrated application of Internet resources and shipping factors.

Global Routes & Ports

- Port
 - Ports of COSCO SHIPPING

..... Routes of COSCO SHIPPING



Figures in 2019

Business Capability			
Indicator	2019	2018	2017
Number of ships	1,315 ships ranking No.1 in the world	1,285 ships ranking No.1 in the world	1,123 ships ranking No.1 in the world
Deadweight tonnage (DWT) of ships	104.56 million DWT ranking No.1 in the world	102.19 million DWT ranking No.1 in the world	86.35 million DWT ranking No.1 in the world
Container fleet	3.08 million TEU with 508 vessels ranking the third in the world	2.93 million TEU with 486 vessels ranking the third in the world	1.90 million TEU with 371 vessels ranking the fourth in the world
Dry bulk fleet	39.84 million DWT with 411 vessels ranking No.1 in the world	39.85 million DWT with 428 vessels ranking No.1 in the world	38.11 million DWT with 422 vessels ranking No.1 in the world
Tanker fleet	25.40 million DWT with 202 vessels ranking No.1 in the world	24.77 million DWT with 193 vessels ranking No.1 in the world	20.92 million DWT with 155 vessels ranking No.1 in the world
General cargo and specialized cargo fleet	4.46 million DWT with 175 ships ranking No.1 in the world	4.36 million DWT with 175 ships ranking No.1 in the world	4.61 million DWT with 175 ships ranking No.1 in the world
Global container terminals	53	51	55

Business Performance			
Indicator	2019	2018	2017
Total turnover of transportation	3.58 trillion tons of sea miles	3.16 trillion tons of sea miles	2.91 trillion tons of sea miles
Quantity of shipments	1.31 billion tons	1.20 billion tons	1.08 billion tons
Container transport volume	37.36 million TEU	32.14 million TEU	26.44 million TEU
Container throughput of terminals	133.95 million TEU	126.28 million TEU	104.25 million TEU
Global sales volume of bunker fuel	29 million tons	26 million tons	27.83 million tons

Employee Development and Care			
Indicator	2019	2018	2017
Investment in employee assistance	RMB 61.37 million	RMB 67.80 million	RMB 61.62 million

Philanthropy			
Indicator	2019	2018	2017
Investment in targeted poverty alleviation	RMB 69.33 million	RMB 55.07 million	RMB 39.00 million

Honors in 2019

- COSCO SHIPPING ranked the 279th in the *Fortune* Global 500 list, up 56 places from the previous year.
- Chairman Xu Lirong received the President's Award at the BIMCO Conference and Lifetime Achievement Award at Lloyd's List Asia Pacific Awards 2019.
- COSCO SHIPPING Ports Limited was awarded Best Port Operator 2018 by International Business Magazine.
- CargoSmart of OOCL received the Lloyd's List 2019 "Excellence in Supply Chain Management" Asia Pacific Award.
- COSCO SHIPPING's Cloud Computing Management Platform was awarded the Shanghai Cloud Computing Application Demonstration Project 2019.
- COSCO SHIPPING Ports Limited was awarded "Best in ESG Awards - Middle Market Capitalization", "Best in Reporting Awards - Middle Market Capitalization" and "ESG Report of the Year Awards - Middle Market Capitalization" at the BDO ESG Awards 2019.
- COSCO SHIPPING was nominated for the "Top 100 Enterprises for China Brand Development (Enterprise) Index" initiated and compiled by the People's Daily.

Captain Panda's Tips:

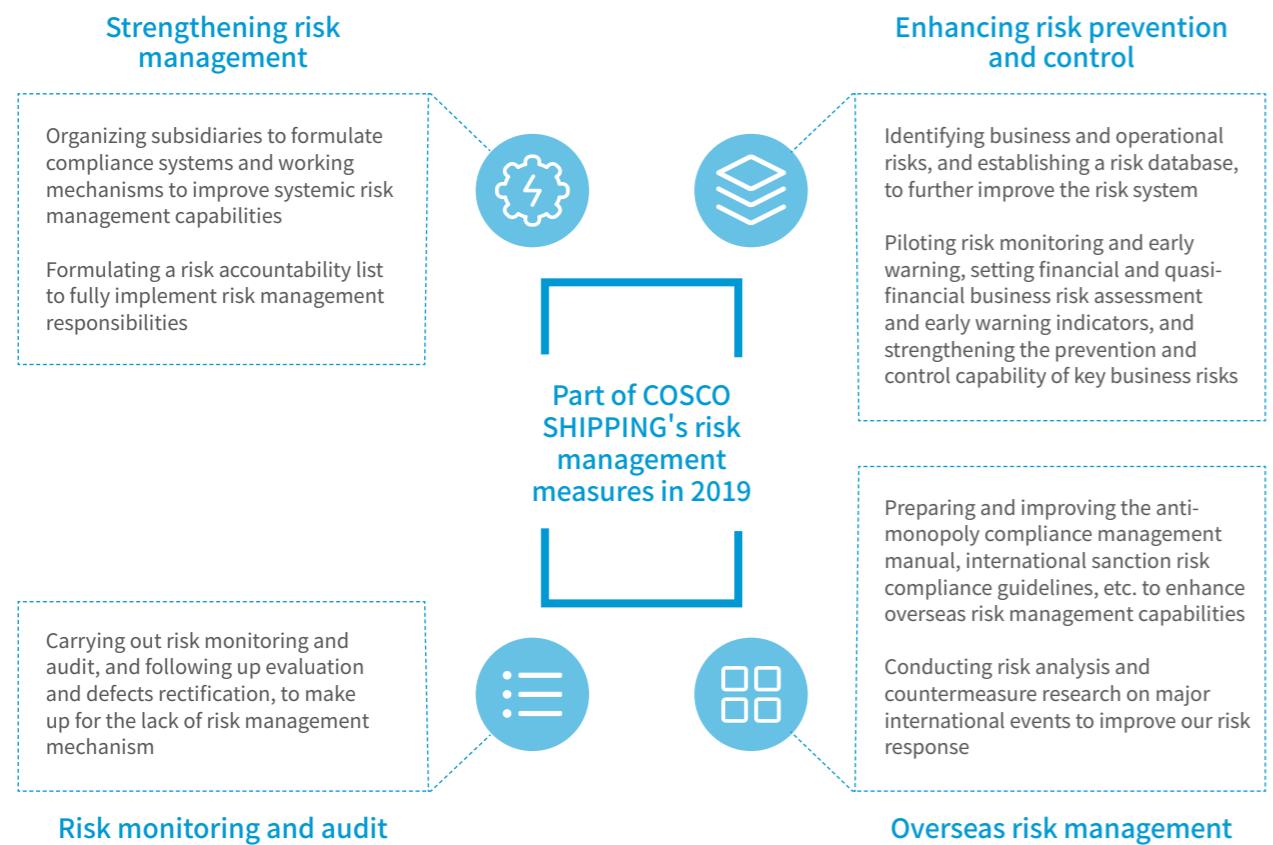
TEU refers to Twenty-foot Equivalent Unit. To facilitate the calculation of the number of containers, twenty-foot containers are taken as a standard and are usually used to indicate the ability of a ship to load containers, which is also an important statistic and conversion unit for container and port throughput.



Corporate Governance

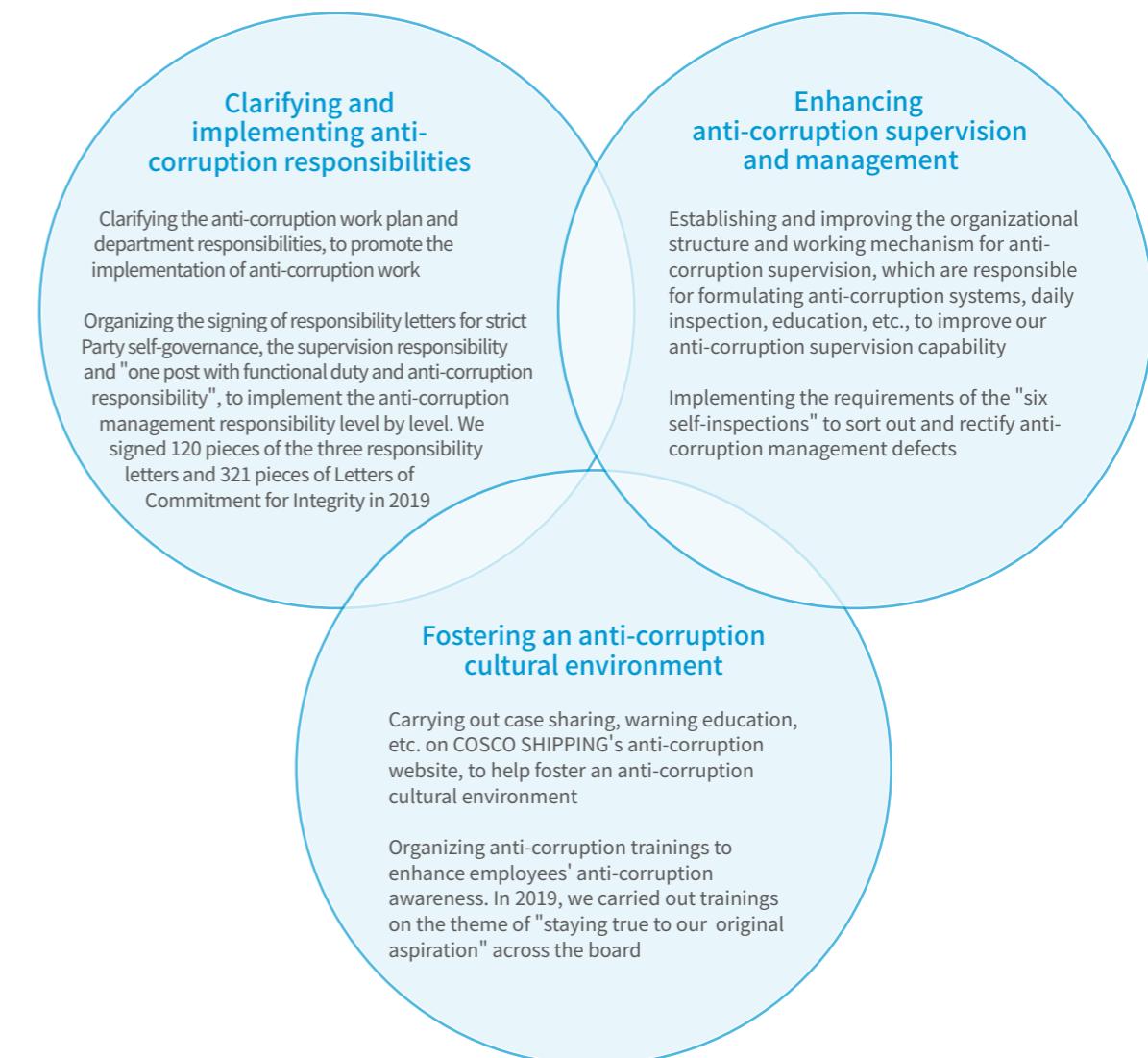
Risk Management

According to *Review of Maritime Transport 2019* published by United Nations Conference on Trade and Development (UNCTAD), due to external factors such as trade policy conflicts, the global merchandise trade has slowed down, making it harder for the global shipping industry. Facing the complex and changing development situation, COSCO SHIPPING continues to consolidate and improve its institutional, cultural, human resources bases and capabilities for risk management, thus laying a solid foundation for corporate governance.



Business Integrity and Compliance

COSCO SHIPPING always abides by high standards of business ethics. We strictly comply with domestic and foreign laws and regulations, and have established working mechanisms against bribery and for clarifying reported misconduct. We have zero tolerance of corruption, and are striving to foster a corporate culture that values integrity in order to build an upstanding and honest team.



Sustainability Management

Supporting the idea that "sustainable development is the 'golden key' to solving global problems", we integrate the concept of sustainable development and the vision of "Innovative, Coordinated, Green, Open and Shared Development" into the Group's operation management, taking into account the expectations and demands of stakeholders, and balance economic, social and environmental responsibilities, making unremitting efforts to realize the common development of the Group and its stakeholders.

Sustainability Philosophy

Fulfilling social responsibility is a micro foundation and an inevitable requirement for enterprise to achieve high-quality development with the society. We uphold the social responsibility philosophy of "create value and bridge dreams", and work with our stakeholders to create a more sustainable industry and social ecology.

To be an excellent leader in the world shipping industry

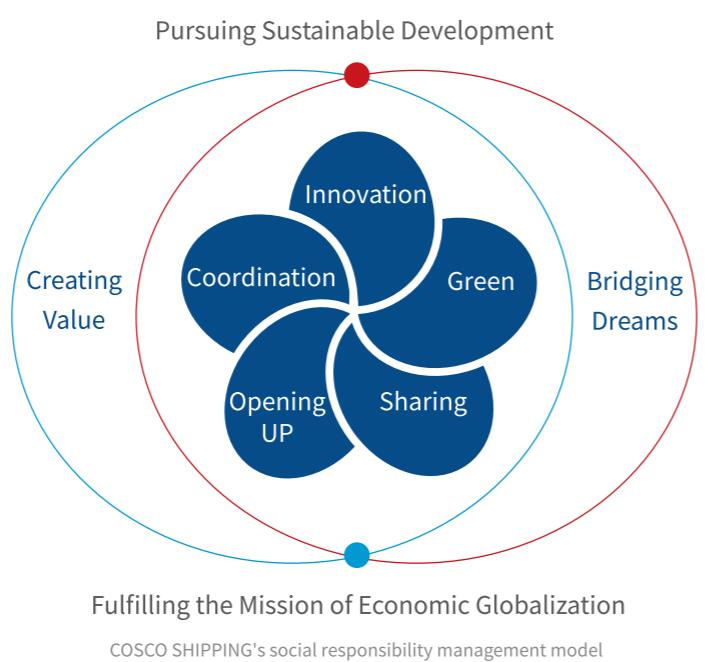
We aim to be a world-class shipping and logistics enterprise with international competitiveness, brand influence, and high reputation among customers, with a complete global business chain; our global resource allocation must be optimized to serve global trade, promote commercial civilization for global connectivity and bring convenience and happiness to all humans.

To be an excellent practitioner of social responsibility

In strong compliance with the law, long-lasting development must be realized with stronger capacity and better growth. Excellent development results must be achieved in order to fulfill our social responsibility and execute the global compact; due care must be given to the global environment and poverty-stricken areas with engagement in international aid; a role of "good corporate citizen" must also be played to promote coordinated development of both the Group and society.

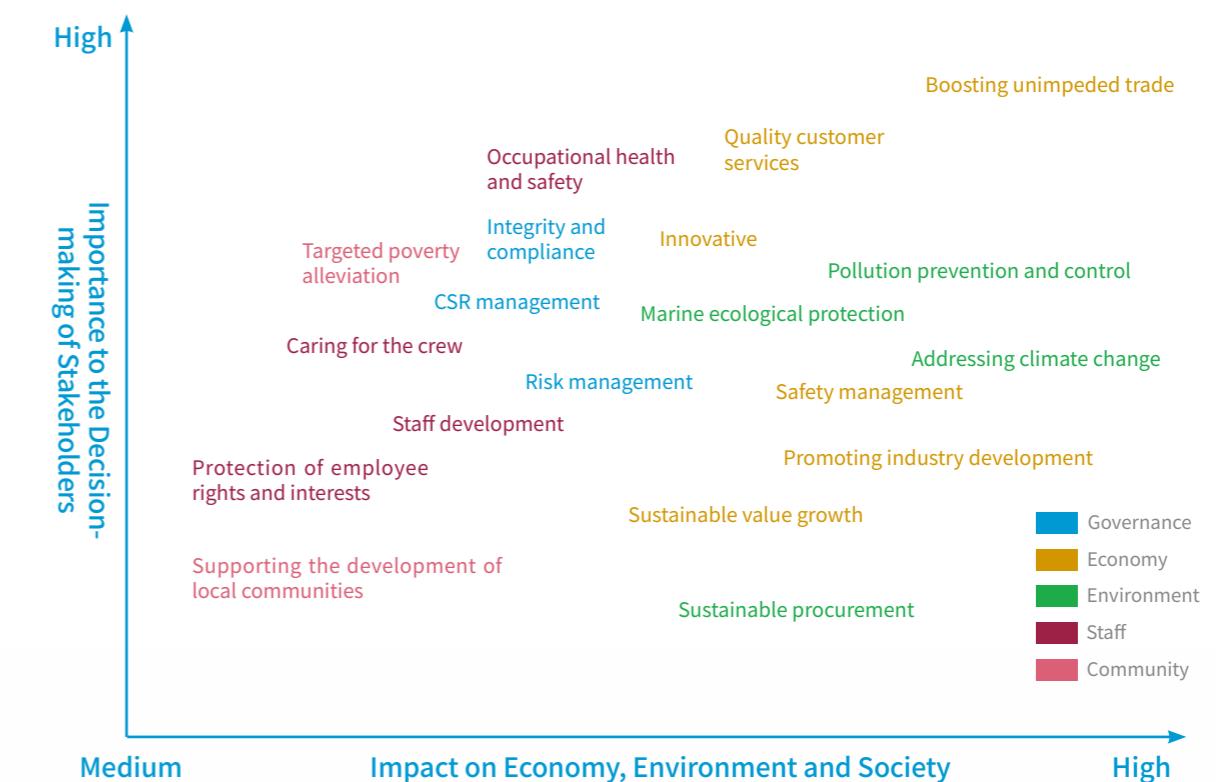
To be the best supporter of employee growth

Employees' pursuit of self-value must be respected through the provision of a broad platform for their personal development, a solid material foundation and a decent humanistic environment; a good employer brand must be built to realize the unification of "individual" and "corporate" dreams.



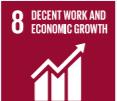
Analysis of Material Topics

In 2019, COSCO SHIPPING systematically analyzed material topics according to the definition of material topics in *GRI Sustainability Reporting Standards*. Based on the industry's sustainable development, peer benchmarking and stakeholder survey, the Group identified 19 material topics. We prioritized the material topics from two dimensions: the impact on economy, environment and society, and the importance to the decision-making of stakeholders, and then clarified the focus of social responsibility management and information disclosure, so as to better communicate with stakeholders.



Contributing to the UN SDGs

The 2030 Agenda for Sustainable Development was deliberated and passed at the United Nations Sustainable Development Summit in September 2015. It proposed 17 SDGs and charted the way for governments and enterprises around the world to contribute to them. COSCO SHIPPING has evaluated the SDGs by criticality and importance and accordingly divided them into primary SDGs and relevant SDGs. We concentrate our resources and expertise to help achieve primary SDGs, and by so doing, contribute our share to sustainable development.

Category	SDGs	Practices and progress
Primary SDGs	     	<p>Adopting targeted measures according to local conditions to help poverty-stricken areas fight poverty</p> <p>Ensuring unimpeded global energy trade and helping build an economical and clean global energy ecosystem for all</p> <p>Creating decent job opportunities in project areas and continuing to help employees enhance sustainable employability</p> <p>Embracing green development, managing shipping-related environmental impacts, and protecting the marine ecology</p> <p>Actively participating in international cooperation under the Belt and Road Initiative and contributing to sustainable development together with our stakeholders</p>
Relevant SDGs	          	<p>Conducting R&D alone or through cooperation and promoting the sound development of the shipping industry</p> <p>Creating an inclusive, fair, and caring working environment and building a harmonious and competitive team</p> <p>Promoting unimpeded trade and thus coordinated regional development</p>

Stakeholders Communication and Engagement

COSCO SHIPPING maintains an honest and trustworthy relationship with customers, employees and partners and fulfills the mission of maximizing the returns to shareholders, society and the environment. We continuously improve multi-tiered and multi-directional channels of communication with customers, employees, communities and other stakeholders, improving the communication mechanism based on mutual trust and commitment and promoting social responsibility management.

Stakeholder identification and communication

Stakeholders	Core demands	Communication and responses
 The Government	<p>Serving national and local economic and social development</p> <p>Compliant operation</p> <p>Fair competition</p>	<p>Official document exchange</p> <p>Information disclosure</p> <p>Policy implementation</p> <p>Visits and exchange</p>
 Shareholders	<p>Good business performance</p> <p>Good corporate governance</p> <p>Risk control</p> <p>Realization of corporate development strategy</p> <p>Adequate information disclosure</p>	<p>Shareholders' general meeting</p> <p>Performance report</p> <p>Road show</p> <p>Communication with investors</p>
 Customers	<p>Efficient products</p> <p>Quality service</p> <p>Information security</p>	<p>Investigation of customers' demand</p> <p>Official website</p> <p>WeChat platform</p>
 Partners	<p>Win-win cooperation</p> <p>Industrial development through joined efforts</p>	<p>Exchange and visit</p> <p>Industry forum</p>
 Employees	<p>Guarantee of rights and interests</p> <p>Good prospect for career development</p> <p>Comfortable working environment</p>	<p>Cultural building</p> <p>Workers' Congress</p> <p>Employee training and activities</p>
 Communities	<p>Engaging in philanthropy</p> <p>Serving community development</p>	<p>Voluntary service</p> <p>Public benefit activities</p> <p>Targeted poverty alleviation</p>
 The Environment	<p>Systematic environmental management</p> <p>Supporting green industry development</p>	<p>Environmental policies</p> <p>Green investment</p>

CSR Focus I

Taking China further onto
the Global Stage and Making
New Endeavors in a New Era



The year 1949 marked the founding of the PRC and opened up a new chapter of the Chinese history. Over the past seventy years, China's shipping industry has grown from scratch, overcome trials and hardships, and built China into a great shipping country in name and in fact. As the industry pioneer and leader, COSCO SHIPPING has been deeply involved in this journey, witnessing the country sailing from offshore to ocean and growing from a late-comer to a leader on the international stage. We have contributed our share to national socioeconomic development, reform and opening up, and the improvement of people's lives. We have written an important chapter in the country's grand epic of striving for excellence and prosperity.

The uprising of M.V. Hai Liao

On September 19, 1949, on the eve of the founding of the PRC, M.V. Hai Liao forced its way through heavy blockades and eventually returned to the port of Dalian, becoming the first ship to fly the Five-starred Red Flag, the national flag of the People's Republic of China, opening a new chapter in China's shipping industry.

1949 → 1961

1949

1961

1967

The establishment of the PRC's first ocean shipping company

On April 27, 1961, China Ocean Shipping Company (COSCO) was founded in Beijing, making the cable address "COSCO" known to the rest of the world.

The maiden voyage of the People's Republic's first liner "Guang Hua"

On April 28, 1961, the PRC's first passenger and cargo liner "M.V. Guang Hua" – literally meaning "'bringing honor to the Chinese nation", with all the expectations from the motherland and the people, set sail to Indonesia to bring overseas Chinese back. On May 17, it returned to Huangpu Port, Guangzhou, safe and sound with 577 overseas Chinese passengers. The maiden voyage marked the birth of China's ocean shipping fleet.

1997

The establishment of China Ocean Shipping (Group) Company

On July 1, 1997, China Ocean Shipping (Group) Company was founded based on the merger of five companies directly under the Ministry of Transport, namely, Shanghai Ocean Shipping (Group) Company, Guangzhou Ocean Shipping (Group) Company, Dalian Ocean Shipping (Group) Company, MASES and CCCC., and headquartered in Shanghai.

The opening of the PRC's first international liner service

In May 1967, M.V. Dun Huang set out from the Port of Huangpu to Western Europe, marking the launch of the first international liner service in the PRC.

1968

The opening of the first south-north service

On April 25, 1968, M.V. Li Ming carrying 11,000 metric tons of sugar headed northward from the Port of Zhanjiang and successfully arrived at the Port of Qingdao on May 8. After unloading and loading, it went south on June 2 following the original route and arrived in Zhanjiang on June 14. This was the first south-north voyage since the founding of PRC.

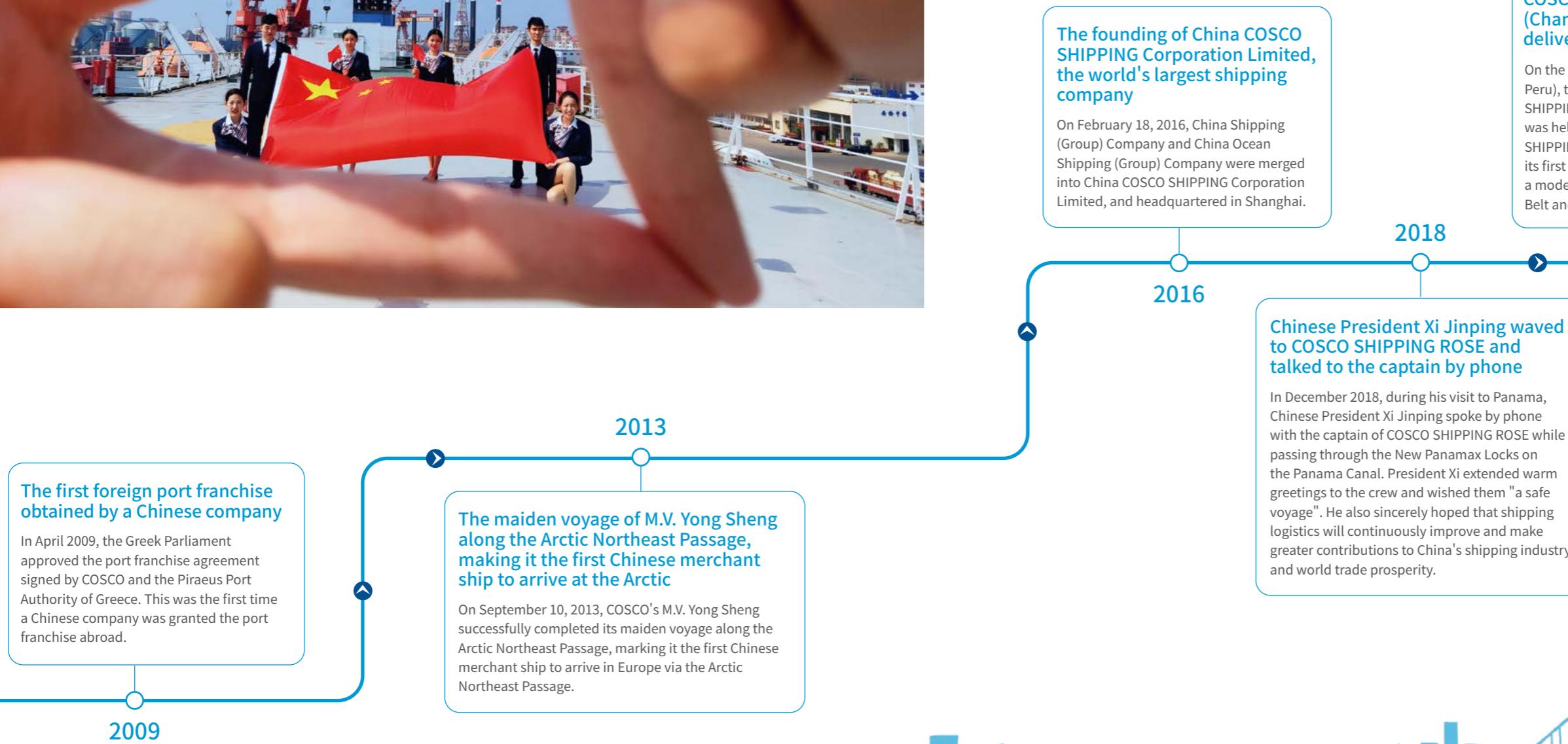
2005

The establishment of COSCO SHIPPING Charity Foundation

In October 2005, COSCO SHIPPING Charity Foundation was founded. It is one of the first non-public, non-profit charity foundations initiated and established by a central state-owned enterprise with the approval of the State Council.



Over the past seventy years, COSCO SHIPPING has overcome trials and hardships, advanced with the country and the times, made remarkable changes and achievements, and written a magnificent history. As the saying goes, a review of the past will better prepare us for the future. Down the road, COSCO SHIPPING will, guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, remain true to our original aspiration and keep the mission firmly in mind, and share weal and woe and make progress alongside with the country. Braving the waves, we will advance corporate development and make greater contributions to the development of world shipping and the prosperity of global trade.



CSR Focus II

Taking Well-targeted Steps to Bring a Better Life to the Impoverished

Training villagers on tea growing



“

We must follow the right direction of poverty alleviation, laser-focus on the goals, and concentrate efforts to eliminate absolute poverty. We must provide more support for the impoverished counties and villages not officially designated as poor and see to it that the poverty elimination standards and procedures are strictly followed in poor counties and the results stand the test of time.

— Xi Jinping

”



We fully mobilize human, institutional and financial resources to support our paired-up counties in areas such as infrastructure, healthcare, education, employment, industry and consumption, to improve their productivity and employment rate and eliminate poverty.

In 2019

RMB 69.33 million

invested in poverty alleviation by COSCO SHIPPING and our subsidiaries

RMB 18.03 million

invested in poverty alleviation by COSCO SHIPPING Charity Foundation

RMB 90.65 million

total investment of COSCO SHIPPING in poverty alleviation

Official management

Dispatching 18 officials to take temporary rotating posts in five designated counties and assessing their performance, preparing the *Handbook of Officials Taking Temporary Posts* to regulate the management of them, and conducting regular training and exchanges to enhance their ability to perform duties

System building

Formulating the *Key Work Points of Poverty Alleviation and Aid to Tibet in 2019*, and clarifying the poverty alleviation and aid work plan, implementation points, etc., strictly implementing the *Regulations on the Management of Targeted Assistance Work*, and establishing a standardized operation system, to ensure the compliant implementation of each project

Extensive engagement

Signing strategic cooperation agreements with the State-owned Assets Supervision and Administration Commission of Hunan, Tibet, etc., to promote paired targeted poverty alleviation, and realizing full-scale participation of the Group and subsidiaries in local poverty alleviation work with the participation of a total of 19 subsidiaries

Improving Living Conditions

We strive to meet the most basic needs of people living below the poverty line by improving local public services and infrastructures. We have launched projects in the eco-friendly and livable Bulang Demonstration Village, Dashan Township, Yongde County, to provide drinking water for human and animals and industrial irrigation water. We have donated new dining tables, dining chairs and recliners to the nursing home in Jiemuxi Township, Yuanling County. We have built new undercurrent dams and other facilities and laid 8,850 meters of drinking water pipelines in Lhorong County, Tibet, to provide drinking water for nearly 20,000 people. In addition, we have launched safe drinking water projects in Changmaoling Township and Gangse Township, Riwoqê County, to ensure local drinking water safety.

In 2019

RMB 17 million

invested in drinking water and irrigation water projects in Tibet

Protecting People's Health

"Prosperity for all is impossible without health for all." Poor areas often suffer from poor medical and health conditions. In 2019, we invested in the "Kindness Project Hearing Aid Action" and donated hearing aid equipment to Yiyang City, Anhua County and Yuanling County in Hunan Province, and Yongde County in Yunnan Province, for hearing check, hearing aid fitting, hearing test, training for hearing aid specialist. We invested in the "Voyage · Benevolence" Traditional Chinese Medicine Special Training Camp project to train TCM practitioners for Yongde County, Anhua County and Yuanling County. We also provided funds for COSCO SHIPPING- Seqinmeiduo Medical Care Talent Training Foundation to train medical staff and rewarded 9 medical staff who had received honors and qualifications in the autonomous regions and the country.

In 2019

RMB 1 million

invested in the "Kindness Project Hearing Aid Action", with 1 hearing aid adjustment equipment and 538 hearing aids donated

RMB 1 million

invested in COSCO SHIPPING- Seqinmeiduo Medical Care Talent Training Foundation, with 126 medical staff trained

RMB 1.5 million

invested in the "Voyage · Kindness" Traditional Chinese Medicine Special Training Camp project, with 127 TCM practitioners trained

Poverty alleviation story

Setting up village-level clinics to make medical services accessible to villagers

Due to inconvenient transportation, Yongde County in Yunnan Province has long been backward in medical and health conditions. To solve the problem, we invested RMB 2.735 million in setting up village-level standardized clinics in 14 villages such as Manghai Village in Dedang Township. Each clinic is equipped with a consulting room, a treatment room, a pharmacy, an infusion rooms and other functional rooms, as well as public toilets.

These clinics are scattered in nine townships (towns) in Yongde County, benefiting 36,347 rural people of 9,007 households in 14 villages. At the same time, we also provided assistance in training personnel, purchasing medical equipment, improving the quality of medics, to reduce the medical burden and promote the medical development of Yongde County.



Promoting Educational Development

"To lift people out of poverty, we need to see that they have access to education." Allowing children in poor areas to access to good education is an important way to stop the intergenerational transmission of poverty. In 2019, we supported the educational development in poverty-stricken areas by repairing buildings in primary and secondary schools, buying teaching equipment, assisting the "Teaching for China" program, and providing financial aid to students at COSCO SHIPPING Hope Class and COSCO SHIPPING Self-improvement Class. Moreover, we set up scholarships and grants, carried out "COSCO SHIPPING - Ganglameiduo" scholarship and grant program, and provided assistance to financially challenged students and teachers. We also invited 30 outstanding Young Pioneers from Anhua County, Yuanling County, and Yongde County to participate in the "Sailing to the Blue Sea" summer camp.

Building Platforms for Employment

Employment matters the most in people's lives. Combining our own human resource needs and the needs of poverty-stricken areas, we train forest rangers, TCM practitioners, tea art specialists, seafarers, to enable the impoverished live a self-reliant life and get rich through hard work. In 2019, COSCO SHIPPING and 12 subsidiaries once again held a special job fair in Yongde County, offering 992 jobs. Since 2018, we have helped 327 impoverished rural workers find jobs in urban areas. COSCO SHIPPING Seafarer Management Co., Ltd. has started the seafarer training and employment project in Hunan Province, providing tuition reduction and exemption for students from disadvantaged families.

In 2019

RMB 14.47 million

invested in education in poverty-stricken areas

2,905 students

received financial aid

In 2019

360 sailors trained

in the seafarer training and employment project

120

of them found a job on board

Stimulating the Momentum for Industry Development

Developing local industries is key to creating jobs for the impoverished so that they can have a stable source of income to protect them from poverty. COSCO SHIPPING has explored a new poverty alleviation mechanism based on the resources of poor counties to boost local industries.

Yongde County, Yunnan Province

Anhua County, Hunan Province

Yuanling County, Hunan Province

We invested **RMB 4.3 million** and mobilized **RMB 1 million** of local poverty alleviation fund to establish 3 village-level collectively-owned tea plants to generate stable income for the collective economy.

We invested **RMB 3.45 million** in a state-owned medicinal herbal plantation base in Tianzhuang Township and a state-owned tea plantation in Xianlong Village.

We invested **RMB 3.9 million** to build the Jiemuxi Village Tourist Service Center and support the development of planting and breeding cooperatives and farmhouses. We invested **RMB 1 million** to expand the stage of the real scene show "Niu Zi Hua Kai" and promote the quality and creativity of real scene shows, making it the core resource for the tourism development of Jiemuxi Village.

Poverty alleviation story

The tea industry in Yongde County

Yongde County in Yunnan Province is a major tea producer in China, with many ancient tea plants. It is known as the World Tea Culture Museum, the World Center for Tea Plant Evolution and Variation and one of the central origins of tea plants in the world.

COSCO SHIPPING has supported the development of the local tea industry and the promotion of the tea culture. We purchased tea products from the county, sponsored the "Yonghai Cup" Tea Ceremony Competition, and launched a training program on tea growing and making.

In 2019, COSCO SHIPPING donated three tea factories in Fangmchang Village, Banka Township, Yakou Village, Xiaomengtong Town, and Mangjiantian Village, Dedang Town, and offered one-stop assistance to the tea industry, ranging from donating tea plants, providing technical support and training to consuming tea products, to help tea enterprises expand market channels and improve quality. The tea factories are the collective asset of the villages and are entrusted to local leading tea enterprises for operation, with property rights and management rights separated. The tea enterprises pay both fixed and floating dividends to the villages.

Before the tea factories, local tea products had few buyers and the selling price was very low. With standardized, automated and clean production lines, the tea factories have improved the quality of tea products, and increased the income of tea farmers and tea enterprises, truly delivering benefits to the impoverished.



In 2019

RMB 9.86 million

worth of products made in poor areas purchased and sold with the support of COSCO SHIPPING

57,000 boxes of Zang Jing Water

worth **RMB 3.06 million** bought by COSCO SHIPPING

Diversifying Sales Channels to Boost Farmers' Income

By expanding the marketing channels for local agricultural products, we can help increase the income of villagers and lift them out of poverty. We have actively mobilized resources, including our centralized procurement network and various online sales platforms, and external online sales channels of the Agricultural Bank of China and China Construction Bank, to promote the sales of local agricultural products. At the same time, we make Zang Jing Water the designated water provided during employee activities, as well as the summer high temperature gifts and the labor union benefits to employees, to support the local economic development in Tibet.

Innovation

Stimulating Momentum for Continued Progress

As China strives for prosperity and rejuvenation, it needs to devote great energy to advance the progress in science and technology, and endeavor to be a global science center and innovation highland.

— Xi Jinping

Development is the paramount task. Human resource is the biggest asset. Innovation is the primary driving force. If China does not follow the innovation-driven development path or replace old drivers with new ones smoothly, it can only be a large country instead of a truly strong country.

— Xi Jinping

As emerging technologies such as the Internet of Things (IoT), big data and artificial intelligence (AI) continue to develop, the world has entered the fourth industrial revolution that is networked, IT-enabled and intelligent. It has not only given birth to emerging technology industries, but also brought opportunities for traditional industries to change. As the world's largest shipping company, COSCO SHIPPING embraces emerging technologies and deeply applies information and intelligent technologies to the shipping industry, striving to lead the shipping innovation and transformation in the digital era, and drive the industry's high-quality development and building of a strong maritime country.



In the digital and intelligent age, COSCO SHIPPING is driving development with innovation, cultivating an enabling culture for independent innovation, and exploring new technologies and operation and management methods in fields such as ships, ports and shipping services, so as to pursue innovation, reform and sustainable development of the shipping industry.



Building up Excellence in Innovation

Innovation is the endogenous force driving corporate and social development and takes place in every dimension of social life. COSCO SHIPPING has put forward the vision of "building an excellent company empowered and driven by intelligent technology" and set the goal for 2025. We hope to enhance our overall competitiveness and cultivate an innovative ecosystem by creating a culture and environment that enables innovation, and cultivates internal innovators.

In 2019, we encouraged our subsidiaries to establish an organizational mechanism to promote independent technological innovation and enhance innovation vitality and capabilities. COSCO SHIPPING Lines, COSCO SHIPPING Bulk, COSCO SHIPPING Specialized Carriers, COSCO SHIPPING Property, and COSCO SHIPPING (Shanghai) have established respective technological innovation leading groups and systematically formulated management and promotion plans for technological innovation.

In 2019

73

specialists recruited

52

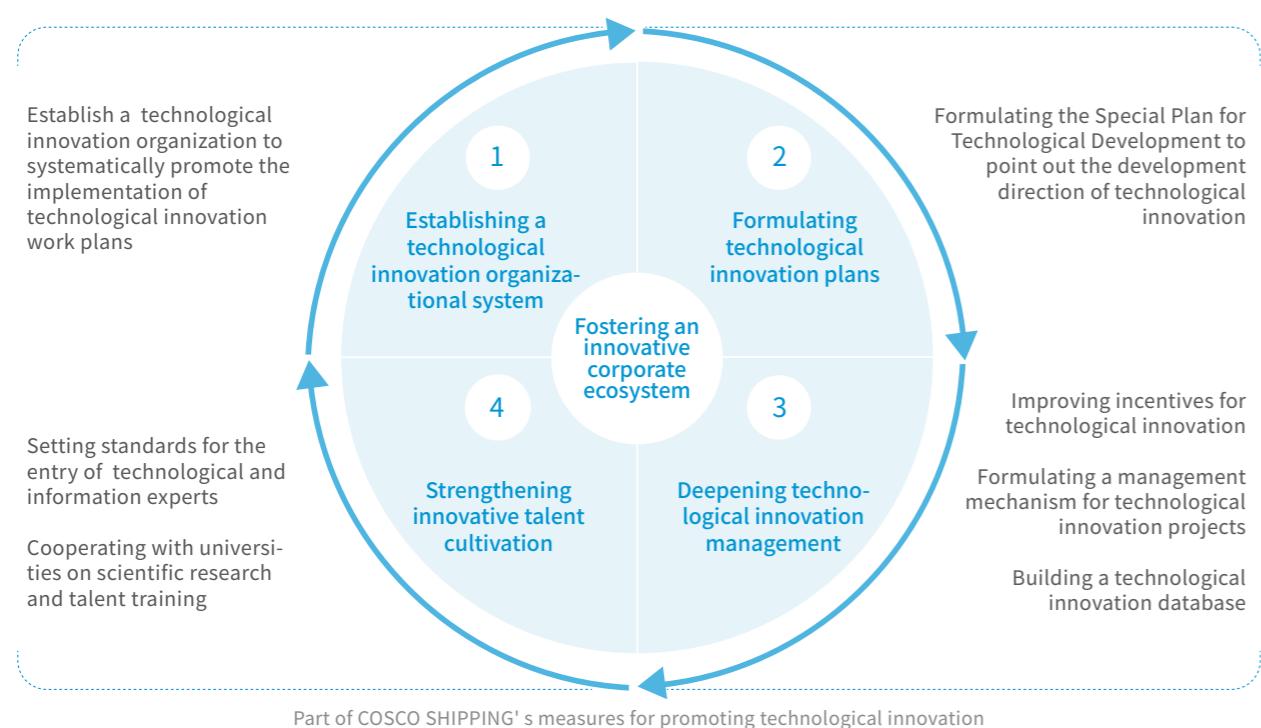
S&T personnel

21

IT specialists

RMB 2.18 billion

invested in technological innovation by COSCO SHIPPING in 2019

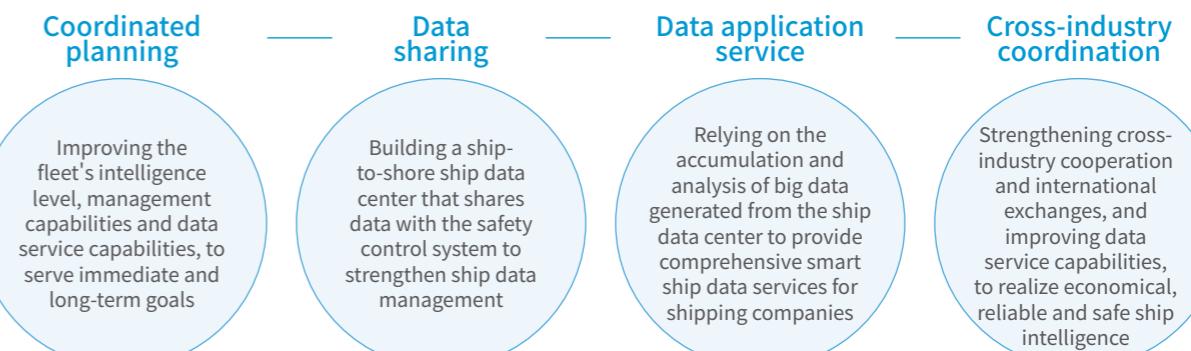


Building a Smart Shipping Ecosystem

In 2019, the Ministry of Transport and six other ministries and commissions jointly issued the *Opinions on the Development of Smart Shipping*, pointing out that the integrated development of shipping and high-tech is a global trend and will help enhance the competitiveness of China's shipping and related industries and build China into a country with a strong transportation network, abundant innovators and a modern economic system. In line with China's pursuit of innovation-driven development, COSCO SHIPPING focuses on digital transformation and deeply applies high technologies to ships, shipping insurance, ports, shipping services, surveillance. While enhancing our own innovation capabilities and competitiveness, we also work with our partners to create an innovation-friendly industry ecosystem and promote the sustainable development of the shipping industry.

Smart Ships

Smart shipbuilding is the foundation for and key to smart shipping. We have closely followed and participated in the R&D and application of smart shipbuilding technologies at home and abroad, benchmarked the world's leading smart shipbuilding standards, and formulated the *Three-Year Action Plan for Smart Ships*. Considering the full life cycle of a ship, we have expanded the application scenarios of smart technologies and improved the ship's performance comprehensively, which will facilitate building smart ships that represent the future of the shipping industry.



Case

COSCO SHIPPING LOTUS opens a new chapter in the intelligent development of large oceangoing container vessels

Smart ships represent a key link in the smart shipping system. Oceangoing ships with the intelligent system will be "smarter", safer and more efficient in responding to unexpected and complicated sea state and meteorological changes. Since 2016, SSSRI has participated in the national smart ship project. It has carried out R&D on key systems of smart ships, promoted the onboard verification of the research results, and accelerated the transfer of smart ship technologies, thus contributing to the development of smart ships.

On December 4, 2019, COSCO SHIPPING launched the world's first large smart container ship for commercial use at the 20th Marintec China (China International Maritime Technology Conference and Exhibition 2019). After years of trials and technical optimization, the 13,500-TEU large smart container ship, COSCO SHIPPING LOTUS, officially set sail. COSCO SHIPPING LOTUS is equipped with intelligent systems and facilities such as intelligent navigation, intelligent engine room, intelligent energy efficiency, and intelligent communication gateways to provide information and data support for ship operation, equipment maintenance, and energy efficiency management, and improve ship operation and maintenance.

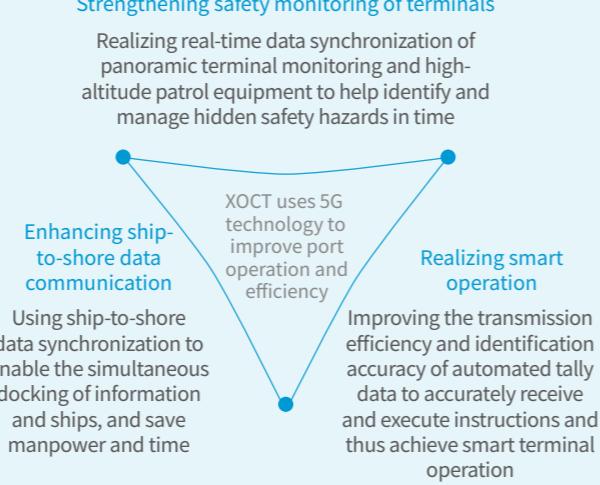
Smart Ports

In 2019, China officially launched the commercial use of the 5th-generation mobile networks. The 5G technology not only supports high data rates with less latency, but also expands the mobile networks to the field of mobile IoT, realizing the communication between people and things, and among things. It builds a cross-industry integrated ecosystem and raises the level of digitalization across society. We are applying 5G technology to port operation and management to upgrade the digital port system and pursue the intelligent transformation and development of ports.

 Case 5G empowers smart ports

Xiamen Ocean Gate Container Terminal (XOCT) is China's first proprietary all-electric zero-emission automated port put into commercial operation. In 2019, COSCO SHIPPING Ports promoted the application of 5G and IoT technologies and realized multi-dimensional real-time synchronization of ship-shore data, remote precision control, and high-definition real-time monitoring of ports, which further improved the port efficiency and safety.

In July 2019, XOCT signed a strategic cooperation agreement with China Mobile to realize full coverage of 5G signals, and the communication control and intelligent tally of Automated Guided Vehicles (AGV). In addition, the designated 5G network can also separate port data from the data of other corporate business.





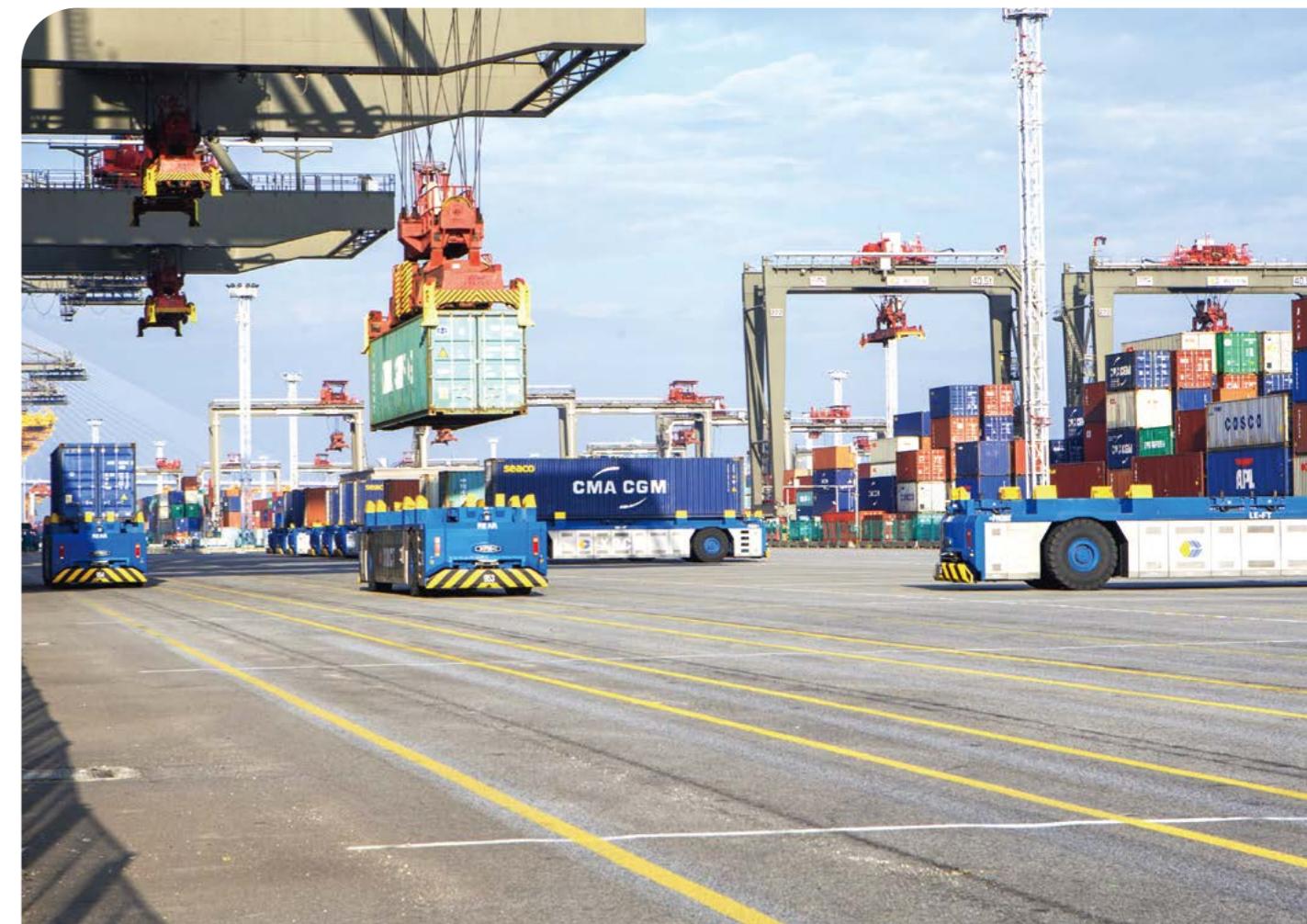
An automated guided vehicle (AGV) at the XOCT terminal

Smart Service

At the opening ceremony of the World Shipping Summit 2018, Chairman Xu Lirong said that the shipping industry remained a service business despite changing market factors. We seize the opportunity of digital transformation and continue to develop the "Internet+" modern shipping service system to meet customers' needs for smart and convenient services.

 Case Building a resource integration platform to facilitate trade

In order to facilitate communication, information disclosure and trade along the shipping industrial chain, COSCO SHIPPING Bulk and COSCO SHIPPING Technology have jointly developed Chuanhuoyi, an online service platform. It integrates coastal market resources and brings together ship owners, cargo owners and agencies to improve the efficiency of domestic bulk transportation and promote orderly and healthy development of the market.

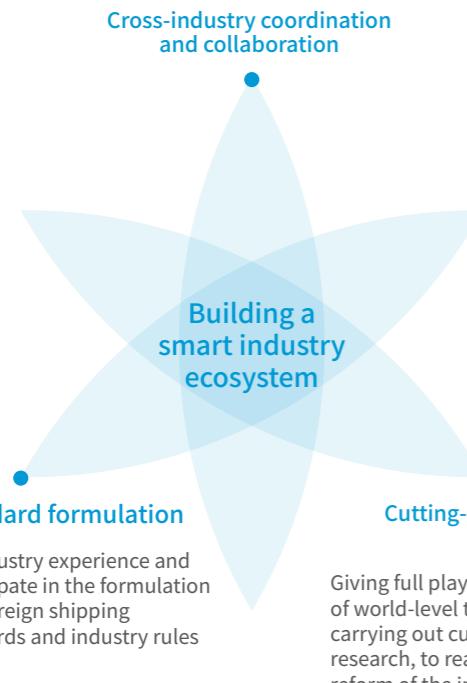


The unmanned automated terminal

Smart Industry Ecosystem

Already the largest shipping company in the world, we are striving to lead the global shipping industry with innovation and vitality by giving full play to our business coordination advantages and resource endowments. To this end, we cooperate extensively with domestic and foreign peer companies, government departments, industry organizations, universities and other institutions to carry out forward-looking research, build an innovative industry ecosystem, and promote the high-quality development of the shipping industry.

- Promoting the development of digital innovation
- Carrying out mutually beneficial cooperation in shipping logistics and digitalization
- Building 5G laboratory collectively



Relying on rich industry experience and practices to participate in the formulation of domestic and foreign shipping technology standards and industry rules

Giving full play to the integrated effect of world-level technology centers, and carrying out cutting-edge technology research, to realize technological reform of the industry

In 2019

52

research projects carried out by COSCO SHIPPING

25

projects of 2017

27

projects of 2018

22

projects passed the acceptance inspection

2

projects passed provincial/ministerial-level appraisal

We were entrusted by the Ministry of Industry and Information Technology to compile the [Guidelines for Polar Water Operational Manual](#).

The solar energy project co-developed with Wuhan University of Technology was awarded the [first prize of science and technology of 2018 by China Institute of Navigation](#).

Entering a New Business Domain

Along with continuous economic and social development and a rising consumption level, cruise tourism is increasingly popular among Chinese tourists craving for a novel tourist experience. In 2018, documents jointly issued by Ministry of Transport and other departments predicts that by 2035, China's cruise market will become one of the most dynamic markets in the world, with breakthroughs made in independent design and building of cruise and cruise fleet, a sound and highly efficient industrial chain, an ever-growing scale, and a prominent role in supporting urban transformation, industrial upgrading, economic development, and people's consumption. COSCO SHIPPING has leveraged its financing resources for the shipping industry and expanded into the cruise industry.



Contributing to the orderly development of the cruise industry by integrating shipping and tourist services

Luxury cruise ships, aircraft carriers, and large liquefied natural gas (LNG) ships are called "three pearls on the crown of the global shipbuilding industry". But China's cruise industry has encountered a "cold winter" due to excessive and chaotic market competition. In order to promote the high-quality development and supply-side structural reform of the cruise industry, COSCO SHIPPING and China National Travel Service Group Corporation (CTS Group) have joined hands to build Piano Land, the first luxury cruise independently operated by China, increasing China's influence in the global cruise industry.

Guided by the Group, COSCO SHIPPING Development has taken advantages of its one-stop shipping-related financial services and reached a package deal of ship purchase and leasing with CTG Cruise Business Division to boost the development of the Chinese cruise industry.

In addition, Piano Land has formed a benign interaction with COSCO SHIPPING and its affiliated companies, in the field of ship insurance, ship agency, ship modification, crew labor dispatch, fuel oil supply, and material supply, which promoted the growth of the Group's cruise industry chain.



Promoting the orderly development of the shipping industry with GCSP

The Global Carrier Schedule Performance (GCSP) is a yardstick to measure the quality of container liner services. With real-time big data of container ships across the world, GCSP measures shipping service providers' performance in major routes and ports globally, and accordingly, urges them to improve management efficiency and services.

In 2019, COSCO SHIPPING Lines assisted Shanghai Shipping Exchange in running the GCSP, the results of which can guide customers to choose service providers with better services and higher efficiency, or more cost-effective services according to their schedule and budget. Therefore the use of GSCP is a win-win solution for shipping companies and customers and conducive to the orderly development of the shipping industry.

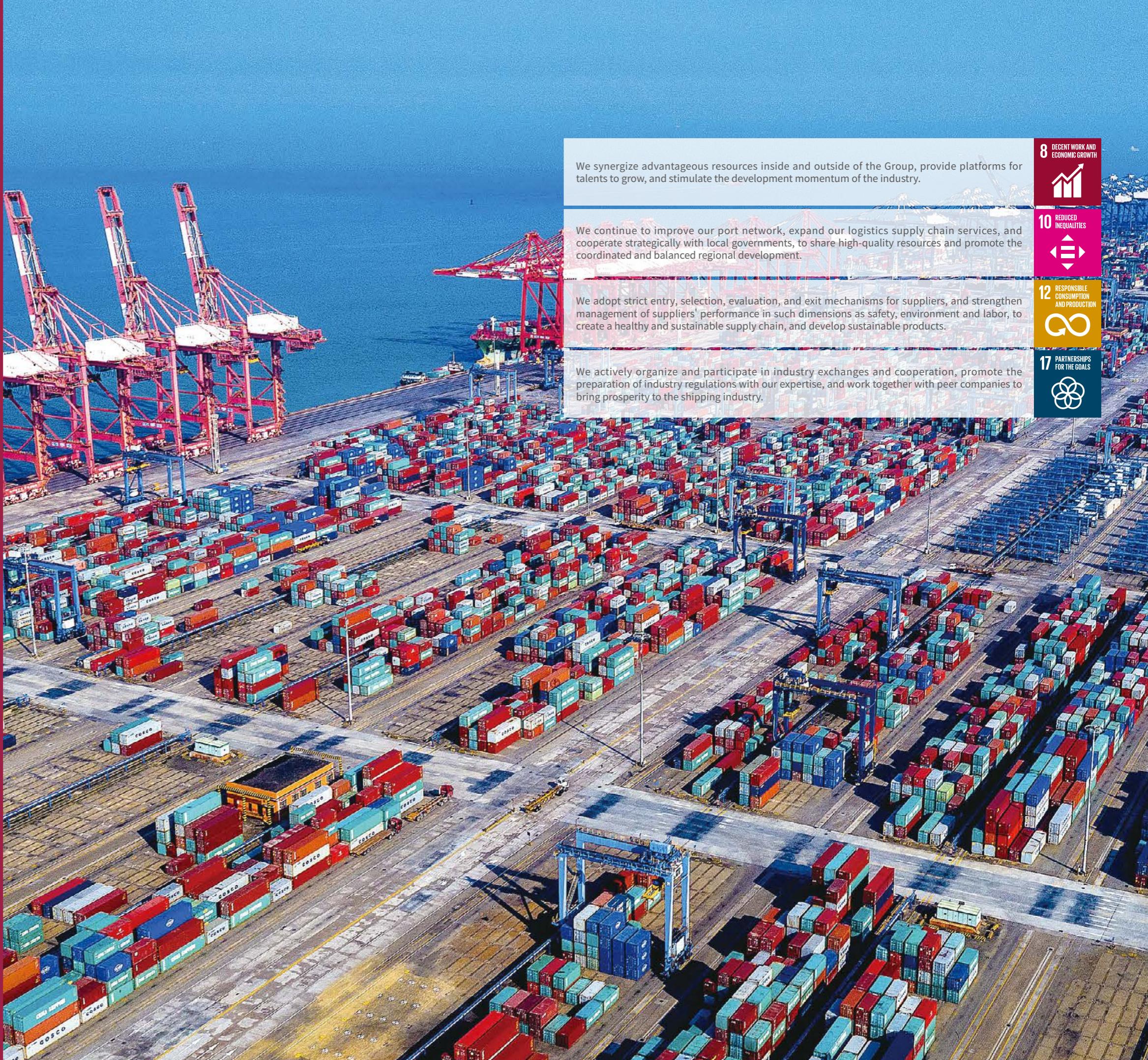
Coordination

Coordinating Forces for Sustainable Development

We need to proceed from the reality, work for long-term interests, and strengthen coordination of the sustainable development of economy and society, resources and the environment, as well as human and nature.

— Xi Jinping

Coordination is an inherent requirement for sustainable and healthy development. In pursuit of collaborative progress, COSCO SHIPPING strengthens the coordination and cooperation of industry clusters and consolidates high-quality development results. It also takes into account the development needs of the industry and the region and builds harmonious relations characterized by co-existence and common prosperity, creating a new pattern of collaborative development.



We synergize advantageous resources inside and outside of the Group, provide platforms for talents to grow, and stimulate the development momentum of the industry.

We continue to improve our port network, expand our logistics supply chain services, and cooperate strategically with local governments, to share high-quality resources and promote the coordinated and balanced regional development.

We adopt strict entry, selection, evaluation, and exit mechanisms for suppliers, and strengthen management of suppliers' performance in such dimensions as safety, environment and labor, to create a healthy and sustainable supply chain, and develop sustainable products.

We actively organize and participate in industry exchanges and cooperation, promote the preparation of industry regulations with our expertise, and work together with peer companies to bring prosperity to the shipping industry.

8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



17 PARTNERSHIPS FOR THE GOALS



Consolidating the Basis for Work Safety

Work safety is the basis for our management and operation. We stay goal- and problem-oriented in managing work safety. Based on the *Key Tasks for Work Safety in 2019*, we have bettered the safety management system and the dual control mechanism against safety risk to safeguard the stable development of the Group.

Improving Safety Management Efficiency

We apply the high-standard safety management system to all links of production, coordinate the safety work of all business sectors, and employ IT platforms to deliver more efficient and orderly safety management.

Strict supervision over the safety work of directly-administrated units

Signing the *2019 Work Safety Responsibility Letter* with all directly-administered units, and carrying out safety assessment based on the principle of "same responsibility of party committees and governments, one post with functional duty and anti-corruption responsibility, joint management, and accountability for dereliction of duty"; reviewing the safety system of each directly-administered unit, and supervising and advancing their safety management system

Accelerating integration of safety management work

Aligning safety management work with Hainan Harbor & Shipping Holding, COSCO SHIPPING Development and other restructured, newly-merged units, to promote faster integration of the safety work of relevant units into the Group's safety management system

Part of COSCO SHIPPING's safety management measures



Case

Empowering safety management with technologies

COSCO SHIPPING stresses the use of technology for safety. We continue to upgrade IT-enabled safety management and build safety management platforms, to improve the efficiency and effect of safety regulation.

Upgrading the Hangbiao platform

- Hangbiao is a comprehensive platform newly developed by COSCO SHIPPING for the management of shipping, ship maintenance, and crew. In 2019, its energy efficiency performance module and operational manual were developed, consolidating and improving the detailed safety management.

Developing the Open Water Vessel Collision Avoidance Supporting System

- The system is initially ready, with field tests conducted, to reduce the frequency of vessel collision.

Promoting the application of the GMDSS Online Training and Simulation System

- The Global Maritime Distress and Safety System (GMDSS) is a maritime radio communication system proposed and implemented by the IMO for maritime distress, safety and general communications. The Group and Qingdao Ocean Shipping Mariners College are co-developing the GMDSS Online Training and Simulation System to help crew master rescue methods such as distress alerts and communications. By the end of 2019, the overall framework and part of the training content had been completed.

Improving the emergency communication system

- COSCO SHIPPING has carried out emergency communication tests with competent regulators at all levels and the scheduling and emergency response units of its subsidiaries, and marshaled resources to improve the coordinated emergency response mechanism.

Strengthening Safety Risk Prevention and Control

COSCO SHIPPING has formulated the *Regulations on Work Safety Risk Management*, which provides a solid basis for the prevention and control of safety risks in various industrial clusters. We focus on the risks of fire, explosion, collision, work injury, piracy and pollution, identify and eliminate hidden hazards, and advance the construction of the dual control mechanism, in order to minimize the possibility of safety incidents.



Enhancing the supervision over ships

Clarifying the key safety inspection areas of ships, and standardizing the identification and pre-control of operation safety risks of ships

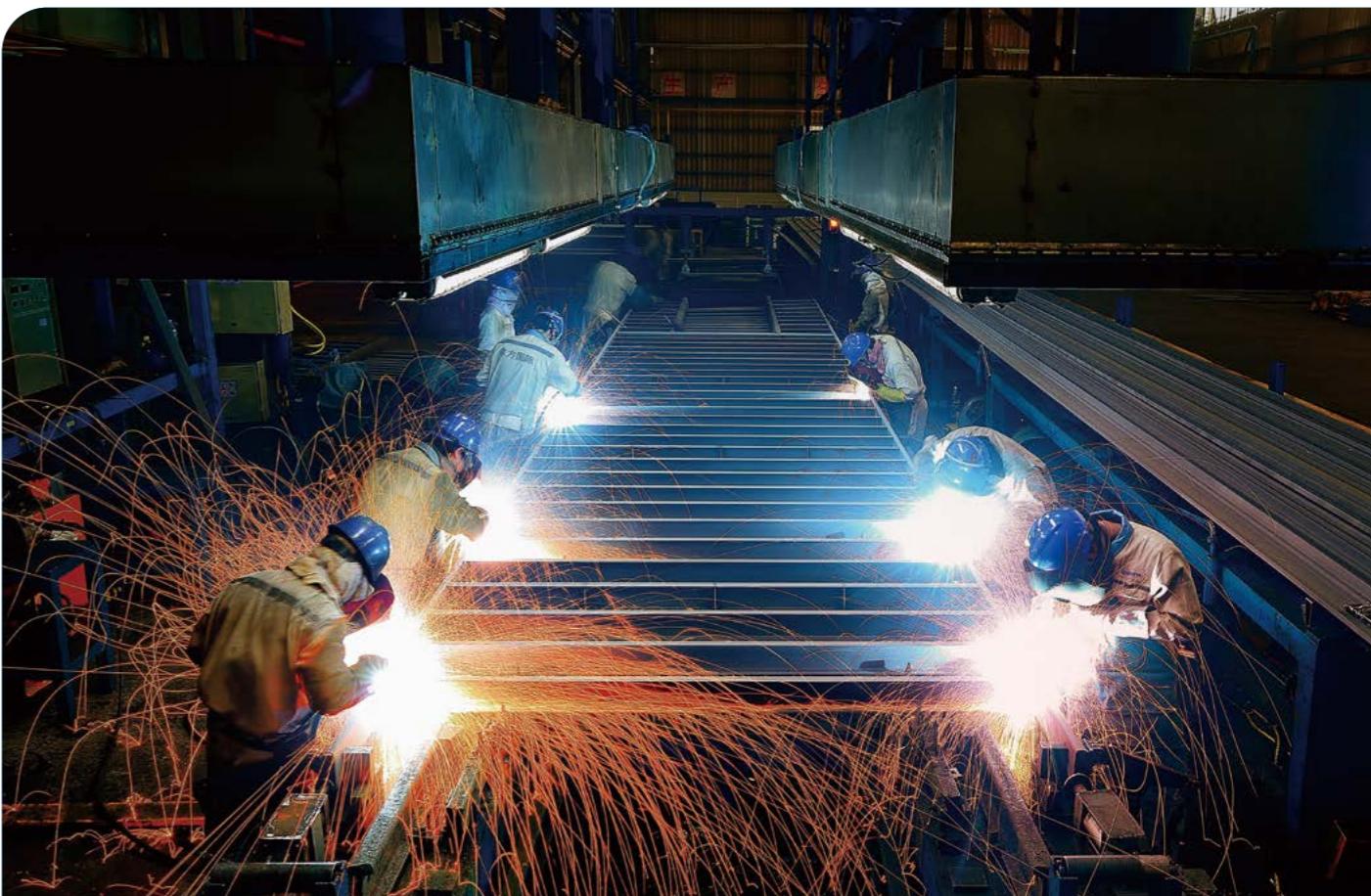
Paying attention to the risk of third-party services

Carrying out special risk prevention and control research on third-party services (ship management/crew), to consolidate the safety defense line of external businesses

Strengthening process assessment

Strengthening the work safety process assessment of safety investment, team management, stakeholder management, etc., and realizing the timely identification and rectification of weak links and safety management blind spots

COSCO SHIPPING's safety risk prevention and control measures



Enhancing Employees' Safety Awareness

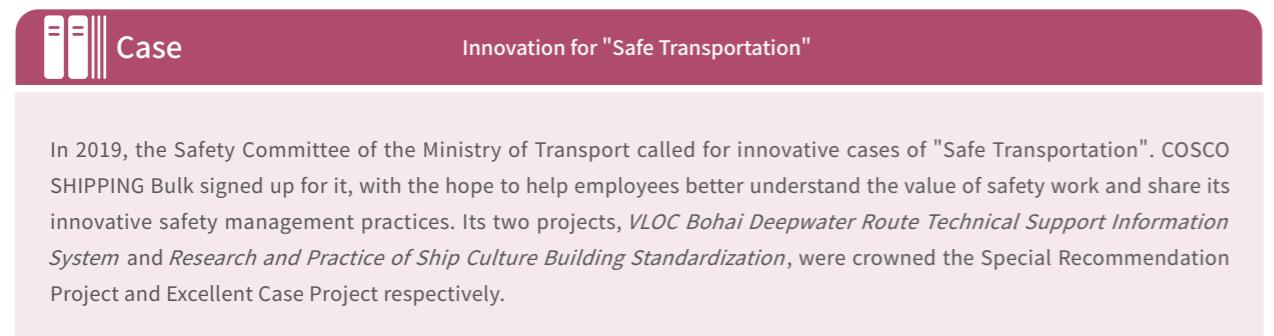
We want every employee to fully understand that safety is our top priority. We have established a multi-level and full-coverage safety training system to raise employees' safety awareness and equip them with skills to effectively prevent and respond to possible safety risks.



COSCO SHIPPING's safety education and training

Fostering an Enabling Environment for Safety Research

Our safety work is based on in-depth safety research which allows us to prudently analyze the current status of safety management and identify the areas for improvement. We encourage employees to carry out special safety research and create a favorable research environment for them to consolidate our safety work results step by step.



Optimizing Customer Services

Adhering to our positioning as a service provider, we put ourselves in the shoes of customers to better understand their demands. We strive to develop new products, provide professional, specialized, sophisticated, tailor-made, and standardized services beyond the traditional boundary, and comprehensively strengthen our ability to create value.



Building a Harmonious Supply Chain

While regulating our own operations and practices, we are following our suppliers' sustainability performance. The Group's 6+1 industries involve many suppliers and customers. They are subject to not only the ever-changing market, but also suppliers' safety, environmental and labor performance.

The Group has already launched more than 20 policies such as the *Supplier Management Measures*, *Procurement Management Measures*, *Centralized Procurement Management Measures*, *Basic Rules for Tendering Procurement* and *Basic Rules for Non-Tendering Procurement*, to establish a strict mechanism for the entry, selection, evaluation and exit of suppliers. We have also ensured their full understanding, accountability, and implementation of the procurement procedures and policies through performance evaluation, survey-based guidance and other approaches, striving to avoid risks and create a healthy and sustainable supply chain.



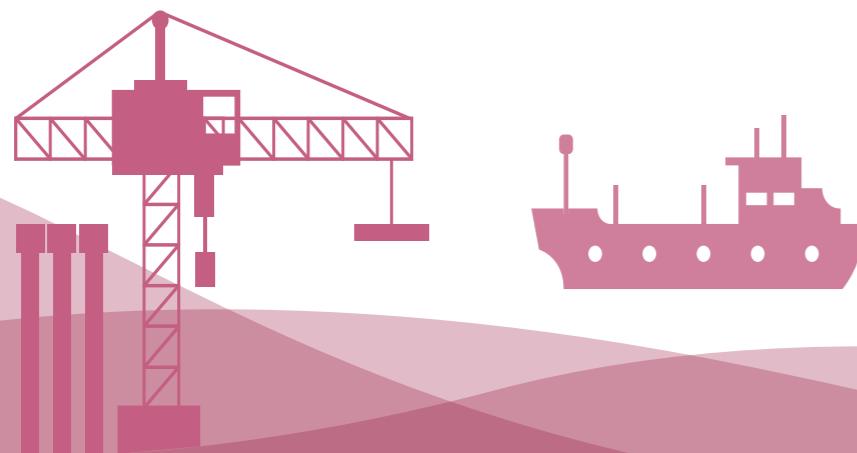
In the 2019 SASAC Procurement Management Ranking of Central State-Owned Enterprises, COSCO SHIPPING ranked third in its category, making it to the top three for the second consecutive year.



Strengthening the CSR practice management of suppliers

COSCO SHIPPING Development is committed to working with suppliers to build a more sustainable ecosystem and improve the CSR management across the industrial chain. To this end, it has established a procurement and supplier management committee and formulated the *Supplier Management Measures* to systematically regulate the approval, entry, regular audits and dynamic assessments of suppliers. Meanwhile, all suppliers must sign the *Letter of Commitment against Commercial Bribery* and fill in the *Compliance Questionnaire* to provide their information on occupational health and work safety, the environment, child labor, forced labor, salary and working hours, anti-discrimination, employee rights, supply chain. Based on the survey result, rewards will be given to suppliers with high rating, in order to strengthen their compliance awareness, enhance their CSR fulfillment capabilities, and point out the direction for their future CSR practices.

Shanghai Universal, a subsidiary of COSCO SHIPPING Development, is also actively managing suppliers' CSR practices and developing sustainable products. As a container manufacturer, Shanghai Universal has formulated the *Evaluation and Management Measures for Suppliers of Centralized Procurement Materials*. By prioritizing products from sustainable sources, Shanghai Universal encourages suppliers to obtain the Forest Stewardship Council (FSC) wood certification – the main raw material for container manufacturing. As of the end of 2019, 80% of its timber suppliers had obtained the FSC certification.



Boosting Industry Prosperity

High-quality corporate development benefits from a good industry ecosystem. We are committed to building mutually beneficial relationships with industry partners, deepening exchanges and cooperation, and investing more in talent cultivation, to inject new impetus into the industry.

Industry Exchanges and Cooperation

COSCO SHIPPING is active in organizing and participating in industry exchanges for information and experience sharing. At the same time, we encourage subsidiaries to leverage their expertise to help formulate industry rules and build a harmonious industry ecosystem.

As a member of the Baltic Asia Advisory Council, the Group continues to optimize the Baltic Dry Index (BDI) and promote its R&D and application. In addition, COSCO SHIPPING Bulk has participated in the index reform and contract template revisions of Shanghai Stock Exchange, the Baltic Exchange and the Baltic and International Maritime Council (BIMCO), contributing to the industry's sustainable development.



Building a strong Ocean Alliance to meet future challenges

Ocean Alliance is a collaborative industry organization jointly established by COSCO SHIPPING Lines, CMA CGM, Evergreen, and OOCL, aiming to provide services with higher frequency and quality and wider coverage. In January 2019, the Ocean Alliance extended the cooperation duration to 10 years until March 31, 2027, and launched a new service. By then, it had offered 40 services with the shipping capacity of around 3.86 million TEUs, covering Northwest Europe, Mediterranean, Southwest, Northwest and East Coast America and U.S. Gulf Area, transatlantic services, Middle East and Red Sea. The high-quality services have won it a good reputation and formed a virtuous circle of mutually reinforcing cooperation based on complementary advantages. The extension of the duration has guaranteed the long-term partnership of its members to jointly cope with future challenges.

Industry Talent Cultivation

COSCO SHIPPING regards talents as an inexhaustible driving force for corporate development. In order to meet complex challenges, we are eagerly looking for inter-disciplinary professionals to expand our teams in various industrial clusters. We also regard industry talent training as our responsibility. We use our own platform advantages to study talent development and contribute to industry development.



In October 2019, COSCO SHIPPING and Shanghai Jiao Tong University signed a strategic cooperation agreement to establish a joint marine equipment R&D center. The center will serve as a bridge for the cooperation of the two sides and for the cultivation of international and high-end talents, so as to provide intellectual support for research projects and technological innovation in the industry.



In December 2019, COSCO SHIPPING Logistics and Dalian Maritime University agreed to expand cooperation and talent exchange and the university's internship platform and employment channels.

Driving Regional Development

Regional prosperity is the fertile soil for sustainable development of enterprises. We respond to and participate in the construction of Hainan Free Trade Zone and the Guangdong-Hong Kong-Macao Greater Bay Area, constantly improve our terminal network, and expand logistics services. We build strategic partnerships with local governments, industry partners and other stakeholders to share high-quality regional resources and promote coordinated and balanced regional development in China.



Case Building a new port in Hainan to serve the construction of the Hainan Free Trade Zone (Port)

In May 2019, the Group and the Hainan Provincial Government jointly established Hainan Harbor & Shipping Holding Co., Ltd. (HNHS) to integrate and upgrade Hainan's port and shipping resources.

Via HNHS, COSCO SHIPPING will expand its services in Hainan Free Trade Zone, build the Port into an important node of the regional logistics chain. By opening more routes, we will constantly strengthen Hainan's connectivity with the rest of the world in terms of breadth and depth. We will make strong efforts to build Hainan Free Trade Zone (Port) into a regional international container hub port along the new land-sea corridor in western China and a national transshipment terminal for the Indo-Pacific region, thus driving regional socioeconomic development.



In April 2019, COSCO SHIPPING Ports signed an investment agreement with the Guangzhou Nansha Economic and Technology Development Zone Commercial Bureau to launch the supply chain base project. The project will focus on "transforming from a terminal to a platform providing comprehensive logistics supply chain services" to serve the integrated development of the Guangdong-Hong Kong-Macao Greater Bay Area.

Green Development

Protecting the Earth, Blue Seas and Skies

We must not seek economic development at the cost of resources and the ecological environment – otherwise it would be like draining the pond to catch the fish; nor should we protect the environment at the cost of economic growth, just as trying to catch a fish in a tree. Instead, we must coordinate environmental protection and economic development, adapt socioeconomic development to the carrying capacity of the population, resources and the environment, and bring out the huge ecological, economic and social benefits of lucid waters and lush mountains.

— Xi Jinping

Protecting the ecology and promoting green shipping have become an important approach for shipping companies to compete globally. We always highlight marine ecological protection and take "developing the marine economy and protecting the marine ecology" as our primary corporate social responsibility. We actively participate in global response to climate change, and contribute to sustainable development by preventing and controlling marine pollution, reducing waste and promoting the energy revolution, so as to further enhance our ability of improving the shipping environment.



We strengthen waste water management, especially the compliant discharge of ship oil and sewage, and strive to minimize the impact on water resources.

We encourage research on environmental issues, and promote the technology innovation and application for environmental protection to empower our environmental protection actions.

We apply green technologies in the full life cycle of shipbuilding, adjust the fleet structure, increase the proportion of green ships in the fleet, and improve the overall energy efficiency of the fleet.

We set marine protection and conservation targets, and protect biodiversity by strictly controlling ship ballast water discharge, refusing to carry shark fin products, and using non-toxic ship paint.

Improving Environmental Management

COSCO SHIPPING is fully aware of the importance of ecological conservation and our responsibility for green development as a cross-sector business group. To promote green development more effectively, we have prioritized environmental protection in Group management, established an environmental management mechanism with clearly-defined responsibilities and powers, and strengthened the Group's responsibilities in policy guidance and supervision and evaluation. A leading group has been set up to coordinate the phased implementation of environmental protection measures and provide a sound organizational guarantee for environmental management.

In addition, COSCO SHIPPING has formulated the *Regulations on Management of Energy Conservation and Emission Reduction*. Energy conservation, emission reduction and environmental protection are listed as binding indicators of the performance evaluation of all directly-administered units. We have also improved the performance evaluation mechanism to ensure long-term environmental management.

Meanwhile, we are actively sorting out and analyzing the factors and degrees of our environmental impact. We have compiled the *Environmental Protection Inspection Standards* and the *Environmental Protection Corporate Information List* and accordingly inspected our subsidiaries on environmental emergency response, on-site management of environmental pollution, and investigation and elimination of hidden environmental hazards. This multi-layer, full-coverage environmental impact management has been delivered on the ground.



Combating Climate Change

No company is immune to the threat of climate change. Our 6+1 industrial clusters have brought varying degrees of impact on the total carbon emission increase and climate change. We are working hard to identify and control the influencing factors by operational and technical means to help mitigate global climate change.

Advocating Energy Conservation and Emission Reduction

Energy saving and emission reduction has always been an important material topic in COSCO SHIPPING's efforts to combat climate change. In order to find a practical way to strengthen energy management and reduce pollutant emissions, we have formulated the *Energy Conservation and Emission Reduction Management Regulations* and launched scientific assessments addressing energy conservation and environmental protection targets. We guide subsidiaries to set reasonable targets and encourage them to accelerate progress towards the targets.



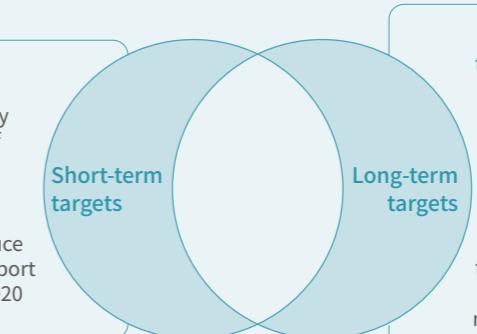
Case

Setting ambitious carbon emission reduction targets

COSCO SHIPPING Energy has set environmental goals in accordance with international conventions such as the EU regulations on monitoring, reporting and verification of fuel consumption (EU MRV) and the International Maritime Organization fuel oil consumption data collection system (IMO DCS), as well as domestic regulations. Systematic energy data statistics are conducted to help improve energy efficiency and reduce greenhouse gas emission in a target-oriented way.

Energy intensity target: compared with 2015, to bring down the energy consumption per transport work of service vessels by 6% by 2020

Carbon emission intensity target: compared with 2015, to reduce the CO₂ emissions during per transport work of service vessels by 7% by 2020



Total greenhouse gas emission target: compared with 2008, to decrease the total amount of greenhouse gas emissions by at least 50% by 2050, and to make continuous efforts to achieve zero greenhouse gas emissions

Carbon emission intensity target: compared with 2008, to reduce the carbon emission intensity of service vessels by at least 40% by 2030, and to reduce the carbon emission intensity by 70% by 2050

As of the end of 2019

RMB 76.26 million

The Group's accumulated annual investment in energy conservation had reached



All ships had been equipped with the energy efficiency management system, effectively reducing the emission of greenhouse gases such as CO₂.

RMB 667.52 million

Environmental protection investment had reached

3.5 times

With the total investment year on year increasing by

Supporting the Development of Clean Energy

The development of clean energy is an important task to improve energy mix, ensure energy security, and promote ecological conservation. Seizing the opportunities presented by the national call to accelerate energy revolution and develop the clean energy industry, COSCO SHIPPING actively explores LNG shipping and leads green shipping development.

As a leading LNG carrier in China, COSCO SHIPPING Energy regards the development of LNG shipping business as the "second development curve". It is an important clean energy arm of the Group. As of the end of 2019, COSCO SHIPPING Energy had formed a LNG fleet which is the biggest in China and one of the biggest in the world. It invested in the building of 38 ships, of which 35 were put into operation, with a total carrying capacity of 5.90 million cubic meters and a total deadweight of 2.78 million metric tons. In addition, the company has hosted the Shanghai LNG Forum for many years. The forum is a platform for the integration, exchange, and win-win development of upstream and downstream suppliers, to jointly promote the development of clean energy.



Providing flexible solutions to LNG storage and shipping

Traditional LNG shipping faces shortcomings such as limited pipeline mileage and network connectivity. Its efficiency is also checked by the change of carriers in the combined land-sea transportation modal. On March 7, 2019, COSCO SHIPPING (Qingdao) and Lianyungang Traffic Control Logistics Group co-launched the LNG tank container manufacturing project. LNG tank containers are flexible and suitable for storage and multi-modal transportation, making uninterrupted, door-to-door LNG shipping possible. They offer a flexible solution to LNG storage and shipping and expanding LNG import channels.



LNG tank containers are easy to stack, greatly reduce the non-effective weight of the containers, and protect the cryogenic liquid storage tanks inside. Hence, their use enjoys unparalleled advantages in every link of the natural gas industry

Reducing Emissions and Discharges

We have established a daily emission/discharge management and monitoring mechanism to track, sort and report on the types, sources, emission/discharge and recycling of exhaust gas, waste water and solid waste generated during production and operation. We also conduct on-site inspections on the treatment of VOCs (volatile organic compounds) and ship oil and sewage at key units to ensure compliant emissions/discharge and disposal.

The compliant waste treatment on oceangoing ships is one of our main tasks in solid waste management. We have formulated a detailed *Waste Management Plan* for each ship to regulate waste collection, processing, storage and emission/discharge. We urge ships to reduce the amount of waste generated at the source, promote waste recycling, and realize the, compliant, orderly, controllable and traceable waste treatment on each ship.



Promoting the development of the green offshore platform dismantling plan

Offshore platforms are structures equipped with production and living facilities for offshore drilling, oil production, transportation, observation, navigation, construction and other activities. The abandoned offshore platform needs to be cleaned up before dismantling, which may produce waste water that contains crude oils, fuel oils or chemical agents. Furthermore, the traditional way of dismantling by cutting the platform into pieces also generates a large amount of solid waste, a source of maritime pollution that cannot be ignored.

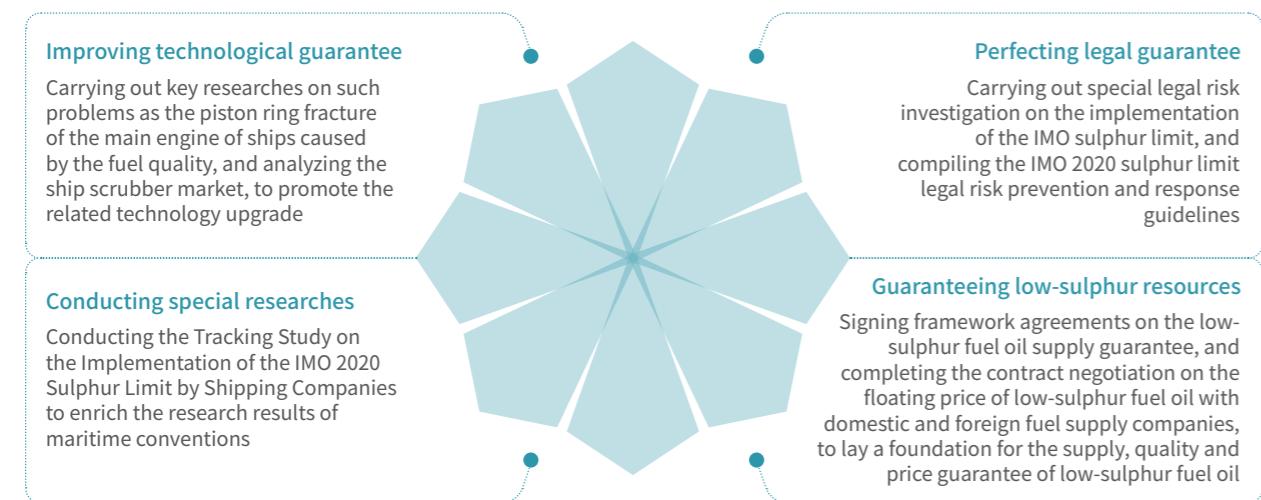
Based on the results of the Research on the Offshore Platform Dismantling with Dual-Fuel Semi-Submersible Ships, COSCO SHIPPING Specialized Carriers has co-developed the demolition plan with dual-fuel semi-submersible ships in cooperation with Shanghai Jiao Tong University and DNV. Compared with the traditional way of dismantling, the new method makes it possible to dismantle the offshore platform as a whole and save the trouble of cutting it into pieces which might cause marine pollution. In May 2019, COSCO SHIPPING Specialized Carriers won the bid for a US offshore platform demolition project with the technology.



Abiding by the IMO 2020 Global Sulphur Limit

Ship emissions have become a major source of air pollution in ports and seas around the world. In October 2016, the Maritime Environmental Protection Committee (MEPC) of the IMO confirmed that the 0.50% m/m limit for sulphur content of ship fuel will come into force on January 1, 2020. The IMO sulphur cap hopes to control sulphide content in the gas emissions of diesel engines, thereby reducing air pollution. The limit is considered to be the biggest change in the shipping industry in decades and indicates the rise of a new era of green revolution.

During 2019, in the transition towards the IMO sulphur limit, COSCO SHIPPING kept following the policy implementation, and released the *IMO Sulphur Limit Update and Response Report*. At the same time, based on the research and calculation of low-sulphur oil and desulphurization towers, the Group issued the *Guidelines for the Use of Low-Sulphur Fuel Oil for Ships*, and formulated a comprehensive plan for ship fuel and technology upgrade, striving to achieve orderly management and control of procurement, loading, installation, storage, use, emergency response and compliance with the IMO regulations.



COSCO SHIPPING's measures to observe the IMO regulations

In order to observe the IMO regulations in a proactive manner, COSCO SHIPPING Energy held seminars for brainstorming. It evaluated countermeasures, studied their feasibility, and invited external experts to provide special training. Based on the comprehensive industry information collected and assessed, it decided to shift to the use of low-sulphur fuel and reduce the environmental impact caused by the emission of sulphides. In 2019, COSCO SHIPPING Energy checked the equipment status ship by ship and formulated countermeasures of ship cleaning and shift to low-sulphur fuel. At the same time, a special working group was set up and cross-departmental collaboration carried out to speed up the shift. As of December 30, 2019, COSCO SHIPPING Energy had replaced all high-sulphur fuel with low-sulphur fuel.

COSCO SHIPPING AQUARIUS whose device system reserved for the use of LNG fuel can meet the need for large-capacity LNG fuel tanks on specific routes

Promoting Green Shipping

Green shipping has become the main theme of the development of the global shipping industry. We vigorously upgrade environmental protection equipment and promote energy conservation, emission reduction and pollution control on ships and at ports, to drive the green transformation of the industry.

Green Ships

We not only consider the environmental impact of ships during operation, but also apply green technology to the full life cycle of shipbuilding. The Energy Efficiency Design Index (EEDI) is an index used to estimate grams of CO₂ per transport work in design. The index is set to encourage ship design companies, shipyards, and equipment manufacturers to improve energy efficiency and reduce CO₂ emissions of ships.

In 2019, we focused on the green construction of ships such as very large crude carriers (VLCC) and very large ore carriers (VLOC) to lower their EEDI and improve the overall energy efficiency of the fleet.

 Case The world's first LNG dual-fuel VLCC

On April 3, 2019, COSCO SHIPPING Energy and Dalian Shipbuilding Industry launched cooperation to build the world's first LNG dual-fuel VLCC. The use of LNG fuel is expected to reduce CO₂ and NOx emissions by 20-30% and SO_x emissions by 90-99%. The ship's NOx emissions will meet the latest IMO EEDI Tier III standards. The VLCC is expected to reform the design and shipbuilding standards, create new ways for liquid natural gas bunkering and new oil inspection standards, and set an example for energy conservation and emission reduction of large ships.





Green Ports

Building green ports is an important way to improve the competitiveness of port logistics. We are committed to the green development of ports. We have launched the oil-to-electricity project and shore power transformation project to promote the use of clean energy, reduce emissions, and build ports with reasonable resource utilization, low energy consumption and low pollution.



Case

Promoting the use of clean energy to build green ports

As of the end of 2019

29 ports

The Group had completed the shore power transformation

52 GWh

Saving a total of electricity

141.86%

The amount saved in the previous year

COSCO SHIPPING Ports actively promotes the use of clean energy at terminals. It uses fully- or semi-electric tire-type gantry cranes which are low-carbon, less noisy, more energy efficient and cost saving, to replace traditional diesel-powered ones (the gantry crane refers to the boom crane installed on a fixed or mobile platform, mainly used for outdoor cargo loading and unloading). In 2019, Jinjiang Pacific Port, Nantong Tonghai Port and JNCT completed "oil-to-electricity" transformation for 16 gantry cranes, equivalent to reducing carbon emissions by nearly 200 metrics tons. In addition, Lianyungang New Oriental International Terminals Co., Ltd. (LNOIT) installed lithium batteries on two gantry cranes for gantry crane yard transfer operations.

Protecting Biodiversity

The shipping industry is closely related to marine biodiversity which might be harmed by our navigation or cargo. We have identified the risks of our ocean transportation and related businesses to marine biodiversity, and actively carried out biodiversity conservation actions.

Ship ballast water refers to the water and suspended substances added to the ship to control the ship's heel, trim, draught, stability and stress. In the process of sailing and cargo loading, it is often necessary to discharge or add fresh water or sea water to adjust the weight of ballast water on board in real time to ensure the safe and stable operation of the ship. If improperly discharged, the ballast water might bring alien organisms and pathogens in it to new waters, which will multiply and disrupt the balance of local water ecology, endanger aquatic life, and affect public health.

In 2004, the IMO formulated the *International Convention for the Control and Management of Ships' Ballast Water and Sediments* (hereinafter referred to as the *BWM Convention*), which aims to prevent, reduce and eventually eliminate the risks caused by the transfer of harmful aquatic organisms and pathogens to the environment and human health. On October 22, 2018, China acceded to the *BWM Convention*, which officially came into force in China on January 22, 2019.

Before the *BWM Convention* came into effect, we had comprehensively collected and analyzed relevant industry information, assessed the feasibility of the response measures, and formulated the *Cabin Ballast Water Management Instructions* and the *Ballast Water Management Plan*. Through the operation, replacement, safety inspection and recording of ballast water, we strengthen management of ballast water, to lower the risk of alien organisms and pathogens contained in ship ballast water and sediments and the negative impact on marine biodiversity.



Setting marine protection and conservation targets and putting biodiversity protection into action

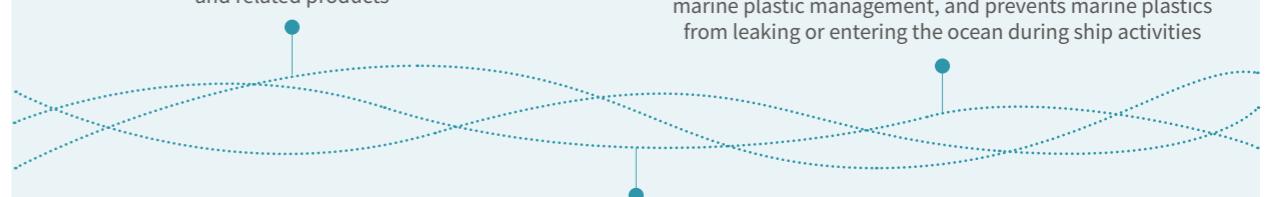
As of the end of 2019

58%

The marine protection and conservation plan of OOCL (International) had completed

Refusing to carry shark fin related products

Resolutely resisting related global trading activities of endangered and protected marine species, and promising to refuse to carry whales, sharks, dolphins and related products



Using non-toxic ship paint

Traditional ship paints may cause serious harms to marine biodiversity. OOCL (International) uses ship paints that do not contain tributyltin, and uses silicone antifouling paint for all newly built ships

OOCL (International)'s measures to protect biodiversity

Opening up

Sailing on the Maritime Silk Road

In our journey forward, we will keep firmly to the path of peaceful development, pursue opening up for mutual benefits, and continue to build a community with a shared future for mankind with people around the world.

— Xi Jinping

Shipping is an important link and bridge connecting the world for creating global value and enabling global trade and cultural exchange. COSCO SHIPPING remains open and inclusive with an enterprising spirit to lead the global shipping industry. We expand the global network, build logistics channels for China's integration into the global economy, and contribute to global connectivity and common economic development.

In the process of globalization, COSCO SHIPPING upholds justice while pursuing shared interests, and is deeply involved in the implementation of the Belt and Road Initiative. By carrying out mutually beneficial cooperation with project areas, we seek to achieve win-win outcomes.



Leading the Development of the International Shipping Industry

COSCO SHIPPING is aware of the necessity to deeply engage in global competition and resources allocation, expand the overall operational scale of the fleet, strengthen the construction of international hub ports, lay an efficient global service network, and strive to become a leader in the global shipping industry. Only by so doing can we better serve global trade and the stability of the global industrial chain.

Shipping Route Network

COSCO SHIPPING actively optimizes its global route network, improves the service quality of ship routes, and opens up the lifeline of maritime transport between China and the world. Currently, with Hong Kong, Japan, South Korea, Australia, Southeast Asia, West Asia, North America, South America, Europe, and Africa as radiation points, COSCO SHIPPING has built up a global maritime transportation network with more than 1,500 ship routes, covering major regions around the world.

Port and Terminal Network

COSCO SHIPPING actively expands its global network of terminals. We have been looking for suitable ports and terminals in Belt and Road partner countries as well as important nodes of global trade routes, and constantly enhance the control over terminal assets and the efficiency of terminal operations. We hope they will serve as the base for Chinese companies to participate in overseas infrastructure construction and industrial structure adjustment, and export high-quality production capacity. We also hope to achieve coordinated development of terminals, shipping logistics and upstream and downstream businesses of the industrial chain. At present, our terminal network covers China's five coastal port clusters, the core region of the middle and lower reaches of the Yangtze River, Southeast Asia, Europe, the Mediterranean, the Middle East and Central and South Americas. Our terminal operations are mainly based in China, but also see continuous growth in the international market.

In 2019, COSCO SHIPPING Ports acquired 60% stake in the Port of Chancay, making it our first terminal project in South America. The deal is a milestone in our construction of global port network system.

COSCO SHIPPING Ports' Vado Gateway terminal in Italy



As of the end of 2019

>160

The Group had established presence in countries and regions

>1,500

the ocean shipping routes had covered ports

61

We had invested in 61 terminals worldwide

21

including overseas terminals

Serving the Prosperity of Global Trade

COSCO SHIPPING actively promotes the construction of global trade channels, promotes the connectivity of the world economy, and contributes to the high-quality development of global economy and society.

Serving the Belt and Road Initiative

With a broad vision and open mind, COSCO SHIPPING is deeply involved in the Belt and Road construction. We are accelerating port investment and the development of ship transportation and comprehensive logistics in Belt and Road partner countries. We are also building a supply chain that combines shipping culture and logistics to strengthen people-to-people ties and win-win cooperation with partner countries. As of the end of 2019, COSCO Shipping had invested RMB 60.8 billion in Belt and Road partner countries.

Creating new pivots of ports and terminals

Taking terminals as the "connecting dots", COSCO SHIPPING actively builds key hub ports in Belt and Road countries to diversify its terminal portfolios across the world. As of the end of 2019, we had invested in 18 Belt and Road ports: the Port of Piraeus in Greece, the Kumpart Terminal of Istanbul in Turkey, the Euromax Terminal Rotterdam in the Netherlands, the terminals of Antwerp and Zeebrugge in Belgium, the ports of Valencia and Bilbao in Spain, the Vado Terminal in Italy, the Marseille Fos Port in France, the CSP Abu Dhabi Terminal (CSP ADT) in the UAE, the Asia Container Terminal (ACT) and the Hong Kong International Terminal, Kao Ming Container Terminal (KMCT) and Port of Kaohsiung (TW KHH) in Taiwan, COSCO-PSA Terminal (CPT) in Singapore, the Port of Busan in South Korea, the Port of Port Said in Egypt, and the Port of Chancay in Peru.



COSCO SHIPPING SOLAR, the world's largest container ship, berths at the CSP ADT



As a key project of the Belt and Road Initiative, the CSP ADT in the UAE, COSCO SHIPPING's first overseas greenfield terminal project, started commercial trial operation in April 2019. In May 2019, it welcomed COSCO SHIPPING PISCES, the first 20,000 TEU container ship to unload at the Khalifa Port. The CSP ADT will further increase the throughput capacity and economic vitality of the Khalifa Port, making it an important competitive shipping hub in the Gulf region.

Building a new Maritime Silk Road for shipping

COSCO SHIPPING opens up the maritime cargo lifeline that links China and the rest of the world. In order to further promote the Belt and Road connectivity and optimize global shipping route network, we have successively opened liner routes in Europe, Asia and other regions. As of the end of 2019, we have a total carrying capacity of 1.96 million TEUs along the Belt and Road regions, accounting for 66% of the total container fleet.

The "Polar Silk Road" is a shipping route that crosses the Arctic Circle and connects the three major economic centers of North America, East Asia, and Western Europe. It has important social significance. In 2019, COSCO SHIPPING Special Carriers continued normal services in the Arctic, and completed nine voyages on the Northeast Passage of the Arctic, reaching a record high. Since Yong Sheng's maiden Arctic voyage in 2013, COSCO SHIPPING had arranged 18 ships to complete 31 voyages to the Arctic Northeast Passage as of the end of 2019.

Opening new prospects for comprehensive logistics

COSCO SHIPPING strives to create smooth logistics channels and strengthen its weak link of cargo transportation at both ends of shipping. We improve extended onshore services such as logistics, warehousing, distribution, and connect the Silk Road Economic Belt and the 21st Century Maritime Silk Road seamlessly to facilitate the efficient and unimpeded trade of goods between China and the rest of world.

We have accelerated the construction of the "China-Europe Land-Sea Express Line" with the Port of Piraeus in Greece as a hub in an effort to reach the hinterland of Central and Eastern Europe and open up a new logistics channel between China and Eastern Europe. In 2019, we signed contracts to buy equity of PEARL and BILK projects along the "China-Europe Land-Sea Express Line", adding to our asset portfolio on the Express Line, and laying a solid foundation for its accelerated development. The Express Line has completed a total cargo volume of 83,000 TEUs throughout the year, a year-on-year increase of 62%.

We strongly supported the construction of the New Western Land-Sea Trade Corridor and Hainan Free Trade Zone to expand the latter's business along the Corridor. We also support the initiative to turn China's inland and border areas into frontiers of opening up, and form an opening up pattern featuring land-sea and internal-external connectivity and east-west mutual assistance. As of the end of 2019, we had launched 11 container routes in Hainan, an increase of 6 from the beginning of the year, whose annual throughput reached 993,000 TEUs, an increase of 77% year on year, accounting for 37% of the total throughput of Hainan Province.

As of the end of 2019

1.96 million TEUs

Total capacity put in along the Belt and Road

66%

accounting for the total container fleet

167

Provided cumulative liner services every week

42

Domestic terminals involved along the Belt and Road

18

Foreign terminals involved along the Belt and Road

0.30 million TEUs

Provided the total shipping space every week

59.75 million tons

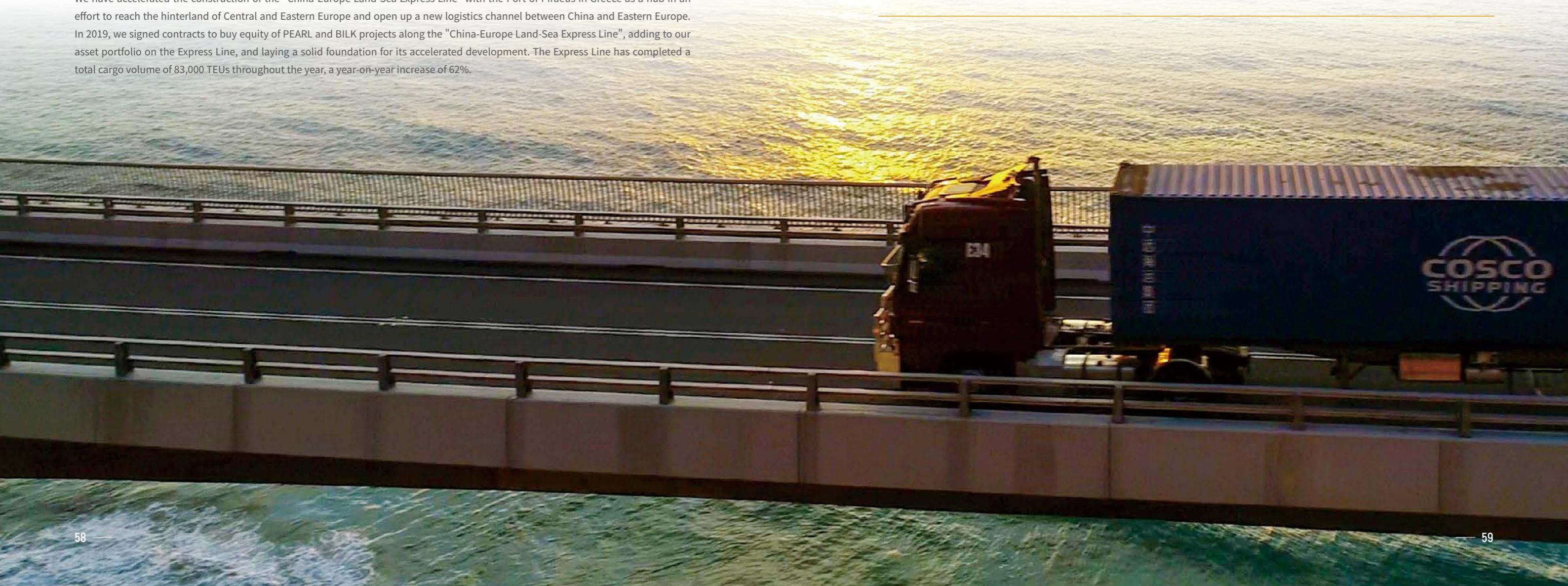
The annual oil shipping volume along the Belt and Road was

75.49 million tons

The annual dry bulk shipping volume along the Belt and Road

50.96%

of shipping space were invested in countries and regions along the Belt and Road





Case President Xi Jinping and Greek Prime Minister Kyriakos Mitsotakis visit the Port of Piraeus

On November 11, 2019, Chinese President Xi Jinping and his wife Peng Liyuan, accompanied by Prime Minister Kyriakos Mitsotakis of Greece and his wife, visited the Piraeus Port, a project of COSCO SHIPPING. President Xi praised the Piraeus Port as a successful and excellent deliverable of the Belt and Road Initiative. In the future, COSCO SHIPPING will build the Piraeus Port into a bridge between China-Greece cultural and economic exchanges and make greater contributions to the people of both countries.

“ The Piraeus Port project is a successful example of China-Greece cooperation featuring complementing each other's advantages, combining forces, and achieving mutual benefits. It is hoped that the two sides could make continued efforts to further construct and develop the port, achieve the goal of making the port a regional logistics distribution center, and advance the building of the China-Europe Land-Sea Express Line. I am confident in the unlimited prospects of the Piraeus Port, and believe that the fruits of the cooperation will continue to benefit the people of both countries and the region. I wish China-Greece cooperation constant and new achievements. ”

—Xi Jinping

- In 2008** • COSCO SHIPPING obtained the franchise rights of No.2 and No.3 piers (under planning) at Piraeus Port.
 - In 2010** • COSCO SHIPPING took over the operation of No.2 and No.3 piers at Piraeus Port.
 - In 2013** • For the first time, the Piraeus Port was connected to Rail Europe and the route of the "China-Europe Land-Sea Express Line" was laid down. This route can save 7 to 10 days compared to the traditional route that passes through the Straits of Gibraltar and transits in ports in Northwest Europe.
- In 2016**

Based on our successful operation of the terminals at the Piraeus Port, COSCO SHIPPING acquired 67% equity of Piraeus Port Authority (PPA) at the price of 370 million Euros, becoming the operator of the whole port. Over the past decade, Piraeus Port has directly created 3,100 local jobs and indirectly over 10,000, and generated yearly revenue of 300 million Euros. At the same time, the port had rebounded from loss to pocket more than 70 million Euros in profits in 2018, benefiting local Greek employees.



In 2019

On November 11, 2019, in the presence of President Xi Jinping and Greek Prime Minister Kyriakos Mitsotakis, Chairman of COSCO SHIPPING Xu Lirong and Greek Minister of Shipping and Island Policy Ioannis Plakiotakis exchanged the *Memorandum of Understanding on Successfully Implementing the Master Plan of Piraeus Port Authority S.A.* on behalf of PPA S.A. and the Greek government at the Greek Prime Minister's Office.

The signing of the Master Plan marked that the investment plan of 600 million Euros has entered the implementation phase. Within the framework of the Master Plan, COSCO SHIPPING will further build the Piraeus Port into a Europe-leading 10-million-TEU transit port, a bridgehead for land-sea transportation, an international logistics distribution center, a ship repair center in the Mediterranean region and even across Europe, and the largest car transfer terminal in the Mediterranean.



Acquiring 60% stake in the Port of Chancay in Peru to drive China-Latin America trade growth

China and Latin America have enjoyed increasingly closer trade ties in recent years. In 2018, at the Second Ministerial Meeting of the Forum of China and the Community of Latin American and Caribbean States (CELAC), China and 33 CELAC member states issued a special statement regarding the Belt and Road Initiative as a new platform for China-CELAC cooperation, marking the official extension of the initiative to Latin America.

As one of the most economically-developed countries in CELAC, Peru is key to boosting China-CELAC trade again. On January 23, 2019, COSCO SHIPPING Ports officially signed the agreement with Volcan Compañía Minera S.A.A. (Volcan) to acquire 60% stake in the Port of Chancay, its first port investment and greenfield subsidiary in South America. As a newly built modern port, the Port of Chancay will become a connection point for China's friendly economic and trade exchanges with Peru and the CELAC.



II The signing of the closing certificate by companies from Peru and China is a milestone. The companies from China and Peru jointly invested and developed Chancay Project, which laid a solid foundation for Peruvian economic development, as well as trade cooperation between China and Peru. The construction of the Port of Chancay will contribute to the regional development and we expect to develop Port of Chancay into one of the most important hub ports in South America and logistics center near the Pacific Coast, which will promote the regional trade and the trade between China and the Latin America. **II**

—Martín Vizcarra, President of Peru



Exploring Marine Equipment Manufacturing

COSCO SHIPPING continues to strengthen technological innovation, improve the level of technology and equipment for ocean exploration, and fully support the development of marine equipment manufacturing.



Building China's first 1,300-ton self-elevating and self-propelled wind farm installation vessel

In December 2019, Tie Jian Feng Dian 01, China's first 1,300-ton self-elevating and self-propelled wind farm installation vessel built by COSCO SHIPPING (Qidong) Offshore under COSCO SHIPPING Heavy Industry, was delivered for use, representing another grand project of offshore wind farm installation in China.

The ship was invested and built by CRCC Harbour and Channel Engineering Bureau Group Co., Ltd. (HCEB) and designed by the 708th Institute of China State Shipbuilding Corporation Limited. It is the first heavy-lift self-propelled wind power installation vessel independently designed, developed, and built by China. It only took only 16.5 months for COSCO SHIPPING (Qidong) Offshore to complete the design and overall shipbuilding, the shortest time for the construction of the same type of ships in China, demonstrating the company's domestic-leading and world-class shipbuilding capability.



The first independently developed pre-assembled combos of two-stroke diesel engine exhaust valves

In September 2019, Nanjing International Marine Equipment & Spares Co., Ltd. (NIMES), a subsidiary of COSCO SHIPPING Heavy Industry, held a press conference to announce that its first assembled combos of independently developed two-stroke diesel engine exhaust valves had passed the bench test. This is the first time for the domestically-developed two-stroke diesel engine exhaust valves to be applied onboard a ship.

NIMES has undertaken the research project on the key technology of low-speed diesel engine exhaust valves for ships commissioned by the Ministry of Science and Technology since 2015. Defying various difficulties with arduous efforts, NIMES finally broke foreign technological monopoly and filled the gap in the domestic industry. The breakthrough is of great significance for improving China's independent ship supporting capabilities and promoting the development of the shipbuilding industry of China.

Sharing

Working Together for
a Better Future

The Chinese people have a passion for life and look forward to better education, more stable employment, higher income, more reliable social security, higher levels of medical and health services, more comfortable living conditions, and a more beautiful environment. They also want a better life, better jobs for their children. The aspirations of the people to live a better life must always be the focus of our efforts.

— Xi Jinping

Shared development is the key to ensuring healthy and sustainable socioeconomic development. To fulfill the mission of becoming an excellent leader in the global shipping industry, COSCO SHIPPING always adheres to the philosophy of openness, cooperation, inclusiveness and sharing. Based on our advantages and resources, we help people to realize the goal of a better life and create a harmonious and win-win social community that enjoys sustainable development.



We build a health and safety management system to better manage employee health, carry out rich cultural and sports activities and provide psychological counseling services to enhance the physical and mental health of employees.

Based on the characteristics of different ranks and positions, we provide targeted and diversified training for employees to enhance their knowledge and skills and strengthen their comprehensive ability.

In strict accordance with national laws and regulations, we say no to gender discrimination in employment, provide female employees with all-round care in work and life, and help them improve competitiveness.

We protect the lawful rights of our employees, support their growth by stipulating reasonable working hours, clear growth plans and a comprehensive training system, and create a supportive working environment.

We provide development assistance, including financial aid, to African countries, small-island developing countries and so on.

3
GOOD HEALTH
AND WELL-BEING

4
QUALITY
EDUCATION

5
GENDER
EQUALITY

8
DECENT WORK
AND ECONOMIC GROWTH

10
REDUCED
INEQUALITIES

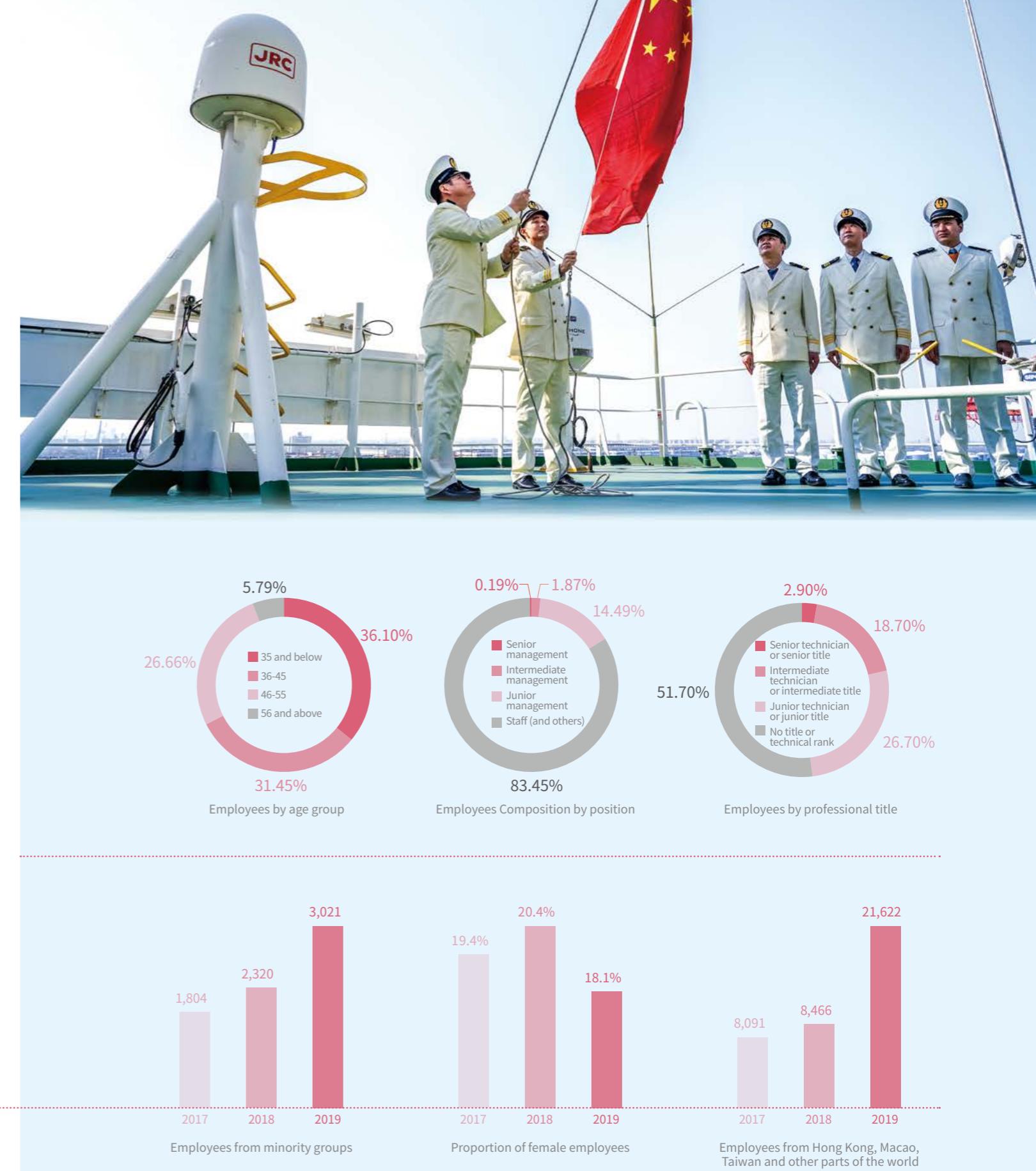
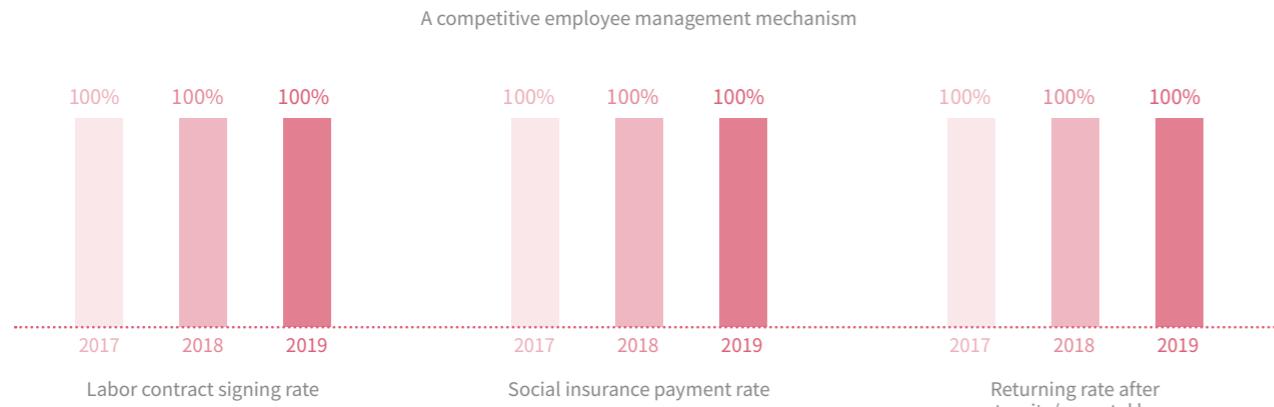
Advancing with Employees

COSCO SHIPPING is fully aware that our development and success would not be possible without the joint efforts of employees. Therefore, we continue to optimize the management, training of and care for employees, and work hard to broaden the path of employee growth, in a bid to create a community of shared responsibility and interests so that employees can grow together with the Company and benefit from corporate development.

Employee Management

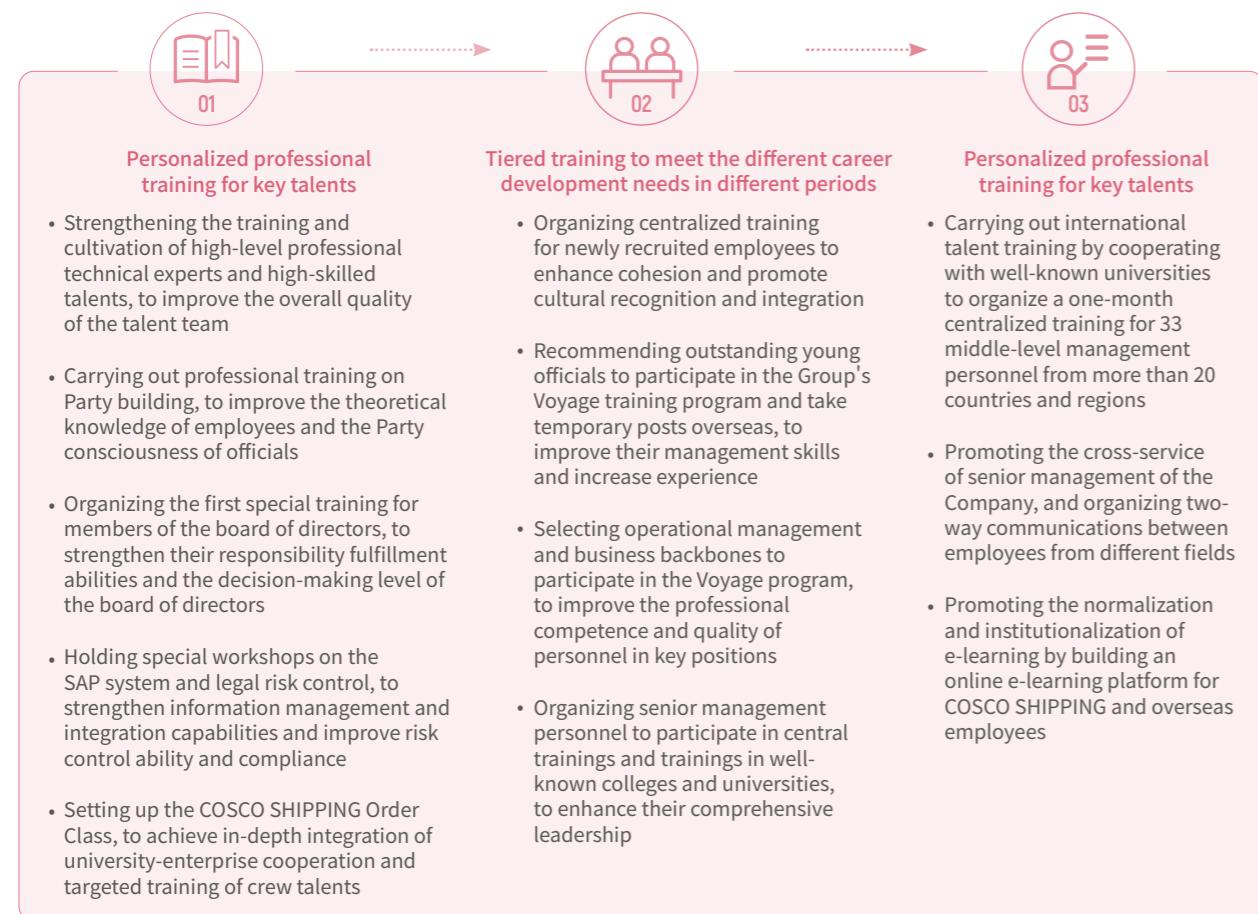
COSCO SHIPPING respects and protects the basic rights and interests of employees, and strictly abides by the *Labor Law* and other governing laws and regulations and labor policies. In 2019, on top of the "13th Five-Year" Staff Development Plan of COSCO SHIPPING, we further reformed the human resources management mechanism to build a team required for the international development of the Group.

- Talent planning**
 - Continuing to deepen the reform of personnel development system and mechanism
 - Implementing the "six-in-one" talent strategic management system, including recruitment configuration, career development, job management, performance management, education and training, and salary incentives
- Talent selection**
 - Adopting public selection, open recruitment, competitive recruitment and other methods to create an open, fair and market-based recruitment environment
 - Formulating the *Outstanding Young Official Selection and Training Work Plan* to support the selection of young talents
 - Establishing an internal personnel flow system to fully tap the potential of talents
- Talent incentives**
 - Linking salary and benefits with profits, and creating a differentiated salary reward scheme
 - Strictly regulating the salary performance assessment of professional managers based on market benchmarks
 - Promoting equity incentive programs and further optimizing the Company's medium- and long-term incentive mechanism
 - Formulating and implementing the Regulations on the *Dividend Incentive Management of the Group's Technology Companies*



Employee Development

To become an excellent leader in the global shipping industry requires high-quality, international talents. According to the occupational characteristics and development needs of employees, COSCO SHIPPING has created a multi-level training model to provide the best support for employee growth.



To meet the career development needs of female employees, we have launched a series of training and educational activities to empower women and promote workplace equality and inclusion. In 2019, we launched a campaign to select the International Women's Day Red Flag Bearers and awarded a total of 52 individuals and 30 units. We recommended employees to compete for the National Model Posts and Model Contributors, and created a working environment that encourages competition, learning, catch-up and excellence, enabling female employees to achieve career development and excel themselves.

In 2019

>2,600

We provided financial aid to beneficiaries in need

RMB 196,000

relief money to model employees in difficulties

>RMB 15.7 million

relief fund

300

We provided support to the children of financially disadvantaged employees and rural workers

>RMB 15.7 million

gave out gifts worth

RMB 936,100

We also offered scholarships totaling

A Happy Workplace

In order to improve employees' sense of happiness and satisfaction with the workplace, we have organized a series of cultural and sports activities, such as the employee talent show, the employee art show, and the male employee basketball competition. We have also established four cultural and sports associations for literature, photography, calligraphy and philately, to enrich the cultural life of employees.



The employee art show for celebrating the 70th anniversary of the founding of the People's Republic of China



Team COSCO SHIPPING participating in the 5th National Seafarers Skill Competition

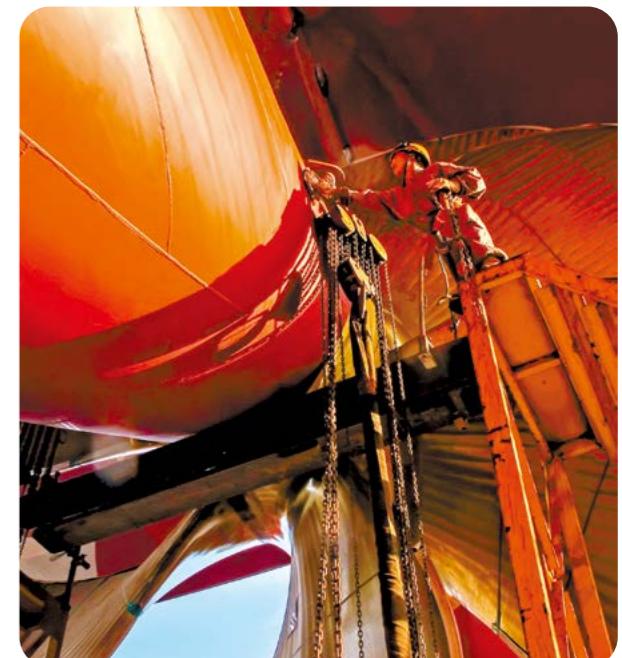
Caring for the Crew

Seafarers are the solid foundation for the development of the shipping industry. However, the job comes with great physical and mental stress as they are required to spend much time onboard. Therefore, we strive to improve the working and living environment, and constantly improve the crew management system to create a sound environment for their development.



Case Formulating the "Caring for the Crew" action plan in the interests of seafarers

In 2019, COSCO SHIPPING Energy formulated the "Caring for the Crew" action plan, which aims to improve the living and working environment for seafarers by providing better remuneration, supporting career development, caring for seafarers' life.



In order to enhance the crew's sense of gain and happiness, we reformed the crew compensation system in 2019 and formulated and implemented a crew compensation adjustment plan based on a thorough survey, to share the dividends of reform with employees. At the same time, we implement the national regulations on the reduction and exemption of personal income tax for seafarers, making sure that our seafarers can benefit from policies and see their income increase.

In addition to the improvement of the salary system, we also attach great importance to the mental health of seafarers. We have compiled the *ABCs of Mental Health at Sea* manual and opened a crew counseling room for the mental health of seafarers.

Jointly Creating the Future of the Community

Enterprises and society have shared interests under harmonious coexistence. As a responsible enterprise, we proactively factor in the development needs of project areas. We actively participate in charity activities, conduct maritime rescues, and integrate into community development, as our way to give back to society, so as to realize continuous prosperity both for the company and society.

COSCO SHIPPING Charity Foundation

COSCO SHIPPING Charity Foundation is committed to carrying forward the national spirit, devoting COSCO SHIPPING's benevolence, supporting charitable causes, and promoting social harmony and development. The Foundation actively fulfills corporate social responsibilities by carrying out disaster relief, poverty alleviation, educational aid, and other charity activities.

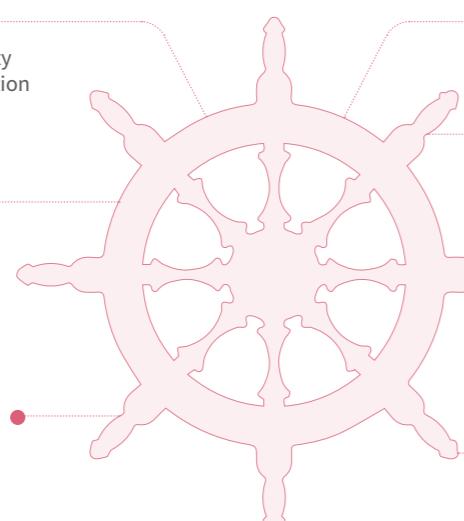
In addition, COSCO SHIPPING Charity Foundation has achieved full score in the Foundation Transparency Index (FTI) by the China Foundation Center for seven consecutive years. The Foundation takes the initiative to disclose donation information in a responsible, timely, accurate and transparent way.



The "Sailing to the Blue Sea" summer camp organized by COSCO SHIPPING Charity Foundation

Voyage · Chasing Dreams

Paying attention to educational charity by helping improve local basic education facilities and supplementing teachers



Voyage · Silk Road

Assisting the implementation of the Belt and Road Initiative by actively carrying out public welfare activities in regions and countries along the Belt and Road

Voyage · Green Development

Paying attention to environmental protection by cooperating with social organizations to carry out ecological research and project implementation of marine environmental protection

In 2019

RMB 78.49 million

COSCO SHIPPING Charity Foundation raised from donations

RMB 102 million

spent on charity causes

80

organized charity projects

By the end of the year

600

the Foundation had organized charity projects

RMB 703 million

donated accumulatively

● Voyage · Home

Participating in targeted poverty alleviation projects in Tibet and other areas

● Voyage · Health

To train doctors in designated poverty alleviation areas on practical skills of traditional Chinese medicine, improve the level of diagnosis and treatment, and inherit excellent culture. To carry out activities to assist the disabled in poverty alleviation area. Pay attention to the health of ocean-going crew and other special occupational groups, and carry out relevant public welfare activities

● Voyage · Disaster Relief

Paying attention to major global natural disasters and helping affected people rebuild their homes

Community Engagement

Enterprises are an important part of society. We care about the needs of various social groups and encourage employees to participate in activities such as community charity and donations to give back to the society and share development results with others.

Environment protection

Raising employees' environmental awareness, encouraging employees to participate in environmental protection activities such as tree planting and public welfare marathon, guiding them to live a green, low-carbon, healthy and civilized lifestyle, and advocating them to start small, to build an ecological home for all



Education support

Sending volunteers and donating books, audio-visual classroom equipment, and educational materials to remote and poor areas, to provide poor students with educational opportunities



Volunteer services

Guiding employees to actively participate in community development activities, and contribute to building a harmonious and happy community by organizing blood donation, community services, etc.



The "Setting Sail for Dreams" volunteer teacher program



Providing comprehensive volunteer services for the 2nd CIEE

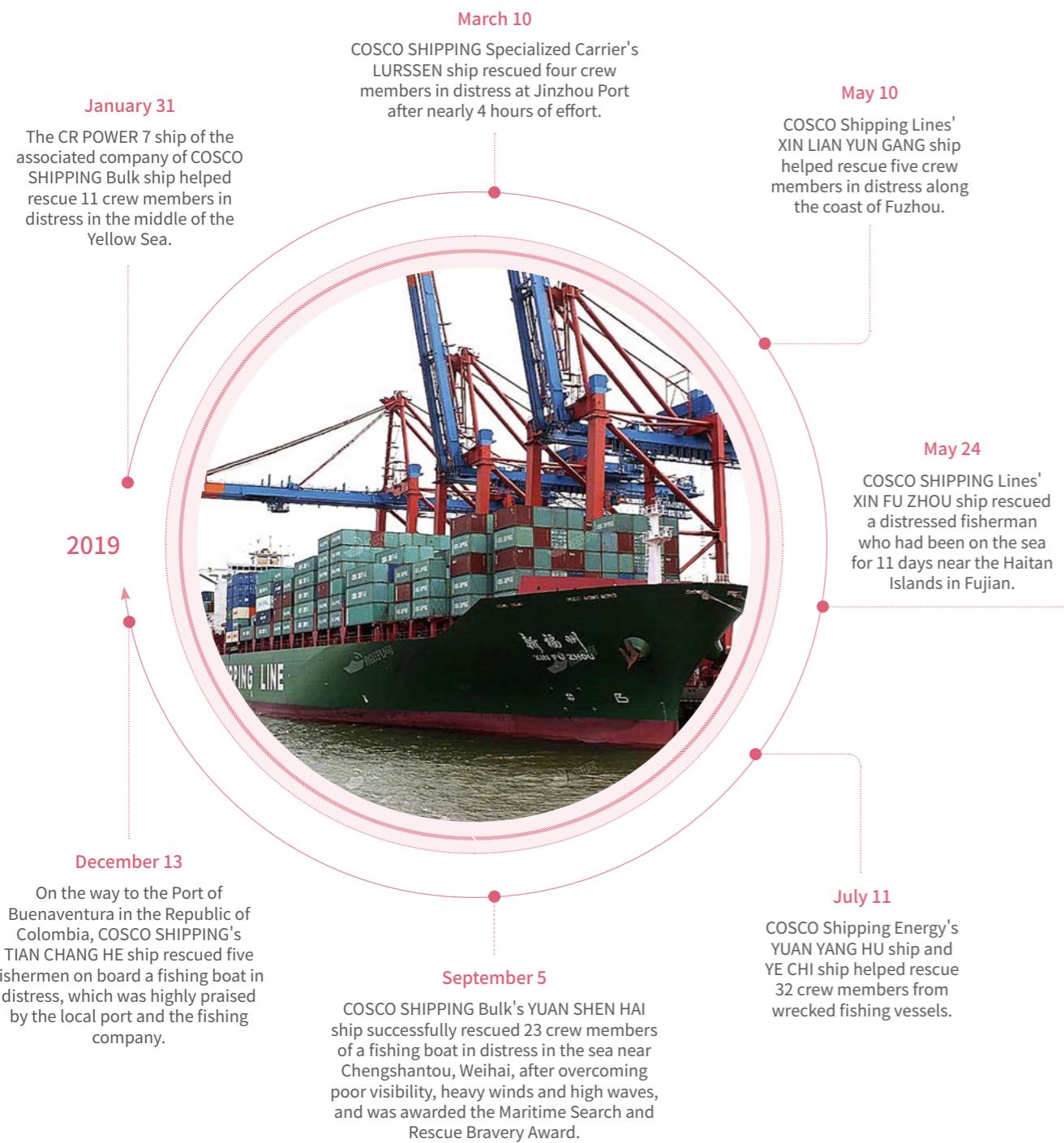


The "Loving the Source of Life" beach cleanup volunteer activity

Maritime Rescue

In the spirit of humanitarianism, COSCO SHIPPING has participated in many maritime rescues. In 2019, we participated in 36 maritime rescue operations and rescued 104 seafarers.

COSCO SHIPPING's active participation in maritime rescue to ensure maritime safety



CSR Fulfillment Overseas

COSCO SHIPPING actively promotes regional economic prosperity. While promoting the regional economic development, we actively shoulder social responsibilities by supporting local industrial and educational development and spreading the positive influence of charity to achieve common regional prosperity.

Enhancing China-Japan Cultural Exchanges

The "XIN JIAN ZHEN" vessel owned by China-Japan International Ferry Co., Ltd., a subsidiary of COSCO SHIPPING, shipped the exhibits of *A Blessing over the Sea: Cultural Relics on Jianzhen and Murals by Higashiyama Kaii from Toshodaiji* to be displayed at the Shanghai Museum. The service was of profound significance as it pays tribute to Master Jianzhen's six trips to Japan, and moreover, reminds and carries forward the historical and cultural bonds between China and Japan.



XIN JIAN ZHEN ship

Providing Educational Funds for Athens and Piraeus

In November 2019, COSCO SHIPPING Charity Foundation donated 500,000 Euros (or RMB 3.9 million) to the Hellenic Red Cross for students from low-income families in Athens and Piraeus. The fund will reward high-performing high school graduates with scholarships to pay for the costs of college entrance examinations and sponsor 30 cultural and sports charity activities for children aged 6 to 16. This one-year project is expected to benefit more than 2,100 people.



Supporting the Development of Madagascar's Fishing Industry

In December 2019, DA TONG YUN heavy-lift vessel, one of the COSCO SHIPPING's "Da II" types, transported six fishing vessels with a single weight of 150 metric tons and a total weight of 900 metric tons to Madagascar, Africa, to support local fishery production.

Outlook for 2020

Innovative Development

COSCO SHIPPING will resolutely seek development driven by innovation and transformation, foster a culture that encourages innovation, and cultivate innovators who dare to explore, to help build an agile and innovative corporate ecosystem. We will carry out open cross-industry cooperation with stakeholders, strengthen the development and transfer of smart shipping technologies, and accelerate the application and iteration of new shipping technologies, so as to promote the construction of a new and innovative shipping industry ecosystem. Embracing the fourth industrial revolution, we will promote the in-depth integration of shipping factors with information technology, AI and other high-tech technologies, to develop an efficient, convenient, healthy and orderly modern shipping service industry represented by smart ships, smart services, smart logistics and smart ports.

Coordinated Development

COSCO SHIPPING will pursue coordinated and common development, take into account both internal and external development needs, and explore a harmonious relationship that advocates co-existence and common prosperity. While safeguarding the safety red line, we will seek out and eliminate hidden safety hazards based on solid safety management. We will continue to achieve quality development and optimize resource allocation and service processes based on customer

experience. In pursuit of win-win cooperation, we will continue to optimize the performance of suppliers in sustainability and cultivate industry talents to create new value for the prosperity of the industry. We will continue to share our terminals, routes and other networks with stakeholders. At the same time, we will strive to transform from "a global carrier" to "shipping for the whole world" so as to help realize coordinated regional development across the world.

Green Development

COSCO SHIPPING will put ecological conservation first and pursue green development. We will formulate more environmental management policies and identify and manage environmental impacts in a more targeted way. We will actively combat climate change by promoting the adoption of energy-saving and environmental protection technologies and the management of energy-saving and emission-reduction targets, and accelerating the improvement of energy-saving emission-reduction performance. We will consolidate our status as China's leading LNG carrier, expand the LNG fleet, and further explore innovative solutions for LNG storage and transportation. We will build a green fleet and reduce waste water, exhaust gas and solid waste emanated from ships and ports. In addition, we will observe the IMO regulations in a proactive manner and promote the use of low-sulfur fuel and related technological upgrade. We will also strictly control ship ballast water discharge and encourage diversified management of marine

protection and conservation goals, to contribute to the global marine ecological and environmental protection.

Open Development

COSCO SHIPPING will remain open with a broad vision. We will actively improve our global network and create logistics channels for China's integration into the global economy, so as to provide important support for the "going global" of the Chinese economy, global connectivity and common economic development. We will take the initiative to fulfill the mission of globalization and take advantage of our global network and resources to build up China's influence in the international shipping market and contribute more to the common and sustainable development of the Group, the industry, as well as regional economy inside and outside China.

Development for All

COSCO SHIPPING is committed to achieving common development with employees and society and sharing a better life with them. Focusing on the improvement of talent management, we will create an inclusive and equal workplace and smooth career development channels for employees, organize rich cultural and sports activities, and care for employees' physical and mental health and wellbeing. As our response to social development needs, we will continue to invest in education, health, environmental protection and other areas. We will carry forward the spirit of humanitarianism and use our advantages to conduct maritime rescue. In addition, we will fulfill CSR proactively in overseas project areas and share the future development fruits with the whole community.



Expert Insights

After reading the Sustainability Report 2019 of China COSCO SHIPPING Corporation Limited, I am excited to find that COSCO SHIPPING always integrates its own development into the development of the whole shipping industry. It bears in mind social and environmental responsibilities during management and operation, and does all it can to contribute to the sustainable socioeconomic development of China and the world as a whole.

Sharing the same future with the country. Looking back on the history of COSCO SHIPPING, it can be said that it was born and developed alongside with the PRC and continued to advance in the new era. As the industry pacesetter, it has been deeply involved in the seventy-year journey of the shipping industry of China, witnessing the country sailing from offshore to ocean and growing from a late-comer to a leader on the international stage, and has experienced the profound changes brought by China's reform and opening up over the past forty years and opened a glorious chapter in the country's flourishing shipping industry with hard work.

Keeping pace with the times and striving for excellence. Under the headings of "Innovation - Stimulating Momentum for Continued Progress", "Coordination - Coordinating Forces for Sustainable Development", "Green Development - Protecting the Earth, Blue Seas and Skies", "Opening up - Sailing on the Maritime Silk Road", and "Sharing - Working Together for a Better Future", this report discloses COSCO SHIPPING's CSR practices and performance in its pursuit of the vision of innovative, coordinated, green, and open development that is for everyone, and demonstrates the Group's strong commitment to making improvement to meet the development needs and follow the trend of the times and continue down the path of responsibilities. Meanwhile, responding to special topics of the times and social hotspots, the report also comprehensively discloses COSCO SHIPPING's poverty alleviation management and what it has done and achieved in infrastructure construction, health care, education, industry, employment, consumption, and other areas, showcasing its unwavering efforts to help the country win the battle against poverty and build a moderately prosperous society in all respects.

Setting sail with responsibilities in mind. The SDGs outline a clear blueprint for a sustainable future, and places higher expectations on enterprises to facilitate the realization of the SDGs with their resources and capabilities. As a globally oriented company, COSCO SHIPPING gradually incorporates SDGs into corporate development to contribute to the realization of the SDGs. In this report, COSCO SHIPPING evaluates the SDGs by criticality and importance and accordingly divides them into primary SDGs and relevant SDGs, so that it can take corresponding CSR actions based on the relevance of each goal. This move shows its efforts to integrate SDGs into the whole process of corporate value creation and to build a bright future for sustainable development together with stakeholders.

What's past is prologue. Standing at a new starting point, I hope that COSCO SHIPPING will always remember why it started, accomplish its mission, pursue high-quality and sustainable development, provide better services for global customers, and create greater value.

The world is undergoing profound changes unseen in a century, with mounting economic, social and environmental pressures on the international community. In this context, sustainability becomes the "golden key" to current global issues as well as the reason for different parties to come together for common interests and cooperation. I'm glad to find in the Sustainability Report 2019 COSCO SHIPPING's unremitting and active practices regarding sustainable development and the enormous efforts and contribution in implementing the UN SDGs.

Living up to the expectations of both internal and external stakeholders. The report offers a panoramic view of how COSCO SHIPPING uses its expertise and resource advantages to facilitate global connectivity and unimpeded trade, provide better services to global socioeconomic development, and continue to create economic, social and environmental values in project areas. In the five chapters and two CSR focuses, the report responds to the expectations and demands of customers, employees, communities, the environment and other stakeholders. The Group embraces the intelligent development of the shipping industry, pursues the common prosperity and development of the industry and the value chain, protects marine ecology, connects the global economy and grows with employees and communities with concepts of new development, demonstrating COSCO SHIPPING's commitment to its original aspiration and mission as a world-leading shipping company.

Meeting international standards and the SDGs. This report benchmarks against the GRI Standards issued by the Global Sustainability Standard Board (GSSB). Focusing on nineteen material topics with industry and corporate features, the report discloses the CSR progress of the Group from the perspectives of sustainability background, management approaches and CSR practices. In response to the SDGs, COSCO SHIPPING also incorporates the SDGs into the corporate development philosophy as well as its operation and management, concentrates resources and expertise to help achieve primary SDGs, and by so doing, contributes its share to sustainable development. Such moves reflect the Group's broad heart and vision to fulfill social responsibilities.

Convincing and reader-friendly. While inheriting the merits of previous reports, this report is written clearly and concisely, inlaid with pictures, charts, typical cases, and comments from stakeholders, presenting a complete and grand CSR fulfillment picture to make readers feel the CSR power of COSCO SHIPPING.

Behind a detailed, concise, data-supported and beautifully designed report is the CSR commitment of the Group. I wish COSCO SHIPPING can build on past achievements while making fresh efforts to innovate and explore in sustainability, keep ahead and make a sound in the sustainable development of the global shipping industry, and contribute China's part to building a community with a shared future for mankind.

Deputy Director of the Employers Work Department of China Enterprise Confederation

Han Bin

Secretary of ISO 26000 Stakeholder Global Network
Founder and Chief Expert of GoldenBee

Yin Gefei

GRI Content Index

	Indicator	Position
GRI 102: General Disclosures 2016		
Organizational profile	102-1 Name of the organization	Overview
	102-2 Activities, brands, products, and services	Our Vision
	102-3 Location of headquarters	Overview
	102-4 Location of operations	Global Routes & Ports
	102-5 Ownership and legal form	Overview
	102-6 Markets served	Our Vision
	102-7 Scale of the organization	Employee Management
	102-8 Information on employees and other workers	Employee Management
	102-9 Supply chain	Building a Harmonious Supply Chain
	102-11 Precautionary Principle or approach	Risk Management
Strategy	102-12 External initiatives	Industry Exchanges and Cooperation
	102-14 Statement from senior decision-maker	Message from Chairman
Ethics and integrity	102-16 Values, principles, standards, and norms of behavior	Overview, Business Integrity and Compliance
	102-17 Mechanisms for advice and concerns about ethics	Business Integrity and Compliance
Governance	102-18 Governance structure	Overview
	102-40 List of stakeholder groups	Stakeholders Communication and Engagement
Stakeholder engagement	102-42 Identifying and selecting stakeholders	Stakeholders Communication and Engagement
	102-43 Approach to stakeholder engagement	Stakeholders Communication and Engagement
	102-44 Key topics and concerns raised	Stakeholders Communication and Engagement

	Indicator	Position
GRI 102: General Disclosures 2016		
Reporting practice	102-45 Entities included in the consolidated financial statements	About this Report
	102-46 Defining report content and topic Boundaries	About this Report
	102-47 List of material topics	Analysis of Material Topics
	102-50 Reporting period	About this Report
	102-52 Reporting cycle	About this Report
	102-53 Contact point for questions regarding the report	Reader Feedback
	102-54 Claims of reporting in accordance with the GRI standards	About this Report, GRI Content Index
	102-55 GRI content index	GRI Content Index
	GRI 203: Indirect Economic Impacts 2016	
	103-1 Explanation of the material topic and its Boundary; 103-2 The management approach and its components; 103-3 Evaluation of the management approach	CSR Focus II - Taking Well-targeted Steps to Bring a Better Life to the Impoverished
Management Approach	203-1 Infrastructure investments and services supported	CSR Focus II - Taking Well-targeted Steps to Bring a Better Life to the Impoverished, Driving Regional Development
	203-2 Significant indirect economic impacts	CSR Focus II - Taking Well-targeted Steps to Bring a Better Life to the Impoverished
GRI 205: Anti-corruption 2016		
Management Approach	103-1 Explanation of the material topic and its Boundary; 103-2 The management approach and its components; 103-3 Evaluation of the management approach	Business Integrity and Compliance
	205-2 Communication and training about anti-corruption policies and procedures	Business Integrity and Compliance
GRI 302: Energy 2016		
Management Approach	103-1 Explanation of the material topic and its Boundary; 103-2 The management approach and its components; 103-3 Evaluation of the management approach	Advocating Energy Conservation and Emission Reduction, Supporting the Development of Clean Energy, Abiding by the IMO 2020 Global Sulphur Limit, Green Ships, Green Ports
	302-1 Energy consumption within the organization	Figures in 2019
Specific Topic Disclosures	302-5 Reductions in energy requirements of products and services	Advocating Energy Conservation and Emission Reduction, Green Ships, Green Ports

Indicator	Position
GRI 304: Biodiversity 2016	
Management Approach	103-1 Explanation of the material topic and its Boundary; 103-2 The management approach and its components; 103-3 Evaluation of the management approach
Specific Topic Disclosures	304-2 Significant impacts of activities, products, and services on biodiversity
GRI 308: Supplier Environmental Assessment 2016	
Management Approach	103-1 Explanation of the material topic and its Boundary; 103-2 The management approach and its components; 103-3 Evaluation of the management approach
GRI 401: Employment 2016	
Management Approach	103-1 Explanation of the material topic and its Boundary; 103-2 The management approach and its components; 103-3 Evaluation of the management approach
Specific Topic Disclosures	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees 401-3 Parental leave
GRI 403: Occupational Health and Safety 2016	
Management Approach	103-1 Explanation of the material topic and its Boundary; 103-2 The management approach and its components; 103-3 Evaluation of the management approach
GRI 404: Training and Education 2016	
Management Approach	103-1 Explanation of the material topic and its Boundary; 103-2 The management approach and its components; 103-3 Evaluation of the management approach
Specific Topic Disclosures	404-2 Programs for upgrading employee skills and transition assistance programs
GRI 414: Supplier Social Assessment 2016	
Management Approach	103-1 Explanation of the material topic and its Boundary; 103-2 The management approach and its components; 103-3 Evaluation of the management approach

Reader Feedback

We sincerely look forward to your comments and suggestions and will carefully read and analyze the feedback of every recipient of this *Sustainability Report 2019 of China COSCO SHIPPING Corporation Limited*. Your comments and suggestions are an important basis for the continuous improvement of our CSR management and practices. Please feel free to fill in the following form, detach it, and send it to us by mail or fax. We sincerely welcome and appreciate your highly valued advice!

Your information

Name: _____ Organization: _____
Telephone: _____ E-mail: _____

1. Your overall evaluation of COSCO SHIPPING's social responsibility performance:

Very good Good Fair Poor

2. Your overall evaluation of this report:

Very good Good Fair Poor

3. What do you think of COSCO SHIPPING's performance in communication with stakeholders?

Very good Good Fair Poor

4. What do you think of COSCO SHIPPING's performance in fulfilling economic responsibility?

Very good Good Fair Poor

5. What do you think of COSCO SHIPPING's performance in fulfilling environmental responsibility?

Very good Good Fair Poor

6. What do you think of COSCO SHIPPING's performance in fulfilling social responsibility?

Very good Good Fair Poor

7. Do you think the content and layout of this report help you read?

Yes No

8. What other information to your concern is not disclosed in this report?

9. What are your comments and suggestions on COSCO SHIPPING's fulfillment of social responsibility and this report as a whole?



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 The report is printed on environmentally friendly paper