

CORPORATE GOVERNANCE REPORT

COSCO SHIPPING Ports is committed to building a balanced world-class global terminal network to meet the needs of its customers, and to establishing, with the corporate brand of “The Ports for ALL”, a synergistic platform that creates maximum value for the stakeholders. The Company pursues the corporate mission of “Connecting the World and Creating Value”, and strives to achieve the corporate vision of “Becoming the Global Leading Port Logistics Service Provider with a Customer-Oriented Focus”. To this end, the Company adheres to the business philosophy of “Establishing a Global Presence, Lean Operation and Innovation Empowerment, Deepening Strategic Collaboration, Safe and Steady Development”, and fully exerts its leading functions as the forerunner in the industry by formulating development strategies that balance the interests of all parties. Besides, the Company actively practices its corporate social responsibility and environmental protection awareness, so as to demonstrate its corporate value of “Customer-Oriented, Talent-Centered, Innovation-Leading, Open and Win-Win”, and to inherit and develop its corporate spirit of “Companions, Strivers, and Achievers”. Under the encouragement and promotion of the board of directors of the Company (the “Board”), all directors lead by example and all employees act with discipline and integrity, and continually uphold the value of “acting lawfully, ethically and responsibly”.

The corporate governance framework of the Company aims to ensure that the highest standards of corporate conduct are in place within the Company. The Board sustains and enhances the Company’s corporate governance through timely, transparent, effective and accountable approaches and policies. The Board strongly believes that good corporate governance is the core of a well-managed organisation.

In 2025, COSCO SHIPPING Ports gained widespread recognition from various sectors of society and the capital markets for its exceptional terminal operation management and robust corporate governance model.

- Received the “Hong Kong Green and Sustainable Contribution Awards 2025” presented by the Hong Kong Quality Assurance Agency (HKQAA);
- Selected as a “2025 Top Logistics ESG Practice Enterprise in China” by China Shipping Gazette;
- At the “16th China Listed Companies Investor Relations Tianma Awards” organized by Securities Times, won for the first time the “Tianma Award for Investor Relations Management of Hong Kong – listed Companies”;
- Selected for the “2025 GoldenBee Greater Bay Area Corporate Social Responsibility · China List” organized by the GoldenBee Think Tank and other organizations;
- Received the “Most Progress in Investor Relations Award” presented by the Hong Kong Investor Relations Association;

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- At the 4th International Green & Low-Carbon and ESG Leaders Summit, recognized as a “2025 New Quality Productive Forces Sustainable Development Pioneer”;
- Selected for the “China ESG Listed Company Pioneer 100” list released by the China Media Group Finance Program Center together with the State-owned Assets Supervision and Administration Commission of the State Council and other organizations;
- At the “Golden Bull Awards Ceremony for Listed Companies (Hong Kong Stocks)” organized by China Securities Journal, won for the first time the “Social Responsibility Golden Bull Award” for Hong Kong listed companies.

CORPORATE GOVERNANCE PRACTICES

The Company disclosed its corporate governance practices in its annual reports as early as 2002.

The Company’s corporate governance practices are in compliance with the code provisions set out in the Corporate Governance Code contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) (the “Corporate Governance Code”). The Company also refers to the Organisation for Economic Co-operation and Development (OECD) principles to set out a series of ethical standards to maintain a high level of corporate accountability and transparency.

The Company believes that good corporate governance is essential to the sustainability of the Company’s business and performance. The Company confirms that for the year ended 31 December 2025, it has complied with all the code provisions of the Corporate Governance Code that were in force set out in Appendix C1 to the Listing Rules, except the following deviations:

During the period from 1 January 2025 to 29 April 2025, Mr. Zhu Tao, the Company’s Chairman of the Board, concurrently served as the Managing Director (i.e., Chief Executive), thereby deviating from the requirements of the code provision C.2.1 which provides that the roles of chairman and chief executive should be separated and should not be performed by the same individual. Effective from 30 April 2025, (1) Mr. Zhu Tao resigned from his position as the Company’s Managing Director but continued to serve as the Chairman of the Board; (2) Ms. Wu Yu was appointed as the Company’s Managing Director; and (3) the Company has since regained compliance with the requirements under the code provision C.2.1 of the Corporate Governance Code.

In order to promote transparency, the Company reviews, from time to time, the recommended best practices in the Corporate Governance Code that the Company may comply with. Set forth below are the major recommended best practices in the Corporate Governance Code with which the Company continued to comply during the year ended 31 December 2025:

Recommended Best Practice D.1.5

Recommended best practice D.1.5 of the Corporate Governance Code states that a listed company should announce and publish quarterly financial results. The Company has published the announcements of its first and third quarterly results on 29 April 2025 and 30 October 2025, respectively, on a voluntary basis.

Below are the policies, processes and practices adopted by the Company in compliance with the principles and spirit of the Corporate Governance Code.

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BOARD OF DIRECTORS

Board Functions and Responsibilities of Directors

The Board is responsible for the leadership and control of the Company and its subsidiaries (together, the “Group”) and is collectively responsible for promoting the success of the Group by directing and supervising the Group’s business. Every Board member is required to keep abreast of his/her duties and responsibilities in the Company in its operation, business and development and should perform his/her duties in good faith, exercise due diligence and act in the best interest of the Group and its shareholders. The Board should ensure that the Company complies with all applicable laws and regulations.

The Board delegates day-to-day operations of the Group to the management. Both the Board and the management have clearly defined their respective authorities and responsibilities under various risk management, internal control and check-and-balance mechanisms. Matters that are decided by the Board include:

- establishing the strategic direction of the Group
- setting objectives and business development plans
- monitoring the performance of the senior management
- implementing corporate governance measures, including but not limited to (i) establishing risk management and internal control systems; (ii) establishing shareholders’ communication policy; and (iii) establishing mechanism on how the Board obtains independent advice, and reviewing such policy(ies) and mechanism(s) on a regular basis to ensure their effectiveness.

The Board reviews and approves the Company’s annual budget and business plans, which serve as the important benchmarks in assessing and monitoring the performance of the management. The directors have access to the management and are welcome to request explanations, briefings or discussions on the Company’s operations or business issues.

The Company has clear corporate governance procedures in place to ensure that all directors fully understand their duties and responsibilities.

All newly appointed directors are required to attend a comprehensive induction programme which includes management presentations on the Group’s businesses, strategic plans and objectives. A comprehensive orientation package including policies on disclosure of interest in securities, prohibitions against dealing in the Company’s securities, restrictions on disclosure of inside information, and disclosure obligations of a listed company under the Listing Rules is provided. Information included in the programme and orientation package is updated from time to time and in accordance with the changes in the relevant laws and regulations.

Board Composition

As at 18 March 2026 (the date on which the Board approved this report), the Board consisted of nine members. Among them, two are executive directors, two are non-executive directors and five are independent non-executive directors, including Mr. ZHU Tao¹ (Chairman), Ms. WU Yu¹ (Managing Director), Mr. MA Xianghui², Mr. CHEN Shuai², Mr. Adrian David LI Man Kiu³, Mr. LAM Yiu Kin³, Prof. CHAN Ka Lok³, Mr. YANG Liang Yee Philip³ and Prof. TAM Kam Lan, Annie³.

1 Executive director

2 Non-executive director

3 Independent non-executive director

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There are no relationships (including financial, business, family or other material/relevant relationship(s)) between the Board members. Biographical details of the directors are set out in the section headed "Directors and Senior Management Profiles" in this annual report and the section headed "About CSP – Leadership – Board of Directors" on the Company's website at (<https://ports.coscoshipping.com>). A list containing the names of the directors and their respective roles and functions is also published on the said website.

Separation of Chairman and Managing Director

To ensure independence, accountability and responsibility in Board functions, except the abovesaid period from 1 January 2025 to 29 April 2025, the posts of Chairman and Managing Director are separated and each plays a distinctive role. The Chairman is responsible for setting the Group's strategy and business directions, managing the Board and ensuring that the Board functions efficiently with good corporate governance practices and procedures, as well as handling key issues in a timely manner. The Managing Director, supported by other Board members and the senior management, is responsible for implementing major strategies set by the Board and managing the Group's day-to-day business. The division of responsibility between the Chairman and the Managing Director is clearly established and set out in writing.

Non-executive Directors (including Independent Non-executive Directors)

The Company has two non-executive directors and five independent non-executive directors who are not involved in the day-to-day operation and management of the Group's businesses. The two non-executive directors have contributed innovative views to the Board's decision-making process based on their rich experience in terminal operations management, accounting and financing, capital market and strategic planning. Their expertise helps to facilitate the process of formulating the Group's strategy. The five independent non-executive directors, representing more than one third of the Board, have well-recognised experience in areas such as accounting, law, finance, commerce, administration and public affairs, among other fields. Their insightful advice, diverse skills and extensive business experience are major contributors to the development of the Company, and offer check and balance to the Board. They ensure that matters are fully debated and that no individual or group of individuals dominates the Board's decision-making process. In addition, they procure the Board to maintain a high standard of financial, regulatory and other mandatory reporting and provide an adequate check and balance to safeguard the interest of shareholders and the Company as a whole.

Each of the non-executive directors and independent non-executive directors has signed an appointment letter with the Company for a term of around three years. Their terms of appointment are subject to the rotational retirement provision of the Bye-laws of the Company and shall terminate on the earlier of (i) the date of expiry of the said term of service, or (ii) the date on which the director ceases to be a director for any reasons pursuant to the Bye-laws of the Company or any applicable laws.

The Board has received from each independent non-executive director a written annual confirmation of his/her independence and is satisfied with their independence in accordance with the Listing Rules.

The Nomination Committee of the Company has conducted an annual review of the independence of all independent non-executive directors of the Company and confirmed that all the independent non-executive directors satisfied the criteria of independence as set out in the Listing Rules.

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Board Meetings

Board meetings are scheduled one year in advance to facilitate maximum attendance by the directors. The Board held four regular Board meetings during the year ended 31 December 2025 at quarterly intervals to approve the 2024 annual results, 2025 interim results and 2025 first and third quarterly results of the Company. The average attendance rate was 85.1%. Independent non-executive directors of the Company have attended the Board meetings for considering and approving the continuing connected transaction. As the members of the Board are either based in Hong Kong or in Mainland China, the Board meetings were conducted by video and/or telephone conference as permitted under the Bye-laws of the Company. The Chief Accountant and the Board Secretary also attended the Board meetings to report matters arising from corporate governance, risk management, statutory compliance, accounting and financial aspects.

Before each regular Board meeting, the Board is provided with adequate information by the senior management pertaining to matters to be brought before the Board for decision as well as reports relating to operational and financial performances of the Group, in addition to the minutes of preceding meetings of the Board and Board committees. At least 14 days' notice of a regular Board meeting is given to all directors to provide them with an opportunity to attend and all directors are given an opportunity to include matters in the agenda for a regular meeting. Board papers are usually dispatched to the directors at least three days before the meeting to ensure that they have sufficient time to review the papers and be adequately prepared for the meeting. Directors unable to attend a meeting are advised of the matters to be discussed and are given an opportunity to make their views known to the Chairman prior to the meeting. If any director requires further information or explanation after the meeting documents have been provided, responses will be provided by the relevant division(s) to ensure that the director has the information he/she considers necessary before making a decision. Besides, in order to assist the directors in fulfilling their duties to the Company, the Board has established written procedures for them, upon reasonable request, to seek independent professional advice at the Company's expense in appropriate circumstances. Senior management members, the management and professional consultants (if required) who are responsible for the preparation of the Board papers are invited to attend the meeting and answer any questions or enquiries that Board members may have on the papers. This enables the Board to obtain pertinent data and thorough understanding of the Board's decision-making matters, thereby enabling a comprehensive and informed assessment of the matter. Except occasional absence due to business engagements, the Chairman of the Company conducts the proceedings of the Board at all Board meetings. He ensures that sufficient time is allocated for discussion and consideration of each item on the agenda and equal opportunities are given to all the directors to speak, express their views and raise their concerns. In addition, the chairman of the meeting shall ask the directors whether they have any objections or any questions to raise for discussion on each agenda item, ensuring that each director can present his/her independent views on the spot. The above measures form the mechanisms which ensure independent views are available to the Board. The Board is of the view that such mechanisms ensure that the directors have chance to speak and express their independent views, and considers that such mechanisms are effective.

Minutes of the Board meetings record in sufficient detail the matters considered by the Board and the decisions reached, including any concerns raised by the directors. Draft minutes of each Board meeting are sent to all directors for comments within a reasonable time after the Board meeting is held. All directors have access to the Board Secretary, who is responsible for ensuring that the Board procedures and all applicable laws and regulations are complied with and providing advice to the Board on compliance matters.

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Set out below are the details of all directors' attendance at the Board meetings and general meetings during the year ended 31 December 2025 which illustrate the attention given by the directors in overseeing the Company's affairs and understanding shareholders' views:

Attendance Record of Board Members at Board Meetings and General Meetings held in 2025

| | No. of Board meetings attended/held | Attendance rate of Board meetings (%) | No. of general meetings attended/held | Attendance rate of general meetings (%) |
|-----------------------------------------------------------------------------------------|-------------------------------------|---------------------------------------|---------------------------------------|-----------------------------------------|
| Directors | | | | |
| Mr. ZHU Tao ¹ (Chairman) (Resigned as Managing Director on 30 April 2025) | 3/4 | 75 | 2/2 | 100 |
| Ms. WU Yu ¹ (Managing Director) (Appointed on 30 April 2025) | 2/2 | 100 | 2/2 | 100 |
| Mr. MA Xianghui ² | 4/4 | 100 | 1/2 | 50 |
| Mr. CHEN Shuai ² | 0/4 | 0 | 0/2 | 0 |
| Mr. Adrian David LI Man Kiu ³ | 4/4 | 100 | 2/2 | 100 |
| Mr. LAM Yiu Kin ³ | 4/4 | 100 | 2/2 | 100 |
| Prof. CHAN Ka Lok ³ | 4/4 | 100 | 2/2 | 100 |
| Mr. YANG Liang Yee Philip ³ | 4/4 | 100 | 2/2 | 100 |
| Prof. TAM Kam Lan, Annie ³ (Appointed on 1 July 2025) | 2/2 | 100 | 1/1 | 100 |
| Former Director | | | | |
| Dr. FAN HSU Lai Tai, Rita ³ (Resigned on 1 July 2025) | 2/2 | 100 | 1/1 | 100 |

1 Executive director

2 Non-executive director

3 Independent non-executive director

Pursuant to code provision C.2.7 of the Corporate Governance Code, an independent meeting is held annually between the Chairman and the independent non-executive directors without the presence of other directors. Due to the work arrangements of the Chairman and the independent non-executive directors, the meeting for 2025 was postponed until March 2026.

Appointment, Re-election and Removal of Directors

The Company follows a set of formal, well-considered and transparent procedures for the appointment of new directors. The Nomination Committee, chaired by an independent non-executive director, and comprising a majority of independent non-executive directors, has formulated a set of nomination policies and is responsible for identifying and nominating suitable candidates as additional directors or to fill in casual vacancies on the Board for the Board's consideration, and for making recommendations to the shareholders regarding any directors proposed for re-election at general meetings.

Details of the selection process of new directors and a summary of work performed by the Nomination Committee in 2025 are set out in the "Nomination Committee" section below.

At each annual general meeting, one third of the serving directors (or, if their number is not a multiple of three, the number nearest to but not more than one third) shall retire from office by rotation provided that every director shall be subject to retirement at least once every three years.

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Directors' Commitment and Participation in Continuous Professional Development

The Company has received confirmations from all directors that they have given sufficient time and attention to the affairs of the Company during the year ended 31 December 2025. Directors have also disclosed to the Company the number and nature of their offices held in public companies or organisations and other significant commitments, as well as the identity of the said public companies and an indication of time involved in such offices.

The Company's newly appointed directors receive comprehensive induction training upon appointment to ensure they understand their responsibilities and obligations as directors under the Listing Rules and relevant regulatory requirements, their roles and duties in the Company's Board and Board Committees, as well as the Company's corporate governance practices and business operations. Both Ms. WU Yu (appointed on 30 April 2025), who obtained legal advice referred to in Rule 3.09D of the Listing Rules from a law firm qualified to advise on Hong Kong law on 28 April 2025, and Prof. TAM Kam Lan, Annie (appointed on 1 July 2025), who obtained such advice on 23 June 2025, have confirmed their understanding of their duties and obligations as directors of the Company.

Directors are required to participate in continuous professional development to ensure that they have a proper understanding of the Company's operations and business and are fully aware of their responsibilities under the Listing Rules and other applicable laws and regulations. The following table sets out the details of all directors' participation in continuous professional development programmes as of the year ended 31 December 2025:

Directors' Participation in Continuous Professional Development Programmes in 2025

| | Reading regulatory updates | Making visits to management of the Company and/or its subsidiaries | Attending directors' training organised by the Company or other listed companies/ professional organisations |
|----------------------------------------------------------------------------|----------------------------|--------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
| Directors | | | |
| Mr. ZHU Tao ¹ (Chairman) | ✓ | ✓ | ✓ |
| Ms. WU Yu ¹ (Managing Director) (Appointed on 30 April 2025) | ✓ | ✓ | ✓ |
| Mr. MA Xianghui ² | ✓ | ✓ | ✓ |
| Mr. CHEN Shuai ² | ✓ | – | – |
| Mr. Adrian David LI Man Kiu ³ | ✓ | ✓ | ✓ |
| Mr. LAM Yiu Kin ³ | ✓ | ✓ | ✓ |
| Prof. CHAN Ka Lok ³ | ✓ | ✓ | ✓ |
| Mr. YANG Liang Yee Philip ³ | ✓ | ✓ | ✓ |
| Prof. TAM Kam Lan, Annie ³ (Appointed on 1 July 2025) | ✓ | ✓ | ✓ |
| Former Director | | | |
| Dr. FAN HSU Lai Tai, Rita ³ (Resigned on 1 July 2025) | ✓ | ✓ | ✓ |

1 Executive director

2 Non-executive director

3 Independent non-executive director

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Directors'/Senior Management's Securities Transactions

All directors are obliged to observe the requirements stipulated in the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the "Model Code"), as the Company has adopted the Model Code as the Company's code of conduct and rules governing dealings by its directors in the securities of the Company. In addition, the Board has established written guidelines for the senior management and relevant employees of the Company in respect of their dealings in the securities of the Company on no less exacting terms than the Model Code. A committee comprising the Chairman was set up to deal with such transactions.

Specific confirmation has been obtained from the directors and senior management of the Company regarding their compliance with the Model Code and the aforementioned guidelines in 2025. No incidents of non-compliance were identified by the Company in 2025.

BOARD SECRETARY

The Board Secretary, who is directly responsible to the Board, ensures that directors are updated on all relevant regulatory changes of which she is aware, including organising appropriate continuing development programmes for directors.

All directors have access to the Board Secretary who is responsible for ensuring good information flow within the Board and accurate execution of the Board policies and procedures. The Board Secretary is also responsible for providing advice to the Board in relation to directors' obligations regarding disclosure of interest in securities and regarding disclosure requirements on notifiable transactions, connected transactions and inside information. In respect of information disclosure, the Board Secretary shall advise the Board on making true, accurate, complete and timely disclosures to the public strictly pursuant to the requirements of the Listing Rules, applicable laws, regulations and the Bye-laws of the Company.

The Board Secretary is authorised representative of the Company and the primary channel of communication between the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). She also assists the Board in implementing and strengthening corporate governance practices with a view to enhancing long-term shareholder value. In addition, the Board Secretary will, when appropriate, provide directors with the latest information regarding their continuing legal, regulatory and compliance obligations. In relation to connected transactions and disclosure requirements, regular seminars are held by the Board Secretary for management and senior executives within the Group to ensure that such transactions are handled in compliance with the Listing Rules. Detailed analyses are performed on all potential connected transactions to ensure full compliance, as well as for directors' consideration.

The Board Secretary has duly complied with the relevant training requirement under Rule 3.29 of the Listing Rules.

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DELEGATION BY THE BOARD

Management Functions

The Board delegates day-to-day responsibilities to the management. The respective functions of the Board and the management have been clearly established and set out in writing. The management is responsible for the following duties delegated by the Board:

- implementing the strategies and plans established by the Board
- submitting reports on the Company's operations to the Board on a regular basis to ensure effective discharge of responsibilities by the Board, including but not limited to the monthly updates provided to Board members pursuant to the relevant provisions of the Listing Rules

Board Committees

To assist the Board in the execution of its duties and to facilitate effective management, certain functions of the Board have been delegated to various Board committees, which shall review and make recommendations to the Board within a specific scope. The Board has established a total of seven Board committees, the details of which are set out below. Each committee consists of directors, members of senior management and management members, and has a defined scope of duties and terms of reference; and committee members have the right to make decisions on matters within the terms of reference of each committee. These committees have the authority to examine particular issues and report to the Board with their recommendations where appropriate, subject to the ultimate authority of final decision-making by the Board on all matters.

The terms of reference of seven Board committees setting out their roles and the authority delegated by the Board have been posted under the section headed "About CSP – Leadership – Board Committees" on the Company's website (<https://ports.coscoshipping.com>). The terms of reference will be revised when appropriate. It is the Company's policy to ensure that the committees are provided with sufficient resources to discharge their duties. They have regular, scheduled meetings every year and report to the Board on a regular basis. All businesses transacted at committee meetings are meticulously recorded and well maintained, and minutes of committee meetings are circulated to the Board for reference.

1. Executive Committee

The Executive Committee consists of all the executive directors of the Company who are frequently in Hong Kong. The committee is established to facilitate the daily operations of the Company. As most of the directors of the Company are fully engaged in their major responsibilities and/or stationed in Mainland China and Hong Kong, it is practically difficult and inconvenient to convene full Board meetings or arrange for all directors to sign written resolutions on a frequent basis. Hence, the Board delegates powers to the Executive Committee to conduct and supervise the business of the Company and its staff.

During the year ended 31 December 2025, the Executive Committee executed 17 sets of written resolutions. Relevant written resolutions recorded in detail all matters resolved, including key factors considered for decision making. A committee member presents a summary report of the resolution matters to the Board at Board meetings. All directors of the Company can at any time inspect the written resolutions of the committee meetings in 2025, and request for copies of the written resolutions from the Board Secretary.

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2. Audit Committee

The Audit Committee, chaired by an independent non-executive director with appropriate professional qualifications, consists of three members, all of whom are independent non-executive directors of the Company. All committee members are professionals in their own sectors, including accounting, legal, banking and/or commerce, finance, administration and public affairs areas, etc.

The Audit Committee is authorised by the Board to investigate any activity within its terms of reference. It has unrestricted access to information relating to the Group, internal auditors (with relevant functions performed by the Audit & Supervision Division of the Company (the "Audit & Supervision Division")), external auditors, the management and the staff. Its terms of reference are aligned with the recommendations set out in "A Guide for Effective Audit Committees" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the code provisions set out in the Corporate Governance Code.

In addition to providing advice and recommendations to the Board, the Audit Committee also oversees all matters relating to the external auditors. It therefore plays an important role in monitoring and maintaining the independence of the external auditors. Representative of the Audit & Supervision Division is directly accountable to the Chairman of the Audit Committee.

Regular meetings of the Audit Committee are held four times a year on a quarterly basis, with additional meetings arranged as and when required. During the year ended 31 December 2025, a total of five meetings were held by the Audit Committee.

The key matters deliberated on by the Audit Committee in 2025 included but are not limited to:

- reviewed the accounting principles and practices adopted by the Group and other financial reporting matters
- reviewed the drafts of annual, interim and quarterly results announcements as well as those of annual and interim reports of the Company, and assured the completeness, accuracy and fairness of the financial statements of the Company
- reviewed the results of the external audit, and discussed relevant audit issues with the external auditors
- reviewed the internal audit plans and internal audit reports
- reviewed the risk management and internal control policy of the Company; discussed the effectiveness of the risk management and internal control systems throughout the Group, including financial, operational and compliance controls, and reviewed the summary report on risk management
- reviewed the report on the institutional development on legal governance
- reviewed the appointment of external auditor and related audit fees
- reviewed the summary for continuing connected transactions of the Company on a quarterly basis

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Attendance Record of Audit Committee Members in 2025

| Names of members | No. of meetings attended/held | Attendance rate (%) |
|------------------------------------------------------------------|-------------------------------|---------------------|
| Members | | |
| Mr. Adrian David LI Man Kiu ¹ (Chairman) | 5/5 | 100 |
| Mr. LAM Yiu Kin ¹ | 4/5 | 80 |
| Prof. TAM Kam Lan, Annie ¹ (Appointed on 1 July 2025) | 2/2 | 100 |
| Former Member | | |
| Dr. FAN HSU Lai Tai, Rita ¹ (Resigned on 1 July 2025) | 3/3 | 100 |

¹ Independent non-executive director

3. Remuneration Committee

The Remuneration Committee comprises five members, the majority of whom (including chairman of the committee) are independent non-executive directors of the Company.

The Company adopts model (ii) as set out in the code provision E.1.2(c) of the Corporate Governance Code, under which the Remuneration Committee makes recommendations to the Board on the remuneration packages of individual executive directors and senior management. The Remuneration Committee also makes recommendations to the Board on the policy and structure for all directors' and senior management's remuneration. If necessary, the Remuneration Committee can engage professional advisers to assist and/or provide professional advice on relevant issues.

When formulating remuneration packages (which comprise salaries, bonus, benefits in kind, etc.), the Remuneration Committee considers several factors such as salaries paid by comparable companies, time commitment, job responsibilities, individual performance and the performance of the Company. The Remuneration Committee will also review and approve the management's remuneration proposals with reference to the corporate goals resolved by the Board from time to time.

The following is a summary of the work of the Remuneration Committee in 2025:

- conducted annual review and made recommendations to the Board on the remuneration packages of all directors and members of senior management
- reviewed and made recommendations to the Board on the remuneration packages of newly appointed directors and members of senior management

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Attendance Record of Remuneration Committee Members in 2025

| Name of Members | No. of meetings attended/held | Attendance rate (%) |
|-----------------------------------------------------------------------------|-------------------------------|---------------------|
| Members | | |
| Prof. TAM Kam Lan, Annie ¹ (Chairman) (Appointed on 1 July 2025) | 1/1 | 100 |
| Mr. Adrian David LI Man Kiu ¹ | 2/2 | 100 |
| Prof. CHAN Ka Lok ¹ | 2/2 | 100 |
| Ms. WU Yu ² (Appointed on 30 April 2025) | 1/1 | 100 |
| Mr. MING Kailang | 1/2 | 50 |
| Former Members | | |
| Mr. ZHU Tao ³ (Resigned on 30 April 2025) | 0/1 | 0 |
| Dr. FAN HSU Lai Tai, Rita ¹ (Resigned on 1 July 2025) | 1/1 | 100 |

1 Independent non-executive director

2 Executive director, Managing Director

3 Executive director, Chairman of the Board

Remuneration Policy

The remuneration policy of the Company ensures the competitiveness and effectiveness of the Company's pay levels for attracting, retaining and motivating directors, senior management and employees.

No director, or any of his/her associates, is involved in determining his/her own remuneration. The remuneration policy for non-executive directors ensures that they are sufficiently yet not excessively compensated for their efforts and time dedicated to the Company. The policy for executive directors, senior management and employees assures that remuneration offered is appropriate for the duties involved and in line with market practice. The aggregate amount of directors' fees is subject to approval by shareholders at the annual general meeting.

The key components of the Company's remuneration package include basic salary plus other allowances, discretionary cash bonus and mandatory provident fund contributions. The cash bonus is tied to the performance of the individual.

4. Nomination Committee

The Nomination Committee comprises three members, the majority of whom (including chairman of the committee) are independent non-executive directors of the Company.

The Nomination Committee is responsible for nominating potential candidates for directorship, reviewing the nomination of directors, assessing the independence of independent non-executive directors and making recommendations to the Board on appointments and re-elections. It is also responsible for reviewing and making recommendations, if any, to the Board on the Company's board diversity policy (the "Board Diversity Policy").

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During 2025 and early 2026, the work performed by the Nomination Committee included the following:

- reviewed the Board Diversity Policy
- reviewed the structure, size and composition of the Board and assisted the Board in maintaining a Board skill matrix
- made recommendations to the Board on the appointment and re-election of directors
- made recommendations to the Board on the appointment of Board committees members
- conducted an annual review of the independence of the independent non-executive directors
- adopted the employee diversity policy
- proposed amendments to the terms of reference of the Nomination Committee

According to the terms of reference of the Nomination Committee, all new appointments of directors and nominations of retiring directors proposed for re-election at the annual general meeting should first be considered by the Nomination Committee according to the nomination policy and Board Diversity Policy and then recommended by the Nomination Committee to the Board for decision.

During the year, Ms. WU Yu and Ms. TAM Kam Lan, Annie were appointed as directors of the Company. In considering the appointment of directors, the Nomination Committee followed the procedures and process set out in the Nomination Policy (as defined below) and Board Diversity Policy for the nomination of directorship and assessed the relevant directors and candidates on criteria such as integrity, independent judgment, experience, independent factors, skills and abilities to commit time and effort to discharge their duties and responsibilities effectively, etc., and made recommendations to the Board.

In early 2026, the Nomination Committee nominated and the Board recommended that Prof. TAM Kam Lan, Annie (Independent Non-executive Director), being new director appointed after the last annual general meeting, Mr. ZHU Tao (Executive Director) and Mr. Adrian David LI Man Kiu (Independent Non-executive Director), being directors who have been longest in office since their last re-election, retire by rotation at the forthcoming annual general meeting. Except Mr. Adrian David LI Man Kiu who shall not offer himself for re-election due to his desire to devote more time to his other commitments, the other retiring directors, being eligible, will offer themselves for re-election by shareholders of the Company.

Attendance Record of Nomination Committee Members in 2025

| Name of Members | No. of meetings attended/held | Attendance rate (%) |
|------------------------------------------------------------------|-------------------------------|---------------------|
| Members | | |
| Mr. Adrian David LI Man Kiu ¹ (Chairman) | 2/2 | 100 |
| Prof. TAM Kam Lan, Annie ¹ (Appointed on 1 July 2025) | 1/1 | 100 |
| Ms. WU Yu ² (Appointed on 30 April 2025) | 1/1 | 100 |
| Former Members | | |
| Mr. ZHU Tao ³ (Resigned on 30 April 2025) | 0/1 | 0 |
| Dr. FAN HSU Lai Tai, Rita ¹ (Resigned on 1 July 2025) | 1/1 | 100 |

1 Independent non-executive director

2 Executive director, Managing Director

3 Executive director, Chairman of the Board

Corporate Governance Report

Nomination Policy

The Board adopts a policy on the nomination of directors (the "Nomination Policy"), which was prepared with reference to the Board Diversity Policy (as defined below) and the existing procedures for nomination of directors of the Nomination Committee, and aims at setting out the nomination procedures and the process and criteria to select and recommend candidates for directorship.

According to the Nomination Policy, for filling a casual vacancy or appointing additional director to the Board, the Nomination Committee shall make recommendations for the Board's consideration and approval. For proposing candidates to stand for election or re-election at a general meeting, the Nomination Committee shall make nominations to the Board for its consideration and recommendation. The secretary of the Nomination Committee shall call a meeting of the Nomination Committee and invite nominations of candidates from the Board members for consideration by the committee prior to its meeting. The Nomination Committee may also put forward candidates who are not nominated by Board members. Furthermore, shareholder(s) may nominate a person as a director, without the Board's recommendation or the Nomination Committee's nomination, according to the provisions and procedures set out under the paragraph titled "Procedures for Shareholders to Propose a Person for Election as a Director" under the section titled "Procedures for Shareholders to Put Forward Proposals at General Meetings" below.

The Nomination Committee will consider factors including the candidate's reputation for integrity, accomplishment and experience, in particular, in the industry of the Company's business, diversity represented in the Board, his/her ability to exercise independent judgement, etc. For the appointment of independent non-executive directors, independence factors as required under the applicable laws, rules or regulations will be considered. Apart from the personal data to be disclosed on the relevant websites, the Nomination Committee may request candidates to provide additional information and documents, if considered necessary, for the reference of the Nomination Committee and the Board.

Board Diversity Policy

The Board adopts a Board Diversity Policy which aims at setting out the principles and approaches to achieve the diversity of the Board.

The Company regards the diversity of the Board as one of the crucial elements of the Company's sustainable development and in maintaining its competitive advantages. Candidates for Board appointments are considered based on each objective criterion and with due regard for the benefits of diversity of the Board. Selection of candidates will be based on a number of perspectives, including but not limited to gender, age, skills, cultural background, knowledge and professional experience. The final decision will be based on the merit of the candidate and the contribution the candidate will bring to the Board. The Board should not be comprised of members of a single gender.

Corporate Governance Report

As at the date of this report, the Board's composition under diversified perspectives is summarised as follows:

| Board Skills Matrix | | | | | | | | | | | | | | | | | | | | | | | | |
|-------------------------|---------------------|--------------|--------|-----------|------------------------------------|-----------|-------|--------------|------------|--------------------------------------|----------------------------------|-----------------|-------------------------------------------------------|----------------------|-----------------------------------|--------------------------|---------|-----|---------------------------|----------------|--------------------------------------|--------------------|----------------|---|
| Name | Structure and Scale | | | | Committee | | | | | | Qualifications | | Skills, Knowledge and Professional Experience | | | | | | | | | | | |
| | Age | Board Tenure | Gender | Ethnicity | Designation | Executive | Audit | Remuneration | Nomination | Environmental, Social and Governance | Investment and Strategy Planning | Risk Management | Expertise | Education Background | Terminal Operation and Management | Accounting and Financing | Banking | Law | Management and Commercial | Capital Market | Investment, Mergers and Acquisitions | Strategic Planning | Public Affairs | |
| ZHU Tao | 53 | 3 | M | Chinese | Executive Director | ✓ | | | | ✓ | ✓ | N1 | MBA | ✓ | | | | | | | | | | |
| WU Yu | 50 | <1 | F | Chinese | Executive Director | ✓ | | ✓ | ✓ | | ✓ | ✓ | N1 | B.Mgt, MBA | ✓ | | | | | | | | | ✓ |
| MA Xianghui | 51 | 1 | M | Chinese | Non-executive Director | | | | | | | N2 | M.Econ. | | ✓ | | | | | ✓ | ✓ | | ✓ | |
| CHEN Shuai | 51 | 1 | M | Chinese | Non-executive Director | | | | | | | | B.Eng. | ✓ | | | | | | | | | | |
| Adrian David LI Man Kiu | 52 | 13 | M | Chinese | Independent Non-executive Director | | ✓ | ✓ | ✓ | | | N3 | MBA, LL.M, LLB | | ✓ | ✓ | ✓ | ✓ | | | | | | |
| LAM Yiu Kin | 71 | 10 | M | Chinese | Independent Non-executive Director | | ✓ | | | | | N4 | H.Dip.Acc. (conferred an Honorary Fellow by HK PolyU) | | ✓ | | | | | | | | | |
| CHAN Ka Lok | 63 | 9 | M | Chinese | Independent Non-executive Director | | | ✓ | | ✓ | | | B.S.Sc. (Econ), Ph.D.in Finance | | ✓ | | | | | | | | | |
| YANG Liang Yee Philip | 77 | 5 | M | Chinese | Independent Non-executive Director | | | | | ✓ | | N5 | Bachelor's Degree | | | | ✓ | | | | | | | |
| TAM Kam Lan, Annie | 69 | <1 | F | Chinese | Independent Non-executive Director | | ✓ | ✓ | ✓ | | | N6 | B.S.Sc. | | | | | | | | | | | ✓ |

The relevant information is up to 18 March 2026.

Note :

N1: Economist

N2: Fellow of the Association of Chartered Certified Accountants (FCCA) and senior accountant

N3: Member of the Law Society of England and Wales and the Law Society of Hong Kong; Member of the Hong Kong Institute of Finance; Honorary Fellow of the Hong Kong Institute of Bankers

N4: Fellow member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants of the United Kingdom, the Chartered Accountants Association of Australia and New Zealand, and the Institute of Chartered Accountants of England and Wales

N5: International commercial and maritime arbitrator

N6: Registered social worker

As reviewed and suggested by the Nomination Committee, the Board was of the view that the Board has achieved diversity in terms of gender, age group and skills, knowledge and professional experience, and considers that the Board Diversity Policy is effective. It is currently not required to set any measurable objectives for implementing the said policy.

Corporate Governance Report

5. Environmental, Social and Governance Committee

The Environmental, Social and Governance Committee comprises three members, the majority of whom (including chairman of the committee) are independent non-executive directors of the Company.

The Environmental, Social and Governance Committee is responsible for overseeing and reviewing the policies, practices, framework and management approach of the corporate social responsibility and sustainable development of the Group, reviewing the practices on corporate governance and disclosure systems of the Company, and making recommendations to the Board on relevant matters, with an aim to enhancing the standard of corporate governance of the Company.

In 2025 and early 2026, the Environmental, Social and Governance Committee performed the following work in relation to reviewing the implementation of environmental, social and governance measures of the Company:

- reviewed the results of double materiality assessment for 2025
- reviewed the results of climate scenario analysis (including physical and transition risks and opportunities)
- reviewed the Company's environmental, social and governance work done for 2025
- reviewed the Company's performance on sustainable development (including progress toward achievement of energy saving and carbon reduction targets, and measures adopted for achieving such targets)
- reviewed cutting-edge sustainability trends and emerging information disclosure requirements (including the Sustainability Report Preparation Guidelines and Guidance issued by the Mainland exchanges, the EU Corporate Sustainability Reporting Directive and related Omnibus Package, and the disclosure framework of the Taskforce on Nature-related Financial Disclosures), and made recommendations on how to address current and emerging trends and disclosure requirements
- reviewed the Company's corporate governance policies and practices and made recommendations to the Board, and reviewed the training and continuous professional development of directors and senior management, as well as the Company's policies and practices on compliance with legal and regulatory requirements pursuant to code provision A.2.1 of the Corporate Governance Code

Attendance Record of Environmental, Social and Governance Committee Members in 2025

| Name of Members | No. of meetings attended/held | Attendance rate (%) |
|-------------------------------------------|-------------------------------|---------------------|
| Members | | |
| Prof. CHAN Ka Lok ¹ (Chairman) | 2/2 | 100 |
| Mr. YANG Liang Yee Philip ¹ | 2/2 | 100 |
| Mr. ZHU Tao ² | 0/2 | 0 |

1 Independent non-executive director

2 Executive director, Chairman of the Board

Corporate Governance Report

6. Investment and Strategic Planning Committee

The Investment and Strategic Planning Committee, led by an executive director, comprises twelve members, including executive directors, members of senior management and management members. It is responsible for the consideration, evaluation and review of and making recommendations to the Board on proposed major investment plans, acquisitions and disposals, and conducting post-investment evaluation of investment projects. It also reviews and considers the direction of the overall strategy and business development of the Company.

In accordance with the actual work requirements, there were no relevant matters during the year that required submission to the Investment and Strategic Planning Committee for review and presentation to the Board for reference.

7. Risk Management Committee

The Risk Management Committee of the Company, led by an executive director, comprises nine members, including executive director, members of senior management and management members. It is responsible for identifying and minimizing the operational risks of the Company, setting the direction of the Group's risk management strategy, strengthening the Group's risk management system and giving opinions to the Board on risk-related matters of the Company.

Details of the role and responsibilities of the Risk Management Committee in relation to risk management of the Company are set out in the paragraph headed "Risk Management and Internal Control" below.

Attendance Record of Risk Management Committee Members in 2025

| Name of Members | No. of meetings attended/held | Attendance rate (%) |
|----------------------------------------------------------------|-------------------------------|---------------------|
| Members | | |
| Ms. WU Yu ¹ (Chairman) (Appointed on 30 April 2025) | 3/3 | 100 |
| Mr. CHEN Yipeng | 4/4 | 100 |
| Mr. ZHAO Fengnian | 4/4 | 100 |
| Ms. HUNG Man, Michelle | 4/4 | 100 |
| Mr. SUN Kai (Appointed on 31 December 2025) | N/A | N/A |
| Mr. REN Haijun (Appointed on 11 September 2025) | 2/2 | 100 |
| Mr. LI Jie | 4/4 | 100 |
| Mr. ZHAO Xiaofeng (Appointed on 31 December 2025) | N/A | N/A |
| Mr. MA Bo (Appointed on 15 May 2025) | 1/2 | 50 |
| Former Members | | |
| Mr. ZHU Tao ² (Resigned on 30 April 2025) | 1/1 | 100 |
| Mr. YU Danwei (Resigned on 11 September 2025) | 2/2 | 100 |
| Mr. PAN Dong (Resigned on 31 December 2025) | 2/4 | 50 |
| Mr. CHEN Dong (Resigned on 31 December 2025) | 2/4 | 50 |

1 Executive director, Managing Director

2 Executive director, Chairman of the Board

Corporate Governance Report

ACCOUNTABILITY AND AUDIT

Financial Reporting

Below sets out the responsibilities of the directors in relation to the financial statements, which should be read in conjunction with, but distinguished from, the Independent Auditor's Report on pages 115 to 121 which acknowledges the reporting responsibilities of the Group's auditors.

Annual Report and Financial Statements

The directors acknowledge their responsibilities for preparing financial statements for each financial year which shall give a true and fair view of the results and financial position of the Group.

Accounting Policies

The directors consider that in preparing the financial statements, the Group adopted appropriate accounting policies that are consistently applied, and that all applicable accounting standards are observed.

Accounting Records

The directors are responsible for ensuring that the Group keeps accounting records which disclose, with reasonable accuracy, the financial position and results of the Group and which enable the preparation of financial statements in accordance with the Hong Kong Companies Ordinance, the Listing Rules and applicable accounting standards.

Safeguarding Assets

The directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

RISK MANAGEMENT AND INTERNAL CONTROL

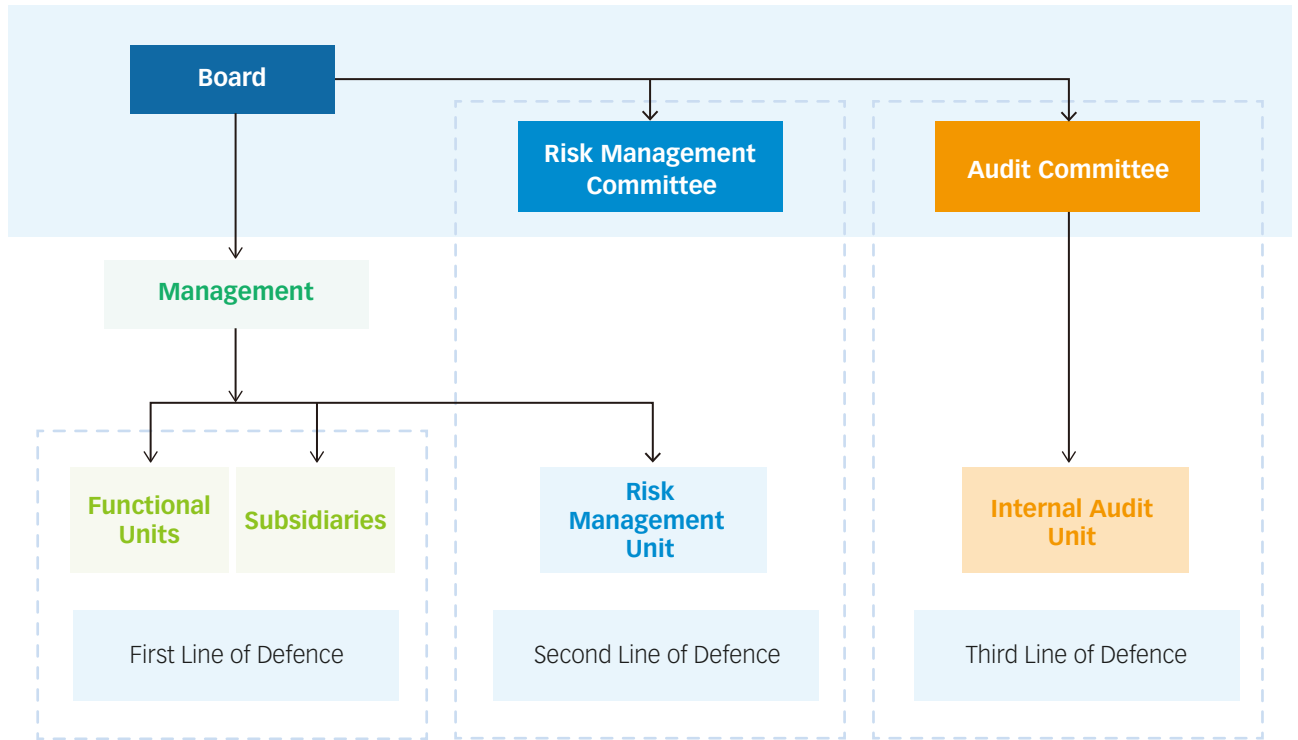
The Board is fully responsible for assessing and determining the continuous effectiveness of the risk management and internal control systems of the Company in an effort to safeguard the interests of its shareholders. Based on its control environment, risk assessment and corresponding strategies, supervision and improvement, the Company has established its risk management and internal control systems which are grounded on "three lines of defence" and are integrated with business activities. The risk management framework of the risk management and internal control systems makes reference to the COSO framework established by the Committee of Sponsoring Organisations of the Treadway Commission of the United States of America, the "General Risk Management Guidelines for State-owned Enterprises" issued by the State-owned Assets Supervision and Administration Commission of the State Council (the "SASAC"), the "Basic Norms of Internal Control for Enterprises" and complementary guidelines issued by the Ministry of Finance and four other ministries and commissions of the People's Republic of China, and the guide on internal control and risk management issued by the HKICPA.

Corporate Governance Report

Risk Management Framework

Below is the Company’s risk management framework, which comprises the risk management structure and the risk management procedures:

Risk Management Structure



Risk Management Procedures



Corporate Governance Report

The division of major functions and responsibilities in the risk management structure is as follows:

| | |
|----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The Board | <ul style="list-style-type: none"> • Review the effectiveness of the risk management and internal control systems • Make decisions on and monitor the risk management and internal control systems of the Company • Approve the annual report on risk management and the supervision and assessment report on internal control of the Company • Approve the work plans on risk management and internal control of the Company • Review and ensure the adequacy of the resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting functions, as well as in relation to the Company's environmental, social and governance performance and reporting |
| Audit Committee | <ul style="list-style-type: none"> • Review the effectiveness of the risk management and internal control systems of the Company, ensure that the management has performed its duties of establishing effective systems, and report to the Board on the conclusion of the review |
| Risk Management Committee | <ul style="list-style-type: none"> • Comprehensively establish a scientific and standardized risk management mechanism, enhance the ability to prevent and control the risks relating to assets and business, improve work efficiency, and ensure a smooth rollout and steady implementation of operational management • Consider and approve the risk management policy, and monitor and provide guidance on the implementation of the policy • Monitor and provide guidance on the identification, prevention and control of risks regarding funds, assets, projects, business and management • Consider and approve the risk control review report regarding material funds, assets, projects, business operation and other matters, and monitor their implementation and execution • Give opinions to the Board on risk-related matters of the Company |
| Management | <ul style="list-style-type: none"> • Implement, maintain and continuously monitor the risk management and internal control systems of the Company • Provide the Board with confirmation on the effectiveness of the risk management and internal control systems on an annual basis • Make annual work arrangement for the upcoming year with appropriate emphases, based on the assessment reports on risk management and internal control of the Company issued by external agencies |

Corporate Governance Report

| | |
|------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Risk Management Unit | <ul style="list-style-type: none"> • Coordinate the drafting of basic systems and processes for risk management and internal control, standardise and regulate the risk management and internal control of the Company • Coordinate the drafting and implementation of the routine and annual work plans on risk management and internal control • Coordinate risk assessment by functional units and subsidiaries, and prepare the annual risk assessment report for the Company • Coordinate the evaluation on the effectiveness of the internal control by functional units and subsidiaries, and prepare the annual evaluation report on internal control • Coordinate, liaise, guide and monitor the work on risk management and internal control by functional units and subsidiaries • Complete other tasks in relation to risk management and internal control assigned by the Board |
| Functional Units and Subsidiaries | <ul style="list-style-type: none"> • Amend and implement the regulatory policies and management procedures within their scope of duties, and establish and optimise the risk management and internal control mechanisms • Carry out risk management and internal control functions, including identifying, analysing, evaluating and handling operational and management risks within their scope of duties • Conduct self-evaluation, correction, and rectification of risk management and internal control for areas within their scope of duties • Establish, maintain and daily monitor the risk alert indicators for areas within their scope of duties, report major risks and take contingency measures in case of a significant risk incident • Guide and supervise the risk management and internal control exercised on business carried out by functional units and subsidiaries within their scope of duties • Assist in completing other routine works on risk management and internal control |
| Internal Audit Unit | <ul style="list-style-type: none"> • Examine the suitability and effectiveness of the risk management and internal control systems, and supervise in an independent manner the risk management and internal control exercised by functional units and subsidiaries • Prepare the audit plan at the beginning of each year, and enhance supervision over the implementation of various requirements from the superiors |

Corporate Governance Report

The risk management procedures include the following major tasks:

| | |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Objective Establishment | <ul style="list-style-type: none"> Establish strategic, operational, reporting, compliance and other relevant objectives based on the risk tolerance levels of the Company, while fully taking into account the impact of various risks during the process |
| Risk Identification | <ul style="list-style-type: none"> All functional units and subsidiaries to collect internal and external information relating to risks on a regular basis, and carry out necessary screening, refinement, comparison, classification and combination Identify the risks in the Company's major business operations and key business processes in accordance with the risk management framework established |
| Risk Assessment | <ul style="list-style-type: none"> Clearly define the identified risks and their characteristics, and analyse and describe the likelihood and impact of the risks Determine the Company's major risks after assessing their importance in accordance with the evaluation criteria established |
| Measures against Risks | <ul style="list-style-type: none"> All functional units and subsidiaries choose corresponding strategies to address risks based on risk assessment results and the causes of such risks Prepare solutions to risk management for each types of or each individual major risk based on the risk reaction strategies Design practical risk control activities and effectively implement corresponding solutions to risk management |
| Supervision and Improvement | <ul style="list-style-type: none"> All functional units and subsidiaries carry out ongoing day-to-day monitoring and analysis of the major and related risks under their management The risk management unit prepares risk management reports based on risk monitoring information and makes cross-departmental recommendations for responding to significant changes in risks The risk management unit supervises and assesses the risk control at all functional units and subsidiaries and the effectiveness thereof |

The Board of the Company has received confirmation from its management with respect to the effectiveness of the Company's risk management and internal control systems for 2025.

Corporate Governance Report

Control Environment

Maintaining a high standard of control environment has been a top priority of the Company. Hence, the Company has been dedicated to continuous enhancement and improvement of control standard. The Board recognises the importance of integrity, character, operating philosophy and team building capabilities (the overall quality of staff) and other core values of the management, and has drawn up guidelines on the internal control system to ensure that the Group's objectives are achieved and effective rectifications are adopted based on discrepancies detection.

The management is primarily responsible for the design, implementation and maintenance of a sound internal control system for the Company, with a view to fostering a good and effective monitoring environment and safeguarding the interests of shareholders and the assets of the Company. The internal control system covers all major and material control aspects, including financial, operational, environmental, social and governance, compliance and risk management, etc.

The Board is ultimately responsible for the effectiveness of the internal control and risk management systems of the Company. The Risk Management Committee, a committee under the Board, is delegated to assist the Board in identifying and minimising the operational risks of the Company, determining the direction for the risk management strategies and strengthening the risk management system of the Company. The Risk Management Committee followed up and reviewed the results of internal control and risk management assessment during the year, with regular reporting and discussion. Moreover, the Audit Committee assists the Board in reviewing the effectiveness of the internal control and risk management systems twice a year by scrutinising the underlying mechanism and functioning of the internal control and risk management systems and the relevant written reports. Results of the review are submitted to the Board.

With a view that a controlled environment lays the foundation for other components in the internal control system, the Company has defined its overall business structure and compiled an instruction manual to supervise the business processes and activities involved therein. Apart from establishing an effective internal control system, the Company attaches great importance to the conduct and qualifications of its accounting, internal audit and financial reporting personnel, as well as personnel in relation to the Company's environmental, social and governance performance and reporting and has imposed relevant requirements in that regard.

Assessment of and Measures against Risks

The Company attaches great importance to risk assessment for 2026. Under the unified planning of the management, the Legal & Compliance Division of the Company has formed a risk assessment project team with external experts to jointly conduct risk assessment. The specific implementation process is as follows:

The Company's management representatives and all department heads have participated in the risk assessment. A profound and thorough analysis of the businesses involved in future operation and development was carried out through interviews and questionnaires, accompanied by the prospective and separate formulation of risk response measures from various perspectives. Based on the interviews with the Company's leadership and department heads on risks, as well as the results of the risk assessment questionnaire survey, the Company established its 2025 risk classification framework and risk database, including 5 first-level risks, 47 second-level risks, and 135 third-level risks. Through comprehensively considering the possibility of risk occurrence and its degree of impact, a quantitative evaluation was conducted on each risk, the mean value of each risk was calculated, and a systematical ranking on the identified risks was conducted, the top five major risks identified for the Company for 2026 were finally identified, namely geopolitical risk, information system and data security risk, talent reserve risk, overseas operation risk, and production safety risk. Details of which are as follows:

Corporate Governance Report

| Type of Risk | Description of Risk | Major Countermeasures | Risk Trend |
|----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| Risks relating to international geopolitics | <p>At the international geopolitical level, the outlook for the Russia–Ukraine conflict remains unclear; conflict in the Middle East is escalating; and the Red Sea security crisis continues to intensify, obstructing passage through key shipping lanes. Tensions persist on the Korean Peninsula and in China–Japan relations; U.S.–Venezuela frictions and other localized geopolitical disputes show increasing uncertainty. On the policy front, since the Trump administration, tariffs have been used as bargaining chips and tools of pressure in international negotiations, aggravating global trade volatility. In 2025, U.S. tariff-related regulations were revised more than forty times, further increasing uncertainty in the trade environment. At the international macroeconomic level, global growth in 2025 has been dragged down by geopolitical turbulence. The International Monetary Fund forecasts global GDP growth of only 3.1% in 2026, marking a fourth consecutive year of slowdown, while inflation remains significantly higher than growth. Trade is even weaker: the World Trade Organization expects global merchandise trade growth of 2.4% in 2025, and has sharply reduced the 2026 forecast to 0.5%. Amid headwinds to economic globalization and a resurgence of trade protectionism, the global economic and trade environment is becoming increasingly complex and severe. The port company’s global terminal portfolio is upgrading from a “terminal cluster” to a “terminal network”, but multiple geopolitical variables pose potential threats to terminal investment, construction, and day-to-day operations. If conflicts escalate, some ports may be forced to suspend operations. Even if ports are not directly affected, route disruptions and vessel detours may occur, disrupting route planning, causing port congestion, reducing loading/unloading and transshipment efficiency, and ultimately creating risks of business interruption and difficulty achieving performance targets for port enterprises.</p> | <ul style="list-style-type: none"> Strengthen precise prevention and control of geopolitical risks; closely track political developments in global hotspots and key countries, international policy trends, current affairs, and global economic and trade dynamics; integrate multi-source information; conduct regular risk assessments and produce analysis reports to identify potential risks in a timely manner and improve response measures. Require overseas terminals to track evolving situations dynamically; improve contingency plans and response mechanisms; strengthen communication and collaboration with regional shipping companies, local embassies/consulates, and competent government authorities; optimize emergency plans and crisis-management processes. Consolidate core capabilities and risk resilience by anchoring the integrated “shipping + port + logistics” strategy; link shipping lines and terminal operators, hub ports and gateway ports; continuously optimize the global layout of port resources. Explore opportunities in emerging markets, regional markets, and third countries; integrate global upstream and downstream resources through investment and M&A; deepen hub terminal development and supply-chain business deployment to strengthen hard risk-resistance capabilities. Accelerate smart and digital transformation of ports; introduce IoT, big data, AI, blockchain and other frontier technologies; expand port throughput, promote reasonable growth in handling tariffs, and ensure sustainable profitability. Build a diversified cooperation ecosystem; enhance synergy with governments, industry associations, group affiliates, and local enterprises; share risks and strengthen competitiveness through technology innovation, market development, and resource sharing. |  |

Corporate Governance Report

| Type of Risk | Description of Risk | Major Countermeasures | Risk Trend |
|----------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| <p>Risks relating to information system and data security</p> | <p>From a cybersecurity perspective, the port company's digital and intelligent transformation continues to deepen, but outcomes depend heavily on the stable operation of IT and network systems. Meanwhile, maritime trade has become a key target of cyberattacks, and ports face multiple threats including ransomware, distributed denial-of-service (DDoS) attacks, malware intrusion, spear-phishing, and credential harvesting. Successful attacks can have extensive and severe negative impacts on port operations. For example, in August 2025, the hacker group Lab-Dookhtegan compromised satellite communications provider Fanava Group, causing 64 Iranian oil tankers and cargo ships to lose all contact with ports. From a compliance and regulatory perspective, global data protection regulation is becoming stricter, and cross-border data flow regulation shows a complex landscape where "fragmentation" and "coordination" coexist. Examples include the EU's General Data Protection Regulation (GDPR) and the U.S. American Data Privacy and Protection Act (ADPPA). Port enterprises may face regulatory penalties for violations. For example, in May 2025, TikTok was fined EUR530 million by the Irish Data Protection Commission for violations related to cross-border data transfers. If the port company fails to establish a standardized and sound information system and data security management mechanism – while also having weak virus prevention, inadequate physical protection and access control for IT equipment, and insufficient cybersecurity technical support – risks such as information leakage, data loss, unauthorized access, or malicious damage may easily occur, directly threatening the security of information systems and data assets and resulting in regulatory penalties.</p> | <ul style="list-style-type: none"> • Improve the information systems security management mechanism. Under unified management and supervision by headquarters, all domestic and overseas terminals shall comprehensively review and improve password policies, antivirus software controls, cybersecurity inspection and testing, hazard reporting, and emergency plans. Promote deployment of protection software and firewalls across systems; regularly update virus databases and system patches; scan and remove device viruses; strictly limit employees' use of devices and software from unknown sources. • Conduct normalized cybersecurity monitoring and periodic inspection/remediation. Under headquarters' overall arrangements, terminals shall effectively implement monitoring and remediation responsibilities; use professional monitoring technologies, software, and traffic analysis tools to monitor network activities in real time, detect anomalies such as hacker attacks and malware intrusion; regularly conduct comprehensive checks of vulnerabilities and security configurations; establish remediation and tracking mechanisms; continuously improve protection, monitoring, and emergency response capabilities. |  |

Corporate Governance Report

| Type of Risk | Description of Risk | Major Countermeasures | Risk Trend |
|--------------|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| | | <ul style="list-style-type: none"> Carry out self-inspections focusing on prominent issues, weak links, and potential risks. Combine headquarters-led inspections with terminal self-checks; establish issue registers and implement rectification; address security gaps; optimize contingency plans; improve cybersecurity emergency management to ensure stable business operations. Clarify requirements for data backup and access control. Terminals shall strictly implement headquarters' data security norms and standards; develop multi-dimensional backup strategies based on data characteristics and test them regularly to ensure recoverability. Strengthen protection of IT equipment and access-right management; regularly review and disable unnecessary privileges; monitor data access locations in real time; handle abnormal access according to contingency plans. | |

Corporate Governance Report

| Type of Risk | Description of Risk | Major Countermeasures | Risk Trend |
|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
| <p>Risks relating to overseas business</p> | <p>(1) Overseas labor strike risk. In overseas investments, the port company typically uses a “local employees + Chinese technical secondment” staffing model. For mature technical positions requiring immediate production, dispatching experienced technical staff from the parent company is necessary to ensure rapid ramp-up. At the same time, given the long payback period of port projects, the company needs to sign long-term labor contracts with key positions such as terminal operators. Such contracts involve not only “open-ended” employment issues but also additional responsibilities including social insurance, supporting benefits, and pension arrangements. Long-term labor relationships may encourage local employees to form interest groups, increasing pressure for strikes and collective bargaining. If strikes occur at overseas terminals, they can directly cause port congestion, cargo backlog, and transport delays, disrupting stable overseas operations and affecting investment returns and subsequent strategic rollout. For example, in October 2025, labor disputes led to strikes at the Port of Rotterdam and the Port of Antwerp-Bruges, paralyzing container operations at four major terminals, causing delays and vessel congestion, and severely disrupting normal port operations.</p> | <p>(1) For overseas labor strike risk: First, comprehensively enhance internal employment management and negotiation/consultation capabilities; deeply study and dynamically track overseas port labor law systems; improve risk information transmission mechanisms for overseas labor. Second, efficiently build and promote a normalized labor-management dialogue platform; keep communication channels open; identify potential issues early; understand employee demands and proactively conduct consultation/mediation to prevent escalation of disputes. Third, continuously supervise subsidiaries to strengthen overseas labor management, focusing on: strengthening effective communication with local port authorities and unions; coordinating to address potential labor instability in a timely manner; communicating necessary safety precautions with unions early; and preparing thorough, prudent contingency plans for potential public opinion events to prevent mass incidents and labor dispute risks.</p> | <p style="text-align: center;"></p> |


Corporate Governance Report

| Type of Risk | Description of Risk | Major Countermeasures | Risk Trend |
|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| | <p>(2) Overseas compliance risk. In recent years, Country M's sanctions against China have escalated and become more complex and changeable; the EU has increased coordinated pressure; countries have tightened foreign investment reviews and frequently updated laws and regulations – creating unprecedented compliance challenges for overseas investment and operations. If the company lacks international operating experience and does not have systematic understanding and accurate judgment of the host country's political environment, economic policies, business practices, and legal/regulatory framework, compliance deficiencies may arise in overseas trade, investment, operations, and construction activities. Violations of domestic laws, host-country laws, or international treaties may lead to sanctions or penalties, causing economic losses and reputational damage and posing a substantive threat to business continuity.</p> | <p>(2) For compliant overseas operations: First, continuously improve the overseas compliance management system and domestic/overseas legal and regulatory database; implement periodic risk monitoring in key areas such as environmental compliance, operational compliance, information security compliance, and legal disputes for overseas terminals; strengthen compliance review of foreign-related agreements to ensure operations meet local laws and regulations. Second, retain professional legal teams in specialized areas such as emerging investment destinations and international sanctions compliance to provide services and support; conduct comprehensive legal/compliance risk reviews of key overseas terminals; systematically identify risk points and develop targeted rectification plans and management optimization measures. Third, closely track legislative developments and sanctions list changes of international sanctions regulators; promptly study risk alerts issued by the group and issue risk reminders to ensure terminals understand the latest sanctions developments and impacts. Fourth, incorporate compliance factors into decision-making risk assessments for overseas projects; include local regulatory environment and international regulatory requirements as key indicators in feasibility analyses and comprehensive risk assessments. Fifth, strengthen compliance-focused training through specialized programs on risk prevention in international operations to improve compliance and risk-control awareness and capabilities among overseas terminal staff.</p> | |

Corporate Governance Report

| Type of Risk | Description of Risk | Major Countermeasures | Risk Trend |
|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| | <p>(3) Public relations management risk for overseas projects. As the company's overseas terminal investment and construction scale expands, the complexity and potential challenges of public relations management increase. Various risk incidents, operational errors, environmental compliance issues, or labor disputes and other accidental events may be excessively amplified by media attention. In the context of major-power rivalry, certain forces may take advantage of events to hype negative narratives and amplify adverse public opinion. If the company fails to handle public opinion properly, it may increase the likelihood of such forces exaggerating facts and intensifying opinion risks through negative publicity.</p> | <p>(3) For public relations management of overseas projects: First, strengthen public opinion management capability and major information reporting mechanisms; work with PR firms to closely follow local conditions, economic dynamics, public views, and media coverage; assess opinion trends in a timely manner; continuously improve public opinion management mechanisms; accelerate establishment of SOPs for public opinion management. Second, strengthen positive guidance; deepen communication and cooperation with local governments, communities, media, and NGOs to maintain long-term stable relationship networks. Third, build a good corporate image by regularly holding cultural exchange activities and participating in/supporting community public welfare projects, actively integrating into local society and strengthening the social foundation for long-term stable port operations.</p> | |

Corporate Governance Report

| Type of Risk | Description of Risk | Major Countermeasures | Risk Trend |
|-----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| Risks relating to talent reserve | <p>Against the backdrop of reshaping global economic and trade patterns, intelligent and green/low-carbon transformation in the port industry, and accelerating cross-regional integration, the company's demand is increasingly urgent for diversified, senior, cross-functional talent in areas such as overseas operations, smart port development, cross-border investment management, and supply-chain integration. Such talent requires a long development cycle; market supply is limited; and cross-industry competition is intense-driving continued scarcity of high-end industry talent. Together with constraints such as internal organizational restructuring, difficulty cultivating overseas talent, and limits on total payroll and headcount, the adequacy and fit of the talent reserve has become a key factor affecting strategy execution. This may lead to risks such as imbalanced HR structure and difficulties in talent recruitment and development, potentially resulting in lagging pipeline development, insufficient reserves for key positions, and inability to support strategic needs for global terminal network optimization and supply-chain business expansion, thereby constraining the efficiency of achieving strategic goals.</p> | <ul style="list-style-type: none"> • Deepen analysis of talent policies and demand assessment: closely monitor global and regional talent policy/regulatory developments; accurately identify potential risks; scientifically assess talent gaps and future demand across business lines. • Strengthen talent allocation and supply assurance: establish cross-department coordination mechanisms; break information silos; promote resource sharing and synergy to improve flexibility and overall operating efficiency. Deepen school-enterprise cooperation; expand strategic collaboration with universities to attract outstanding young talent and build stable, efficient talent pipelines. Supervise subsidiaries to strictly implement annual recruitment plans; continuously monitor quarterly completion rates for recruitment needs to ensure timely, orderly staffing of key positions at all levels. |  |

Corporate Governance Report

| Type of Risk | Description of Risk | Major Countermeasures | Risk Trend |
|--------------|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| | | <ul style="list-style-type: none"> Enhance capability development and succession pipeline building: based on practical needs in key areas such as global terminal operations, supply-chain management, technological innovation, and green/low-carbon development, strengthen professional training and skill improvement. Solidly work on the group management trainee job-rotation program to comprehensively hone successors' overall capabilities and multi-position adaptability. Strengthen project-based overseas assignment and international talent development: aligned with overseas strategy and expatriate post optimization needs, dispatch staff to overseas units for short-term work in a project/team form to enhance on-the-ground experience and accelerate development of an international talent pipeline. | |

Corporate Governance Report

| Type of Risk | Description of Risk | Major Countermeasures | Risk Trend |
|--------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| Risks relating to production safety | <p>If subsidiary terminals have deficiencies in safety production system building – such as incomplete prevention mechanisms, unclear accountability systems, failure to develop and effectively implement systematic safety management measures for employees (especially expatriate staff), or inadequate execution of relevant systems – then under external factors such as severe weather, the likelihood of safety incidents or cargo damage may increase. In addition, non-standard hazardous goods management, aging equipment or delayed maintenance, or gaps in operating procedures and monitoring processes at port operation sites may also trigger safety incidents such as hazardous goods leakage or explosion, container drops, or fires on berthed vessels. Once a safety accident occurs, it may cause losses to employees' personal safety and property, directly lead to cargo loss and equipment damage, and may result in interruption or restriction of port operations, lengthening vessel waiting time in port, reducing overall throughput efficiency, causing huge economic losses, creating substantial financial pressure, and increasing compliance and management costs of enterprises. Frequent safety accidents and safety incidents may affect shipping companies' assessment of port stability, influencing port call selection and willingness to cooperate in the future, and causing negative social impacts. For example, in April 2025, a major explosion and fire occurred at Iran's largest port, Shahid Rajaei Port, causing heavy casualties and infrastructure damage; in September 2025, about 75 containers accidentally fell overboard or dropped during operations at the Port of Los Angeles/Long Beach, leading to partial suspension of operations and emergency cleanup work in the port area.</p> | <ul style="list-style-type: none"> Strengthen systematic, closed-loop control of policy system and enforce end-to-end safety responsibilities: build a full-lifecycle safety management system covering risk identification, process control, assessment, and accountability; strongly link safety performance with evaluation to ensure compliance and control across the full lifecycle of high-risk cargo. Establish a closed-loop safety risk management mechanism: conduct tiered assessments of all safety risks; precisely define risk levels and boundaries of control responsibility. Implement a three-level hazard inspection mechanism (headquarters-level inspections, terminal-level inspections, and frontline self-inspections) to achieve full coverage of hazard identification with no blind spots from top to bottom; ensure every issue found has clear ownership, effective measures, complete rectification, verification, and closure, so as to comprehensively fortify the safety defense line for port operations. Upgrade facilities and equipment with intelligent technologies to strengthen inherent safety: promote the shift of critical infrastructure from "periodic maintenance" to "predictive maintenance"; implement digital upgrades for fire protection systems, electrical facilities, yard monitoring equipment, etc. Establish a graded evaluation system for equipment safety performance; clarify elimination and replacement standards to fundamentally eliminate secondary accidents caused by equipment hazards. |  |

Corporate Governance Report

| Type of Risk | Description of Risk | Major Countermeasures | Risk Trend |
|--------------|---------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| | | <ul style="list-style-type: none"> Enhance on-site response capabilities: build layered and categorized safety training systems; tailor courses on risk identification, hazard reporting, and emergency response by role. Conduct regular emergency drills and improve the operability and coordination efficiency of contingency plans. Deploy smart systems across all areas (automatic fire alarms, hazardous goods temperature-control monitoring, yard AI video recognition, etc.) to achieve millisecond-level early warnings for anomalies in high-risk areas. Institutionalize a full-area linkage mechanism to form a joint prevention and control force: establish cross-entity and cross-region coordination systems; sign strategic cooperation agreements with host-country regulators and fire services to define processes for information sharing, joint enforcement, and emergency support. Establish safety information exchange mechanisms with shipping companies and cargo owners to share hazardous goods transport plans and special cargo safety requirements in advance. Form joint emergency response task forces composed of multi-party professional resources; conduct regular joint drills; clarify response procedure, division of responsibilities, and resource allocation plans to ensure “rapid response, efficient coordination, and scientific handling” after an accident. | |

Corporate Governance Report

Regarding environmental, social and governance risks, after joint assessment with external experts, the Company's management believes that there are two material risks in this aspect as below:

| Type of Risk | Description of Risk | Major Countermeasures | Risk Trend |
|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| Risks relating to energy transition in the context of climate change | <p>In 2025, global investment in clean energy continued to outpace fossil fuels, signaling a new stage of energy transition moving from "substitution" to "systemic restructuring." Meanwhile, at the 30th UN Climate Change Conference (COP30), China updated its Nationally Determined Contributions (NDCs) for the 2035 milestone, which includes targets such as: greenhouse gas (GHG) emissions decreasing by 7%-10% from the peak, non-fossil energy accounting for over 30%, and wind/solar power installed capacity reaching more than 6 times that of 2020. These macro goals foreshadow a fundamental shift in the energy structure of society. Port terminals may face the dual challenge of systemically addressing their own energy structure transition and providing clean energy for vessels.</p> | <ul style="list-style-type: none"> In 2025, the "oil-to-electric" conversion of rubber-tired gantry cranes (RTGs) at domestic subsidiary terminals was basically completed. New energy and clean energy heavy container trucks accounted for over 60%, and the overall electrification rate of other mobile machinery reached 22%. The total installed capacity of renewable energy projects reached 22 MW, with annual renewable energy generation exceeding 24 million kWh, further optimizing energy use and promoting steady progress in the development of green ports. Taking Tianjin Container Terminal as an example, its "hydrogen-electric synergy" model's core driver – the hydrogen-powered heavy container truck fleet – expanded rapidly from 20 to 91 vehicles in 2025. Combined with electric container trucks, this built a world-leading large-scale zero-carbon freight system, achieving full-process green operations, verifying technical and economic feasibility, and was selected as a one of the latest technological innovation achievements in the port sector in 2025 by the China Ports & Harbours Association. |  |

Corporate Governance Report

| Type of Risk | Description of Risk | Major Countermeasures | Risk Trend |
|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| | <p>Although the vote on the International Maritime Organization’s (IMO) “Net-Zero Framework” has been postponed to 2026, the technical framework for phased GHG fuel intensity standards was approved in 2024, defining a long-term decarbonization path for the industry. In contrast, the EU Emissions Trading System (ETS) and FuelEU Maritime Regulation have already taken effect, rapidly driving up the operating costs of traditional vessels. Simultaneously, market forces represented by the “Zero Emission Maritime Buyers Alliance” (ZEMBA) are powerfully stimulating the large-scale application of green fuels from the demand side through collective procurement. Dual pressure from regulation and the market will compel shipping companies to accelerate fleet decarbonization, potentially leading to more urgent and higher requirements for port ancillary services such as green fuel bunkering infrastructure and shore power systems.</p> | <ul style="list-style-type: none"> To support the construction of a green shipping supply chain, the Company actively provided stable power supply to berthing vessels, providing shore power services to a cumulative 5,998 vessel calls throughout the year, with total power supply reaching 10 million kWh. In response to the shipping decarbonization trend, the Company is actively creating a diversified portfolio of clean energy bunkering services. Currently, Xiamen Ocean Gate Terminal, Guangzhou South China Oceangate Terminal, and Piraeus Terminal have the capacity to provide biofuel bunkering services. Additionally, Nantong Tonghai Terminal added LNG tank-swapping and refueling services during the year, further expanding the coverage of the Company’s marine alternative fuel services. | |

Corporate Governance Report

| Type of Risk | Description of Risk | Major Countermeasures | Risk Trend |
|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| Risks relating to extreme weather and climate events | <p>The World Meteorological Organization (WMO) confirmed that 2023 to 2025 collectively constitute the warmest three years on record, with the average temperature over these three years being 1.48°C above pre-industrial levels, signaling the intensification of systemic global climate risks. Meanwhile, the World Economic Forum’s Global Risks Report 2025 once again placed “extreme weather events” at the top of global risks. In 2025, the climate crisis materialized into frequent disasters, such as: Texas, USA, suffering a “once-in-a-thousand-year” flood; Super Hurricane “Melissa” devastating the Caribbean with losses totaling nearly US\$10 billion; and compound floods across Southeast Asia in late 2025 causing over 1,000 deaths. These risk events clearly demonstrate that the intensity, frequency, and compound impact of extreme weather are rising, posing a long-term and increasingly severe threat to coastal and low-lying areas. As port terminals are located in coastal regions and the Company’s terminal network covers the globe – including areas prone to high temperatures or vulnerable to floods and typhoons – the intensification of extreme weather and climate events may pose high safety and production risks to terminals.</p> | <ul style="list-style-type: none"> In 2025, the Company continued to increase investment in and maintenance of specialized equipment and facilities for typhoon and flood prevention. Meanwhile, the Company supervised each terminal to strictly implement seasonal prevention measures such as wind protection, heatstroke prevention, and cold protection, and organized targeted emergency drills for various accident scenarios, effectively enhancing each terminal’s onsite response and coordination capabilities for sudden climate events. The Company strictly implements safety inspection procedures after extreme weather, allowing operations to resume only after confirming that facilities and equipment are safe and intact. This mechanism effectively prevents secondary disasters leading to operational interruptions or safety accidents, ensuring a fast and safe restart of production activities. In addition, based on climate scenario analysis, three key physical risks (flooding, typhoons, and extreme heat) were identified. The system assessed their potential financial impacts and forward-lookingly analyzed the drivers of future climate risk’s financial impacts, effectively formulating response plans to enhance asset resilience. |  |

On the basis of its annual risk assessment, the Company regularly tracks and monitors major risks. It monitors operational risk matters across multiple dimensions and through various forms, such as business seminars, collaborative linkages, and timely risk incident reporting mechanisms. In the event of a major risk incident, a report is immediately submitted to management. Furthermore, the Company completes a major risk tracking and monitoring form on a quarterly basis, which serves as the basis for risk forecasting and response efforts to mitigate the severity of all major risks.

Corporate Governance Report

Internal Control System and Mechanism

The Company invited external consultants to evaluate the effectiveness of internal control as of 31 December 2025. Pursuant to the accreditation standard on internal control weaknesses, no material weaknesses nor important weaknesses on the internal control of the Company were identified during the reporting period. The features of the Company's internal control mechanism are as follows:

1. The Group has a clear organisational structure in place detailing the lines of authority and control responsibilities in each business unit, which is beneficial for the delegation of authority, proper determination of duties and better accountability. Certain specific matters are not delegable and are subject to the Board's decision. These include, among others, the approval of annual, interim and quarterly results, annual budgets, distribution of dividends, as well as the structure, composition and succession of the Board.
2. To assist the Board in the execution of its duties, the Board is supported by seven Board committees, namely, the Executive Committee, the Audit Committee, the Remuneration Committee, the Nomination Committee, the Environmental, Social and Governance Committee, the Investment and Strategic Planning Committee and the Risk Management Committee. These committees make recommendations to the Board on relevant matters within their terms of reference, or make decisions where appropriate within the scope of the power delegated by the Board. Details of the Board committees are set out in the section headed "Board Committees" in this report.
3. A comprehensive management accounting system is in place that provides financial and operational performance measurement indicators for the management and relevant financial figures for reporting and disclosure purposes. Reports on the variance between actual performance and targets are prepared, analysed and explained. Appropriate actions are also taken to rectify the deficiencies identified, if necessary. This helps the management of the Group to monitor business operations of the Group closely and enables the Board to formulate and, if necessary, revise strategic plans in a timely and prudent manner.
4. The Company places great importance on internal audit functions and has set up the Audit & Supervision Division for the relevant work. The internal audit's roles include assisting the management and the Audit Committee to ensure that the Company maintains an effective system of internal control and a high standard of governance, by reviewing the Company's major production and operation activities with unrestricted access and conducting comprehensive audits on all practices and procedures on a regular basis. The scope of work of internal audit includes:
 - Ascertaining the extent to which the Company's assets are accounted for and safeguarded to avoid any form of asset loss
 - Reviewing and evaluating the completeness, adequacy and effective application of accounting, financial and other controls
 - Ascertaining the compliance with established policies, procedures and statutory regulations
 - Monitoring and evaluating the effectiveness of the risk management system
 - Monitoring the operational efficiency, and the appropriateness of resources utilisation
 - Evaluating the reliability and availability of the information provided by the financial and operating systems of the Company
 - Ensuring that findings and recommendations arising from the internal audit are communicated to the management, and monitoring the implementation of corrective measures
 - Conducting ad hoc projects and investigation work as required by the management of the Company and/or the Audit Committee

Corporate Governance Report

5. The Company has established the “Whistleblowing Management Rules” and system which is applicable to the Group, so as to allow all members (including directors, senior management and employees at all levels) or any member of the Group or other persons having any dealings with the Group (such as customers and suppliers) may report, with name or anonymity, any illegal, unethical practices or irregularities in the operation and management of the Group to the Chairman of the Audit Committee or the Audit & Supervision Division of the Company. The Company shall provide a confirmation of receipt within 15 working days, or wherever reasonably practicable, upon receipt of a reasonable whistleblowing report, to request for further information or evidence (if necessary), and where appropriate, status of the investigation. Based on the results of the investigation and the seriousness of the violation, member(s) who are found in violation of the rules and regulations shall be subject to strict disciplinary actions in accordance with the applicable rules. Where the responsible person is in violation of local laws or regulations, the Company shall refer the case to the judicial authority and pursue legal responsibilities. The Whistleblowing Policy is set out in the section headed under “About CSP – Corporate Governance – Policies & Guidelines” at the Company’s website (<https://ports.coscoshipping.com>).
6. The Company has established the “Anti-corruption Rules” which aims at upholding honesty, integrity and fairness for all members the Group. Such rules set out essential basic behaviours that all members must follow, and the principles for receipt of interest and report on conflict of interest when conducting the Company’s affairs. Any member who violates these rules shall be investigated and treated in a strict manner in accordance with the relevant internal regulations of the Company or subsidiary companies. In order to promote and support anti-corruption, both the Company and its subsidiaries promote a corporate culture that promotes honesty and integrity. The directors and management of the Company and its subsidiaries shall insist on leading by example and take the lead in action to comply with the laws, regulations and rules all relevant policies and procedures. At the same time, members are encouraged to abide by the laws and the ethical conducts during daily work of the Company, and to assist members in dealing with conflicts of interests and resisting temptation of improper benefits in a proper manner during the course of work. Regular trainings on clean practices are held to further enhance corporate integrity management and promote the establishment of a non-corrupt working culture. The anti-corruption policy is set out in the section headed under “About CSP – Corporate Governance – Policies & Guidelines” at the Company’s website (<https://ports.coscoshipping.com>).
7. With respect to procedures and internal control measures for the handling and dissemination of inside information, the Company:
 - is well aware of its obligations under the Securities and Futures Ordinance, the Listing Rules and the overriding principle that information which is considered as inside information should be announced promptly when it is the subject of a decision
 - conducts its affairs with close regard to the “Guidelines on Disclosure of Inside Information” issued by the Securities and Futures Commission
 - informs all directors, senior management and related staff of the latest regulations and requirements according to the letters issued or announcements published by the Securities and Futures Commission and the Stock Exchange
 - has developed procedures and mechanisms for the disclosure of inside information, and established the Inside Information Evaluation Group to evaluate whether disclosure of the inside information is required
 - has included in its code of conduct which clearly stipulates that the unauthorised use of confidential, sensitive or inside information is strictly prohibited, and has communicated this to all staff

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- has established and implemented procedures for responding to the enquiries from external enquiries about the Company's affairs. Only directors and designated management personnel of the Company may act as the Company's spokespersons and respond to enquiries on designated areas

Particular attention is also paid to activities which are considered to present higher risks under monitoring, including income, expenditure and other areas of particular concern to the management. Representative of the Audit & Supervision Division has free access to the Audit Committee without consulting the management, and reports directly to the Chairman of the Board and/or the Managing Director and the Chairman of the Audit Committee. He/She attends meetings of the Audit Committee quarterly and brings matters identified during the course of the internal audit to the Audit Committee. This reporting structure allows the Audit & Supervision Division to stay independent and effective.

The internal audit function has a risk-based audit approach in place which is based on the COSO framework and the requirements laid down by the HKICPA, with multiple factors taken into account such as the risks recognised. Such audit focuses on material internal controls and risk management, including financial, operational and compliance controls. Internal audits were carried out on all significant business units in the Company. All internal audit reports are submitted to the Audit Committee for review and approval. The Audit & Supervision Division's summary of findings, recommendations and follow-up reviews of previous internal audit findings are discussed at the Audit Committee meetings. The Audit Committee actively monitors the number and importance of issues raised by the Audit & Supervision Division and the corrective measures taken by the management. The annual internal audit plan will be submitted to the Audit Committee for review and approval, with the scope and frequency of audit based on the size and prevailing risks of all business units of the Company.

Supervision and Improvement

The Company supervises and evaluates the implementation and effectiveness of its risk management on a regular basis, and makes timely improvements based on changes and existing defects. Based on the risk assessment results in 2025, the Company monitors the changes in major risk monitoring indicators and new major risk events regularly on a quarterly basis, collects and summarises relevant data for the current quarter. The risk monitoring and warning indicators collected including but not limited to total overseas assets in medium and high risk areas, number of major construction projects overdue, major legal proceedings, major compliance cases, accounts receivables aged three years or more, overdue accounts receivables, the number of major safety production accidents and other risks resulting in significant impact on the operation and development of the Company. According to statistics, the Company's risk monitoring and warning indicators in 2025 was normal, and there were no significant risk events.

In 2025, a total of 32 sets of rules and regulations were newly established or revised. This included 7 new regulations, primarily concerning information management and carbon emission management, and 41 revised regulations. The revisions were mainly driven by updates to the Group's existing regulations, the further refinement of Company's requirements for operational management, human resources management, financial and fund management, and subsidiary management, as well as the formalization of pilot systems that had been in trial for over a year. As of 31 December 2025, the Company has 410 current regulations in effect, providing comprehensive coverage of decision-making, execution, and supervision across key areas such as corporate governance, the "three majors and one large" system, risk management, investment management, operational management, marketing, financial and fund management, information management, human resources, procurement management, asset management, legal affairs management, and safety management.

The audit projects for 2025 covered 18 terminals. The audit carried out in the terminal holding companies in which the Group has controlling stakes focused on financial condition, operational and internal control activities through inspection, supervision, and evaluation, specifically covering the implementation of the "three majors and one large" decision-making system, the implementation of lean operations and cost control, and the establishment and implementation of procurement mechanisms and systems, etc. The audit carried out in non-controlling terminals in which the Group has prioritized major matters involving shareholder rights and interests, such as the implementation of the company's articles of association, board management, investment decisions, and related-party transactions.

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During 2025, the internal audit division completed a total of 20 audit assignments. All issues identified in the internal audit reports have been reported to the Audit Committee. All internal audit projects planned for the year 2025 was completed. The identified audit issues are progressing steadily according to the established rectification plan, while write-off procedures have been initiated for issues that have been fully rectified.

The Board has obtained the management's confirmation that the Company's risk management, internal control and accounting systems were effective, which provide reasonable assurance for safeguarding significant resources, identifying and monitoring the Company's risks in commercial, environmental, social and governance and operational perspectives. At the same time, the Company has established an ongoing process for identifying, evaluating and managing the Company's exposure to material risks (including material risks relating to environmental, social and governance). In this regard, the Board considered that the risk management and internal control systems established during the year were effective and adequate for the Company's existing business scope and operations and that no significant factors have been identified which might affect the interests of shareholders. However, the systems aim to manage but not eliminate the risks relating to failure to achieve business objectives, and the Board will only give reasonable but not absolute assurance against material misstatement or loss.

INSTITUTIONAL DEVELOPMENT ON LEGAL GOVERNANCE

The Company is committed to achieving the highest standards of legal governance, fully delivering on its commitment to compliance governance through strict adherence to all laws and regulations and the effective implementation of strategies designed to strengthen and promote its governance framework. The relevant work is coordinated and implemented by the Legal and Compliance Division of the Company. Meanwhile, the Board and the Audit Committee review the legal governance report on a bi-annual basis to ensure the effective, orderly and thorough implementation of the institutional development on legal governance. In 2025, the Company continued to enhance its legal governance, internal rules, work organisation and legal risks prevention and control systems by implementing the following measures: (1) provided compliance trainings to all its employees to enhance rule-of-law culture and compliance awareness; (2) strictly implemented major contract management, legal disputes management and international sanctions compliance management; (3) formulated compliance guidelines to identify, assess and mitigate legal risks associated with investment and financing projects; (4) established robust data privacy and cybersecurity policies for overseas terminals within the European Union to mitigate data protection risks and ensure compliance with the General Data Protection Regulation (GDPR); (5) enhanced risk prevention at overseas terminals by creating a legal and regulatory research and assistance database, and monitoring and staying abreast of legislative developments and updates; (6) continuously strengthened management of international sanctions compliance by closely monitoring updates in sanctions measures, issuing timely risk alerts on major sanctions lists and legislations, conducting quarterly risk monitoring and inspections, compiling changes in monitoring indicators, carrying out targeted risk checks on trending issues and key areas and formulating preventive measures; (7) organised legal risk screenings and assessments to proactively identify and address compliance vulnerabilities and enhance the Company's emergency response mechanism; and (8) actively engaged with external legal experts and advisors to review and enhance internal governance policies ensuring they remain up-to-date. During the year, the Company encountered no major risk events, and no significant incidents of non-compliance with laws or regulations occurred.

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AUDITOR'S REMUNERATION AND RELATED MATTERS

In addition to audit and audit related services, the Company engaged the external auditor for non-audit services, under which the external auditor is required to comply with the independence requirements under the Code of Ethics for Professional Accountants issued by the HKICPA. The external auditor may provide non-audit services to the Group given that those services do not involve any management or decision-making functions for and on behalf of the Group, no self-assessments are carried out, and that there is no promotional effect to the Group.

For the year ended 31 December 2025, the remuneration paid or payable in respect of the audit, audit related and non-audit services provided by the auditor to the Company was as follows:

| Nature of Service | 2025 US\$ | 2024 US\$ |
|------------------------|----------------|--------------|
| Audit services | 447,000 | 936,000 |
| Audit related services | 116,000 | 277,000 |
| Non-audit services: | | |
| – Tax related services | – | 73,000 |

DIVERSITY

Status on Board diversity is set out in the section headed “Board Diversity Policy” above.

Regarding diversity in workforce (including senior management), as at 31 December 2025, male workers and female workers accounted for 82.3% and 17.7%, respectively, of the total number of workers of the Group.

As a leading ports operator in the world, COSCO SHIPPING Ports has an international team composed of members from different countries with different genders, age, cultural backgrounds, knowledge and professional experience. The Group pursues a gender diversity approach as part of its good management practices to ensure an inclusive workforce. In respect of staff recruitment, the Group has put in place established management rules and procedures to ensure meritocracy-oriented recruitment. During the recruitment process, the Group attracts candidates with different backgrounds and experiences based on the consistent selection criteria and according to the principle of meritocracy, regardless of gender, to ensure that only experience and qualifications are relevant to job requirements. In regard to the promotion, redesignation and training of staff, the Group has also established relevant administrative rules with clear criteria to provide employees with equal opportunities and ensure no subjectivity, differential treatment or discrimination is involved in such decisions. The Group also reviews the relevant administrative rules and criteria from time to time to ensure that the management of the Company is in compliance with the laws and regulations.

Due to the industry characteristics of port operation, male dominated the supply of manpower in traditional labour markets. Recently, the Group has continued to proceed and improve terminal automation. Being the first totally automated container terminal in China, Xiamen Ocean Gate Terminal has ridden on the achievement of remote control and introduced a team of female operators and set up the first fully automated “Women Team” in China, with a view of bringing female’s strengths of meticulousness and rigour in modern workplace and their own potential into play, thus broadening the employment and promotion path for female in the port industry. The Group recognises that gender diversity not only enables better corporate development, but also allows for better commitment to social responsibility. Therefore, as we strive to build a terminal network with controlling stake, deepen lean operations and promote technological innovation, we continue to promote gender diversity within the Group to build a high performing and diversified team of excellence.

Corporate Governance Report

SHAREHOLDERS' RIGHTS

General Meeting

The Company views its general meetings ("General Meetings"), including the annual general meeting and special general meetings, as a forum for shareholders to communicate with the Board and senior management. All directors and senior management attend the meetings to the best of their availability. Representatives of external auditors are also available at the annual general meeting to address shareholders' queries on the financial statements. The Chairmen or members of the Audit Committee, the Nomination Committee, the Environmental, Social and Governance Committee, the Risk Management Committee and the Remuneration Committee or independent board committee (if any) are normally available at the General Meetings (where applicable) to take any relevant questions. All shareholders will be given not less than twenty one (21) days' notice of the annual general meeting and fourteen (14) days' notice of a special general meeting and they are encouraged to attend the General Meetings. The Company follows the code provisions contained in the Corporate Governance Code to encourage shareholders' participation. Questioning by the shareholders at the General Meetings is encouraged and welcome. The Board Secretary, on behalf of the chairman of the General Meetings, explains the detailed procedures for conducting a poll at the General Meetings. To facilitate enforcement of shareholders' rights, substantially separate issues at General Meetings are dealt with under separate resolutions.

Procedures for Shareholders to Convene a Special General Meeting

Pursuant to the Bye-laws of the Company and the Companies Act 1981 of Bermuda (the "Companies Act"), registered shareholders holding not less than one-tenth (10%) of the paid-up capital of the Company carrying the right of voting at General Meetings of the Company may deposit a requisition to the Board or the Board Secretary of the Company to convene a special general meeting.

The requisition must state the purposes of the meeting and must be signed by the requisitionists, and deposited at the registered office of the Company at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda or its principal place of business at 49th Floor, COSCO Tower, 183 Queen's Road Central, Hong Kong. The requisition may consist of several documents in like form each signed by one or more requisitionists.

The Board may proceed to convene a special general meeting within 21 days from the date of the deposit of such requisition upon receipt of confirmation from the share registrar on validity of the requisition, and such meeting shall be held within two months after the deposit of such requisition. If the Board fails to convene the special general meeting as aforesaid, the requisitionists or any of them representing more than one half of the total voting rights of all of them, may themselves convene a special general meeting, and such meeting shall be held within three months from the date of the deposit of the requisition.

Procedures for Shareholders to Put Forward Proposals at the General Meetings

Pursuant to the Companies Act, registered shareholders holding any amount not less than one-twentieth (5%) of the paid-up capital of the Company carrying the right of voting at the General Meetings of the Company, or registered shareholders of not less than 100, can request the Company in writing to:

- notify shareholders entitled to receive notice of the next General Meeting of any resolution which may officially be moved and is proposed to be moved at that meeting
- circulate to shareholders entitled to have notice of any General Meeting any statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at the meeting

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The requisition must be deposited to the Company not less than six weeks before the meeting in the case of a requisition requiring notice of a resolution or not less than one week before the meeting in the case of any other requisition.

In addition, a shareholder may propose a person other than a retiring director of the Company for election as a director of the Company at the General Meetings. Detailed procedures for shareholders to propose a person for election as a director are available on the Company's website at (<https://ports.coscoshipping.com>) under section headed "About CSP – Corporate Governance – Policies & Guidelines".

SHAREHOLDINGS AND SHAREHOLDERS' INFORMATION

Share Capital (as at 31 December 2025)

| | |
|----------------------------------|----------------------------------------------------------------------------------|
| Authorised share capital | HK\$400,000,000 divided into 4,000,000,000 shares of a par value of HK\$0.1 each |
| Issued and fully paid-up capital | HK\$395,995,494.0 comprising 3,959,954,940 shares of a par value of HK\$0.1 each |

Type of Shareholders (as at 31 December 2025)

| Type of shareholders | No. of shares held | % of the total number of issued shares |
|----------------------------------------------------|----------------------|----------------------------------------|
| China COSCO (Hong Kong) Limited and its subsidiary | 2,862,021,844 | 72.27 |
| Other corporate shareholders | 1,093,189,553 | 27.61 |
| Individual shareholders | 4,743,543 | 0.12 |
| Total | 3,959,954,940 | 100 |

Location of Shareholders (as at 31 December 2025)

| Location of shareholders ¹ | No. of shareholders | No. of shares held |
|---------------------------------------|---------------------|----------------------------|
| Hong Kong | 438 | 3,959,945,940 ² |
| The People's Republic of China | 1 | 4,000 |
| United Kingdom | 1 | 5,000 |
| Total | 440 | 3,959,954,940 |

- The location of shareholders is prepared according to the address of shareholders registered in the register of members of the Company.
- These shares include 2,344,363,570 shares registered in the name of HKSCC Nominees Limited which may hold these shares on behalf of its clients in or outside Hong Kong.

Corporate Governance Report

INVESTOR RELATIONS

The Company is committed to enhancing the long-term value of shareholders through constant communication with individual and institutional shareholders. The Company believes that informed and constructive communication between the Board and shareholders is crucial to improving the standard of corporate governance. The Company's dedicated investor relations department supports designated executive directors and senior management in maintaining regular dialogue with institutional investors and analysts to keep them abreast of the Company's development and in attending to any queries promptly. The Company maintained close communications with the media, analysts and fund managers by way of individual meetings, roadshows and conferences. Also, press and analyst conferences are held at least twice a year subsequent to the interim and annual results announcements at which the executive directors and senior management are available to answer questions regarding the Group's operational and financial performances.

Memorandum of Association and Bye-laws

For the year ended 31 December 2025, no change has been made to the Memorandum of Association and Bye-laws of the Company.

Shareholders' Communication Policy

The Company has established a shareholders' communication policy, which includes channels for shareholders to communicate their views (such as participation in General Meetings, investor and analyst meetings), and measures taken to solicit and understand the views of shareholders and stakeholders (including active participation in investor meetings organised by other financial institutions and a designated e-mail address for shareholders' enquiries, etc.). The Company has adopted and implemented fair, transparent and timely disclosure policies and practices. All inside information or data is publicly released as and when appropriate, prior to individual sessions held with investors or analysts. The following is a summary of the work conducted in accordance with the shareholders' communication policy in 2025:

- communicated with institutional investors regularly
- held press conferences after financial results announcements
- disclosed detailed information in annual report, interim report, results announcements and press releases to facilitate effective communication
- published information of the Group and its business at the Company's website, including disclosing throughput figures of the Group's terminals on a monthly basis
- responded to enquiries to the Company from individual or institutional shareholders made through the abovementioned designated email address

The Board had considered the above works and was of the view that the shareholders' communication policy of the Company was effective.

Corporate Governance Report

DIVIDEND POLICY

The Board declared a second interim dividend of US1.328 cents per share which, together with the first interim dividend of US1.928 cents per share, brings the total dividend for 2025 to US3.256 cents per share, representing a 40% payout ratio.

COSCO SHIPPING Ports has had a consistent dividend policy that values reasonable investment returns for investors while taking into account the Company's actual operating conditions, long-term interests, the overall interests of all shareholders and the sustainable development of the Company. All dividend decisions made by the Board were made in accordance with the Company's dividend policy.

The Group will continue to make good use of its capital, ensure sustainable development of the Company's business to support its future growth, create and enhance value for shareholders on a continuous basis. For the dividend policy, please visit the section headed "Policies & Guidelines" under "Corporate Governance" under "About CSP" at the corporate website of the Group (<https://ports.coscoshipping.com>).

Key Corporate Event Dates

The following are the dates for certain key corporate events:

| Event | Date |
|----------------------------------------------------|--------------------------------|
| Payment of 2025 First Interim Dividend | 21 November 2025 |
| 2025 Annual Results Announcement | 18 March 2026 |
| 2026 First Quarter Results Announcement | 29 April 2026 |
| Closures of Register of Members | |
| (a) for receiving the 2025 Second Interim Dividend | 10 April 2026 to 16 April 2026 |
| (b) for attending the 2026 Annual General Meeting | 19 May 2026 to 22 May 2026 |
| Annual General Meeting | 22 May 2026 |
| Payment of 2025 Second Interim Dividend | 30 June 2026 |
| 2026 Interim Results Announcement | August 2026 |
| 2026 Third Quarter Results Announcement | October 2026 |