

# Container related businesses and others



## CONTAINER RELATED BUSINESSES

Owing to growing demand for containers, production volume of the Group's container related manufacturing business increased dramatically in 2002.

Shanghai CIMC Reefer Containers Co., Ltd. ("Shanghai Reefer"), in which the Group holds a 20% interest, produced a total of 33,582 TEUs of refrigerated containers, up 31.0% over 2001.

The Group holds a 20% interest in Shanghai CIMC Far East Container Co., Ltd. ("Shanghai Far East") and a 22.5% interest in Tianjin CIMC North Ocean Container Co., Ltd. ("Tianjin North Ocean"). Shanghai Far East produced 97,174 TEUs of containers, an increase of 75.5% from 2001, and Tianjin North Ocean produced 79,506 TEUs of containers, a huge jump of 138.2% from 2001.

The Group also has a 20% interest in Shanghai Kansai Paint & Chemical Co., Ltd. ("Shanghai Kansai") and Tianjin Kansai Paint and Chemical Co., Ltd. ("Tianjin Kansai") respectively. Both companies are principally engaged in the production of paint for container and vessel uses. Shanghai Kansai produced 20,641 tons of paint in 2002, an increase of 57.2% over 2001, and Tianjin Kansai produced 24,233 tons of paint, up 56.6% from 2001.

## OTHER INVESTMENT

### Liu Chong Hing Bank Limited

The Group has a 20% interest in Liu Chong Hing Bank Limited ("Liu Chong Hing Bank"), which contributed US\$6,848,000 to the Group's profit attributable to shareholders, representing a decrease of 11.8% compared to 2001.

## HUMAN RESOURCES

The Company is responsible for developing the skills of employees towards the challenges presented by the market and new technology. Pay and working conditions are modified to suit competitive conditions in the individual market.

To promote performance and to cultivate an atmosphere of a organisation, we use a common mechanism for monitoring management performance and management development needs. The purpose of this is to create a close connection between the objectives of the enterprise, developed through annual business planning, and individual goals that can easily be followed up.

In addition, the performance of the management is assessed against COSCO Pacific's criteria: business and result focus, change and improvement orientation, employee development, communicative abilities, and values in the form of integrity, trust, respect for the individual and consideration for social responsibilities. In line with the strategy concerning increased emphasis on performance and value creation, the Group introduced an incentive scheme for the staff. The scheme consists of granting share options and an annual bonus linked to the attainment of the business plan.

COSCO Pacific's mission is dedicated to building Trust in our stakeholders through our Performance. Our ambition is to develop COSCO Pacific as an attractive workplace for people. Our people in turn bring experience and creativity to the Company's ambitions for high performance, while we strive to create a sustainable future for COSCO Pacific as an excellent workplace through trust, innovation and knowledge.