

## CORPORATE SUSTAINABLE DEVELOPMENT

The Group takes sustainability as its core value in business development and enhancement of operational performance; with the establishment of sustainable development strategy, COSCO SHIPPING Ports while striving to further enhance the terminal efficiency, places the overall and long-term interests of the stakeholders as a top priority and dedicates to contributing positively to the environment and community, which it sees as fundamental in realising its corporate development strategy. COSCO SHIPPING Ports continued to strengthen its global terminal network in 2018, integrate resources and capitalise on the scale and synergies to become "The Ports for ALL", a platform that offers mutual benefits, creates shared value and win-win outcomes for all in the industry.

In corporate sustainable development, COSCO SHIPPING Ports is constantly exploring, standardising and improving aspects of management and policy to incorporate sustainability to its terminal operations.

### EMPLOYEE-ORIENTED

During the year, the Group continued to improve its employee performance appraisal system and incentive mechanism. Through active development of various staff events and internal publications as well as official WeChat account as a public platform, the Group has further strengthened engagement with its staff to create a diversified, inclusive and excellence-oriented corporate culture, conducive to the globalisation and development of COSCO SHIPPING Ports' corporate brand.

### OPTIMISE TERMINAL PORTFOLIO AND ENHANCE OPERATIONAL EFFICIENCY

The Group implemented the globalisation strategy to expand its container terminal network globally. COSCO SHIPPING Ports has adopted a unified management and information system to promote the unification of information systems for the subsidiaries terminal companies, by doing so the headquarter can examine the operation of its terminals in real time and quantify the business performance of the terminal companies by a unified performance indicators. The Group also introduced and applied innovative information technology to optimise workflow and business operations of various departments so as to provide customers with high-quality services while enhancing safety and overall operational efficiency.

### CUSTOMER-FIRST

COSCO SHIPPING Ports is committed to offering customers with high quality and efficient services, by promoting automation in terminal operations, the Group aims to further enhance efficiency and safety. During the year, it continued to strengthen global terminal network and brand

awareness to create shared values for its customers at home and abroad.

### COMMIT TO THE DEVELOPMENT OF "GREEN PORTS"

As a leading global terminal operator, COSCO SHIPPING Ports has dedicated its efforts in environmental protection and took the lead in promoting the development of green port. During the year, the Group remained committed to "Green Ports" development, the terminals under the Group have good progress in measures of environmental protection by adopting emission-reduction technologies and better utilisation of resources, and have achieved good results in reducing impact on environment and carbon footprint.

### WIN-WIN COOPERATION

With the corporate vision of building a platform providing mutual benefit for all stakeholders, the Group formulated the policy and centralised the management system of its supplier sourcing to enhance the effectiveness of the supply chains. Care for the community is one of the core value of the terminal companies in our global network, actions were taken in education, poverty alleviation, and talent training. All these are in line with the corporate mission of growing with the industry and society.

During the year, sustainability remained at the heart of everything COSCO SHIPPING Ports did. The Group continued to strengthen internal training, optimised data collection, report preparation, and improved reporting quality, so as to enhance the effectiveness of sustainability related information disclosure. This year, apart from external stakeholders, COSCO SHIPPING Ports, through a third party consultant, sent an evaluation survey to external stakeholders, all internal staff and senior management and received nearly 240 response with an aim to better understand the views of internal and external stakeholders about the sustainability development the Group implemented so far. With the launch of Task Force on Climate-related Financial Disclosures ("TCFD"), COSCO SHIPPING Ports is assessing the possibility of adding the TCFD criteria to its sustainability report next year.

