



中遠海運國際(香港)有限公司

COSCO SHIPPING INTERNATIONAL (HONG KONG) CO., LTD.

Whistleblowing Policy

Revised version dated 6th August 2019

Whistleblowing Policy

1. INTRODUCTION

COSCO SHIPPING International (Hong Kong) Co., Ltd. and its subsidiaries (collectively “COSCO SHIPPING International”) are committed to achieving and maintaining the highest standards of openness, probity and accountability. Employees at all levels are expected to conduct themselves with integrity, impartiality and honesty. It is every employee’s responsibility and in all interest of COSCO SHIPPING International to ensure that any inappropriate behaviour that compromise the interest of the shareholders, investors, customers and the wider public does not occur. It is also critical to maintain a good corporate image and raise the standard of corporate governance of COSCO SHIPPING International. To this end, COSCO SHIPPING International has devised a whistleblowing policy (the “Policy”).

2. PURPOSE AND APPLICABLE AREA

The purpose of formulating the Policy is to increase the awareness of maintaining internal corporate justice of COSCO SHIPPING International and regard this as a kind of internal control mechanism. It provides the employees with reporting channels and guidance on whistleblowing. The term ‘whistleblowing’ refers to a situation where an employee decides to report serious concerns about any malpractice which he/she has become aware or genuinely suspects that COSCO SHIPPING International has been or may become involved in. This Policy is designed to encourage employees to raise serious concerns internally, in a responsible and effective manner rather than overlooking a problem or blowing the whistle outside. The content of this Policy is applicable to all employees of COSCO SHIPPING International and its subsidiaries in Hong Kong or outside Hong Kong.

3. POLICY

This Policy is intended to assist individual employees (permanent or temporary employees) to disclose to COSCO SHIPPING International internally and at a high level, information which the individual believes shows malpractice or impropriety. It is not designed to further any personal disputes, question financial or business decisions taken by COSCO SHIPPING International nor should it be used to reconsider any staff matters which have been addressed under

the grievances procedure already in place. Whistleblowing matters may include but are not confined to:

- Breach of legal or regulatory requirements
- Criminal offences, breach of civil law and miscarriage of justice
- Malpractice, impropriety or fraud relating to internal controls, accounting, auditing and financial matters
- Endangerment of the health and safety of an individual
- Damage caused to the environment
- Violation of the rules and regulations of COSCO SHIPPING International or the rules of conducts of COSCO SHIPPING International (including but are not confined to “Staff Code of Conduct”)
- Improper conduct or unethical behaviour likely to prejudice the standing of COSCO SHIPPING International
- Deliberate concealment of any of the above

3.1 Protection and Confidentiality

It is COSCO SHIPPING International’s policy to make every effort treating all disclosures in a confidential and sensitive manner after employee reports concern about any of the above matters. The identity of the individual employee making the allegation will not be divulged without the employee’s consent. However, there may be circumstances in which COSCO SHIPPING International may be required or legally obliged to reveal the employee’s identity, for example, where an investigation leads to legal proceedings being initiated. If this is the case, COSCO SHIPPING International will take all reasonable steps to ensure that the employee suffers no detriment. Harassment or victimization of a genuine whistle blower will be treated as gross misconduct, which if proven, may result in dismissal.

3.2 Untrue Allegations

In making a disclosure, individual employee should exercise due care to ensure the accuracy of the information. No matter the allegations are being proven, employee will not be at risk of suffering any form of retribution as a result provided that he/she is acting in good faith and reasonable manner. On the other hand, disciplinary action may be taken against employee who is proven to raise false and malicious allegations deliberately. In an extreme case vexatious or wild allegations could give rise to legal action on the part

of the persons complained about.

3.3 Acknowledgement and Recognition

COSCO SHIPPING International places great value upon creating an environment where employees would maintain the highest standard of ethics, honesty, openness and accountability. COSCO SHIPPING International recognizes that it requires courage and personal quality such as righteousness, loyalty and impeccable integrity for an employee to step out and blow the whistle. These personal qualities and positive behaviours demonstrated by the whistleblowers are well acknowledged by COSCO SHIPPING International and will be taken into consideration, among others, for the employee's career opportunities and advancement.

4. PROCEDURE

4.1 Reporting Channel

4.1.1 Reporting Channel for COSCO SHIPPING International

Employee who has a legitimate malpractice concern can inform the respective Division/Department Head of the concern. The Division/Department Head should then raise the matter with the Managing Director. If the concern involves the Division/Department Head, or for any reason the employee would prefer the Division/Department Head not to be told, the employee may raise the matter direct with the Managing Director. If the concern involves the Vice Chairman/Managing Director, the employee may raise the matter direct with the Chairman. The Chairman may designate an appropriate person or set up an inquiry to investigate the matter.

If the concern involves a Director, the employee can report directly to the Chairman. The Chairman, depending upon the circumstances, may consider nominate an appropriate investigating officer or set up a special committee to investigate the matter independently.

The Managing Director/the Vice Chairman or the Chairman should report the matter to the Audit Committee at appropriate time in the above circumstance.

If for any reason the employee would prefer not to raise the malpractice concern with the Division/Department Head, the Managing Director/the Vice Chairman and the Chairman, the employee may take the complaint direct to the Chairman of the Audit Committee. The Chairman of the Audit Committee will review the complaint and decide how the investigation should proceed.

4.1.2 Reporting Channel for the Subsidiaries of COSCO SHIPPING International

Employee of the subsidiaries who has a legitimate malpractice concern can inform the respective General Manager of the subsidiary concerned. The General Manager of the subsidiary concerned should then raise the matter with the Audit & Supervision Division of COSCO SHIPPING International. If the concern involves the General Manager of the subsidiary concerned, or for any reason the employee would prefer the General Manager of the subsidiary concerned not to be told, the employee may raise the matter direct with the Audit & Supervision Division of COSCO SHIPPING International or the Managing Director. If the employee raises the matter with the Audit & Supervision Division, the Audit & Supervision Division should then report the matter to the Managing Director. The Audit & Supervision Division or the Managing Director will review the complaint and decide how the investigation should proceed. The Audit & Supervision Division or the Managing Director should report the matter to the Audit Committee at appropriate time in the above circumstance.

4.1.3 Reporting Format

Disclosures can be made in person or in writing. If the disclosure is made in writing, it should be sent to the Managing Director/Vice Chairman, the Chairman or the Chairman of the Audit Committee or the Audit & Supervision Division of COSCO SHIPPING International (applicable to subsidiaries) as appropriate at the principal place of business of COSCO SHIPPING International, 47th Floor, COSCO Tower, 183 Queen's Road Central, Hong Kong, in a sealed envelop clearly marked "Strictly Private and Confidential – To be Opened by Addressee" to ensure the confidentiality, or through sending email to the following address internalaudit@coscointl.com or by calling (852) 28098728. Employees should ensure all the

attachments to the email shall have password in order to ensure the confidentiality. **Employees are required to put their name to any disclosures they make. Anonymous complaints would usually not be considered.** COSCO SHIPPING International will hold it a serious disciplinary offence for any person to seek to prevent a communication of malpractice concern reaching to the Managing Director/the Vice Chairman, the Chairman or the Chairman of the Audit Committee or the Audit & Supervision Division of COSCO SHIPPING International (applicable to subsidiaries), or to impede any investigation which he/she or anyone on his/her behalf may make.

If there is evidence of criminal activity, activity on solicitation and acceptance of advantages or breach of legal and regulatory requirements of COSCO SHIPPING International, the party responsible for the internal investigation may legally be obliged to inform the relevant public or regulatory bodies such as the Hong Kong Police Force, the Independent Commission Against Corruption or the Security and Futures Commission or relevant regulatory body in China Mainland as appropriate.

4.2 Investigation Procedure

The format and the length of an investigation will vary depending upon the nature and particular circumstances of each complaint made. The matters raised may

- be investigated internally;
- be referred to the Hong Kong Police Force or regulatory body in China Mainland;
- be referred to the External Auditor; and/or
- form a task force of an independent investigation.

The Managing Director/the Vice Chairman, the Chairman, the Chairman of the Audit Committee or the person designated to investigate the complaint or the Audit & Supervision Division of COSCO SHIPPING International (applicable to subsidiaries) will write to the complainant wherever reasonably practicable of the concern being received:

- acknowledging that the concern has been received;
- advising whether or not the matter is to be investigated further and if so

what the nature of the investigation will be;

- giving an estimate of how long the investigation will take to provide a final response; telling the complainant whether any initial enquiries have been made, and whether further investigations will take place, and if not, why not.

5. INTERPRETATION, ENFORCEMENT AMENDMENT AND EFFECTIVENESS OF THE POLICY

- 5.1 The board of directors of COSCO SHIPPING International is responsible for the interpretation and supervision of enforcement of this Policy.
- 5.2 Any amendment to this Policy must be approved by the board resolutions of COSCO SHIPPING International.
- 5.3 The Policy is implemented on the date of approval of the board of directors of COSCO SHIPPING International.

Adopted on 12th September 2008

Revised on 28th August 2017

Revised on 26th April 2018

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