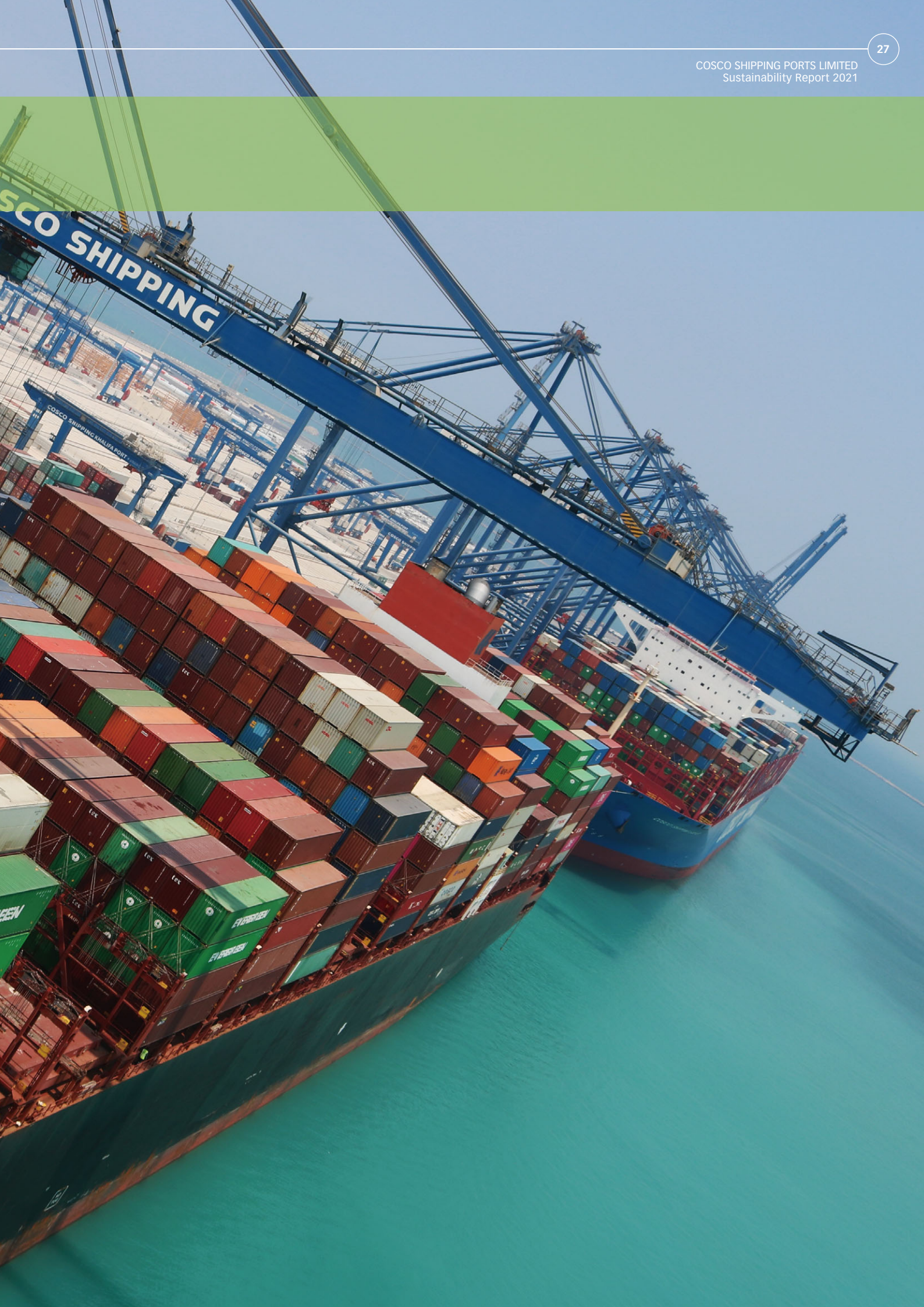


CHAPTER 6 STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT





The Company endeavours to maintain good and close communication with stakeholders through diverse channels to better understand their comments and expectations on our sustainability strategies, goals and daily operations in order to further improve our sustainability management.

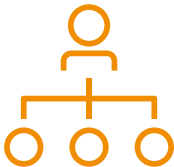
KEY STAKEHOLDERS AND REGULAR ENGAGEMENT


The table below outlines the objectives and channels of maintaining regular engagement with key stakeholders in our daily operations:

Stakeholder Groups	Objectives	Channels
 Customers	Strive for service excellence by understanding customers' concerns and expectations for the Company's business and sustainable development as well as sharing industry prospects and development strategy with customers to maintain long-term relationships with mutual trust	Customer satisfaction surveys, service hotlines, instant messaging software, meetings, regular business visits, online promotion activities, forums, correspondence
 Employees	Value the opinions of employees to constantly improve our staff policy, as well as attract and retain talents to lay the foundation for long-term business development	Company website, social media platforms including the Company's WeChat and LinkedIn accounts, briefings, meetings, labour unions, corporate promotional brochures, community activities, mailbox, suggestion box
 Shareholders and investors	Maintain close communication with shareholders and investors and understand their concerns as well as share our business update to enhance their understanding in the financial and non-financial performance, results and future development of the Company	Meetings, roadshows, investor conferences, company website, corporate communications (including, but not limited to, financial reports, sustainability reports, circulars and press releases), general meetings
 Suppliers	Ensure that suppliers understand and follow the Company's policies and expectations to improve service quality and act on its social responsibility	Tender meetings, contract and agreement negotiations, regular assessments, business exchanges, seminars
 Governments and regulators	Comply with the requirements and guidelines of government authorities and regulators and understand their policies and priorities in respect of sustainable development	Subject-specific reports, information submission, forums
 Community and environmental advocates	Establish good relationships with the communities and environmental advocates, maintain sound reputation, and identify and respond to different environmental and social risks	Company website, social media platforms including the Company's WeChat and LinkedIn accounts, corporate promotional brochures, briefings, meetings

OUR RESPONSES TO STAKEHOLDERS

The Company strives to maintain communication with stakeholders, and, in 2021, we commissioned a professional consultant to interview with stakeholder groups including employees in the headquarters, investors, customers, suppliers and community representatives, to help understand their advice and expectations concerning the Company's measures on sustainability, assess the materiality of each topic and respond accordingly. The table below summarises stakeholder feedback and our responses:

Issues on sustainability	Issues raised by stakeholders and their expectations	The Group's responses
 <p>Economic performance</p>	<ul style="list-style-type: none"> • Follow the business plan, make corresponding arrangements in response to market changes, further expand operations and install new equipment to optimise terminal operations • Continue to enhance lean operations, strengthen quality control of terminal services, and maintain competitive advantages in the international market 	<ul style="list-style-type: none"> • The Group continues to promote technological research and development and implements technology including 5G and artificial intelligence to increase operational efficiency and optimise customer service experience. • The Group strives to become the world's leading ports operator and seizes investment opportunities worldwide to enhance our global terminal network. <p>For more details, please refer to Chapter 8 – Customers First of this report.</p>
 <p>Corporate governance</p>	<ul style="list-style-type: none"> • Extend corporate governance to the management of environmental and social issues and strengthen corporate social responsibility and sustainable development 	<ul style="list-style-type: none"> • The Environmental, Social and Governance Committee of the Company is in place to enhance the leadership of the Board in corporate social responsibility and sustainable development, and has incorporated environmental protection, energy conservation and emissions reduction, and climate change into the risk assessment and management framework to better prevent against the relevant risks. <p>For more details, please refer to Chapter 5 – About COSCO SHIPPING Ports of this report and the section headed "Corporate Governance Report" in the 2021 Annual Report of COSCO SHIPPING Ports.</p>

Issues on sustainability	Issues raised by stakeholders and their expectations	The Group's responses
 <p>Employees</p>	<ul style="list-style-type: none"> • Provide education and training on environmental, social and governance for employees to enhance their awareness and ability in cooperating with sustainability approach • Increase the percentage of women in senior management positions to demonstrate the Company's efforts in promoting gender diversity 	<ul style="list-style-type: none"> • The Company has provided training on environmental, social and governance to the Board and employees concerning statutory requirements, recommendations on governance and case sharing, and encourages its Subsidiaries to offer trainings, covering occupational safety and health, and typhoon and flood control, to terminal workers to raise their awareness of corporate sustainable development. • The Group is dedicated to creating more employment opportunities for women, and has been building a diverse and inclusive workplace. <p>For more details, please refer to Chapter 7 – Caring for Our People of this report.</p>

Issues on sustainability	Issues raised by stakeholders and their expectations	The Group's responses
 Environment	<ul style="list-style-type: none"> • Speed up the reduction of greenhouse gas emissions, develop environmental targets, and actively respond to national policies and goals • Strengthen the protection of ecological environment and biodiversity, and practise corporate social responsibility 	<ul style="list-style-type: none"> • The Group is committed to facilitating the development of green and smart ports. We proactively promote electrification of terminal facilities, installation of shore power systems and the use of energy-saving lighting systems, to encourage energy conservation and emission reduction in the ports and shipping industry. In addition, the Company has set targets on four environmental performance indicators, including greenhouse gas emissions, energy use efficiency, water efficiency and waste disposal, to demonstrate our commitment to environmental protection and effectively monitor our environmental performance and the effectiveness of corresponding measures. • The Group has developed management measures on ecological and environmental protection and a performance appraisal mechanism, to enhance the awareness of environmental protection of the Subsidiaries to standardise pollution prevention.

For more details, please refer to Chapter 9 – Green Development of this report.

Issues on sustainability	Issues raised by stakeholders and their expectations	The Group's responses
 <p>Supply chain management</p>	<ul style="list-style-type: none"> • Strengthen strategic cooperation with upstream and downstream players in the shipping industry and explore and develop new projects which are mutually beneficial • Constantly optimise the supplier selection mechanism, by which suppliers could have a better understanding of our procurement standards 	<ul style="list-style-type: none"> • The Group values supply chain management, and proactively maintains communication with contractors to ensure their compliance with environmental impact assessment reports, international standards and regulations as well as the requirements of the Group. We proactively strengthen our collaboration with the industry chain and work with business partners to build 5G smart ports. • The Group uses the Suppliers' Self-evaluation on the Compliance with Social Regulations to allow new suppliers to understand our requirements, and facilitate assessment of their sustainability performance and compliance, putting responsible procurement in practice. <p>For more details, please refer to Chapter 10 – Win-win Cooperation of this report.</p>
 <p>Community</p>	<ul style="list-style-type: none"> • Further engage in charity work and encourage employees to participate in community activities 	<ul style="list-style-type: none"> • The Group vigorously advocates and practises corporate social responsibility and proactively engages in charity work to create value and facilitate development at the places where we operate. We proactively participate in charitable donations to help promote local employment and education, provide funding for community facilities and support local poverty alleviation initiatives. <p>For more details, please refer to Chapter 11 – Investing in Communities of this report.</p>

MATERIALITY ASSESSMENT

The Company has made reference to the ESG Reporting Guide issued by the SEHK, the GRI Standards and material issues of local and international peers, and aligned our material issues with those of COSCO SHIPPING Holdings to identify 45 issues on sustainable development from six major aspects. To keep abreast of the trend of sustainability of the industry and understand the expectations of stakeholders for COSCO SHIPPING Ports, we completed industry background analysis, peer benchmarking and stakeholder interviews in 2021. Based on the results, we have adjusted the sustainability issues that are most relevant to the Company's operations and stakeholders and updated the materiality matrix, which is classified by four quadrants.

During the year, we identified 18 highly material issues in the materiality assessment. For the scope and boundary of the material topics, please refer to Chapter 12 – Appendices – Boundary Mapping of Material Topics of this report.

MATERIALITY MATRIX FOR COSCO SHIPPING PORTS

