

CHAPTER 1

ABOUT THIS REPORT



COSCO SHIPPING Ports, the terminals in which it has controlling stakes (the “Subsidiaries”) and the terminals in which it has a shareholding (the “Non-subsidiaries”) are committed to integrating the concept of sustainability into the daily operations and long-term business strategy, and proactively optimising the management approach and performance related to sustainability issues. The Company believes that implementing the concept of sustainability is the key to becoming a market leader and is dedicated to realising the shared value and mutual benefits to facilitate the healthy, continuous, steady and harmonious development of society. This report aims to share the Company’s sustainability-related management approaches, actions and achievements with stakeholders and the society, with an illustration of the principles upheld and work implemented by the Company in fulfilling its corporate social responsibility as well as to respond to stakeholders’ concerns about the Company’s sustainability performance. The Company continues to echo the United Nations’ Sustainable Development Goals (the “SDGs”) while proactively fulfilling its social responsibility to create positive and long-term value for its stakeholders.

REPORTING STANDARDS

This report follows all the mandatory disclosure requirements and “comply or explain” provisions under the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) set out in Appendix 27 to the Rules Governing the Listing of Securities of the Stock Exchange of Hong Kong Limited (the “SEHK”), and is prepared in accordance with the Universal Standards 2021 of the Global Reporting Initiative (the “GRI”).

REPORTING PRINCIPLES

This report adheres to the reporting principles set out in the ESG Reporting Guide and GRI Universal Standards 2021:

- **Materiality:** The Company engages with various stakeholders to identify material issues. The board of directors of the Company (the “Board”) confirms the materiality of the issues and reports accordingly.
- **Quantitative:** This report provides the key performance data of the past three years, and clearly states the standards of calculation, methods and assumptions.
- **Balance:** This report provides an unbiased perspective of the environmental, social and governance performance for 2022 of the Company and the terminals within the reporting scope to avoid influencing readers’ decision making or judgement.
- **Consistency:** The key performance indicators in this report are calculated using consistent methodology for meaningful comparison in the future. Any changes in the methodology or key performance indicators are indicated in the footnotes.
- **Accuracy:** This report provides correct and sufficiently detailed environmental, social and governance information to allow an assessment of the Company’s impacts.
- **Clarity:** This report presents environmental, social and governance information in a way that is accessible and understandable.
- **Comparability:** This report selects, compiles, and reports information consistently to enable an analysis of changes in the Company’s environmental, social and governance impacts during the reporting period and an analysis of these impacts relative to those of other organisations.
- **Completeness:** This report provides sufficient environmental, social and governance information to enable an assessment of the Company’s impacts during the reporting period.
- **Sustainability context:** This report provides information about the impacts of the Company and the terminals within the reporting scope in the wider context of sustainable development.
- **Timeliness:** This report provides the annual environmental, social and governance information of the Company and the terminals within the reporting scope and makes it available in time for stakeholders to make decisions.
- **Verifiability:** This report gathers, records, compiles, and analyses environmental, social and governance information in such a way that the information can be examined to establish its quality.

REPORTING SCOPE

This report describes the environmental, social and governance performance and initiatives of the Company and the terminals within the reporting scope for the period from 1 January to 31 December 2022.

As of 31 December 2022, the Company had a total of 15 Subsidiaries and 31 Non-subsidiaries. Compared to 2021, one subsidiary (i.e. Tianjin Container Terminal) has been added to the reporting scope for the year, which makes it a total of 14 Subsidiaries¹ and 13 Non-subsidiaries, in aggregate accounting for approximately 75.3% of the Company’s equity throughput in 2022.

1 CSP Chancay Terminal in Peru is under construction and therefore is not included in the scope of this report.

The 27 Terminals within the Scope of this Report²

Subsidiaries	Non-subsidiaries
<p>China</p> <ol style="list-style-type: none"> 1. Quan Zhou Pacific Terminal 2. Jinjiang Pacific Terminal 3. Xiamen Ocean Gate Terminal 4. CSP Wuhan Terminal 5. Lianyungang New Oriental Terminal 6. Jinzhou New Age Terminal 7. Nantong Tonghai Terminal 8. Guangzhou South China Oceangate Terminal 9. Tianjin Container Terminal <p>Overseas</p> <ol style="list-style-type: none"> 10. Piraeus Terminal (Greece) 11. CSP Zeebrugge Terminal (Belgium) 12. CSP Abu Dhabi Terminal (United Arab Emirates) 13. CSP Valencia Terminal (Spain) 14. CSP Bilbao Terminal (Spain) 	<p>China</p> <ol style="list-style-type: none"> 1. Asia Container Terminal 2. COSCO-HIT Terminal 3. Yingkou New Century Terminal 4. Yingkou Container Terminal 5. Shanghai Pudong Terminal 6. Shanghai Mingdong Terminal 7. Ningbo Yuan Dong Terminal 8. Dalian Container Terminal 9. Yantian Terminal Phases I & II³ 10. Yantian Terminal Phase III³ 11. Guangzhou Nansha Stevedoring Terminal <p>Overseas</p> <ol style="list-style-type: none"> 12. COSCO-PSA Terminal (Singapore) 13. Kumport Terminal (Turkey)

INDEPENDENT VERIFICATION

This report has been verified by Hong Kong Quality Assurance Agency, an independent third party, under the approval of the management of the Company to ensure the accuracy and reliability of information herein. The verification statement is set out on page 125 of this report.

ENDORSEMENT AND APPROVAL

This report was endorsed and approved by the Board on 29 March 2023, and issued on 18 April 2023.

ACCESS TO THIS REPORT

This report is published as an electronic PDF and can be downloaded from the corporate website of COSCO SHIPPING Ports: <https://ports.coscoshipping.com/en/Sustainability/ReportsonSustainability/>.

FEEDBACK AND COMMENTS

Please feel free to share your recommendations on the content of this report or the Company's sustainability performance with us. Contact details are as follows:

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² The full name of the terminals are set out on pages 127-128 of this report.

³ Yantian Terminal Phases I & II and Yantian Terminal Phase III are collectively called Yantian Terminals.