COSCO SHIPPING Development Co., Ltd.
WORKING RULES FOR THE AUDIT COMMITTEE UNDER THE BOARD OF DIRECTORS

(considered and approved at the twenty-ninth meeting of the seventh session of the Board of the Company)

Chapter 1 GENERAL PROVISIONS

Article 1 In order to further improve corporate governance structure, enhance the decision-making functions of the board of directors of the Company (the "Board") and ensure the effective supervision by the Board over the management, the Board decides to set up an Audit Committee and formulate these working rules (the "Working Rules") in accordance with the "Company Law of the People's Republic of China" (hereinafter referred to as the "Company Law", the "Code of Corporate Governance for Listed Companies, the "Listing Rules of Shanghai Stock Exchange" and the "Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited" (hereinafter collectively referred to as the "Listing Rules"), the "Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 1 — Standardised Operation" (hereinafter referred to as the "Supervision Guidelines No. 1"), "Measures for the Administration of Independent Directors of Listed Companies" and the "Articles of Association of COSCO SHIPPING Development Co., Ltd." (hereinafter referred to as the "Articles of Association") and other relevant regulations.

Article 2 Audit Committee is a special working organ under the Board, exercising the statutory powers of the Supervisory Committee under the Company Law and the relevant securities regulatory authorities of the places of listing. It is accountable to the Board and reports work thereto.

Chapter 2 COMPOSITION

Article 3 The Audit Committee shall consist of at least three members, all of whom shall be elected from the incumbent non-executive directors who do not hold senior management positions of the Company, and more than half of whom shall be independent non-executive directors. At least one of the members shall be an independent non-executive director with the accounting expertise as required under the Listing Rules and the Supervision Guidelines No. 1.

The Company shall organise the members of the Audit Committee to attend relevant trainings, so as to enable them to have the professional knowledge in law, accounting, the regulatory rules of listed companies and other fields on a timely basis to perform their duties.

Article 4 Members of the Audit Committee shall be nominated by one of the following: (i) Chairman of the Board, (ii) more than half of independent non-executive directors or (iii) more than one third of all directors, and shall be appointed by the Board.

Article 5 Audit Committee shall have one chairman appointed by the Board and shall be an independent non-executive director who will be responsible for convening and presiding the work of the Audit Committee. The chairman shall be an accounting professional. The chairman of the Audit Committee shall also be a member of the Risk and Compliance Management Committee under the Board, and the main responsibilities of the Risk and Compliance Management Committee are studying and assessing the risk and compliance management profiles, making suggestions on improving the risk and compliance management of the Company and promoting the construction of the rule of law.

Article 6 No former partner of the auditing company currently responsible for auditing the accounts of the Company may act as a member of the Audit Committee within one year from the later of following dates:

(1) The date when he/she ceases to be a partner of such auditing company; or

(2) The date when he/she no longer has any financial interest in such auditing company.

Article 7 The term of office of the members of Audit Committee shall be the same as that of the terms of the directors of the Company. Members may be re-elected upon expiration of their term of office. If any member no longer serves as a director of the Company during his/her term of office, he/she shall become disqualified as a committee member automatically, and the Board may decide on a new candidate pursuant to the provisions of Articles 3 to 6 hereof. The Board shall regularly assess the independency and performance of duties by members of the Audit Committee, and may replace any member who is incompetent for his/her post whenever necessary.

Article 8 Any member of the Audit Committee may submit a written resignation to the Board prior to expiry of his/her term of office. However, he/she shall make explanation on any matter in respect of his/her resignation or other things, in his/her opinion, that needs to be brought to the attention of the Board and shareholders of the Company.

Chapter 3 DUTIES AND AUTHORITIES

Article 9 The Audit Committee is responsible for reviewing the Company's financial information and its disclosures, and supervising and evaluating internal and external audit work and internal control. It shall perform the following duties:

(1) Oversee and evaluate the external audit work;

(2) Oversee and evaluate the internal audit work;

(3) Oversee and evaluate the internal control work;

(4) Review the Company's financial information and its disclosures;

(5) Coordinate the communication between the management, internal audit department and relevant departments and the external auditing institution;

(6) Handle other matters authorised by the Board of the Company and other matters involved in the laws, regulations and relevant provisions of the stock exchange.

The Audit Committee shall report to the Board and make recommendations on any matters requiring actions or improvements.

The Audit Committee shall exercise its professional judgment to act in the best interest of the Company and its shareholders, and its duties are specified as follows:

Relationship with the External Auditing Institution of the Company

1. Be mainly responsible for making suggestions to the Board on the appointment, reappointment and removal of the external auditing institution, approving the remuneration and terms of engagement of the external auditing institution, and handling any issue in connection with the resignation or dismissal of such external auditing institution, without undue influence from the substantial shareholders, de facto controllers or directors and senior management of the Company.

2. Assess, monitor and review the independence and objectivity of the external auditing institution and the effectiveness of audit process in accordance with applicable standards. The Audit Committee should discuss with the external auditing institution the nature and scope of the audit and reporting obligations prior to commencement of an audit, and shall convene at least one meeting every year with the external auditing institution to communicate with them alone without the presence of any management personnel. The Secretary to the Board may attend the meeting.

3. Formulate and implement the policies regarding provision of non-audit services by the external auditing institution. With respect to this provision, "External Auditing Institution" includes any organisation under common control, ownership or management with the company responsible for auditing, or any entity that would be reasonably determined as part of domestic or international business of the company responsible for auditing, by a third party with reasonable knowledge of all relevant data. The Audit Committee shall report and make suggestions to the Board on any matters requiring actions or improvements.

4. Discuss and communicate with the external auditing institution regarding the auditing scope, plan and method of audit as well as significant matters identified during the audit.

5. Supervise and review the work quality of the external auditing institution, urge the external auditing institution to be honest, trustworthy, diligent and responsible, strictly abide by the business rules and industry disciplinary regulations, strictly implement the internal control system, check and verify the Company's financial and accounting reports, perform the special care obligations, and prudently express professional opinions.

Review Financial Data of the Company

6. Review and supervise the truthfulness, accuracy and completeness of the financial statements, annual reports and accounts, half-year reports and quarterly reports of the Company and make relevant suggestions, and review the significant financial reporting opinions contained in them, so as to gain an understanding of the progress of dealing with such opinions and make recommendations or reports to the Board. The Audit Committee shall particularly review the following matters before submitting annual reports and accounts, half-year reports and quarterly reports of the Company to the Board:

   (1) any changes in accounting policies and practice;

   (2) the parts involving important judgments;

   (3) the significant adjustments arising out of audit;

   (4) going-concern assumption and any qualified opinion;

   (5) compliance with accounting standards;

   (6) compliance with the laws, regulations and regulatory rules relating to financial reporting of the securities regulatory authorities and stock exchange at the place where the Company's shares are listed; and

   (7) matters giving rise to non-standard unqualified audit report.

With respect to this duty:

(8) members of the Audit Committee shall liaise with the Board and officers of the Company. The Committee shall meet at least twice a year with the external auditing institution of the Company; and

(9) the Audit Committee shall consider any significant or extraordinary matter reflected or to be reflected in such reports and accounts, and shall give due consideration to any matter proposed by any accountant and financial reporting employee, compliance officer or external auditing institution of the Company.

7. Pay special attention to the possibility of any fraud, corrupt practice and material misstatement in connection with financial reports.

8. Supervise the rectification of the existing problems in financial reports.

Supervise Financial Reporting System of the Company

9. Assess financial and accounting policies and practices of the Group.

10. Discuss relevant problems and improvement methods with the external auditing institution.

11. Pay attention to the communications between the Company's financial accounting department and the internal audit department and the external auditing institution regarding relevant matters, and ensure that work is coordinated between the Company and the external auditing institution; ensure that the internal audit function is provided with adequate resources within the Company and is appropriately positioned; review and supervise the effect of such efforts, and coordinate the relationship between the internal audit department and external audit units such as accounting firms and the audit institutions of the State.

12. Review the "Explanatory Letter of Audit" submitted by the external auditing institution to the management, any material questions raised to the management by the auditing institution regarding accounting records, financial accounts or monitoring system as well as the management's response to these findings.

13. Ensure that the Board will timely respond to the issues proposed by the external auditing institution in the "Explanatory Letter of Audit" given to the management.

14. Listen to work reports of the internal audit department, assess the results of internal audit work, supervise the rectification of significant problems, supervise the internal audit system of the Company, review the Company's annual plan on internal audit work, urge the implementation of the internal audit plan of the Company, give opinions on the performance of duties by staff of the internal audit department, and provide guidance on effective operation of the internal audit department. The internal audit department of the Company shall report its work to the Audit Committee. Various audit reports and the plan and status of rectification on the problems identified during an audit shall be submitted by the internal audit department to the management and the Audit Committee simultaneously.

15. Study other topics defined by the Board.

16. Review the arrangements made by the Company, so that employees of the Company may unanimously raise concerns about any impropriety that might arise in financial reporting or otherwise. The Audit Committee shall ensure that there are appropriate arrangements so that the Company can carry out fair and independent investigation and take proper actions against such matters.

17. Act as the main representative between the Company and the external auditing institution and supervise the relationship between them.

18. The Audit Committee shall be accountable to the Board. Proposals made by the Audit Committee shall be submitted to the Board for decision.

19. Other matters authorised by the Board or provided by the relevant laws, regulations and regulatory documents.

Main Functions of the Supervisory Committee

20. Inspect the Company's financial affairs.

21. Supervise the conduct of directors and senior management in performing their duties.

22. Where the acts of directors or senior management are detrimental to the interests of the Company, require them to rectify such acts.

23. Propose the convening of interim meetings of the Board of Directors.

24. Propose the convening of extraordinary general meetings of shareholders, and convene and preside over such meetings where the Board of Directors fails to fulfil its statutory duty to do so.

25. Submit proposals to the general meeting of shareholders.

26. Accept requests from shareholders to initiate proceedings against directors or senior management (other than members of the Audit Committee) who, in the course of performing their duties, violate laws, administrative regulations or the Articles of Association and cause losses to the Company.

27. Exercise such other powers as may be conferred by laws, regulations, the rules of the stock exchange, or the articles of association.

Article 10 The following matters shall be submitted to the Board for consideration after being approved by a majority of all members of the Audit Committee:

(1) disclosure of financial information in financial accounting reports and periodic reports, and internal control evaluation reports;

(2) engagement or dismissal of an accounting firm that undertakes auditing work of the Company;

(3) appointment or dismissal of the chief accountant or chief financial officer of the Company;

(4) changes in accounting policies, accounting estimates or corrections of significant accounting errors for reasons other than changes in accounting standards;

(5) other matters required by the laws, administrative regulations, the China Securities Regulatory Commission and the Articles of Association.

Article 11 Unless otherwise provided by the laws and regulations, the Audit Committee of the Board shall procure the internal audit department to conduct inspections in respect of the following matters at least once every six months, issue inspection reports and submit such reports to the Audit Committee. Any violation of the laws and regulations or operating irregularities of the Company identified during the inspections shall be promptly reported to the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited:

(1) the implementation of significant events such as the Company's use of proceeds, provision of guarantees, related party transactions, securities investment and derivatives transactions, provision of financial assistance, purchase or sale of assets, and foreign investments;

(2) the Company's substantial capital transactions and the capital transactions with directors, senior management, controlling shareholders, de facto controllers and their related parties.

The Audit Committee shall issue evaluation opinions in writing in respect of the effectiveness of the internal control of the Company based on the internal audit report and relevant information submitted by the internal audit department, and report to the Board. In the event that the Board or the Audit Committee considers that there is a material defect or material risk in the internal control of the Company, or that the sponsor or audit firm identifies a material defect in respect of the effectiveness of the internal control of the Company, the Board shall report to the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited and make timely disclosure. The Company shall disclose in an announcement the material defect or material risk identified in the internal control, consequences which have been or may be caused, as well as measures which have been or are intended to be taken.

Chapter 4 WORKING PROCEDURES

Article 12 The Audit Committee may require officers including General Manager to directly report their work to it or accept work inquiries initiated by it. When necessary, the Audit Committee may hold separate meetings with the management, the internal audit department and external auditing institution respectively and submit the minutes of meetings to the Board.

Article 13 The management and finance, accounting, internal audit and other relevant departments of the Company shall properly provide relevant materials of the Company, including:

(1) Proposals to be submitted to the Board for consideration in connection with the duties of the Audit Committee;

(2) Relevant financial reports of the Company;

(3) Work reports of the internal audit department;

(4) External audit contracts and relevant work reports;

(5) Financial information disclosed by the Company;

(6) Audit reports on significant related-party transactions of the Company; and

(7) Other related matters.

Article 14 Within 30 days after the end of each fiscal year, the Audit Committee shall discuss and determine with the Company's external auditing institution the timetable for the auditing of financial reports in the current year. The Audit Committee shall strengthen its communications with the external auditing institution after the auditor arrives at the Company and review the financial and accounting statements of the Company once again and prepare a written opinion after the auditor gives a preliminary audit opinion. The Audit Committee shall vote on the annual financial and accounting statements and submit its resolution to the Board for review; at the same time, the Audit Committee shall submit to the Board a summary report on the performance of audit work by the external auditing institution in the current year and the resolution on retention or replacement of the external auditing institution for the subsequent year.

Chapter 5 RULES OF PROCEDURE

Article 15 Meetings of the Audit Committee are divided into regular meetings and interim meetings and will be convened and chaired by the chairman of the Audit Committee. The Audit Committee shall hold at least one meeting each quarter. When the Audit Committee intends to convene a meeting, it shall notify all the members five days prior to the holding of such meeting. The Audit Committee may hold interim meetings as needed. When more than two members of the Audit Committee propose, or when the convener of the Audit Committee deems necessary, an interim meeting may be held. The Audit Committee will not be subject to the foregoing notice period of meetings, provided that it can confirm that such notice has been received by all the members.

Article 16 Meetings of the Audit Committee may only be held with the presence of no less than two thirds of its members. Such meetings will be chaired by the chairman of the Audit Committee. If the chairman of the Audit Committee is unable to attend, he/she may authorise another member (independent non-executive director) to chair the meeting.

Article 17 In principle, the meeting of the Audit Committee shall be held onsite, however, under the premise of ensuring full communication among and expression of opinions by all participating members, the meetings may be held by way of video, telephone or other means in accordance with the procedures if necessary. Members shall vote by a show of hands or in written form at meetings of the Audit Committee. Each member shall be entitled to one vote. Resolutions made at such meetings shall be approved by more than half of the Audit Committee members. If any member of the Audit Committee is interested in the matter discussed at a meeting, such member shall abstain from voting. The relevant matter shall be reviewed directly by the Board when the Audit Committee is unable to give effective audit opinions due to the abstaining of its member(s).

Article 18 Members of the Audit Committee shall attend a meeting in person and express clear opinion on the matters under review. If a member is unable to attend a meeting, he/she may submit a power of attorney signed by him/herself and appoint another member to attend and give opinion on his/her behalf. The power of attorney shall specify the scope and period of authorisation. Each member can accept the authorisation from a maximum of one member. If an independent director member is unable to attend a meeting in person for some reason, he/she shall review the meeting materials in advance, form specific opinions and authorise in writing another independent director member to attend on his/her behalf.

Article 19 The Audit Committee may invite other directors and the management of the Company and other relevant persons to attend a meeting, if necessary.

Article 20 When performing its duties, the Audit Committee may, if necessary, engage an intermediary institution to provide independent professional opinions on its decisions. The cost shall be borne by the Company.

Article 21 The procedure for convening a meeting, the method of voting and the resolutions passed at a meeting of the Audit Committee shall comply with the provisions of the relevant laws, regulations, the Articles of Association and these Working Rules.

Article 22 The Audit Committee shall keep minutes of its meetings. Members present at a meeting shall sign the minutes of the meeting which shall be kept by the duly appointed secretary of the meeting (usually the Secretary to the Board) for a period of not less than ten years. The secretary of the meeting shall make the minutes of meetings available for inspection at any reasonable time upon a reasonable request by any director of the Company.

Article 23 Any resolution passed and the results of any poll taken at a meeting of the Audit Committee shall be reported in writing to the Board. Minutes of meetings of the Audit Committee shall record in sufficient details the matters considered at the meetings and the decisions made, including any doubts raised or dissenting opinions expressed by directors. After a meeting is concluded, the secretary of the meeting shall send the draft and final minutes to all the members in succession within a reasonable period upon conclusion of the meeting; wherein, the draft minutes are intended to be provided to the members for their comments and the final minutes are kept for record.

Article 24 The chairman of the Audit Committee or in his absence, another member of the committee or failing this, his duly appointed delegate, shall attend the annual general meeting of the Company and be prepared to answer questions at the annual general meeting on the work and duties of the Audit Committee.

Chapter 6 OBLIGATION OF CONFIDENTIALITY

Article 25 Members of the Audit Committee (including other persons present at meetings) shall be under an obligation of confidentiality with respect to the matters of the Company known to them during their term, and may not disclose relevant information, otherwise the relevant members shall assume corresponding legal liability.

Chapter 7 INFORMATION DISCLOSURE

Article 26 According to the requirements of local stock exchanges, the Company shall disclose the details about annual performance of duties by members of the Audit Committee while disclosing its annual report, mainly including details about performance of their duties and holding of meetings of the Audit Committee.

Article 27 If the Audit Committee put forward its audit opinions to the Board on the matters falling within the scope of its duties and those opinions are not taken by the Board, the Company shall disclose such matters with adequate justifications.

Chapter 8 SUPPLEMENTARY PROVISIONS

Article 28 Matters not covered by these Working Rules shall be governed by the relevant national laws and regulations, the securities regulatory rules of the place(s) where the Company's shares are listed and the Articles of Association. When these Working Rules conflict with the relevant national laws, regulations or the Articles of Association as modified pursuant to legal procedures, these Rules shall be amended immediately and submitted to the Board for approval.

Article 29 The power of interpretation of these Working Rules shall be vested in the Board.

Article 30 These Working Rules shall be implemented on the date when the relevant resolution is passed by the Board.

Note: These Working Rules are written in Chinese without an official English version. This English version is for reference only. In case of any inconsistency, the Chinese version shall prevail.