COSCO SHIPPING Development Co., Ltd.
WORKING RULES FOR THE REMUNERATION 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 establish a sound administration system of remuneration for directors and officers of COSCO SHIPPING Development Co., Ltd. (the "**Company**") and perfect its corporate governance structure, the Board of directors of the Company (the "**Board of Directors**") decided to set up a Remuneration Committee, and formulated these working rules (the "**Working Rules**") in accordance with the "Company Law of the People's Republic of China", "Code of Corporate Governance for Listed Companies", "Listing Rules of Shanghai Stock Exchange", "Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited" (the "**Hong Kong Listing Rules**"), "Measures for the Administration of Independent Directors of Listed Companies" and the "Articles of Association of COSCO SHIPPING Development Co., Ltd." (the "**Articles of Association**") and other relevant provisions.

Article 2 The Remuneration Committee is a specific working body under the Board of Directors. Its main responsibilities are to formulate and review the policies for and proposals on the remuneration of directors and officers of the Company.

Article 3 In these Working Rules, director(s) refer to the director(s) receiving remuneration from the Company, respectively, while officers refers to the General Manager, Deputy General Manager, Chief Accountant, Secretary of the Board of Directors appointed by the Board of Directors and other officers recognised by the Board of Directors.

CHAPTER 2 COMPOSITION

Article 4 The Remuneration Committee shall comprise three members, all being the current directors of the Company, and more than half of whom shall be independent non-executive directors.

Article 5 The members of the Remuneration Committee shall be nominated by one of the following: (i) the chairman of the Board of Directors, (ii) more than half of the number of independent non-executive directors or (iii) more than one third of all directors, and shall be appointed by the Board of Directors.

Article 6 The Remuneration Committee shall have a chairman who shall be an independent non-executive director and serve as the convener.

Article 7 The term of office of the Remuneration Committee shall be the same as that of the directors. A member may serve consecutive terms and be re-elected upon expiry of his/her term. If any member resigns from the position of director of the Company during his/her term of office, he/she shall automatically lose his/her position as a committee member, and the vacancy shall be filled by the Board of Directors in accordance with the provisions of Articles 4 to 6 above.

CHAPTER 3 DUTIES AND AUTHORITIES

Article 8 The major duties and authorities of the Remuneration Committee include:

1. to formulate remuneration plans or proposals for directors and officers based on their duties, responsibilities and importance with reference to the remuneration levels of similar positions in other similar companies and to make recommendations to the Board of Directors thereon. The remuneration plans or proposals shall mainly include, but not limited to, the major standard procedures, and major assessment system for performance appraisal, and major plans and systems for awards and punishments;

2. to make recommendations to the Board of Directors on the Company's policy and structure for all directors' and officers' remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy (including remuneration determination mechanism, decision-making processes, payment, termination and claw-back arrangements for directors and officers);

3. to review and approve the management's remuneration proposals with reference to the corporate goals and objectives of the Board of Directors;

4. either:

   (1) to determine, with responsibility delegated from the Board of Directors, the remuneration packages of individual executive directors and officers; or

   (2) to make recommendations to the Board of Directors on the remuneration packages of individual executive directors and officers.

   This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;

5. to make recommendations to the Board of Directors on the remuneration of non-executive directors;

6. to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;

7. to review the performance of duties by directors and officers and conduct annual performance assessment for them;

8. to handle specific matters in relation to employee equity incentives and report and make proposals to the Board (including formulation or change of the share incentive scheme, employee stock ownership plan, granting of interests to participants, and fulfilment of the conditions for exercising interests, review and/or approval of matters relating to share schemes as referred to in Chapter 17 of the Hong Kong Listing Rules);

9. to review and approve compensation payable to executive directors and officers for any losses or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and reasonable and not excessive;

10. to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;

11. to monitor the implementation of the Company's remuneration system;

12. to ensure that no director or any of his/her associates is involved in deciding his/her own remuneration;

13. to make recommendations to the Board of Directors on the arrangement of the stock ownership plan for directors and officers in the subsidiaries proposed to be spun off; and

14. to deal with other matters as stipulated by laws, administrative regulations, China Securities Regulatory Commission and the Articles of Association or authorised by the Board of Directors.

Article 9 The Remuneration Committee shall be accountable to the Board of Directors. In accordance with the provisions of the relevant laws and regulations and the Articles of Association, the Remuneration Committee shall propose resolutions with reference to the Company's actual situation and submit the same to the Board of Directors for approval or consideration. The remuneration plans for directors shall be proposed to the general meeting for approval and implementation accordingly.

CHAPTER 4 WORKING PROCEDURES

Article 10 The affairs administration department of the Board of Directors of the Company shall coordinate with the personnel department and other relevant departments to provide the Remuneration Committee with the following written materials for decision-making purpose:

1. to provide information on fulfilment by the Company of its main financial targets and business objectives;

2. to provide information on the division of labour among the Company's officers and their main duties;

3. to provide information on target completion in relation to the work performance appraisal system of directors and officers;

4. to provide information on the business initiatives and profit-making ability of directors and officers in business operation; and

5. to provide information on the basis for formulating the Company's plans and methods for fixing remunerations based on its operating results.

Article 11 The procedures for appraising directors and officers are as follows:

1. The directors and officers shall report their work and make self-appraisals to the Remuneration Committee;

2. The Remuneration Committee shall convene meetings to conduct performance appraisal of the directors and officers according to the performance appraisal standards and procedures;

3. A proposal on the amount of remuneration and method of reward for the directors and officers based on the results of work performance appraisals and prepared according to the remuneration and distribution policies shall be made and, after being approved by a vote, it shall be reported to the Board of Directors of the Company.

Article 12 If the Board of Directors does not adopt or does not fully adopt the recommendations from the Remuneration Committee, it shall record and disclose the opinions of the Remuneration Committee and the specific reasons for its decision in the resolution of the Board of Directors.

CHAPTER 5 RULES OF PROCEDURES FOR MEETINGS

Article 13 For convening meetings of the Remuneration Committee, a notice of meeting shall be given to all members five days prior to that meeting. In case of emergency, an extraordinary meeting may be convened not subject to the aforesaid time limit for sending notice provided that all members have confirmed their receipt of such notice.

Article 14 The meetings of the Remuneration Committee shall be convened only with the presence of not less than two thirds of the members. The meetings shall be chaired by the chairman of the committee. If the chairman of the committee cannot attend the meeting, he/she may appoint another member to chair the meeting.

Article 15 In principle, the meeting of the Remuneration Committee shall be convened on-site, 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 Remuneration Committee. Each member shall be entitled to one vote. Resolutions of a meeting must be adopted by the affirmative votes of more than half of all members.

Article 16 Other directors, management personnel and other relevant officers of the Company may be invited to attend the meetings of the Remuneration Committee if necessary.

Article 17 The Remuneration Committee shall consult the Chairman and/or the General Manager for proposals on the remuneration of other executive directors. When performing its duties, the Remuneration Committee may, if necessary, engage an intermediary institution to provide independent professional advice on its decision. The cost shall be borne by the Company.

Article 18 When any subject of discussion of the Remuneration Committee relates to a member of the committee at a meeting, such member shall abstain from such meeting.

Article 19 The procedures for convening a meeting, the method of voting and the resolutions passed at a meeting of the Remuneration Committee shall comply with the provisions of the relevant laws, regulations, the Articles of Association and these Working Rules.

Article 20 The Remuneration 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 of Directors of the Company) 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 directors of the Company.

Article 21 Any resolutions passed and the result of any polls taken at a meeting of the Remuneration Committee shall be reported in writing to the Board of Directors. Minutes of meetings of the Remuneration Committee shall record in sufficient details the matters considered at the meetings and the decision reached, including any concerns raised by directors or dissenting view expressed. Draft and final versions of minutes of the meetings shall be sent to all committee members for their comment and records within a reasonable time after the meeting.

Article 22 The chairman of the Remuneration Committee or in his/her absence, another member of the committee or failing this, his/her 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 Remuneration Committee's activities and their responsibilities.

Article 23 Any member of the Remuneration Committee shall be obliged to keep confidential all matters of the Company which came to his/her knowledge due to his/her term of office, and shall not disclose any relevant information without authorisation, otherwise he/she shall be liable for the corresponding legal responsibilities.

CHAPTER 6 SUPPLEMENTARY PROVISIONS

Article 24 Any matters not covered by these Working Rules shall be implemented in accordance with the provisions of the relevant laws and regulations of the People's Republic of China and the Articles of Association. If these Working Rules contravene any laws and regulations or the legally amended Articles of Association, these Working Rules shall be promptly amended and reported to the Board of Directors for consideration and adoption.

Article 25 The power of interpretation of these Working Rules shall be vested in the Board of Directors.

Article 26 These Working Rules shall be implemented on the date on which the relevant resolution is passed by the Board of Directors.

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.