COSCO SHIPPING ENERGY TRANSPORTATION CO., LTD.*

ADMINISTRATIVE MEASURES FOR THE IMPLEMENTATION AND APPRAISAL OF THE 2023 SHARE OPTION INCENTIVE SCHEME

Considered and Approved by the 2025 Second Extraordinary General Meeting Held on 26 September 2025

Initially formulated	Approved at the 2024 Second Extraordinary General Meeting held on 10 May 2024
First Amendment	Approved at the 2025 Second Extraordinary General Meeting held on 26 September 2025

To ensure the successful implementation of the 2023 share option incentive scheme ("Share Option Incentive Scheme") of COSCO SHIPPING Energy Transportation Co., Ltd. (hereinafter the "Company"), to further improve the corporate governance structure of the Company, to develop a fair and balanced value allocation system, to continuously motivate the middle to senior management and technical business backbone of the Company to focus on the long term development of the Company and strive for it cooperatively, and to drive for a stable growth of the results of the Company, and to ensure the implementation of the development strategies and operating targets of the Company, the Administrative Measures for the Implementation and Appraisal of the Share Option Incentive Scheme has been formulated in accordance with laws and regulations such as the Company Law of the People's Republic of China, the relevant provisions of the Articles of Association of COSCO SHIPPING Energy Transportation Co., Ltd., coupled with the Company's internal performance and appraisal management system.

I. PURPOSE OF APPRAISAL

Further improve the corporate governance structure of the Company, develop and improve the incentive restrictive system of the Company, ensure the successful implementation of the Share Option Incentive Scheme, and effect the share option incentive to its greatest extent, thereby ensuring the realization of the development strategies and operating targets of the Company.

II. PRINCIPLE OF APPRAISAL

The appraisal and assessment shall adhere to the principle of integrity, openness and fairness, and the assessment must be strictly carried out according to these Measures and the performance of the Participants, to implement an intertwinement between the Share Option Incentive Scheme and the professional performance and contribution of the Participants, thereby enhancing management performance and implementing the maximization of interests of the Company and the Shareholders as a whole.

III. SCOPE OF APPRAISAL

These Measures are applicable to all Participants who are involved in this incentive scheme of the Company, including the senior management, core management and business technical backbone.

* *For identification purposes only*

IV. DUTY AND AUTHORITY OF APPRAISAL BODY

(I) The Board of the Company is responsible for the formulation and revision of these Measures, and delegates the Remuneration and Appraisal Committee of the Board to be responsible for the appraisal task;

(II) the Remuneration and Appraisal Committee of the Board of the Company is responsible for leading and reviewing the appraisal task;

(III) the Remuneration and Appraisal Committee of the Board shall delegate to the Human Resources Division/Organization Division of the Company to be responsible for the specific appraisal task, and the Remuneration and Appraisal Committee of the Board shall provide guidance and supervision over the appraisal process;

(IV) the Human Resources Division/Organization Division, Financial Management Division and other relevant business divisions of the Company shall be responsible for the collection and provision of the appraisal data, and shall be accountable for the genuineness and reliability of the data.

V. TARGET AND CRITERIA OF PERFORMANCE APPRAISAL AND ASSESSMENT

(I) Performance Conditions of Grant of the Share Options

1. Performance appraisal on company level

The following conditions will be fulfilled once the performance appraisal on company level is met:

Performance Targets	Performance Conditions of Grant
EOE attributable to owners of the Company	in respect of the accounting year immediately preceding the grant (2022), shall be no less than 21% and the 50th percentile of Benchmark Enterprises
Compound growth rate of the total profit	the compound growth rate for 2019-2022 shall be no less than 22.3% and the 50th percentile of Benchmark Enterprises
Economic value added (EVA)	completion of targets delegated to the Group by the SASAC and disintegrated to the Company

Where: EOE attributable to owners of the Company = EBITDA after extraordinary profit and loss for the period ÷ (net assets attributable to shareholders of the listed company at the beginning of the period + net assets attributable to shareholders of the listed company at the end of the period) ÷ 2 × 100%.

2. Performance appraisal on individual level of the Participants

The results of the comprehensive appraisal and assessment for the Participant in the year immediately preceding the grant shall be "basically qualified" or above. Among them, the results of the individual annual comprehensive appraisal and assessment for the Participants who are department managers within the divisions at the headquarters and department managers of subsidiaries in the three years immediately preceding the grant shall be assessed as excellent for two times or more.

(II) Performance conditions for the Share Options to become effective

1 Performance conditions on company level:

The number of the Share Options to be effective in each effective year under the grant shall be adjusted according to the performance coefficient on company level for the last year:

Number of actual effective Share Options on company level = Number of the Share Options planned to be effective for the period × performance coefficient of the Company

Performance targets for each effective year are as follows:

Targets	First Tranche (One year immediately preceding the Share Options coming into effect, being 2024)	Second Tranche (One year immediately preceding the Share Options coming into effect, being 2025)	Third Tranche (One year immediately preceding the Share Options coming into effect, being 2026)
EOE attributable to owners of the Company	No less than 22.0%, and no less than the 75th percentile of Benchmark Enterprises	No less than 24.0%, and no less than the 75th percentile of Benchmark Enterprises	No less than 26.0%, and no less than the 75th percentile of Benchmark Enterprises
Compound growth rate of the total profit compared to 2022	No less than 24.1%, and no less than the 75th percentile of Benchmark Enterprises	No less than 24.3%, and no less than the 75th percentile of Benchmark Enterprises	No less than 24.5%, and no less than the 75th percentile of Benchmark Enterprises
EVA	Completion of targets delegated to the Group by the SASAC and disintegrated to the Company		

Where, EOE attributable to owners of the Company, the formula is: EBITDA after extraordinary profit and loss for the period ÷ (net assets attributable to shareholders of the listed company at the beginning of the period + net assets attributable to shareholders of the listed company at the end of the period) ÷ 2 × 100%.

If the performance targets fulfil the above targets simultaneously, the performance coefficient of the Company will be 100%, otherwise it will be 0.

Notes:

1. During the Validity Period of the incentive scheme, if the Company or its consolidated unit has changes in net assets arising from issuance of new shares, allotment, share capital increase and other matters, the changes in net assets arising from such matter shall be excluded from the appraisal.

2. In calculating the 75th percentile of benchmark enterprises, if there is delisting of benchmark enterprises, significant change in principal business or significant changes in operating results due to assets reorganization, or extreme condition where there is an overwhelming deviation of the actual operating results of benchmark enterprises, in such case, the Board will carry out the removal or replacement of the relevant benchmark enterprises according to the authorization of the Shareholders' Meeting, or carry out the removal or adjustment to the targets calculation related to benchmark enterprises.

3. In calculating the growth rate of benchmark enterprises, no calculation will be made for a negative basis.

4. The Board of the Company is entitled to make adjustment and revision to the above performance indicators and levels according to the company strategy, market environment and other factors, and perform the relevant approval and filing procedures.

The Company selects a total of 20 Benchmark Enterprises with shipping (including oil and gas transportation) as principal business in all capital markets, and the specific details are set out in the table as follows:

Number	Stock Code	Name of Company	Number	Stock Code	Name of Company
1	SHSE: 600428	COSCO SHIPPING Specialized Carriers	11	NYSE: EURN	EURONAV
2	SHSE: 600798	Ningbo Marine	12	NYSE: INSW	INTERNATIONAL SEAWAYS
3	SHSE: 601872	China Merchants Energy Shipping	13	NYSE: NAT	Nordic American Tanker
4	SHSE: 603167	Bohai Ferry Group	14	NYSE: NM	Navios Group
5	SZSE: 000520	Phoenix Shipping	15	NYSE: TNK	TEEKAY Tankers

Number	Stock Code	Name of Company	Number	Stock Code	Name of Company
6	SEHK: 137	Jinhui Holdings	16	BIT: DIS	D'Amico Soc. di Nav.
7	SEHK: 316	Orient Overseas (International)	17	SGX: F34	Wilmar International
8	SEHK: 2343	Pacific Basin Shipping	18	TSE: 8031	Mitsui & Co.
9	SEHK: 1145	Courage Investment	19	IDX: SOCI	Soechi Lines
10	NYSE: DHT	DHT Holdings	20	KLSE: MISC	MISC BERHAD

The performance condition for each exercise period for the Options of the reserved portion is identical to that of the Initial Grant.

*2. **The relationship between the individual annual comprehensive appraisal and assessment results of the Participants and the proportion of the Options to be effective is as follows:***

Comprehensive appraisal and assessment ranking for the year immediately preceding the Share Options becoming effective	**Excellent or qualified**	**Basically qualified**	**Unqualified**
Individual performance coefficient	100%	80%	0

Number of individual actual effective Share Options = Number of individual expected effective Share Options for the period × Performance coefficient of the Company × Individual performance coefficient.

Only the effective Share Options can be exercised, and the portion not effective cannot be exercised.

VI. DURATION AND NUMBER OF APPRAISAL

(I) Duration of appraisal

The accounting year immediately preceding to the grant to the Participants or the Exercise of the Share Options.

(II) Number of appraisal

Once a year during the appraisal year of the Share Options Incentive Scheme.

VII. PROCEDURES OF APPRAISAL

The Human Resources Division/Organization Division of the Company is responsible for the specific appraisal task under the guidance of the Remuneration and Appraisal Committee of the Board and maintains the appraisal results, and formulates the performance appraisal report on this basis for submission to the Remuneration and Appraisal Committee of the Board.

VIII. MANAGEMENT OF APPRAISAL RESULTS

(I) Feedback and complaint for appraisal results

The appraised subject is entitled to be aware of the appraisal results. The direct supervisor of the employee shall notify the appraised subject with the appraisal results in 5 days after the completion of appraisal task.

If the appraised subject has disagreement over his/her own appraisal results, it is encouraged to communicate with the Human Resources Division/Organization Division to resolve it. If it cannot be resolved through communication, the appraised subject can make a complaint to the Remuneration and Appraisal Committee. The Remuneration and Appraisal Committee shall perform a review within 10 working days, and make a conclusion over the final appraisal results or grading.

(II) Filing of appraisal results

After the appraisal is completed, the appraisal results shall be filed and maintained as confidential information.

IX. SUPPLEMENTARY PROVISION

These Measures shall take effect from the date of approval at the Shareholders' Meeting and shall be interpreted and revised by the Board.