



中远海运能源运输股份有限公司
COSCO SHIPPING Energy Transportation Co.,Ltd.



2025

COSCO SHIPPING Energy Transportation Co.,Ltd.

Sustainability Report

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About This Report

Overview

This report is the 18th sustainability (CSR) report ("the Report") released by COSCO SHIPPING Energy Transportation Co., Ltd. since the first one was released in 2008. The Report systematically elaborates the strategies, policies, measures, and achievements of COSCO SHIPPING Energy Transportation Co., Ltd. in corporate social responsibility (CSR) and sustainable development in 2025.

Reporting Period

The Report covers the period from January 1 to December 31, 2025 ("the Reporting Period"), and includes additional information beyond the stated Reporting Period.

Scope of Reporting

The Report covers COSCO SHIPPING Energy Transportation Co., Ltd. ("COSCO SHIPPING Energy", "this Company", "the Company", or "we") and its subsidiaries. China COSCO SHIPPING Corporation Limited ("COSCO SHIPPING Group" or "the Group") is the indirect controlling shareholder of the Company. COSCO SHIPPING LNG Investment (Shanghai) Co., Ltd. ("CSLNG") is a wholly-owned subsidiary of the Company. China LNG Shipping (Holdings) Limited ("CLNG") is a 50/50 joint venture between the Company and China Merchants Energy Shipping Co., Ltd. COSCO PetroChina SHIPPING Co., Ltd. ("COSCO PetroChina Shipping") is a subsidiary controlled by the Company. Dalian COSCO SHIPPING Energy Supply Chain Co., Ltd. ("Dalian COSCO Energy") is a wholly-owned subsidiary of the Company. Shanghai COSCO SHIPPING Chemical Carrier Co., Ltd. ("Shanghai COSCO Chemical Carrier") is a wholly-owned subsidiary of the Company.

Reporting Cycle

The Report is released in each fiscal year.

Data Sources

All information and data included in the Report come from the official documents and related statistics of COSCO SHIPPING Energy, covering this Company's headquarters and subsidiaries. Unless otherwise specified, the reporting

scope and standards are consistent with those of the annual report, and the currency involved in the Report refers to the RMB.

Reference Standards

This Report is prepared in accordance with the *Environmental, Social and Governance Reporting Code* issued by Hong Kong Exchanges and Clearing Limited (HKEX), the *Guidelines No. 14 for Self-Regulation of Listed Companies—Sustainability Report (Trial)* and the *Guide No. 4 for Self-Regulatory Supervision on Listed Companies—Compilation of Sustainable Development Reports* issued by the Shanghai Stock Exchange (SSE), as well as the *SDG Compass* published by the United Nations. Meanwhile, this Report complies with the requirements for information disclosure and corporate governance set out in the *Guidelines No. 1 for Self-Regulation of Listed Companies—Standardized Operation* issued by the SSE.

Reporting Principles

The reporting principles are as follows:

Materiality: Following the procedure of identifying material topics stipulated by the HKEX's *Environmental, Social and Governance Reporting Code* and the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)*, we identify ESG factors concerned by internal and external stakeholders based on our communication and surveys with them and then determine material topics for disclosure.

Quantitation: The Report discloses quantitative targets and performance data measured against environmental and social indicators. All indicators have specified statistics scopes and calculation methods. Performance data for three consecutive years are disclosed under partial indicators, improving data comparability.

Balance: The Report provides an unbiased picture of the Company's performance and avoids selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader.

Consistency: The Report follows the statistics disclosure methodology adopted in the previous annual report. Changes will be indicated in the Report, if any.

Report Compilation Process

The Report is prepared through several procedures to ensure objectivity, compliance, integrity, and transparency. These procedures include the analysis of domestic and international sustainability standards, the benchmarking of sustainability reports released by peer companies, the collection of report data, the investigation and interviews for report preparation, the double materiality topics analysis, the writing of the report and the review and approval by specialized divisions, and the release and review of the Report.

Report Formats

The Report is available in print and digital formats. The digital version can be accessed and downloaded at: <https://energy.coscoshipping.com>

Report Languages

The Report is available in simplified Chinese, traditional Chinese, and English. In case of any discrepancy, the simplified Chinese version shall prevail.

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Confirmation and Approval

The Report was approved by the Board of Directors on March 26, 2026, upon confirmation by the management.



Message from the Chairman

Amid profound adjustments in the global energy landscape and intensifying pressure for climate action, the shipping industry—an essential artery of global trade—is undergoing systemic transformation. The interplay between green and digital development and the evolving global geopolitical landscape is reshaping technology paradigms, operating models, and value creation across the industry. For COSCO SHIPPING Energy, this transformation presents both challenges and strategic opportunities. Upholding the sustainability philosophy, "Energy originates from cooperation", we integrate our corporate mission into the global sustainability agenda. By embracing change and driving innovation, we continue to strengthen our integrated service capabilities and value creation across the energy and chemical supply chain.



Advancing a Digitalized Energy and Chemical Supply Chain

In 2025, we further strengthened our position as a primary global channel for energy transportation. Our oil tanker fleet maintained world-leading capacity, while fleet structure continued to improve. As a domestic leader and an important global participant, our liquefied natural gas (LNG) fleet expanded in both scale and operational capability. Building on this foundation, we further expanded into liquefied petroleum gas (LPG) and chemical transportation, extending our business into more specialized segments and forming an integrated "shipping + logistics" business ecosystem. At the same time, we leveraged digitalization to deepen collaboration across upstream and downstream industry chains. Through cross-segment innovation, full-chain service upgrades, and supply chain resilience building, we provide customers with professional, efficient, and high-quality end-to-end logistics solutions, continuously enhancing supply chain resilience and sustainable operational capacity.

Embarking on a Green and Low-Carbon Voyage

In response to the global shipping industry's transition toward greener, lower-carbon, and smarter development, we have integrated climate action into both strategy and operations. During the year, we systematically revised and updated our *Green and Low-Carbon Transformation Strategies*, extending the scope of our "dual-carbon" targets to cover the entire fleet, including oil tankers, LNG carriers, LPG carriers, and chemical tankers. In 2025, we placed orders for eight methanol dual-fuel oil tankers and one LNG dual-fuel ethylene carrier, significantly increasing the share of clean-energy ships. We also accelerated the adoption of energy-efficiency technologies, including drag-reducing coatings and hydrodynamic energy-saving devices. Meanwhile, we initiated natural capital accounting to systematically assess the impacts and dependencies of shipping activities and fuel choices on natural capital. By incorporating biodiversity conservation considerations into decision-making, we aim to support our green shipping transition with measurable environmental insights and contribute to industry best practices.

Strengthening a Resilient Safety Management System

Safety is the lifeline of the shipping industry and the foundation of our high-quality development. We consistently uphold our safety policy of "safety first, prevention-oriented, and comprehensive management", and promote a holistic safety approach supported by integrated management. In 2025, we intensified efforts to strengthen fundamental workplace safety management and continued improving an integrated safety management system

covering the entire business chain. Risk prevention and control, hazard identification, and emergency response mechanisms were further enhanced. We also strengthened safety management through digital and intelligent technologies, promoting tools such as the Intelligent Vessel Management Platform and the AI-Powered Proactive Safety System. These initiatives support the shift from reactive response to proactive risk warning and intelligent prevention, safeguarding the safety of our people, cargo, and the environment. Looking ahead, we will continue building a comprehensive safety framework covering both traditional and emerging risks, further strengthening our ability to identify, manage, and mitigate risks.

Cultivating Talent to Support Future Development

Talent is the cornerstone of the Company's competitiveness. We continue to advance our talent development strategy and foster an environment that attracts, develops, and empowers people. We further optimized dual career development pathways for management and professional tracks, and implemented programs such as the Key Position Successor Program and the Talent Activation, Empowerment, and Retention Program to broaden development opportunities for diverse talent groups. We place strong emphasis on the development and well-being of our seafarers while systematically enhancing their professional skills and supporting career transitions. At the same time, we continue improving compensation and performance evaluation mechanisms, linking ESG performance with senior executive remuneration. Through these mechanisms, ESG objectives are embedded into daily management practices, encouraging all employees to contribute to sustainable value creation.

The year 2026 marks both the start of China's 15th Five-Year Plan period and the tenth anniversary of the Company's restructuring and establishment. We firmly believe that sustainable development is not only a responsibility of our times but also a key driver of high-quality growth and long-term value. Looking ahead, we will fully integrate ESG principles into our strategy and operations, responding to challenges with greater resilience. We will adhere to the ESG principles to build a safer, more efficient, and more sustainable global energy supply chain.

Chairman of COSCO SHIPPING Energy

任永强

Statement from the Board of Directors

Board Responsibilities

The Board of Directors of COSCO SHIPPING Energy, the highest authority and decision-making body responsible for ESG governance, formulates and reviews policies and regular issues related to the Company's sustainable development. It also monitors ESG material topics that may affect the Company's business, operations, and stakeholders' interests. The Board of Directors is fully accountable for the Company's ESG strategies and reporting and ensures the authenticity, accuracy, and integrity of the ESG report.

Risk Management

The Risk and Compliance Management Committee, under the Board of Directors, is responsible for the Company's ESG risk management. The Committee dynamically identifies and updates the Company's material risks, including ESG risks, on an annual basis, and assesses, manages, and monitors these risks. In addition, the Committee regularly submits risk lists to the Board of Directors, providing comprehensive analyses and decision-making support covering ESG risks to ensure the risk management system operates effectively.

Materiality Analysis

The Board of Directors evaluates, determines, and prioritizes material topics that significantly affect the Company. It discusses and sets the Company's sustainability priorities based on the external sustainability landscape, the Company's development strategy, and engagement with internal and external stakeholders. The Board of Directors also identifies and evaluates material ESG topics by considering both impact and financial materiality (double materiality). The Company continuously monitors ESG trends and benchmarks against industry peers, and enhances our sustainable development strategies and management approaches.

Target Tracking

We update our ESG targets annually based on operational circumstances. In response to the trend of low-carbon transition, we have established a Scope 1 GHG emissions target: we aim to peak the carbon emissions of our fleet of oil tankers, LNG carriers, LPG carriers, and chemical tankers by 2030 and achieve carbon neutrality by 2050, with 2020 as the base year. For technological innovation, we have set a long-term goal of becoming a wellspring of advanced shipping technologies and a pioneer in zero-carbon operations by 2030. For safety management, we have established long-term management goals of "zero harm to people, zero safety incidents, and zero environmental pollution." We have also set short-term "non-zero" safety management objectives for 2025: no more than three minor injuries of crew, zero minor injuries of shore-based staff, a repeated deficiency rate in ship safety inspections of no more than 2.6%, and a high-risk deficiency rate in ship safety inspections of no more than 0.45%. The Board of Directors will monitor achievements and review sustainability efforts related to these goals.



About Us

Company Profile

COSCO SHIPPING Energy Transportation Co., Ltd. is a specialized company engaging in shipment of energy, including oil, LNG, LPG, and chemicals, operating under China COSCO SHIPPING Corporation Limited. It is a merged entity from the energy transportation arms of China Ocean Shipping Company and China Shipping Company. Established in Shanghai on June 6, 2016, the Company is committed to becoming a whole-process energy transportation solution provider, providing customers with all-type, all-location and all-rounded energy shipping services. Our business covers more than 300 ports worldwide, serving over 200 domestic and international customers.

Business Services

COSCO SHIPPING Energy focuses on two core businesses, oil shipping and LNG transportation. Boasting years of rich experience and great brand reputation, the Company has formed a good corporate image in the industry.

COSCO SHIPPING Energy operates the world's largest oil tanker fleet, covering all major oil tanker types. The Company actively develops the VLCC pool operating model to improve fleet operational efficiency and performance, and to promote mutually beneficial cooperation among customers and shipowners, as well as among shipowners.

COSCO SHIPPING Energy is a leader in China's LNG shipping sector and a key participant in the global LNG shipping market. CSLNG, a wholly-owned subsidiary of the Company, and CLNG, in which the Company holds 50% equity, are the leading large-scale LNG transportation companies in China. COSCO SHIPPING Energy has become a key player in the global LNG shipping market.

Dalian COSCO Energy mainly engages in the transportation of LPG and other gas chemicals, as well as integrated logistics services for hydrogen-based green energy. The company is committed to building China's top and a world-leading fleet of gas carriers and chemical tankers.

Shanghai COSCO Chemical Carrier is China's first shipping company dedicated to the international and domestic chemical tankers. Its main operations cover foreign trade routes in Southeast Asia and Northeast Asia, as well as domestic coastal routes. The company has accumulated extensive experience in the management of chemical tankers.

Safety Management

COSCO SHIPPING Energy has always adhered to the principle of "World-Leading Safety Marketing", and practices world-class safety management of liquid cargo carriers. Building on years of practical experience, the Company has established a stable and efficient safety management system, as well as a technical, transportation and ship management system that continuously upgrades itself.

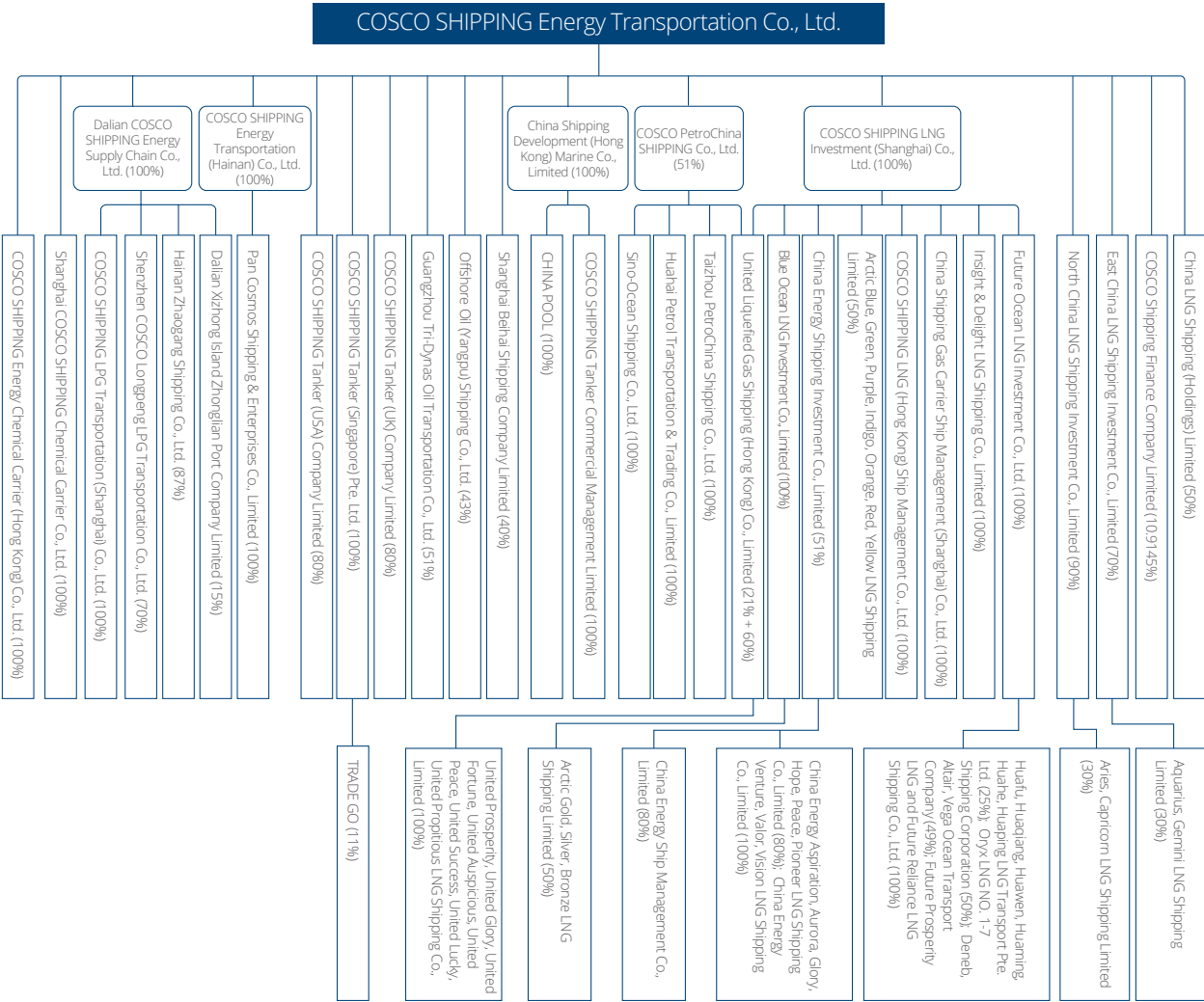
Global Presence

COSCO SHIPPING Energy has established a global marketing service system and a global security emergency support system. By giving full play to the functions of global offices, the Company keeps expanding its overseas market share, fully utilizes its fleet size advantage, and has achieved well-diversified clients, sources of cargo and shipping routes.

Values

Vision: To be an outstanding leader in global energy transportation
Mission: Connect the world by supply chains and deliver energy by ships
Values: Credibility, Safety, Efficiency, and Transformation (CSET)

Organizational Structure



ESG Highlights

• Accelerating Green Fleet Development

In 2025, we entered into shipbuilding contracts for 26 ships, including eight methanol dual-fuel oil tankers, one LNG dual-fuel ethylene carrier, further increasing the proportion of clean-energy ships in our fleet.

• Developing Digital and Intelligent Vessel Management Technologies and Digital Supply Chain Products

During the Reporting Period, we completed the Phase II rollout of the Intelligent Vessel Management Platform, launched the digital supply chain collaboration platform "Yuanbao", and developed the digital supply chain product "Yuanhai Jincheng". These solutions form an integrated collaborative service system featuring intelligent ship-cargo matching, end-to-end visual tracking, and secure and efficient settlement, supporting the industry's digital and intelligent transformation.

• First Vessel Transition Loan in China Successfully Issued

In July 2025, we obtained an RMB transition finance credit facility from the Shanghai Branch of Bank of Communications ("BoCom") in accordance with the *Water Transport Industry Transition Finance Catalogue*, and successfully drew down the first loan of RMB 273 million. The project introduced BoCom's sustainability-linked loan (SLL) product and incorporated the Energy Efficiency Design Index (EEDI) for new ships, a core indicator in the Catalogue, as the sustainability performance target (SPT), ensuring that environmental benefits are measurable and verifiable. The loan will be dedicated to new oil tankers equipped with advanced methanol dual-fuel or methanol-ready propulsion systems. This project marks the successful implementation of the first transition finance loan in China's water transport sector, strictly aligned with the Catalogue.

• First Natural Capital Accounting Project in China's Shipping Industry

We actively explored pathways for harmonious coexistence between shipping and nature. In 2025, we initiated natural capital accounting to systematically assess the impacts and dependencies of different marine fuel options—including conventional fuels, biofuels, LNG, and methanol—across upstream supply and ship operation stages. Through quantitative analysis of the relationship between shipping activities and natural ecosystems, we translated biodiversity conservation from principles and action guidelines into measurable, manageable, and optimizable operational factors. This initiative provides a benchmark for the industry in exploring sustainable pathways for ship operations in harmony with nature.

• First Scope 3 Emissions Assessment

In 2025, we conducted our first Scope 3 emissions assessment and systematically identified categories with higher material emissions. We disclosed emissions data for three key activities for the first time: employee business travel (Category 6), time-chartered vessels (Category 13), and equity investments (Category 15). We extended our carbon management boundary to upstream and downstream segments of the value chain and responded to the shipping industry's higher expectations for climate-related information disclosure, marking an important step toward transparent carbon management across the value chain.



Governance Performance

Percentage of employees provided with business ethics training
100%

Number of business ethics disputes
0

Number of information security violations
0



Environmental Performance

Total CO₂ emission reduction
55,447.55 tonnes of CO₂ equivalent

Percentage of vessels' CO₂ emissions per unit turnover reduced from 2024
1.85%

Percentage of NO_x emissions per unit turnover reduced from 2024
2.62%

Water use intensity of vessels reduced from 2024
11.27%



Social Performance

Total R&D investment
RMB **109,261.4** thousand

Number of valid patents during the Reporting Period
28

Percentage of employees who received training
100%

Total investment in rural revitalization
RMB **74.54** thousand

Total investment in charitable programs
RMB **9,394.8** thousand



Honors and Awards

January 2025

- Excellent IR, RoadShow China
- Best ESG Award

May 2025

- S&P Global
- Included in the *Sustainability Yearbook (China 2025)* and received the "Industry Mover" distinction

July 2025

- The 9th Zheng He Maritime Achievements List
- COSCO SHIPPING Energy was named Best Shipping Company 2024;
- The COSCO PetroChina Shipping PST Project Team received the Innovation and Exploration Pioneer Award (Maritime Person of the Year 2024)

September 2025

- China Media Group's Financial Program Center
- Included in the Top 100 ESG Listed Companies in the Yangtze River Delta for 2025 (ranked 31st)

October 2025

- China Media Group's Financial Program Center
- Included in the Top 100 ESG Listed Central State-owned Enterprises (ranked 68th)
- China Securities Journal
- Award for the Highest Investment Value of 2024

December 2025

- Cailian Press
- Elite Board Secretary Award 2025
- China Association for Public Companies
- Best Practice Case in Board Governance
- Best Practice Case in Sustainable Development
- 2025 5A Rating of Director Secretary Performance
- Wind
- Included in 2025 Wind's Top 100 ESG Best Practices of Public Companies

April 2025

- New Fortune
- Best ESG Information Disclosure Award
- Best IR Hong Kong Listed Company (A+H Shares)

June 2025

- Securities Times
- Award for Shareholder Return in Investor Relations Management of Listed Companies in China
- New Finance Magazine
- 2024 ESG Practice Demonstration Enterprise in China

- Stockstar
- ESG Benchmarking Enterprise Award

January 2026

- Top 100 Hong Kong Listed Companies Research Center
- Outstanding Hong Kong Stock Connect Company of the Year



01

Excellent Governance: Laying the Foundation for High-Quality Development

Sound corporate governance is the foundation for compliance and sustained long-term value creation. COSCO SHIPPING Energy continuously strengthens its governance structure, enhances its risk management system, upholds business ethics, advances ESG management, and actively responds to stakeholders' concerns. These efforts provide strong support for high-quality growth.

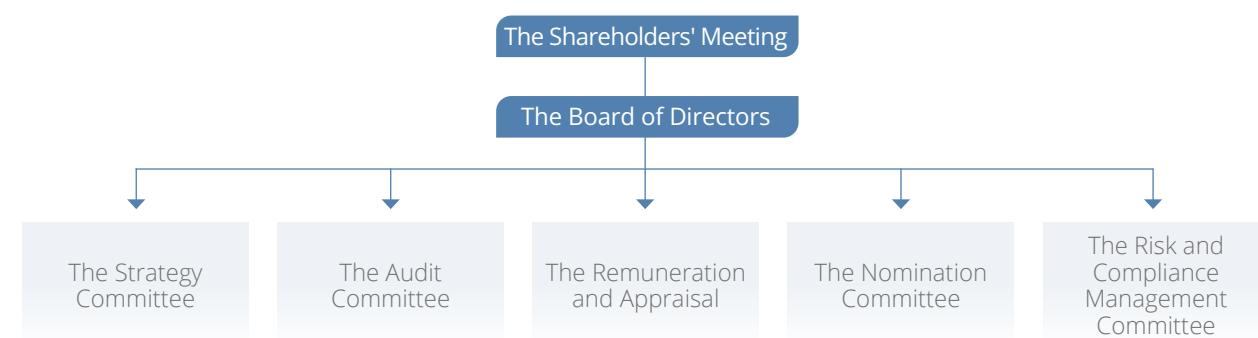
This section aligns with the following UN SDGs:



Strengthening Corporate Governance

Improving the Governance Structure

We strictly adhere to regulatory requirements both domestically and internationally, as well as corporate governance standards for listed companies. In accordance with the *Articles of Association* and applicable laws and regulations, we continuously refine the operational mechanism and procedures of the Board of Directors and its committees. We have established a robust governance structure and operating system centered on the Shareholders' Meeting, the Board of Directors, and its committees. By continuously refining rules of procedure and governance mechanisms, we have established a standardized, efficient, and transparent governance system. This enhances modern governance capability and provides a solid foundation for long-term sustainable development.



◆ The Shareholders' Meeting

The Shareholders' Meeting provides a direct channel for the Board of Directors to communicate and establish a positive relationship with shareholders. To ensure equal participation and the exercise of shareholders' rights, we convene the Shareholders' Meeting annually in strict accordance with the procedures for notice, convening, and holding meetings stipulated in relevant laws, regulations, and the *Articles of Association*. In 2025, we held four Shareholders' Meetings, reviewing 29 proposals.

◆ The Board of Directors

The Board of Directors is the Company's decision-making body and is elected by the Shareholders' Meeting. We have formulated the *Rules of Procedure for the Board of Directors* to ensure standardized operations, sound decision-making, and effective performance of duties. The duties of the Board of Directors include: convening Shareholders' Meetings and reporting its work to shareholders, implementing resolutions adopted at Shareholders' Meetings, formulating business and investment plans, preparing the Company's annual budget and financial statements, proposing dividend distribution plans, and determining increases or reductions in share capital.

To promote board diversity, we have developed and implemented the *Board Diversity Policy*, under which director candidates are selected based on diverse criteria, including but not limited to, gender, age, race, language, cultural background, educational background, industry experience and professional experience.

To support effective performance of the Board of Directors, we have established a differentiated performance evaluation system covering all directors and implemented it on a regular basis. Executive directors are evaluated based on quantified operating indicators and the achievement of strategic objectives. Non-executive directors are evaluated through a shareholder assessment mechanism based on performance reports submitted during their term of office. Independent non-executive directors are evaluated based on meeting attendance, the adoption rate of their professional opinions, and annual self-assessment reports, with external regulatory compliance reviews incorporated into the process. Evaluation results are included in directors' tenure assessment records and serve as an important reference for reappointment, compensation adjustments, and governance improvements. By combining quantitative indicators with qualitative assessments, we ensure that directors' performance is measurable, traceable, and continuously improvable, supporting the enhancement of corporate governance.

Key Performance Highlights

By the end of 2025, the Board of Directors consisted of	Executive directors	Non-executive directors	Independent non- executive directors
10 directors	2	4	4
Female directors	The Board of Directors convened a total of	Deliberated	Revised regulation documents, including the <i>Articles of Association</i> , totaling
2	17 meetings	84 proposals	25
Directors' meeting attendance rate was	The average tenure of directors was		
100%	3.4 years		

◆ Board Committees

The Board of Directors has established five committees. Each committee supports the Board's decision-making within its respective area of expertise, thereby enhancing the Company's corporate governance. To ensure professionalism, the composition of each committee reflects complementary professional backgrounds and industry experience. Members have expertise in finance, taxation, accounting, law, maritime affairs, and related fields, and all possess extensive management experience in the shipping industry.

The Strategy Committee

- Reviews the Company's medium- and long-term development strategies, major investment decisions, and other significant strategic matters that may affect the Company's business development, and provides recommendations to the Board of Directors.
- Guides the formulation of sustainability strategies, targets, and management policies; regularly monitors progress toward these targets; reviews and approves the Company's annual *Sustainability Report*; and oversees implementation.

The Audit Committee

- Oversees and evaluates internal and external audit institutions and the Company's internal control system; reviews the Company's financial statements and reports; monitors information disclosure; and proposes the convening of extraordinary general meetings of shareholders, ensuring financial transparency and compliance.

The Remuneration and Appraisal

- Evaluates the remuneration composition and appraisal standards of directors and senior management; formulates or revises equity incentive plans; and offers suggestions.

The Nomination Committee

- Nominates suitable candidates for directors and senior management for consideration by the Board of Directors and recommendation to the Shareholders' Meeting.
- Reviews the Board structure and performance; and assesses the Board skills matrix.

The Risk and Compliance Management Committee

- Guides the development of the Company's risk management, internal control, and compliance systems.
- Deliberates risk control strategies and major risk control solutions.
- Reviews the appropriateness and effectiveness of the Company's risk management, internal control, and compliance management systems.
- Promotes the development of rule-of-law governance within the Company and oversees the management's law-based corporate governance practices.
- Guides the management and oversight of sustainability-related impacts, risks, and opportunities.

◇ The Senior Management

Senior management is the executive body and reports to the Board of Directors. The authority of senior management is strictly defined by the *Articles of Association* and other corporate governance regulations. As of the end of the Reporting Period, our senior management team comprised eight executives, including three female executives.

Enhancing Governance Skills

We place strong emphasis on strengthening the capabilities of senior management. We enhance their ability to perform their duties through thematic research, external industry exchanges, market intelligence analysis, and targeted training, thereby supporting the Board's informed decision-making. In 2025, we organized training sessions for directors, supervisors, and senior executives, provided by regulators and listed company associations, with over 50 participations. The training covered topics including the roles, functions, and responsibilities of the Board, ESG and corporate governance, risk management and internal control, and financial compliance.

Strengthening Risk Management

Risk Governance Structure

We comply with applicable laws, regulations, and listing rules. With reference to the *Fundamental Norms for Corporate Internal Control*, we have established a three-level risk management framework to safeguard stable operations.

II Three-Level Risk Management Framework of COSCO SHIPPING Energy



In addition, we have established a three-level risk management structure. The Board of Directors has extensive experience and professional expertise in risk management, providing a strong foundation for addressing various risk challenges and supporting the Company's sustainable development. The Risk and Compliance Management Committee consists of three directors, including two independent non-executive directors. The Committee is chaired by Mr. Zhao Jinsong, an independent non-executive director. Mr. Zhao holds a PhD in Naval Architecture and Maritime Law and is a Chinese-qualified lawyer and maritime arbitrator. He has recognized authority in cross-border compliance governance and maritime risk prevention and control.

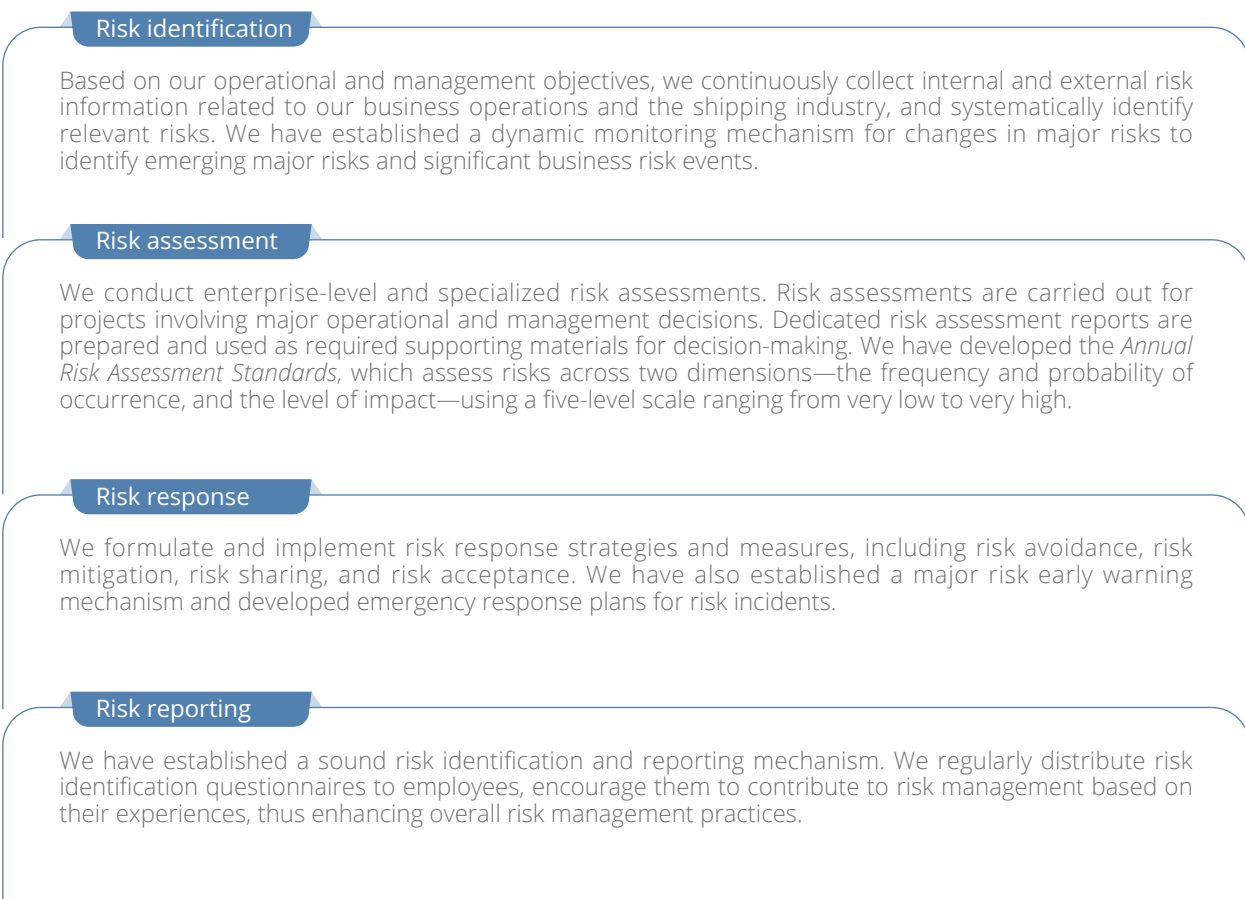
II Three-Level Risk Management Structure of COSCO SHIPPING Energy

The Functional Divisions and Business Units	Engage all employees in daily risk control
The Legal Affairs and Risk Management Division	Provides guidance and supervision, and promptly corrects risk control defects
The Supervision and Audit Division	Conducts risk monitoring and audit, and evaluates the effectiveness of the Company's risk control measures independently

Risk Management Process

We have established a full-lifecycle risk management process covering risk identification, risk assessment, risk response, and risk reporting. In 2025, we conducted an annual enterprise-wide major risk assessment for 2026 involving all employees. The assessment covered risks such as market volatility in the energy and chemical logistics supply chain and fluctuations in energy prices. It also considered factors including the implementation of new environmental regulations issued by the International Maritime Organization (IMO) and the continued acceleration of the low-carbon energy transition.

II COSCO SHIPPING Energy Risk Management Process



Risk Management Culture

We maintain close communication and collaboration with the legal, compliance, and business teams of upstream and downstream enterprises across the value chain. By sharing risk management concepts and control measures, we extend our risk control framework to all stages of the industry chain and work with partners to enhance the overall risk resilience of the value chain.

II Risk Culture Initiatives

Employee education and training

In 2025, we carried out systematic compliance and risk control training. Key initiatives included issuing a compilation of risk control cases and regularly publishing the *International Risk Information Monitoring Weekly*, the *Loss Prevention Information Circular*, and the *Ship Delivery Compliance*. We also organized the 2025 Ship Loss Prevention Exchange Seminar to strengthen risk awareness and risk prevention capabilities. Training covered the Board of Directors, employees, and seafarers (our contractor personnel).

Integration into business operations

We focus on key business areas and strengthen routine oversight and reviews of policy implementation. We identify gaps in management systems and business processes and promptly develop improvement measures. We also incorporate clauses on compliance, confidentiality, and anti-commercial bribery into contracts, embedding risk prevention and control into business operations.

Enhanced evaluation and incentives

We have established and implemented a performance evaluation mechanism for rule-of-law development and risk control. Through formal notices, we assigned the 2025 assessment indicators for rule-of-law development and risk management, linking risk management performance with the performance evaluation of relevant units, divisions, teams, and individuals. Units and individuals with strong implementation and clear results received positive incentives, while those with weak implementation or significant risks were held accountable, reinforcing clear management expectations.

Digital Enablement of Risk Prevention and Control

We integrate the development of our risk control system into our overall digital transformation. With data as a key element and technology as the core driver, we advance the shift in major risk prevention from people-based, manual controls to technology-enabled, intelligent controls. We have built an intelligent compliance and risk control platform covering all business lines, processes, and organizational levels. The platform enables automated early warning, screening, monitoring, and hard controls for key businesses and major risks, improving the precision and timeliness of major risk prevention.

Deepening Compliance Management

Our objective is to ensure a comprehensive, effective internal control and compliance system, which provides targeted measures for key areas and risks and engages all employees for coordinated, integrated solutions. We uphold a "holistic compliance" approach, embedding compliance requirements into business operations. To reinforce accountability, all employees are required to sign a *Compliance Commitment Statement*, ensuring compliance risk control is effectively implemented. In 2025, CSLNG obtained compliance management system certification from LRQA (Lloyd's Register Quality Assurance). The certification confirms full compliance with ISO 37301:2021 and GB/T 35770-2022. CSLNG became the first LNG shipping company in China to receive this certification, further strengthening the foundation of our compliance management.



Improving the compliance and risk control framework

We reviewed and optimized our policy framework. During the year, we issued or revised 94 internal rules and procedures, ensuring that compliance requirements are updated in step with business development and strengthening the institutional foundation for compliance and risk control. At the same time, guided by top-level design, we organized special risk control seminars on key projects and major business activities, and incorporated compliance and risk control into our 15th Five-Year Plan in the form of dedicated sub-plans.



Deepening compliance due diligence in key areas

We developed unified compliance due diligence standards and operational checklists for high-risk areas such as ship investment, long-term leasing, and asset disposal, improving compliance control in the decision-making and execution of major matters.



Strengthening compliance management of overseas offices

Four overseas offices updated and implemented the *Code of Conduct for Employees*, strengthening compliance awareness and behavioral standards in overseas operations and preventing cross-border compliance risks.



Improving risk control systems in business segments

For business segments such as LPG and chemicals, we guided subsidiaries to establish and improve risk control systems, extending compliance management to frontline operations and ensuring risk control across the entire business chain. Taking the integration of the energy and chemicals supply chain as an opportunity, we advanced the integrated development of internal control, compliance, risk control, and policy frameworks. We also developed version 4.0 of the *Risk and Internal Control Manual*, embedding compliance requirements and risk control measures into internal control processes and policies, and systematically reviewing and optimizing internal control procedures.



Upholding Business Ethics

We place integrity at the core of our business conduct. We strictly comply with applicable laws and regulations, including the *Company Law of the People's Republic of China* and the *Anti-Unfair Competition Law of the People's Republic of China*, as well as international business practices. We firmly oppose all forms of unfair competition and commercial bribery and promote responsible business conduct to build trust, fulfill commitments, and maintain credible partnerships.

Anti-Commercial Bribery Commitment

We promote business ethics by clearly defining the responsibilities of the Board of Directors, management, and key personnel for integrity in operations and compliance management. Business ethics are integrated into decision-making and operational management to support our sound and sustainable development.

Commitment from the Board/Management

- We strictly comply with the *United Nations Convention Against Corruption* and all applicable anti-commercial bribery laws and regulations in the jurisdictions where our partners operate, whether as a contracting party, subcontractor, or third party. We firmly oppose all forms of commercial bribery.
- We have developed and strictly implemented necessary anti-commercial bribery policies and procedures to prevent, control, and combat bribery effectively.
- We continually strengthen our anti-commercial bribery management system in alignment with international conventions, legal frameworks, and anti-corruption governance requirements.

Commitment from Key Production and Operation Personnel

- Each year, the Supervision and Audit Division requires key personnel at the manager level and above at the headquarters and affiliated units to sign an *Integrity and Self-Discipline Commitment*. As part of the commitment, the key production and operation personnel pledge to adhere to laws and regulations and resist commercial bribery.

Business Ethics Governance

We strictly comply with laws, regulations, and regulatory requirements related to business ethics. We have established a set of internal policies, including the *Code of Conduct*, the *Anti-Commercial Bribery Management Measures*, the *Anti-Commercial Bribery Manual*, the *Management Measures for Corruption Risk Prevention and Control*, the *Manual for Prevention and Control of Integrity Risk in Important Business Areas*, the *Manual for Prevention and Control of Shipboard Integrity Risk*, and the *China Pool Anti-Monopoly Compliance Manual*. Through these policies, we enforce a zero-tolerance approach to violations of business ethics, including corruption, fraud, discrimination, bribery, money laundering, monopolistic practices, and unfair competition, ensuring long-term value creation through compliant operations.

To ensure the effective implementation of business ethics policies and requirements, we have established a robust governance framework. The Board of Directors serves as the highest oversight body for business ethics. The Supervision and Audit Division conducts discipline inspection and supervisory audits, advances anti-corruption initiatives, coordinates anti-commercial bribery and inspection activities, and oversees the implementation of business ethics policies. In addition, we have integrated business ethics performance metrics into employee compensation and performance evaluations. Violations of business ethics policies and the employee codes of conduct are subject to strict disciplinary measures.

Business Ethics Audits

We have established a sound anti-corruption risk prevention and control mechanism. We regularly identify and assess risks related to commercial bribery and corruption, and monitor the implementation of our business ethics and anti-corruption policies. On this basis, we have incorporated business ethics into audit oversight and conduct routine and special audits to safeguard integrity in our operations.

◆ Routine Audits

Internal control audits: During the Reporting Period, we, together with external professional agencies, conducted comprehensive reviews of the internal control systems, compliance frameworks, and their implementation at the headquarters and nine key subsidiaries in and outside the Chinese mainland. Risk controls were strengthened in key areas such as major decision-making matters, special risk assessments, and large-value payments. In 2025, no major operational risk incidents were recorded.

Economic responsibility audits: We have established a systematic economic responsibility audit system. COSCO Shipping Group regularly conducts economic responsibility audits of the head of the Company's headquarters. The headquarters conducts tenure and departure audits of the heads of its subsidiaries. All subsidiaries and operating locations are covered every two to three years. These audits focus on the performance of leading cadres in fulfilling operational responsibilities and maintaining integrity in business conduct, strengthening oversight of personnel in key positions. In 2025, we conducted economic responsibility audits for six subsidiaries, covering key areas including procurement, supplier management, and integrity in business conduct.

Technical maintenance and equipment audits: We conduct annual technical maintenance and equipment audits of vessels, covering both technical expenses and technical management. The audits are conducted on a sampling basis and cover all ship types, including oil tankers, LNG carriers, LPG carriers, and chemical tankers. The audits review the management and control of technical expenditures, such as dry-docking and spare parts procurement, to evaluate the effectiveness of internal controls and technical management.

◆ Special Audits

Procurement and supplier management audits: These audits cover the procurement of ship supplies and ship repair services, as well as supplier management across the oil tankers, LNG carriers, LPG carriers, and chemical tankers. Procurement procedures, supplier qualifications, and contract performance are reviewed to identify potential management gaps and integrity risks and enhance audit effectiveness.

Engineering project audits: These audits cover key projects, including the CSLNG renovation project, and focus on stages such as design changes, on-site verification, and schedule control.

◆ External Audits

We annually engage a third-party audit firm to review our financial statements and internal controls. Based on audit recommendations, we continuously improve our management practices.

During the Reporting Period, we had zero cases of corruption, bribery, or other corrupt practices.

Business Ethics Training

We continue to improve our business ethics training system and provide tailored training for different groups, including Board members, senior management, onshore employees, and seafarers. Training covers key areas such as anti-commercial bribery and corruption, anti-money laundering, anti-fraud, personal information protection, procedures for handling violations, and compliance risk management. These efforts strengthen compliance awareness among all employees and foster a culture of compliance. We have prepared and distributed learning materials such as the *Handbook on Integrity in the Workplace for Young Managers* and the *Discipline Inspection and Audit Bulletin* to communicate ethical conduct requirements to employees. In addition, we continuously strengthen integrity education through initiatives such as warning education, integrity discussions, and integrity reminders before holidays, fostering a corporate culture characterized by integrity and accountability.

Whistleblowing and Whistleblower Protection

To strengthen oversight of business ethics, we have established multiple whistleblowing channels and a standardized process for receiving, verifying, and handling reports. We also strictly implement whistleblower protection mechanisms to enhance the transparency and effectiveness of business ethics oversight.

We have clearly defined whistleblowing and oversight mechanisms in documents, including the *Manual for Prevention and Control of Integrity Risk in Important Business Areas* and the *Anti-Commercial Bribery Management Measures*. Whistleblowers may submit reports anonymously or under their real names via email, telephone, or postal mail. Training on whistleblowing procedures is also provided as part of anti-commercial bribery training to ensure employees are aware of the reporting channels.



Whistleblowing system and channels

Email: energyjs@coscoshipping.com

Tel.: +86 21 65968529

Address: Room 208, No. 670 Dongdaming Road, Hongkou District, Shanghai, China; Postcode: 200080

Recipient: The Supervision and Audit Division of COSCO SHIPPING Energy



Whistleblowing handling process

- 01 Disclosure of reporting channels through internal policies, contracts, the Company website, etc.
- 02 Receipt of reports
- 03 Acceptance and handling of reported information in accordance with relevant procedures
- 04 Case filing and investigation where necessary
- 05 Review and adjudication where necessary
- 06 Feedback on investigation and handling results to whistleblowers who report under their real names



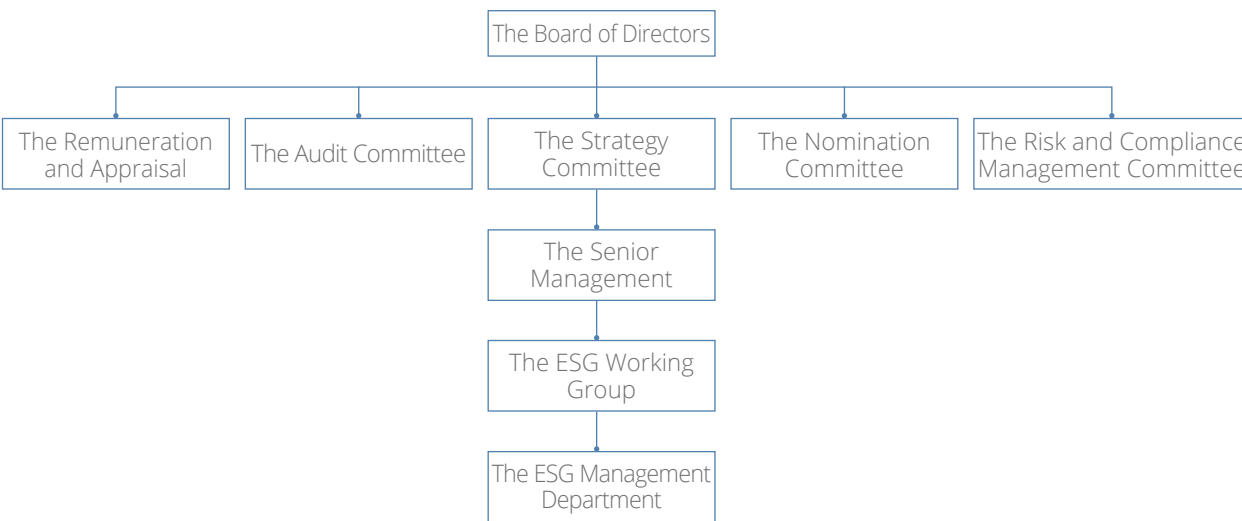
Whistleblower protection

We strictly implement whistleblower protection policies. Whistleblower information is kept confidential, and retaliation in any form is strictly prohibited.

ESG Management

ESG Governance

We have established a robust ESG governance structure to integrate ESG principles into business operations and promote continuous improvement.



ESG Governance Structure of COSCO SHIPPING Energy

The Board of Directors	Serves as the highest decision-making body responsible for the Company's ESG matters, assumes full responsibility for ESG strategies and reporting; makes overall arrangements, advances ESG management, and reviews relevant performance; formulates and reviews policies and routine management arrangements related to ESG governance.
The Strategy Committee	Assists the Board of Directors in overseeing key ESG issues, responsible for conducting research on ESG strategies, setting development goals, establishing evaluation mechanisms, providing recommendations, and carrying out ESG governance supervision. Guides the formulation of sustainability strategies, targets, and management policies; regularly monitors progress toward these targets; reviews and approves the Company's annual <i>Sustainability Report</i> ; and oversees implementation.
The Risk and Compliance Management Committee	Guides and oversees the management of sustainability-related impacts, risks and opportunities.
The Senior Management	Responsible for organizing and promoting ESG management, ensuring the Company's ESG philosophy is deeply integrated with business operation practices.
The ESG Working Group	Uses the resources of the ESG Management Department to develop the ESG management framework, implement and promote the Company's ESG initiatives, and regularly communicate and report progress to senior management.

II Board's Sustainability Efforts



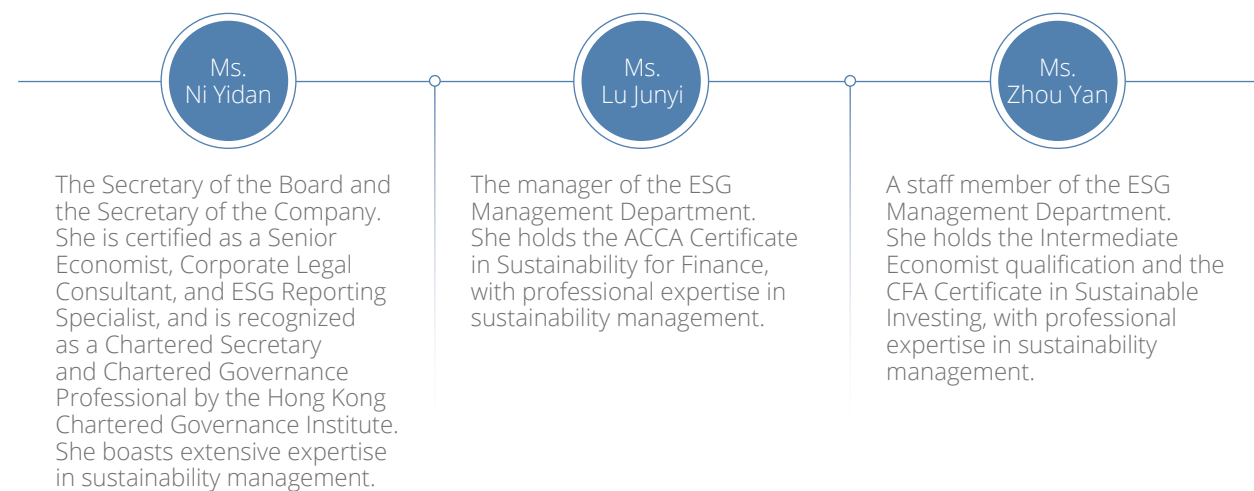
Integrating sustainability into decision-making

When making decisions on newbuilding projects, the Board of Directors thoroughly assesses the adoption of new energy propulsion systems and the application of green and low-carbon technologies. This approach ensures that future ships are competitive in terms of carbon intensity and can help reduce the carbon emissions of the fleet. In 2025, we launched several research projects, including the Research and Application of Fleet Cost Accounting and Capacity Allocation Decisions under Shipping Decarbonization and the Research on Green Regulatory Compliance and Operational Decision Support for Oil Tanker Pools. These projects provide decision-support tools for shipping companies to address green transition pressures.



Monitoring progress toward sustainability goals

The Board of Directors guided the Company in formulating the *Action Plan for Green Fleet Transition* and set the following target: we aim to peak the carbon emissions of our fleet of oil tankers, LNG carriers, LPG carriers, and chemical tankers by 2030 and achieve carbon neutrality by 2050, with 2020 as the base year. The ESG governance team possesses expertise in strategic analysis, economic research, legal research, risk management, and financial accounting, enabling effective oversight of progress toward sustainability goals. We regularly organize ESG training and encourage directors, management, and relevant personnel to participate in industry forums to strengthen our ESG governance capacity. In 2025, we invited external institutions to deliver specialized ESG training for managers at the deputy department manager level and above, covering ESG regulatory requirements for listed companies, evaluation frameworks, and pathways for ESG improvement. A total of 86 participants attended the training.



◆ Sustainability Performance-based Senior Executive Remuneration

We incorporate ESG performance into our compensation and performance evaluation system. Under the *Scheme on Tenure System and Contractual Performance Appraisal for the Management*, performance targets related to environmental protection and safety are linked to senior executive performance assessments to ensure the effective implementation of the Company's ESG strategy and objectives. In the event of a serious workplace safety accident, a major oil spill, a serious environmental emergency, or major violations of laws and regulations, a "one-vote veto" will be applied to the performance evaluation of senior executives.

Double Materiality Analysis

In accordance with the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)* and the HKEX's *Environmental, Social and Governance Reporting Code*, we have established a process to identify and assess ESG topics from the perspectives of financial and impact materiality. Stakeholders are invited to participate in the double materiality assessment every two to three years. In 2025, based on internal input and stakeholder engagement, we reassessed and reprioritized ESG topics across financial and impact materiality dimensions. The results were reviewed and approved by the Board of Directors.

II How Double Materiality Topics Are Determined

1. Understanding the organizational context

Drawing on the latest international shipping regulatory frameworks, the *SASB Marine Transportation Standard*, and relevant domestic and international regulations, we reviewed sustainability topics across the shipping industry. We also analyzed our business model, value chain, and broader sustainability context to inform the identification of double materiality topics.

2. Identifying topics

ESG topics were identified with reference to the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)* and the HKEX's *Environmental, Social and Governance Reporting Code*. Industry regulatory requirements, internationally recognized standards, and key ESG rating focus areas were also considered. Based on shipping industry trends and the Company's development, each topic was assessed for its impacts, risks, and opportunities from both financial and impact materiality perspectives.

3. Assessing materiality and prioritizing topics

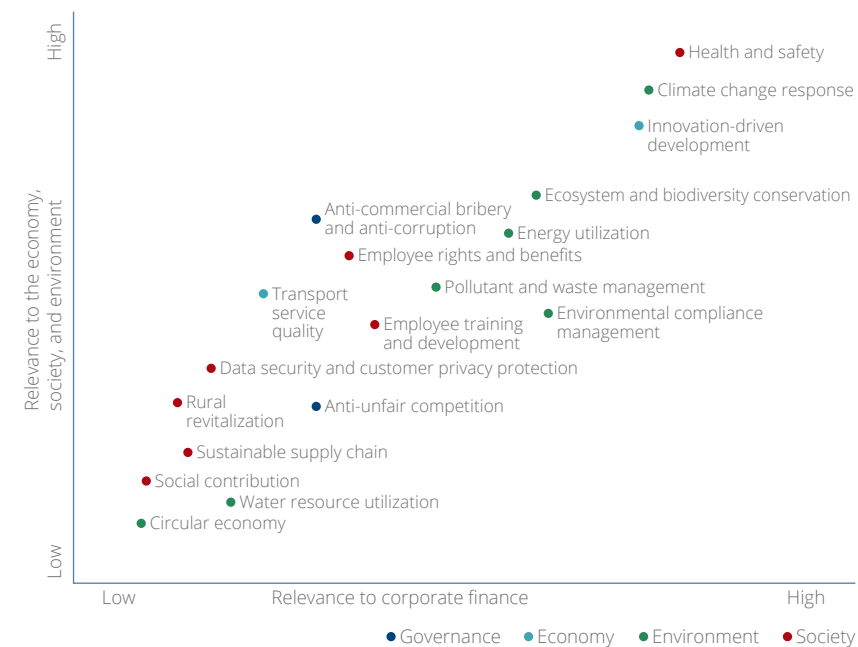
Based on regulatory requirements, relevant standards, peer practices, and the Company's strategy and operations, the identified topics were assessed and prioritized to develop the materiality matrix. In 2025, we identified three topics with double materiality: occupational health and safety, climate change response, and innovation-driven development.

4. Validation and confirmation

The results were reviewed with input from industry experts and benchmarked against relevant industry standards and regulatory requirements. The finalized materiality matrix was reviewed by management and submitted to the Board of Directors for approval.

5. Information disclosure

The process for identifying and assessing material topics is disclosed in the *COSCO SHIPPING Energy 2025 Sustainability Report*. Topics are disclosed according to their classification under the double materiality assessment.



II Explanation of material topic assessment and disclosure:

•The topic of "technology ethics" is not applicable to the Company, as we do not engage in scientific research or technological development in ethically sensitive areas such as life sciences or AI.

•The "supply chain security" and "equal treatment of SMEs" topics are combined into "sustainable supply chain".

•The "employees" topic is divided into "employee rights and benefits" and "employee training and development" topics.

•To distinguish between ESG management approaches and management topics, due diligence and stakeholder communication are not reflected in the materiality matrix. Stakeholder communication is disclosed in the "ESG Management" section, and due diligence is disclosed in the "Sustainable Supply Chain", "Safety System Certification", and "Environmental Management" sections.

Stakeholder Communication

We attach great importance to the expectations and concerns of our stakeholders. We maintain regular communication with governments, regulators, shareholders, employees, communities, customers, suppliers, industry peers and associations, and the media. Stakeholder expectations are fully considered and addressed in daily operations and decision-making.

2025 Key Performance Highlights

Disclosed interim announcements on two stock exchanges, totaling

120

Conducted offline roadshows, totaling

193

Held conference calls, totaling

51

Received investor site visits, totaling

21

Participated in brokerage strategy conferences, totaling

23

Organized online performance briefings, totaling

4



Stakeholders	Main Concerns	Communication Channel
Government agencies/ Regulators	Tax compliance Job creation Financial performance Sustainable growth of corporate value	Regular corporate and sustainability reports Submissions to government agencies/regulators Policy symposiums/Industry conferences Special reports
Shareholders/Investors	Compliant operation Integrity management Risk management and internal control Corporate financial performance and shareholder returns Board independence and diversity Sustainability	Shareholders' meetings Performance briefing/Roadshow Investor relations activities Investor hotline and email Regular corporate and sustainability reports
Employees	Basic rights protection Talent attraction and retention Employee training and development Compensation and benefits Diversity and equal opportunities Occupational health and safety	Employee satisfaction survey Employee representative conferences Employee engagement conferences Employee training
Community	Public welfare and philanthropy Rural revitalization Social responsibility	Community visits and meetings Participation in public welfare activities Participation in maritime rescue operations
Environment	Climate change response Hazardous waste management Marine biodiversity conservation Carbon emissions targets Low-carbon fuel research and application Fleet energy efficiency	Environmental information disclosure Communication and reports to environmental regulators Third-party assessment and certification
Customers	Global energy supply security Shipping safety Quality customer services Cybersecurity and information security Customer satisfaction Customer privacy protection	Customer satisfaction surveys Customer complaint and feedback channels Customer follow-up visits and meetings
Suppliers	Responsible sourcing Supplier management Supplier diversity Industrial chain development	Supplier evaluation and review communication Procurement platform communication Training and exchange sessions
Peers/NGOs/Industry organizations	Industry cooperation Fair competition Industrial development Participation in industry initiatives	Industry association meetings Participation in research initiatives and standards development Industry forums and seminars Multi-stakeholder project communication
Media	Media collaboration Brand building	Press conferences Media interviews and communication Press releases Official website and social media updates



Energy Transportation: Building a New Ecosystem for Sustainable Growth

COSCO SHIPPING Energy upholds the mission of connecting the world by supply chains and delivering energy by ships. By optimizing our business portfolio and strengthening service capabilities, we provide global customers with efficient and safe integrated energy transportation solutions. At the same time, we work with partners across the global energy transportation value chain to support coordinated industry development.

This section aligns with the following UN SDGs:



Optimizing the Business Layouts

We integrate the logistics supply chain for energy and chemical products and are building a comprehensive transportation network covering oil, LNG, LPG, and chemicals. The network improves coordination, optimizes resource allocation, and strengthens our service capability and competitiveness in the global energy shipping market.

Oil Transportation

We operate the largest oil tanker fleet in the world, covering all major oil tanker types, making us one of the most diversified oil tanker owners globally. Leveraging our owned and controlled ships, we adopt diversified operating models and coordinate domestic and international trades, operations across ship sizes, and crude and refined oil transportation. Supported by our fleet mix and global route network, we provide end-to-end logistics solutions, including crude oil imports, domestic transshipment and lightering, refined oil transportation and exports, and downstream chemical transportation. As of the end of 2025, we owned and controlled 155 oil tankers, with a total capacity of 22.576 million deadweight tons (DWT). In addition, 18 oil tankers (2.961 million DWT) were under construction, and 6 VLCCs under bareboat charter (1.842 million DWT) were pending delivery.

Case | Developing a Green Fleet to Strengthen Oil Transportation Capacity

In 2025, we signed contracts for 24 oil tankers, including 8 methanol dual-fuel oil tankers. These ships will strengthen the resilience and security of the energy supply chain and reduce the environmental impact of ship operations, further enhancing the Company's oil transportation capacity and market competitiveness.

LNG Transportation

COSCO SHIPPING Energy is a leader in China's LNG shipping sector and a key participant in the global LNG shipping market. We continue to expand our LNG transportation capacity by investing in LNG carriers. The LNG fleet we invested in ranks fourth globally. We also continue to improve ship technology and in-house operational capabilities to deliver reliable LNG transportation services to customers worldwide. By the end of 2025, we had invested in 87 LNG carriers, including: 63 ships in operation with a total capacity of 10.6619 million cubic meters and 24 ships under construction with a total capacity of 4.375 million cubic meters. In addition, one LNG carrier (174,000 cubic meters) operated under a bareboat charter is in operation.

Case | Expanding LNG Transportation Capacity to Support Industry Development



On November 18, 2025, OCEAN OASIS, the second LNG carrier built by COSCO SHIPPING Energy for Sinochem's LNG transportation project, was successfully delivered. The ship features an advanced cargo containment system and a dual-fuel low-speed propulsion engine. It is also equipped with a new cryogenic system that enables dynamic balance between ship speed and boil-off gas, allowing flexible switching between long-haul and short-haul routes. The ship can operate on over 90% of global LNG trade routes. After entering service, OCEAN OASIS will further enhance the Company's LNG transportation capacity and operational efficiency, strengthen clean energy transportation capabilities, and support the Company's low-carbon transition.

LPG, Chemicals, and New Energy Transportation

We integrate resources across our energy and chemical transportation segment and focus on key segments of the energy and chemical value chain. We are extending our core business from marine energy transportation to the broader energy and chemical logistics supply chain to provide more integrated and efficient logistics services. As of the end of 2025, we owned and controlled 12 LPG carriers, with a total capacity of 130,700 cubic meters, and 2 LPG carriers (11,700 cubic meters) were to be delivered. We operated 9 chemical tankers, with a total capacity of 84,000 DWT, and 1 chemical tanker (9,200 DWT) was under construction.

Case | First 6,300 m³ LPG/Ammonia Carrier Joins the Fleet, Expanding Clean Energy Transport Capacity

On December 29, 2025, the 6,300 m³ MV "AN TAI YUAN", operated by Dalian COSCO Energy, a subsidiary of COSCO SHIPPING Energy, officially joined the fleet, becoming the first LPG/ammonia carrier in the Company's fleet. The ship can transport more than ten types of liquefied gases, including anhydrous ammonia and LPG, and meets the IMO EEDI Phase III requirements. The ship's deployment will expand the Company's clean energy transport portfolio and strengthen its competitiveness in the low-carbon energy shipping market.



Enhancing Customer Service

We follow a customer-first approach and leverage our global service network and strong ship safety management capabilities to provide safe, efficient, and reliable energy logistics solutions.

Service Management Optimization

We have established a robust customer service and oversight system based on the *Client Management Measures* and the *Regulations on Oil Tanker Transport Service Quality Management*, to improve the quality of our transport services.

2025 Key Performance Highlights

Number of significant incidents concerning service safety and quality

0

Amount of damages resulting from major incidents concerning product and service safety and quality

RMB 0

Case | Digital Solutions Enhance Customer Experience

To improve customer experience and coordination, we developed "Yuanhai Jincheng", a digital supply chain platform. The platform integrates big data, artificial intelligence and blockchain to address traditional information gaps in transportation. It provides services including intelligent ship-cargo matching, end-to-end shipment tracking and visibility, and secure, efficient settlement. Customized solutions are available for different business scenarios and management models, helping customers improve efficiency and reduce costs. On November 19, 2025, MV "HUAYUN LIYUAN" completed the first chemical cargo shipment through the platform, marking a milestone in its service expansion.

Customer Satisfaction

We place strong emphasis on customer satisfaction and feedback and conduct annual customer satisfaction surveys. In 2025, questionnaires were distributed via email and the customer service app. The results were systematically analyzed, and corrective actions were implemented to address identified issues.

2025 Key Performance Highlights

Oil tanker business customer satisfaction rate

97%

Survey coverage

84%

Other businesses' customer satisfaction rate

100%

Survey coverage

65%

Note: Survey coverage for the oil tanker business is calculated based on cargo volume, while that for other business segments is based on the number of customers.

To ensure service quality, we operate a dedicated customer service email and hotline, with designated staff responsible for handling customer inquiries. An account manager system is also in place to ensure a timely response to customer needs. In addition, we have established a structured customer complaint management mechanism, creating a closed-loop process that covers information collection, investigation, corrective action tracking, verification and follow-up, statistical analysis, and reporting.

2025 Key Performance Highlights

Number of non-liability customer complaints due to discrepancies in cargo quantity

1

Complaint resolution rate

100%

Upholding the Data Security Baseline

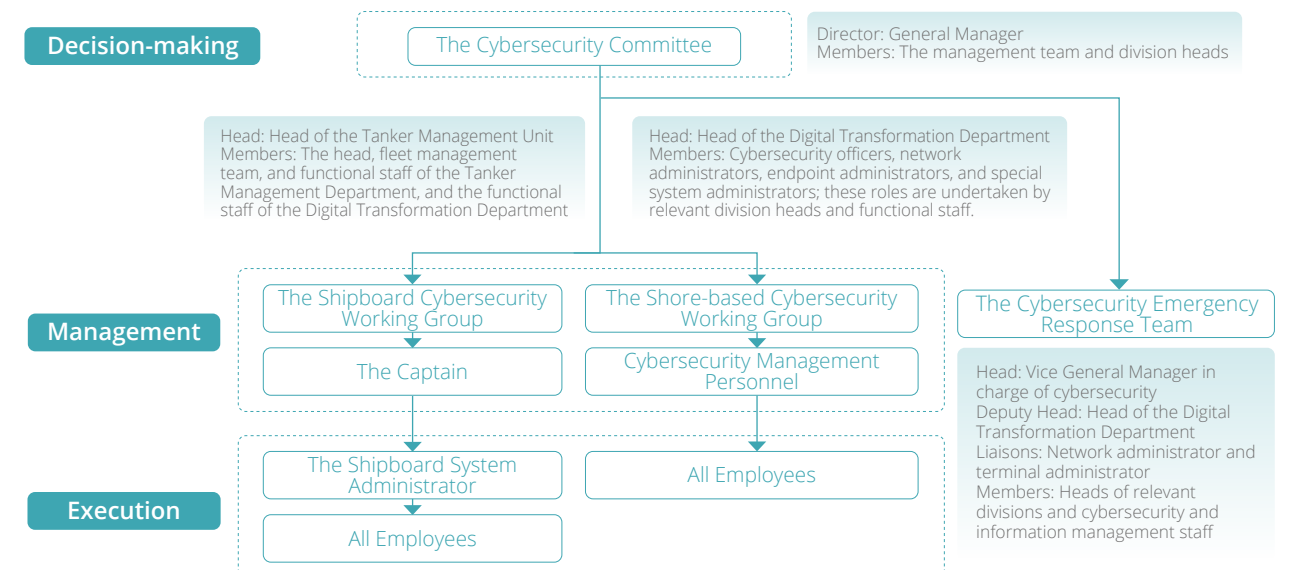
We comply with the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China*, and other applicable laws and regulations. Guided by the principles of compliance, management-technology integration, company-wide participation, and continuous improvement, we have established a risk management framework covering prevention, monitoring, and emergency response.

Data Security Protection

Referencing the ISO 27001 information security management system standard, we have established a cybersecurity governance structure covering decision-making, management, and execution. We have developed and implemented policies, including the *Cybersecurity Management Regulations*, the *Shipboard Cybersecurity Management Manual*, and the *Company Cybersecurity Management Manual*, to strengthen internal cybersecurity management. Suppliers are also required to comply with these policies to ensure the effective implementation of cybersecurity and information security measures.

Our targets are to ensure that 100% of ship and shore-based cybersecurity and information security incidents are managed, and that no ship cybersecurity and information security incidents or major or critical shore-based cybersecurity and information security incidents occur during the year. In 2025, the Company recorded zero data security incidents.

II COSCO SHIPPING Energy Cybersecurity and Information Security Governance Structure



II COSCO SHIPPING Energy Cybersecurity and Information Security Management Measures



Awareness and Capability Building

Communicated cybersecurity and information security policies through awareness campaigns, training, policy documents, and internal reports to improve employees' awareness and compliance.



Access and Permission Management

Defined rules for system access and use. Access to data or programs in internal systems was restricted to authorized users.



Risk Identification and Technical Protection

Conducted regular cybersecurity testing, including quarterly crowdsourced security testing and penetration tests by professional institutions. Identified vulnerabilities were promptly remediated.



Incident Response and Emergency Management

Established a tiered incident reporting mechanism. Shipboard incidents were reported by operators to the captain, the fleet management team, and Company management, while shore-based incidents were reported by users to cybersecurity officers and the Digital Transformation Division.

Disaster recovery and emergency response plans were implemented, with backups for critical data and software and system recovery mechanisms in place to ensure business continuity.



Information Security System Audit

Conducted an annual review of ship and shore-based cybersecurity management. Independent third parties are engaged periodically or following major changes to assess information security objectives, measures, policies, processes, and procedures.

Customer Privacy Protection

We have established and strictly implemented policies such as the *Cybersecurity Management Regulations* and the *Company Cybersecurity Management Manual*. Personal information is protected through encrypted storage and secure transmission channels. We have also established a comprehensive information protection system based on classified access authorization and register-based management to strengthen personal privacy protection. The *Code of Conduct* commits the Company not to knowingly breach any confidentiality obligations owed to third parties. Access to information is strictly controlled, and employees are prohibited from disclosing confidential information on public forums or social media. Information security requirements are incorporated into business contracts as additional clauses. In 2025, no incidents involving customer privacy breaches occurred.

2025 Key Performance Highlights

Number of training sessions organized by the headquarters on data security and customer privacy protection

10

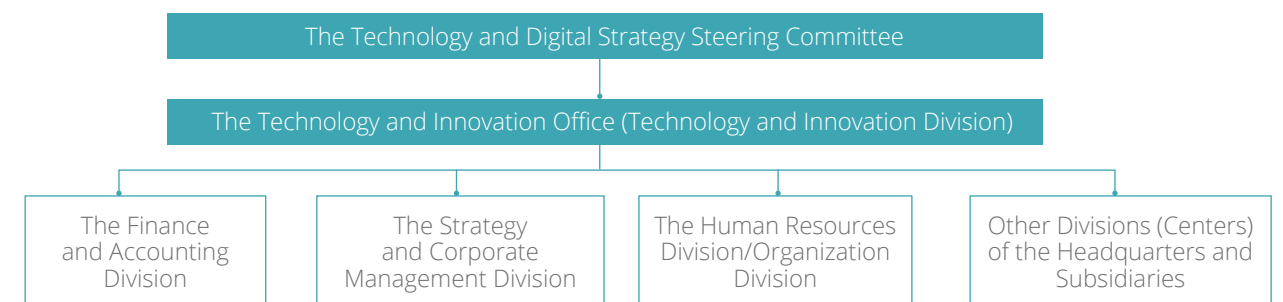
Driving Development with Innovation

We identify technological innovation as a core driver of high-quality development. Focusing on digital intelligence and low-carbon development, we continue to upgrade our operating model and foster new quality productive forces for the shipping industry.

Governance

We have established a technological innovation governance framework with unified leadership, clear accountability, tiered management, and company-wide participation. The General Manager oversees overall technological innovation. The Technology and Digital Strategy Steering Committee formulates technological innovation and digital transformation strategies. It reviews and approves medium- and long-term development plans, annual investment plans, major innovation and digital transformation projects, as well as annual performance evaluations and awards. The Committee also sets strategic priorities, allocates resources, and coordinates cross-division collaboration to ensure effective implementation of innovation and digital transformation initiatives. The Technology and Innovation Office develops medium- and long-term innovation plans and annual work plans, organizes key innovation meetings, and proposes annual performance indicators. It also recommends awards and recognition for outstanding teams and individuals, establishes internal innovation platforms or flexible project teams, promotes the implementation of key innovation projects, advances an innovation culture, and undertakes other tasks assigned by the Steering Committee. Relevant divisions, including the Strategy and Corporate Management Division and the Finance and Accounting Division, collaborate at key stages to strengthen risk management and internal control. Subsidiaries and business units are responsible for implementation, ensuring effective execution of the technological innovation strategy.

II Technological Innovation Management Structure of COSCO SHIPPING Energy



We strengthen our technological innovation management system by improving related policies and mechanisms. We have issued policies including the *Measures for Technological Innovation Management*, the *Regulations on Research Project Management*, and the *Headquarters Implementation Rules for Technology Talent Incentives*. These policies set out management requirements for technological innovation, covering management responsibilities, planning, funding and project management, platform development, talent cultivation, commercialization of research outcomes, and evaluation and oversight.

Strategy

We treat technological innovation as the core driver for developing new quality productive forces. We have formulated the *15th Five-Year Plan for Technological Development*, focusing on green and low-carbon technologies, intelligent shipping, and smart operations. We advance critical technology development and promote the application of innovation outcomes to strengthen capabilities in green development, safety and resilience, digital technologies, and intelligent operations.

II Risks Related to Technological Innovation

Category	Description	Financial Impact	Business Model and Value Chain Impact	Time Period	Response
Technical risks	Rapid advances in intelligent shipping, digital, and new energy technologies create uncertainty in certain technical routes. This may cause adopted solutions to diverge from industry developments in performance, compatibility, or applicability. (High)	R&D investment, system upgrades, and equipment replacement may lead to asset impairment or require additional investment, affecting capital expenditure returns.	Upstream Our operations	Medium-term Long-term	Establish a dynamic technology monitoring and evaluation mechanism, strengthen collaboration with research institutions, and conduct forward-looking research and pilot projects in key areas to ensure flexibility in technical routes.
Management risks	Technological innovation projects require cross-division and multidisciplinary collaboration. Inadequate project management, scheduling, or resource coordination may delay project progress or hinder commercialization. (Low)	Project delays or lower-than-expected commercialization may reduce the efficiency of R&D spending and increase short-term costs.	Our operations	Short-term Medium-term	Improve cross-division collaboration and project management, clarify key milestones and responsibilities, and strengthen resource coordination and schedule monitoring to support efficient implementation and commercialization.
Operational and compliance risks	Risks arising from immature technologies, volatility in clean energy supply chains, and rapidly evolving international carbon regulations. (Low)	Compliance costs may increase, including carbon allowance purchases, higher green financing rates, and environmental penalties.	Our operations Downstream	Short-term Medium-term	Increase investment in green technology R&D, optimize energy management systems, and strengthen supply chain coordination and carbon regulation to reduce compliance costs and improve operational efficiency.
Human resources risks	Demand for multidisciplinary, digital, and engineering talent continues to grow. A mismatch between talent capabilities and innovation needs may constrain technology development and implementation. (Medium)	Recruitment, training, and incentive costs may increase, and innovation efficiency may face short-term pressure.	Our operations	Medium-term	Develop and implement a dedicated talent development plan, combine external recruitment with internal training, and improve incentive mechanisms to build a high-quality workforce that supports technological innovation.

II Opportunities Related to Technological Innovation

Category	Description	Financial Impact	Business Model and Value Chain Impact	Time Period	Response
Technical opportunities	Technological innovation improves ship energy efficiency, emissions reduction, new energy applications, and refined operational management.	Lower compliance costs. For example, innovation improves energy efficiency and carbon reduction, reduces the need to purchase carbon allowances, optimizes green financing costs, and helps lower certification expenses.	Upstream Our operations	Medium-term Long-term	Increase investment in R&D and applications of low- and zero-carbon fuels, energy-saving technologies, and intelligent systems; actively participate in the development of relevant national, industry, and association standards.
	Technological innovation improves ship energy efficiency, intelligence, and adaptability, helping upgrade the fleet's overall technological capability.	Lower operating costs. For example, intelligent monitoring reduces unplanned downtime and maintenance expenses.	Upstream Our operations	Medium-term Long-term	Integrate advanced energy-efficiency and intelligent technologies into standards for new ship design and retrofitting of existing ships; develop and implement a clear fleet technology upgrade roadmap.
Market opportunities	Digital platforms and intelligent applications improve information transparency and service responsiveness, enhancing customer experience and engagement.	Increased revenue	Our operations Downstream	Medium-term	Use digital platforms to improve end-to-end logistics transparency and response speed; develop value-added services and deepen customer collaboration.
Operational opportunities	Intelligent vessels, digital supply chains, and smart operations technologies improve voyage management, energy efficiency management, and resource allocation.	Lower operating costs (e.g., reduced fuel consumption, fewer ballast voyages, and lower demurrage costs).	Our operations	Short-term Medium-term	Deploy intelligent vessel and digital platform technologies across the fleet and supply chain; use data-driven approaches to optimize voyage planning and energy efficiency management.

◇ Key Progress in 2025

Strengthened data governance

We established a "1+4" data governance framework and completed operational data inventory, classification, and grading. These measures enhance the accuracy and reliability of business operations and support more informed decision-making and efficient resource allocation.

Expanded the Intelligent Vessel Management Platform

We launched Phase II of the Intelligent Vessel Management Platform. Using the IoT, big data, and AI technologies, the platform supports safety management, cost reduction and efficiency improvement, and green shipping. Key functions include route optimization, real-time energy consumption monitoring, and main engine condition alerts. By the end of 2025, the platform had reduced fuel consumption by about 23,400 tonnes and CO₂ emissions by 73,000 tonnes. The project "Green and Low-Carbon Technologies Promoting Emission Reduction in Production" received the Most Promising Project Award at the Shanghai Data Elements Competition.

Deployed a proactive vessel safety system

We continued to promote the AI-Powered Proactive Safety System, which includes three core functions: navigation risk identification and collision-avoidance alerts, berthing and unberthing assistance, and bridge watch risk identification and alerts. By the end of 2025, the watchkeeping alert function had been deployed on 125 ships, while collision-avoidance alerts and berthing/unberthing assistance were piloted on 9 ships, with an alarm accuracy rate of 98%.

Launched a digital supply chain collaboration platform

We introduced the digital supply chain collaboration platform "Yuanbao", integrating intelligent ship-cargo matching, end-to-end shipment tracking, and secure and efficient settlement. The platform provides a one-stop digital supply chain solution.

Developed a proprietary large model for shipping

We independently developed Hi-Energy, a shipping-focused large language model. Its knowledge base covers dozens of core business processes, including ship operations management, business analysis, safety management, and green shipping, and incorporates specialized knowledge related to oil products, LNG, LPG, and chemicals. The model enhances operational responsiveness and risk anticipation capabilities.

Issued blockchain electronic bills of lading for liquid chemicals

We issued blockchain-based electronic bills of lading for liquid chemical transport together with our strategic customers. The solution significantly improves document circulation efficiency, reducing processing time from days to minutes, representing a qualitative leap in customer experience, operational efficiency, and data security.

Case | Technological Innovation Drives the Development of Shipping

In July 2025, at the 17th International Exhibition on Transport Technology and Equipment, COSCO SHIPPING Energy showcased innovations in digital intelligence, green solutions, and equipment and service innovation. Exhibits included the AI-Powered Proactive Safety System, new energy logistics solutions, and green ship transition initiatives, supporting the industry's digital and low-carbon transition.

2025 Awards

Two projects—Development and Industrialization of Large-Scale LNG Storage and Transportation Equipment and Development and Application of an Intelligent Hull Structure Inspection System and Equipment—received the First Prize of the 2025 Science and Technology Progress Award from the Chinese Society of Naval Architects and Marine Engineers. Another project—Research and Application of Energy-Saving, Emission-Reduction, and Efficiency-Enhancement Technologies for Ship Power Systems—received the First Prize of the 2025 Science and Technology Progress Award from the China Institute of Navigation.

Provincial-level
“Specialized and
Sophisticated”
SMEs cultivated

3

Upgraded from an
innovative SME

1

Management of Impacts, Risks, and Opportunities

Aligned with our strategic objectives and industry trends, we assess technology developments and market demand to identify key innovation priorities, including alternative marine fuels, smart ships, and digital management systems. We incorporate technology, market, and intellectual property risks related to innovation-driven development into our overall risk management framework. Through continuous assessment of technology trends and industry developments, we identify potential risks associated with new technology adoption and industrial upgrading. We recruit and develop young science and technology talent to build a high-quality, specialized innovation team. By integrating internal resources such as technology, talent, and capital, we have established cross-division and cross-disciplinary collaboration frameworks. We also strengthen cooperation with research institutions, universities, and industry partners to build an open innovation ecosystem and promote the commercialization of innovation outcomes. During innovation and R&D activities, we actively manage infringement risks, safeguard innovation outcomes, and respect third-party intellectual property rights.

Indicators and Targets

We continue to strengthen the independent R&D and application of key technologies in energy transportation, and promote the practical implementation of green, low-carbon and intelligent technologies in shipping operations. We aim to become a wellspring of advanced shipping technologies and a pioneer in zero-carbon operations by 2030, and to rank among the global technology-leading enterprises in energy transportation.

Indicator		Unit	2025
R&D investment	R&D investment amount	RMB 1,000	109,261.4
	R&D investment as a percentage of revenue from the main businesses	%	0.46
	Number of R&D personnel	person	122
	R&D personnel as a percentage of total employees	%	13.71
Patents	Number of invention patents used for the main businesses (as of year-end)	/	11
	Number of invention patent filings during the Reporting Period	/	8
	Number of invention patent grants during the Reporting Period	/	4
	Number of utility model patent grants during the Reporting Period	/	1
Standards development	Number of valid patents during the Reporting Period	/	28
	National standards	/	2
	Industry standards	/	1
	Group standards	/	11

Notes:

- R&D investment is reported on a consolidated basis.
- The number of R&D personnel is reported on a consolidated basis. The percentage of R&D personnel represents the share of R&D personnel in the Company's total workforce, including headquarters and subsidiaries.
- 2025 standards contributions are based on standards that have been officially issued.

Responsible Procurement

We have formed a Supplier Committee, led by senior executives responsible for procurement and supplier management, to oversee supplier-related decisions and governance. We have established a comprehensive supplier management framework, including the *Supplier Management Measures*, the *Procurement Management Measures*, the *Regulations for Managing Procurement through Tendering*, the *Regulations for Managing Procurement through Non-Tendering Procedure*, and the *Manual for Prevention and Control of Integrity Risk in Important Business Areas*. These policies define procedures for supplier admission, evaluation, and exit, strengthen the management of ESG risks in the upstream supply chain, and enhance risk management and operational resilience across the value chain. All suppliers, including small and medium-sized enterprises, receive equal treatment, and we strictly adhere to contractual obligations. In 2025, there were no overdue payments.

Supplier Approval

During supplier approval, in addition to conventional business risk assessments, we also evaluate suppliers' performance in compliance, safety, environmental protection, and business ethics. Suppliers are required to provide relevant certifications in quality, safety, environmental protection, industry, and other third-party certifications. Before entering the supplier pool, all suppliers must sign the *Compliance Commitment*, the *Anti-Commercial Bribery Commitment*, the *Notice of Environmental and Occupational Health and Safety Management*, and the *Due Diligence Questionnaire*, confirming that their conduct and qualifications meet our requirements.

II Supplier Approval Requirements



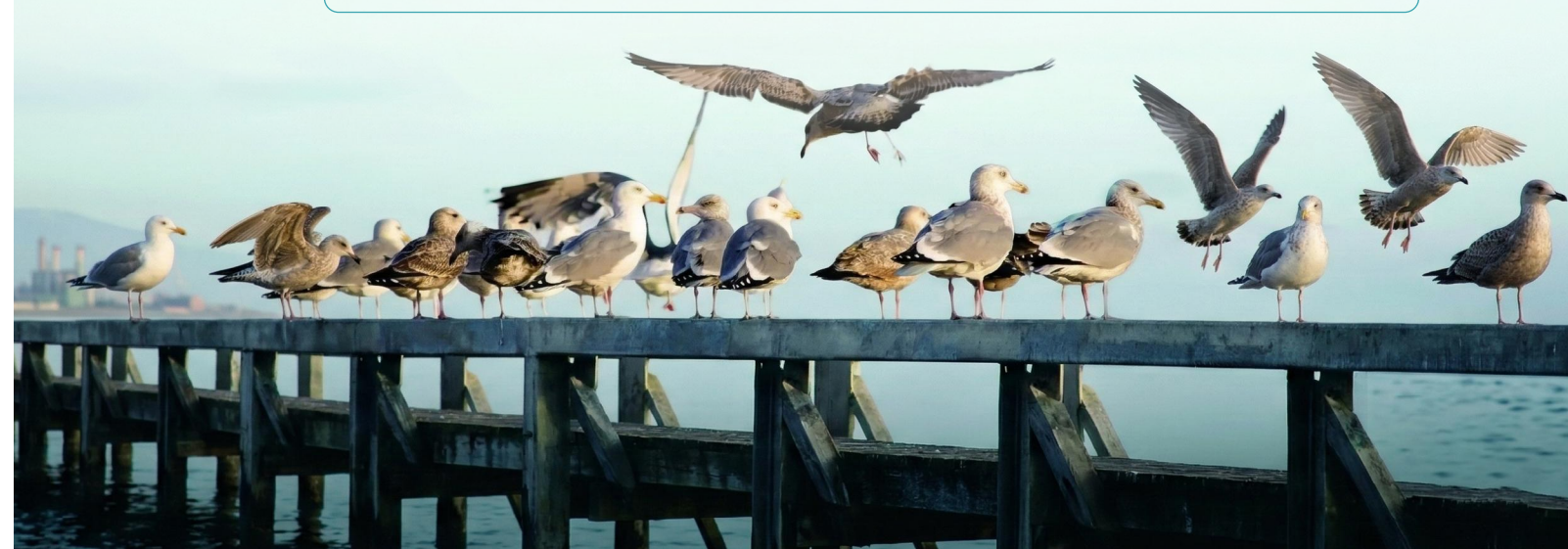
Environmental: Suppliers must comply with relevant laws and regulations regarding production processes and equipment, pollutant emissions, product packaging, hazardous waste disposal, product storage and transportation, and emergency management. They must also obtain certifications related to quality, safety, environmental protection, industry standards, and third-party qualifications.



Social: Suppliers must establish and continuously improve policies in the following areas: prohibition of child labor and forced labor, anti-discrimination and anti-harassment measures, provision of a safe and healthy working environment, respect for fundamental human rights, reasonable working hours, and fair wages and benefits.



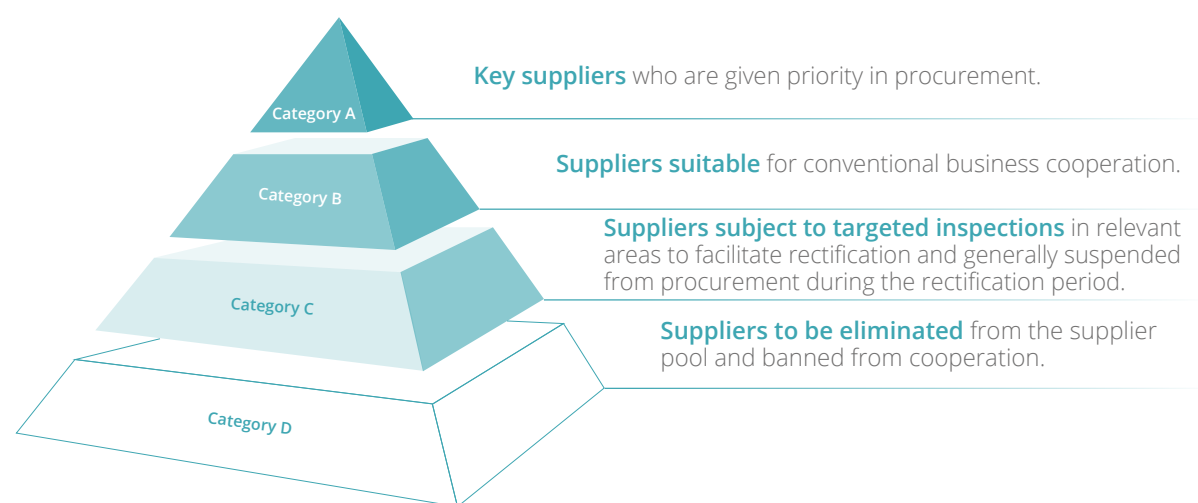
Governance: Suppliers must demonstrate sound financial credentials and managerial effectiveness. This includes maintaining a strong commercial and social reputation, proper tax records, service capabilities, and offering innovative and competitive business solutions. We verify whether suppliers and their related parties have records of bribery or corruption, whether anti-bribery systems are in place, and whether anti-corruption requirements are extended to subcontractors, ensuring that suppliers meet our compliance standards.



Supplier Evaluation

We have established a structured supplier evaluation system. Each year, we conduct a comprehensive evaluation using the *Annual Supplier Evaluation Form*, covering key criteria including product and service quality, after-sales service, safety, environmental protection, and integrity. Suppliers identified as posing risks in safety, environmental protection, or integrity may be excluded or blacklisted.

Based on the annual evaluation results, suppliers are classified into four categories (A, B, C, and D) and managed accordingly. For key suppliers, we conduct on-site evaluations to verify their performance and compliance in areas such as safety, environmental management, occupational health, and social responsibility. In 2025, 87.88% of suppliers were classified into Category A and 12.12% were classified into Category B. No suppliers were classified into Category C or D.



Supplier Empowerment

We regularly organize industry exchanges and targeted training to keep suppliers informed of our latest developments and support their capability development. Best practices from high-performing suppliers are summarized and shared with other suppliers to improve overall supply chain service levels. For suppliers with identified gaps, we work with them to identify weaknesses and develop improvement plans, promoting collaborative improvement across the supply chain.

Promoting Industry Development

We strengthen industry collaboration by building open platforms and participating in major Chinese and international industry forums, professional summits, and academic conferences. We share our experience and technological achievements in safety management, fleet operations, and low-carbon transition, explore emerging topics with industry partners, and promote knowledge and technology sharing, contributing to a collaborative and sustainable industry ecosystem.

Case | 2025 Partner Conference Strengthens Industry Collaboration



In November 2025, COSCO SHIPPING Energy hosted the 2025 Partner Conference in Shanghai. Nearly 1,000 guests from the global energy, shipping, and technology sectors attended. The conference focused on key industry trends, including energy transition, shipping decarbonization, supply chain digitalization, and industrial security. It provided a platform for dialogue on the opportunities and challenges facing energy transportation in a complex global environment, helping enhance supply chain resilience.

Case | CHINA POOL 2025 Spring Meeting Promotes Green Energy Transportation

In March 2025, COSCO SHIPPING Energy hosted the CHINA POOL 2025 Spring Commercial & Technical Meeting in Qingdao. Representatives from Chinese and international shipowners attended, together with experts from the American Bureau of Shipping and the Shanghai Ship and Shipping Research Institute. Participants discussed topics including shipping decarbonization, biofuels, and ship lifecycle management.



Case | Shanghai International LNG Shipping Forum Supports Low-Carbon Transition



In November 2025, the 7th Shanghai International LNG Shipping Forum was successfully held in Shanghai, co-hosted by COSCO SHIPPING Energy and Mitsui O.S.K. Lines (MOL). The forum brought together more than 200 participants from across the global LNG value chain, including energy companies, shipyards, financial institutions, and classification societies, to discuss industry trends, technological innovation, and pathways for low-carbon development in LNG shipping.

03

Safety First: Safeguarding the Lifeline of Development

Safety is the lifeline of the shipping industry and COSCO SHIPPING Energy's foremost responsibility. We treat safety as our top priority. We continuously strengthen our safety management system, enhance risk prevention and control across the entire value chain, and promote refined operations through a strong safety culture. These efforts reinforce the foundation of intrinsic safety and contribute to global shipping safety.

This section aligns with the following UN SDGs:

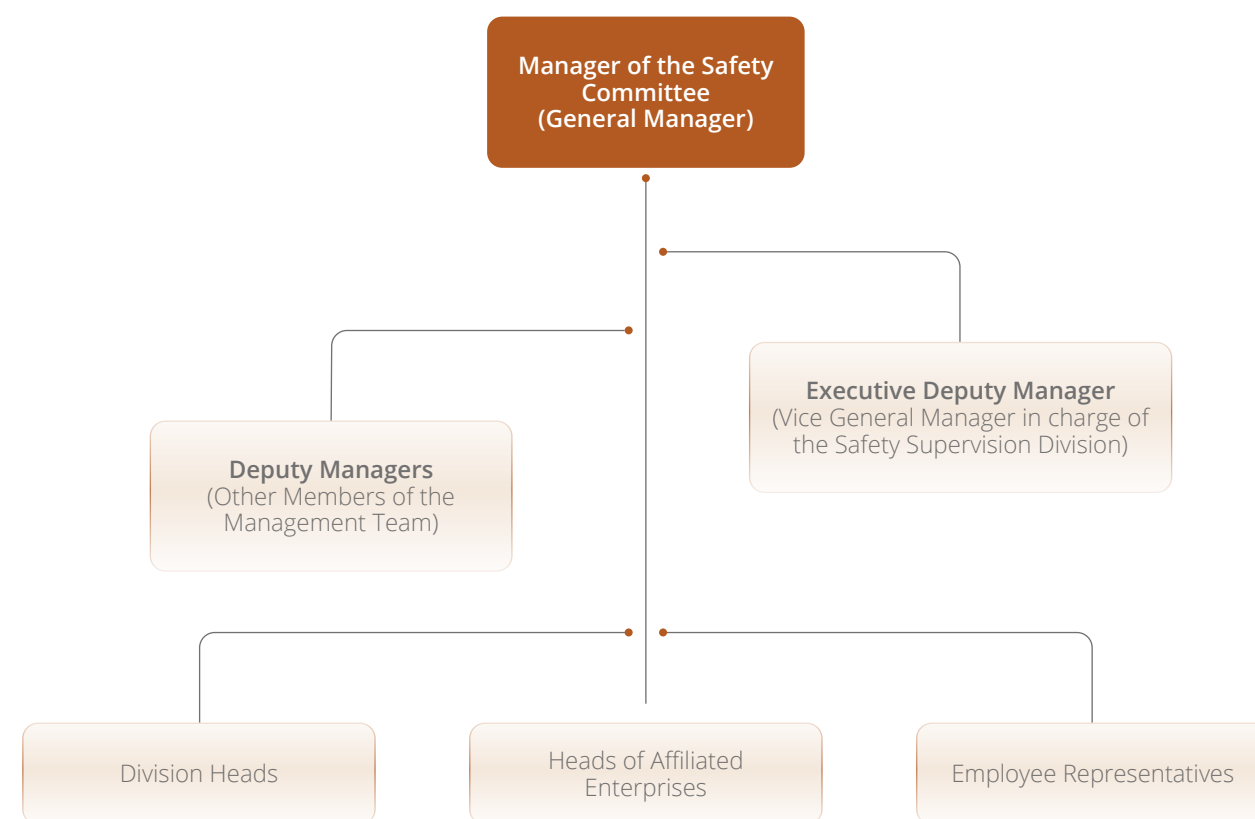


Governance

Safety Management Structure

We have established a Safety Management Committee (the "Safety Committee") as the Company's central body for safety governance, decision-making, and coordination. It is responsible for setting workplace safety policies, objectives, plans, and measures; deciding on major workplace safety matters; and overseeing safety supervision and performance assessment. It convenes regular quarterly and annual meetings as well as ad hoc meetings to review workplace safety plans and corrective actions for identified hazards, thereby strengthening safety management. We have also established a Ship Safety Committee to coordinate and advance ship safety, crew health, and environmental protection.

II COSCO SHIPPING Energy Safety Management Structure



We follow the safety and environmental protection policy of "ensuring ship safety, protecting the marine environment, and safeguarding personnel health". We have established a comprehensive, all-employee, whole-process workplace safety accountability system. The Chairman, Party Secretary and General Manager are the primary workplace safety officers. Each year, the Board of Directors reviews the *Annual Safety Performance Report*. The General Manager cascades annual workplace safety targets and responsibilities to each division. Division heads and employees sign *Position Safety Responsibility Agreements* to ensure accountability at all levels. To reinforce accountability, we regularly evaluate safety performance for both shore-based staff and crew, following the *Measures for the Comprehensive Assessment and Evaluation of Headquarters Employees* and the *Ship Performance Assessment Measures of COSCO SHIPPING Energy*. In addition, the Safety Committee periodically evaluates progress toward annual safety targets and management outcomes, proposes targeted improvement measures, and supports a closed-loop safety management system.

Safety Management System

We comply with applicable Chinese and international laws and regulations, including the *Work Safety Law of the People's Republic of China*, the *International Safety Management (ISM) Code*, and the *Rules for the Administration of the Safe Operation of Ships and the Prevention of Pollution of the People's Republic of China (NSM)*, as well as IMO safety management requirements. Based on these frameworks, we have established and continuously improved our safety supervision system. The system covers all business segments, including the transportation of oil products, LNG, LPG, and chemicals, as well as all operational locations of the headquarters and its subsidiaries, and applies to all personnel, including seafarers (supplier employees).

In 2025, we implemented key policy documents such as the *Safety Management Manual* and the *Workplace Safety Standardization Manual*. We also revised and issued the *Workplace Safety Supervision Measures* and the *Guidelines for Identifying and Managing Workplace Safety Hazards*. We deeply integrate the workplace safety policy of "safety first, prevention-oriented, and comprehensive management" into our operations, and strengthen risk prevention and control through continuous improvement of our policy framework.

Safety System Certification

We have established and continuously improved our safety management system in accordance with Chinese and international standards, including GB/T 19001-2016 / ISO 9001:2015 (Quality Management Systems), GB/T 45001-2020 / ISO 45001:2018 (Occupational Health and Safety Management Systems), and SY/T 6276-2014 (Health, Safety and Environment Management Systems for the Petroleum and Natural Gas Industry). We have achieved Level-1 certification for the Standardized Safety Production System for Waterway Transport of Dangerous Goods. In 2025, we updated our management system documentation eight times.

We conduct internal audits annually and engage independent third-party organizations to perform external audits. These reviews systematically verify compliance with international conventions, Chinese regulations, and relevant industry standards. They also fully verify the effectiveness and compliance of the safety management system and provide a basis for continuous improvement. In 2025, our ships successfully passed the annual Document of Compliance (DOC) audits conducted by the maritime authorities of the Chinese mainland, Hong Kong (China), Singapore, and Panama. We also passed the recertification audits for our quality, energy, and occupational health and safety management systems, covering operations related to the transport of oil products, LNG, LPG, and chemicals.



Strategy

We integrate development with workplace safety and strengthen long-term mechanisms for safe operations. Guided by a strong safety culture and supported by effective execution, we prioritize the health and safety of both shipboard and shore-based personnel. By improving intrinsic safety, we convert safety management performance into a competitive advantage.

II Safety Risk Analysis

Safety Risks					
Category	Description	Financial Impact	Business Model and Value Chain Impact	Time Period	Response
Hazardous cargo transport	The Company transports flammable and explosive liquid bulk cargo (e.g., crude oil and refined oil products), requiring strict handling procedures and high ship standards. Control failures during loading, unloading, or transit may lead to leakage or fire, with adverse impacts on people, assets, and the environment. (Medium)	- Increased safety and technology investment - Higher insurance costs - Potential environmental remediation and compensation costs	Upstream Our operations Downstream	Short-term Medium-term Long-term	Enforce hazardous cargo procedures; strengthen loading and unloading controls; enhance crew training and emergency drills; improve onboard monitoring and early warning systems.
Personnel safety	International navigation involves long voyages and complex working conditions, requiring high levels of competence and physical fitness. Weak fatigue management or non-compliance with procedures may increase incident risk and affect crew health and safety. (Medium)	- Higher training and safety management costs - Operational losses from service interruptions - Increased insurance and compensation costs	Our operations Downstream	Short-term Medium-term	Strengthen crew training and assessment; optimize shift scheduling and occupational health management; promote a safety culture; continue the Hazards Snapshot Activity.
Climate-related physical risks	The fleet operates globally. Climate change is increasing the frequency and severity of extreme weather events in some regions, which may disrupt navigation and port calls and heighten risks such as collision, grounding, and hull damage, increasing operational uncertainty. (Medium)	- Lower efficiency due to schedule changes - Higher maintenance costs - Higher insurance costs - Potential delay-related compensation	Our operations Downstream	Medium-term Long-term	Strengthen weather monitoring and early warning; enhance route risk assessment and dynamic management; upgrade ship technologies; expand deployment of the Intelligent Vessel Management Platform and AI-Powered Proactive Safety System to improve resilience.
Compliance and management	Evolving international maritime safety and environmental regulations require continuous ship upgrades and management system improvements. Greater digitalization also raises higher requirements for information security. (Medium)	- Higher capital expenditure for ship upgrades - Increased IT operation and maintenance costs	Upstream Our operations Downstream	Short-term Medium-term Long-term	Strengthen safety and compliance management systems; enhance information security; proactively plan fleet upgrade pathways.

II Safety Opportunity Analysis

Safety Opportunities					
Category	Description	Financial Impact	Business Model and Value Chain Impact	Time Period	Response
Market competitiveness	In energy and chemical transport, customers prioritize carriers with strong safety records and robust safety management. Sustained improvement in safety performance strengthens trust and supports long-term partnerships. (Medium)	- Increased win rate for long-term contracts - More stable revenues - Lower incident-related costs	Our operations Downstream	Medium-term Long-term	Strengthen safety performance management; enhance safety data monitoring and disclosure; build industry credibility.
Technology upgrades	Investment in ship intelligence, automated monitoring, and digital platforms helps improve risk detection and early warning, reduce incident rates, and enhance operational efficiency. (Medium)	- Lower incident and maintenance costs - Higher operational efficiency - Potentially lower insurance premiums	Upstream Our operations Downstream	Short-term Medium-term Long-term	Expand deployment of the Intelligent Vessel Management Platform and the AI-Powered Proactive Safety System; refine risk early warning models; strengthen navigation safety management.
Ship cybersecurity	As smart ships and digital platforms become more widespread, exposure to cyber risks (e.g., cyberattacks and data tampering) increases. Early adoption of robust cybersecurity systems helps safeguard operations and strengthen customer trust in data security. (Medium)	- Reduced losses from cyber incidents - Avoided legal liabilities from data breaches	Our operations Downstream	Short-term Medium-term Long-term	Deploy ship cybersecurity systems; strengthen crew cybersecurity awareness; establish incident response plans; advance ship cybersecurity certification.

Building a Strong Safety Culture

II Our Safety Philosophy

•	Safety risks are the Company's greatest risks.	•
•	Safety always comes first.	•
•	All accidents are preventable.	•
•	Safety is every employee's primary responsibility.	•
•	Ensuring safety is the best way to care for employees.	•
•	Safety must be inherent and continuously improved.	•
•	Safety is a core part of our brand and competitiveness.	•
•	Safety requires proactive, comprehensive, and company-wide efforts at every stage.	•

► **Fostering a safety culture**

We promote a culture of safety through initiatives such as Workplace Safety Month, the "Ankang Cup" competition, hazard identification reporting activities, and fire safety knowledge contests, encouraging all employees to participate in safety management.

► **Strengthening safety training**

We have established a structured safety training system that combines in-person training with online reinforcement. Regular training covers hazardous chemicals handling, emergency search and rescue, and work-related injury prevention. During the Reporting Period, more than 700 seafarers participated in 20 training sessions on SIRE 2.0.

Strengthening Safety Management

We strengthen safety management in our operations. By reinforcing risk control at the source and carrying out targeted rectification in key areas, we implement systematic measures to enhance overall safety assurance.

Building an integrated safety framework

For new business areas such as chemical tankers and LPG carriers, we promptly conducted targeted safety inspections to standardize and improve safety management. We also revised the *Standards and Inspection Checklist for Identifying Major Accident Hazards in the Energy System*, covering all business segments, to ensure integrated safety oversight across the entire business chain.

Advancing key workplace safety initiatives

We implemented targeted safety programs, including the "Three-Year Safety Action" and the "Thunder Action for Workplace Safety". We also issued the *2025 Safety Supervision and Inspection Plan for the Energy System* to guide focused safety inspections. In addition, we strengthened safety management capacity by enhancing the safety supervision team and developing an integrated ship-shore intelligent management platform.

Case | Digitalization Enhances Maritime Safety Management

In April 2025, Phase II of the COSCO SHIPPING Energy Intelligent Vessel Management Platform was launched. The platform supports safety management, cost efficiency, and green shipping. By integrating the Ship Value Visualization multimodal system, it collects real-time ship navigation data and applies 15 risk early-warning models. It also establishes a closed-loop ship-shore management system covering early warning, response, assessment, and improvement. Since its launch, the fleet's risk early-warning rate has increased by 15.6%, helping shift the Company's safety management from reactive response to proactive prevention.

Safe Ship Operations

We strengthen ship safety management through routine hazard identification and rectification, while applying digital and intelligent technologies to ship operations to enhance navigational safety.

Improving the ship management system

► We strengthened our ship management framework by issuing three new policies, including the *Regulations on the Management of Intelligent Navigation Equipment*, and revising five policies, including the *Emergency Response Plan for Typhoons and Flood Prevention*, improving the completeness of the management system.

Strengthening the "five areas of prevention"

► We implemented prevention measures in five key areas: collision and grounding prevention, work-related injury prevention, fire and explosion prevention, anti-piracy measures, and pollution prevention, along with seasonal risk prevention. In 2025, CCTV monitoring was used to conduct random ship inspections on 12,000 vessels, covering bridge discipline, engine room watchkeeping, deck operations, and other activities. We successfully responded to 27 typhoons, achieving a 100% typhoon response success rate. No collision or grounding accidents occurred during the year.

Conducting hazard identification and mitigation

► We carried out comprehensive hazard identification and rectification actions, addressing more than 34,000 major safety hazards during the year. We conducted 63 energy safety inspections, 386 supervisory inspections, and 1,825 ship self-inspections, further strengthening risk prevention and control.

Enhancing ship maintenance and upkeep

► We implemented improvement and energy-efficiency enhancement plans for aging ships. Annual maintenance plans were optimized for each ship and dynamically adjusted. Shipyard repairs, voyage repairs, and routine maintenance were carried out to ensure the sound technical condition of hull structures and onboard equipment.

Adopting digital and intelligent technologies

► We applied digital and intelligent technologies to improve ship safety management. We promoted the AI-Powered Proactive Safety System and the Collision Avoidance Early Warning and Monitoring System, and launched Phase II of the Intelligent Vessel Management Platform.

Strengthening Contingency Management

We implemented the *Shipboard Emergency Response Plan* and the *Shore-Based Emergency Response Plan*. We also revised the *Emergency Management Regulations*, established a ship emergency management organization, and developed an emergency response system comprising the Company's comprehensive emergency plan, specialized emergency plans, and on-site emergency plans. This system helps ensure efficient and orderly emergency response.

Emergency drills

We organized four high-level joint emergency drills. These included a chemical tanker leakage drill conducted with COSCO SHIPPING Group, terminals, and charterers, strengthening our emergency response capability and cross-organizational coordination.

Monitoring of key areas

We established safety monitoring groups for high-risk sea areas and implemented a four-hour ship safety reporting mechanism to help ensure safe operations in high-risk waters.

Occupational Health and Safety

We comply with applicable Chinese and international laws and regulations, including the *Maritime Labor Convention* and the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases*. We have established a systematic occupational health, safety, environment and energy (HSE) management framework. Key policies include the *Occupational Health and Safety, Environment and Energy Management Manual*, the *General Principles for Crew Management and Occupational Health*, the *Instructions for Control and Plan Management of Crew Occupational Health Hazards*, and the *Instructions for the Management of Crew Work-related Injuries and Occupational Illnesses*. These policies support the identification, assessment and ongoing monitoring of occupational health hazards for all shore-based employees and seafarers (our contractor personnel). In 2025, we issued additional policies, such as the *Guidelines on Seafarers' Physical and Mental Health Management* and the *Ten Prohibitions on Alcohol Control on Ships*, to further strengthen safeguards for seafarers' health and safety.

We provide seafarers with working and living conditions that meet occupational health requirements and supply personal protective equipment in line with national or industry standards. Safety warning signs are installed for potential hazards, protective measures are implemented, and regular occupational health and safety training is conducted. In cooperation with crewing companies (suppliers), we ensure statutory work-related injury insurance coverage and additionally maintain the shipowner's liability insurance. A remote medical service system has also been established to provide timely medical support and safeguard seafarers' health and well-being.

In addition, we issue the *Notice of Environmental and Occupational Health and Safety Management* to suppliers and incorporate occupational health and safety requirements into procurement contracts to strengthen coordinated risk management. Occupational health and safety incidents are handled through standardized investigation procedures to help maintain a safe and healthy workplace for all employees.

Management of Impacts, Risks, and Opportunities

We have established a systematic framework for identifying, assessing, and controlling safety risks. Through management policies, dynamic monitoring mechanisms, and timely control measures, safety risk management is integrated into all stages and all aspects of operations. This approach supports a shift from reactive response to proactive prevention.

Safety risk identification

All divisions and ships identify hazards across different roles, processes, and locations, covering both shore-based and onboard operations. Divisions and ships complete and submit the *On-board Hazard Identification Form* and the *Shore-based Hazard Identification Form*. We consolidate the results into a risk register, which is updated annually and used to issue a risk classification and control list.

Safety risk assessment

We have established the *Hazard Identification and Assessment Procedure* and the *Instructions for On-board Risk Assessment*. Risk assessments combine qualitative and quantitative methods to evaluate factors such as the likelihood of incidents and the severity of consequences. Based on the results, risk levels are defined and documented in major risk lists, risk analysis records, and risk analysis reports.

Safety risk control

For identified shore-based and on-board operational risks, we implement strengthened control and mitigation measures based on existing controls. We review and communicate the status of safety risk control on a quarterly basis, track the effectiveness of control measures, and maintain dynamic risk monitoring and emergency response mechanisms to ensure risks remain under control.

Indicators and Targets

We have defined long-term safety management objectives and established phased, measurable "non-zero" performance targets. Progress toward these targets is monitored dynamically to support continuous improvement in safety management.



Long-term safety management objective

Zero personnel injuries, zero safety incidents, and zero environmental pollution



Short-term safety management objective and performance (2025)

No more than three minor injuries among seafarers, zero minor injuries among shore-based employees, a repeated deficiency rate of 2.6% or less in ship safety inspections, and a high-risk deficiency rate of 0.45% or less in ship safety inspections. All targets were achieved in 2025.

Detailed safety indicators are provided in the "Our Performance" section.





04

Living with Nature: Charting a Low-Carbon Future

The ocean is the vital artery of global trade. Guided by the Company's sustainability philosophy, COSCO SHIPPING Energy strives to harmonize business operations with nature. We advance green shipping by building a greener fleet, promoting alternative fuels, and protecting marine ecosystems. Together, these actions chart a low-carbon course that creates shared value for business, society, and the natural environment.

This section aligns with the following UN SDGs:



Improving Environmental Management

Environmental Management System

We comply with applicable Chinese and international laws, regulations, and conventions, including the *Marine Environmental Protection Law of the People's Republic of China*, the *Regulations of the People's Republic of China on the Prevention and Control of Marine Pollution from Ships*, and the *International Convention for the Prevention of Pollution from Ships* (MARPOL). We also adopt relevant rules, guidelines, and standards recommended by industry organizations. To support environmental management, we have established a set of internal policies and procedures, including the *Occupational Health and Safety, Environment and Energy Management Manual*, the *Environmental Protection Management Procedure*, and the *Identification and Evaluation of Environmental Aspect Procedure*. These documents provide the framework for continuously improving our environmental management system.

Environmental Governance Structure

We have established an environmental governance structure comprising the Board of Directors, the Strategy Committee, and the ESG Working Group to oversee environmental management related to climate change, emissions, biodiversity conservation, and green office practices. The Board of Directors is the highest decision-making body for environmental management, with the Chairman serving as the primary person responsible for safety management and pollution prevention.

Environmental Management System Certification

We have established an environmental management system, covering oil, LNG, LPG, and chemical transportation, in accordance with Chinese and international standards, including GB/T 24001 and ISO 14001 for environmental management systems, GB/T 23331 and ISO 50001 for energy management systems, and SY/T 6276-2014 for health, safety and environmental management systems of the petroleum and natural gas industries.

We conduct annual internal audits to verify compliance with applicable domestic and international environmental laws, regulations, standards, and industry requirements. In addition, our environmental management system undergoes annual certification and compliance assessments by independent third parties. We fully cooperate with due diligence assessments. Through both internal and external audits, we standardize environmental management processes and improve the effectiveness of our environmental management system.

Environmental Risk Management

We have established procedures such as the *Identification and Evaluation of Environmental Aspect Procedure* and the *Cargo Operations Procedures*. Together, they create a closed-loop process for identifying, assessing, and responding to environmental risks.

II Environmental Risk Management Process

Environmental risk identification	Environmental risks are identified across both office and shipping operations. The assessment considers environmental aspects both related to suppliers and employees (including crew members), as well as different operating conditions, including normal, abnormal, and emergency situations.
Environmental risk assessment	Risks are assessed using multiple indicators, including environmental impact severity, likelihood of occurrence, regulatory compliance requirements, and technical feasibility.
Environmental risk response	For significant environmental aspects, we set improvement targets and implement dedicated control measures. For general environmental aspects, we apply routine monitoring and control measures to mitigate risks and ensure compliance. A dynamic update mechanism ensures that management measures are promptly adjusted when regulations change or business activities expand.

For environmental emergency management, we have established a comprehensive emergency management framework, including the *General Principles of Emergency Response and Risk Analysis*, the *Emergency Reporting and Response Procedures*, and the *Emergency Support Procedures*. We identify potential risks related to environmental protection, safety, and energy management, develop dedicated response plans, and organize regular drills with relevant divisions. These measures ensure rapid and effective emergency response and minimize impacts on the environment, occupational health and safety, and energy management.

Over the past three years, we have recorded no oil spill incidents and no major environmental penalties related to excess emissions.



Addressing Climate Change

Governance

We have established a governance framework for environmental management and the low-carbon transition, comprising the Board of Directors, the Strategy Committee, and the ESG Working Group. The Board of Directors formulates and reviews climate-related policies, leads and supervises climate initiatives, and integrates climate-related risks and opportunities into strategic planning. The Strategy Committee analyzes climate change response strategies, sets targets and evaluation mechanisms, and advises the Board of Directors on climate issues. The ESG Working Group develops and implements climate action plans.

We have also established a Green and Low-Carbon Steering Group, led by the Chairman, to overall coordinate our green and low-carbon transition efforts. A Green and Low-Carbon Development Working Group has been set up to explore alternative fuels, plan future energy use, and coordinate investments in green industries and technologies. Through cross-division collaboration, these mechanisms integrate green and low-carbon development into our ESG management framework and advance our low-carbon transition.

We have strengthened the *Ship Fuel Management Measures*. In 2025, we issued the *Interim Provisions on Carbon Emissions Management* and the *Detailed Rules on Carbon Emissions Data Quality Control and Management*. These policies clarify responsibilities and standardize procedures, providing a foundation for systematic management of ship energy consumption and carbon emissions.

II Green and Low-Carbon Development Management Mechanism

Information reporting

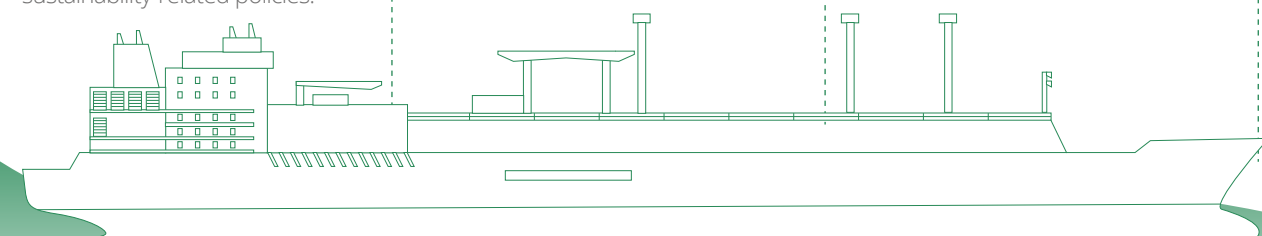
The Technology and Innovation Division dynamically tracks and researches developments in green and low-carbon technologies and policies. It conducts cutting-edge research on emerging alternative fuels such as methanol and ammonia, and monitors operational data in real time, including energy consumption and carbon emissions. Based on systematic analysis and evaluation, it regularly reports progress, key developments, and recommendations to the Green and Low-Carbon Steering Group, supporting informed decision-making and improvement of sustainability-related policies.

Talent development

We place strong emphasis on talent development and capacity building in green and low-carbon areas to strengthen our climate response capabilities. We engage external resources, including maritime organizations, research institutions, and consulting firms, to provide regular training for Board members and senior management. The training covers international green conventions, the IMO net-zero emissions framework, implementation of our low-carbon strategy, and emerging technologies, thereby strengthening the team's capacity to understand and manage climate-related risks and opportunities. In 2025, we organized 6 low-carbon training sessions for 105 participants, covering topics such as intelligent and green ship development, energy management, and the latest policy trends.

Climate targets linked to compensation

We link climate-related targets to business performance evaluation and incorporate them into our performance assessment system. This approach encourages employees across the Company to participate in climate action, supports pilot initiatives and innovation, and strengthens our long-term competitiveness and resilience for sustainable development.



Strategy

In 2023, under the guidance of the Board of Directors, we developed the *Green and Low-Carbon Transformation Strategies*, systematically identifying climate-related risks and opportunities and setting out targeted measures and action plans to strengthen our green competitiveness. In 2025, taking into account industry trends and our transition progress, we revised and updated the *Green and Low-Carbon Transformation Strategies*, further optimizing our transition objectives and pathways.

◆ Identification of Climate-related Risks and Opportunities

We have established a clear climate action timeline: 2025 as the short term, 2026–2030 as the medium term, and 2031–2050 as the long term. We identify short-, medium-, and long-term climate-related risks and opportunities across our domestic and international operations and throughout the value chain, including ships, fuels, carbon assets, and upstream and downstream supply chains. We analyze key financial risks, such as additional shipbuilding costs and operating costs, and assess their current and potential financial impacts. Based on these assessments, we develop coordinated response mechanisms and strategies to systematically strengthen our resilience to climate change.

We draw on publicly available scenario analyses from organizations such as the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC). We use Shared Socioeconomic Pathways (SSPs) GHG emission scenarios to identify physical climate risks, and the Net Zero Emissions by 2050 (NZE) and Stated Policies Scenario (STEPS) to assess climate transition risks. The analysis covers all of our operating locations. Based on these climate scenarios and key factors affecting the shipping industry, we evaluate the material impacts of climate-related risks and opportunities on our operations.

Institution	Scenario	Reason for Selection
IEA	STEPS: a scenario which reflects current policy settings based on sector-by-sector and country-by-country policies that are in place, as well as those that are under development.	This scenario provides a baseline based on existing global policies for assessing our regulatory costs and market environment over the next 10–15 years, ensuring that strategic planning reflects realistic policy conditions.
	NZE by 2050: a scenario that sets out a pathway for the global energy sector to achieve net zero CO ₂ emissions by 2050, which does not rely on emissions reductions from outside the energy sector to achieve its goals.	Aligned with the latest strategy of the IMO, this scenario tests the resilience of our fleet under the most stringent regulatory conditions, including high carbon prices and the accelerated phase-out of fossil fuels. It helps identify transition risks and supports fleet transformation and the adoption of alternative fuels.
IPCC	SSP5-8.5: an extremely high-emissions scenario where global temperature rise reaches 4.4°C by 2100.	This scenario simulates a severe physical risk environment, including significant sea-level rise and more frequent and intense extreme weather events such as typhoons. It tests the resilience and emergency response capacity of our core assets under extreme conditions, including route disruptions and operational interruptions, supporting preparedness for long-term physical risks.
	SSP2-4.5: a moderate emissions scenario where global temperature rise reaches 2.7°C by 2100.	This scenario provides a realistic reference for assessing our medium- to long-term strategic resilience under moderate transition and physical risk pressures, supporting planning for fleet decarbonization and operational adjustments.

II Climate-Related Risk and Opportunity Analysis

Climate Change-Related Risks					
Category	Description	Financial Impact	Business Model and Value Chain Impact	Time Period	Response
Transition risks	Policy and legal risks	The policy framework for carbon reduction continues to strengthen and regulatory requirements are becoming more stringent following the introduction of China's targets to peak emissions by 2030 and achieve carbon neutrality by 2060 (the 30-60 targets), the rollout of new provincial and municipal regulations, and the launch of the national carbon trading market. (Medium)	• Increase in operating costs (e.g., higher carbon emission expenses and penalties for non-compliance) Upstream Our operations Downstream	Medium-term Long-term	We have established cross-division groups, including the Green and Low-Carbon Steering Group and Working Group, and the Energy Conservation & Emission Reduction Steering Group, under a climate governance framework led by the Board of Directors, to track regulatory requirements. Meanwhile, we strengthen carbon asset management. We complete the annual settlement of carbon emission allowances in accordance with the directives issued by the Shanghai Municipal Bureau of Ecology and Environment.
	Policy and legal risks	The IMO has set a target for international shipping to reach peak GHG emissions as soon as possible and achieve net-zero emissions around 2050. The core elements of the IMO Net-Zero Framework have received broad international support, forming a global emissions constraint and carbon pricing mechanism for the shipping industry. (High)	• Increase in R&D costs (e.g., greater investment in new technologies, materials, and processes) • Rise in capital expenditures (e.g., expenditures for retrofitting energy-consuming ships and higher costs for building energy-efficient ships) • Decline in the value of fixed assets (e.g., asset write-offs or early retirement caused by technological upgrades) • Increase in supply chain costs (e.g., higher expenses for building and leasing energy-efficient ships and procuring low-carbon fuels) Upstream Our operations Downstream	Medium-term Long-term	We have established cross-division groups, including the Green and Low-Carbon Steering Group and Working Group, and the Energy Conservation & Emission Reduction Steering Group, under a climate governance framework led by the Board of Directors. We closely track global regulations and mandatory requirements, formulate the <i>Green and Low-Carbon Transformation Strategies</i> , and launch energy-saving and emission-reduction initiatives. We accelerate the transition to clean-energy ships, phase out older ships, and optimize the fleet's energy mix.
	Policy and legal risks	The EU Emissions Trading System (EU ETS) has been applied to the shipping industry since January 1, 2024, introducing carbon allowance requirements for voyages involving EU ports. (High)	• Increase in operating costs (e.g., higher carbon emission costs for traditional fuels and higher procurement costs for alternative fuels) Our operations	Short-term Medium-term Long-term	We established a dedicated task force on EU carbon trading to assess the EU ETS and related regulatory requirements. We issued the <i>EU ETS Compliance Management Guidelines (Trial)</i> and opened the required compliance accounts. We completed settlement of our 2024 EU ETS obligations on schedule by September 30, 2025. Additional carbon costs are incorporated into internal carbon pricing considerations in ship construction and investment decisions.
	Policy and legal risks	The FuelEU Maritime regulation limits the carbon intensity of ships that call at ports in EU member states. (High)	• Increase in R&D costs (e.g., greater investment in new technologies, materials, and processes) • Increase in capital expenditures (e.g., higher costs for building dual-fuel ships) • Decline in the value of fixed assets (e.g., asset write-offs or early retirement caused by technological upgrades) • Increase in operating costs (e.g., higher charter rates for compliant, energy-efficient ships, increased low-carbon fuel prices, and growing carbon emission costs) Upstream Our operations	Medium-term Long-term	We promote the rational and diversified use of alternative energy sources. We pilot green fuels such as LNG, green methanol, and biofuels, along with our corresponding propulsion systems, to optimize the energy mix of our fleet.

Climate Change-Related Risks					
Category	Description	Financial Impact	Business Model and Value Chain Impact	Time Period	Response
Transition risks	Policy and legal risks	Amendments to Annex VI of the IMO MARPOL introduced the Energy Efficiency Existing Ship Index (EEXI) and the Carbon Intensity Indicator (CII), which took effect on January 1, 2023, and impose stricter requirements on ship energy efficiency and operational management. (High)	• Increase in R&D costs (e.g., greater investment in new technologies, materials, and processes) • Rise in capital expenditures (e.g., expenditures for retrofitting energy-consuming ships) • Decline in the value of fixed assets (e.g., asset write-offs or early retirement caused by technological upgrades) • Decrease in revenue (e.g., operational restrictions due to failure to meet environmental protection requirements) Upstream Our operations	Short-term Medium-term Long-term	We have established cross-division groups, including the Green and Low-Carbon Steering Group and Working Group, and the Energy Conservation & Emission Reduction Steering Group, under a climate governance framework led by the Board of Directors. We closely track IMO regulatory requirements and ensure fulfillment of EEXI and CII requirements.
	Technical risks	As the shipping industry accelerates its low-carbon transition, the technical routes for alternative fuels remain uncertain. New propulsion systems and energy-saving technologies are still evolving, which may create risks related to limited technological maturity and uncertain investment payback periods. (Medium)	• Increase in R&D costs (e.g., greater investment in new technologies, materials, and processes) • Rise in capital expenditures (e.g., expenditures for retrofitting energy-consuming ships and higher costs for building energy-efficient ships) • Decline in the value of fixed assets (e.g., asset write-offs or early retirement caused by technological upgrades) Upstream Our operations	Short-term Medium-term	We have established cross-division groups, including the Green and Low-Carbon Steering Group and Working Group, and the Energy Conservation & Emission Reduction Steering Group, under a climate governance framework led by the Board of Directors. We have also developed and improved the <i>Green and Low-Carbon Transformation Strategies</i> and stepped up efforts to support low-carbon innovations and green technology development.
	Technical risks	As emissions regulations continue to tighten, the technological maturity and economic viability of emissions-reduction technologies, such as energy-saving devices, drag-reduction technologies, and carbon capture systems, remain uncertain. This may create risks for ship retrofits and operating costs. (Medium)	• Increase in R&D costs (e.g., greater investment in new technologies, materials, and processes) • Rise in capital expenditures (e.g., expenditures for retrofitting energy-consuming ships and higher costs for building energy-efficient ships) Upstream Our operations	Short-term Medium-term	
	Technical risks	Ships using low- and zero-carbon fuels such as methanol involve technological complexity and uncertainties in fuel storage and transportation, operational safety, and emergency response. These factors may pose risks to ship deployment and operational safety. (Medium)	• Higher operating costs (e.g., wage premiums to attract and retain crew qualified to operate new technologies) • Potential losses (e.g., losses from safety incidents caused by operational errors, which could result in significant compensation costs and reputational damage) Our operations	Short-term Medium-term	We have established dedicated training programs and jointly developed ammonia and methanol fuel operation and bunkering courses with maritime institutions and engine manufacturers. We have built a pipeline of qualified personnel by organizing phased training and certification in accordance with international conventions such as the IGF Code (International Code of Safety for Ships Using Gases or Other Low-Flashpoint Fuels). We have updated ship management agreements to include dedicated standard operating procedures (SOPs) for low-carbon ships.
	Market risks	With the transition that shifts the drivers of demand from refined oil to chemicals, structural adjustments in the refining and petrochemical industry may slow growth in demand for refined oil. (Low)	• Decrease in revenues Upstream Our operations Downstream	Medium-term Long-term	To meet evolving customer needs, we are expanding into chemicals shipping, expanding our fleet for liquified cargo shipping to include all types of ships, and extending end-to-end energy supply chain services.

Climate Change-Related Risks						
Category		Description	Financial Impact	Business Model and Value Chain Impact	Time Period	Response
Transition risks	Market risks	During the energy transition, rising demand for clean energy may gradually reduce demand for crude oil and certain petroleum products, potentially affecting seaborne oil and gas transportation demand. (Low)	Decrease in revenues (e.g., reduced business volume due to lower service demand)	Upstream Our operations Downstream	Long-term	We keep track of the global energy transition by aligning fleet capacity with trade demand, exploring marine transport of CO ₂ , tracking fuel price trends, and locking in prices when appropriate to optimize fuel cost management.
		As the shipping industry advances its low-carbon transition, demand for low- and zero-carbon fuels continues to grow. Supply shortages could increase fuel prices and operating costs. (Low)	Increase in operating costs	Upstream Our operations	Medium-term Long-term	We closely monitor fuel price fluctuations and make lock-in purchases in a timely manner to control low- and zero-carbon fuel costs.
		Some countries and regions continue to tighten environmental and compliance requirements for shipping, which may raise market entry thresholds in certain regions. (Low)	- Decrease in revenue (e.g., limited business areas due to failure to meet environmental protection requirements) - Increase in operating costs (e.g., additional carbon emission costs incurred by compliance with market access regulations)	Our operations	Short-term Medium-term Long-term	We align with global market trends, plan global routes from a big-picture perspective, increase support for green and low-carbon innovation and technology R&D, and strengthen carbon asset management.
	Reputational risks	If we fail to effectively implement GHG emissions reduction and energy efficiency measures, we may be perceived as underperforming on climate action. This could damage our reputation and weaken trust with stakeholders, including customers, partners, and investors. (Low)	- Lower revenues due to reduced customer trust - Less available capital due to increased financing difficulty and declining investor confidence	Our operations Downstream	Medium-term Long-term	We have established cross-division groups, including the Green and Low-Carbon Steering Group and Working Group, and the Energy Conservation & Emission Reduction Steering Group, under a climate governance framework led by the Board of Directors. We have also developed and improved the <i>Green and Low-Carbon Transformation Strategies</i> and stepped up efforts to support low-carbon innovations and green technology development, enhancing our sustainable development capabilities.
	Physical risks	Acute risks	Extreme marine weather events, such as typhoons and tsunamis, are likely becoming more frequent and severe, leading to ship damage, cargo loss, and crew injuries. (Medium)	- Increase in maintenance costs (e.g., higher ship maintenance costs) - Increase in insurance costs. For example, it is difficult to insure ships in high-risk areas.	Our operations Downstream	Long-term
Extreme weather may disrupt ship operations and schedules, leading to delays or missed deliveries and increasing operational and contractual risks. (Low)			- Decrease in revenue. For example, transportation difficulties, supply chain disruption, and other factors that cause decreases in the task fulfillment rate can result in lower revenue. - Increase in the cost of breach of contract. For example, the cost of breach of contract will rise if the contract cannot be completed on time.	Our operations Downstream	Medium-term Long-term	We carry out daily maintenance and itemized inspection in strict accordance with the requirements of the classification society at the equipment maintenance stage. We require deck officers to receive meteorological information on a daily basis at the sailing stage, and the shore-based supervisor to track meteorological information of the sea area in real time.
Chronic risks		Climate change, such as prolonged heat and shifts in marine conditions, may adversely affect crew health and onboard operating conditions. (Low)	Higher spending on crew safety protection, mental health, and hygiene management, increasing operating costs	Our operations	Long-term	We provide the employees with routine physical examinations, psychological consulting and high-temperature subsidies through comprehensive occupational health and safety management to look after employees' mental and physical health.

Climate Change-Related Opportunities					
Category	Description	Financial Impact	Business Model and Value Chain Impact	Time Period	Response
Resource efficiency	As carbon regulations in the shipping industry tighten, we can implement technological upgrades, enhance ship energy management, and adopt intelligent management systems to increase energy efficiency, and reduce fuel consumption per turnover. (Medium)	Decrease in operating costs (such as reducing unit energy consumption and energy use cost through energy efficiency improvement)	Our operations	Short-term Medium-term Long-term	We formulate the <i>Ship Energy Efficiency Management Plan</i> and upgrade ships for better fuel efficiency, and implement intelligent vessel management systems to reduce energy use.
Energy source	As the shipping industry accelerates its low-carbon transition, we can adopt low-emission energy sources and alternative fuels to optimize our energy mix. This can reduce GHG emissions of ships and strengthen green shipping competitiveness. (High)	- Decrease in operating costs (e.g., use of alternative fuels with lower pollution control costs and diversified fuel options to reduce price volatility) - Increase in revenue (e.g., increased demand for transport services using low-carbon fuels) - Increase in available capital. For example, investors prefer low-emission service providers.	Upstream Our operations	Short-term Medium-term Long-term	We use clean alternative fuels such as LNG, green methanol, and biofuel to provide low-carbon transport services.
Products and services	Amid the energy transition and the shift from oil to chemicals, we can expand into new energy and chemicals transport, supporting access to low-carbon energy value chains. (High)	Increased revenue (e.g., business diversification and customer base expansion)	Our operations Downstream	Medium-term Long-term	To meet evolving customer needs, we are expanding into chemicals shipping, expanding our fleet for liquified cargo shipping to include all types of ships, and extending end-to-end energy supply chain services.
	We can provide low- and zero-carbon transport solutions and meet regional compliance requirements to improve customer retention and market competitiveness. (High)	Increase in revenue. For example, high-tech products and services drive revenue growth.	Our operations Downstream	Medium-term Long-term	We upgrade ships for energy savings, enhance intelligent controls, and promote the use of clean fuels such as LNG, green methanol, and biofuel.
Market	As carbon regulations tighten, the cost and operational requirements for low-emission ships increase, raising industry entry barriers. This is expected to drive market concentration and benefit companies with scale and technological advantages. (Medium)	Increased revenue (e.g., stronger bargaining power in transport services)	Our operations	Medium-term Long-term	We increase support for green innovation and R&D, accelerating the shift toward low-carbon technologies.
	In the context of global decarbonization and growing green finance, we can expand green financing channels to diversify funding sources and support low-carbon projects. (Medium)	Lower financing costs	Our operations	Short-term Medium-term Long-term	We collaborate with industry chain stakeholders and share experience with each other, aiming to boost our low-carbon competitiveness.
	By participating in carbon markets and strengthening carbon asset management, we can enhance carbon value management and expand market-based emissions reduction opportunities. (Medium)	Increased current assets	Our operations	Short-term Medium-term Long-term	We strengthen carbon asset and trading management by establishing robust frameworks for carbon trading and "dual-carbon" governance. Through proactive collaboration with industry chain partners on carbon asset management initiatives, we are strategically enhancing low-carbon competitiveness.
Adaptability	We can strengthen climate risk management and operational resilience to support stable energy transport supply chains and sustainable operations under complex climate conditions. (Medium)	- Increased revenue. For example, optimized resource allocation and targeted market exploration enhance integrated services for different customers. - Maintenance and appreciation of asset values. For example, the market valuation of the fleet can increase by planning ahead.	Our operations	Medium-term Long-term	We develop new ship types, improve fleet management, advance energy-efficiency upgrades and intelligent vessel management, and innovate products and services to boost competitiveness.
	We can work with shipyards and fuel suppliers to support joint transformation and build a more resilient, adaptable supply chain. (Medium)	Decreased operating costs. For example, improved supply chain resilience and reliability reduce supply chain costs.	Upstream Our operations Downstream	Medium-term Long-term	We work closely with supply chain partners to embed low-carbon practices into supply chain management and drive digital, low-carbon, and intelligent development in energy transport.

In assessing our climate resilience, we consider a range of key uncertainties, including evolving global climate policies and regulations, energy transition trends, low-carbon technology pathways, changes in shipping demand, and extreme weather events. We place strong emphasis on the financial impacts of climate change. However, these impacts are closely linked to multiple operating variables and cannot be separately quantified using conventional financial metrics at this stage. In light of data availability and commercial sensitivity, we do not disclose specific financial information at present.

◇ Pathway to Green & Low-Carbon Transition

In 2025, we systematically revised and updated the *Green and Low-Carbon Transformation Strategies*, further expanding the fleet coverage of our "dual-carbon" goals. We have set a Scope 1 long-term target: we aim to peak the carbon emissions of our fleet of oil tankers, LNG carriers, LPG carriers, and chemical tankers by 2030 and achieve carbon neutrality by 2050, with 2020 as the base year. To achieve this target, we define differentiated transition pathways for each fleet to drive fleet decarbonization, in alignment with advances in shipping technology and alternative fuels.

Oil tanker fleet

For international operations, to meet compliance requirements and support an orderly transition toward green fleets, we will prioritize LNG dual-fuel propulsion systems for newbuilds, focusing on VLCC and Aframax ships by 2030. In addition, we will phase out ships over 20 years old (including VLCCs and handysize tankers) and renew the fleet with larger dual-fuel or dual-fuel-ready ships. Emissions from the remaining fleet will be reduced through energy-efficiency measures, onboard carbon capture systems (OCCS), operational optimization, and biofuel blending. During 2030–2035, we will shift newbuilds to LNG and methanol dual-fuel propulsion (including methanol-ready designs), while strengthening alignment with LNG and green methanol bunkering infrastructure at major ports. After 2035, we will move from pilot projects to large-scale deployment of new-energy ships as technologies and infrastructure mature. Most newbuilds will adopt LNG and methanol dual-fuel systems, with pilot deployment of ammonia fuel. Existing ships will be retrofitted to be green-fuel ready, alongside energy-efficiency technologies and OCCS. The share of green fuels (LNG, methanol, ammonia) will be increased based on availability, cost, and IMO mid-term measures.

For domestic operations, taking into account current technology maturity, infrastructure readiness, and cost considerations, energy-efficiency retrofits are the primary short-term approach to reducing emissions. LNG or methanol dual-fuel propulsion is expected to be the main option for newbuilds, considering China's resource endowment and industrial ecosystem. We accumulate operational experience with pilot projects of LNG- or methanol-ready tankers and LNG/methanol dual-fuel propulsion. As the market and supply chain develop, we will scale up green fuel use to support our medium- and long-term targets.

LNG fleet

All LNG carriers operate on international routes. We will improve the performance of LNG carriers that use cargo as fuel through energy efficiency measures, boil-off gas (BOG) recovery, and OCCS retrofits, and will maintain a CII rating of C or above. We will prioritize next-generation LNG dual-fuel low-speed engines in newbuilds to reduce methane slip and overall GHG emissions. During 2035–2040, we will accelerate OCCS deployment and leverage LNG cold energy and onboard waste heat to reduce energy use, improve CO₂ capture efficiency, and lower capture costs. Beyond 2040, we will integrate OCCS as a standard feature in newbuilds, gradually increase the share of e-methane in the fuel mix in line with industry development and cost, and reduce the GHG emissions intensity of ship fuels to achieve net-zero emissions across the fleet.

LPG fleet

For international shipping, the LPG fleet will primarily rely on conventional fuels, while reducing emissions before 2035 through energy efficiency measures, such as speed and route optimization, energy-saving retrofits, and the use of B24/B30 biodiesel blends to improve CII ratings. Newbuilds will primarily adopt LPG dual-fuel systems, utilizing cargo as fuel. From 2035 onwards, we will pilot ammonia fuel, including ammonia-ready ships, and explore LPG + OCCS solutions where economically viable, depending on the cost and convenience of ammonia bunkering and the availability of CO₂ offloading infrastructure.

For domestic shipping, newbuilds will primarily adopt LNG-, LPG-, or ammonia-based dual-fuel propulsion, taking into account ship profiles, domestic resource availability, and industry development, subject to the maturity of ammonia engine supply chains. Existing ships will reduce emissions through proven measures, including biofuel blending, energy-efficiency retrofits, and operational improvements. After 2035, emissions targets will be achieved primarily through green fuels, supported by management and technical efficiency measures, along with LPG use and onshore carbon offset credits.

Chemical tanker fleet

For international shipping, leveraging the advantages of chemical tankers' high safety protection levels and strong adaptability, chemical tankers are well-suited to alternative fuels. Newbuilds may adopt methanol or ammonia dual-fuel systems, depending on the development of related engine and fuel supply chains. Emissions from existing ships will be reduced through technical and operational measures, including speed and route optimization, energy-efficiency retrofits, low-resistance coatings, and the use of B24/B30 biodiesel blends, to achieve a CII rating of C or better. After 2040, as green fuels and infrastructure mature, fleet renewal will be largely completed, with all newbuilds equipped with ammonia or methanol dual-fuel systems. The pace of decarbonization will depend on fuel availability and operational models.

For domestic shipping, newbuilds will primarily adopt methanol dual-fuel propulsion, based on ship characteristics, domestic resource availability, and industry development. Emissions from existing ships will be reduced primarily through energy-efficiency retrofits, operational improvements, and biofuel blending.

◇ Costs and Funding for the Low-Carbon Transition

In our *Green and Low-Carbon Transformation Strategies*, we assess the additional construction and operating costs related to new energy applications, management efficiency optimization, and technical efficiency improvements. These assessments are conducted in five-year cycles. Based on these results, we continue to increase investment in green innovation and technology development, and allocate dedicated funding to support key initiatives. We use internal funds and market-based financing instruments, including financial leasing, equity financing, and enterprise-financial institution partnerships, to support business development, new projects, and the low-carbon transition.



◇ Key Development Directions

Improving ship energy efficiency

Reduce hydrodynamic resistance using proven technical solutions, and streamline operations with intelligent tools such as dynamic route optimization and engine room automation. Improve the energy efficiency of both newbuilds and in-service ships through technical and operational measures.

Scaling up clean-energy ships in phases

Follow a phased pathway of pilots projects, scale-up, and full deployment. Based on waterway conditions, route profiles, and ship types, progressively deploy LNG, methanol, ammonia, and battery hybrid solutions.

Upgrading fleet structure

Accelerate the retirement of older, high-energy-consuming ships and optimize capacity allocation. Align with international emission standards to develop larger, more specialized ships and better match capacity with green development targets.

Advancing core low-carbon technologies

Strengthen innovation, focusing on the applicability of clean energy propulsion systems such as methanol, ammonia, and fuel cell hybrids. Explore new pathways to improve energy efficiency and support emissions reduction.

Deepening digital and low-carbon applications

Use digital transformation to enable green development. Enhance intelligent energy management platforms for real-time monitoring of energy use and carbon emissions, and develop safety monitoring and early warning systems for clean-energy ships to ensure safe and efficient operations.

◇ Key Progress in 2025

Alternative Fuels and Ship Design

Green fleet development

In 2025, we signed shipbuilding contracts for 26 ships, including 8 methanol dual-fuel oil tankers and 1 LNG dual-fuel ethylene carrier, advancing the transition to a green fleet.

X62 methanol dual-fuel main engine

Building on the design and construction of a 114,000 DWT methanol dual-fuel crude oil tanker, we developed the X62DF-M main engine and achieved onboard application. During the Reporting Period, design and development were completed, drawings were submitted for approval, and preparation of operational documentation commenced.

Ammonia-fueled ship research

We participated in the design study of a 50,000 m³ ammonia carrier. During the Reporting Period, we completed an assessment of industry trends and commercial prospects for liquid ammonia transport, as well as an economic analysis of ammonia-fueled ships.

AIP certification for MR oil tanker design

In collaboration with the Marine Design and Research Institute of China, we completed the design of a new multi-energy MR oil tanker and obtained Approval in Principle (AIP) from CCS. The design adopts a modular approach, integrating ammonia-fueled medium-speed engines, an efficient integrated electric propulsion system, and wind-assisted propulsion. It also reserves space for future retrofits and upgrades, supporting continued technology enhancement over the ship lifecycle.

Case | First Newly Built Ethylene Carrier Delivered, Completing China's First Green LNG Bunkering

In November 2025, Dalian COSCO Energy, a subsidiary of COSCO SHIPPING Energy, took delivery of MV "XING SHENG YUAN", a 9,000 m³ multipurpose ethylene carrier. The ship is equipped with an LNG dual-fuel main engine, can use multiple clean fuels, and features a low-resistance design, combining operational efficiency with improved environmental performance. On December 3, the carrier completed its first ethylene gas cargo operation and China's first green LNG bunkering. The green LNG is ISCC dual-certified and produced by liquefying biomethane from organic waste. It reduces lifecycle emissions by over 80%, supporting the decarbonization of international shipping.



Improved Ship Energy Efficiency

Hydrodynamic energy-saving devices

By the end of 2025, we had installed devices such as hub vortex absorbed fins and pre-shrouded vanes on 80 oil tankers, covering more than 60% of our conventional oil tanker fleet. These installations delivered solid energy-saving performance in operation.

Drag-reducing coatings

In line with our annual investment and maintenance plan, we upgraded hull drag-reducing coatings on 22 ships and applied high-efficiency coatings to the propellers of 2 ships in 2025.

Auxiliary electric heating systems

We replaced conventional steam heaters with electric systems to reduce the use of fuel-fired boilers during berthing, thereby lowering fuel consumption. In 2025, five ships were equipped with these systems.

Pilot testing of fuel additives

A new fuel-saving additive was piloted on one VLCC. Test results showed reductions in both fuel consumption and carbon emission intensity.



Case | MV "JIN HAI CHENG" Delivered with Hybrid Propulsion to Support Low-Carbon Operations

In July 2025, Shanghai COSCO Chemical Carrier, a subsidiary of COSCO SHIPPING Energy, took delivery of MV "JIN HAI CHENG", an 11,500 DWT stainless steel chemical tanker. The ship is equipped with a diesel-electric hybrid propulsion system that optimizes power allocation between the main engine and electrical systems, improving energy efficiency and operational stability. It can switch operating modes based on voyage conditions. While at berth, the ship can connect to shore power, reducing auxiliary generator use and controlling emissions.

The Company's 13,800 DWT stainless steel chemical tankers, MV "JIN HAI YING" and MV "JIN HAI ZHOU", have been in stable operation for nearly three years. Operational data show that ships using this system reduce energy consumption by over 10% compared with similar ships. The delivery of MV "JIN HAI CHENG" further expands the Company's green fleet and improves overall fleet energy efficiency.

Shipboard Carbon Capture

CCUS research: We advanced research on carbon capture, utilization and storage (CCUS), focusing on key technologies and commercialization pathways. Feasibility studies assessed policy frameworks, storage capacity, and potential risks. Multi-scenario simulations for offshore transport routing supported optimized ship designs and the development of cost-efficient concepts for liquid CO₂ carriers and offshore transshipment platforms. We also assessed the energy use and economic viability of onboard carbon capture, as well as integrated logistics solutions, and explored commercially viable business models to support future deployment.

Industry collaboration: We collaborated with industry partners on OCCS research and contributed to international regulatory submissions. We joined the Yangtze River Delta CCUS Alliance as a council member to support regional R&D and pilot projects for offshore CCUS. We will continue to explore opportunities across the value chain, including onboard carbon capture, offshore transport, and storage.

Carbon allowance compliance: We established a dedicated task force on EU carbon trading to assess the EU ETS and related regulatory requirements. We issued the *EU ETS Compliance Management Guidelines (Trial)* and opened the required compliance accounts. We completed settlement of our 2024 EU ETS obligations on schedule by September 30, 2025.

Since our inclusion in Shanghai's carbon emissions allowance management program in 2020, we have continuously strengthened our carbon allowance trading and compliance management. We prepare annual compliance and budget plans. In 2025, we issued the *Interim Provisions on Carbon Emissions Management* and the *Detailed Rules on Carbon Emissions Data Quality Control and Management*, and completed settlement of our 2024 Shanghai carbon emissions obligations.

Management of Impacts, Risks, and Opportunities

We have established a robust governance framework and organizational structure to manage climate-related impacts, risks and opportunities ("IROs"). Under the leadership of the Green and Low-Carbon Steering Group, chaired by the Chairman, four specialized working groups integrate climate-related IROs into our enterprise risk management system. We conduct regular identification and assessment of climate-related IROs, and continuously review and update our inventory of transition and physical risks, along with corresponding response measures.

In 2025, we carried out a comprehensive risk assessment covering market competition, business strategy, health and safety, compliance, and reputation. We evaluated the likelihood and potential impact of each risk. Key risks identified for 2026 include market volatility in energy and chemical logistics supply chains and fluctuations in energy prices, driven in part by the implementation of new IMO environmental regulations and the accelerating low-carbon transition. To ensure the relevance and rigor of climate-related IRO management, we regularly review the data, key assumptions, and methodologies underpinning our analyses. We assess their alignment with the latest climate scenarios, regulatory requirements, and business developments, and update risk models as needed. This dynamic review process supports a scientific, forward-looking, and integrated approach to managing material risks.

We have implemented a range of measures to address climate-related IROs. To manage transition risks, we strengthen policy analysis, expand our presence in the CO₂ shipping market, pilot clean energy propulsion technologies, and advance green technology R&D. To address physical risks, we focus on the dynamic assessment and prevention of operational hazards caused by extreme weather, ensuring the safety of personnel, ships, and cargo.

Indicators and Targets

Our GHG emissions mainly result from direct CO₂ emissions from our ships. Based on the current emissions profile of the fleet and future capacity plans, we expanded the fleet coverage of our "dual carbon" goals in the 2025 revision of the *Green and Low-Carbon Transformation Strategies*. We have set a long-term target: we aim to peak the carbon emissions of our fleet of oil tankers, LNG carriers, LPG carriers, and chemical tankers by 2030 and achieve carbon neutrality by 2050, with 2020 as the base year. Detailed climate-related indicators are provided in the Our Performance section.



Protecting Marine Ecology

Biodiversity Protection Commitment

In April 2023, with Board approval, we issued the *Biodiversity Conservation Statement*, affirming our support for the Kunming-Montreal Global Biodiversity Framework. We are committed to systematically protecting biodiversity both on land and along our shipping routes.

We pledge not to operate near global or national ecological reserves that are critical to biodiversity. When operating near such areas, we maintain a safe distance to avoid negative impacts. All subsidiaries should follow this policy. We also encourage suppliers to adopt similar practices.

The full report is provided in the [Biodiversity Conservation Statement](#).

Biodiversity Protection Actions

◆ Identifying Impacts and Dependencies

Using the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) database, we have identified environmental aspects and risks across fuel supply, processing, logistics, and shipping operations, and assessed their significance. Key environmental aspects include ballast water discharge, oily wastewater, underwater noise, oil spills, leaks of hazardous substances, sewage and waste discharge, and air emissions.

◆ Natural Capital Accounting

As global ecosystems face increasing pressure, biodiversity loss and ecosystem collapse are among the most significant risks over the next decade. We recognize that the long-term viability of shipping depends on healthy marine ecosystems and reliable natural resource supply.

Aligned with the *Natural Capital Protocol* issued by the Capitals Coalition, we initiated natural capital accounting in 2025 to explore pathways for nature-positive shipping. Based on identified material impacts and dependencies, we monetize selected indicators to support decision-making. The results provide quantitative input for alternative fuel selection, green procurement, and ship operation optimization, and strengthen ESG management and resilience.

Looking ahead, we will deepen collaboration with value chain partners, including fuel suppliers, port operators, cargo owners, and financial institutions, to build a nature-positive shipping ecosystem. This ecosystem will span fuel production, transport and bunkering, ship operations, and end-of-life ship recycling. We aim to reduce overall social costs while delivering sustainable industry value. The full report will be published on our official website in due course.

◆ Operation Management

We comply with the *Marine Environmental Protection Law of the People's Republic of China* and other relevant laws and regulations, as well as international conventions such as the *International Convention for the Control and Management of Ships' Ballast Water and Sediments*, the *International Convention on the Control of Harmful Anti-fouling Systems on Ships*, and the *Regulations on the Prevention and Control of Marine Pollution from Ships*. We monitor and study the environmental regulations of coastal states and port regulators to ensure full compliance throughout ship operations.

● Ballast water management

We regulate ballast water handling across the fleet through policies including the *Environmental Aspect Control for Ships*, the *Ballast Water Management Plan*, and the *Ballast Water Operation for Oil Tankers*. These measures reduce the risk of invasive species from ballast water discharge.

● Biofouling management

We implement control measures through dedicated plans and maintain a *Biological Fouling Record Book* to prevent the transfer of invasive aquatic species through biofouling.

● Route planning

We consider navigational safety, distance, cargo volume, port location, and maritime technologies when planning routes. We take into account seasonal migration patterns of marine life and avoid sailing through areas important for marine species habitation and breeding, while also reducing noise pollution that may affect marine life. For particularly sensitive sea areas (PSSA), we follow national regulations and maintain safe distances to avoid causing negative impacts.

● Oil spill prevention and response

We focus on preventing and managing marine pollution incidents such as oil spills. We have formulated a *Contingency Plan for Oil Spill and Environmental Pollution*, and provide safety training and drills for seafarers. We also enforce pre-loading checks and shipowner self-inspections, and analyze similar incidents to prevent recurrence, avoiding oil spill incidents to the greatest extent possible.

● GHG emissions reduction and pollution control

We advance the development and use of ships powered by alternative fuels such as methanol, LNG, and ammonia, and promote low- and zero-emission fuels to reduce GHG emissions. We use low-sulfur marine fuels and higher-performance hull coatings, and strengthen monitoring and control to reduce sulfur oxides (SO_x) and nitrogen oxides (NO_x) emissions and prevent marine pollution during operations and maintenance.

● Supplier management

We manage suppliers from the upstream stage. At the shipbuilding stage, we work with shipyards and ship classification societies to prohibit the installation of materials that contain asbestos. Suppliers must provide asbestos-free declarations to prevent harm to the marine environment during ship operations.

● Awareness raising

We carry out awareness campaigns onboard and onshore during events such as Earth Day and the International Day for Biological Diversity to enhance employee awareness of biodiversity conservation.

Resource Use and Emissions

Waste Management

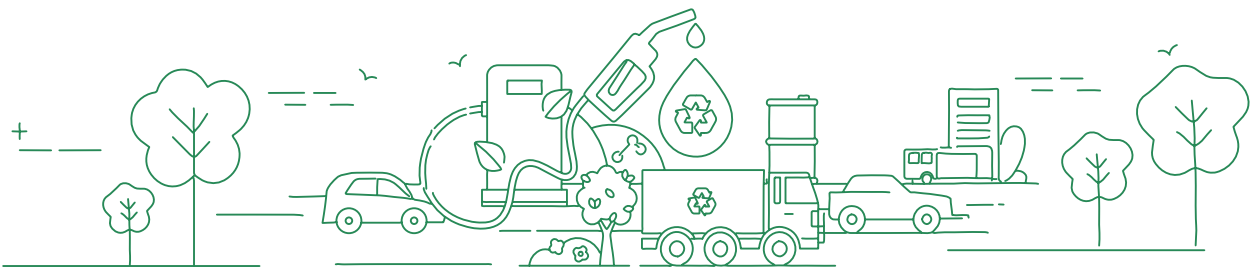
We comply with all applicable laws, regulations, and international conventions on ship-generated waste. Waste is collected and treated in compliance with legal requirements through onboard incineration and delivery to port reception facilities. Hazardous substances are strictly controlled to minimize environmental impacts across the ship lifecycle. The Vice General Manager has overall accountability for waste and pollutant management across both shore-based operations and ships, supported by cross-functional coordination.

We follow the ship lifecycle assessment (LCA) approach and comply with the *Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009* (HKC) and the *EU Ship Recycling Regulation* (EU-SRR). Environmentally sound and safe recycling technologies are applied during dismantling, and each ship is accompanied by an Inventory of Hazardous Materials (IHM) to avoid environmental harm during ship breaking.

In 2025, we delivered targeted training by leveraging internal and external resources, including universities. Programs such as Energy Efficiency, Environmental Protection Management and New Energy for chief engineers and Energy Efficiency Management for assigned crew strengthened onboard capabilities in resource and waste management.

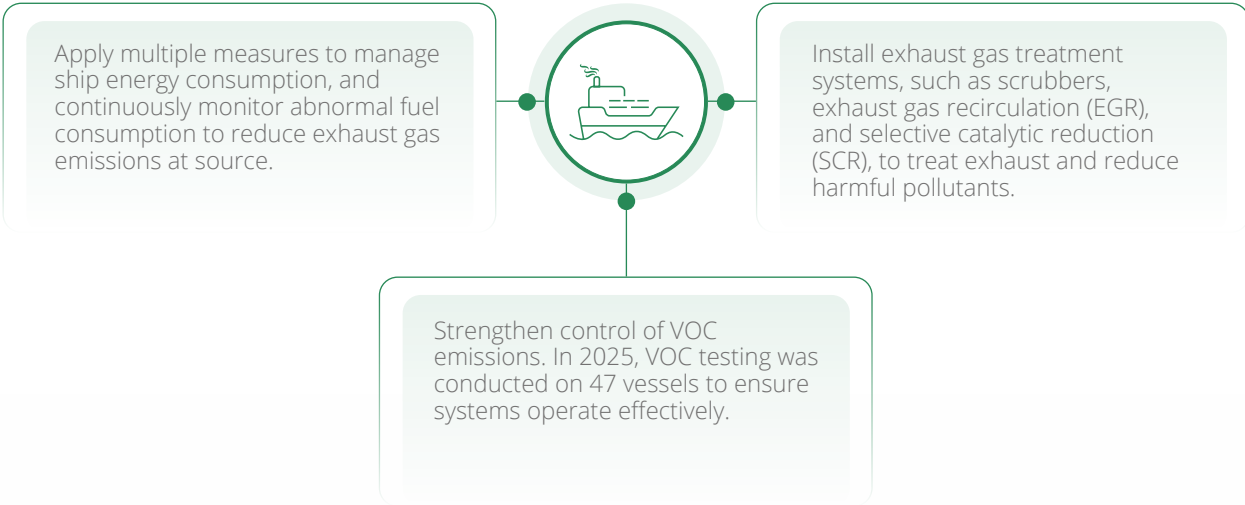
In 2023, we introduced the *Ship Pollutant Management Plan*, setting multi-year targets for ship-generated waste, with 2022 as the base year. To support implementation, we hold semi-annual environmental review meetings to assess progress against waste management targets and energy efficiency measures, identify gaps, and adjust action plans in a timely manner. Our waste emission targets for 2026 are as follows:

Category		2026 Targets
Non-hazardous waste	General plastic bags	Reduce by 3%
	Packaging materials	Zero discharge
	Food waste	Reduce by 6%
Hazardous waste	Oily water and sludge after cleaning the tank	Reduce by 10%
	Bilge water	Reduce by 5%
	Oil residue	Reduce by 10%



Exhaust Gas Management

Exhaust gas from ships mainly results from the combustion of marine fuels, producing NO_x, SO_x, volatile organic compounds (VOCs), and particulate matter. We enhance exhaust gas management by strengthening maintenance, implementing technical upgrades, and setting ship energy intensity targets.



Wastewater Management

We strictly comply with the *International Convention for the Prevention of Pollution from Ships* (MARPOL 73/78) and have implemented a comprehensive wastewater management system. This system covers the entire process for managing oily wastewater, sewage, tank washing water, and ballast water. Regular inspections and internal audits are conducted on pollution control equipment to ensure compliance. We have established and implemented the *Regulations on Ship Oily Wastewater Management*. We improve cargo tank cleaning quality and optimize equipment performance. We also strengthen engine room equipment management to prevent leaks, spills, and drips, thereby reducing oily wastewater at source.



Oily wastewater

The *Environmental Protection Management Procedure* clearly defines the procedures for both discharge to onshore reception facilities (onshore disposal) and overboard discharge. Only certified third-party service providers handle onshore disposal to ensure compliance.

Tank washing water

All oil-contaminated tank washing water is collected in slop tanks onboard, monitored in real time, and discharged to suitable port reception facilities.



Sewage

We continue to upgrade sewage treatment systems on ships to ensure all discharges meet international conventions, regulations, and mandatory standards.

Grey water

When required by port authorities, we discharge and record grey water in accordance with local regulations. In ports without such regulations, grey water discharge in nearshore waters is minimized as far as possible to reduce environmental impacts on coastal waters.



Water Resource Management

Shipboard water is primarily from seawater desalination and vessel replenishment. All of our ships are equipped with seawater desalination systems. In line with water conservation requirements, we regularly review onboard water use and closely manage water used for ship operations and consumed by crew members.

To ensure reliable operations, we ensure proper maintenance of desalination systems and schedule desalination based on voyage routes. In daily operations, we measure freshwater tank levels, analyze consumption to identify anomalies, and take timely water-saving measures based on available reserves. We strengthen monitoring of freshwater use to reduce abnormal consumption. We also provide water conservation training and awareness programs to improve crew practices. We regularly assess potential water-related risks in our operations. At present, we do not face any significant water scarcity risks.

Green Office

We promote green office practices across the Company, integrating energy conservation and emissions reduction into daily operations. By conserving resources, reducing office-related emissions, and promoting green mobility, we translate our environmental commitments into actions by all employees and support green development.

II Green Office Initiatives



Energy and resource conservation

- Use energy-efficient office equipment, including LED lights and high-efficiency air conditioners.
- Maintain reasonable temperature settings and switch off lights after work to reduce electricity use.
- Promote paperless offices to minimize paper consumption.



Waste disposal

- General solid waste: General solid waste in office areas is sorted and collected according to organic and inorganic categories by the property management company and removed daily.
- Toxic and hazardous waste: Batteries, toner cartridges, lamps, and electronic devices are handled by qualified third parties for compliant recycling and disposal.
- Foodservice waste: Canteen foodservice waste is sorted, collected, and treated in accordance with local regulations.



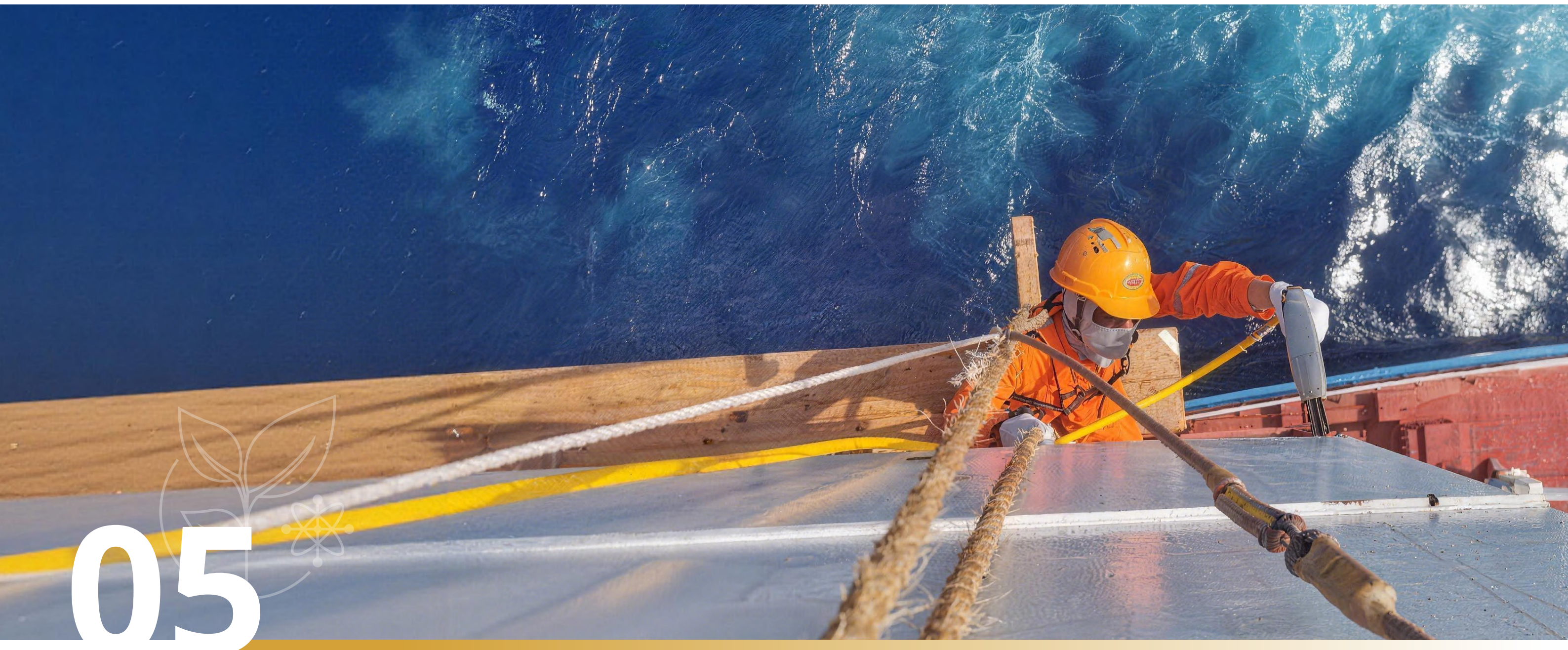
Sewage management

- Office wastewater must meet local discharge standards and is subject to regular monitoring. Any non-compliance triggers prompt investigation and corrective actions in coordination with the property management company.



Green mobility

- Encourage low-carbon travel, including walking, cycling, and public transport.
- Prioritize new energy vehicles to reduce tailpipe emissions.



Talent Development: Building a Strong Talent Ecosystem

COSCO SHIPPING Energy follows a talent-driven strategy, committed to fostering an equal, inclusive, and positive workplace where employees can grow and realize their full potential. We aim to build a shared future together with our people.

This section aligns with the following UN SDGs:



Protecting Employee Rights and Interests

We respect and protect the lawful rights and interests of our employees. We strengthen compliance to safeguard fundamental rights and enhance employee care through a people-centered approach. We are committed to providing a safe, fair, and respectful workplace where employees' contributions are fully recognized and valued.

Equal Employment Opportunities

We comply with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and other applicable laws and regulations in the jurisdictions where we operate, ensuring lawful and standardized employment practices. We also align with internationally recognized frameworks, including the *Universal Declaration of Human Rights*, the *International Labour Organization Conventions*, and the *Ten Principles of the UN Global Compact*. We respect the human rights of both seafarers and shore-based employees and ensure our labor practices meet international standards.

We have revised and implemented the *Headquarters Employee Management Measures* and the *Regulations on Recruitment Management of Onshore Employees*, further standardizing processes such as recruitment, transfer, secondment, and contract termination. These measures ensure lawful employment practices and stable, harmonious labor relations. We follow statutory working hour requirements and provide overtime pay in accordance with applicable laws. For overseas operations, recruitment is conducted in line with local laws, and appointments are subject to headquarters approval. In 2025, there were no incidents of child labor or forced labor in the Company.

For crew management, we have established the *Seafarer Employment Procedures* and the *Instructions on Recruitment, Placement and Working Conditions for Onboard Crew*, which set clear standards for recruitment, placement, and onboard operations in compliance with relevant laws and international conventions, safeguarding seafarers' health and safety. We sign annual *Crew Management Service Agreements* with crew management agencies, specifying entitlements to rest and leave, compensation and benefits, and training and development, and ensuring seafarers receive occupational health and safety protection equivalent to that of direct employees. In addition, we conduct annual evaluations of crew management agencies and their branches and perform at least semi-annual reviews of crew management and occupational health practices to safeguard seafarers' rights and interests.

Diversity and Inclusion

We are committed to an equitable, respectful, diverse, and inclusive workplace. We safeguard the rights of women, persons with disabilities, ethnic minorities, and employees of different nationalities, and prohibit discrimination based on age, gender, race, nationality, religion, disability, pregnancy, or any other protected characteristic. Our *Code of Conduct* enforces a zero-tolerance policy for all forms of harassment, including sexual and non-sexual harassment. This covers any unwelcome, humiliating, coercive, or hostile behavior, language, or conduct. We maintain a reporting mechanism for all seafarers and shore-based employees, encourage prompt reporting of harassment and bullying, and protect complainants from retaliation. In 2025, there were no incidents of discrimination or harassment in the Company.

We enhance maternity insurance and related benefits, and fully implement protections for female employees during pregnancy, maternity leave, and breastfeeding. Lactation facilities are provided to support working mothers. In 2025, we signed a revised *Special Collective Agreement for Female Employees*, setting out provisions on maternity and breastfeeding protections and equal pay for equal work.

Compensation and Benefits

We uphold the principle of equal pay for equal work to ensure fair and equitable compensation. We have established a structured compensation and incentive system that provides competitive pay. In 2025, we introduced the *Management Measures for Compensation of Overseas Personnel (Trial)*, creating an integrated compensation and performance management framework across domestic and overseas operations to strengthen the effectiveness and alignment of compensation and incentives.

The compensation structure comprises base salary, performance-based incentives, and long-term incentives. We pay wages in full and on time, make statutory social insurance contributions, and provide a comprehensive benefits package, including paid annual leave, regular health check-ups, and supplementary medical insurance.

We implement performance management policies, including the *Implementation Guidelines for Fleet Management Team Performance Assessment* and the *Measures for the Comprehensive Assessment and Evaluation of Headquarters Employees*, further refining our performance management system. We have established a company-wide evaluation framework based on values, capabilities, contributions, and conduct. We use multiple tools, including 360-degree assessments, to conduct comprehensive evaluations. Quarterly reviews and ongoing feedback ensure effective and robust performance management.

II Employee Performance Appraisal Types

Goal management	Multi-dimensional performance evaluation	Team-based performance evaluation	Agile dialogue
Develop annual performance schemes that define the evaluation scope, methods, criteria, and reporting requirements.	Integrate multi-dimensional assessments with performance appraisal results, considering day-to-day performance, key contributions, and rewards and disciplinary actions.	Increase divisional autonomy in resource allocation and introduce divisional incentive pools to better reward high-performing and critical talent.	Conduct regular reviews of individual and team performance against targets, supported by timely feedback and communication to ensure effective delivery of goals.

Democratic Communication

We strengthen our democratic management framework for employees. In line with applicable laws, we have established a labor union committee and a democratic management and oversight system centered on the Workers' Congress. In 2025, we convened the fourth session of the second Workers' Congress and enforced a mechanism under which matters directly affecting employees' interests are reviewed by the Congress, safeguarding employees' legitimate rights and interests.

We signed a new *Collective Contract* to align democratic management with employee rights protection and ensure consistent implementation. Multiple communication channels, including the Labor Union app, ship-level labor union chair groups, and a dedicated labor union mailbox, enable employees to provide feedback and participate in corporate governance, strengthening organizational cohesion. In 2025, eight proposals were submitted to the Workers' Congress, with a 100% response satisfaction rate.

We conducted a company-wide employee satisfaction survey. The survey covered five areas: democratic management, rights protection, service delivery, employee development, and overall performance. It captured feedback on job satisfaction, well-being, mental and physical stress, and sense of purpose. In 2025, the overall employee satisfaction score averaged 98.1.

Empowering Employee Growth

We improve our multi-tier talent development system, expand career pathways, and invest in high-quality training, enhancing employee capabilities and supporting long-term career development.

Career Development

We implement dual career pathways for management and technical roles, providing clear and equitable progression routes. This expands development opportunities for both managers and technical specialists and encourages step-by-step advancement.

In 2025, in line with the *Succession Planning Guidelines for Key Positions (Trial)*, we advanced the Key Position Successor Program. We implemented tailored development plans for employees and applied diversified development methods, including cross-functional assignments and onboard practice, to identify and develop management talent. We launched the second phase of the Talent Activation, Empowerment, and Retention Program, with a supporting implementation plan in place. Through tailored programs combining centralized training, mentorship, research, and project-based practice, we accelerated the development of high-potential young talent.

For seafarers, we issued the *15th Five-Year Development Plan for Ship Management and Seafarer Workforce* and the 2025 tanker crew transformation plan, and launched the Outstanding Seafarer Development Program to build a structured career development framework. We also strengthened "dual-mode" ship-shore talent exchange to promote two-way mobility and enhance seafarers' skills and competencies.



Training

We issued the *Education and Training Plan (2025–2027)* and the 2025 "Outstanding Leader" Training Program, and updated the *Regulations on the Management of Internal Trainers*. We are building a company-wide training system that covers all employees across the full career lifecycle, supporting sustainable career development.

II 5+N Targeted Training System

Trainee		Objective
5	Senior management	Strengthen strategic decision-making and corporate governance.
	Middle management	Enhance strategic thinking and management capabilities to effectively lead teams, manage operations, and drive value creation.
	Frontline managers	Strengthen innovative problem-solving and execution capabilities.
	Young high-potential talent	Develop a pipeline of future leaders with strong ethics and professional expertise.
	New hires	Support new employees in adapting quickly, building job skills, and integrating into teams, providing a strong foundation for their roles.
N	Internal trainers	Develop diverse, innovative training models, foster a learning culture, and promote knowledge sharing and collaborative development across the Company.
	Digital and technology talent	Integrate digital and business capabilities to cultivate T-shaped professionals with expertise in shipping, strong technical skills, and innovation capabilities, thereby supporting COSCO SHIPPING Group's digital and low-carbon strategy, organizational transformation, technology adoption, and human capital value enhancement.
	Business professionals	Strengthen market insight and business model innovation capabilities, enhance value chain collaboration and customer solution capabilities, and develop high-caliber talent with expertise in shipping and trade to drive business growth.
	Compliance and risk control talent	Improve compliance and risk control capabilities, strengthen expertise in international commercial law and process management, and build a professional risk control team to support the Company's high-quality development.
	Safety management talent	Enhance ship safety management and emergency response, strengthen green standards and intelligent oversight, and build a high-quality safety management team aligned with the industry's digital transformation.



Tiered, role-based training

Deliver targeted training for senior executives, division heads, office managers, key staff, and new hires, aligning content with role-specific business and management needs.



Innovative learning approaches

Use a mix of seminars, simulations, action learning, expert lectures, and online modules to enhance engagement and learning outcomes. Strengthen internal trainer programs and knowledge sharing to foster a learning-oriented culture.



Digital and intelligent capability building

Provide AI lectures, AIGC certification, and "digital + business" training programs. Offer hands-on training in tools and applications (e.g., DeepSeek, Huawei AI use cases, and digital platforms for legal and risk management) to improve digital literacy and innovation across the workforce.

Attracting and Developing High-Caliber Talent

We have established policies, including the *High-Level Talent Recruitment Guidelines (Trial)* and the *Implementation Rules for Headquarters Technology Talent Incentives (Trial)*. In 2025, we defined our *Talent Priorities* to guide talent pipeline development and capability building in support of high-quality growth.



Introduce talent in priority areas

We increased hiring in key areas, including digitalization, supply chain, technological innovation, and green and low-carbon development. In 2025, these roles accounted for 67% of total hires. We also established core and reserve talent pools for technology and digital functions to strengthen our strategic talent pipeline.



Develop an international talent pipeline

To support global operations, we advanced a structured framework for selecting, developing, and deploying international talent. Targeted training programs were delivered to overseas talent reserves to enhance global capabilities and support international business operations.

Case | Launch of the First "Empower & Advance" Elite Maritime Talent Program

On September 16, 2025, COSCO SHIPPING Energy launched its first "Empower & Advance" Elite Maritime Talent Program. The one-week program covered the global energy shipping landscape and the Company's strategic positioning, AI and digital applications, core capabilities in ship management, as well as teamwork and leadership. Delivered through expert lectures, workshops, ship-shore exchanges, and study visits, the program aims to strengthen employee capabilities and develop internationally oriented, highly skilled maritime professionals to support long-term growth.



Deepening Employee Care

We strengthen our employee care framework, with increased support for seafarers. We have built an integrated system that combines health management and mental well-being support, enhancing employees' sense of belonging, fulfillment, and overall well-being.

Fostering a Supportive Workplace

We listen to employee feedback and are committed to providing a safe, comfortable, and supportive workplace. We aim to enable employees to achieve at work and maintain a high quality of life.

II Employee Care Initiatives

Strengthen regular programs led by labor unions and employee associations, and develop a high-quality system for employees' cultural and recreational activities. Organize themed activities during holidays to deliver targeted and meaningful care.

Upgrade employee facilities, including activity rooms and staff libraries, and continue to develop high-standard "crew homes" on ships, equipped with medical, fitness, and sports facilities.

Provide all employees with "basic + enhanced" coverage under the 2025 Employee Mutual Aid Program to reduce medical costs and strengthen resilience to health-related risks.

Enhancing Seafarer Well-being

We advance five core crew empowerment programs across career development, performance, skills, onboard management, and family care, enhancing seafarers' professional fulfillment and well-being.



In 2025, the Company's directors, general manager, and senior management visited ships to resolve issues faced by seafarers. To address limited access to fresh vegetables on international navigation ships, we piloted soilless cultivation and introduced an onboard vegetable garden program, improving crew living conditions.

We also strengthened the seafarer care system by carrying out regular support activities and improving assistance mechanisms for those in need. Through initiatives such as the Seafarer Family Care Program and the Seafarer Family Open Day, we enhanced seafarers' sense of belonging and team cohesion.



Soilless vegetable cultivation base onboard MV "LIAN XI HU"

2025 Key Performance Highlights

Supported seafarers in need, totaling	Visited ships, totaling	Provided support funds, amounting	Benefiting seafarers, totaling about
31	98	RMB 279 thousand	2,600

Case | Promoting Seafarer Well-being

June 25, 2025 marked the 15th Day of the Seafarer. COSCO SHIPPING Energy, together with port and shipping partners, issued the *Saluting the Blue Guardians—Joint Initiative to Support Seafarer Well-being*. The initiative focuses on strengthening professional recognition, establishing lifecycle health management, and building a medical collaboration network to support seafarer well-being.



Shared Development: Advancing Well-being for All

COSCO SHIPPING Energy aligns self-development with national priorities and societal needs. We continue to support rural revitalization and invest in public welfare and philanthropy, contributing to social development and enhancing public well-being through concrete actions.

This section aligns with the following UN SDGs:



Rural Revitalization

We have established a dedicated governance framework for rural revitalization, comprising a steering group for targeted assistance, working groups, and an executive office. This tiered and coordinated structure ensures effective implementation and accountability.

In 2025, we continued our support for Xizang, focusing on education and livelihood improvement. We conducted field visits to Dalong Township Primary School in Luolong County, which we supported in building, donated supplies, and provided financial aid to students in need. We assessed the jointly funded hyperbaric oxygen chamber project at Luolong County Xizang Hospital and the development of local specialty industries. Through targeted measures, we supported higher-quality and more sustainable regional development.

We further advanced assistance efforts in consumption, education, and healthcare by launching a series of consumption-driven assistance initiatives in 2025, including the "Spring Festival Consumption Assistance Campaign", the "Consumption Assistance Synergy Initiative", and the fourth "Consumption Assistance for Rural Revitalization Week" of central SOEs. Through

diversified measures, we have established long-term support mechanisms and effectively contributed to common prosperity.

In delivering assistance and engaging with communities, we follow the principles of respect, understanding, and protection. We respect local residents, customs, and cultural heritage, and ensure our operations are aligned with community needs without disrupting local life.

2025 Key Performance Highlights

Investment in rural revitalization
RMB **745.4** thousand

Public Welfare

To support community development, we have established the *Regulations on External Donations* and the *Policy for External Donations* to define the scope, approval processes, and implementation procedures, ensuring that all contributions are compliant and transparent. Through the COSCO SHIPPING Charity Foundation, we conduct public welfare activities in China and overseas, including disaster relief, poverty alleviation, and education support. We also advance the "Long Voyage" program to promote a culture of volunteerism and guide employees to participate in public service, contributing to social well-being.

In 2025, we continued to implement assistance programs such as the "One-Day Donation" and "Nurturing Young Minds", and carried out a range of public welfare and community activities supporting reading promotion and elderly care, contributing

to the cultivation of a positive and inclusive social environment.

2025 Key Performance Highlights

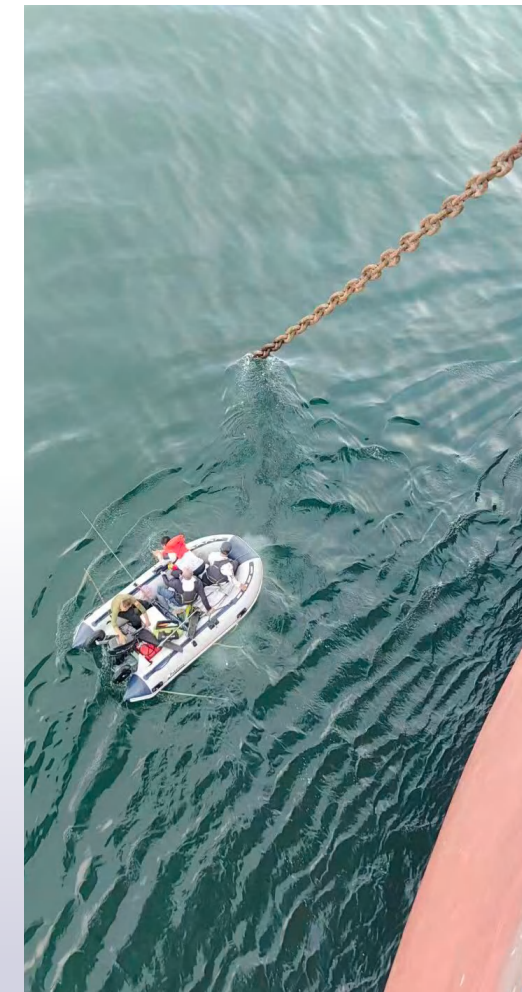
Total investment in charitable programs
RMB **9,394.8** thousand

Maritime Emergency Response

We regard the protection of life at sea as a core responsibility. We actively fulfill our maritime emergency response obligations to protect lives and property and ensure safe and efficient shipping operations.

In August 2025, MV "LIAN YUN HU" responded to an emergency and rescued a person overboard from a sailboat within 16 minutes, demonstrating strong emergency response capability.

In September 2025, MV "YUAN TANG WAN" assisted a distressed U.S.-flagged sailboat in the Pacific Ocean, delivering critical supplies to two people on board. The operation demonstrated professionalism and a strong commitment to humanitarian values.



COSCO SHIPPING Energy maritime emergency response operation

Appendices

Our Performance

Business Ethics					
Indicator		Unit	2025	2024	2023
Anti-commercial bribery and anti-corruption	Disclosed incidents of non-compliance with anti-corruption and anti-bribery standards where no adequate action was taken	/	0	0	/
	Total confirmed cases where employees were dismissed or disciplined due to corruption	/	0	0	/
	Total confirmed cases where contracts with business partners were terminated or not renewed due to corruption-related violations	/	0	0	/
	Incidents of commercial bribery and corruption	/	0	0	/
Incidents of non-compliance	Incidents of conflicts of interest	/	0	0	/
	Incidents of money laundering or insider trading	/	0	0	/
Penalties	Funds involved in litigation or major administrative penalties for the Company's unfair competition during the Reporting Period	RMB 1,000	0	0	/
Number of directors who received anti-commercial bribery and anti-corruption training		person	10	9	/
Percentage of directors who received anti-commercial bribery and anti-corruption training		%	100	100	/
Number of senior managers who received anti-commercial bribery and anti-corruption training		person	8	7	/
Percentage of senior managers who received anti-commercial bribery and anti-corruption training		%	100	100	/
Number of employees who received anti-commercial bribery and anti-corruption training		person	890	907	/
Percentage of employees who received anti-commercial bribery and anti-corruption training		%	100	100	/

Service Quality				
Indicator	Unit	2025	2024	2023
Number of major incidents concerning product and service safety and quality	/	0	0	/
Amount of damages resulting from major incidents concerning product and service safety and quality	RMB 1,000	0	0	/

Supplier Management				
Indicator	Unit	2025	2024	2023
Total number of suppliers	/	640	651	618
Among which: number of suppliers outside the Chinese mainland	/	108	129	114
number of suppliers in the Chinese mainland	/	532	522	504
Supplier vetting coverage	%	100	100	100

Safety Management					
Indicator		Unit	2025	2024	2023
Incident statistics (including crew and onshore employees)	Number of culpable catastrophic-/major-level work safety accidents	/	0	0	0
	Number of serious-level work safety accidents	/	0	0	0
	Number of general-level work safety accidents	/	0	0	0
	Number of minor accidents	/	3	1	2
		Note: · Minor accidents are incidents below the threshold of general accidents. They include oil spills causing water pollution, work-related injuries resulting in more than one lost workday, and incidents resulting in direct economic losses ranging from RMB 10,000 to RMB 1 million.			
Work-related fatalities (including crew and onshore employees)		person	0	0	0
Work-related fatality rate		%	0	0	0
Working days lost to work-related injuries (crew)		day	0	240	7
Lost time injury frequency rate of crew (supplier's employees)		Cases per million working hours	0	0.09	0.03
		Note: · In 2025, no minor incidents resulted in lost-time injuries (defined as injuries causing one or more lost workdays).			
Lost time injury frequency rate of onshore employees (employees of the Company)		Cases per million working hours	0	0	1.90
Investment in workplace safety		RMB 1,000	234,172.3	222,137.4	/
Investment in safety insurance	Investment in work-related injury insurance for employees	RMB 1,000	2,832.6	2,209	/
	Percentage of employees covered by work-related injury insurance	%	100	99.89 (As of the end of 2024, one expatriate employee's work-related injury insurance was still being processed.)	/
	Investment in workplace safety liability insurance for employees	RMB 1,000	36.7	12.6	/
Safety education and training	Total duration of safety education and training (onshore employees)	hour	15,275.50	/	/
	Total duration of safety education and training (seafarers)	hour	231,475.00	/	/
	Per capita duration of safety education and training (onshore employees)	hour	17.16	/	/
	Per capita duration of safety education and training (seafarers)	hour	12.21	/	/

Energy and Resource Use				
Indicator	Unit	2025	2024	2023
Total energy consumption	MWh	15,732,976.45	14,613,681.23	13,235,706.23
	tonne of coal equivalent (TCE)	1,933,582.81	1,796,021.42	1,626,668.30
	Notes: · 2025 data includes fuel oil, diesel, purchased office electricity, and gasoline for fleet vehicles. No natural gas was used. · 2024 data includes fuel oil, diesel, biofuel, purchased office electricity, and gasoline for fleet vehicles. No natural gas was used. · 2023 data includes fuel oil, diesel, purchased office electricity, and gasoline for fleet vehicles. No natural gas was used. · Calculations follow GB/T 2589-2020 <i>General Rules for Calculation of the Comprehensive Energy Consumption</i> and the <i>Provincial Guidance on the Compilation of Greenhouse Gas Inventory (2025)</i> .			
Energy consumption per unit turnover	MWh/1,000 tonne-mile	0.0241	0.0242	0.0250
	TCE/1,000 tonne-mile	0.0030	0.0030	0.0031
	Note: · The 2024 <i>Sustainability Report</i> presents values of energy consumption per unit turnover to four decimal places, compared to three in the 2023 report.			
Total fuel consumption	tonne	1,351,500	1,255,900	1,137,900
Fuel consumption per transport unit	kg/1,000 tonne-mile	2.07	2.08	2.14
Direct Energy				
Fuel oil	tonne	1,263,945.00	1,203,308.01	1,108,663.02
Among which: high-sulfur fuel oil	tonne	508,531.00	225,281.15	/
low-sulfur fuel oil	tonne	755,414.00	976,024.91	/
Diesel	tonne	87,553.00	52,603.25	29,199.38
	Note: · In 2025, we retrofitted 35 ships with scrubbers to reduce the environmental impact of high-sulfur fuel oil. Considering fuel cost efficiency, we increased the use of high-sulfur fuel oil. Upon arrival at ports, ships switch to diesel. In emission control areas in Europe and North America, the use of ultra-low-sulfur diesel is required, driving higher diesel consumption.			
Lubricants (non-combustion)	tonne	10,220.73	11,375.28	10,168.03
Indirect Energy				
Total electricity consumption (office use)	kWh	2,411,717.73	2,187,422.33	1,983,819.68
Total electricity consumption (office use)	TCE	296.40	268.83	243.81
	Notes: · For 2025, Dalian COSCO Energy's electricity consumption reflects full-year data. · Dalian COSCO Energy was established in November 2024; data for 2024 covers only the period after its establishment.			

Use of Water				
Indicator	Unit	2025	2024	2023
Total water consumption	m³	680,101.09	705,447.94	579,640.00
Among which: high-sulfur fuel oil use of water on ships	m³	668,635.20	695,283.00	567,849.00
office water use	m³	11,465.89	10,164.94	11,791.00
Water saved	m³	295,181.00	323,150.00	/
Water use intensity (ships)	m³/1,000 tonne-mile	0.001023	0.001153	0.00107
	Notes: · Office water use increased in 2025, mainly due to high temperatures in Shanghai, which drove higher water use for landscaping at the headquarters. A larger workforce at the headquarters also increased water demand for kitchens, sanitation, and related facilities. · The rise in shipboard water use in 2024 is mainly due to the acquisition of LPG and chemical tanker fleets. · Most shipboard water comes from onboard desalination systems and supply ships.			

GHG Emissions				
Indicator	Unit	2025	2024	2023
GHG emissions (Scope 1 + Scope 2)	tonne of CO ₂ equivalent	4,217,986.03	3,915,784.08	3,547,208.23
Among which: scope 1 (ships)	tonne of CO ₂ equivalent	4,216,619.65	3,914,509.96	3,545,989.84
	Notes: · Scope 1 ship carbon emissions = Heavy fuel oil × 3.114 + Diesel oil × 3.206 · Emission factors for fuels are from the Fourth IMO Greenhouse Gas Study 2020. · GHG emissions are calculated in CO ₂ .			
CO ₂ emissions per unit turnover (Scope 1 ships)	kg of CO ₂ equivalent/1,000 tonne-mile	6.37	6.49	6.68
	tonne of CO ₂ equivalent	86.72	100.35	87.02
Scope 1 (fleet vehicles)	Notes: · Scope 1 fleet vehicle carbon emissions = Gasoline consumption × Lower heating value (44.800 MJ/kg) × Carbon content per unit of calorific value (18.90 kgC/GJ) × Oxidation rate (100%) × 44/12/1000; the oxidation rate for 2025 is 100%, and those for 2022 and 2023 are 98%. · The factors are based on the <i>Guidelines for Greenhouse Gas Emission Accounting and Reporting for Industrial and Other Sector Enterprises (Trial)</i> and the <i>Provincial Guidance on the Compilation of Greenhouse Gas Inventory (2025)</i> .			
Scope 2 (electricity purchased for onshore offices)	tonne of CO ₂ equivalent	1,279.66	1,173.77	1,131.37
	Notes: · Emissions are calculated using the location-based method. · The emission factor for 2025 is 0.5306 tCO ₂ /MWh, based on the <i>Announcement on the Release of Carbon Dioxide Emission Factors for Electricity in 2023</i> issued by the Ministry of Ecology and Environment of the People's Republic of China. · The emission factor for 2024 is 0.5366 tCO ₂ /MWh, based on the <i>Announcement on the Release of Carbon Dioxide Emission Factors for Electricity in 2022</i> issued by the Ministry of Ecology and Environment of the People's Republic of China. · The emission factor for 2023 is 0.5703 tCO ₂ /MWh, based on the <i>Announcement on the Release of Carbon Dioxide Emission Factors for Electricity in 2021</i> issued by the Ministry of Ecology and Environment of the People's Republic of China.			

GHG Emissions				
Indicator	Unit	2025	2024	2023
Scope 3 GHG emissions	tonne of CO ₂ equivalent	2,704,927.53	/	/
	Note: · In 2025, the Company conducted Scope 3 emissions accounting for the first time. Category 6 includes emissions from employee business travel (air and rail) at headquarters; Category 13 includes emissions from ship time charter operations; and Category 15 includes emissions from equity and project investments. The Company will progressively expand the coverage and categories of Scope 3 disclosures.			
Among which: Scope 3 - Category 6	tonne of CO ₂ equivalent	389.81	/	/
Scope 3 - Category 13	tonne of CO ₂ equivalent	1,708,545.63	/	/
Scope 3 - Category 15	tonne of CO ₂ equivalent	995,992.09	/	/
Total CO ₂ emission reduction	tonne of CO ₂ equivalent	55,447.55	1,237.20	/
	Note: · In 2025, carbon emissions were reduced through retrofits, including the application of silicone-based coatings and the installation of energy-saving devices.			

Exhaust Gas, Wastewater, and Waste Discharge				
Indicator	Unit	2025	2024	2023
NO _x emissions (ships)	tonne	100,841.17	94,304.46	85,803.42
	Notes: · NO _x emissions = Fuel oil consumption × 0.0759 + Diesel consumption × 0.0567 · The factors are based on the Fourth IMO Greenhouse Gas Study 2020.			
NO _x emissions per unit turnover	kg/1,000 tonne-mile	0.1543	0.1564	0.1617
	Note: · This Report presents values of NO _x emissions per unit turnover to four decimal places, compared to two in the 2023 report.			
SO _x emissions (ships)	tonne	12,151.46	11,514.03	10,587.78
	Notes: · The SO _x emission factor comes from the <i>Statistical Statement on Energy Conservation and Ecological Environmental Protection of Central SOEs</i> . Formula: E _{SO_{2L}} = High-sulfur fuel oil consumption × 19 × Sulfur content × 10 ⁻³ + Low-sulfur fuel oil consumption × 19 × Sulfur content × 10 ⁻³ + Diesel consumption × 19 × Sulfur content × 10 ⁻³ · Low-sulfur fuel oil contains 0.5% sulfur. High-sulfur fuel oil is treated using scrubbers, resulting in a sulfur content equivalent to that of low-sulfur fuel oil. Diesel contains 0.1% sulfur.			
SO _x emissions per unit turnover	kg/1,000 tonne-mile	0.0186	0.0191	0.0200
	Note: · This Report presents values of SO _x emissions per unit turnover to four decimal places, compared to two in the 2023 and 2024 reports.			
Oily wastewater discharge	tonne	83,821.89	74,706.67	108,242.88

Exhaust Gas, Wastewater, and Waste Discharge				
Indicator	Unit	2025	2024	2023
Hazardous waste discharge	tonne	10,729.65	8,762.86	11,536.24
	Notes: · In 2025, hazardous waste emissions increased, primarily due to a higher volume of ship repair activities, which generated more oily wastewater from tank washing. The Company strengthened pre-repair controls over tank-washing operations, reducing the oil content of the wastewater. · In 2024, hazardous waste includes the oil content in oily wastewater and electronic waste. · Data for 2023 has been retrospectively adjusted to reflect this scope.			
Hazardous waste per unit turnover	g/1,000 tonne-mile	16.42	14.53	21.75
Oil spills	tonne	0	0	/
Non-hazardous waste discharge	tonne	586.49	598.35	645.24
	Note: · Non-hazardous waste refers to food waste.			
Non-hazardous waste discharge per unit turnover	g/1,000 tonne-mile	0.90	0.99	1.22
Total waste recycled/reused	tonne	360.03	144.44	102.03
	Note: · The data covers waste such as anchor chains recovered from shipyards. The increase in waste recycled/reused in 2025 was mainly due to a higher volume of ship repair activities.			
Percentage of waste recycled/reused	%	3.18	1.54	/
Total waste disposal	tonne	2,738.35	2,871.47	2,701.55
	Note: · The data includes uncollected incinerated waste, discharge of solid waste to onshore reception facilities, and food waste discharged at sea in accordance with international conventions.			
Among which: waste incinerated without energy recovery	tonne	411.15	404.25	398.02
waste disposed of otherwise	tonne	2,327.20	2,467.22	2,303.54
Number of owned international navigation ships with ballast water treatment systems	/	140	118	/
Percentage of owned international navigation ships with ballast water treatment systems	%	100	100	/
Number of owned ships with scrubbers	/	35	20	/
Percentage of owned ships with scrubbers (excluding LNG carriers)	%	19.66	12.04	/
	Note: · Ships without scrubbers use low-sulfur fuel oil.			

Employee Overview				
Indicator	Unit	2025	2024	2023
Total number of employees	person	890	907	791
Distribution by employment type				
Proportion of full-time employees	%	100	100	100
Proportion of part-time employees	%	0	0	0
Proportion of regular employees	%	95.96	91.95	92.41
Proportion of dispatched employees (excluding crew)	%	4.04	8.05	7.59
Distribution by gender				
Male	%	68.76	69.79	71.05
Female	%	31.24	30.21	28.95
Distribution by age				
Proportion of employees aged 25 and under	%	2.36	2.21	2.53
Proportion of employees aged between 26 and 35	%	18.20	18.63	18.08
Proportion of employees aged between 36 and 45	%	30.56	30.21	30.59
Proportion of employees aged between 46 and 55	%	38.09	38.59	38.18
Proportion of employees aged 56 and over	%	10.79	10.36	10.62
Distribution by job level				
Proportion of executive directors and senior management	%	1.01	0.77	0.89
Proportion of middle management	%	9.89	9.70	8.47
Proportion of junior management	%	18.31	18.08	17.32
Proportion of average employees	%	70.79	71.45	73.32
Proportion of women in executive directors and senior management	%	33.33	14.29	/
Proportion of women in middle management	%	15.91	17.05	/
Proportion of women in junior management	%	24.54	25.00	/
Proportion of women in management	%	21.92	22.01	/

Employee Overview				
Indicator	Unit	2025	2024	2023
Distribution by region				
Chinese mainland	%	96.51	96.91	96.21
Hong Kong, Macao, and Taiwan, China	%	1.80	2.10	2.65
Regions outside China	%	1.69	0.99	1.14
New hires				
Number of new hires	person	55	32	60
Number of male new hires	person	38	23	42
Number of female new hires	person	17	9	18
Number of new hires aged 25 and under	person	10	5	/
Number of new hires aged between 26 and 35	person	22	9	/
Number of new hires aged between 36 and 45	person	12	9	/
Number of new hires aged between 46 and 55	person	8	7	/
Number of new hires aged 56 and over	person	3	2	/
Other indicators				
Proportion of employees with disabilities	%	0.22	0.22	0.01
Proportion of employees who have joined the labor union	%	100	100	100
Percentage of employees provided with social insurance	%	100	99.89 (As of the end of 2024, one expatriate employee's social insurance was still being processed.)	/
Human capital ROI	/	2.00	2.09	/
Proportion of female managers in revenue-generating divisions	%	23.68	/	/
Proportion of women in STEM positions	%	11.17	/	/
Proportion of employees from ethnic minorities	%	6.74	/	/
Proportion of ethnic minorities in management	%	5.00	/	/

Note:
· Data covers employees at COSCO SHIPPING Energy's headquarters and its subsidiaries.

Employee Training				
Indicator	Unit	2025	2024	2023
Percentage of trained employees	%	100	100	100
Average training hours per employee	hour	154.41	162.17	199.24
Number of participations	/	10,760	5,338	/
Total investment in employee training	RMB 1,000	5,464	5,081.1	/
Training investment per employee	RMB	6,139	5,600	/
Distribution by gender				
Percentage of male trainees	%	68.76	69.79	71.05
Percentage of female trainees	%	31.24	30.21	28.95
Average training hours per male employee	hour	155.59	167.83	195.17
Average training hours per female employee	hour	151.83	149.09	209.23
Distribution by job level				
Percentage of trained employees who are executive directors or senior managers	%	1.01	0.77	0.89
Percentage of middle management trainees	%	9.89	9.70	8.47
Percentage of junior management trainees	%	18.31	18.08	17.32
Percentage of staff trainees	%	70.79	71.45	73.32
Average training hours per executive director/senior manager	hour	155.30	199.85	550
Average training hours per middle manager	hour	165.87	196.87	299.28
Average training hours per junior manager	hour	214.32	230.74	212.96
Average training hours per ordinary employee	hour	137.30	139.70	180.21

Note:
· Data covers employees at COSCO SHIPPING Energy's headquarters and its subsidiaries.

Employee Turnover				
Indicator	Unit	2025	2024	2023
Total turnover rate	%	7.48	5.32	4.68
Total turnover rate (excluding retirement)	%	5.72	2.51	/
Voluntary turnover rate	%	3.33	5.07	/
Distribution by gender				
Turnover rate of male employees	%	8.79	5.80	4.25
Turnover rate of female employees	%	4.47	4.20	5.00
Distribution by age				
Turnover rate of employees aged 25 and under	%	0.00	0.00	0.00
Turnover rate of employees aged between 26 and 35	%	5.76	3.89	2.70
Turnover rate of employees aged between 36 and 45	%	7.34	3.02	0.79
Turnover rate of employees aged between 46 and 55	%	5.87	3.65	3.32
Turnover rate of employees aged 56 and over	%	19.59	23.66	23.08
Distribution by region				
Turnover rate of employees in the Chinese mainland	%	6.93	5.18	4.04
Turnover rate of employees in Hong Kong, Macao and Taiwan, China	%	23.81	9.52	15.38
Turnover rate of employees outside China	%	0.00	10.00	10.00

Notes:
· Data covers employees at COSCO SHIPPING Energy's headquarters and its subsidiaries.
· Overall turnover rate = Number of employees who left / (Number of employees at the beginning of the period + Number of new employees during the period); Voluntary turnover rate = (Number of employees who left voluntarily + Number of employees who retired) / (Number of employees at the beginning of the period + Number of new employees during the period); Turnover rate by category = Number of employees who left in the category / (Number of employees in the category at the beginning of the period + Number of new employees in the category during the period)

Indicator Index

Report Framework		The <i>Environmental, Social and Governance Reporting Code</i> issued by the HKEX	The <i>Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)</i>
Heading	Subheading		
About This Report	/	Mandatory disclosure of reporting principles; mandatory disclosure of reporting scope	/
Message from the Chairman	/	/	/
Statement from the Board of Directors	/	/	/
About Us	/	/	/
ESG Highlights	/	/	/
Honors and Awards	/	/	/
Excellent Governance: Laying the Foundation for High-Quality Development	Strengthening Corporate Governance	/	/
	Strengthening Risk Management	/	/
	Upholding Business Ethics	B7 General disclosure; B7.1; B7.2; B7.3	Anti-commercial bribery and anti-corruption; anti-unfair competition
	ESG Management	Mandatory disclosure of governance structure	Stakeholder communication
Energy Transportation: Building a New Ecosystem for Sustainable Growth	Optimizing the Business Layouts	/	/
	Enhancing Customer Service	B6 General disclosure; B6.2; B6.5	Safety and quality of products and services
	Upholding the Data Security Baseline	/	Data security and customer privacy protection
	Driving Development with Innovation	B6.3	Innovation-driven development
	Responsible Procurement	B5 General disclosure; B5.1; B5.2; B5.3; B5.4	Supply chain security; equal treatment of SMEs; due diligence
	Promoting Industry Development	/	/
Safety First: Safeguarding the Lifeline of Development	Governance	B2 General disclosure	Employees
	Strategy	B2 General disclosure; B2.3	Employees
	Management of Impacts, Risks, and Opportunities	B2 General disclosure; B2.3	Employees
	Indicators and Targets	B2 General disclosure	Employees

Report Framework		The <i>Environmental, Social and Governance Reporting Code</i> issued by the HKEX	The <i>Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)</i>
Heading	Subheading		
Living with Nature: Charting a Low-Carbon Future	Improving Environmental Management	A1 General disclosure	Environmental compliance management
	Addressing Climate Change	A2 General disclosure; A2.1; A2.3; A3 General disclosure; A3.1; Climate-related disclosures of governance, strategy, risk management, and indicators and targets	Climate change response; energy utilization
	Protecting Marine Ecology	A1 General disclosure; A2.1; A3 General disclosure; A3.1	Pollutant discharge; ecosystem and biodiversity conservation
	Resource Use and Emissions	A1 General disclosure; A1.1; A1.3; A1.4; A1.5; A1.6; A2 General disclosure; A2.2; A2.4; A3 General disclosure; A3.1	Pollutant discharge; waste disposal; water resource utilization
	Green Office	A1 General disclosure; A1.1; A2 General disclosure	Waste disposal; energy utilization
Talent Development: Building a Strong Talent Ecosystem	Protecting Employee Rights and Interests	B1 General disclosure; B1.1; B1.2; B4 General disclosure; B4.1; B4.2	Employees
	Empowering Employee Growth	B3 General disclosure; B3.1; B3.2	Employees
	Attracting and Developing High-Caliber Talent	B1 General disclosure	Employees
Shared Development: Advancing Well-being for All	Deepening Employee Care	B1 General disclosure	Employees
	Rural Revitalization	B8 General disclosure; B8.1; B8.2	Rural revitalization
	Public Welfare	B8 General disclosure; B8.1; B8.2	Social contribution
Appendices	Maritime Emergency Response	B8 General disclosure	Social contribution
	Our Performance	A1.1; A1.3; A1.4; A2.1; A2.2; B1.1; B1.2; B2.1; B2.2; B3.1; B3.2; B5.1; B6.2; B7.1; B8.2	Climate change response; pollutant discharge; waste disposal; energy utilization; water resource utilization; rural revitalization; social contribution; product and service safety and quality; anti-commercial bribery and anti-corruption
	Indicator Index	/	/
	Third Party Assurance	/	/

Third Party Assurance



Assurance statement No.CN-202603-CSR-06

Assurance Statement

TÜV NORD (Hangzhou) Co., Ltd. (hereinafter referred to as "TNHZ") was entrusted by COSCO SHIPPING Energy Transportation Co., Ltd. (hereinafter referred to as "COSCO SHIPPING Energy" or "the Company") to conduct an independent third-party assurance of COSCO SHIPPING Energy's 2025 Sustainability Report (abbreviated as "the Report").

COSCO SHIPPING Energy is responsible for collecting, analyzing, summarizing, and disclosing the information mentioned in the Report. TNHZ carried out this work (Report assurance) within the scope of authority recognized in the agreement with COSCO SHIPPING Energy. COSCO SHIPPING Energy is the designated user of this statement.

This statement is based on COSCO SHIPPING Energy's 2025 Sustainability Report, and COSCO SHIPPING Energy is responsible for the integrity and authenticity of the information and data in the Report.

User of Assurance Statement

This Assurance Statement is provided to all stakeholders of COSCO SHIPPING Energy.

Assurance Scope

- Key sustainability performance and related information disclosed in the report for the fiscal year 2025;
- Assurance location: No. 670 Dongdaming Road, Hongkou District, Shanghai, China, the headquarter location of COSCO SHIPPING Energy;
- Evaluate the management processes such as collection, analysis, and assurance of the data and information involved in the report.

The on-site assurance was conducted from March 2nd to March 3rd, 2026.

Assurance Limitations

- The financial data in this report is derived from the Company's Annual Report, which has been independently audited by another third party. This assurance does not include re-verifying this data;
- This verification only performed sampling verification on the greenhouse gas emission data sources and did not conduct a comprehensive verification of greenhouse gas emissions;
- This verification only sampled some of the original data sources for performance data and did not conduct a comprehensive verification of all data sources;
- The verification location is limited to the headquarters of COSCO SHIPPING Energy, and no on-site verification of all its branch offices has been conducted.

Assurance Method

The assurance process includes the following activities:

- Evaluate the documentary information provided by COSCO SHIPPING Energy;
- Check the data collection and calculation of COSCO SHIPPING Energy;
- Interview the management of relevant departments of COSCO SHIPPING Energy and the person who collected information;
- Check the public information released on relevant websites and by the media, and verify the relevant data and information in the Report through sampling.

Assurance Guidelines

- Appendix C2 "Environmental, Social and Governance Reporting Code" of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
- Self-Regulatory Guidelines No. 14 for Companies Listed on Shanghai Stock Exchange—Sustainability Report (for Trial Implementation);
- TNHZ Report Assurance Implementation Rules SC-P-A015 Rev.00.

Assurance Standard and Level

AccountAbility "AA1000 Assurance Standard" (V3): Type 2, Moderate Level of Assurance.

Assurance Conclusion

The 2025 Sustainability Report prepared by COSCO SHIPPING Energy objectively reflects the Company's progress and performance in



Assurance statement No.CN-202603-CSR-06

environmental, social, and governance aspects during 2025. The data presented in the report is reliable and objective, and TNHZ found no systematic or material errors.

- **Inclusivity:** The Company has comprehensively identified nine categories of stakeholder groups, including customers, shareholders/investors, employees, suppliers, etc., and through diverse channels such as employee forums, customer satisfaction surveys, industry forums, and media communication meetings, it has promptly understood the concerns and expectations of stakeholders and integrated them into the Company's business activities.
- **Materiality:** The Company comprehensively considered internal opinions and external stakeholder communications, and identified material topics in accordance with the double materiality principle of "impact importance" and "financial importance". It identified three double materiality topics including "Innovation-driven development", "Health and safety", and "Climate change response", as well as 15 material topics including "Energy utilization", "Employee rights and benefits", and "Rural revitalization", which formed a materiality matrix.
- **Responsiveness:** The report comprehensively demonstrates the Company's efforts in the environmental, social, and governance areas during the reporting period through six chapters, including "Energy Transportation: Building a New Ecosystem for Sustainable Growth" and "Safety First: Safeguarding the Lifeline of Development".
- **Impact:** The Company systematically identifies the various impacts of its activities, products, or services on stakeholders, society, and the environment, fully considers them in stakeholder engagement and periodic materiality assessment processes, and transmits the relevant ESG impacts to the supply chain.

Suggestions for Improvement

Through the assurance and evaluation activities, we have put forward relevant suggestions for improvement regarding COSCO SHIPPING Energy's practices and management in sustainable development, all of which have been stated in the "Assurance Report" and submitted to COSCO SHIPPING Energy's management for their reference in continuous improvement.

Special Statement

Excluded in this assurance statement:

- Activities other than information disclosure;
- Statements regarding the standpoint, viewpoints, beliefs, goals, future development directions, and commitments of COSCO SHIPPING Energy.

Statement of Independence and Competence

TÜV NORD is a world-leading certification body with branches in more than 100 countries around the world. It provides inspection, testing and verification services, including management system and product certification; audits and training in the aspects of quality, environment, society and compliance; assurance of environmental, social responsibility and sustainability reports.

As TÜV NORD's independent member organization in China, TNHZ ensures that there is no conflict of interest with COSCO SHIPPING Energy, its branches, or its stakeholders in carrying out this assurance process for the sustainability report. The assurance team is composed of experts with extensive experience and professional technical competence, conducting the assurance activities in accordance with TNHZ's internal procedure documents and global compliance policy requirements. All information in this report was provided by COSCO SHIPPING Energy and TNHZ did not participate in the report preparation process.

Signature

On Behalf of TÜV NORD (Hangzhou) Co., Ltd.

Jack Yeh:
Sustainable Development Authorized Signatory/Executive Director and
CEO of TÜV NORD Greater China
Date: March 23rd, 2026 Shanghai



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Note: In case of conflict between the Chinese and English versions of this statement, please refer to the Chinese version.



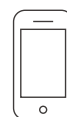
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Official website



Scan the QR code
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