COSCO SHIPPING ENERGY TRANSPORTATION CO., LTD.*

ADMINISTRATIVE MEASURES FOR THE 2023 SHARE OPTION INCENTIVE SCHEME

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

Initially formulated	Approved at the 2024 Second Extraordinary General Meeting held on 10 May 2024.
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Chapter 1 Management and Organization of the Share Option Incentive Scheme

Article 1 Management and Organization for the Share Option Incentive Scheme

The management organizations for the Share Option Incentive Scheme of the Company include the Shareholders' Meeting, the Board, the Remuneration and Appraisal Committee of the Board; the executive departments for the related matters of the Share Option Incentive Scheme include the Office of the Board/Securities Affairs Division, the Financial Management Division, the Human Resources Division/Organization Division, and the Legal Affairs and Risk Management Division.

Article 2 Management departments for the Share Option Incentive Scheme

The management departments for the implementation of the Share Option Incentive Scheme mainly include the Shareholders' Meeting, the Board, and the Remuneration and Appraisal Committee of the Board, and their main responsibilities are as follows:

(I) as the highest authority of the Company, the Shareholders' Meeting is responsible for the consideration and approval of the implementation, change and termination of the Share Option Incentive Scheme;

* *For identification purposes only*

(II) the Board is the executive and management department for the Share Option Incentive Scheme. It is responsible for reviewing the Share Option Incentive Scheme proposed and revised by the Remuneration and Appraisal Committee of the Board, and submitting the Share Option Incentive Scheme to the Shareholders' Meeting for approval; according to the authority of the Shareholders' Meeting, responsible for the review of the grant proposals of share options for each period, and the review and determination of the grant date of share options for each period; responsible for the grant of share options to the participants who fulfil the conditions of grant and review the effectiveness and exercise of share options for each period according to the effective arrangement and performance conditions; responsible for the review of the adjustment proposal of the exercise price and number of the share options granted; responsible for the review of other necessary matters for implement of the Share Option Incentive Scheme;

(III) the Remuneration and Appraisal Committee of the Board is responsible for the formulation of the Share Option Incentive Scheme and the grant proposals for each period, the consideration of the effective conditions of share option granted in each period, the formulation and revision of administrative measures for the implementation and appraisal of the Share Option Incentive Scheme and administrative measures for the Share Option Incentive Scheme and issuing opinions on Share Option Incentive Scheme and related matters in accordance with laws, regulations, and the Company's rules and regulations.

Article 3 Executive departments for the Share Option Incentive Scheme

The executive departments for the Share Option Incentive Scheme include the Office of the Board/Securities Affairs Division, the Financial Management Division, the Human Resources Division/Organization Division, and the Legal Affairs and Risk Management Division, and their main responsibilities are as follows:

(I) Office of the Board/Securities Affairs Division is:

1. responsible for the communication and exchange of the implementation of the Share Option Incentive Scheme with the capital markets, shareholders and media;

2. responsible for the reporting of the implementation of the Share Option Incentive Scheme to securities regulatory authority, and drafting the information disclosure document according to the relevant regulatory requirements;

3. responsible for making recommendation on the grant date of the Share Option to the Board, and calculating the exercise price of the Share Option according to the grant date confirmed by the Board resolution;

4. responsible for the formulation of the adjustment proposal for the exercise price and number of Share Options granted according to the Share Option Incentive Scheme;

5. responsible for the regular reporting of the implementation of the Share Option Incentive Scheme to the Remuneration and Appraisal Committee of the Board;

6. responsible for organizing and convening the meeting of the Remuneration and Appraisal Committee of the Board, the meeting of Board and the Shareholders' Meeting to consider the Share Option Incentive Scheme and each period of grant proposal and the relevant resolutions;

7. assisting the Human Resources Division/Organization Division to organize the daily communication and consultation of the Participants who are Directors and senior management.

(II) Finance Division is:

1. responsible for calculating the actual achievement of the annual performance indicators of the Company, counting the actual achievement of the annual performance indicators of the benchmark enterprises, analyzing and judging the fulfilment of the performance conditions for the grant and performance conditions for effectiveness, and submitting to the Human Resources Division/Organization Division;

2. responsible for the valuation of the Share Options granted and the relevant accounting treatment in the periodic reports of the listed company in respect of each phase of grant;

3. assisting the Human Resources Division/Organization Division in verifying the gains arising from the exercise of the Share Options of the Participants;

4. responsible for the relevant accounting treatment of the gains arising from the exercise of the Share Options.

(III) Human Resources Division/Organization Division is:

1. responsible for the daily management of the Share Option Incentive Scheme, organizing and implementing the grant and exercise of the Share Options;

2. responsible for the formulation of the Share Option Incentive Scheme and the proposal of each period of grant, and formulating key elements such as the scope of grant, the number of grant, the effectiveness arrangement, the performance conditions of grant and the performance conditions for effectiveness, etc.;

3. responsible for reviewing the eligibility of grant to the Participants, effective eligibility and effective number, and organizing the signing of the document of grant;

4. responsible for consolidating the annual comprehensive appraisal and assessment results of individual Participant;

5. responsible for the calculation and verification of the number of the Share Options granted to the Participants in each phase that have become effective and that have lapsed, and notifying the Participants the number of Share Options that have become effective and that have lapsed;

6. responsible for the organization of the Exercise of the Participants;

7. responsible for the verification of number of Exercise and number of effectiveness;

8. responsible for the account management of the Share Option Incentive Scheme, and recording and calculating the grant, effectiveness, change, lapse and Exercise of the Share Options;

9. responsible for record management such as keeping all documents and files related to the Share Option Incentive Scheme. Daily management and maintenance of the Share Option Incentive Scheme including the drafting of the relevant documents of the Share Option Incentive Scheme and grant proposals, and the keeping of the relevant documents and files, etc.;

10. responsible for the reporting of the implementation of the Share Option Incentive Scheme to the General Manager Office Meeting;

11. responsible for communicating and reporting to the COSCO SHIPPING Corporation on the Share Option Incentive Scheme and the effectiveness and exercise under each phase of grant;

12. responsible for the withholding and payment of the individual income tax of the Participants;

13. organizing and answering the daily communication and consultation of the Participants.

(IV) Legal Affairs and Risk Management Division

Responsible for the explanation and consultation of the legal issues related to the Share Option Incentive Scheme, and reviewing, preserving and managing the relevant legal documents.

Chapter 2 Implementation Procedures for the Share Option Incentive Scheme

Article 4 Formulation and approval procedures for the Share Option Incentive Scheme

(I) The Remuneration and Appraisal is responsible for the organization and formulation of the Share Option Incentive Scheme (draft), and carrying out communication with COSCO SHIPPING Corporation in relation to the Share Option Incentive Scheme (draft). With no disagreement expressed by COSCO SHIPPING Corporation, the Share Option Incentive Scheme (draft) can be submitted to the Board for consideration;

(II) the Board shall consider and approve the Share Option Incentive Scheme (draft), and any Director who is also a Participant or is a related party to a Participant should abstain from voting;

(III) the independent Directors and the Supervisory Committee shall issue opinions in respect of whether the Share Option Incentive Scheme (draft) is beneficial to the sustainable development of the Company and whether there is any situation which would noticeably prejudice the interests of the Company and the Shareholders as a whole;

(IV) the Supervisory Committee will verify the list of Participants with Share Options granted (including participants, qualifications and number of grant);

(V) the Company shall engage a law firm to issue legal opinions on the Share Option Incentive Scheme (draft);

(VI) within 2 trading days after the consideration and approval of the Share Option Incentive Scheme by the Board, the Board resolution, the draft of the Share Option Incentive Scheme and summary, opinions of the independent Directors, opinions of the Supervisory Committee and legal opinions shall be announced and submitted to the stock exchange;

(VII) upon the review and approval of the Share Option Incentive Scheme by the Stated-owned asset institution and/or authorized units, the Company shall issue the notice of convening the Shareholders' Meeting;

(VIII) before convening the Shareholders' Meeting, the Company shall internally announce the names and offices of the Participants by way of corporate website or other means for not less than 10 days. The Supervisory Committee shall review the list of the Participants and consider public opinions sufficiently, and shall disclose the explanation of the Supervisory Committee regarding the review of the list of the Participants and the status of announcement in 5 days prior to the consideration of the Share Option Incentive Scheme at the Shareholders' Meeting of the Company. The list of the Participants adjusted by the Board of the Company shall also be verified by the Supervisory Committee of the Company;

(IX) the Company shall conduct a self-examination on the trading of the Company's shares and their derivatives by persons having knowledge of the insider information within 6 months before the publication of the draft Share Option Incentive Scheme, indicating if any insider trading exists. If anyone who trades in the Company's shares with knowledge of insider information, he/she shall not become the Participant, except for cases that are not insider trading under the laws, administrative regulations and relevant judicial interpretations. If anyone divulges inside information to cause insider trading, he/she shall not become the Participant;

(X) when the Shareholders' Meeting of the Company is convened to vote on the Share Option Incentive Scheme, an alternative to vote on the internet shall be provided simultaneously when vote in person is provided. The independent Directors shall solicit proxy voting rights from all shareholders regarding the relevant resolutions relating to the Share Option Incentive Scheme;

(XI) the Share Option Incentive Scheme shall be considered at the Shareholders' Meeting and approved by more than 2/3 of the voting rights held by the attending shareholders. Any shareholder who is also a participant or is a related party to a participant shall abstain from voting. Except for the Directors, Supervisors and senior management, as well as the shareholders individually or collectively holding more than 5% of the listed company's Shares, the voting by other shareholders shall be separately counted and disclosed. The Supervisory Committee shall explain the verification of the list of the Participants at the Shareholders' Meeting;

(XII) upon the approval of the Share Option Incentive Scheme at the Shareholders' Meeting, the Share Option Incentive Scheme can be implemented. The Board will specifically handle the grant, Exercise and cancellation of the Share Options according to the authorization given at the Shareholders' Meeting.

Article 5 The procedures of grant of the Share Options

(I) The Remuneration and Appraisal Committee formulates the proposal of grant of the Share Option Incentive Scheme;

(II) the Board considers and approves the proposal of grant of the Share Options, and determines the Date of Grant according to the Share Option Incentive Scheme, and the Date of Grant must be a trading day;

(III) the Board will consider if the conditions for granting interests to the Participants have been fulfilled, and independent Directors, the Supervisory Committee and law firm shall express specific opinions;

(IV) the Supervisory Committee will verify whether the Date of Grant and the list of the Participants are consistent with the scope of incentives specified in the Incentive Scheme approved by the Shareholders' Meeting and express opinions;

(V) the Board of the Company shall act under the authorization of the Shareholders' Meeting to perform the specific procedures of granting the Share Options. Upon the grant of the Share Options, the Company will enter the "Agreement of grant of the Share Options" with the Participants, notifying each Participant the relevant information such as the number granted, the exercise price and the effective arrangement, and to stipulate the rights and obligations of both parties;

(VI) upon the Incentive Scheme being considered and approved at the Shareholders' Meeting, the Company shall, within 60 days after the fulfilment of Conditions of Grant, complete the corresponding procedures such as the grant, registration and announcement of the Share Options. Upon confirmation by the stock exchange, the registration and clearing company will handle the registration and clearing and transfer matters. The Board of the Company shall make the relevant information disclosure for the grant, and shall report the grant through COSCO SHIPPING Corporation to the SASAC for filing;

(VII) the Participants shall cooperate with the Company to follow the relevant requirements of the CSRC, stock exchange, registration and clearing company to perform the registration procedure.

Article 6 Process of becoming effective and lapsed

(I) In each effective year, the Financial Management Division will analyze and judge the fulfillment of performance conditions for the effectiveness of each phase of Share Options based on the actual annual performance indicators of the Company and the benchmark enterprises;

(II) the Human Resources Division/Organization Division shall consolidate the individual annual comprehensive appraisal and assessment results of all Participants;

(III) the Human Resources Department shall, according to the effective arrangement of each phase of Share Options, the performance conditions for effectiveness and actual achievement of performance indicators and the individual annual comprehensive appraisal and assessment results of the Participants, verify the number of effective and lapsed Share Options of each phase, and submit to the Remuneration and Appraisal Committee for review;

(IV) the Remuneration and Appraisal Committee shall consider and approve the number of effective and lapsed Share Options of each phase;

(V) the Board shall consider and determine the number of effective and lapsed Share Options of each phase;

(VI) the Human Resources Division/Organization Division shall conduct account management on the number of effective and lapsed Share Options;

(VII) the Human Resources Division/Organization Division shall inform the Participants of the number of effective and lapsed Share Options;

(VIII) the office of Board shall disclose the information on the effectiveness or lapse of the Share Options.

Article 7 Procedures for the Exercise of the Share Options

(I) The Participants shall submit the "Application of Exercise of the Share Options" to apply for the exercise, and confirm the number of Share Options of each phase to be exercised;

(II) The Remuneration and Appraisal Committee will review and confirm if the conditions of the application of Exercise by the Participants have been fulfilled. The Remuneration and Appraisal Committee and law firm shall express specific opinions on whether the conditions for the Participants to exercise interests have been fulfilled;

(III) Upon the confirmation and verification of the Board over the application of Exercise by the Participants, the Company will make the application of Exercise to the stock exchange, and make the specific issue of shares to the Participants according the number of Exercise. Upon the confirmation of the stock exchange, the Company will apply to the registration and clearing company for performing registration and clearing procedures;

(IV) Upon the Exercise of the Participants, if it involves any change of registered capital, the Company is required to perform registration procedures with the industrial and commercial registration authority for change in company affairs;

(V) The Human Resources Division/Organization Division shall comply with the requirements of the SASAC of the State Council and file with the SASAC of the State Council for the Exercise of Share Options of each phase.

Subject to the actual conditions, the Company can offer a collective or individual way of Exercise to the Participants.

Chapter 3 Liability Recourse and Handling of Special Occasions

Article 8 Handling of special occasions of the Company

(I) Upon the occurrence of any of the following to the Company, the implementation of the Share Option Incentive Scheme shall be terminated, and the Share Options of the Participants approved to be exercised but not yet exercised shall cease to be exercised, and the Share Options not yet approved to be exercised shall be cancelled:

1. issuance of the auditors' report containing an adverse opinion or indicating inability to give an opinion by a certified public accountant on the financial and accounting report for the latest accounting year;

2. issuance of the auditors' report containing an adverse opinion or indicating inability to give an opinion by a certified public accountant on the internal control of the financial report for the latest accounting year;

3. circumstances under which the Company fails to distribute profits in accordance with relevant laws and regulations, the Articles of Association or any undertaking publicly made within the latest 36 months after listing;

4. circumstances under which share option incentive is prohibited to be implemented under the applicable laws and regulations;

5. circumstances under which share option incentive is prohibited to be implemented by the CSRC;

6. the regulatory authorities or department of the State-owned assets institution, the Audit Committee or audit department have raised significant disagreement towards the performance or the annual financial and accounting report of the Company;

7. such other circumstances under which share option incentive is prohibited to be implemented by the Shanghai Stock Exchange.

(II) Upon the occurrence of any of the following to the Company, subject to the extent of changes of the relevant conditions, the shareholders' meeting shall authorize the Board to determine whether to continue, amend, suspend or terminate the Share Option Incentive Scheme, other than the rules in relation to the relevant laws, administrative regulations, authority rules or regulatory document which are expressly required to be exercised by the shareholders' meeting:

1. change of control of the Company;

2. situations such as the merger or spin-off of the Company;

3. changes in laws, regulations, and external regulatory rules.

Article 9 Handling of special occasions of the Participants individually

(I) Upon the occurrence of the following, on the date of the occurrence of such event, the Share Options of the Participant approved to be exercised but not yet exercised will be terminated, the Share Options not yet approved to be exercised will lapse, and the Board has the right to recover the stock option incentive gain received subject to the severity of the event:

1. the results of the economic responsibility audit indicate that there is ineffective performance of duties or serious breach of duty or malfeasance acts;

2. violation of the national laws and regulations and Articles of Association;

3. the Company has sufficient evidence to prove that during the term of employment, Participant has been involved in bribery, corruption, theft, divulging of commercial and technical secrets of the Company, entering of connected transactions which impair the interest and reputation of the Company, and any other illegal act which has material adverse effect to the image of the Company, resulting in loss to the Company;

4. non-performance or incorrect performance of duty, resulting in a significant asset loss to the Company and other material adverse outcome.

(II) Upon the occurrence of the following and resulting in the loss of the eligibility to participate in the Share Option Incentive Scheme, on the date of the occurrence of such event, the Share Options of the Participants approved to be exercised but not yet exercised will be terminated, the Share Options not yet approved to be exercised will lapse:

1. deemed as an inappropriate candidate by a stock exchange in the latest 12 months;

2. deemed as an inappropriate candidate by the CSRC and its derived agencies in the latest 12 months;

3. imposed by the CSRC and its derived agencies with administrative penalties or measures prohibiting accessing into the market in the latest 12 months by reasons of material violation of laws and regulations;

4. prohibited by the Company Law from acting as a director or senior management of the Company;

5. a change of job duties due to the impairment to the interests or reputation of the Company resulting from the inability to fulfil job requirements, failure of the performance appraisal, violation of law, violation of professional ethics, breach of duty or malfeasance acts, or the Company terminates the employment relationship with the Participant as a result of the aforementioned reasons;

6. any circumstances which the Board of the Company determines to be serious violation of the Company's regulations or serious impairment to the Company's interests;

7. other circumstances as determined by the Board or the CSRC.

(III) Upon the occurrence of the following, on the date of the occurrence of such event, the Share Options of the Participants approved to be exercised but not yet exercised will remain exercisable, and the Participants shall complete the Exercise within 6 months after the date of the termination of employment, and the Share Options not yet approved to be exercised will lapse:

1. the Company proposes to terminate or dissolve the employment relationship with the Participant due to objective reasons;

2. the Company proposes not to renew the employment contract when it expires;

3. the Participant becomes incapacitated as a result of injuries sustained in the performance of his/her duties;

4. on the death of the Participants, the portion of the Share Options which are exercisable shall complete the exercise by their designated property successors or legal successor within 6 months;

5. there is a change of job duties of the Participants to become independent Directors or other personnel who can neither hold the Shares of the Company nor be granted the Share options as required by the laws, administrative regulations or authority rules.

(IV) For the Participant who retires when reaching the retirement age as stipulated by the state and the regulations of the Company, and has terminated the employment without any engagement relationship with the Company, the Share Options approved to be exercised but not yet exercised will remain exercisable, and the Participant shall complete the exercise within 6 months after the date of the termination of employment. The Share Options effected during the year which the date of retirement falls on shall be exercised within 6 months upon effective as scheduled, and other Share Options not yet approved to be exercised will lapse.

(V) Upon the occurrence of the following, on the date of the occurrence of such event, the Share Options of the Participants approved to be exercised but not yet exercised will be terminated, and the Share Options not yet approved to be exercised will lapse:

1. where the Participant unilaterally resigns from his/her position during the term of employment contract;

2. where the Participant does not renew the employment contract with the Company upon its expiry;

3. where the employment relationship of the Participant has been terminated, if the interests and reputation of the Company has been impaired as the Participant is not qualified for the job as a result of continuous under-performance, breaching of law, violation of professional ethics, divulging of confidential information of the Company, breach of duty or malfeasance.

(VI) Where the job duties of the Participants have been changed, but the Participants still remain as the Directors, senior management or core personnel entitled to incentive of the Company with administrative roles, or being appointed to any position in subsidiary of the Company, on the date of the occurrence of such event, the Share Options of the Participants approved to be exercised but not yet exercised will remain exercisable, and the Share Options granted remain unchanged and are exercisable as stipulated.

(VII) Where the Participant is transferred to COSCO SHIPPING Group or other companies within COSCO SHIPPING Group as a result of organizational arrangement, and there is still a significant professional synergistic relationship with the Company after the transfer, the Board shall determine the exercise arrangement of such Participant.

(VIII) Other circumstances not stated and the handling method shall be determined by the Remuneration and Appraisal Committee of the Board.

Article 10 Dispute or disagreement resolution mechanism

Any dispute between the Company and the Participants arising from the implementation of the Share Option Incentive Scheme or the relevant agreement entered into by the parties shall be resolved through negotiation, communication or mediation by the Remuneration and Appraisal Committee of the Board of the Company.

In case of failure to do so, either party is entitled to apply for arbitration at the Employment Dispute Arbitration Commission in the place where the Company or its subordinate operating units are located or file a lawsuit with the People's Court with jurisdiction.

Chapter 4 Information Disclosure

Article 11 Information disclosure

The Company shall follow the relevant requirements of other laws, regulations and regulatory documents such as the Administrative Measures on Share Option Incentives of Listed Companies, to strictly fulfil the information disclosure obligation, including but not limited to a timely disclosure of the draft incentive scheme, the Board resolution, legal opinions, resolution of shareholders' meeting, specific circumstances for the grant of interests, administrative measures for the appraisal of Share Option Incentive Scheme, administrative measure for Share Option Incentive Scheme and disclosure of the specific implementation and performance appraisal in each annual report, etc.

Chapter 5 Finance, Accounting and Tax Treatment

Article 12 Accounting treatments in respect of the Share Options

According to the provisions of Accounting Standards for Business Enterprises No. 11 – Share-based Payments and Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments, the Company will measure and calculate the costs of the Share Options of the Company according to the accounting treatments set out below:

1. Accounting treatment on the Date of Grant: as the Share Options could not be exercised as at the Date of Grant, no relevant accounting treatments are required.

2. Accounting treatment in the Vesting Period: on each balance sheet date during the Vesting Period, the Company will, based on the optimally estimated number of exercisable Share Options, recognise income from services as relevant capital costs or expenses for the current period, and as other capital reserves under capital reserves at the same time according to the fair value of the Share Options as at the Date of Grant.

3. Accounting treatment after the Exercise Date: no more adjustment will be made to the costs and expenses and the owner's interests already recognised.

4. Accounting treatment on the Exercise Date: share capital and premium of share capital will be recorded based on the Conditions of Exercise, and "capital reserve – other capital reserve" will be carried forward accordingly.

Article 13 Method of amortization for the expenses of Share Options

According to the relevant requirements of the Accounting Standards for Business Enterprises No. 11 – Share-based Payments, during the period with restricted effectiveness of the Share Options, costs of the Share Options to be granted under the Incentive Scheme shall be accounted for as costs or expenses and capital reserves based on the optimally estimated number of the Share Options exercised according to the fair value as at the Date of Grant.

Article 14 Impact of the Incentive Scheme on the operating results of the Company

According to the relevant requirements of the accounting standards, such incentive costs will be amortised during the Vesting Period and effective period of the options. The incentive costs incurred under the Incentive Scheme will be itemized in recurring gains and losses.

Article 15 Tax treatment

Any gain of the Participants from the Incentive Scheme is subject to individual income tax and other taxes according to the requirements of the national tax regulations. According to the requirements of the national tax regulations, the Company will withhold and pay the individual income tax and other taxes payable by the Participants.

Chapter 6 Supervision and Management

Article 16 Supervision and management

Upon the consideration and approval of the draft incentive scheme, the Board of the Company shall announce in accordance with the requirements of the securities supervision and administration authority, and accept the supervision from public. The relevant implementation procedures and information disclosure shall comply with the relevant requirements of Administrative Measures on Share Option Incentives of Listed Companies of the CSRC.

Chapter 7 Procedures of Internal Control for the Share Option Incentive Scheme

Article 17 System and process control procedures

(I) The Board is the final interpretation and examination organization of the Share Option Incentive Scheme;

(II) Specific units at different levels responsible for specific matters will be established by function. Important matters such as examination and qualification appraisal will be conducted by different departments and supervised by each other.

Article 18 Control on implementation procedures

The validity and accuracy of the Scheme will be guaranteed by training, consultation and complaint systems of the Company.

Chapter 8 Supplementary Provision

Article 19 These Measures shall take effect from the date of approval at the Shareholders' Meeting and shall be interpreted and revised by the Board.