

CHINA SHIPPING CONTAINER LINES COMPANY LIMITED

Working Rules for the Remuneration Committee under the Board of Directors

(Considered and passed at the 19th meeting of the 3rd Session of the Board of Directors)

Chapter 1 General Provisions

- Rule 1 In order to establish a sound administration system of remuneration for directors and senior management personnel of the Company and perfect its corporate governance structure, the Board of Directors of the Company decided to set up a Remuneration Committee, and formulated these Rules in accordance with “The Company Law of the People’s Republic of China”, “Code of Corporate Governance for Listed Companies”, the “Rules Governing the Listing of Shares on the Stock Exchange of the Listing Place” and the “Articles of Association of China Shipping Container Lines Company Limited” (the “Articles of Association”) and other relevant provisions.
- Rule 2 The Remuneration Committee is a specific working body under the Board of Directors. Its main responsibilities are to make decisions or recommendations on formulating the policies for and proposals on the remuneration of directors, supervisors and senior management personnel of the Company.
- Rule 3 In these Rules, director(s) and supervisor(s) refer to the director(s) and supervisor(s) receiving remuneration from the Company, respectively, while senior management personnel refers to the General Manager, Deputy General Manager, Chief Accountant, Secretary to the Board of Directors and other senior management personnel recognized by the Board of Directors.

Chapter 2 Composition

- Rule 4 The Remuneration Committee shall comprise three members, all being the current directors of the Company, and more than half of whom shall be independent non-executive directors.
- Rule 5 The members of the Remuneration Committee shall be nominated by the Chairman of the Board of Directors, more than half of the number of independent non-executive directors or more than one third of all directors, and shall be appointed by the Board of Directors.
- Rule 6 The Remuneration Committee shall have a chairman who shall be an independent non-executive director.
- Rule 7 The term of office of the Remuneration Committee shall be the same as that of the Board of Directors. A member may serve consecutive terms if re-elected upon expiry of his/her term. If any member resigns from the position of director of the Company during his/her term of office, he/she shall automatically lose his/her position as a committee member, and the vacancy shall be filled by the Board of Directors in accordance with the provisions of Rules 4 to 6 above.

Chapter 3 Duties and Authorities

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

1. to formulate remuneration plans or proposals for directors, supervisors and senior management personnel based on their duties, responsibilities and importance with reference to the remuneration levels of similar positions in comparable companies. The remuneration plans or proposals shall mainly include, but not limited to, the standards, procedures and major assessment system for performance appraisal, and major plans and systems for awards and punishments;
2. to make recommendations to the Board of Directors on the Company's policy and structure for all directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
3. to review and approve the management's remuneration proposals with reference to the corporate goals and objectives of the Board of Directors;
4. either:
 - (i) to determine, with responsibility delegated from the Board of Directors, the remuneration packages of individual executive directors and senior management; or
 - (ii) to make recommendations to the Board of Directors on the remuneration packages of individual executive directors and senior management.

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

5. to make recommendations to the Board of Directors on the remuneration of non-executive directors;
6. to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
7. to review the performance of duties by directors, supervisors and senior management and conduct annual performance assessment for them;
8. to review and approve compensation payable to executive directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;

9. to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
10. to monitor the implementation of the Company's remuneration system;
11. to ensure that no director or any of his associates is involved in deciding his own remuneration; and
12. to deal with other matters authorized by the Board of Directors.

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

Chapter 4 Working Procedures

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

1. to provide information on fulfillment by the Company of its main financial targets and business objectives;
2. to provide information on the division of labour among the Company's senior management personnel and their main duties;
3. to provide information on target completion in relation to the work performance appraisal system of directors, supervisors and senior management personnel;
4. to provide information on the business initiatives and profit-making ability of directors, supervisors and senior management personnel in business operation;
5. to provide information on the basis for formulating the Company's plans and methods for fixing remunerations based on its operating results.

- Rule 11 The procedures for appraising directors, supervisors and senior management personnel are as follows:
1. The directors, supervisors and senior management personnel shall report their work and make self-appraisals to the Remuneration Committee;
 2. The Remuneration Committee shall convene meetings to conduct performance appraisal of the directors, supervisors and senior management personnel according to the performance appraisal standards and procedures;
 3. A proposal on the amount of remuneration and method of reward for the directors, supervisors and senior management personnel based on the results of work performance appraisals and prepared according to the remuneration and distribution policies shall be made and, after a voting in its favour, shall be reported to the Board of Directors of the Company.

Chapter 5 Rules of Procedures for Meetings

- Rule 12 For convening meetings of the Remuneration Committee, a notice of meeting shall be given to all members five days prior to that meeting. In case of emergency, an extraordinary meeting may be convened not subject to the aforesaid time limit for sending notice provided that all members have confirmed their receipt of such notice.
- Rule 13 The meetings of the Remuneration Committee shall be convened only with the presence of not less than two thirds of the members. The meetings shall be chaired by the chairman of the committee. If the chairman of the committee cannot attend the meeting, he/she may appoint another member to chair the meeting.
- Rule 14 A meeting of the Remuneration Committee may be convened by way of on-site meeting or correspondence meeting, at which members shall vote by a show of hands or in written form. Each member shall be entitled to one vote. Resolutions of a meeting must be adopted by the affirmative votes of more than half of all members.
- Rule 15 Other directors, supervisors, management personnel and other relevant officers of the Company may be invited to attend the meetings of the Remuneration Committee if necessary.
- Rule 16 The Remuneration Committee shall consult the Chairman and/or the Chief Executive Officer for proposals on the remuneration of other executive directors. When performing its duties, the Remuneration Committee may, if necessary, engage an intermediary institution to provide independent professional advice on its decision. The cost shall be borne by the Company.
- Rule 17 When any subject of discussion of the Remuneration Committee relates to a member of the committee at a meeting, such member shall abstain from such meeting.
- Rule 18 The procedures for convening a meeting, the method of voting and the resolutions passed at a meeting of the Remuneration Committee shall comply with the provisions of the relevant laws, regulations, the Articles of Association and these Rules.

- Rule 19 The Remuneration Committee shall keep minutes of its meetings. Members present at a meeting shall sign the minutes of the meeting which shall be kept by the duly appointed secretary of the meeting (usually the Secretary to the Board of Directors of the Company) for a period of not less than ten years. The secretary of the meeting shall make the minutes of meetings available for inspection at any reasonable time upon a reasonable request by any director of the Company.
- Rule 20 Any resolution passed and the result of any poll taken at a meeting of the Remuneration Committee shall be reported in writing to the Board of Directors of the Company. Minutes of meetings of the Remuneration Committee shall record in sufficient details the matters considered at the meetings and the decision reached, including any concerns raised by directors or dissenting view expressed. Draft and final versions of minutes of the meetings shall be sent to all committee members for their comment and records within a reasonable time after the meeting.
- Rule 21 The chairman of the Remuneration Committee or in his absence, another member of the committee or failing this, his duly appointed delegate, shall attend the annual general meeting of the Company and be prepared to answer questions at the annual general meeting on the Remuneration Committee's activities and their responsibilities.
- Rule 22 Any member of the Remuneration Committee shall be obliged to keep confidential all matters of the Company which came to his/her knowledge due to his/her term of office, and shall not disclose any relevant information without authorization, otherwise he/she shall be liable for the the corresponding legal responsibilities.

Chapter 6 Supplementary Provisions

- Rule 23 Any matters not covered by these Rules shall be implemented in accordance with the provisions of the relevant laws and regulations of the People's Republic of China and the Articles of Association of the Company. If these Rules contravene any laws and regulations or the legally amended Articles of Association of the Company, these Rules shall be promptly amended and reported to the Board of Directors for consideration and adoption.
- Rule 24 The power of interpretation of these Rules shall be vested in the Board of Directors of the Company.
- Rule 25 These Rules shall be implemented on the date on which the relevant resolution is passed by the Board of Directors.

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