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RULES OF PROCEDURES OF THE BOARD OF DIRECTORS OF COSCO SHIPPING HOLDINGS CO., LTD.

(Approved by the 2024 Annual General Meeting of the Company)

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to further regulate the official business discussion and decision-making procedure of COSCO SHIPPING Holdings Co., Ltd. (hereinafter referred to as “the Company” or this Company) and to ensure the working efficiency and the scientific strategic decision-making of the board of directors, these Rules of Procedures are formulated in accordance with the articles of association of COSCO SHIPPING Holdings Co., Ltd. (the “Articles of Association”), relevant laws and regulations including the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, Guide to Articles of Association of Listed Companies, Standards for the Governance of Listed Companies, the Measures for the Administration of Independent Directors of Listed Companies and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as well as in light of overall conditions of the Company. Should there be any inconsistency or conflict between these Rules of Procedures and any applicable laws, regulations or listing rules, the applicable laws, regulations and listing rules shall prevail.

CHAPTER 2 FUNCTIONS AND POWERS AND DELEGATION OF THE BOARD

Article 2 Directors may require the general manager or the relevant department of the Company through the general manager to provide the information and explanation necessary for their decision-making. The general manager shall provide directors with necessary information and data for the board of directors to make decisions.

If independent directors deem necessary, they may retain an independent firm to issue independent opinions as the basis for their decision at the expense of the Company.

Article 3 The board of directors shall consider and resolve on matters to be submitted to the general meeting for decision (including matters put forward by a majority of independent directors) in accordance with laws and regulations and the Articles of Association of the Company.

Article 4 In order to allow the Company to operate efficiently, the board of directors shall grant the functions and powers including investment and financing, asset disposal, external guarantee and establishment of organs to management according to the provisions of the Articles of Association of the Company and the authorization of the general meeting.

Article 5 The board assume the responsibilities to “formulate strategies, make decisions and prevent risks”, and shall be responsible to the general meeting and exercise the following functions and powers:

- (1) to be responsible for convening general meetings and report on its work to the general meetings;
- (2) to implement the resolutions passed at the general meetings;
- (3) to determine the Company’s business plans and investment plans;
- (4) to consider and approve the Company’s annual budgets and final accounts;
- (5) to formulate the Company’s profit distribution proposals and loss recovery proposals;
- (6) to formulate the proposals for increase or reduction of the Company’s registered capital, and proposals for issue and listing of the Company’s bonds and other securities;
- (7) to formulate the proposals for the Company’s material acquisition, acquisition of shares in the Company or merger, division, dissolution or amendment to the form of the Company;
- (8) according to laws regulations and the Articles of Association, to decide on other external guarantees other than those requiring the approval of the general meetings;
- (9) to decide on the investment, assets acquisition, assets pledge, entrusted wealth management, connected transactions, external donations and other affairs of the Company within the authority granted by the general meeting;
- (10) to decide on the establishment of the Company’s internal management bodies;
- (11) to appoint or remove the Company’s general manager, to appoint or remove the Company’s deputy general manager, chief accountant or financial director and legal counsel according to the proposals of the general manager; to appoint or remove secretary to the board of directors; and determine their remunerations; to appoint or remove members of the Board of Directors and supervisory committee (or executive directors and/or supervisors) of the wholly owned-subsidiaries; to appoint, remove or recommend shareholders’ representatives, directors and supervisors of the controlled subsidiaries and joint venture companies;
- (12) to decide on the establishment of branches of the Company;
- (13) to formulate the proposals for any amendment to the Articles of Association;

- (14) to formulate the Company's fundamental management system;
- (15) to formulate and implement equity incentive scheme (including stock option plan permitted by laws and regulations);
- (16) to manage information disclosure of the Company;
- (17) to propose the appointment or reappointment of the accounting firm(s) of the Company for audit purposes at general meeting;
- (18) to listen to the work reports from the general manager of the Company and inspect his/her work;
- (19) to resolve on the important issues and administrative issues of the Company other than those which should be resolved at general meetings pursuant to relevant laws and the Articles of Association of the Company, and to sign other important agreements;
- (20) to promote the law-based operation and decision-making, to guide and supervise the construction plan of corporate rule of law, to establish and implement the general legal adviser system, to guide the study of resolving major issues on construction of corporate rule of law, so as to provide the conditions and protection for the construction of corporate rule of law, and to listen to the work report on the rule of law construction of the Company;
- (21) to promote the improvement of the Company's risk management system, internal control system, compliance management system and accountability system for illegal operation and investment, decide on major matters in the above aspects, establish and improve mechanisms such as legal compliance review of major decisions, follow-up and implementation of resolutions of the Board of Directors and post-assessment to enhance the asset and liability constraints of the Company, effectively identify, review, promote prevention;
- (22) other duties as set out by the general meeting and the Articles of Association.

Article 6 With the authorization of the board of directors, the chairman of the board is entitled to exercise some of the functions and powers of the board of directors while the board is not in session. The substance of the authorization of the board of directors shall be clear and specific.

Article 7 The board's authorities to determine the disposals of the Company's assets:

In the event that the board of directors makes decisions on market development, mergers and acquisitions, and investments in new areas, for the projects with the investment amounts or mergers and acquisitions of more than 10% of the Company's total assets, a public consultant institution shall be retained to provide professional advice as the important basis for the board's decision-making.

The board of directors shall determine the authorities and establish strict reviewing and decision-making processes for investment, asset acquisition, asset pledge, entrusted wealth management, connected transactions, external donations and other affairs of the Company. Major projects shall be assessed by experts and professionals and approved by the general meeting.

Article 8 In order to ensure a prudent investment policy for the Company and enhance the efficiency of its daily operations, if a transaction is not required to be submitted to a general meeting for approval but is required to be disclosed under the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or the Rules Governing the Listing of Shares on The Shanghai Stock Exchange, it shall be approved by the board of directors. If a transaction does not meet the approval criteria for the board of directors, it shall be approved by the management of the Company.

CHAPTER 3 FORMATION AND COMMITTEES OF THE BOARD

Article 9 The board of directors shall be established in accordance with applicable laws, regulations, securities regulatory rules in the place where the Company's shares are listed and the Articles of Association, with the appropriate proportion of independent directors and external directors.

The election, replacement and term of service of directors shall follow the requirements of the Articles of Association. A director, before his/her term of office expires, maybe removed by the general meeting. The term of a director shall be calculated from the date of passing the resolution at the general meeting to the expiry of that session of the board.

When the term of office of all directors are expired, in the event that the new board of directors has not been elected, the former directors shall continue to perform their responsibilities until the new board of directors is formed.

Article 10 The board shall include one chairman and one vice-chairman.

The board shall establish special committees such as audit committee and remuneration committee and a strategy committee, nomination committee, risk control committee and other special committees shall be formed at the Company in light of demands in accordance with related resolutions and/or authorization of the Articles of Association of the Company and the general meeting. These special committees shall consider specific matters and give their opinions and advice for the board's decision-making based on the proposals made by the board of directors, the chairman of the board and general manager.

CHAPTER 4 SECRETARY TO THE BOARD

Article 11 The Company shall have a secretary to the board, whose main duty is to promote the governance standard and ensure proper information disclosure of the Company.

Article 12 The secretary to the board of directors shall discharge the following duties:

- (1) handling disclosure of information of the Company, coordinating the disclosure of company information, organizing the formulation of a management system for the Company's information disclosure affairs and supervising the Company and the relevant information disclosure obligators to comply with the relevant regulations on information disclosure;
- (2) managing investor relations, coordinating communication between the Company and securities regulators, investors and actual controllers, intermediaries, media, etc.;
- (3) preparing and organizing meetings of the Board of Directors and general meetings, attending general meetings, meetings of the Board of Directors and relevant meetings of the senior management, and taking and signing minutes of meetings of the Board of Directors;
- (4) handling matters in respect of confidentiality of information disclosure of the Company, and reporting and making disclosure to the Stock Exchange immediately in the event of leakage of material undisclosed information;
- (5) keeping track of media reports and taking the initiative to seek confirmation of the actual situation, and supervising the Company and other relevant entities to respond to enquiries of the Stock Exchange in a timely manner;
- (6) organizing training for Directors and senior management of the Company on relevant laws and regulations and relevant provisions of the stock exchanges, and assisting the aforesaid persons to understand their respective responsibilities in information disclosure;
- (7) supervising the Directors and senior management to comply with the laws and regulations, relevant regulations of the stock exchanges and these Articles of Association and to effectively fulfill their commitments; in case they become aware that the Company, its Directors and senior management have made or may

make resolutions that violate the relevant regulations, they shall remind them and immediately and truthfully report to the stock exchanges;

- (8) handling matters relating to the management of changes in the Company's shares and its derivatives;
- (9) exercising other functions and powers as conferred by the board, as well as other functions and powers as required by laws in the jurisdictions and the stock exchanges where the shares of the Company are listed.

Article 13 The Company shall establish a secretarial department with the Board where the secretary of the Board fulfills his or her duties.

Article 14 The Company shall formulate the work system for the secretary of the Board, which shall be responsible for information disclosure and investor relations. The said system shall take effect upon approval of the Board.

CHAPTER 5 BOARD MEETING SYSTEM

Article 15 The Board meetings include regular board meetings and extraordinary board meetings.

Board meetings shall in principle be convened at the domicile or listing place of the Company.

Board meetings shall generally be held onsite, or where necessary, via video conference, conference call, fax or email voting provided that the directors can adequately express their views and the convener and proposer can grant approval. Board meetings may also be held onsite and off-site simultaneously.

Where a Board meeting is held offsite, the number of attending directors shall be counted according to the directors seen at the video conference, the directors expressing their views at the conference call, valid votes such as faxes or emails received within the prescribed period, or written acknowledgements submitted after the meeting by the directors for attending the meeting.

Where directors are unable to sign promptly on the resolutions passed at a video conference meeting during the meeting, the mode of verbal voting shall be adopted and the signing shall be done as soon as possible. The verbal voting of directors shall have the same effect as their signing on the resolutions.

Where the matters to be considered at a board meeting are relatively more procedural and more of a case-by-case basis, the meeting may be held by way of written resolutions, i.e., proposals shall be considered and resolved through circulation. Unless otherwise recorded on the resolutions, the signature of directors on the resolutions shall be deemed as their voting for the resolutions.

Article 16 Regular board meetings

The Board shall meet at least four times in one year, approximately once per quarter, including but not limited to:

(1) Annual board meetings

The meeting shall be held within three months after the end of the financial year of the Company, which shall mainly examine the annual results announcement and annual report of the Company and handle other relevant matters. The time of holding the annual board meeting shall ensure that the annual results announcement and annual report of the Company can be published and distributed to shareholders within the time specified by relevant laws and regulations and the Articles of Association of the Company, that the annual preliminary financial results of the Company can be announced within the time specified by relevant laws and regulations (if applicable) and that the annual general meeting can be held within six months after the end of the financial year of the Company.

(2) Interim board meetings

The meeting shall be held within two months after the end of the first six months of the financial year of the Company, which shall mainly examine the interim results announcement and interim report of the Company and handle other relevant matters.

Article 17 Extraordinary board meetings

If any of the following circumstances occurs, the chairman of the board of directors shall issue a notice convening an extraordinary board meeting within ten days:

- (1)** shareholder(s) representing more than 10% of the voting rights consider(s) it necessary;
- (2)** more than one-third of the directors jointly propose it;
- (3)** a majority of the independent directors jointly propose it;
- (4)** the audit committee proposes it;
- (5)** the general manger proposes it;
- (6)** the chairman of the board of directors considers it necessary.

CHAPTER 6 RULES OF PROCEDURE OF THE BOARD OF DIRECTORS

Article 18 Collection of proposals

Before the issuance of the notice for a regular board meeting, the secretary to the board of directors shall be responsible for collecting the proposals. Matters subject to the approval of a majority of the independent directors or a majority of all the members of the audit committee in accordance with the law before being submitted to the board of directors shall obtain such approval in advance. After sorting out relevant information, the board secretary shall set forth the time, venue and agenda of the board meeting and form a provisional proposal for the decision by the chairman of the board.

Before deciding a proposal, the chairman shall, where necessary, seek opinions of the general manager and other senior executives. A proposal for convening an extraordinary Board meeting shall be in written form and affixed with the signature (seal) of the proposer and submitted to the office of the Board or directly to the chairman. A written proposal shall specify:

- (1) name of the proposer;
- (2) reason for the proposal or the objective reason based on which the proposal is made;
- (3) time or time limit, venue or form of the meeting proposed;
- (4) well-defined and specific motions;
- (5) means to contact the proposer, date of proposal, etc.

The contents of the proposal shall be within the power of the Board specified in the Articles of Association, and the documents relating to the motion shall be submitted together with the proposal itself.

The office of the Board shall transfer to the chairman the aforesaid proposal and related documents on the day of receipt of the same. Where the chairman deems the proposal not well-defined or specific or the relevant documents inadequate, the chairman may require the proposer to amend or supplement the proposal.

The chairman shall convene and preside over a board meeting within 10 days after receipt of the proposal that complies with the provisions of this article.

Article 19 Convening of meeting

A board meeting shall be convened by the chairman of the board. Where the chairman is unable to convene the meeting, the meeting shall be convened by the vice chairman of the board or another designated director. Where both the chairman and the vice chairman of the board are unable to convene the meeting and no person is designated to convene the meeting on their behalf, a director elected by a majority of the directors shall be responsible for convening the meeting.

Article 20 Notice of meeting

Notice in respect of shareholders meeting shall be given in accordance to the following requirement and method:

- (1) The Administrative and Management Department of the Board of Directors shall deliver a notice in respect of the time, venue and agenda of which such board meeting is to be held. Notice shall be given ten days before the day of the board meeting and shall either be directly delivered to all directors and other attendees by hand, fax, email or any other method, or if not delivered by hand, to be confirmed by telephone calls afterwards with respective records (in case of a regular board meeting, a 14-day prior notice shall be given to all directors);
- (2) The notice shall be written in Chinese and, when necessary, English translation of the notice may be attached, and shall set out the meeting agenda. Any director may waive the right to receive a notice of board meeting.

In case of emergency, if a extraordinary board meeting is required to be held, notice of such meeting can be given by phone or any other verbal method. However, the convener shall make such statement in the meeting.

The notice of such meeting shall at least set out the following:

- (1) the date and venue of the meeting;
- (2) the duration of the meeting;
- (3) relevant subject matters and agenda;
- (4) the date of the notice.

A verbal notice of meeting shall at least include (1) above, and explanation for an extraordinary Board meeting to be held in emergency.

After receipt of the notice of meeting, the directors shall responsively (not later than 2 days before convening of the meeting except where an extraordinary board meeting is required to be held as soon as possible in case of emergency, and the time of notice is less than two days before the meeting) send acknowledgements to the office of the Board.

If any director has been present in the meeting, and he does not claim before his arrival or claim at the meeting that no such notice is received by him, it shall be deemed that the notice of meeting has been served on him.

Article 21 Pre-meeting communication

From the issuance of notice of meeting to the holding of a meeting, the board secretary shall communicate and contact relevant directors in light of actual conditions, obtain their opinions and suggestions on relevant proposals and forward such opinions or suggestions to the persons putting forward the proposals in a timely manner for the purpose of perfecting the proposals. The board secretary shall also supplement necessary information as required by directors. The agenda and relevant documents of a regular board meeting shall be delivered to all directors completely and timely, and shall be sent at least three days before the date on which the board or committee meeting is scheduled to be held (or other agreed date). The arrangement above shall be also adopted for all of other board meetings when practicable.

The Company should provide effective communication channels for independent directors. Prior to the convening of the board meetings, independent directors may communicate with the secretary to the board of directors to enquire, request for supplementary materials and offer opinions and suggestions about matters to be considered. The board of directors and relevant personnel shall carefully study the questions, requests and opinions raised by the independent directors and provide feedback to the independent directors on the implementation of the amendments to resolutions and other matters in a timely manner. If two or more independent directors consider that the meeting materials are incomplete, insufficiently justified or not provided in a timely manner, they may propose in writing to the board of directors to postpone the convening of the meeting or postpone the consideration of such matter, and the board of directors shall adopt the proposal.

Article 22 Change of the notice of meeting

If, after the notice of a Board meeting is sent, it is necessary to change the time, venue, etc. of the meeting or add, change or cancel proposals to the meeting, a written notice of change shall be sent 3 days before the original designated date for convening the meeting, to explain why and provide contents and documents relating to the new proposals. Where the notice of change is sent in less than 3 days in advance, the date of meeting shall be postponed accordingly or approved by all the attending directors.

Article 23 Attendance

The quorum of board meetings shall be formed by a majority of directors (including any directors appointed in writing pursuant to Article 127 of the Articles of Association of the Company to attend the meeting as the representatives of other directors).

Where any relevant director refuses or fails to attend the meeting so that the number of attendants falls short of the quorum required for convening the meeting, the chairman and Board secretary shall responsively report to the supervisory department.

The general manager and secretary to the Board who are not directors shall also be present at the Board meeting. For the matters discussed by the Board that involve legal issues, the general counsel shall be present at the Board meeting and propose his/her legal opinions. Other relevant persons may be notified to be present at the Board meeting if considered necessary by the chairman.

In principle, the board meeting shall be attended by directors in person. If a director is unable to attend the meeting for certain reasons, he may authorize another director in writing to attend the meeting on his behalf (however, if an independent director is unable to attend the meeting in person, he shall authorize another independent director to attend the meeting on his behalf). The letter of authorization shall set forth:

- (1) the name of the principal and proxy;
- (2) the principal's brief opinion on each proposal;
- (3) the principal's extent of authority and instruction for voting on the proposals;
- (4) the principal's signature and the date, etc.

The directors shall sign written confirmations on the regular reports in accordance with the law, and shall not entrust others to sign.

The proxy director shall present the written power of attorney to the chairperson of the meeting, and explain proxy attendance in the attendance book.

Article 24 Restriction on proxy attendance

Proxy attendance at Board meetings shall follow the principles below:

- (1) When any connected transaction is under examination, a non-connected director shall not appoint any connected director to attend the meeting and vote on his behalf; and a connected director shall not accept the appointment by any non-connected director;
- (2) An independent director shall not appoint any non-independent director to attend the meeting and vote on his behalf; and a non-independent director shall not accept the appointment by any independent director;

- (3) A director shall not give any other director carte blanche to attend the meeting and vote on his behalf without providing his own opinions on the proposals and his voting intent, and the relevant director shall not accept the carte blanche without providing any voting intent on the proposals or any area of appointment not well defined;
- (4) One director shall not accept appointment by over two directors, and a director shall not appoint any other director who has been appointed by two other directors to attend the meeting and vote on his behalf.

The board of directors shall propose to the general meeting to dismiss or replace the director who has not been present in person or by proxy for two times consecutively at board meetings.

Article 25 A board meeting shall be presided over by the chairman of the board. Where the chairman of the board is unable to preside over the meeting, the meeting shall be presided over by the vice chairman of the board. Where both the chairman of the board and the vice chairman of the board are unable to preside over the meeting, a director elected by a majority of the directors shall be responsible for presiding over the meeting.

Subsequent to an election of a new board of directors at the general meeting, a director elected by a majority of the directors shall preside over a meeting to elect the chairman of the new board of directors.

Article 26 Examination of proposals

The chairperson shall announce the holding of meeting as scheduled.

After the directors present at the meeting reach agreement on the agenda, the meeting shall examine each proposal one by one under the direction of the chairperson. Firstly, the persons putting forward the proposals or persons entrusted by such persons shall report work and explain the proposals to the board of directors.

For any proposal requiring the consideration and approval at a special meeting of independent directors, the chairperson shall, before discussing the relevant proposal, appoint one independent director to read the resolution of the special meeting of independent directors.

The chairperson shall stop any director from hindering the normal progress of the meeting or affecting the speech of other directors.

The Board meeting shall not vote on any proposal not included in the notice of the meeting unless with the unanimous consent of the attending directors. A proxy director shall not vote on any proposal not included in the notice of the meeting.

In order to better understand the main points and circumstances of relevant plans, proposals and reports in detail, the board meeting may require the persons in charge of undertaking departments to attend the meeting when examining such plans, proposals and reports so that directors may learn and inquire about relevant information and make correct resolutions. The directors may, before the meeting, learn and inquire about information needed for decision making from relevant persons or institutions such as the special committee liaison department, the convener of the meeting, the general manager and other senior executives, select committees, the accounting firm and the law firm, or may, while the meeting is underway, suggest to the chairperson that the aforesaid persons or institutions appear at the meeting to provide relevant explanations.

If it is found during examination that there is anything unclear about the proposal or that the feasibility of the proposal is problematic, the board of directors shall require the responsible departments to provide explanations. Such proposal may be returned for handling and temporarily not be put to vote.

The directors shall carefully review documents relating to the meeting and shall express well-informed, independent and discreet opinions.

Article 27 The independent directors exercise the power to express independent opinions on matters that may harm the rights and interests of the Company or minority shareholders.

The independent opinions issued by independent directors shall at least include the following:

- (1) the basic information of the material matters;
- (2) the basis of the issued opinions, including procedures followed, the documents verified and details of on-site inspection, etc.;
- (3) the legality and compliance of material matters;
- (4) impact on the Company and the interests of minority shareholders, possible risks and the effectiveness of the measures taken by the Company;
- (5) conclusive statement. Where the independent directors raise reservations, objections or are unable to express their opinions, the relevant independent directors shall clearly state the reasons for their comments and the obstacles to being unable to express their opinions.

The independent opinion issued shall be signed by the independent directors for confirmation and shall be promptly reported to the board of directors, and shall be published simultaneously with the corresponding announcement of the Company.

Article 28 Voting on proposals

After adequate discussion of each proposal, the chairperson shall submit it to voting by the attending directors.

Directors' voting include affirmative, dissenting votes and abstaining opinions. All directors present at the meeting shall select one of the above options. Where any director does not select any option or select two or more options, the chairperson shall require the said director to select an option again, otherwise the said director shall be deemed as having abstained from voting. Any director who has left the meeting midway without coming back and has not made any option shall be deemed as having abstained from voting. The directors authorized to attend the meeting by proxy shall exercise rights on behalf of their principals within the scope of authorization. If a director fails to attend a board meeting in person or by proxy, he shall be deemed to have waived his rights to vote at the meeting.

If independent directors vote against or abstain from voting on a resolution of the board of directors, the independent directors shall state the specific reasons and basis, the legality and compliance of the matters involved in the resolution, the potential risks and the impact on the interests of the listed company and minority shareholders. When the Company discloses the resolutions of the board of directors, the Company shall disclose at the same time the counterviews of the independent directors, and record the same in the resolutions of the board of directors.

The board of directors shall examine the proposals submitted and any resolutions of the board with respect to any of the following matters shall also be passed by more than two-thirds of the votes. The decision on granting external guarantees shall be passed by more than two-thirds of votes of directors being present at the Board meetings while other resolutions of the board shall be passed by over half of the votes:

- (1) the formulation of the Company's plans for increase or reduction of registered capital (including but not limited to repurchase of the shares of the Company) and issue and listing of any kind of securities (including but not limited to corporate bonds);
- (2) the formulation of the Company's plans for merger, division, dissolution and amendment to the form of the Company;
- (3) adopting and amending the Articles of Association of the Company and its appendices.

A board meeting may adopt the mode of voting by a show of hands or poll. Each director shall have one vote.

Article 29 Voting result statistics

After voting of the attending directors, the Board working personnel shall responsively collect votes cast by the directors, which shall be counted by the Board secretary under supervision of an independent director.

Where the meeting is held onsite, the chairperson shall announce the voting result onsite. In other circumstances, the chairperson shall require the Board secretary to announce the voting result within one working day after the prescribed voting deadline.

The votes cast by directors after the chairperson has announced the voting result or after the prescribed voting deadline shall not be counted.

Article 30 Abstention from voting

In any of the following circumstances, the directors shall abstain from voting on the relevant proposals:

- (1) the listing rules of the stock exchanges on which the Company is listed require the abstention of voting by the directors;
- (2) the directors themselves think they should abstain from voting;
- (3) the directors are connected with the enterprises involved in the proposals and shall therefore abstain from voting pursuant to the Articles of Association of the Company.

When directors abstain from voting, such board meetings shall be convened with more than half of the directors who are not connected, and the decisions made by the board meetings shall be passed by more than half of the directors who are not connected. The matters to be passed by more than two-thirds of the directors shall be passed by votes of more than two-thirds of the directors who are not connected. If the number of directors attending the board meetings is less than three, no voting should be conducted on the proposals, and such matters shall be submitted to the general meeting for approval.

Where a director or his/her associates (as defined under the listing rules of the stock exchanges on where the Company is listed) are materially interested in respect of any contract, transaction or arrangement requiring approval by the board of directors, he shall not vote at the relevant meeting of the board of directors on relevant matters, and he shall not be counted in the quorum of such meeting. Where a resolution cannot be finalized because of abstention of any director from voting, the said proposal shall be submitted to the general meeting for deliberation.

Article 31 No ultra vires

The directors shall act as authorized by the general meetings and the Articles of Association of the Company, and shall not make any ultra vires resolution.

Article 32 Suspension of voting

Where a majority of the attending directors or more than two independent directors think they cannot make judgments on relevant issues because the relevant proposal is not clear or specific or the meeting documents are inadequate, the chairperson shall require the meeting to suspend voting on the said proposal.

The director proposing a suspension of voting shall provide definite requirements for the conditions to be met for resubmitting the said proposal for deliberation. Unless such requirements are presented directly at the Board meeting, the Board secretary shall responsively notify the directors and attendants of the written requirements jointly presented by relevant directors for suspending Board meeting or deliberation on some issues of the meeting.

Article 33 Resolutions of the meeting

Liability of the directors for the resolutions of the Board

Any written resolution by the directors in accordance with the statutory procedure shall have no legal effect as a resolution of the meeting of the board of directors even if each director has expressed his opinion by different means.

The directors shall be responsible for resolutions made at board meeting. If a resolution is passed at a board meeting in violation of the laws, administrative regulations or the Articles of Association or resolutions of the general meeting, thereby causing material losses to the Company, the directors who took part in the resolution shall be liable to the Company for damages. Where a director can prove that he expressed his/her opposition to such resolution when it was put to the vote, and such opposition is recorded in the minutes of the meeting, the director may be absolved from such liability.

Article 34 Recordings of the meeting

A Board meeting held onsite or via video or telephone may be recorded where necessary.

Article 35 Minutes of the meeting

The minutes of the Board meeting, which are the formal evidence for the resolutions of the Board, shall be made in detail. The minutes of the board meeting shall contain the following information:

- (1) the session of the meeting and the date, venue, the names of the convener and chairperson of the meeting;
- (2) the names of the directors attending the meeting in person or by proxy and the names of their proxies;
- (3) service of the notice of the meeting;
- (4) agenda of the meeting;
- (5) motions proposed at the meeting, the summary of the directors' speeches and opinions, the counterviews of the independent directors and voting intentions (for a meeting by written resolution, the directors' opinions in writing shall prevail);
- (6) the voting method and result of each proposed resolution (the result of the voting shall set out the respective number of the votes of assenting, dissenting or abstention);
- (7) signatures of the directors;
- (8) other matters deemed as necessary by the directors to be recorded.

For a board meeting held by way of written communication and voting, the reply forms as signed by directors shall be deemed as contents of the minutes of the meeting.

Article 36 Minutes of the meeting and record of the resolutions

Besides the meeting minutes, the Board secretary may where necessary arrange a clerk of the Board's liaison department to prepare a summary of the meeting, and prepare separate records of the resolutions according to the voting results.

Article 37 Signing of the directors

The attending directors shall sign the minutes of the meeting and the records of the resolutions in person or on behalf of the directors appointing them to attend the meeting. Where the directors disagree over the minutes of the meeting or the records of the resolutions, they may attach written remarks when signing the said minutes or records. Where necessary, they shall responsively report to the supervisory department or make public statements.

Where any director neither signs as per the preceding paragraph nor provides his different opinions in writing, reports to the supervisory department or makes a public statement, the said director shall be deemed to have agreed with the minutes of the meeting or the contents of the resolutions.

Article 38 Keeping of meeting archives

Archives of Board meetings include notices of meeting, meeting documents, powers of attorney for proxy directors, meeting recordings, votes, meeting minutes signed by the attending directors, meeting summaries, records of the resolutions, announcements of the resolutions, etc., which shall be kept by the Board secretary.

Archives of Board meetings shall be kept for more than 10 years.

CHAPTER 7 RULES OF PROCEDURE OF SPECIAL COMMITTEES

Article 39 The board of directors shall establish special committees in accordance with the Articles of Association. The board of directors shall be responsible in formulating the rules of procedures of the special committees and specifying responsibilities of the special committees to regulate their operation.

Article 40 Each special committee shall regularly or irregularly hold meetings as required. A meeting shall be presided over by the chairman of the special committee. A meeting may be convened upon the proposal by any member of the committee, the chairman of the board or the general manager.

Article 41 Meetings of the special committees shall be held on-site as a general principle. On the premise of ensuring that all participating directors are able to fully communicate and express their opinions, the meeting may be held by video, telephone or other means in accordance with the procedures when necessary.

Article 42 Each member of each special committee of the board of directors shall have one vote at a meeting of each special committee. The resolutions made by each special committee shall be subject to approval by over half of all members of the special committee.

Article 43 A member of each special committee shall attend a committee meeting in person. If the member is unable to attend the meeting in person for any reason, he shall review the meeting materials in advance, form a clear opinion and authorize another committee member in writing to attend the meeting on his behalf. The power of attorney shall set forth the scope of authorization. If any independent director member is unable to attend the meeting in person for any reason, he shall delegate other independent director members to attend the meeting on his behalf.

Article 44 The senior executives of the Company and other persons who, in the opinion of the special committee, should attend the meeting shall have the right to attend meeting of the special committee as non-voting delegates.

Article 45 The special committee's liaison department of the Company shall inform each member of the committee and non-voting attendees of the time, venue and agenda of the meeting and relevant materials at an appropriate time prior to the holding of the meeting.

Article 46 Complete written minutes shall be prepared for a meeting of each special committee and kept at the administration department of the board of directors. The first and final draft of meeting minutes shall be served on all members of the committee within 14 days of the meeting. The first draft shall be served on the members of the committee for them to express opinions. The final draft shall be for record and signing by the members of the committee. The opinions of independent directors shall be set out in the minutes. The independent directors shall sign and confirm the minutes of the meeting.

Article 47 The Board affairs department shall properly keep the meeting minutes and materials of each special committee and make them available for review by all members of the board of directors at any time. Meeting materials of all special committees shall be maintained for over 10 years.

Article 48 Each special committee shall report the status of its performance of its responsibilities listed in Code on Corporate Governance Practices at the regular meetings of the board of directors.

CHAPTER 8 INFORMATION DISCLOSURE OF BOARD MEETINGS

Article 49 The board of directors of the Company shall strictly observe the regulations of the regulatory authorities and stock exchanges at the places where the Company's shares are listed on information disclosure, and fully, timely and accurately disclose the matters examined or resolutions passed by the board of directors which should be disclosed. The information concerning important matters shall be reported to the stock exchange as soon as possible and shall be submitted to relevant regulatory authorities for record. The board secretary and administration department of the board of directors shall handle the relevant matters.

Before the disclosure of the resolution announcement, directors present and attending personnel, recording and service personnel shall be responsible for keeping the content of resolutions confidential.

Article 50 If relevant matters on which independent directors express independent opinions are matters which should be disclosed, the Company shall announce the opinions of the independent directors. In case the independent directors fail to reach an agreement, the board of directors shall disclose the opinions of each independent director respectively.

CHAPTER 9 IMPLEMENTATION AND FEEDBACK OF BOARD RESOLUTIONS

Article 51 The following matters shall be subject to the examination and approval at the meetings of the board of directors and shall not be implemented until the general meeting approves the same:

- (1) the formulation of the Company's plans for profit distribution and plans for making up losses;
- (2) the formulation of the Company's plans for increase or reduction of registered capital (including repurchase of the stocks of the Company) and issue and listing of corporate bonds or other securities;
- (3) the formulation of the Company's plans for merger, division, dissolution and amendment to the form of the Company;
- (4) the formulation of the plan for making amendments to the Articles of Association of the Company;
- (5) the proposal for requiring the general meeting to retain or replace the certified public accountants performing audit services for the Company;
- (6) other matters so stipulated by applicable laws, regulations, securities regulatory rules in the places where the Company's shares are listed and the Articles of Association.

Article 52 The chairman of the board shall have the right to, or authorize vice chairman or directors to, inspect and procure the implementation of resolutions of board meetings.

Article 53 At each board meeting, the general manager shall report the status of implementation of the resolutions passed at the previous board meeting in writing to the meeting.

Article 54 Under the leadership of the board of directors and chairman of the board, the board secretary shall take initiative to monitor the progress of implementation of board resolutions, timely report important issues found during the implementation to the board of directors and the chairman of the board and make relevant suggestions.

CHAPTER 10 SUPPLEMENTARY PROVISIONS

- Article 55** These Rules of Procedures are an appendix to the Company's Articles of Association and prepared by the board.
- Article 56** These Rules of Procedures shall come into effect, together with the Company's Articles of Association and Rules of Procedures of General Meeting, upon approval of a general meeting by passing a special resolution. Any amendment to these Rules of Procedures shall be proposed by the board in the form of an amendment proposal, and shall come into effect upon approval of a general meeting by passing a special resolution.
- Article 57** Where any matter is not covered by these Rules of Procedures or where these Rules of Procedures are in conflict with relevant laws and regulations promulgated from time to time and provisions of the Articles of Association and Rules of Procedures of General Meeting, those laws and regulations and provisions of the Articles of Association and Rules of Procedures of General Meeting shall prevail.
- Article 58** The general meeting authorizes the board to interpret these rules of procedure.
- Article 59** The phrases "more than" and "less than" herein for the numbers includes the numbers indicated themselves while "majority" and "exceed" excludes the numbers indicated themselves.