



## **COSCO SHIPPING INTERNATIONAL (SINGAPORE) CO., LTD.**

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 196100159G)

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### **RESPONSE TO QUERIES FROM SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

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The Board of Directors (the “**Board**”) of COSCO SHIPPING International (Singapore) Co., Ltd. (the “**Company**” and together with its subsidiaries, collectively the “**Group**”) refers to the Company’s Annual Report for the financial year ended 31 December 2022 released on 6 April 2023 (“**Annual Report 2022**”).

The Board would like to respond to the following queries raised by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 26 April 2023 as follows:

#### **Query**

It is disclosed in page 42 of AR2022, Note (3) that “Wang Kang Tian ceased to be the Chief Financial Officer and Chief Risk Officer on 22 December 2022”.

Please disclose:

- (i) the reason why the position is not fulfilled;
- (ii) the Company's plan to fulfil this role;
- (iii) how long does the Company anticipate to fill up the position; and
- (iv) who is currently overseeing the function after the departure of the CFO? Please assess the personnel's ability to provide adequate oversight.

#### **Company's Response:**

- (i) As announced by the Company on 22 December 2022, the Company’s parent, China COSCO SHIPPING Corporation Limited (“**COSCO SHIPPING**”), is recommending a suitable replacement to the position of Chief Financial Officer and Chief Risk Officer (“**CFO & CRO**”). The Company has been informed by COSCO SHIPPING that to-date a suitable replacement has not been identified. COSCO SHIPPING has attached great importance to the Company’s future growth, and has been making efforts to find the replacement. The Company and COSCO SHIPPING will continue to work together towards finding a suitable replacement to the position of CFO & CRO as soon as possible.
- (ii) The Company will appoint the CFO & CRO once a suitable candidate has been identified and selected by COSCO SHIPPING from the COSCO SHIPPING group of companies (“**COSCO SHIPPING Group**”). This will allow the Company to leverage on the expertise and experience of the COSCO SHIPPING Group. COSCO SHIPPING has informed the Company that it has in place a selection process to ensure that the most suitable candidate is identified for the role.

- (iii) While the Company cannot provide a specific timeline for the selection process, it is actively working with COSCO SHIPPING to identify and appoint a suitable candidate as soon as possible. The Company will make an announcement as soon as the CFO & CRO is appointed.
- (iv) In the interim, Mr Liu Wenyong, the General Manager of the Finance Division of the Company, is temporarily managing the daily work of the financial and risk management functions of the Company. In past 20 years, Mr Liu Wenyong has worked as Finance Department Chief Manager of Da-In Ferry Co., Ltd in Seoul, Korea; Manager of Finance Department in PAN COSMOS Shipping & Enterprises Co. Ltd in Hong Kong, China; Chief Financial Officer of COSCO SHIPPING Plaza (Dalian) Co., Ltd in Dalian, China; Financial Management Department General Manager of COSCO SHIPPING Investment Dalian Co., Ltd. in Dalian, China. After working on these positions, Mr Liu has accumulated sufficient expertise and experience in financial management. For significant issues, the Company's senior management will discuss and make collective decisions.

### **Query**

Listing Rule 710A states that an issuer must describe in its annual report its board diversity policy, including the following:

- (a) the issuer's targets to achieve diversity on its board;
- (b) the issuer's accompanying plans and timelines for achieving the targets;
- (c) the issuer's progress towards achieving the targets within the timelines; and
- (d) a description of how the combination of skills, talents, experience and diversity of its directors serves the needs and plans of the issuer.

Please disclose whether and how Listing Rule 710A has been complied with.

### **Company's Response:**

As disclosed on page 28 of the Company's Annual Report 2022 and in line with the Company's Board Diversity Policy, (i) the Board comprises Directors who as a group provide core competencies, such as accounting or finance, business or management experience, industry knowledge, strategic planning experience and customer-based experience or knowledge, which are required for the Board to function effectively; (ii) the Board also consists of Directors with different nationalities and ages, and who have served on the Board for different tenures; and (iii) no individual or small group of individuals dominate the Board's decision-making process. The Company also commented on page 27 that its current Board composition reflects the diversity of backgrounds and skill sets of the Directors. Further details of the Board's mix of expertise, background and experience are set out in the profile of each Director on pages 68 to 69 of the Annual Report 2022.

In terms of the gender aspect of diversity, the Nominating Committee ("**NC**") and the Board recognise that the existing Board comprises only male Directors which diverges from the recommended practice. Nonetheless, the Board is committed to pursue gender diversity on the Board. As it is mentioned on page 28 of the Annual Report 2022, the NC will strive to ensure that female candidates are included for consideration whenever an opportunity arises. The Company values the importance of gender diversity but is also of the view that the core criteria for candidates would still be the skill-set and core competencies of the candidates and the skill-set and core competencies required of the Board may change over time as the business of the Group develops.

The NC is satisfied that (i) the Board currently has a satisfactory level of diversity in the present business environment; and (ii) the Board comprises Directors who possess the core competencies,

experience and knowledge in business, finance and management skills critical to the Group's business and that each Director brings to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made.

Taken into account the above and given the nature of the Group's business at present, the Board does not propose to set specific diversity targets or concrete timelines for achieving board diversity targets. Instead, the NC will continue to monitor that the diversity objectives continue to be met and work with the Board to maintain satisfactory level of diversity and will ensure improvements be made towards the Board Diversity Policy. Any progress made towards the Board Diversity Policy will be disclosed accordingly.

In view of the foregoing, the Company believes that Listing Rule 710A has been complied with.

By Order of the Board

Zhu Jian Dong  
Chairman and President  
27 April 2023