

COSCO Pacific Limited

Terms of Reference of Corporate Governance Committee

Establishment

During a meeting of the board of directors (“the Board”) of COSCO Pacific Limited (“the Company”) held on March 26, 2003, a Corporate Governance Committee (“the Committee”) was approved to be established under the Board.

Objectives

The Committee, under the supervision of the Board, is responsible for introducing and proposing relevant principles concerning corporate governance so as to enhance the standard of corporate governance of the Company.

Membership

1. The Committee shall consist of not less than six members, who shall be appointed by the Board from amongst the executive directors and management who are professionals in the relevant aspect of the Company.
2. The Chairman of the Committee shall be appointed by the Board from amongst the executive directors.
3. The Secretary of the Committee shall be appointed by the Committee from amongst the members of the Committee. The Secretary of the Committee shall be responsible for despatching notice of meeting to the members of the Committee, taking minutes at the meetings, circulating the minutes to the members present at the meetings for signature, keeping the minutes thereof for records and copying the minutes to the Company Secretary.
4. The members of the Committee shall have the obligation to keep all matters discussed by the Committee confidential and cannot release any related information to outsiders without the Committee’s permission.

Meetings

1. The quorum of the Committee shall be four. Each member shall be entitled the right of one vote. Any resolution of the Committee meeting shall require a majority of vote.
2. The Committee shall meet regularly and Committee meetings shall be held at least four times a year. In case of necessity, meetings may also be held by at least half of the Committee members as and when required.
3. Seven days’ notice shall be given to the Committee members before each meeting (except for special circumstances).
4. All meetings shall be chaired by the Chairman of the Committee. In the event of his absence, he may assign another member to chair the meeting on his behalf.
5. Agenda of Committee meeting and accompanying meeting papers should be sent to all committee members at least 3 days before the intended date of the meeting (except for special circumstances).
6. Minutes of Committee meetings shall record in sufficient detail the matters considered by the Committee and decisions reached, including any concerns raised or dissenting views expressed by members. Draft and final versions of the minutes of Committee meetings shall be sent to all committee members for comments and records respectively, in both cases within a reasonable time after the Committee meeting is held.

Authority

1. The Committee is authorized by the Board to investigate any activities within the scope of its terms of reference and obtain any information required from relevant parties to facilitate its understanding of the issue.
2. The Committee is authorized by the Board subject to prior discussion in particular the costs, to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary.

Duties

The duties of the Committee shall be:

1. to review the corporate governance practice of the Company;
2. to review the Company's disclosure systems;
3. to consider other topics, as authorized by the Board.

Reporting Procedures

The Committee reports directly to the Board on its decisions or recommendations by way of minutes (in written form) after the Committee meeting has been held.

Date of Adoption

These terms of reference was approved and adopted by the Board on March 26, 2003 and amended by the Board on January 1, 2005 and February 25, 2009.

In the event of any inconsistency, the English language text of these terms of reference shall prevail over the Chinese language text.