

Corporate Responsibility

The OOIL Group prides itself upon being a responsible corporate citizen and it employs the highest standards of business ethics in all that it does.

SECURITY

The issue of security has always been at the top of the Group's list of priorities. In relation to the more recent rules and regulations, certified as a Customs-Trade Partnership Against Terrorism ("C-TPAT") member, a scheme launched by the US Customs and Border Protection ("CBP") to improve maritime security, OOIL remains committed to the security of its operations against possible compromise and to the maintenance of the highest level of compliance in security related areas.

The Group has developed a Corporate Security Policy and has established internal guidelines, which also are in compliance with C-TPAT, in recognition of the fact that we have the responsibility to ensure the safety and integrity of all our employees, both on shore and at sea, of our managed ships, our customers' cargoes and our port facilities. We must and do therefore, offer our complete co-operation to the Authorities including the Governments of all States in their efforts against any act that will impinge upon maritime or cargo security.

OOIL has also implemented internal security checks to all of its holdings. Its security profile has been validated by CBP, who have physically checked the offices and facilities of OOIL including terminals, warehouses, depots and vessels. CBP concluded that OOIL has demonstrated effective security throughout the organisation as well as a dedication to working with others to strengthen any supply chain security vulnerabilities that might exist. That is the essence of C-TPAT and CBP highly appreciates OOIL's full co-operation.

The Group's US terminals are all fully compliant with the US Department of Homeland Security and the US Coast Guard marine facility security regulations. In accordance with the Canada Border Services Agency ("CBSA") regulations, the Group's terminals in Vancouver are certified to the Transport Canada Marine Transportation Security Regulations ("MTSR") with all the required Certified Security Plans in place. The MTSR Code follows the requirements of the International Ship and Port Facility regulations. TSI in Vancouver is also a member of the Partners in Protection Programme ("PIP") which is administered by the CBSA. It was developed to foster co-operation, to enhance Border Security and to assist in the fight against the illegal movement of contraband into and out of Canada. This PIP Code parallels all the security requirements of the C-TPAT Code in the US. In addition, the Group's Canadian terminals are fully compliant with all Transport Canada Marine Security and Transport Canada Coast Guard regulations.

ENVIRONMENT

OOIL fully endorses and embraces a policy under which safety and the protection of the environment are foremost and has formulated a Safety and Environmental Protection Statement that governs this area of its business.

It is the company's policy to have all its vessels compliant with the accreditation requirement of the US Coast Guard - Qualship 21 Program - Identification for Quality Operation of Non-US Flagged Vessels, regardless of whether they enter US territorial waters or not (ships operating outside the territorial waters of the US are not eligible for Qualship 21 accreditation), and regardless of under which jurisdiction the ships are registered (ships can only obtain Qualship 21 accreditation if they are registered with a flag state that is Qualship-21 compliant). The certification is recognised as one of the most rigid safety and pollution-prevention standards in the world.

OOIL is involved in a number of environmental protection initiatives, several of which exceed regulatory requirements. To upgrade its Environment Protection Management System, ISO14001 specification has been adopted. OOIL has set targets and established monitoring programmes for air and noise emissions, the efficient use of resources, the release to water and waste disposal, to name but a few. The OOCL fleet has achieved the award of being Green Flag vessels from the Port of Long Beach ("POLB"). To reduce air emissions, the OOCL fleet has participated in the Voluntary Speed Reduction Program since May 2001. Both the POLB and the Port of Los Angeles ("POLA") have commended our performance as outstanding and demonstrates our commitment to environmental protection in Southern California. For the year 2005, OOCL was once again the top performer demonstrating 100% compliance as mentioned in a Letter of Recognition from the POLA. This positive recognition from POLA not only confirms OOCL's commitment to environmental protection but also allows OOCL to enjoy a dockage reduction rate when using Long Beach terminals.

OOCL's Fleet Management Department and all of its vessels have met a number of international standards for safety and environmental protection. OOCL was the first container shipping line, and only the tenth of all companies globally, to achieve the American Bureau of Shipping ("ABS") Classification Society's Safety, Quality and Environmental ("SQE") management system.

All OOCL vessels comply with the relevant annexes of MARPOL 73/78 (the Convention on Marine Pollution), and operate Shipboard Waste Management Systems which comply with, or exceed, present regulatory requirements. The company is also in compliance with both the voluntary and mandatory Ballast Water Management regulations as adopted by those countries to which our vessels operate.

OOIL has a set of strict guidelines and procedures for cargo handling, especially for the handling of hazardous cargoes. In both headquarters and regions, senior managers are assigned the role of safety officers. A set of procedures is also in place to control and manage the acceptance of Dangerous Goods cargoes and these comply with all international and national regulatory requirements and standards in the transport of Dangerous and Hazardous goods ("IMDG and US - CFR49").

The company offers an extensive network of trunk, feeder and barge services which encourage the use of sea transport, the most environmentally friendly mode of cargo transportation. Trucking and rail transport are used only for inland locations which cannot be reached by water borne transport. In respect of other equipment, all refrigerated container boxes ("reefers") use the most environmentally friendly of refrigerants. All trucks owned by OOIL companies are maintained in the best of condition to minimise fuel consumption, gas emissions and noise pollution.

OOIL's container terminals ensure that they only purchase items of equipment which are fuel efficient and have lower emissions engine systems. The installation of automated gate systems has greatly reduced truck queuing and idling time in the receiving and delivery processes thereby significantly reducing engine emissions. The US Terminals meet all Environmental Protection Agency Standards and have installed oil/water runoff separation systems.

In addition, the Group makes extensive use of electronic communications in conducting its business, thus assisting in the conservation of natural resources. Within OOIL's office network, all employees are encouraged to recycle paper and to use the least amounts of natural resources, i.e. energy, water, paper, etc. OOIL is also a pioneer in the field of e-commerce thereby encouraging the advent of "paperless" trade and business.

During the process of vendor and supplier selection, environmental issues are major considerations. Before vessels are chartered-in, on-hire surveys are conducted in which all certificates and classification documents are inspected and confirmed to ensure that the ship is both safe and environmentally friendly.

The company's achievements, in many aspects, have already greatly exceeded legal requirements and general industry standards in the countries in which and to which it operates. However, as a responsible and committed member of the international community, OOIL strives continually for further improvement in all aspects of its business.

COMMUNITY AND EDUCATION

OOIL prides itself upon being a responsible corporate citizen and recognises that the societies in which its employees live and work contribute greatly to the company's overall success. Care for these communities in which it operates is therefore a major OOIL focus. OOIL concentrates its community efforts on charity programmes to provide well-rounded education to the youth, charity relief to the needy and cultural entertainment to the whole community.

Every week, throughout the world, OOCL employees give something back to the communities in which they live - in the form of charity events, fund-raising or by dedicating their time and efforts. One of the major and on-gong projects in which OOCL has been involved is Project HOPE (Health Opportunities for People Everywhere). OOCL assists through the transportation of the latest medical diagnostic equipment and supplies from the US to China to care for children in urgent need of treatment.

In 2005, OOIL employees made donations, which were matched by the company on a one-to-one basis in support of Disaster Relief. In addition to financial donations, the Company has been contributing transportation and logistics support, providing numerous containers to help with relief work in the affected areas. Assistance in the form of free transportation is regularly given to a number of charitable projects.

Other beneficiaries of welfare donations made by OOIL and its employees include social services, orphanages and children's hospitals, cancer research, multiple sclerosis and diabetes research and many others in Asia, North America, Australasia and Europe.

In keeping with OOIL's long tradition of community responsibility, the Tung OOCL Scholarship supports the education of youth. OOIL, in partnership with The Tung Foundation, spends over US\$300,000 per year on educational scholarships for students in mainland China and for the children of employees globally.

EMPLOYEE INFORMATION

As a responsible corporate citizen employing the highest standards of business ethics in all that it does, OOIL understands that the process begins with the treatment of its employees. As a successful corporation, OOIL appreciates that its success, growth and performance rests on the skills, dedication and teamwork of its staff. It regards people as its greatest asset and cares for them accordingly.

In a spirit of mutual respect, OOIL has a clearly defined policy that includes: the treatment of all employees with fairness and dignity, the encouragement of a culture of open and frank communication throughout the organisation, the investment in its people and care for their hopes and aspirations through people-development programmes, training and education and the recognition and reward of their efforts and achievements. People development remains a cornerstone of the corporate culture and enables the effective operation of OOIL's policy of career development through recruitment from within. OOIL has, over the past years, channelled a great deal of time and effort into its various people-development programmes. OOIL advocates continuous learning and supports employee career development through job rotation, local and overseas job assignments as well as through formal training for performance enhancement.

OOIL employs an innovative approach to employee learning and management development. A rich culture of knowledge sharing is in place and a new knowledge-sharing platform was adopted in 2005 to facilitate knowledge and best practice sharing between and amongst all employees. E-learning has offered a whole new string to the company's human-resources bow, creating a learner-centric, interactive path to training and self-improvement as well as opening up learning opportunities to many more people within the business. Continuing with the successful deployment of the Security Awareness Programme with a 100% completion rate in 6 months, a refresher programme was launched in 2005 with a target to achieve a 100% completion rate within 5 months.

As at 31st December 2005 OOIL had 6,165 full time employees whose salary and benefit levels are maintained at competitive levels. Employees are rewarded on a performance related basis within the general policy and framework of OOIL's salary and bonus schemes which are regularly reviewed. Other benefits are also provided, including medical insurance and pension funds, and social and recreational activities are arranged around the world.

In the interests of adhering to the highest ethical standards on an ongoing basis, the company has a formulated Code of Conduct which serves as a guideline to ensure compliance with all local, national and international legal standards and to preclude offences under local, national and international laws, any breaches of confidentiality, non-disclosure requirements or intellectual property rights and any conflicts of interest, acts of bribery, corruption or political contribution and any other areas of deemed misconduct.

OOIL is committed to the philosophy of equal opportunity in employment. It is the Company's policy not to discriminate against any employee or applicant for employment on the grounds of race, colour, religion, creed, age, sex, disability, pregnancy, childbirth and related medical condition, marital status, sexual orientation, veteran status and or any other category whether protected by local laws and legal regulations or not.