

# Corporate Responsibility

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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

Being a certified Customs-Trade Partnership Against Terrorism (C-TPAT) member – which was launched by US Customs and Border Protection to improve maritime security – OOIL is committed to the security of its operations against possible compromise and to the maintenance of the highest level of compliance in customs-related areas. In compliance with C-TPAT, the company has developed the Security Internal guideline. It has also implemented internal security checks to all of its holdings.

## 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 business.

It is the company's policy to have all vessels comply with the Qualship 21 Program – Identification for Quality Operation of Non-US Flagged Vessels, regardless of whether they enter US territorial waters (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 (EMS), 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.

OOCL's Fleet Management Department (FMD) and all its vessels have met a number of international standards for safety and environmental protection. OOCL is the first container shipping line, and only the tenth of all companies in the world, to have achieved 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 that 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 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 ship. In respect of other equipment, all refrigerated container boxes ("reefers") use the most environmentally friendly of refrigerants. All container trucks owned by OOIL companies are maintained in the best of condition to minimise fuel consumption, gas emissions and noise pollution.

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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 on 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 programs 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, fundraising or by dedicating their time. One of the major and on-going 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.

As of 25th February 2005, OOIL employee donations in support of Disaster Relief in Asia had surpassed US\$83,000. The company matched all contributions made by staff on a one-to-one basis, with the funds going to the Red Cross. 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, diabetes and countless 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\$320,000 per year on educational scholarships for students in China and Hong Kong 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 about their aspirations through people-development programs, training and education; and the recognition and reward of their efforts and achievements. People-development remains a cornerstone of the company culture, and enables the effective operation of OOIL's policy of career development through recruitment from within. OOIL has over the past year channelled a great deal of time and effort into its various people-development programs. OOIL advocates continuous learning and career development, including job rotation, local and overseas job assignments as well as formal training for performance enhancement.

OOIL employs an innovative approach to management education. 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 more people in the company. In 2004, OOCL achieved a 100 percent completion rate in less than six months for its Security Training Awareness Program.

As at 31st December 2004 OOIL had 5,546 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 scheme, and discretionary bonus schemes based on the performance of the Company, 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 formulated Code of Conduct which serves as a guideline to ensure compliance with all local, national and international legal standards and to preclude against offences under local, national and international laws, any breaches of confidentiality, non-disclosure requirements or intellectual property rights and against 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 because of race, colour, religion, creed, age, sex, disability, pregnancy, childbirth and related medical condition, marital status, sexual orientation, veteran status or any other category whether protected by local laws and legal regulations or not.