

# ENVIRONMENTAL PROTECTION

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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.

The Group's Core Value of Community Responsibility as regards environmental concern is communicated to all employees through the induction program for new employees. A management system, comprising committees at various levels with members from senior management to functional specialists of the Group, is in place to steer the direction of safety, security and environmental protection policies and initiatives; and to support the implementation.

The Group's modern fleet has constantly been recognised as containing 'quality ships' in both operational safety and environmental protection. The continuation of the Qualship 21 ("Quality Ship") certification of our vessels by the US Coast Guard demonstrates our dedication to high standards. In governing our fleet, we have a well-established Safety, Quality, and Environmental ("SQE") management system. OOIL is the first container shipping line, and in the first ten of all companies globally, to achieve SQE certification accredited by the American Bureau of Shipping ("ABS"). Certificated standards such as ISO 14001 and ISM were built into our daily fleet operations from very early on. With a well-trained staff at sea and onshore, we live up to one of the most rigid safety and pollution-prevention standards in the world.

In recent years, climate change has taken centre stage in the environmental arena and in the industry. While we comply with all IMO Marpol 73/78 standards such as the use of NOx-controlled engines and low sulphur fuel, OOCL simultaneously takes proactive and innovative measures to reduce emissions. Currently, and in conjunction with our suppliers, we are studying the use of Sea Water Scrubber technology on vessels which is anticipated to virtually eliminate sulphur emissions in the air.

## **ENVIRONMENTAL PROTECTION (CONT'D)**

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Fuel efficiency (i.e. the control of fuel consumption) is the key initiative in reducing carbon dioxide (CO<sub>2</sub>) emissions. At OOCL, it includes such measures as real-time vessel controls (weather routing), a ballast water minimisation programme, optimal speed cruising and trim, as well as various other initiatives. Our excellent performance has once again allowed us to enjoy a dockage reduction rate and won us the Green Flag award in consecutive years for our 100% compliance with the Voluntary Speed Reduction Program in the Port of Long Beach.

Our commitment to safety, security, and environmental protection is an initiative throughout our supply chain. 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. All trucks owned by OOIL companies are maintained in the best of condition to minimise fuel consumption, gas emissions and noise pollution.

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 works with suppliers that provide environmentally-friendly containers to transport our customer's cargo. Our containers are constructed with environmentally-friendly flooring made of Eucalyptus from man-made forests as opposed to traditional Apitong from old-growth, and use low Volatile Organic Compounds ("VOCs") and Heavy Metal free paints and finishes. Our reefers are Chlorofluorocarbon ("CFC")-free to help in the fight against ozone depletion.

## **ENVIRONMENTAL PROTECTION (CONT'D)**

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OOIL's container terminals ensure that they only purchase items of equipment which are fuel efficient and have lower emissions engine systems. Both Long Beach Container Terminal ("LBCTI") and Kaohsiung Container Terminal ("KAOCT") have converted to electricity for large cranes. In addition, LBCTI installed Diesel Oxidation Catalysts on all of its yard equipment which reduces emissions from our diesel-powered equipment. 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 oily and waste 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. Additionally, the Group enforces a smoke-free office policy in all its workplaces. 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 Group'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.