

Operational Safety

Complete operational safety is of the utmost importance at MOL, and we view it as our social responsibility. In the wake of four successive major marine accidents in fiscal 2006, we reflected deeply on and analyzed the factors that caused these incidents. This led us to establish the Safety Operations Headquarters, which is at the vanguard of our efforts to forcefully promote measures that will prevent future accidents. In this section, we introduce some of those measures.



MASAAKI NEMOTO
Executive Officer

Safety Conference

Since 2007, we have been holding Safety Conference briefing sessions in three locations around the world: India, the Philippines and Eastern Europe. These conferences gather executives and employees of ship management divisions, including MOL's executive officer in charge of safe operations, and seafarers on leave. Attendees receive presentations on MOL's present status and expectations for seafarers, learn from past problems by looking at case studies, and discuss hidden risks in their workplaces and measures to improve safety. Every year ahead of the briefing sessions, MOL employs outside specialist consultants to conduct interviews with seafarers for their candid opinions and uses the feedback to pinpoint problem areas and set priorities. Interactive communication among front-line personnel (seafarers), supervisors (land-based superintendents) and management is crucial for enhancing shared understanding of what operational safety means and these conferences provide a valuable forum for that. Three years into this program, we found this year that seafarers, who in past years had been somewhat reticent, were prominent in voicing constructive opinions, an encouraging sign that mindsets are changing. MOL utilizes the ideas for building safer ships and for supporting operational safety that emerge from the discussions at these conferences to devise its strategies.

Safety Operation Supporting Center (SOSC)

In February 2007, MOL established the Safety Operation Supporting Center (SOSC) in its Tokyo Head Office building. The SOSC operates

round-the-clock and is staffed full time by experienced captains, who constantly watch over MOL's approximately 860 fleet. The SOSC provides real-time information to individual ships to aid in safe navigation. Besides weather and sea conditions, this up-to-the-minute information extends to information on terrorism and piracy, and public safety and hygiene for calling ports. Duty officers at the SOSC do more than simply pass on information. As experienced captains themselves, they receive questions and consultations from vessels and offer appropriate advice based on their experience and wealth of information available to them. Captains of ships at sea are under constant pressure as the master of huge vessels. One of the SOSC's roles is to ensure that they never feel alone, so that they can make cool-headed and quick decisions that put safety first when needed. The SOSC thus provides wide-ranging support in collaboration with commercial divisions.

Ship Visits and Training

Improving interactive communication between land and sea is an ongoing theme at MOL. One way we are fostering closer communication is through

ship visits. In fiscal 2008, we introduced a system where management-level staff (executives and division heads) visit ships to talk about company management. This program builds on an existing system that involves mainly staff responsible for commercial operation and ship management holding meetings on ships. We also run Company-wide focused operational safety campaigns twice a year. These are some of the ways that we provide frequent opportunities for seafarers and land-based staff to understand each other and discuss operational safety on the same footing.

We have also produced an educational DVD reenacting the four major marine accidents that occurred in fiscal 2006 to ensure that this painful experience does not fade from our collective consciousness. This DVD is shown to MOL's seafarers and land staff around the world as part of our training program. Through workshops and theme-based training for personnel in charge of operation onshore, we hone a sense of responsibility for achieving improvement of both navigation efficiency and safety. When it comes to operational safety measures, all parts of our activities are equally important at MOL, whether on land or at sea.

MOL PRESIDENTIAL AWARD

In 2008, MOL instituted the *MOL Presidential Award*, a system where the president directly honors seafarers who have demonstrated leadership at sea and have an outstanding record in safe navigation. In the first year of this award, a total of five MOL Group captains and chief engineers were selected and invited to an awards ceremony with their spouses. We believe that recognizing people who achieve a major contribution to safe front-line operations will make them role models and good examples for all our seafarers to follow.

