



Nippon Yusen Kabushiki Kaisha

Slavery and Human Trafficking Statement 2021/22

This statement is made by the Nippon Yusen Kabushiki Kaisha (“NYKK”) and published pursuant to section 54(1) of the Modern Slavery Act 2015 with the approval of the Board of Directors of NYKK. It sets out the actions taken by NYKK for the financial year ending 31 March 2022 to prevent modern slavery and human trafficking within NYKK, its subsidiaries and affiliates (together the “NYK Group”) and their supply chains.

Introduction

As part of its dedication to conducting its business lawfully and ethically, NYKK is fully committed to ensuring that no form of modern slavery or human trafficking occurs in its business and supply chains. We work with the highest integrity, a compliance culture and respect for human rights to earn the trust of our customers and society. At NYKK, we have a zero-tolerance approach to modern slavery and are committed to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place in our organization as well as within our wider supply chains.

This is our seventh Slavery and Human Trafficking Statement. It builds on our prior statements to demonstrate our continued commitment to address modern slavery and other human rights issues throughout our global operations and supply chains. We are proud of our efforts to date but are mindful that our program must continually improve to fulfill our commitments to ensure that no form of forced or compulsory labor takes place within our business.

As detailed below, NYKK continued its efforts to prevent forced labor in its global business and supply chains through employee training and supplier validation. NYKK strongly believes that multi-stakeholder collaboration is critical to meet our ethical standards and in Financial Year 2021, we continued to engage with our business partners in joint efforts to create awareness and drive change in our businesses and supply chains.

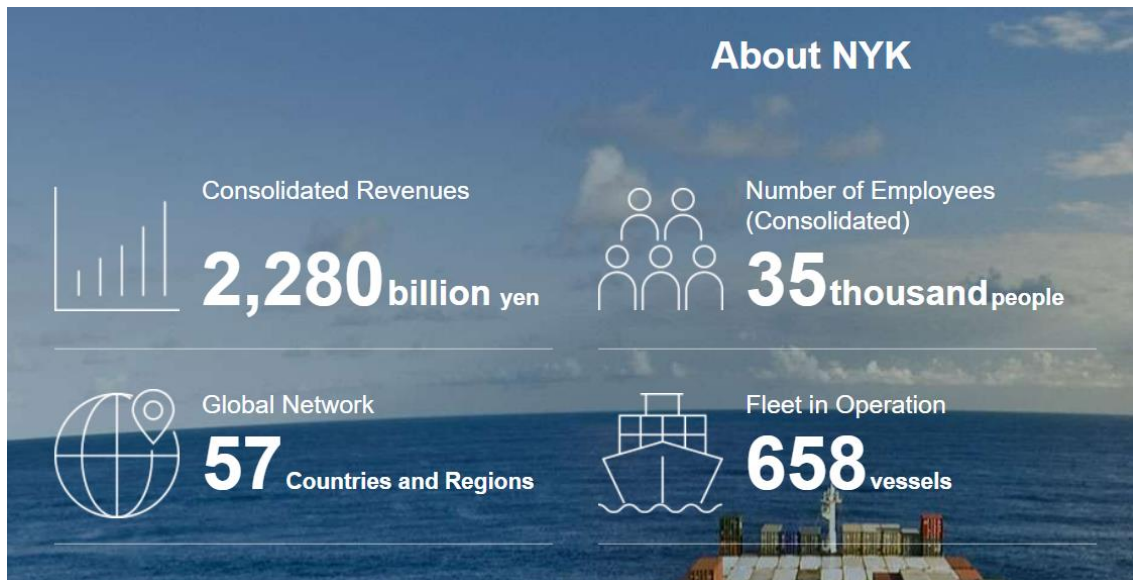
NYK Group Company Profile

NYK Group, headquartered in Tokyo, Japan, is a leading global provider of transport and logistics services. Established over 130 years ago, the NYK Group is active in more than 57 countries and employs more than 35,000 staff worldwide.

Using ocean, air and land freight networks that extend across the globe, the NYK Group supports people’s daily lives by carefully transporting cargo, thereby contributing to a more prosperous society.

The NYK Group’s activities include a liner and logistics business (which consists of liner shipping, air cargo transportation and logistics), bulk shipping, real estate, and other business services.

In the U.K., NYK Group Europe Limited (“NGE”) acts as the regional management office (“RMO”) in Europe and leads NYK Group’s regional human rights activities.



Maritime Labour Convention 2006 and the United Nations Global Compact

As a global logistics business, the NYK Group is committed to contributing to the betterment of societies throughout the world through safe and stable business operations. NYKK fully commits to the Maritime Labour Convention 2006 (MLC), which sets out the fundamental rights and principles that seafarers have with respect to their working and living conditions.

NYKK continues to be a participant in the United Nations Global Compact (UNGC) and in December 2020, published its latest advanced level Communication on Progress for the period December 2019-December 2020 on the UN Global Compact website¹.

NYK Group’s Business Credo²

NYKK has embedded respect for human rights throughout its global organization. Our ethics and compliance programs are designed to ensure that we comply with all legal and regulatory requirements as well as with our internal regulations and other rules of professional and ethical conduct.

NYK Group’s stance on respecting and honoring human rights is clearly indicated in its Business Credo. NYKK recognizes its role in providing safe and reliable services for a broad range of trade and commercial activities that are the basis for developing the world’s economies and cultures. NYK Group

¹ [NYK – Communication on Progress | UN Global Compact](#)

² [NYK Business Credo](#)



is committed to ensuring that in all its global business activities, human rights are respected, and all applicable laws and ordinances are adhered to. NYK Group companies aim to meet the highest ethical standards to ensure that business activities contribute to the sustainable development of society.

“We recognize our role in society and act in a manner that is fair and just by complying with national laws and ordinances and international norms. We believe that corporate activities should adhere to social mores, respect human rights, honor local customs and practices, and address the concerns and interests of stakeholders.”

NYKK senior management recognizes its role in achieving the spirit of this credo and is committed to ensuring that the ideals set forth in the credo are practised by NYK Group companies all over the globe. In addition, NYK Group’s service providers, suppliers, and agents are encouraged to act accordingly, and effective internal systems have been established towards accomplishing this.

Framework for Promoting ESG Management

Our Human Resources, Legal, Compliance and Fair-Trade Promotion Groups are responsible for setting the human rights strategy for NYK Group’s businesses, including our modern slavery program. They work closely together with NYKK’s ESG Management Promotion Group (a cross-functional division launched in January 2021) to establish ESG priorities and coordinate NYK Group’s global ESG initiatives³.

In April 2021, under this ESG management framework, NYKK established a new ESG Management Committee⁴ (“The Committee”). The Committee is made up of Executive Officers, as well as external advisors who reflect the opinions of external stakeholders.

NYK Group’s Codes of Conduct⁵ and Whistle-blower Program

NYK Group’s Codes of Conduct, applicable across the organization, remain the solid basis of our global compliance program, emphasizing (amongst other things) the importance of ‘Respect for Fundamental Human Rights’ and include references to the Modern Slavery Act and associated policies. The NYK Group’s Codes of Conduct provide guidance on proper behavior expected of all directors, officers, and employees of the NYK Group and encourage all staff to report concerns, suspicion, or knowledge of any instance of forced and compulsory labor within our business and supply chains.

In line with this, the NYK Group has in place a whistle-blower program where both employees and external third parties can securely report concerns, suspicion or knowledge of misconduct or unethical behavior. All such reports are objectively investigated and, where appropriate, followed-up by remedial and preventive actions. Violation of the principles of the Group’s Codes of Conduct may result in disciplinary action, up to and including termination of employment.

³ More info on NYK Group’s ESG initiatives can be found on <https://www.nyk.com/english/esg/>

⁴ More info on NYK Group’s ESG Management Committee can be found on P15: [2021_nykreport_all.pdf](#)

⁵ [NYK Code of Conduct](#)



CSR Guidelines for Partners and Suppliers⁶

To ensure that all those involved in our supply chains comply with our ethical standards, NYK Group has put in place CSR Guidelines for Partners and Suppliers. These Supplier CSR guidelines extend the reach of NYK Group's Codes of Conduct and require our suppliers and subcontractors to confirm they act consistently with our principles of fair and ethical business. Beyond compliance with all applicable laws and regulations, the Supplier CSR Guidelines mandate third-parties' adherence to NYK Group's standards in areas including fair employment practices, environment, health and safety, and human rights. In the area of forced labor, the Supplier CSR Guidelines expressly prohibit any form of compulsion or participation in human trafficking. NYK Group companies individually are responsible for distributing and enforcing the Supplier CSR guidelines to the suppliers and subcontractors engaged by them in their business activities. We take compliance with our Supplier CSR guidelines seriously and are actively looking at ways to extend and reinforce compliance with these third-party guidelines across the NYK Group's supply chains.

NYK Group's Human Resource (HR) Standards

NYK Group's HR Standards are guidelines used for personnel management at NYK Group companies, which aim at strengthening the personnel strategy of each group company, ensuring compliance with labor-related laws and regulations. They include guidelines on the operation of a fair personnel treatment system as well as respect for human rights. The NYK Group's HR Standards are available to staff on NYK Group intranet sites.

NYK Group's Risk Assessment and Due Diligence Programs

At a Risk Management Committee held twice a year, NYKK identifies and evaluates risks that can significantly affect company-wide business. Among them are human rights issues, which NYKK manages by preparing a risk map indicating the likelihood of relevant events occurring and their impact on business management. In addition, through an annual survey of NYK Group companies worldwide, NYKK regularly confirms the status of compliance with the NYK Group's HR Standards and the UNGC including the absence of forced labor or child labor in NYK Group's businesses and supply chains.

NYKK strives to ensure compliance with these policies and procedures and is implementing a due diligence program across its businesses and supply chains to measure and ensure compliance with the NYK Group's ESG standards. Under this program, NYK Group companies will be requested to conduct Business Conduct Questionnaires and/or on-site assessments of suppliers and subcontractors, both before onboarding and during the term of contract, to ensure compliance. Among other things, these assessments inquire specifically into how workers are recruited and treated by their employers to detect any conditions of modern slavery.

The below table shows the actions taken by NYKK at head office level and NGE as RMO in Europe during the year ending 31st March 2022:

⁶ [CSR Guidelines for Partners and Suppliers | NYK Line](#)

NYKK	Due Diligence checks: During the year, NYKK distributed its CSR guidelines for Partners and Suppliers to major suppliers.
NGE	Business Conduct Questionnaire: Throughout 2021, NGE continued to extend the application of its Business Conduct Questionnaire across the procurement and supply chain management activities of its businesses. This questionnaire includes a section on human rights and modern slavery.
NGE	Modern Slavery Policy: In October 2021, NGE released its Modern Slavery Policy to coincide with the UK Anti-Slavery Day (18 th October). This was circulated to all UK-based employees and has been incorporated into the induction pack for all new UK employees.

In Financial Year 2022/23, the NYK Group will further strengthen and integrate its due diligence program and supplier management processes in an improved global third-party risk management program. In addition to the existing requirements, suppliers and subcontractors will be assessed, vetted, and monitored on a risk-based approach (likelihood and impact). The program will further strengthen our commitment to only work with reputable partners who share our values and live up to our standards, whether operational, legal, or ethical.

Training and Awareness

NYK Group's human rights and compliance programs depend on the practical understanding of our people and business partners. To ensure NYK Group's directors, officers and employees have a good understanding of the risks of modern slavery and human trafficking in our business and supply chains, the NYK Group includes modules on human rights issues, discrimination, harassment and global trends in human rights in a number of training and E-learning programs, which give our staff an easy, efficient way to understand the core principles of human rights, the NYK Group's related policies and programs (including our Codes of Conduct) and, most importantly, how they can play their part in identifying and reporting possible signs of modern slavery. We ensure that these awareness-raising activities are ongoing.

The below table shows the human rights training and awareness initiatives that were provided by NYKK and NGE (as RMO in Europe) in the year ending 31st March 2022:

Apr / Oct 2021	NYKK provided training on the prevention of forced labor and slavery to new employees.	NYKK
Apr 2021	Annual HR Survey was rolled out to NYK Group companies, which included a questionnaire on child labor and forced labor in business activities.	NYKK
May 2021	NYKK provided training on the prevention of forced labor and slavery to new managers.	NYKK
Jul - Sept 2021	NYKK participated in the annual Stakeholder Engagement Program (Human Rights Due Diligence Workshops) organized by Caux Round Table Japan (CRT)	NYKK

	Japan). As a consequence, NYKK was able to identify and deepen its understanding of human rights issues in the transportation industry.	
Sep 2021	NYKK staff were requested to reaffirm their adherence to the NYKK Code of Conduct.	NYKK
Oct 2021	NYKK participated in the International Conference on Business and Human Rights in Tokyo organized by CRT Japan and Institute of Human Rights and Business.	NYKK
Oct 2021	All staff within NGE's compliance region were requested to reaffirm their adherence to the NGE Code of Conduct	NGE
Oct 2021	On "UK Anti-Slavery Day" (October 18 th , 2021), an update was provided to UK employees, which outlined some of the steps NYK is taking to a) raise awareness of modern slavery and b) eradicate slavery in its supply chains.	NGE
Oct 2021	In conjunction with UK Anti-Slavery Day, NGE rolled out an online training module on modern slavery to all UK staff.	NGE
Nov 2021 – Jan 2022	NYK's annual E-Learning program was rolled out to NYK Group Standard companies. A total of 6,949 NYK Group employees (out of 7,615 which were asked), completed the ESG e-learning programs in Financial Year (91.3%)	NYKK
Dec 2021	During Human Rights Week, NYKK raised awareness on the themes of "business and human rights" and "human rights at work" through the use of bulletin updates posted on the NYKK intranet. In a survey where staff were asked, "Do you understand the NYK Group's basic approach to human rights?", 94% responded "Yes".	NYKK
Mar 2022	NYK issued the "NYK Group ESG Story 2022", which introduces activities for integrating ESG considerations into the company's management strategy as set forth in the "NYK Group ESG Story" and measures taken this year.	NYKK
Throughout the year	NGE's Legal and Compliance department ran 14 training sessions attended by 136 employees. The training sessions are for key personnel of all group companies within its compliance region and include a section on modern slavery. Employees attending the training are expected to complete a short test afterwards and records of attendees are maintained.	NGE

NYK Group's Agenda and Key Performance Indicators for FY2022

NYK Group will continue to take steps towards ensuring that modern slavery and human trafficking have no place in its businesses and supply chains. In recognition of the importance of addressing human rights issues, in April 2022, NYKK launched its Human Rights Project which encompasses the below initiatives:

- Development of a global Human Rights Policy;

- Improvement of internal communication channels in respect of human rights issues;
- Establishment of Human Rights Due Diligence procedures;
- Construction of a Complaint Handling system / Grievance mechanism specifically aimed at Human Rights; and
- Enhance awareness within the NYK Group in respect of Human Rights issues.

NYK Group is committed to ensuring that our operations and supply chains do not cause or contribute to human rights violations, in accordance with the UN Guiding Principles on Business and Human Rights.

In addition to the Human Rights Project actions outlined above, the following initiatives will continue:

- Development of a set of model clauses addressing modern slavery and human rights issues for use in new vendor contracts; and
- Further promotion of transparency of the ship-recycling process through NYKK's participation in the Ship Recycling Transparency Initiative.

Conclusion

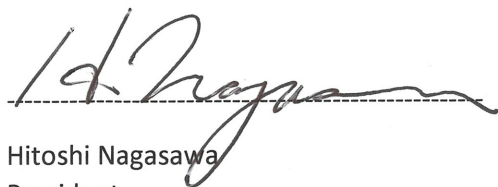
The UK Modern Slavery Act continues to serve a significant role in driving transparency in global efforts to address the problem of forced and compulsory labor in businesses and supply chains. The NYK Group will continue to build on its longstanding human rights and compliance programs to better identify and prevent forced labor in our own operations and those of our service providers, suppliers and agents.

Executive Board Approval

This Statement constitutes our Modern Slavery Statement for the financial year ending 31 March 2022. The NYK Group will continue to assess the effectiveness of the measures we take, and we will regularly review and refine our policies and procedures in relation to modern slavery and human rights.

This Statement has been adopted by the Executive Board of Nippon Yusen Kabushiki Kaisha on 29, September 2022.

September 2022:



Hitoshi Nagasawa
President,
Representative Director,
President and Chief Executive Officer