

NYK Line – MYAMMAR FOREIGN INVESTMENT TRACKING PROJECT
13 MAY 2015

1. Does your company have investments or operations in Myanmar or is it seriously considering investing or operating there? If so, please provide information on the nature of these investments, and which geographic areas and communities they will affect.

A-1) Yes, we will start an inland transportation service in Myanmar for finished automobiles. Please see the below press releases for details.

<http://www.nyk.com/english/release/3132/003497.html>

<http://www.nyk.com/english/release/3710/003845.html>

2. Do you have policies and procedures in place to prevent your business activities or investment from contributing to human rights abuse and social conflict in Myanmar (including, for example, human rights due diligence measures)? Please specify whether these policies and procedures apply to your company in general, or specifically to your Myanmar investment. If you have human rights policies and procedures regarding investing or operating in Myanmar, are you willing to share them for posting on our website? If so, please send them as a Word or PDF file, or, if available, as a hyperlink.

A-2)

Yes. The NYK Business Credo obliges compliance with laws and ordinances, in addition to respect for human rights. 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.

<http://www.nyk.com/english/profile/mission/credo/>

In particular, since 2011, we have formulated the CSR guidelines as a means of identifying and solving issues in the supply chain in areas including human rights. We work with our partners and suppliers to encourage them to understand and practice these concepts, which are based on ISO26000.

<http://www.nyk.com/english/csr/nykcsr/guide/>

On May 9, 2006, NYK announced its endorsement and support for the United Nations (UN) Global Compact (“GC” hereinafter). In 2010, we established the Global Compact Promotion Committee to spearhead our efforts to promote the United Nations Global

Compact (UNGC) and to oversee investigations into and responses to human rights infringements. The committee advances initiatives focused on UNGC Principles 1-6, which deal with human rights and labour standards.

<http://www.nyk.com/english/csr/nykcsr/gcompact/index.html>

http://www.nyk.com/english/ir/library/nyk/pdf/2014_nykreport_05.pdf

The above policies and procedures are not only for operations in Myanmar, but for all our businesses. In addition to the above, we, with the support of our local partner who has been active in the market for many years, will continue to address the concerns and interests of stakeholders about our operations in Myanmar.

3. Who in your leadership is responsible for ensuring compliance with the policies and procedures in no. 2?

A-3)

Chief executive of Management Planning Headquarters

4. If you do not yet have human rights policies and procedures in place, do you have plans to develop them? If so, what efforts are you currently engaged in or plan to engage in on this regard?

A-4) We have human rights policies and procedures in place.

5. How does your company try to prevent or mitigate conflicts that affect its operations or the surrounding communities (including armed conflict, inter-communal conflict and violence, etc.)? Could you please list your policies, procedures or concrete activities in this regard, including community engagement and dialogue measures and revenue sharing agreements?

A-5)

We don't have any measure to prevent or mitigate armed conflict and inter-communal conflict and violence, etc. However, when expanding our business activities throughout the world, we always extend our antenna high to learn more about area issues – such as global CSR, sustainability, and business and human rights – in order to be prepared for any state of affairs.

Since 2012, we have participated in the annual human rights due diligence workshops at the Nippon CSR Consortium hosted by Caux Round Table Japan (CRTJ), and have recognized

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a possible breakdown of infrastructure and logistics systems caused by political and social instability as one of the most important issues for the global-logistics sector. This consortium was established by NPOs, NGOs, researchers, and corporate CSR managers. In this consortium, Japanese companies participate in the development of a respectful platform that solicits comments from local communities, and engages in preventive measures in line with the Guiding Principles on Business and Human Rights.

<http://crt-japan.jp/en/portfolio/human-rights-due-diligence-workshop/>

We helped sponsor the 2014 Global Conference on CSR and Risk Management in Tokyo, hosted by CRTJ and UNWG, because we recognize the importance of instilling the concept of business and human rights. At the conference, we participated in a dialogue about business and human rights with human rights experts from the Institute for Human Rights and Business (IHRB), International Corporate Accountability Roundtable (ICAR), and Danish Institute for Human Rights (DHRI). It was a good opportunity for us to realize some points that should not be missed in the course of our global business expansion.

<http://www.nyk.com/english/csr/stk/dialog/index.html>

[FYI] Supporting Efforts of U.N. Agency to Rebuild Somali Society

In response to a call from Shell International Trading and Shipping Company Limited, we have been participating since 2013 in an initiative led by the United Nations Development Program to reconstruct Somali society as a fundamental measure to reduce piracy off the Somali coast, in the Gulf of Aden, and in the Indian Ocean. We believe that contributing to this program is extremely meaningful internationally and socially. At a grassroots level, the program aims to address poverty, which is the social and economic cause of piracy.

http://www.nyk.com/english/ir/library/nyk/pdf/2014_nykreport_all.pdf (Page 44)

6. Who should communities or civil society groups contact if they have questions or concerns about your investment or operations in Myanmar?

Please provide their contact information.

A-6) CSR Coordination Team, Corporate Communication and CSR Group

TEL: +81-3-3284-6243

7. We further invite you to respond to questions specific to your industry. Does your company have policies and procedures in place to address each of the following areas? If so, please provide details:

a. Freedom of association and collective bargaining

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- b. Living wages
- c. Workplace health and safety
- d. Child labour
- e. Forced labour
- f. Anti-discrimination (whether based on race, gender, religion, nationality, etc.)
- g. Environment
- h. Land rights
- i. Relocation

A-7)

<POLICIES>

As mentioned in our response to question 2 above, our NYK Business Credo and CSR guidelines govern our business activities and encourage respect for human rights throughout the world.

<PROCEDURES>

At the annual human rights due diligence workshops mentioned above, in line with UN Guiding Principles a) to i), we collect comments from NGOs and CSR experts on human rights issues relevant to our business. Discussion content and issues addressed are then summarized and disclosed for the purpose of obtaining public comments, which are reflected in the final report and published as “Human Rights Issues by Sector.”

<http://crt-japan.jp/en/portfolio/human-rights-due-diligence-workshop/>

“Human Rights Issues by Sector” (pages 31-35)

[http://crt-japan.jp/files2014/2-2-0-stakeholder_engagement/pdf/HR_DD_Final_Report_en\(2014\).pdf](http://crt-japan.jp/files2014/2-2-0-stakeholder_engagement/pdf/HR_DD_Final_Report_en(2014).pdf)

During our review, we recognize that it is important to take measures that focus on the environment and safety.

We introduced our original safety management system, NAV9000, in 1998. We disclose these unified safety standards for safe vessel operations not only to owned vessels but also to chartered vessels – including seafarers, shipowners, and ship-management companies – and seek compliance with these requirements. NAV9000’s use of the PDCA cycle enables us to materialize safe vessel operations and minimize any negative impact, such as severe environmental pollution, against local communities.

<http://www.nyk.com/english/csr/safety/sea/index.html>

http://www.nyk.com/english/ir/library/nyk/pdf/2014_nykreport_all.pdf