

# NIPPON YUSEN KABUSHIKI KAISHA

## SLAVERY AND HUMAN TRAFFICKING STATEMENT 2016/17

This statement is made on behalf of Nippon Yusen Kabushiki Kaisha (**NYKK**) and its subsidiary undertakings NYK Group Europe Limited (**NGE**) and NYK Energy Transport (Atlantic) Limited (**NETA**) (all reporting companies together **NYK**) which are subject to the obligation to prepare a modern slavery statement pursuant to section 54 of the Modern Slavery Act 2015 (**MSA**) and constitutes NYK's slavery and human trafficking statement for the financial year ending 31 March 2017. When addressing the business and operations of the whole NYK group of companies, the term NYK Group is used.

This statement provides an overview of the steps taken during the financial year ending 31 March 2017 to further embed human rights into our business.

### 1 NYK Group's structure, business and supply chains

NYK Group is a global logistics business, established in Japan over 130 years ago. Using ocean, land, and air transportation networks that extend across the globe, the NYK Group supports people's daily lives by carefully transporting each individual cargo, thereby contributing to the creation of a prosperous society.

### 2 NYK's policies in relation to slavery and human trafficking

#### NYKK Code of Conduct

NYKK has set high-level principles in its Code of Conduct, which currently sets out the company's position in relation to inhumane employment practices and forced labour. NYKK's code of conduct was revised in October 2016 to include a new section on respect for human rights and diversity of cultures.

#### NYK Business Credo

In their daily business, NYK Group companies follow the "NYK Business Credo", which includes "compliance with laws and ordinances, respect for human rights" as follows: "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, honour local customs and practices, and address the concerns and interests of stakeholders."

Full details of the NYK business credo and the code of conduct can be found on the NYKK website:

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

#### United Nations Global Compact

NYK Group's basic corporate philosophy is to contribute to the betterment of societies throughout the world through safe and dependable *monohakobi* (transport).

NYKK has been a participant in the United Nations (UN) Global Compact (UNGC) since 2006 and it, together with the wider NYK Group, supports its ten principles. Every year participating organisations are expected to report on detailed activities and results in their efforts to achieve the UNGC's ten principles. NYKK published its last advanced level Communication on Progress on the UN Global Compact website in December 2016.

### **3 NYK's due diligence processes in relation to slavery and human trafficking in its business and supply chains**

Over the years NYKK has participated in a number of human rights events and initiatives including "Business and Human Rights Conference in Tokyo", organised by initiative organisations: Caux Round Table Japan (CRT), Institute for Human Rights and Business, Business Human Rights Resource Centre and United Nations Working Group on the Issue of Human Rights and Transnational Corporations and Other Business Enterprises. Additionally, NYKK is one of the core members establishing and joining Human Rights Due Diligence Workshops at Nippon CSR Consortium since 2012.

#### **Surveys**

NYK Group conducted a Human Resources survey for the fiscal year ending March 2017. Responses were received from 153 group companies, with staff answering questions on a range of issues including their awareness of human rights risks in their dealings with business partners and other third parties.

#### **2016 Human Rights Due Diligence Workshop**

In June 2016, NYKK participated in the Human Rights Due Diligence Workshop organised by CRT.

#### **2016 International Conference on Business and Human Rights**

In September 2016, NYKK participated in the 2016 International Conference on Business and Human Rights held in Tokyo.

#### **Dialogue with Human Rights Experts**

In September 2016, NYKK held an exclusive dialogue concerning human rights initiatives in the NYK Group with human-rights experts from the Institute for Human Rights and Business and the International Corporate Accountability Roundtable.

### **4 The parts of NYK's business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps it has taken to assess and manage that risk**

#### **CSR Guidelines for Partners and Suppliers**

As a global logistics business, NYK Group has substantial supply chain of its own as well as being a part of its customers' supply chains. It works with the support of a large number of stakeholders to provide safe and dependable monohakobi. It uses its "CSR guidelines for partners and suppliers" as a means of identifying and solving issues in the supply chain in areas such as legal compliance, fair trade, trustworthiness, safety and security, environment, human rights, labour, and anti-corruption.

In February 2017, NYKK issued revised CSR guidelines for partners and suppliers including principles in relation to human rights and labour

Full details of NYK Group's CSR guidelines for partners and suppliers can be found on the NYKK website:

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

**5 Effectiveness in ensuring that slavery and human trafficking are not taking place in NYK's business or supply chains**

NYK is continuing to take steps towards eradicating modern slavery and human trafficking during the financial year commencing 1<sup>st</sup> April 2017.

**6 Training about slavery and human trafficking available to NYK Group's staff**

NYK has introduced modules on human rights issues, discrimination, harassment, and global trends in human rights to a wide range of training programmes delivered to staff.

In autumn 2016, NYKK implemented two e-learning programmes on the subject of CSR and UNGC. Through these programmes, the principles of a "responsible supply chain" were communicated to employees of NYK Group companies to further their understanding of relevant issues including human rights.

NYKK also promoted respect for human rights, and raised human rights awareness on the annual Human Rights Day and during Human Rights Week in December 2016, by publishing material on human rights related issues on its intranet site.

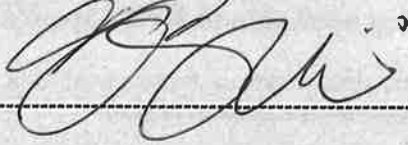
In February 2017, a liaison conference of CSR divisions of NYKK's Japanese affiliates was held with the aim of deepening participants' understanding of human rights and labour issues in the supply chain.

Further training on human rights related issues is taking place during the financial year commencing 1<sup>st</sup> April 2017.

This statement was approved by the Boards of Nippon Yusen Kabushiki Kaisha and its subsidiary undertakings NYK Group Europe Limited and NYK Energy Transport (Atlantic) Limited.

**For and on behalf of**

**Nippon Yusen Kabushiki Kaisha**



Yoshiyuki Yoshida

Director, Managing Corporate Officer, and Chief Compliance Officer

September 2017

**For and on behalf of**

**NYK Group Europe Limited**



Svein Steimler

Managing Director

September 2017

**For and on behalf of**

**NYK Energy Transport (Atlantic) Limited**



Atsuya Nojiri

Managing Director

September 2017