

GHQ Environmental Management Program for FY2022 (first half review)

Targets	Action Plan	Review from April 2022 to September 2022	Evaluation
<b>1 Environmental management system for biodiversity protection</b>			
1. Maintain and expand governance within the NYK Group certification sites	1. Implementation of environmental internal audits and continuous improvement of EMS manual	1. Planned internal audit for newly certified sites	○
2. Review by management	2. Hold the Safety and Environmental Committee	2. Held on July 20	
3. Ascertain the risks and opportunities expected to be brought by environmental issues	3. Ascertain by Medium-Term Management Plan Formulation and Preparation Committee, ESG Management Committee, and Risk Management Committee	3. Decided risks and opportunities in ESG Management Committee held on June 16	
4. Promotion of group environmental management	4. Hold the NYK Group Environmental Management Conference	4. Held on November 22	
<b>2 Compliance with environmental regulations and company standards</b>			
1. Understand environmental treaties, laws and regulations of ships and comply with them	1. Compliance evaluation by checklist	1. Planed to comply in second half of 2022	△
2. Understand environmental laws and regulations of office and comply with them	2. Compliance evaluation by checklist	2. Planed to comply in second half of 2022	
3. Scrap ships in environment-friendly manner	3. Disclosure through NGO 3. Dispatching supervisors to scrapping sites	3. No disclosure in first half due to no ship scrapping	
4. Contribution to creation of the international rules and regulations through shipping related organizations	4. Participation in United Nations (IMO) committee	4. Participated in 11 domestic committees in preparation for the United Nations committee	
<b>3 Ensuring safe operation</b>			
1. Audit activities for vessels and ship management companies	1. Conduct audits in accordance with in-house NAV9000 standard	1. Conducted audits of 62 vessels and two management companies	○
2. Achieve zero serious incidents, average vessel delay time of 10 hours or less/vessel/year	2. Hold the Safety and Environment Management Committee to monitor serious incidents and delays, and determine and promote safety measures	2. Continued monitoring serious incidents and delay of ships	
3. Avoid stormy weather	3. Support for stormy weather avoidance by shore crews using weather routing services	3. Used routing service properly in accordance with weather conditions	
4. Ensuring safety and environmental performance of vessels	4. Approval of ship specifications and design documents from safety and environmental aspects, and construction supervision of new vessels	4. Conducted approval of ship specifications, design documents, and construction supervision of all new vessels	
<b>4 Efforts for energy and resource saving, and prevention of GHG and pollutant emissions</b>			
1. Achievement of net-zero GHG emissions by 2050 in the international shipping business	1. Monitor progress through aggregation and certification of GHG emission data	1. Obtained certification of fiscal 2021 GHG emissions from a third party and disclosed through website	○
2. Reduction of GHG emissions for the entire Group	2. Co-work with international public and private initiatives	2. Co-worked with four major initiatives	
3. Reduction of GHG from vessels and offices 3. Reduction of GHG emissions from head office by 0.5% compared with fiscal 2021	3. Cross department discussion on ship energy conservation by sales and operation divisions Report GHG emissions from office activities in Office Energy Conservation Committee.	3. Held five ship energy conservation discussions 3. Convened Office Energy Conservation Committee six times	
4. ESG finance	4. Raise funds through green financing	4. No new green financing	
<b>5 Adoption of environment-friendly technologies</b>			
1. Prevent LNG-fueled vessels from becoming stranded assets	1. Consideration of construction based on the concept design of each vessel type	1. Continued consideration of construction of ammonia-ready vessels	○
	2. Participate in the Maersk Mc-Kinney Moller Research Institute to study trends in zero-emission vessels and fuel	2. Continued participation by seconding staff	
<b>6 Education to raise environmental awareness</b>			
1. Ensuring environmental-conservation competence by marine crews	1. Implementation of training on environmental laws and regulations	1. Planned to comply in second half of 2022	△
2. Environmental education for shore workers	2. Implementation of e-Learning and campaigns related to the environment	2. Conducted environmental campaign Conducting e-Learning from November	
3. Training of competence in line with ISO14001:2015 standard	3. Implementation of in-house training on the environment	3. Conducted in June	
<b>7 Social contributions and disclosures</b>			
1. Address marine plastic issue	1. Contribution to elucidation of actual conditions through microplastic sampling in the open ocean	1. Three vessels are participating in sampling	○
2. Assistance to biodiversity research	2. Contribution to academia by collecting DNA from seawater	2. Participated in DNA collections three times	
3. Disclosure based on TCFD	3. Disclosure based on TCFD	3. Disclosed in June	
4. Disclosures upon requests from outside the company	4. Disclosures in response to environment-related questionnaires	4. Made disclosures through 14 questionnaires	