



NYK Group Supplier Code of Conduct

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Message from the President

The NYK Group's mission statement is "Bringing value to life." To achieve our mission, we aim to enhance corporate value and create social value through the practice of common values shared by all NYK employees: integrity, innovation, and intensity.

The impact of a growing globalized market economy in recent years has brought to the fore various environmental problems such as the depletion of limited natural resources, water shortages, and global warming, and these problems have raised concerns about the sustainability of our planet. Industrial disasters, human rights issues, and other social problems have been occurring in value chains of corporations that have expanded their influence through the growth of their businesses, and some have been serious. In the face of such growing problems that are difficult for an individual company to solve, the NYK Group believes that working in cooperation with all of our suppliers, who provide products and services to our Group as we conduct our business, to not only ensure compliance with the laws, regulations and rules of each country but also engage in consistent efforts in response to social demands in areas such as labor, human rights and the environment will lead to the realization of a sustainable society.

To foster a mutual understanding of the various sustainability issues that can arise in the course of business and to promote better procurement activities that are mindful of society and the natural environment, the NYK Group formulated this Supplier Code of Conduct ("Code of Conduct") which sets out the standards that we aim to achieve together with all of our suppliers.

This Code of Conduct is our promise to society at large to engage in human rights and environmental due diligence in earnest throughout the entire value chain in which we are involved. Therefore, we request all of you as our suppliers to understand the contents of this Code of Conduct and work together with us to realize a more sustainable society.

Takaya Soga
President

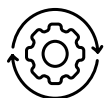


Scope of Application / Implementation



Scope of Application

This Code of Conduct applies to every supplier ("Supplier") that provides products and services to the NYK Group.



Implementation

When commencing or continuing business with a Supplier, the NYK Group considers the Supplier's support for this Code of Conduct and efforts to achieve it as one of its criteria of assessment of that Supplier.

We require the Supplier to abide by the following:

- Support this Code of Conduct and work to achieve it.
- Establish an appropriate management structure and inform all officers, workers, and contractors involved of this Code of Conduct and relevant rules and regulations to enable ongoing improvement in the Supplier's efforts. If the Supplier outsources the provision of products or services to a contractor, inform the business partner of this Code of Conduct and confirm that the business partner will support it and work to achieve it.
- If there is any inconsistency between this Code of Conduct and international standards and principles or between this Code of Conduct and laws, regulations and rules of any country, respect the stricter standard to the greatest extent possible.

Confirmation of Efforts / Reporting and Remediation



Confirmation of Efforts

To confirm the status of the Supplier's efforts to achieve the standards of this Code of Conduct, the NYK Group may, as necessary, conduct surveys or request that the Supplier undergo an audit by the NYK Group or a third party. Such an audit may include but is not limited to entering relevant facilities such as production, living, dining, and waste treatment facilities, viewing relevant documents and records, and contacting workers (regular and non-regular) working at the Supplier's facilities. These confirmation procedures also extend to contractors of the Supplier.



Reporting and Remediation

When an issue requiring remedial action under standards set out in this Code of Conduct is confirmed during the Supplier's efforts to achieve this Code of Conduct, the NYK Group requests that the Supplier report the matter to the Group.

To address issues identified through the Supplier's own efforts or the NYK Group's review of the status of the Supplier's efforts, the Supplier will formulate and implement a remediation plan and report on the progress and results to the NYK Group as necessary. The NYK Group will provide support to the Supplier in preparing and implementing a remediation plan as necessary.

If the Supplier fails to report a serious issue or fails to make any effort to implement a remediation plan for an issue that has been identified, or fails to demonstrate remediation despite ongoing support from the NYK Group as described above, the NYK Group may consult with the Supplier and consider appropriate measures, including a review of its terms of business transactions with the Supplier.

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1. Compliance with Laws and Regulations / Respect for International Norms

• Compliance with Laws and Regulations

- (1) The Supplier complies with laws, regulations and rules of each country and region in which it operates.
- (2) The Supplier has in place policies, management structures, reporting systems, education and training programs and other mechanisms to ensure responsible business conduct and thorough compliance.

• Respect for International Norms

The Supplier supports and respects international norms such as the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work.



2. Human Rights and Labor

• Prohibition of Discrimination and Promotion of Diversity and Inclusion (D&I)

The Supplier respect human rights and does not discriminate on the basis of race, creed, religion, gender, sexual orientation/gender identity, nationality, age, origin, mental or physical disability, illness, social status, or any other reason in any employment practice including wages, promotions, compensation, or retirement and does not tolerate discriminatory behavior by workers.

• Respect for the Culture of Each Country and Region

The Supplier respects the traditions and customs of each country and region in which it conducts business activities. In particular, the Supplier respects the religious traditions and customs of its workers.

• Elimination of Forced Labor

- (1) The Supplier does not engage in any labor that is forced under threat of punishment or against an individual's will, such as forced labor, bonded labor, slave labor, exploitative prison labor, or labor through human trafficking.
- (2) The Supplier, as the employer, does not, at the time of hiring or during the employment process, engage in acts that violate a worker's right to leave employment or a worker's

right to freedom of movement by requiring the worker to surrender their passport, official identification document or work permit, or to pay a recruitment fee or deposit.

• Elimination of Child Labor

- (1) The Supplier does not engage children under the minimum working age in labor in accordance with international conventions and local laws and regulations regarding the elimination of child labor.
- (2) The Supplier does not assign workers under the age of 18 to engage in work that may be detrimental to their health, safety, or morals, including night shifts and overtime, or in work that is carried out under circumstances that may be detrimental to their health, safety or morals.

• Appropriate Management of Working Hours

- (1) To properly understand the working hours of workers, the Supplier has in place a management structure that can confirm and record the time of arrival and departure of each worker for each working day.
- (2) The Supplier strictly adheres to the statutory working hours of the countries and regions in which it conducts business activities, and as a general rule, weekly working hours must not exceed 48 hours, unless otherwise permitted under applicable laws, regulations, rules and relevant labor agreements.
- (3) As a general rule, the Supplier provides at least 24 consecutive hours of rest per week and annual paid leave as stipulated under local laws and regulations, unless otherwise permitted under applicable laws, regulations, rules and relevant labor agreements.



2. Human Rights and Labor

• Wages

- (1) The Supplier enters into employment contracts with workers in accordance with local laws and regulations.
- (2) The Supplier pays wages which are equal to or higher than the minimum wage stipulated by local laws and regulations, and which are enough to enable workers and their families to meet their basic needs in their economic zone (living wage).
- (3) The Supplier provides detailed pay slips when paying wages, and pays overtime work at a premium rate determined by local laws and regulations.
- (4) The Supplier is not permitted to make deductions from wages as a disciplinary measure.

• Prohibition of Inhumane Treatment

The Supplier does not tolerate inappropriate behavior by workers, including inhumane treatment such as physical or mental abuse, sexual harassment, or abusive language, and provides a safe and healthy work environment where individual dignity is respected.

• Respect for Freedom of Association and Right to Collective Bargaining

- (1) The Supplier recognizes and respects workers' rights to freedom of association, and their rights to join trade unions, to engage in protests, and to bargain collectively.

- (2) The Supplier arranges for workers and their representatives to voluntarily consult and negotiate with management about working conditions and management practices without fear of reprisal, intimidation, or harassment.

• Respect for Foreign Nationals and Migrant Workers

- (1) The Supplier does not employ foreign nationals and migrant workers illegally.
- (2) The Supplier treats foreign nationals and migrant workers fairly, and provides transparent employment terms and conditions as well as decent working and living conditions for them. In doing so, the Supplier does not require foreign nationals and migrant workers to surrender official identification documents or work permits, or to pay recruitment fees or deposits.

• Avoidance of Involvement in Human Rights Violations

The Supplier takes adequate care to ensure that its decision-making and business activities do not lead to human rights violations by third parties.



3. Health and Safety

• Responding to Occupational Injuries and Accidents

The Supplier takes measures to prevent occupational injuries and workplace accidents by taking necessary precautionary safety measures prescribed by relevant laws and regulations.

• Responding to Emergencies

The Supplier prepares for disasters, accidents and other emergencies by taking emergency precautionary measures, and by ensuring that workers in the workplace are thoroughly familiar with these.

• Ensuring a Safe and Hygienic Workplace and Work Environment

- (1) In compliance with relevant laws and regulations, the Supplier designs and constructs buildings that are appropriate for the health and safety of workers, and conducts regular inspections of buildings to ensure their safety.
- (2) The Supplier provides workers with a hygienic and comfortable environment, including clean toilet facilities, safe drinking water, and rest areas. If the Supplier provides residential facilities such as employee dormitories, the Supplier also applies the same standards to these facilities.

- (3) Through appropriate health management, the Supplier makes efforts to understand the status of workers' health and to prevent and detect occupational diseases early. In addition, the Supplier takes measures to prevent physical and mental health problems arising from excessive work.

• Promoting Communication

To prevent occupational injuries and workplace accidents and respond to emergencies, the Supplier provides workers with workplace safety and health information, and education and training in their native language or a language they can understand.



4. Environment

• Conservation of the Earth's Environment

The Supplier makes efforts to conserve resources and energy, reduce waste, recycle, reduce greenhouse gases, minimize environmentally hazardous substances, manage water resources and conserve forests, and takes steps to address all environmental issues including climate change, conservation of the marine environment and biodiversity, and prevention of air pollution.

• Reduction of Greenhouse Gas Emissions*

- (1) The Supplier mitigates the impact of climate change by setting science-based greenhouse gas emission targets and taking active steps toward their reduction in its own business and throughout its supply chain.
- (2) Using primary data as much as possible, the Supplier endeavors to accurately understand emissions and works to build structure that allows for sharing emissions.
- (3) The Supplier contributes to net zero throughout the supply chain by actively engaging in reducing emissions of purchased materials and services as well as making proposals that contribute to emission reductions through improvements in energy efficiency.

*The NYK Group has set a decarbonization goal of net zero total greenhouse gas emissions, including Scope 3, by fiscal year 2050.

• Conservation of Biodiversity

Considering the direct and indirect impact of its business on ecosystems, the Supplier makes efforts to conserve biodiversity.

• Prevention of Pollution and Health Hazards

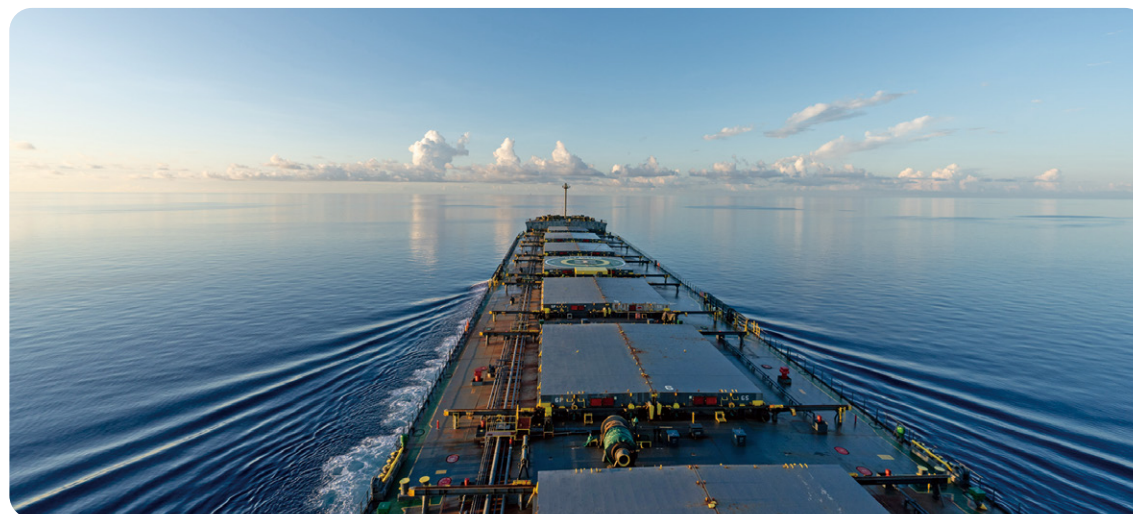
In accordance with local laws and regulations, the Supplier appropriately manages and controls wastewater, exhaust, waste, noise, odors, vibrations, light and other elements that have an adverse impact on the health and living environment of people in areas where it conducts business activities.

• Management of Chemical Substances

The Supplier properly manages chemical substances used in manufacturing processes as stipulated in laws and regulations, if applicable.

• Establishment of an Environmental Management System

The Supplier promotes environmental conservation activities not only by complying with environmental laws, regulations and rules but also by voluntarily establishing, operating and continuously improving on environmental management systems.



5. Fair Trade and Ethics

• Fair Trade

- (1) The Supplier complies with the competition and antitrust laws of relevant countries, and does not engage in private monopolization, unreasonable restraint on trade through cartels or other means, or activities such as unfair trade practices that impede free competition.
- (2) The Supplier does not abuse its dominant position in trade with its partners.
- (3) In situations where an officer's or worker's personal interest conflicts with the company's interest, the Supplier takes measures to prevent that officer or worker from harming the company's interest and enjoying personal benefits (conflict of interest).

• Prevention of Corruption and Bribery

- (1) The Supplier does not offer or provide to, or receive from customers, suppliers, or other business associates entertainment, gifts, or benefits for the purpose of obtaining or maintaining inappropriate benefits or unfair preferential treatment.
- (2) The Supplier maintains transparent and fair relationships with politicians and public officials in countries and regions where it conducts business, complies with antibribery provisions in each country, and does not engage in bribery or illegal donations.

• Prevention and Early Detection of Misconduct

The Supplier establishes structures for preventing and detecting misconduct, protects the privacy of whistleblowers, and takes prompt and appropriate action to remediate misconduct.

• Disclosure of Information and Ensuring Transparency

The Supplier ensures transparency by disclosing information in a timely and appropriate manner in accordance with laws and regulations and by providing useful information to stakeholders.

• Respect for Intellectual Property

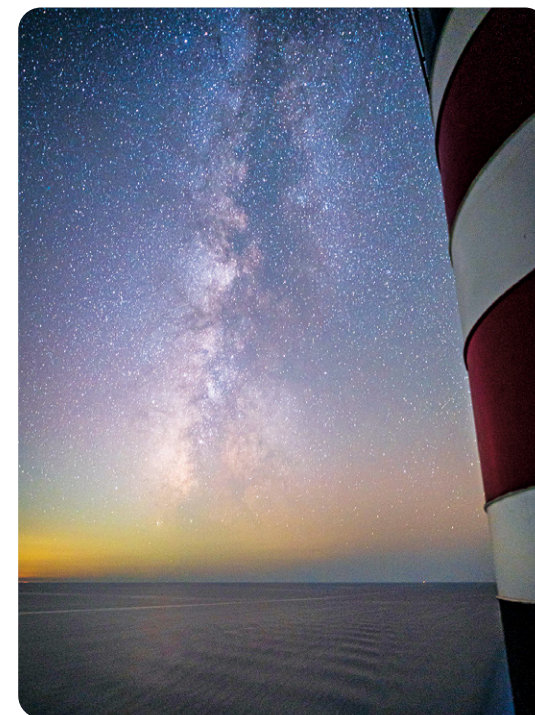
The Supplier does not violate the intellectual property rights of others by illegally acquiring and using software or programs.

• Elimination of Antisocial Forces

- (1) The Supplier resolutely refuses unreasonable demands from antisocial forces or parties suspected of being antisocial forces and has no relationship with antisocial forces whatsoever.
- (2) The Supplier does not become involved in crimes such as terrorism or money laundering. The Supplier also takes care not to be used in such crimes.

• Conflict Minerals

The Supplier prevents the use of conflict minerals such as gold, tin, tantalum, tungsten, cobalt, mica or other materials that pose a risk to human rights in mining or may become a source of funding for armed forces.



6. Safety and Quality of Product and Service

• Pursuit of Safety

The Supplier faithfully conducts ongoing safety activities and takes appropriate measures to thoroughly ensure safety.

• Quality Control

The Supplier not only complies with all applicable laws, regulations and rules regarding the safety and quality of its products and services but also establishes appropriate management structures and complies with its own quality standards.



7. Information Security

• Thorough Information Management

- (1) The Supplier strictly controls confidential information learned in the course of business to prevent leaks and unauthorized disclosure, and does not use confidential information for any purpose other than business. Furthermore, the Supplier imposes the same obligations of confidentiality on its contractors.
- (2) Officers and workers of the Supplier do not leak or use confidential information of the company even after retiring or resigning from the company.
- (3) The Supplier takes particular care when handling personal information, complies with information protection laws of each country, and exercises strict care to prevent information from being taken outside the company or leaked, or from flowing out of the company.

• Protection of Confidentiality, Integrity, and Availability of Information Systems

- (1) The Supplier complies with laws and regulations regarding the assurance and maintenance of the three elements of information security: confidentiality, integrity, and availability.
- (2) The Supplier recognizes information system security as a responsibility of management, and implements appropriate information system security measures.
- (3) The Supplier introduces, updates, and improves information technology necessary for implementing information system security measures.
- (4) The Supplier conducts ongoing education and training for its officers and workers in regard to laws and regulations, social trends



and the latest technology concerning information system security and raises their awareness of these.

- (5) The Supplier evaluates as necessary its information system security management structures and information systems, and maintains information system security that reflects advances in technology, the business environment, social changes, and amendments to laws and regulations.

8. Business Continuity Plan

• Business Continuity Plan

To continue fulfilling its social role in supporting the supply chain, the Supplier formulates a business continuity plan (BCP) that considers natural disasters (earthquakes, floods, etc.) and infectious disease risks.

9. Contribution to Local Communities

• Contribution to Local Communities

The Supplier minimizes the adverse impact of its business activities on local communities and people's health, cooperates with the respective communities to address issues they face, and contributes to the development of local communities.

• Respect for the Rights of Indigenous Peoples

The Supplier respects the land rights, culture, customs, and religions of Indigenous peoples when conducting business activities. The Supplier respects Indigenous peoples' traditional knowledge and rights to genetic resources, and does not engage in any unilateral acts of exploitation for its own benefit.



Grievance Mechanisms / References



Grievance Mechanisms

- (1) We ask the Supplier to establish and maintain a whistle-blowing hotline, ensure that whistleblowers or individuals seeking consultation regarding matters of concern do not suffer detrimental treatment, and take appropriate action on any inquiries received or matters reported through the whistle-blowing hotline.
- (2) If the Supplier's stakeholders, including business partners or their workers, or a local community, have any concerns related to matters set out in this Code of Conduct, please have them contact your NYK Group representative or our hotline at <https://ninja.crt-japan.jp/sign-up-invite/keJ04b>



References

This Code of Conduct was formulated based on the values of the NYK Group with reference to the following documents:

- NYK Group Human Rights Policy [↗](#)
- NYK Group Environmental Policy [↗](#)
- NYK Code of Conduct [↗](#)
- Universal Declaration of Human Rights [↗](#)
- United Nations Guiding Principles on Business and Human Rights [↗](#)
- International Covenant on Civil and Political Rights [↗](#)
- International Covenant on Economic, Social and Cultural Rights [↗](#)
- The International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, various conventions on human rights of workers including the Protection of Wages Convention and Hours of Work (Industry) Convention [↗](#)
- United Nations Declaration on the Rights of Indigenous Peoples [↗](#)
- The Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises on Responsible Business Conduct [↗](#)
- The Ten Principles of the UN Global Compact [↗](#)
- Responsible Business Alliance (RBA) Code of Conduct [↗](#)
- ETI (Ethical Trade Initiative) Base Code [↗](#)



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