

# Yusen Logistics Group Code of Conduct

## Foreword

The Mission of the Yusen Logistics Group (the Group) is to become the world's preferred supply chain logistics company - applying insight, service quality and innovation to create sustainable growth for business and society.

To achieve this Mission, our business activities must not only comply faithfully with the laws and regulations of each country as well as international rules, but also to be fair in practice and in conformity with social norms.

At the same time, our human resources is our greatest asset. We believe that innovation and the enrichment of our talent pool will lead to our growth as a global organization.

In order to realize this, the Group has set forth the Code of Conduct (the Code). All directors and employees of the Group observe the Code as an important document that guides us in upholding our ethical commitment.

By cultivating to sense a change in world affairs and social values, we must practice what is written in the Code to ultimately reach our business goals and to fulfill the social responsibility as an enterprise.

Yusen Logistics Co., Ltd.

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## **Chapter 1 Fair and Sincere Business Activities**

### **1.1 Providing Logistics Services of Outstanding Quality and Safety**

To earn the trust and satisfaction of our customers and other stakeholders, we provide services of outstanding quality and safety with careful attention to fairness and integrity.

[\\*Please refer to "Yusen Logistics Group Quality Policy"](#)

### **1.2 Compliance with Laws and International Rules**

(1) As a global company, we follow the laws and regulations of our own country and other countries in which we operate, as well as the international conventions and rules pertaining to trade practices. At the same time, we honor and respect the cultures and customs of the various regions of the world.

(2) With respect to our business operations, we engage in ethical business practices such as obtaining permits and approvals required by each country's regulatory requirements.

(3) To pursue the assurance of safety, we abide by security rules such as International Civil Aviation Organization (ICAO), International Maritime Organization (IMO) and other rules / regulations stipulated by various countries as well as the rules of handling dangerous goods.

(4) Upon the arrangement of import and export procedures requested by the customer, we comply with the related import and export laws of each country. Furthermore, we comply with trade regulations invoked by national governments and international organizations such as the United Nations.

### **1.3 Full Compliance with the Antitrust Law**

(1) We will comply with the "Act on prohibition of private monopolization and maintenance of fair trade" of Japan, and any other laws and regulations to maintain fair trade and competition in all countries where our group companies operate.

(2) We will not engage in cartel behavior, acts that impede free and fair competition or any other act that may invite suspicion of such behavior.

(3) We assure that we do not promote nor participate in any meetings to discuss matters that could lead to the restriction of fair competition in the market.

(4) Upon dealing with business partners, we assure that we will not use our dominant bargaining position to delay or refuse payments, or unjustly return or refuse acceptance of products/services of subcontractors.

[\\*Please refer to:"Yusen Logistics Group Antitrust / Competition Law Compliance Basic Policy"](#)

#### **1.4 Prohibition of Bribery**

(1) The Group is committed to complying with the US Foreign Corrupt Practices Act (FCPA) and any other law that prohibits corrupt practices and bribery.

(2) Domestically or internationally, directly or indirectly, against any public or private individual, we will not give, offer, promise to pay, accept nor request anything of value for the purpose of improperly obtaining or maintaining business or to obtain any improper business advantage is strictly prohibited.

[\\*Please refer to: "Yusen Logistics Group Non-Bribery Basic Policy"](#)

#### **1.5 Gift-giving and Entertainment**

(1) We will not engage in gift-giving and business entertainment exceeding the norms of social etiquette in our relations with our customers and business partners. Also, we must not accept any gifts or entertainment that may lead to personal gain.

(2) With regards to entertainment, gift-giving, or the provision of other economic benefits of interested public officials, we understand strict regulations exist regardless of social norms and we must properly act in accordance with the regulatory requirements of that country.

#### **1.6 Prohibiting Conflict of Interest**

(1) We will not engage in acts that result or might result in a conflict of interest with the company.

(2) Individuals who belong to the Group will not serve as director, advisor, employee, agent, etc. for other business enterprises, unless approved by the Group.

(3) We will not individually receive any reward deriving from business practices without the company's approval.

(4) We will engage in trade with suppliers and customers with fairness and impartiality and will not compromise the interests of the company by promoting the interests of oneself, relatives, friends or acquaintances or designated organizations.

(5) We will not use the company's resources for the purpose of personal gain.

#### **1.7 Proper Use of Company Assets**

(1) We will utilize the company's assets in an efficient manner and properly manage the assets to avoid damages, loss or theft.

(2) We will not use the company's tangible or intangible assets or facilities for the purpose of non-business related personal activities without advanced permission or approval.

## **1.8 Selection of Suppliers**

In the selection of suppliers, we will undertake a process appropriately and fairly on the condition that we accordingly assure the supplier's reliability of its goods or services, stable management, and furthermore, fulfilling social responsibilities including compliance with laws and social norms, environmental preservation, anticorruption, respect of human rights, creation of employ and work environment, etc.

## **1.9 Cooperation with Research by Administrative Authorities**

(1) We will cooperate with requests from relevant government organizations or other government-related organizations for research, notification or report and act accordingly in good faith.

(2) We will cooperate actively with internal audits and inspections related to the state of compliance with company regulations and with laws and regulations. Should need for improvement, be pointed out, we will act promptly to address the issue, unless logical reason exists to do otherwise.

# **Chapter 2 Respect for Human Rights**

## **2.1 Respect for International Norms on Human Rights**

We respect international norms on human rights and will not engage in acts that violate human rights and the dignity of the private individual in any of our business activities.

## **2.2 Eradicating All Forms of Discrimination**

We respect the rights of all persons and will not engage in discriminatory action or make discriminatory remarks based on gender, age, nationality, ethnicity, creed, religion, occupation, social status, appearance, illness or disability.

## **2.3 Prohibiting Harassment**

We will not engage in libelous or slanderous acts that violate human dignity, abusive acts that may be regarded as harassment or any other act that may be misinterpreted as harassment, without any exception.

## **2.4 Prohibiting Forced Labor or Child Labor**

We are strongly opposed to all kinds of modern slavery and human trafficking, and shall not engage in inhumane acts such as forced labor, and child labor. Furthermore, we will not conduct business with any organization that engages in such inhumane acts.

## **2.5 Equal Opportunity in Employment**

We will promote equal opportunity in employment, personnel administration, wages, training, promotion, etc., and will observe labor contracts and other agreements with attention to the protection of the rights of workers established in international treaties and in laws and regulations of each country or region.

## **Chapter 3 Building a Friendly Work Environment**

### **3.1 Importance of Diversity**

We embrace the diversity of employees in personality, individual traits, ways of thinking, value perception, etc., and will realize sustainable growth of the Group by tapping into a wide range of human resources and generating vitality as an organization.

### **3.2 Assuring Balance between Work and Private Living**

(1) We support a healthy balance between work and private life (work-life balance) and pay close attention to the creation of a work environment in which each employee is able to work with a sense of satisfaction and fulfillment.

(2) For employees who need allowance for maternity, childbirth, child care, nursing care for family members, etc., we will develop a work environment that enables such employees to do so while working, through the creation of various work schemes and leave programs.

### **3.3 Assuring a Safe and Healthy Work Environment**

(1) Maintenance of a safe and healthy work environment is the top priority for the Group. We engage in the prevention of accidents and occupational injury on a daily basis.

(2) We engage in keeping the work environment comfortable for the workers by actively conducting measures that maintain and promote the sound physical and mental health of workers.

## **Chapter 4 Relationship with Society**

### **4.1 Assuring Information Disclosure and Corporate Transparency**

(1) We will properly disclose information as required through laws and regulations. At the same time, we proactively provide information beyond what is required by law.

(2) We will promote constructive dialogues with stakeholders surrounding the Group to achieve a transparent corporate management and pursue to increase our corporate value.

#### **4.2 Sound Corporate Accounting**

We assure the soundness of our financial statements by engaging in accounting and financial reporting in compliance with relevant laws and regulations, fair and rational accounting standards.

#### **4.3 Rejecting Transactions with Antisocial Forces**

(1) We will not establish any relation whatsoever with antisocial forces - or parties that are suspected to be related to such forces - that may threaten order and security of civic society. Furthermore, we will categorically reject any demand for monetary payment or offer for transaction that transgresses legal authority from such an organization and shall act to eliminate such organizations with the resolution.

(2) Without exception, we will not be involved in terrorism, money laundering or any other form of organized crime and will furthermore conduct careful study into the processes for transactions to ensure they are not used in such crimes.

#### **4.4 Political and Religious Activities**

The Group does not support any specific political or religious movement. Furthermore, the Group will not allow such activities to take place on the company premises during business hours.

#### **4.5 Social Contribution Activities**

We promote harmony with regional communities and international society as a good corporate citizen and actively engage in social contribution activities through our business operations and sustainable advancement of our corporate value.

#### **4.6 Attention to the Environment**

We observe and comply with treaties, laws, regulations, and rules related to environmental protection. We continue to make efforts for environmental preservation. With an attention to the natural environment, we conduct an initiative that promotes resource saving and energy conservation, and reduction of waste, etc.

[\\*Please refer to:"The NYK Group's Environmental Management Vision / Environmental Management System's Scope / Environmental Green Policy"](#)

## Chapter 5 Information Assets

### 5.1 Information Management and Administration

(1) We will not acquire confidential information of other companies for unauthorized use.

Furthermore, confidential information that had been disclosed to the company will be used strictly for business purposes. If a confidentiality agreement is concluded, we will comply with the terms of the agreement.

(2) Confidential information obtained in the course of business shall be managed properly in all information-related processes, including storage, use and disposal, and shall not be leaked or used without authorization, both during and after service with the company.

(3) We recognize the importance of protecting personal data and will properly handle such data obtained in the course of business activity in accordance with relevant company rules.

[\\*Please refer to: "Yusen Logistics Group Privacy Policy"](#)

(4) We uphold the protection of intellectual property rights of the Group and at the same time we respect and shall not infringe on the intellectual property rights of other business corporations.

### 5.2 Prohibiting Insider Trading

(1) Should we, a director or an employee of the Group, obtain unannounced information on our group companies, our business partners, suppliers or customers that affects investment decision-making (insider information), we will not engage in trading other companies' stocks relevant to the aforementioned information until official disclosure of information.

(2) We will not leak insider information to external parties nor recommend them to buy or sell stocks for the purpose of profiting or avoiding a loss by way of having external parties buy or sell the stocks.

### 5.3 Appropriate Use of Information Systems

We comply with internal regulations on information security and properly use company-owned information systems such as hardware, software, network, recording media, etc, with a caution of preventing a breakage or loss of the systems. In addition, we will introduce measures instructed by the company as needed on a timely manner in order to protect illegal access or invasion from outside parties.

## **Chapter 6 Responsibility of Top Management**

The top management should exercise initiative in complying with the Code herein and strive for business management founded on fair corporate ethics and compliance with laws and regulations. In case a director or an employee violates the Code, top management should clarify both internally and externally that it will take charge to resolve the problem, determine the cause of infringement and make efforts to prevent similar violations in the future, At the same time, top management should promptly make full public disclosure, explain what has occurred, and, upon determining the source of competence and responsibility, impose strict disciplinary action against those held responsible, including management itself. Furthermore, top management will encourage business partners to promote business operations based on wholesome corporate ethics and compliance.

## **Chapter 7 Report and Consultation of Suspicious Behavior**

- (1) If we encounter suspicious behavior or a possible violation of the Code, we will report to or consult with a manager or appointed contact person without delay. We will not deliberately suppress facts or ignore violations committed by directors or employees.
- (2) The Group strictly protects the confidentiality of the person reporting, consulting, or cooperating with the investigation, and ensures that such person does not incur any disadvantage as a result of his or her disclosure of information or consultation, unless the disclosure or consultation is made with a fraudulent purpose or in an improper manner.



## **Miscellaneous Rules**

### **1. Application of the Code**

The Code herein applies to all directors and employees of Yusen Logistics Co., Ltd. as well as our Group companies, and applies accordingly to workers at such a company based on temporary service contracts

### **2. Inquiry regarding the Code**

For further information or questions regarding the Code, please contact Legal Group.

### **3. Application of the Code to Group Companies**

The companies of the Group are able to establish their own respective corporate codes of conduct, adapted to the laws and regulations, customs, culture, etc., of their respective country or region, in compliance with the rules of the Code of Conduct herein. However, deviation from the purpose of each provision of the Code or relaxation of the provision is not allowed.

### **4. Modification of the Code**

Revision and cancellation of the Code will require the approval of the Board of Directors.

### **5. Punitive Action**

A director violating the Code herein shall be imposed with strict punitive action according to the provisions of Chapter 6. Also, employees may be imposed with punitive action based on laws or regulations, work regulations or the terms and conditions of the contract with the company with which they are directly affiliated.

Established on May 1, 2005

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