

“K” Line Implementation Guideline for Charter of Conduct

Kawasaki Kisen Kaisha, Ltd.

Kawasaki Kisen Kaisha, Ltd. (hereinafter referred to as “K” Line) has set the following items as an implementation guideline in order to put the spirit of “Charter of Conduct: “K” Line Group Companies” into practice.

1. Human rights

The “K” Line Group will consistently respect human rights and well consider personality, individuality and diversity of its corporate members and improve work safety and conditions to offer them comfort and affluence.

1-1 “K” Line fully recognizes that corporate sustainability is supported by its employees and will honor their rights, personality, individuality and diversity.

1-2 “K” Line will abide by labor laws and regulations.

1-3 “K” Line does not tolerate child labor or forced labor.

1-4 In order to assist each corporate employee unleash their capabilities and creativity and maximize their potential to achieve self-actualization, “K” Line will improve necessary education, training and other systems to facilitate a balance between career planning and human resource utilization.

1-5 “K” Line will conduct objective and unbiased personal evaluation through due process of appraisal and fair and equal treatment of employees.

1-6 “K” Line will eliminate any discrimination in employment or compensation based on nationality, gender, religion, social class or other social status.

1-7 “K” Line will make every possible effort to prevent harassment at work and promptly and adequately respond as needed.

1-8 “K” Line will support the balancing of career and family by putting in place necessary systems such as work schedules flexibility and leave systems.

1-9 “K” Line will ensure safety of its corporate employees in the work environment by

having sufficient security systems in place.

1-10 “K” Line will properly manage workplace health conditions, maintain a safe and appropriate work environment and support employees’ efforts to maintain their mental and physical health care.

1-11 “K” Line will prepare a disaster manual and secure a crisis management system for its corporate employees and their families by reserving emergency supplies and building a safety confirmation system.

2. Compliance to the Principles of Corporate Ethics

The “K” Line Group promises to comply with applicable laws, ordinances, rules and spirit of the international community and conduct its corporate activities through fair, transparent and free competition.

2-1 “K” Line promises to comply with applicable laws and ordinances, conventions, rules of the international community and social values such as ethical and moral codes.

2-2 “K” Line recognizes that anti-trust regulations in each respective country are the basic rule for fair, transparent and free competition, and promises not to enter into any agreement in breach of these nor abuse its dominant position.

2-3 “K” Line will always transact business based on appropriate purchasing policies outlined below and maintain fair and sound relationships with its business partners.

1 Make purchasing decisions by providing fair opportunities and through impartial evaluation.

2 Comply with laws, ordinances and social norms and build mutually trusting and cooperative relationships with business partners.

3 Give due consideration to social responsibilities such as respect for human rights and safety, conservation of natural resources and environmental preservation.

4 Pursue achievement of best quality with reasonable cost.

2-4 “K” Line will maintain transparent and sound relationships with governments and regulatory authorities.

- 2-5 “K” Line will neither offer nor receive any excessive entertainment, gifts or other favors beyond commonly accepted business courtesies.
- 2-6 “K” Line will seek to protect and fully utilize its intellectual property and respect intellectual property rights of others.
- 2-7 “K” Line will lay down strict internal rules and procedures to prevent any insider trading or suspicious activities from occurring and keep every member of the “K”Line Group duly informed and conform to such rules and procedures.
- 2-8 “K” Line will establish an internal reporting system and necessary measures for constantly monitoring compliance status and will respond timely and effectively if any problem arises.

3. Trustworthy company group

“K” Line Group continues to pay special attention to safety in navigation, achieving customer satisfaction and garnering trust from the community by providing safe and beneficial services.

- 3-1 “K” Line recognizes safety in navigation and operations as its immediate top priority and ensures safety and quality of its services centering on international maritime transport.
- 3-2 “K” Line recognizes that its good relations with customers, business partners, shareholders, local communities and other stakeholders are imperative to its corporate activities, and will provide safe and valuable services.
- 3-3 “K” Line will give due consideration to harmony with public interest in recognition of the public nature of international maritime transport.
- 3-4 “K” Line will provide customers with adequate information concerning its services and will respond to inquiries in good faith.
- 3-5 “K” Line will adequately and strictly manage and protect personal and customer information.

4. Environmental efforts

The “K” Line Group recognizes that global environmental efforts are the key issue for all of humanity and that they are essential both in business activities and existence of the company and therefore we are committed to a voluntary and proactive approach to such issues to protect and preserve the environment.

4-1 “K” Line will address environmental issues towards preventing global warming while constructing a recycling-oriented economic system.

4-2 In accordance with our group environmental policy, “K” Line will make efforts to reduce impact on the environment and to contribute to preservation and improvement of the Earth’s environment in our day-to-day business activities.

4-3 “K” Line will endeavor to develop innovative technology and business models that will help solve environmental issues.

4-4 “K” Line will proactively participate in social action programs for environmental preservation.

5. Disclosure of corporate information and communication with society

The “K” Line Group will protect personal information, properly manage corporate information and disclose corporate information timely and appropriately, widely promoting bidirectional communication with society widely including shareholders.

5-1 To promote extensive communication with shareholders and investors, “K” Line will disclose all facts and company information timely and appropriately with full respect for securities exchange policies.

5-2 “K” Line will communicate to customers adequate information concerning services it provides.

5-3 “K” Line will adequately protect its confidential information and handle information pertaining to a third party with due diligence.

6. Contribution to society

The “K” Line Group as a Good Corporate Citizen will make ongoing efforts to contribute to the social development and improvement and support employee’s voluntary participation in such activities.

6-1 As a responsible and good corporate citizen, “K” Line will actively engage in social action programs.

6-2 “K” Line will further and proactively contribute to society through collaboration with external groups and various members of the public with beneficial expertise.

6-3 “K” Line will participate in industry and business community-wide social action programs.

6-4 “K” Line will support voluntary social participation of its employees in the form of volunteer work, lectures and writing.

6-5 “K” Line will prepare for possible relief and aid for disasters or marine accidents and extend social contributions by taking advantage of its know-how and technology including transport of necessary resources when needed.

6-6 “K” Line supports welfare activities and scholarly, educational, art and sports as well as other cultural activities.

7. Harmony in the international society

The “K” Line Group will contribute to development of international society in pursuance of its business pertaining to international logistics and related businesses, respecting each country’s culture and customs.

7-1 Complying with international and local laws and regulations, ethical and moral codes, “K” line will contribute to the development of each nation by offering know-how, cooperating in human resources development and deepening the friendship with related companies and organizations.

7.2 “K” line will ask local business partners in each nation to understand the spirit of its

“Charter of Conduct” and its’ CSR approach and to improve their activities as needed.

8. Confronting anti-social forces

The “K” Line Group will resolutely confront anti-social forces or organizations which may threaten social order and public safety.

8-1 In cooperation with industry groups and local companies, “K” line will endeavor in eliminating anti-social forces.

8-2 “K” Line will collaborate with law enforcement to fight against threats by anti-social forces.

8-3 “K” Line will never transact business with any anti-social forces nor extend amenities of any kind including gifts and entertainment.

The management recognizes that it is their role to realize the spirit of the Charter and to set the pace that is to be followed by every employee in their company as well as by business partners.

In the event of any incidents in breach of this Charter, the management will demonstrate decisiveness to resolve the problem(s), conduct a thorough investigation to determine the cause and to take preventative measures. Additionally, the management will expeditiously and accurately release information and fulfill their accountability to society.