



“Environmental Policy”

- Basic Principle

We, Fuyo Kaiun Co., Ltd. as the socially responsible organization, has founded and run the shipowner business for the purpose of contribution to worldwide shipping trades by means of providing every reputable domestic and overseas operator with our well-maintained vessels for transportation services under our unique principle for the qualified management on the honor system and also has attempted to expand our business functions in a capacity as the independent ship manager by earning an order for management of outsourced vessel from other shipowner being predicated on the organization's merits and performances accumulated through long business term since the institution's formation in 1974.

In our engagement for the above business activities along with the purpose in mind of contribution to the sustainable development, pursuant to our environmental management system in accordance with the latest-applicable International Standard, i.e. ISO14001:2015, Top Management as the responsible representative of the organization hereto declare our persistent commitments to the protection of the earthly environment including the Prevention of Pollution and others such as a sustainable resource use, climate change mitigation, protection of biodiversity/ecosystems and the relevant environmental issues specific to the context of our organization within the defined scope of this management system at our office and all of owned and managing vessels across-the-board. In addition, our organization shall commit a continual improvement of this management system along with PDCA cycle to enhance the environmental performance for fulfilling and driving Corporate Social Responsibilities.

Add lastly that Top Management shall demonstrate a leadership and commitment in accordance with this management system's requirements through the commitments from all levels and functions of the organization. Especially, taking into account of the specific context of the organization, Top Management shall encourage Awareness of the employed person in all levels, especially for the prevention of SSBC incidents (*four largest marine incidents being typified as Sinking, Stranding, Burning and/or Collision*) causing an environment havoc at sea, and also let them take appropriate actions for the Prevention of Pollution upon this management system and pursuant to every requirement as Compliance Obligation and also the public order and morals.

- Activity Guideline

Under the leadership of Top Management, our organization shall assure to make persons doing work under its control including our employed persons in all levels and function, recognize and commit the following required actions, including but not limited to, and others in the context of the organization for the fulfilment of their respective responsibility with awareness under this management system which is integrated with the organization's business process.

In this context, the organization shall perform and develop the following activities typically to;

- Ensure continuous safe vessel operations for an avoidance of SSBC incidents
- Prevent a depletion of Natural Resources through continuous efforts liaising with stakeholders
- Comply with every regulation for emission constraint of CO2 defined as Greenhouse Gas (GHG)
- Prevent an emissions of hazardous/noxious substances such as SOx and NOx etc.
- Prevent an illegal discharge of Ballast Waters pursuant to the relevant requirements
- Reduce a generation of wastes and make every effort for Re-use and Recycle
- Proactively consider an introduce of Environmental Conscious Product (ECP)
- Consider an enhancement of every valuable Resources for well-environmental performance
- Assure a commitment to continual improvement of this management system

-Main Policy

In accordance with the purpose, context and activities of the organization, Top Management hereby establish the main policy as follows. All persons doing work under the organization's control shall acknowledge that the main policy has to be implemented and maintained in the spirits of Basic Principle and Activity Guidelines as set out and under the defined scope of our environmental management system in accordance with ISO14001:2015 for the sake of an achievement of our intended outcomes toward earthly environment conservation.

1. We shall make a continuous commitment to the protection of the environment including the prevention of pollution and other specific to our context for achieving an intended outcome such as, but not limited to, the prevention of marine/air pollution through the maintenance of fleet vessel's safe operations with competent ship managements, liaising with interested parties, and the prevention of depletion of natural resources in conjunction with 3R activity.
2. We shall make a continuous commitment to conform to the identified compliance obligations such as the legal requirements, authoritative organization's directive/recommendation and the relevant needs and expectations from these interested parties.
3. We shall establish and achieve environmental objectives being consistent with this policy as the framework for setting them and then execute a plan for achieving the established environmental objectives through the periodical monitoring process with review for update as appropriate.
4. We shall make a commitment to continual improvement of our environmental management system to enhance environmental performance through periodical reviews in PDCA cycle.

This Environmental Policy shall be communicated within the organization and all of the persons doing work under the organization's control including our employed persons. Besides, this Environmental Policy shall be always accessible and available to the public including our interested parties preparing for their need and/or demands.

1st September, 2017

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