

NAGASHIKI SHIPPING CO., LTD.

DATE: 27 February 2021

A/TO: Ms. Beatriz Balbin
Chief
Special Procedures Branch
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DE/FROM: Kiyoaki Nagashiki
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REF: AL OTH 78/2020

SUBJECT: Reply of our company to the Joint Communication from the Special Procedures

Dear Ms. Beatriz Balbin,

In reference to the Joint communication dated 14 December 2020, sent by the Special Rapporteur on the issue of human rights obligations relating to the enjoyment of a safe, clean, healthy and sustainable environment, the Working Group on the issue of human rights and transnational corporations and other business enterprises, the Special Rapporteur on the right to food, and the Special Rapporteur on the implications for human rights of the environmentally sound management and disposal of hazardous substances and wastes, we provides the following response.

1. We first would like to make it clear that Human rights is of utmost importance for our company. High ethical and safety standards are integral to our company and industry.
2. We provide the following response to Question 1,2,3,4 and 8.

We swiftly contacted with a multitude of experts and contracted with several of them in concert with

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the Japan Ship Owners' Mutual Protection and Indemnity Association (Japan P&I Club). This included a professional response organization, salvage team, marine consultants, clean up contractors, surveyors and technical experts etc. to advise and assist on various countermeasures since the incident of M/V WAKASHIO on the island of Mauritius and conduct and assist with the salvage operation and clean-up operation. The oil spill response plan and salvage plan were carefully made in accordance with all local regulations and in coordination with the local authorities and the other parties involved. We have been in constant touch with the Mitsui O.S.K. Line Ltd., since the incident on the island of Mauritius and discuss and implement various measures in advance. Our primary focus is to minimize any further environmental impact and recover the remaining lost oil from the sea and surrounding coastal areas and safely remove the vessel from its current position.

Three tankers and barges were swiftly mobilized on site to transfer fuel from the M/V WAKASHIO. Additionally, helicopters were deployed to transfer IBC tanks containing fuel oil recovered from the M/V WAKASHIO site. When the vessel ran aground on July 25, she had approximately 3,800 MT of Very Low Sulphur Fuel Oil(VLSFO) and 200 MT of Diesel Oil(DO) on board. The shipowner's appointed salvage team successfully transferred the fuel oil remaining on board, an estimated 3,000 metric tons of oil, to small tankers as of August 12, 2020.

We immediately established a skilled oil spill response team, equipped with specialist spill remediation equipment, including oil booms, skimmers, pumps and absorbents, to contain and clean-up the oil in compliance with rules and regulations and in line the local authorities' guidance. Approximately 1520 meters of oil booms had been deployed in strategic locations to contain the pollution by 13th August. The National Coast Guard/ Mauritius Police Force (NCG/ MPF) oversaw the deployment and maintenance of protective booms within the lagoon. We contracted the company Polyeco who maintained the booms, while recovering any oil or debris contained within them. Further oil booms were deployed as needed according to expert instruction.

In order to promote an effective response, the non-profit organization, ITOPF (International Tanker Owners Pollution Federation) provided advice to the shipowner and the Government on the pollution and possible effects. ITOPF has run GNOME (General NOAA Operational Modelling Environment) simulations at the early stages of the spill to predict where the oil may travel. Specialists on site continue to closely monitor the oil flow and tidal patterns.

We contracted the cleaning of the shorelines to Le Floch Dépollution and Polyeco, each started their operations on the 12th and 23rd of August respectively. The cleaning of the shorelines has proceeded smoothly and an estimated 1300 cubic meters of liquid waste and 7900 cubic meters of solid waste was reported to have been recovered. This estimated figure may be amended when the final figures are calculated and agreed by all parties. Cedre, an international expert in water pollution and the Ministry of Environment will fully assess the different sites in order to sign off or advise for additional cleaning

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up. Meanwhile the wreck removal contractor continues to work to safely remove the vessel from its current position.

We have dispatched two members from our company for the purpose of cooperating with the authorities, collecting information, preventing the spread of oil pollution, and environmental recovery. In addition, based on the information from our personnel on site, we despatched the materials necessary for oil cleaning to support and help recover the environment of Mauritius.

We take human rights and environmental responsibilities seriously and we will continue to make efforts with partner agencies and contractors to protect the marine environment and prevent further pollution. We continue to work closely with the local authorities and we will help support the Mauritius people.

3. We provide the following response to Question 4 and 5.

We are continually working with the Mauritian government and independent organizations to assess the environmental impact. A full incident investigation is currently being carried out under the Mauritius authorities, vessel flag state (Panama) and Japan authorities and we are fully cooperating with the investigation including the submitting related materials etc.

As stated by the International Maritime Organization: Under SOLAS regulation I/21 and MARPOL articles 8 and 12, each Administration undertakes to conduct an investigation into any casualty occurring to ships subject to those conventions and to supply the Organization with pertinent information concerning the findings of such investigations. Article 23 of the Load Lines Convention also requires the investigation of casualties.

Under the United Nations Convention on the Law of the Sea (UNCLOS), article 94 on Duties of the flag State, paragraph 7, "Each State shall cause an inquiry to be held by or before a suitably qualified person or persons into every marine casualty or incident of navigation on the high seas involving a ship flying its flag and causing loss of life or serious injury to nationals of another State or serious damage to ships or installations of another State or to the marine environment. The flag State and the other State shall co-operate in the conduct of any inquiry held by that other State into any such marine casualty or incident of navigation."

We have carried out various responses under the government directions. From the early stages of the response, Command meetings were set up with representatives from various stakeholder groups at the meetings to convey key points, report the situation and share information. The Command meetings are

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open to the media. The salvage plan and clean-up plan put forward fully evaluated all potential environmental impact and safety issues. The decision was carefully made in accordance with all local regulations and in coordination with the local authorities, and the information was shared at the command meetings.

We have set up a public relations window on site and make effort to provide information to the media regarding cleanup-related matters and wreck removal etc. After the clean-up operations by Polyeco and Le Floch Dépollution, we hosted a tour for the media in order to report on the work completed.

4. We provide the following response to Question 6.

A ban on fishing in the lagoon was imposed due to the spill, and fishermen were employed in the oil spill response to deploy booms and assist in containment and recovery efforts. Other affected economic activities along the coast include cafes, coastal restaurants, hotels and picnic sites. The impact on these sites has yet to be fully understood and the assessment of any claims from these will have to consider the effects of the current global Covid-19 pandemic, and the restrictions imposed by the Mauritian government.

We are fully aware of the responsibilities and we will respond to the claims in good faith in accordance with applicable law and international Conventions. We will continue to do our utmost to minimize the impact of the environmental pollution.

5. We provide the following response to Question 7 and 10.

Human rights are core values of our company and we are aware of the complex issues of human rights. In line with our core values, good corporate responsibility is central to our operation. We recognize that the activities of our business may have potential and actual human rights impacts. We are committed to respecting human rights that are recognized internationally and set out in the International Bill of Human Rights and these principles concerning fundamental rights in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

We comply with the ILO Maritime Labor Convention and have obtained MLC certificates on all of our vessels and make every effort to improve the working conditions and occupational safety and health of ship crew members. The Company is in the process of implementing an anonymous "whistle-blower" scheme that will ensure that any grievances can be communicated to management without fear of reprisal or condemnation.

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Following the grounding of the Wakashio, we are doing our utmost to recover oil and remove the wreck in order to minimize the environmental pollution and the impact of the lives and health of the people of Mauritius. We will continue to work closely with the local authorities and the other parties involved for the recovery. We will continue to do our utmost to protect the natural environment and to improve the lives of the people of Mauritius.

We have established mechanisms to attend to inquiries, claims, concerns, and complaints from the communities/individuals in the areas, adapted to and accessible for every context. The local authority (Ministry of Blue Economy, Marine Resources, Fisheries and Shipping) is the window for local complaints/claims and we will respond in good faith in accordance with applicable laws and international treaties in cooperation with the local government.

The human rights due diligence policies and processes that our company implements are as follows:

The Rules of Conduct

- Respect basic human rights and do not discriminate on the basis of race, nationality, gender, pregnancy, marriage, age, religion, sexual orientation, political opinion, or disability.
- No child labor, forced labor, or other forms of involuntary work of any kind shall be tolerated.
- No corporal punishment, threats of violence, or other physical, sexual, psychological, or verbal abuse or harassment of workers shall be tolerated.
- Respect the rights of workers regarding freedom of association and collective bargaining rights etc. based on laws and regulations
- Understand and respect the culture and customs of each country and region, and strive for harmony and coexistence.

In all aspects of our corporate activities, we will implement and promote the following items through dialogue and consultation with our stakeholders.

- We will develop and implement due diligence in order to address the actual or potential negative impacts of our business activities on human rights.
- In the event that our corporate activities have a negative impact on human rights as an indirect or direct cause, we will endeavor to provide redress it in good faith, and will use appropriate means to prevent reoccurrence.
- To ensure that all officers and employees comply with this policy and human rights due diligence, we will provide appropriate training, raise awareness of human rights, and develop skills.

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6. We provide the following response to Question 9.

Nagashiki Shipping, founded in 1958, has owned and operated vessels for over 62 years and is a responsible and safe operator, fully regulated and compliant to the highest standards within the shipping industry. The entire fleet regularly undergoes inspections by multiple authorities from multiple jurisdictions and is fully insured by a globally recognized P&I group as required to legally operate vessels.

Safety is an ongoing focus for our company and the Company constantly reviews safety management procedures across its entire fleet. Whilst the investigation into the root cause of the incident remains ongoing, circumstances of the current situation have been shared across the fleet. Going forward we will communicate and implement any lessons that can be learned from the investigation to all the parties involved in this accident and all of our vessels to ensure safe and flawless navigation.

As human behaviors plays such an integral part in safe ship management, we will comprehensively review pre boarding check and education conducted by the ship management company and the manning company. Information and opinions will be shared to foster and upgrade safety awareness. Additionally, measures will be introduced to further evaluate the crew and fully assess their aptitude for the task they are being asked to perform.

Examples of steps already under way include a review of ship communication equipment, including surveillance cameras on the ship's bridge, together with the introduction of a service plan that allows full access to electronic charts of all scales worldwide without going through the process of purchasing electronic charts individually.

Yours sincerely



Kiyoaki Nagashiki

President

Nagashiki Shipping Co., Ltd.