



GROUP CODE OF CONDUCT

Letter from the CEO

Throughout the years, the Company has built its business on the basis of performance, trust, and confidence. It is through the efforts of employees like you that the Company has deservedly earned its reputation of accomplishment, fair dealing, and ethical conduct. It is our intent to be a world class leader in every aspect of our business, including our business conduct and ethics.

The purpose of this Code of Conduct is to set forth standards of business conduct and ethics that are expected of each and every employee. All of the policies and procedures in this Code of Conduct apply to all Company employees, regardless of position, whether operating in this country or in any other country or region where the Company conducts or pursues business. Please note that all obligations of our employees that are described in this Code of Conduct also apply to any agents with whom we may be conducting business, and it is your responsibility to assure that all agents with whom you may be working complies with every aspect of this Code of Conduct.

The Company expects all employees to observe high ethical standards in the performance of their duties and to strictly adhere to the letter and spirit of all laws and regulations governing our business transactions and practices.

Thank you for taking the time to read, understand this Code of Conduct, and for your dedication and hard work for the Company.


Nobutoshi Totsu
President and Chief Executive Officer



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1. Compliance with Laws

As our business expands globally, we must keep in perspective how we compete in each country. Being a for-profit entity, we must strive to maximize profits, but we must do so while in strict compliance with all laws and regulations applicable to our activities in each of these countries. We must comply with not only the letter of the law but also the spirit of the law that governs our actions as individuals and as a company.

All employees are responsible for his or her own actions, including the detection and reporting of any violation of such laws and standards by any employee or agent. The Company's principal business involves a complicated assortment of international and local laws and regulations as well as a variety of licenses, permits, approvals and governmental authorizations to conduct its normal daily activities.

All employees must acquaint themselves with the legal requirements and restrictions that are applicable to their assigned duties and responsibilities and act accordingly. Always remember that the mere appearance of unethical or inappropriate behavior can often be just as damaging to our Company, and its employees and customers, as any technical violation.

2. Conflicts of Interest

All employees shall avoid any situation in which their personal interests may conflict with those of the Company.

Each employee has a fiduciary responsibility and owes a duty of loyalty to the Company. As a result, any situation that even merely gives the appearance of a conflict of interest must be avoided. All employees should not advance any personal interest or engage in any employment, investment, association or other activity that could possibly interfere with the interests of the Company. A conflict of interest exists when an employee's duty to give undivided commercial loyalty to the goals of the Company may become prejudiced by the pursuit of actual or potential personal gain from another source.

There is no substitute for sound judgment in determining when a conflict of interest may exist, but the following describes certain situations that must be avoided:

- (1) Except as may be otherwise expressly permitted by this Code of Conduct, employees shall not, directly or indirectly, own, control, manage, participate in, invest in, permit his or her name to be used by, act as consultant or advisor to, render services for (alone or in association with any other individual or entity) or otherwise assist in any manner any individual or entity that engages in the provision of services that are similar to, are in competition with, or may materially detract from the businesses of the Company.
- (2) Employees shall deal with all customers, suppliers, competitors and all other persons doing business with the Company in a completely legal, fair, and objective manner, without favor or preference based upon personal financial considerations.

- (3) Employees shall not accept from or give to any customer, supplier, competitor or other person any gift or form of entertainment, except as permitted in the section entitled "GIFTS AND ENTERTAINMENT."
- (4) Employees shall not conduct business on behalf of the Company with a close relative or friend, unless the transaction is on an arms-length basis, the transaction is disclosed in writing to his or her supervisor or manager, and the supervisor or manager determines that the transaction is not inconsistent with the purposes of the Company's conflict of interest policies.

Each employee has the affirmative duty to disclose to his or her supervisor or manager the existence of any personal position with, financial interest in, or other association with any individual or entity that is a competitor of or which seeks to do or does business with the Company.

Each supervisor or manager shall review each case with his or her superiors, or when appropriate, the General Counsel, and they shall determine whether the existence of such position, interest, or association is or may be in conflict with the Company's conflicts of interest policies or otherwise detrimental to the best interests of the Company. If it is determined that such conflict or detrimental effect may occur, such steps as are necessary to correct the situation will be immediately instituted.

3. Anti – Corruption

The Company endeavors to conduct its business according to the highest ethical standards. The Company does not seek any advantage, whether for itself or its customers, through the use of improper inducements, and the Company strictly prohibits its directors, officers, employees and others acting on its behalf, directly or indirectly, from providing, attempting to provide, or offering funds, assets, or other things of value in the form of bribes, kickbacks, or other payoffs to any actual or prospective customers, logistics service providers, and government officials.

The Company will comply with the anti-corruption laws of each of the respective countries it conducts business in.

Unless an employee obtains prior approval from corporate counsel, it is prohibited to offer favors, including but not limited to money, services and entertainment, to a civil servant or other government employee.

This holds true for inappropriate payments made through agents and third parties as well. In the event an employee notices an improper payment or favor or is requested one, corporate counsel should be consulted through the KWE Japan headquarters internal reporting hotline. Each supervisor or manager shall review each case with his or her superiors, or when appropriate, the General Counsel, and they shall determine whether the existence of such position

4. Gifts and Entertainment

Management recognizes that employees may be offered gifts, gratuities, or similar favors from individuals or entities transacting business with the Company and that common courtesy may require the acceptance of such items. However, it is the policy of the Company that neither its employees nor any member of their respective families are to solicit or accept any money or any goods, services, premiums or discounts of any nature that may be reasonably construed as an inducement, condition, or result of doing business with the Company.

Gifts of nominal value that are offered as a customary business courtesy, premiums or discounts that are generally offered and given to the public as part of a typical sales promotion, normal business meals and entertainment may be accepted as long as the recipient does not believe that any special reciprocation or consideration will be expected in exchange for such action.

When in doubt, you should consult with your supervisor or manager. In addition, if you are either offered or sent money or a gift of other than nominal value, you are to immediately report this to your supervisor or manager so that management may take appropriate action.

For similar reasons, employees may offer gifts of nominal value as a customary business courtesy or pay for nominal business meals and entertainment, provided that the expenses involved are kept at a reasonable level, have been approved in advance by management, and are not prohibited by law or the business policies or practices of the recipient's organization.

Notwithstanding the foregoing, it is the policy of the Company that neither its employees nor any member of their respective families are to give any money or gift of any nature to any individual or entity, including, but not limited to, any executive, official, or employee of a customer, supplier, competitor or governmental agency, if doing so could be reasonably construed as an inducement, condition, or result of doing business with the Company.

It is prohibited to offer certain types of gift and entertainment to government officials, including employees of government owned or controlled businesses. Similarly offers to political party officials or candidates for political offices or international organization officials are prohibited as well.

5. Antitrust Laws

It is the policy of the Company for employees to strictly comply with the antitrust laws. These laws govern the Company's conduct and transactions when dealing with customers, suppliers, and competitors, and severe criminal and civil penalties may be imposed upon the Company and its employees in the event that any employee either authorizes or is involved in a violation of these laws.

In particular, the antitrust laws are designed to protect consumers by prohibiting certain activities and arrangements that may have the effect of reducing competition.

Such prohibited activities and arrangements include:

- (1) agreements with competitors to fix or control pricing;
- (2) agreements with competitors to allocate services, products, markets or territories;
- (3) agreements with competitors to boycott certain customers or suppliers;
- (4) agreements to refrain from or limit the manufacture, sale, or production of any products; and
- (5) agreements regarding reciprocal purchase arrangements or tie-ins.

Employees shall not enter into any agreement, understanding, plan or scheme with any competitor regarding prices or pricing policies, allocation of services, business markets or territories, selection of customers or suppliers or any other similar competitive information. Just as important, employees shall not knowingly participate in any information meetings, exchange information, correspond directly or indirectly or even discuss any of the above with any competitor.

The employees should seek the advice of their supervisor or manager, that person's superior, director or the General Counsel when questions concerning international activities and arrangement arise.

6. Political Contributions

The Company will not provide any inappropriate contributions or favors to any politicians or political organizations that are prohibited by the laws of that country.

While employees may support their personal choices of parties and candidates, they must do so strictly on their own time and without the use of any Company resources whatsoever.

7. Insider Trading Laws

It is the policy of the Company for employees to strictly comply with the securities laws of each country that it conducts business in.

In particular, the trading of stock, options, and other securities in the Company's parent company or the Company (collectively referred to as "Company Securities") or in any other publicly-traded entity, while in possession of inside information, is prohibited. Similarly, recommending or causing anyone else (including family members and friends) to trade Company Securities or the securities of any other publicly-traded entity, while in possession of inside information, is prohibited.

In the normal course of business, directors, officers, and other employees of the Company may have access to material information about the Company or its parent company that has not been disclosed to the public.

This information is commonly called "inside" information. Inside information may enable those who possess it to trade Company Securities on a more favorable basis than the public.

This can adversely impact the market for Company Securities or public perception about the Kintetsu group or its management.

As a result, trading while in possession of inside information is not permitted. In addition, a director, officer, or other employee must not trade securities of any other company if he or she has learned material nonpublic information about that company from his or her work.

8. Equal Employment Opportunity

The Company has always been, and continues to be, committed to providing equal employment opportunity to all its employees and applicants for employment.

As a result, it is the policy of the Company to hire, train, promote, compensate, and to administer all of its personnel policies without regard to race, color, national origin, citizenship, religion, sex, age, disability, marital status, veteran status, sexual orientation, genetic information or any other characteristics protected by applicable laws.

All employees are responsible for complying with this policy. As a condition of employment, every employee is to treat all other employees equally and fairly.

9. Open Door Policy

Each and every one of the Company's directors, managers and employees, regardless of position, department or location, are connected through the spirit of mutual respect and trust.

By promoting mutual confirmation and communication, the Company promises fair and open debates, whereby individual opinions can be voiced freely, any concerns relayed quickly and relentless efforts are made to create a working environment permeated with mutual respect.

10. Human Rights

The Company strictly prohibits any forced, bonded or compulsory labor, any employment of workers under the minimum legal employment age and all other abuses of labor standards.

All rights and remedies available under applicable labor and employment laws will be available to all employees.

11. Harassment

The Company is firmly committed to maintaining a work environment free of harassment and intimidation based upon race, color, national origin, citizenship, religion, sex, age, disability, marital status, veteran status, sexual orientation, genetic information or any other characteristics protected by applicable law.

The Company prohibits employees from harassing co-workers as well as the Company's customers, vendors, suppliers, independent contractors and others doing business with the Company. In addition, the Company prohibits its customers, vendors, suppliers, independent contractors and others doing business with the Company from harassing its employees.

12. Health and Safety

The health and safety of each employee is critical to the Company and it is encouraged that all employees share in the commitment to a safe and healthy work environment. Each employee is responsible for immediately reporting any accidents, injuries and/or unsafe working conditions and maintaining a safe and healthy work environment. Workplace violence, any threatening behavior and all forms of unlawful conduct will not be tolerated.

13. Environment

It is the duty of all of us to preserve the environment for future generations. At the Company, we are committed to minimizing any impact to the environment from our daily activities. We will also continue to monitor our activities and ensure that continuous improvements are made to our efforts.

In addition to committing to minimizing any environmental impact, the Company will comply with the laws and regulations for environmental protection in all countries it operates in.

Employees are required to abide by this commitment, and comply with any rules or regulations. The Company is fully committed to upholding the highest possible environmental standards and will continuously evaluate the environmental aspects of our activities to deliver services without undue environmental impact.

14. Accurate Records and Reporting

Information that you record and submit to any person, whether inside or outside the Company, must be accurate, timely, and complete. Whether the subject matter is as routine as a time record, absence report, or expense report or as involved as a service commitment to a customer or a report to a governmental agency, the reported information must be honest and precise.

All books and records must be accurately maintained and fully disclose the details of the transactions reflected in them. All disbursements of funds and receipts must be properly and promptly recorded in accordance with established policies and procedures.

A system of effective internal accounting controls shall be maintained in order to provide reasonable assurances that the Company's assets are accounted for at all times and that Company transactions are executed with requisite authorization and recorded in a manner that permits effective preparation of financial statements pursuant to generally accepted accounting principles.

15. Confidential Information / Trade Secrets

During the normal course of business, directors, officers and employees may become entrusted with confidential information including intellectual property, information about our customers, suppliers and other business partners. This information may include the following:

- (1) proprietary information about current and future services including technical information,
- (2) business plans, marketing plans and related projections,
- (3) internal financial data including earnings and forecasts,
- (4) personal information,
- (5) customer lists and supplier lists and
- (6) other non-public information that, if disclosed, might be harmful to our customers, suppliers or other business partners and/or useful to our competitors.

This confidential information may be the property of our Company, our customers, our suppliers or our business partners, as the case may be. This information may also have been developed at great expense. All employees therefore shall:

- (1) Refrain from discussing confidential information with or in the presence of any unauthorized persons, including family members and friends;
- (2) Use confidential information only for legitimate business purposes and not for personal gain; and
- (3) Not disclose confidential information to any third parties.

Confidential information may only be disclosed to a third party if disclosure is required by law or upon written authorization by the responsible manager.

16. Use of Company Assets

Assets of the Company, including, but not limited to, any ideas, facilities, equipment, systems, hardware, software, vehicles, furniture, supplies, accounts or information that are purchased, leased, licensed or developed by the Company in the course of its business, belongs to the Company and shall be used for Company purposes only.

It is the responsibility for each employee to preserve and protect these assets. No Company asset is to be used for any personal purpose or given away, sold, or traded without the prior written consent of management.

Management may gain access to any Company asset at any time.

17. Implementation of the Code

An employee who has a question regarding the applicability or interpretation of this Code of Conduct should direct the question to:

- (1) his/her supervisor or manager;
- (2) that person's supervisor or another member of management;
- (3) the director;
- (4) the General Counsel.

An employee who knows of a violation or possible violation of this Code of Conduct should immediately report it to:

- (1) his/her supervisor or manager;
- (2) that person's supervisor or another member of management;
- (3) the director;
- (4) the General Counsel

When appropriate, a supervisor or manager should immediately report the violation to his or her superior, the director, and the General Counsel.

All reported violations of this Code of Conduct will be promptly investigated by the Company and will be treated confidentially to the extent consistent with the Company's interest and its legal obligations. The General Counsel or designee will direct all investigations of wrongdoing.

If the result of the investigation indicates that corrective action is required, management will decide what steps should be taken (including, when appropriate, disciplinary action up to and including the possibility of termination and /or legal proceeding) to rectify the problem and avoid the likelihood of its recurrence.

There shall be no retaliation or reprisals for good faith reporting of actual or possible violations of this Code of Conduct.