

Nabtesco Group Code of Ethics

■ Index

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Scope of Application

Implementation of the Nabtesco Group Code of Ethics

- (1) Behavioral Requirements for Directors, Officers and Employees
- (2) Behavioral Requirements for Executives and Managers
- (3) Reporting a Violation of this Code
- (4) Disciplinary Measures

1. General Standards

2. Relationships with the Company

- (1) Respect for Human Rights
- (2) Discrimination and Harassment
- (3) Building a Safe and Positive Workplace Environment
- (4) Political and Religious Activities
- (5) Conflicts of Interest

3. Fair and Honest Business Activities

- (1) Fair Transactions
- (2) Anti-bribery, Gifts and Entertainment
- (3) Trade Control
- (4) Relationships with Politics and Governments
- (5) Relationships with Anti-Social Forces
- (6) Development and Provision of Safe and Suitable Products and Services

4. Management of Company Assets, etc.

- (1) Management of Company Assets
- (2) Management of Confidential Information
- (3) Management of Financial Information, etc.
- (4) Protection of Private Information
- (5) Protection and Respect for Intellectual Property
- (6) Insider Trading
- (7) Information Security

5. Relationships with Society

- (1) Relationships with Society
- (2) Disclosure of Company Information

■ Nabtesco Group Code of Ethics

This Nabtesco Group Code of Ethics ("Code") stipulates appropriate standards for the behavior of all Nabtesco Group personnel in order to ensure compliance* and thereby enable our business activities to accurately reflect our corporate philosophy.

* "Compliance" means meeting the expectations of stakeholders (customers, employees, business partners, shareholders and local communities) not only by complying with laws, regulations and internal company rules (including manuals, guidelines and other implementation rules) but also by behaving in accordance with generally accepted social and ethical standards.

■ Scope of Application

This Code applies to all Nabtesco Group directors, officers and employees.

Each Nabtesco Group company may modify this Code or enact its own individual code of ethics to comply with national or regional laws and regulations, generally accepted social customs and/or ethical standards, business structural requirements and/or other requirements to the extent that these modifications and/or individual codes of ethics do not contradict or relax this Code.

■ Implementation of the Nabtesco Group Code of Ethics

- (1) Behavioral Requirements for Directors, Officers and Employees
 - a. We will take appropriate action in reference to this Code when a compliance issue arises.
 - b. We will consult with our supervisors, compliance officers or contact points for whistleblowers at our respective companies in the event that any Code-related question arises.
- (2) Behavioral Requirements for Executives and Managers
 - a. Executives and managers will lead compliance with this Code, keep every employee informed about this Code and monitor the status of compliance with this Code.
- (3) Reporting a Violation of this Code
 - a. We will establish whistleblowing systems globally and operate them properly for the prevention, early detection and correction of misconduct or any violation of this Code.
 - b. We will report to and consult with our supervisors, contact points for whistleblowers or departments responsible for compliance at our respective companies in the event that we become aware of any facts that are creating or may create problems from the perspective of this Code.
 - c. Persons who consult on or report Code-related concerns shall not be retaliated against in any way for such consultation or reporting.
- (4) Disciplinary Measures

- a. We acknowledge and understand that a violation of this Code may result in disciplinary action in accordance with internal company rules.

1. General Standards

We will comply with all applicable laws and regulations of the countries and regions in which we operate and with all internal company rules, and we will behave with integrity based on generally accepted social and ethical standards.

2. Relationships with the Company

- (1) Respect for Human Rights
 - a. We will respect the personality, individuality and privacy of each person and adhere to international standards of conduct regarding human rights.
 - b. As a global company, we understand that the diversity of our various cultures and values is one of our greatest assets, and we will respect this diversity.
 - c. We will not engage in or utilize child labor or forced labor.
- (2) Discrimination and Harassment
 - a. We will ensure equal opportunity and fairness in employment with regard to hiring, training and promotion, etc.
 - b. We will not engage in or tolerate any acts that impair individual dignity such as i) discrimination on the basis of race, skin color, belief, religion, nationality, ethnicity, birthplace, gender, age, disability, gender identity, sexual orientation, marital status, family structure, social status, employment status and other factors, or ii) any type of bullying or harassment.
- (3) Building a Safe and Positive Workplace Environment
 - a. We will build and maintain a safe and healthy workplace environment and eliminate industrial accidents by complying with labor laws, regulations and internal company rules.
 - b. We will promote open communication in order to build a comfortable workplace environment that allows everyone to freely and constructively express their opinions.
 - c. We will respect diverse workstyles, strive to raise awareness of the importance of maintaining a work-life balance, and in so doing, work on the establishment and improvement of a safe and positive workplace environment.
- (4) Political and Religious Activities
 - a. We will engage in political activities (including activities related to election campaigns) and religious activities only on a private basis, after working hours and outside company facilities. If it is necessary to engage in such activities during working hours or within company facilities for an unavoidable reason, they should be performed with sufficient

care so as not to disturb the work of others.

(5) Conflicts of Interest

- a. We will clearly separate our business and personal affairs. We will not use our official positions or capacities within our companies or company assets to pursue personal gain. We will not engage in activities that would cause our interests in our companies to conflict with our private interests.

3. Fair and Honest Business Activities

(1) Fair Transactions

- a. We will comply with the competition laws and anti-trust laws of the countries and regions in which we operate and with the relevant internal company rules. We will conduct business based on free and fair competition.
- b. We will not engage in any discussion, arrangement or collusive tendering with our competitors or within trade associations of which any Nabtesco Group company is a member in relation to price, sales or production volume, limitation on the use of technology, customers, sales territory or product categories.
- c. We will not abuse our dominant position to disadvantage our business partners.
- d. We will faithfully provide customers and other stakeholders with lawful and appropriate information about our products and services in our advertising and marketing.
- e. We will practice responsible procurement and supply activities following proper trade policies in compliance with relevant laws and regulations.

(2) Anti-bribery, Gifts and Entertainment

- a. We will not directly or indirectly engage in bribery or any other similar provision or receipt of improper benefits in any form.
- b. We will not provide or receive any gifts, entertainment or other benefits unless permitted under the applicable laws, regulations and internal company rules, and only within the limits of generally accepted social standards.

(3) Trade Control

- a. We will carry out export and import transactions in compliance with all applicable national and regional import and export laws, regulations and internal company rules.
- b. We will properly follow all import and export procedures prescribed in the applicable laws and regulations, including submission of applications for the necessary permissions and the filing of required notifications and reports.

(4) Relationships with Politics and Governments

- a. We will establish and maintain sound, normal and highly transparent political and governmental relationships and will not engage in any conduct that would invite suspicion

- of corruption or collusion.
- b. Nabtesco Group will not contribute, in the form of political donations or other financial support, to particular politicians or political parties. Nabtesco Group directors, officers and employees may make lawful political contributions or provide other financial support to politicians or political parties on a private basis.
- (5) Relationships with Anti-Social Forces
- a. We will avoid any relationship with any anti-social forces such as organized crime groups, the mafia, terrorists, drug syndicates or other criminal organizations, and will firmly and resolutely refuse requests that lead to money laundering or terrorist financing and any other improper demands.
- (6) Development and Provision of Safe and Suitable Products and Services
- a. We will develop, design, manufacture, sell, maintain and repair safe and suitable products and services that respond to market and customer needs.
 - b. We will neither falsify information nor make a false report regarding safety, quality, testing or other matters.

4. Management of Company Assets, etc.

- (1) Management of Company Assets
- a. We will manage company assets (whether tangible or intangible) strictly in accordance with internal company rules and will use company assets only for legitimate business purposes.
- (2) Management of Confidential Information
- a. We will strictly manage our companies' and third parties' confidential information in accordance with the internal company rules, and will not leak such information outside our companies or use it other than for legitimate business purposes.
 - b. We will not improperly obtain confidential information in the possession of third parties.
- (3) Management of Financial Information, etc.
- a. We will record all financial and accounting information in a timely and proper manner in accordance with the relevant laws, regulations, internal company rules and generally accepted accounting principles.
 - b. We will properly file tax returns and pay taxes according to all applicable tax laws and regulations.
- (4) Protection of Private Information
- a. We recognize the importance of protecting private information and will appropriately handle private information in accordance with the relevant laws, regulations and internal company rules.

- (5) Protection and Respect for Intellectual Property
 - a. We recognize that intellectual property (including patents, utility model rights, design patents, trademarks, copyrights and trade secrets) is an important corporate asset and will appropriately manage and protect intellectual property in accordance with the relevant internal company rules.
 - b. We will respect and will not infringe the intellectual property rights of third parties.
- (6) Insider Trading
 - a. We will not trade listed stocks or other investment securities, including Nabtesco shares, based on non-public corporate information that could have a significant influence on investment decisions.
 - b. We will not disclose or leak to third parties any non-public information regarding our companies that has a significant influence on investment decisions or other information that could constitute such information unless necessary in the ordinary course of business.
- (7) Information Security
 - a. We will establish and operate an effective management system to combat external cybersecurity risks such as cyber-attacks and hacking.

5. Relationships with Society

- (1) Relationships with Society
 - a. With the goal of achieving a sustainable society, we will comply with treaties, laws and regulations related to the environment, strive to use resources and energy efficiently, control the emission of hazardous substances and consider the global environmental impact of every aspect of our operations while also seeking to form a cooperative relationship with local societies and communities.
 - b. We will engage in disaster prevention activities in cooperation with local societies and communities and contribute to the reconstruction of communities that suffer disasters.
- (2) Disclosure of Company Information
 - a. We will publicly disclose material corporate financial, managerial and operational information in a timely, appropriate and impartial manner to shareholders, investors and other stakeholders.