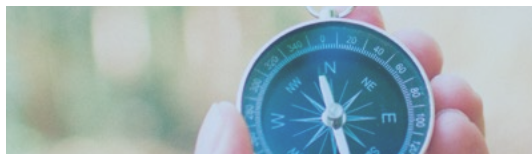


# Nabtesco Group Code of Ethics Handbook

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## TOP MESSAGE

### To all Nabtesco Group directors, officers and employees

The Nabtesco Group is firmly committed to high standards in its legal compliance and business ethics. Compliance is the vital foundation upon which we implement our corporate philosophy through our business activities. At the same time, compliance is one of the most important factors in becoming the business partner of choice in today's globalized business environment. The Nabtesco Group Code of Ethics was established in December 2016 and revised in April 2022. This Handbook explains the contents of the revised Nabtesco Group Code of Ethics. It is intended to provide guidance when you have compliance questions related to your everyday business

activities. If you are in doubt with respect to a compliance issue, please use this Handbook to confirm the appropriate action.

If you become aware of problems (or potential problems) under the Code of Ethics, please report the issue promptly and consult with your supervisors or contact points for whistleblowers.

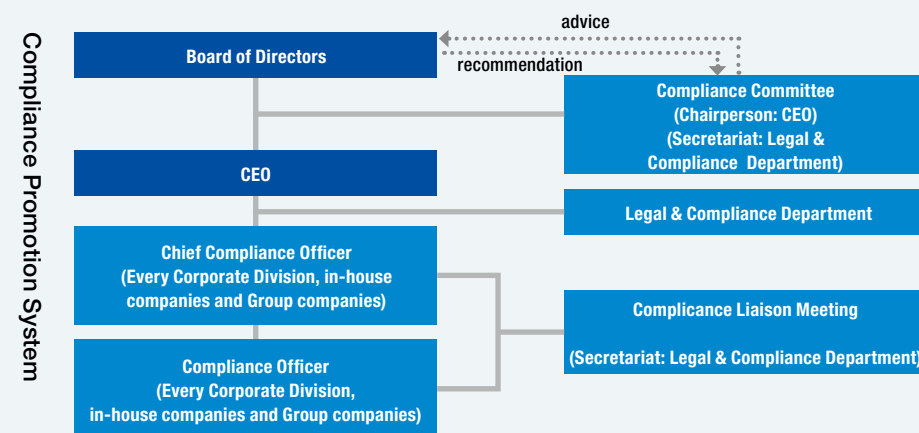
You must not allow the pressure of achieving business targets or of winning new business or inappropriate directions from your superiors to cause you to hesitate to take action. The Nabtesco Group will not tolerate profit gained through non-compliance.

It is very hard to gain and very easy to lose the trust of stakeholders. Single compliance violations have jeopardized the operations of many well-known companies.

Please bear in mind that the business activities of the Nabtesco Group are supported by individual actions grounded in a high sense of ethics and transparency. As CEO and Chairperson of the Nabtesco Group Compliance Committee, I will spare no effort to provide you with all necessary support.

I look forward to working with you to lay the foundation we need to tackle the global challenges we face. We will continue to innovate to meet the needs of the future “wants” while basing our approach on the Code of Ethics.

## Enhancement of the Compliance System



The Nabtesco Group has established a Compliance Committee to advise the Board of Directors. The Committee is chaired by the CEO and includes contributions from external experts. The purposes of the Committee are to determine the Group Compliance Promotion System Regulations, formulate basic guidelines and decide important matters related to the compliance system.

In addition, by appointing Chief Compliance Officers and Compliance Officers who support the chief officers for all of our administrative departments, in-house companies and Group companies within and outside Japan, we are enhancing our compliance system on a group-wide and global scale. We hold a Compliance Liaison Meeting to enable the Chief Compliance Officers and Compliance Officers to share information and exchange opinions, both in Japan and in all overseas regions where we conduct business (China, other Asia region, North America and Europe).

Furthermore, local in-house lawyers are deployed at Shanghai Nabtesco Business Management Co., Ltd. in China and Nabtesco Europe GmbH, the European regional headquarters in Germany. This, through close collaboration with the headquarters Legal & Compliance Dept., enhance a global legal and compliance system.



木村和正

Kazumasa Kimura  
Representative Director  
President and CEO  
The Chairperson of the Compliance Committee

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## Introduction

This Handbook is based on the contents of the Nabtesco Group Code of Ethics enacted on December 27, 2016 and revised on April 1, 2022. This Handbook is intended to guide the actions of directors, officers and employees of the Nabtesco Group by explaining the key points of each provision of the Code and providing specific examples of prohibited conduct and rules that must be observed.

This Handbook and the Nabtesco Group Code of Ethics will be translated into several languages to ensure that the employees of all Nabtesco Group companies have a good understanding of them. This Handbook will also be posted on the Group website where it will be accessible to stakeholders. The Code of Ethics and this Handbook will also be subject to constant review in response to changes in the business environment and revisions to the relevant laws and regulations.



# 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



# Relationships with the Nabtesco Way

This Code supports the Nabtesco Way from the aspects of compliance. In particular, this Code reflects “4. Continue to reinforce our sense of ethics and highly transparent business activities” stated in Our Promises, and it is intended to provide a practical guidance for “Ensure Transparency: Be open, fair and honest” and “Hold a High Work Ethic: Make individual conscientious effort” stated in the Action Guidelines for All Group Members.



## 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.

This Code is premised on global application. This is because it is a required condition that all directors, officers and employees working in the Nabtesco Group act in accordance with the same compliance standards, to ensure that the business activities of the entire Nabtesco Group are conducted on the basis of high ethical standards and transparency.

For a company that already has a similar code of ethics, the requirement to revise a code that has already been distributed throughout the company may be waived to a certain extent when it joins the Nabtesco Group, in order to avoid the burden imposed by such revision.

## Implementation of the Nabtesco Group Code of Ethics

### (1) Behavioral Requirements for Directors, Officers and Employees

- 1 We will take appropriate action in reference to this Code when a compliance issue arises.
- 2 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.

If you are a director, officer or employee of the Nabtesco Group, please read this Handbook thoroughly. Consult this Handbook and take appropriate action if you are unsure about a compliance-related matter or when a problematic event or question arises in your day-to-day work. Please note that all compliance training at every organization must be based on the contents of this Handbook.

### (2) Behavioral Requirements for Executives and Managers

- 1 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.

If you are an executive or manager, it is your responsibility to implement and take the lead on compliance based on the Code of Ethics. It is also your responsibility to ensure that every employee is informed of the Code by emphasizing the importance of compliance. You should also monitor all areas of your organization for compliance with the Code. If you find inadequacies or violations of the Code, you must take appropriate action immediately.

## Implementation of the Nabtesco Group Code of Ethics

### (3) Reporting a Violation of this Code

- 1 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.
- 2 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.
- 3 Persons who consult on or report Code-related concerns shall not be retaliated against in any way for such consultation or reporting.

As a director, officer or employee, you are strongly urged to take appropriate action if you become aware of any violation or potential violation of the Code. Ignoring or concealing violations or potential violations will not be tolerated.

When investigating issues, please prioritize solutions within the workplace first by consulting with your coworkers, senior employees or supervisor. If solving an issue within the workplace would be difficult (e.g., where your supervisor is in violation of the Code), please consult with or report the issue via contact points for whistleblowers or other departments responsible for compliance. Consultations and reports involving contact points for whistleblowers are confidential. Please make use of the system in full confidence that any unfair treatment or retaliatory action against persons requesting consultation or submitting reports is strictly prohibited.

### (4) Disciplinary Measures

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

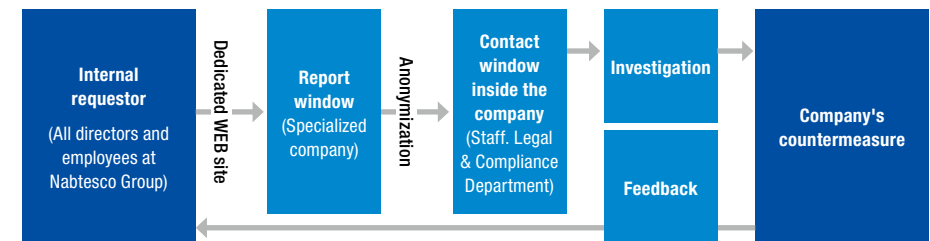
Once the causes and responsibility for the violation have been clarified, strict measures will be taken in response to any violation of the Code. In some cases, a violation of the Code may constitute a violation of laws and regulations. In such a case, criminal charges may be brought against the director, officer or employee who committed the violation. The company may also be subject to criminal, civil and administrative penalties. Moreover, if the company suffers economic losses due to the violation, the company may bring a claim for compensation against the violator.

## Contact Points for Whistleblowers

The Nabtesco Group has established a global whistleblowing system.

The methods for submitting reports, reportable issues and system design vary by region, but in every region, reports are confidential and unfair treatment against whistleblowers is prohibited.

We encourage directors, officers and employees to use the whistleblowing system in full confidence. For details, please refer to the internal rules of each company.





# 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.

### Key Points

The Nabtesco Group has already been conducting business activities in many countries and regions, and will continue to expand its business globally in the future. It is the basic policy of the Nabtesco Group to comply with all applicable laws and regulations of respective countries and regions, and to conduct business activities with integrity and in an ethical way. Our internal company rules incorporate applicable laws and regulations and generally accepted social customs and ethical standards. As a director, officer or employee, you are responsible for complying with all applicable laws and regulations and all internal company rules that are related to your business operations, and to act with integrity.

# 2

## Relationships with the Company



## 1 Respect for Human Rights

- 1 We will respect the personality, individuality and privacy of each person and adhere to international standards of conduct regarding human rights.
- 2 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.
- 3 We will not engage in or utilize child labor or forced labor.

### Key Points

- Respect for human rights in all aspects of our business activities is fundamental to the Code of Ethics.
- As a signatory to the United Nations Global Compact, the Nabtesco Group aims to bring the society to leave no one behind promised by the Sustainable Development Goals (SDGs) into existence and to be respectful of human rights in its business activities.
- To supplement the Code of Ethics, we have established the Nabtesco Group Human Rights Policy, which declares support for international norms on human rights, including the UN International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. We are committed to respecting human rights in accordance with international guidelines such as the UN Guiding Principles on Business and Human Rights.
- We have established the Nabtesco Group CSR-Oriented Procurement Policy, which includes a prohibition on child labor and forced labor, with the aim of ensuring respect for human rights. We are engaging with human rights issues together with our business partners and other stakeholders.
- Previously unimagined innovations and solutions to social problems emerge when directors, officers and employees from different cultural backgrounds with diverse value and belief systems exchange ideas and stimulate one another. This enhances our workplaces and business operations and enables us to offer even more value to customers.

### Specific Examples

- You are prohibited from speaking or behaving in ways that undermine human rights and/or individuality.
- Be mindful and show respect for others whose values and beliefs differ from yours.



## 2 Discrimination and Harassment

- 1 We will ensure equal opportunity and fairness in employment with regard to hiring, training and promotion, etc.
- 2 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.

### Key Points

- The Nabtesco Group comprises directors, officers and employees with diverse beliefs, values and backgrounds. To fully leverage the advantages of this diversity as we continue to grow and evolve, it is important that each individual be accepted, recognized and respected.
- You are prohibited from abusing your position or advantages to bully or harass colleagues or business partners.

#### Specific Examples

- Discrimination on the basis of race, skin color, ideology, belief, religion, nationality, ethnicity, origin, gender, age, social status, disability, gender identity, sexual orientation, marital status, family composition, form of employment or other factors is strictly prohibited.
- At the workplace, you are prohibited from speaking or behaving in ways that negatively impact the working environment, including the making of sexual advances or remarks and of jokes or slurs about race, age, religion, disability or sexual orientation.
- You are prohibited from abusing your authority to act in ways that impair individual dignity.

#### ! Explanation

##### What is harassment?

Harassment is disruptive conduct or abuse that inflicts mental distress or significant disadvantages on other individuals. Even if you speak or act casually, your speech or behavior may constitute harassment if it causes another person to experience distress.

## 3 Building a Safe and Positive Workplace Environments

- 1 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.
- 2 We will promote open communication in order to build a comfortable workplace environment that allows everyone to freely and constructively express their opinions.
- 3 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.

### Key Points

- To avoid injury and accidents during the daily commute or day-to-day operations, work together to maintain a healthy workplace environment and to improve safety at the workplace on a daily basis.
- Strive for open and honest communication between supervisors and subordinates. Practicing such communication on a regular basis facilitates streamlined and accurate information sharing, leading to prompt responses to irregularities or errors.
- Depending on the job responsibilities and the workplace environment, the company may not be able to grant all individual requests, but we support efforts to improve work-life balance to the extent possible.

#### Specific Examples

- Observe the rules on safety in the workplace.
- Report to your supervisor if you discover a dangerous place or situation at your workplace.
- Properly manage your working hours and pay attention to your health.
- If a disaster or accident should occur, respond swiftly and prioritize human life.
- Be aware of the people around you, speak with them routinely and consciously, and make an effort to listen to different opinions at the workplace.
- Do not ignore or shut out any person who may have voiced an opposing opinion in a meeting or elsewhere.
- Create a working environment that allows for diverse working styles to maximize individual abilities, and allow for diverse working styles among your colleagues.

## 4 Political and Religious Activities

- 1 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.

### Key Points

- The Nabtesco Group respects your right to participate in political and/or religious activities in a personal capacity.
- In principle, you must focus on performing on your work assignments during working hours. Consequently, any engagement in political or religious activities in a personal capacity must take place outside working hours.
- In some countries and regions, there is a culture or custom at companies of recognizing that directors, officers and employees may engage in religious activities to a certain extent. The Nabtesco Group respects such cultures and customs. We therefore grant an exception recognizing that directors, officers and employees may engage in prayer or other religious activities in a personal capacity on company premises during working hours when it is unavoidable.
- The Nabtesco Group does not encourage or support any specific political party or religion.

### Specific Examples

- You are prohibited from engaging in political or religious activities in a corporate capacity.
- Even in a personal capacity, you are prohibited from proselytizing or soliciting participation in any religion on company premises.

## 5 Conflicts of Interest

- 1 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.

### Key Points

- As members of the Nabtesco Group, you must act with the best interests of the company in mind.
- Even the slightest suspicion of a potential conflict of interest may cause material damage to the reputation and business of the Company.
- Engaging in activities unrelated to the Company's operations at the workplace may both reduce the Company's profits and cause the workplace atmosphere to deteriorate. Therefore, you must draw a clear distinction between public and private matters.

### Specific Examples

- The following may constitute conflicts of interest.
  - Procuring or directing the procurement of goods and services from a company owned or managed by a close relative or friend
  - Bypassing the fair employment selection process to hire a close relative or friend or using your position at the Company to lobby for such hires
  - Taking personal advantage of opportunities or positions discovered in connection with the Company's operations
  - Working a second job without the Company's permission
  - Sharing financial interests with customers, business partners or competitors of the Company.
- If a potential conflict of interest arises, promptly report the matter and consult with your supervisor.

### ! Explanation

#### What is a conflict of interest?

A conflict of interest is a situation where a director, officer or employee may be hindered from meeting their professional duties to the Company in an objective and fair manner due to a conflict with their personal interests.

# 3

## Fair and Honest Business Activities



## 1 Fair Transactions

- 1 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.
- 2 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.
- 3 We will not abuse our dominant position to disadvantage our business partners.
- 4 We will faithfully provide customers and other stakeholders with lawful and appropriate information about our products and services in our advertising and marketing.
- 5 We will practice responsible procurement and supply activities following proper trade policies in compliance with relevant laws and regulations.

### Key Points

- Free and fair competition encourages business operators to improve productivity and efficiency and contributes to economic development by providing value to consumers, customers and society. It is the basic principle that forms the foundation for expanding corporate business activities.
- Any consultation, agreement (cartel) or bid-rigging with competitors related to prices, volume, technical limitations, customers, sales territories or product categories is prohibited by competition laws and anti-trust laws in all countries and regions as acts that hinder free and fair competition. In the event of a violation, the company will be subject to a criminal fine and criminal penalties will also be imposed on the director, officer or employee involved. The Nabtesco Group has established the internal rules to prevent participation in cartels and bid-rigging or any action that raises suspicion of participation in cartels and bid-rigging.
- In addition to participation in cartels and bid-rigging, the competition laws and anti-trust laws of each country and region further regulate actions that impede fair competition. For example, restricting resale prices at shops is illegal in many countries. Since these regulations are complicated, please promptly consult with the legal department at your company if you have any competition law-related questions or concerns.
- Our suppliers and other business partners are part of the driving force that propels the business activities of the Nabtesco Group. We treat our business partners fairly and do not abuse our dominant bargaining position.
- To enable customers and consumers to draw proper conclusions about the purchase and use of our products and services, it is important that we provide honest, appropriate and lawful information about our products and services.

## 1 Fair Transactions

### Key Points

- Procurement must comply with the Nabtesco Group CSR-Oriented Procurement Policy. It is required to follow applicable laws, regulations and standards with respect to the provision of goods and services.

#### Specific Examples

- To prevent participation in cartels and bid-rigging or any action that raises suspicion of participation in cartels and bid-rigging, study the specific examples provided in the Code of Conduct to Prevent Cartels, which applies to the entire Nabtesco Group.
- Consult the legal department if you have questions or concerns related to competition laws or anti-trust laws.
- False or misleading advertising is prohibited.
- Study the matters specified in the Nabtesco Group CSR-Oriented Procurement Policy with regard to transactions with suppliers and business partners.

## 2 Anti-bribery, Gifts and Entertainment

- 1 We will not directly or indirectly engage in bribery or any other similar provision or receipt of improper benefits in any form.
- 2 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.

### Key Points

- Bribery is illegal and subject to criminal penalties in all countries in which the Nabtesco Group operates. The international community is also strengthening bribery prevention measures. The Nabtesco Group has established the Nabtesco Group Global Anti-Bribery Policy and all acts of bribery are strictly prohibited.
- Depending on the manner, corporate entertainment and exchanges of gifts may also invite suspicion of bribery with corrupt intent. For that purpose, the Nabtesco Group has established internal rules and guidelines.
- It is a given that directors, officers and employees are prohibited from accepting bribes from business partners. Acceptance of entertainment or gifts from business partners should be limited to the scope of customary courtesies which do not undermine fair judgement.

#### Specific Examples

- Bribery is not tolerated even when the costs are born by an individual and not by the Company.
- Payments to public officials to facilitate non-discretionary administrative services (i.e., facilitation payments) are prohibited.
- If a bribe is requested, firmly refuse.
- Relevant laws and regulations or internal rules may permit entertainment or gifts within generally accepted social standards. Create and maintain appropriate records of any entertainment or gifts.



### 3 Trade Control

- 1 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.
- 2 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.

#### Key Points

- Exporting or providing finished products, technologies or software that can be used for military purposes is strictly controlled by laws and regulations in every country and region.
- In addition, every country and region bans exports and imports of some goods. In some cases, permission or approval is required for imports and exports.
- Should imports or exports contravene these regulations, the consequences can be severe. In addition to imposing a criminal fine and export bans on the Company, the individuals involved may also be subject to criminal penalties.

#### Specific Examples

- Make an effort to understand the laws and regulations that apply to imports and exports in the business areas in which you operate.
- In your capacity as an exporter or provider, confirm which laws and regulations apply to products and technologies that have not been designed or manufactured by your company.

### 4 Relationships with Politics and Governments

- 1 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.
- 2 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.

#### Key Points

- In the ordinary course of business, the Nabtesco Group establishes and maintains political and government relationships. We must exercise caution to avoid arousing suspicion or mistrust.
- For more information, please refer to section 3.2 of the Code of Ethics (Anti-bribery, Gifts and Entertainment).

#### Specific Examples

- The Nabtesco Group will not donate to politicians or purchase tickets to political fund-raising events.
- Ensure that any lobbying activities comply with the applicable laws and regulations in each country.

## 5 Relationships with Anti-Social Forces

- 1 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.

### Key Points

- The Nabtesco Group avoids any relationships with criminal organizations to fulfill its corporate social responsibilities. Involvement in money laundering or terrorism financing is strictly forbidden.

#### Specific Examples

- You must never make requests of, offer money to or otherwise leverage the influence of individuals involved in criminal organizations or other anti-social forces.
- Promptly notify the Company if you receive any undue demand or solicitation from criminal organizations or other anti-social forces or have any other contact with them.
- In the event that a ransom is demanded after a ransomware attack, do not make any payment, but immediately consult with your superiors, the Information System Department and the Legal & Compliance Department.

## 6 Development and Provision of Safe and Suitable Products and Services

- 1 We will develop, design, manufacture, sell, maintain and repair safe and suitable products and services that respond to market and customer needs.
- 2 We will neither falsify information nor make a false report regarding safety, quality, testing or other matters.

### Key Points

- At the Nabtesco Group, we prioritize safety when providing products and services. We do not tolerate falsified information or false reports.

#### Specific Examples

- Ensure that you have an accurate understanding of the required specifications and standards when providing products and services.
- Ensure that rigorous testing is conducted at the Company or at a test laboratory when providing products and services. Accurately record and report the test results.
- Do not omit testing without the customer's permission or falsify reports even if it means failing to meet a delivery deadline.



## Management of Company Assets, etc.

### 1 Management of Company Assets

- 1 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.

#### Key Points

- The assets of the Nabtesco Group are intended to be used for the conduct of business activities. If these assets are lost or otherwise become unusable due to a violation of the relevant rules, our business activities may be hindered and the interests of the Company and our stakeholders may be undermined.

#### Specific Examples

- Understand that Company assets are intended to be used for the conduct of business activities and use them only for legitimate business purposes.
- Maintain and manage Company assets appropriately and strive to prevent their loss, theft or misuse.
- Do not use cellphones and personal computers provided by the Company for personal purposes (e.g., games, social media, buying and selling shares).

## 2 Management of Confidential Information

- 1 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.
- 2 We will not improperly obtain confidential information in the possession of third parties.

### Key Points

- Confidential information includes unpublished product information, manufacturing know-how, test results, data on the operational status of all types of equipment and customer information. In the event that such information is leaked whether through carelessness or deliberate action, the fallout is likely to significantly impair the Company's competitiveness and reputation and cause serious damage to the Company.

#### Specific Examples

- You are prohibited from behaving in a way that may cause information to leak outside the Company. For example:
  - Do not discuss confidential information on public transport, at restaurants or in other public places.
  - Do not place an information device on which confidential information is stored anywhere outside the company where you cannot monitor it.
  - Do not send email without carefully confirming the recipient.
  - Do not post information about company business on social media.
- Obtain confidential information belonging to a third party only through legitimate methods from authorized sources and keep accurate records of the information.
- If you obtain confidential information from another company based on a contract, comply with the limits on intended use and other conditions under the contract.
- Confidential information includes all product test processes and results, manufacturing processes and methods and the arrangement of machinery within a factory. Do not shoot, store, transmit or upload photographs or videos revealing any such information without the Company's permission.

## 3 Management of Financial Information, etc.

- 1 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.
- 2 We will properly file tax returns and pay taxes according to all applicable tax laws and regulations.

### Key Points

- Financial and accounting information forms the foundation for the company's management decisions. Therefore, any inaccuracies or incomplete records or data related to financial or accounting matters may impede appropriate management decisions. Such issues also damage stakeholder trust in the company and may constitute a material breach of laws and regulations.
- Any filing of improper financial or taxation reports constitutes a material breach of laws and regulations and may damage confidence in the Nabtesco Group.
- When undertaking accounting work, you must comply with the related standards, laws and regulations as well as generally accepted accounting standards to ensure that the accounting facts are clearly presented and that proper accounting treatments are made with respect to the financial positions and operating results.

#### Specific Examples

- Accurately and truthfully enter records, data and reports related to the accounting treatments and ensure that the information is accurate, appropriate and complete.
- Carry out accounting processes after proper approval and within the scope of the authority and responsibilities you have been given.
- Appropriately store and manage records, data and other materials that form the basis for the accounting processes.
- Any misrepresentation, forgery or alteration of records, data or reports is prohibited.
- Always confirm whether you are required to file a tax return or to pay taxes with respect to your business matters.



## 4 Protection of Private Information

- 1 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.

### Key Points

- The Nabtesco Group respects the personal information of all staff and stakeholders. It should be noted that in recent years, all countries and regions have imposed strict restrictions on the collection, management and use of personal information.

#### Specific Examples

- Comply with personal information protection legislation in each country and region in which you operate.
- Collect and use personal information for legitimate business purposes only.
- Satisfy the conditions set out in the relevant laws and regulations when transferring personal information outside the country in which it was collected.
- Manage personal information appropriately and in accordance with internal rules.

## 5 Protection and Respect for Intellectual Property

- 1 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.
- 2 We will respect and will not infringe the intellectual property rights of third parties.

### Key Points

- The Nabtesco Group possesses numerous intellectual property rights which we use to provide many products and services to our customers and society. These intellectual property rights constitute the foundation of the business of the Nabtesco Group. They are the result not only of your efforts, but also of those who worked at the Company before you. Their stewardship now and in the future is our collective responsibility.
- Unauthorized use of the intellectual property rights of third parties may lead to claims for compensation or criminal penalties for the Company or the individuals involved.

#### Specific Examples

- Manage the intellectual property rights of the Nabtesco Group properly and in accordance with internal rules.
- Take care not to infringe the intellectual property rights of third parties. When in doubt, consult with the Intellectual Property Department.

#### ! Explanation

##### What are intellectual property rights?

Intellectual property rights are governed by laws and regulations regarding inventions, ideas, designs, trademarks, copyrighted works, know-how and other intellectual properties. The rights-holder has exclusive rights to their intellectual property. Holding numerous intellectual property rights in a specific field may confer a competitive advantage within the field.

## 6 Insider Trading

- 1 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.
- 2 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.

### Key Points

- As a director, officer or employee of the Nabtesco Group, you may have access to undisclosed important corporate information about the Nabtesco Group, its customers or business partners. Using this information for sale and purchase of shares constitutes insider trading and is a violation of laws and regulations.
- Should you learn undisclosed important corporate information, you must manage it appropriately and in accordance with the internal rules on insider information.

#### Specific Examples

- You may not engage in insider trading by:
  - Purchasing shares in the company where you work under the name of a family member based on undisclosed important corporate information;
  - Purchasing shares in a company where your friends work based on undisclosed important corporate information obtained from said friends;
  - Selling shares in a company based on undisclosed corporate information about a decline in the earnings forecast; or
  - Purchasing shares in a company after finding out that the company has successfully developed an innovative new product, but before the information is disclosed to the public.

#### ! Explanation

##### What is insider trading?

To purchase or sell, or recommend that others purchase or sell securities (stocks, bonds, etc.) in a specific company based on undisclosed important corporate information (insider information) in your possession is insider trading. Such actions are prohibited.

## 7 Information Security

- 1 We will establish and operate an effective management system to combat external cybersecurity risks such as cyber-attacks and hacking.

### Key Points

- Cyber security risks are increasing day by day due to the proliferation of information technology and worsening international affairs. The Information System Department is introducing a range of initiatives to prepare for cyber security risks, but we must all be aware of cyber security and follow the operational procedures instructed by the Company.

#### Specific Examples

- Do not share passwords for personal computers or company cellphones with anyone else.
- When installing apps on a company device, please follow the policies and procedures set out by the administrator.
- Immediately report the loss of any company device and take necessary measures as instructed by the administrator.
- If a company device begins acting suspiciously or when handling suspicious URLs or attachments in emails, disconnect from the network and immediately contact the Information System Department.

A background image showing several hands of different skin tones holding small green seedlings with soil. The hands are arranged in a circular pattern, symbolizing unity and environmental care.

# 5

## Relationships with Society

## 1 Relationships with Society

- ① 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.
- ② We will engage in disaster prevention activities in cooperation with local societies and communities and contribute to the reconstruction of communities that suffer disasters.

### Key Points

- The Nabtesco Group undertakes its activities with the goal of achieving a sustainable society. For specific information, please refer to the Nabtesco Group Environmental Philosophy and Environmental Action Plan below.

[ Reference ] : Nabtesco Group Environmental Philosophy / Environmental Action Plan / Long-term Targets

Long-term Targets	FY2030	FY2050
Prevention of global warming Reduce carbon dioxide emissions (2015 standard)	63%	100%
Reduce emissions per unit of output for global sales		
Reduce total global emissions		

- We always prepare for earthquakes, flooding and other disasters. In the event of a disaster, we will work toward reconstruction.

## 2 Disclosure of Company Information

- 1 We will publicly disclose material corporate financial, managerial and operational information in a timely, appropriate and impartial manner to shareholders, investors and other stakeholders.

### Key Points

When disclosing important information to stakeholders, it is a given that we will comply with the legal requirements. We must also endeavor to improve the corporate value of the Nabtesco Group through fair and transparent disclosure.

#### Specific Examples

- Company information should be disclosed in a format that is easy to understand to avoid mistakes and misunderstanding.
- Directors, officers and employees must not respond to inquiries from the media on behalf of the Company without obtaining the approval of the Corporate Communication Department, which is responsible for public relations and IR sustainability.



