

Nabtesco Group Global Anti-Bribery Policy

Nabtesco Corporation and its group companies (hereinafter collectively referred to as “Nabtesco Group”) consider the enhancement of the anti-bribery compliance program to be one of the key issues which must be addressed in the course of the globalization of Nabtesco Group's business. In recognition of this need, the Nabtesco Group Code of Ethics strictly prohibits bribery of any kind.

The purpose of this Nabtesco Group Global Anti-Bribery Policy (hereinafter referred to as this “Policy”) is to flesh out the provisions of the Nabtesco Group Code of Ethics by clarifying the basic bribery prevention rules while providing a framework for the anti-bribery compliance program, both of which are applicable globally to the entire Nabtesco Group.

Nabtesco Group shall enact internal rules or guidelines which shall be subordinated to this Policy in accordance with the applicable laws and regulations in the countries where they operate.

1. Scope

This Policy applies to Nabtesco Group and all of its directors, officers and employees.

2. Compliance with Anti-Bribery Laws and Regulations

Directors, officers and employees shall observe and comply with the anti-bribery laws and regulations of all countries (including the Japan Unfair Competition Prevention Act, the US Foreign Corrupt Practices Act, the UK Bribery Act 2010, the anti-bribery laws of China, etc.) in which the relevant business is being conducted or is planned to be conducted, and with all applicable internal rules and regulations including this Policy and the Nabtesco Group Code of Ethics (hereinafter collectively referred to as the “Anti-Bribery Rules”).

3. Prohibition of Bribery

Directors, officers and employees shall not, directly or indirectly, give, offer or promise to give any bribe to any public official or person in the private sector, whether at the expense of the company or of the individual directors, officers and employees.

A “bribe” is defined as any benefit (including entertainment, gift, cash, loan, guaranty, service, invitation, donation, contribution, gratuity, rebate, discount, employment opportunity, etc.) given for the purpose of obtaining an improper advantage in business (hereinafter referred to as a "Bribe").

In addition, payments to public officials which are intended to expedite or facilitate non-discretionary administrative processes or services (Facilitation Payments) are also prohibited under this Policy.

4. Gifts and Entertainment

Nabtesco Group shall enact internal rules and guidelines regarding the provision of gift, entertainment, etc., in order to prevent bribery and ensure the appropriateness of business operations of Nabtesco Group.

5. Engagement of Third Parties

Nabtesco Group shall not engage any individual or organization to provide information, perform services or otherwise assist in carrying out transactions or operations for Nabtesco Group (including a consultant, agent, distributor, customs broker, etc.; hereinafter collectively referred to as a “Third Party”) where said Third Party offers or is likely to offer a Bribe.

6. Record Keeping

Directors, officers and employees shall maintain and update in a timely fashion complete and

accurate records of all expenses and payments (including payments to Third Parties) in Nabtesco Group's books, records and accounts to ensure compliance with the Anti-Bribery Rules.

7. Training

Nabtesco Group shall provide periodic education and training for directors, officers and employees to improve awareness of the Anti-Bribery Rules.

8. Reporting

- (1) Where a director, officer or employee has questions or concerns about whether a transaction or operation is prohibited under the Anti-Bribery Rules, he/she shall consult with the departments responsible for compliance at his/her company regarding said questions or concerns.
- (2) Nabtesco Group shall implement an internal whistleblowing system and encourage directors, officers and employees to report any conduct that violates or may violate the Anti-Bribery Rules. Directors, officers and employees shall not be subject to retaliation, dismissal or any other disadvantageous treatment for whistleblowing.

9. Disciplinary measure

Directors, officers and employees acknowledge and understand that a violation of the Anti-Bribery Rules may subject them to disciplinary action in accordance with internal company rules.

10. Revision

When necessary, this Policy shall be appropriately revised at the Board of Directors meeting of Nabtesco Corporation based on the discussions of its Compliance Committee in response to changes in Nabtesco Group's business or in the applicable laws and regulations.