

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) Discipline

1. General Standards

2. Relationships with Company

- (1) Respect for Human Rights
- (2) Discrimination and Harassment
- (3) Building Safe and Positive Workplace Environments
- (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

4. Management of Company Assets and Other Properties

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

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 code 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 the corporate ethics "hotline" or other whistleblowing helplines 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 report to and consult with our supervisors, the corporate ethics "hotline" or other whistleblowing helplines or departments responsible for compliance at our respective companies about any actual or potential Code-related concerns of which we become aware.
 - b. Persons who consult on or report Code-related concerns shall not be retaliated against in any way for such consultation or reporting.
- (4) Discipline

- 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 respective countries and regions and with all internal company rules, and we will behave with integrity based on generally accepted social and ethical standards.

2. Relationships with 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 harassment or other acts that impair individual dignity, including discrimination on the basis of race, belief, gender, age, social status, nationality, ethnicity, religion, disability, sexual orientation or other factors.
- (3) Building Safe and Positive Workplace Environments
 - a. We will build and maintain safe and healthy workplace environments and eliminate industrial accidents by complying with labor laws, regulations and internal company rules.
 - b. We will promote open communication in order to build comfortable workplace environments that allow everyone to freely and constructively express their opinions.
- (4) Political and Religious Activities
 - a. We will engage in political activities (including activities related to an election campaign) 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 respective countries and regions 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.

(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 observe 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.

Each Nabtesco Group director, officer or employee 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 anti-social forces.
 - b. We will firmly and resolutely oppose and refuse any improper demands made by anti-social forces.

4. Management of Company Assets and Other Properties

- (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' or 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
 - 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.
- (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 properties (including patents, utility model rights, design patents, trademarks, copyrights and trade secrets) are important corporate assets and will appropriately manage and protect intellectual properties 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 could have a significant influence on investment decisions or other information that could constitute such information unless necessary in the ordinary course of business.

5. Relationships with Society

(1) Relationships with Society

- a. We will consider the global environmental impact of every aspect of our operations and strive to form a cooperative relationship with local societies and communities with the goal of achieving a sustainable society.

(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.