



Bribery Prevention Regulations

Ref No.	NKI/ON-03/24
Date	June 26, 2024

Approved By	Recommended By	Checked By	Prepared By
Sign	Sign	Sign	Sign
			
Katsuya FUKASAKU <i>Managing Director</i>	Dr. G Sampath KUMAR <i>Director</i> <i>Corporate Management Division</i>	A. Siva KUMAR <i>HOD</i> <i>Admin & Logistics Dept</i>	Amit BHARDWAJ <i>HOD</i> <i>Legal & Compliance Dept</i>

Article 1 Purpose

These Regulations prescribe the basic matters including this Company’s system for preventing bribery to observe the anti- bribery regulations such as The Prevention of Corruption Act 1988 and Indian Penal Code in India, the Unfair Competition Prevention Act of Japan, Foreign Corrupt Practices Act (FCPA) of the U.S.A. and UK Bribery Act (UKBA) of the U.K. (hereinafter referred to as the “anti-bribery regulations”) and thus preventing any act in violation of the anti-bribery regulations.

Article 2 Scope of Application

These Regulations shall apply to directors, employees, consultants and other people engaged in the operations of the Company (hereinafter collectively referred to as “persons engaged”). All persons engaged must observe these Regulations as well as the Code of Conduct of the Company.

Article 3 Definitions

1. "Offering a bribe" refers to providing benefits to a public servant or an equivalent person (hereinafter called a “public servant”) in order to gain unfair advantage in business.
2. "Providing benefits" refers to the giving of money or other benefits to a public servant or proposing or promising to do so, regardless of whether



or not it constitutes offering a bribe.

3. "Accepting a bribe" refers to receiving money or other benefits involved in the offer of a bribe, or requesting or seeking a promise for such, by taking advantage of one's position as a public servant.
4. "Public servants" refer to personnel of State or Central governments or incorporated administrative agencies, committee members and other personnel engaged in official duties pursuant to laws and regulations.
5. "Agents, etc.," refer to proxies, agents, consultants or other persons regardless of designation who provide information for the Company or who perform services as an intermediary, agent, broker, etc., in transactions; or persons who conduct business jointly with the Company, such as joint venture partners.
6. "Facilitation Payments" refer to payment of small amounts to public servants or equivalent persons to facilitate the procedures of ordinary administrative services.

Article 4 Prohibition of Bribery

1. A person engaged shall not offer a bribe or perform any act suspected of offering a bribe to a public servant, regardless of whether the cost is borne by the Company, or the individual person engaged. A person engaged shall not accept a bribe or perform any act suspected of accepting a bribe (provision of illegal profit) from any stakeholder. Facilitation payments are also considered as bribery.
2. The preceding paragraph shall apply to dealings with public servants or equivalent persons.

Article 5 Prohibition in Principle of Providing Benefits to Public Servants

1. A person engaged shall not, in principle, provide benefits to a public servant, regardless of whether or not it constitutes offering a bribe.



2. As an exception to the provisions of paragraph 1, a person engaged may provide benefits to a public servant only when following the procedures set forth in the Internal Rules for Lawful Expenditure and based on Article 10 Paragraph 2 (hereinafter referred to as “Internal Rules” in this Article), and when such benefits meet the approval criteria prescribed in the Article 10 Paragraph 3.
3. A person with authority to approve the provision of benefits prescribed in the internal rules shall be responsible for rationally explaining how the provision of benefits which s/he approved meets the approval criteria prescribed in these Regulations.
4. As an exception to the provisions of paragraph 1, a person engaged may provide benefits to a public servant if, by failing to do so, his/her life or physical safety or that of a concerned person is endangered. In this case, however, the person engaged shall immediately report to the department in charge of compliance in each unit.

Article 6 Application Mutatis Mutandis to Employees and Directors of Private Companies

1. Employees and officers of private companies engaged in the execution of public services (deemed public servants) shall be treated as public servants in these Regulations.
2. If offering a bribe to an employee or officer of all or some private companies is prohibited under applicable laws and regulations, the employee or officer of the relevant private company shall also be treated as a public servant.
3. If the provisions of paragraphs 1 and 2 apply, “public servants” in these Regulations shall be read as “employees and officers of private companies.”

Article 7 Appointment of Agent

1. If an agent, etc. necessary for the execution of business is appointed and



there is a risk of bribery via the agent, etc. in light of the region where business is conducted or the content of the commissioned business, persons engaged shall conduct due diligence and take any other necessary measures regarding the agents, etc.

2. If the risk of bribery by the agents, etc. is deemed high, as a result of taking the measures prescribed in the preceding paragraph, the employee shall not appoint such agents.

Article 8 Risk Assessment, Monitoring and Review

The Company shall assess bribery risks periodically, monitor the anti-bribery system and improve it whenever required.

Article 9 Anti-bribery System

1. The Managing Director of the Company shall serve as the Chief Management Officer in the development and promotion of the anti-bribery system of this Company.
2. This Company establishes a department in charge of risk management as to develop and promote the anti-bribery system (hereinafter referred to as a “department in charge of risk management”).
3. At each department of the Company (each project office is also considered a department; hereinafter the same), development and promotion of the anti- bribery system shall be the responsibility of the head of the department (the head of a project office is also considered the head of a department; hereinafter the same) who is the responsible personnel of the department.

Article 10 Procedures for Providing Benefits to Public Servants

1. The Company shall periodically assess the bribery risks in its operations.
2. In light of the bribery risks in its operations, the Company shall establish and revise Internal Rules for Lawful Expenditure (attached as Appendix-A to these Regulations) relating to procedures for prior approval and/or after-the-fact reporting, and record management whenever required.



Article 11 Internal Audit

The Internal Audit Office shall periodically check the operations in the company for compliance with the internal control system including anti-bribery regulations. If any act that may violate the anti-bribery regulations is identified, the said office shall instruct the relevant personnel to ensure improvement of the situation and report.

Article 14 Accident Response

1. A person engaged, when recognizing a phenomenon that violates these Regulations (including phenomena that are doubtful for violation; collectively referred to as “acts, etc. violating these Regulations”) shall immediately report the details of it to the department in charge of risk management.
2. The department in charge of risk management, when receiving a report described in the preceding paragraph, shall investigate facts and take prompt and adequate actions accordingly.
3. The department in charge of risk management, when identifying an act, etc. violating these Regulations following the investigation made pursuant to the preceding paragraph, shall immediately report it to the Chief Management Officer and at the same time report it to the general manager of segment of Nippon Koei via the department in charge of compliance at Nippon Koei.
4. A person engaged, when making a report pursuant to Paragraph 1 above and finding it difficult for the department in charge of risk management to respond adequately, can make a report on the act, etc. violating these Regulations to the department in charge of compliance at Nippon Koei.

Article 15 Education and Training

The department in charge of risk management shall provide persons engaged with education and training on anti-bribery system including education and training on these Regulations as needed.



Article 16 Penalty

These Regulations are part of the regulations of this Company as prescribed in the Rules of Employment. A person engaged, when violating any of these Regulations, shall be subject to disciplinary action by this Company pursuant to the provisions of the Rules of Employment.

Article 17 Department in Charge and Revision or Abolition

1. The department in charge of these Regulations shall be the Compliance Department and the revision or abolition shall be drafted by said department and implemented based on the decision of the Managing Director who established these Regulations.
2. Notwithstanding the provision of Paragraph 1, formal changes accompanying changes in the organization and/or titles shall be implemented based on the decision of the Corporate Management Unit.



INTERNAL RULES FOR LAWFUL EXPENDITURE

These internal rules and/or standard have been prepared to clarify the properness and legality of following Expenditure:

A. Facilitation Payments

Facilitation payments are considered as bribes and hence must not be paid either directly or indirectly through an agent or consultant. Any type of facilitation payment is prohibited, large or small. Even where such payments are perceived as part of common local business practices and even if others engage in such practices, such payments are not permissible.

B. Business Courtesies/Promotions

It is customary to extend business courtesies including meals, refreshment, entertainment, and modest gifts, in order to raise successful business relationships. However, employee should not give, or offer to give, any gifts, entertainment, meals, business hospitality, travel, or any other thing of value to any Government Official or the Public servant having official dealing, for securing or attempting to secure, any benefit or improper advantage.

The business courtesy is allowable under applicable law. However, if a person intends to give business courtesy, the person must obtain prior approval of his/her superior as per the prescribed Delegation of Powers under the Regulations on Administrative and Decision Making Authority. Further, while dealing with the Govt. Officials/or public servants, restrictions/prohibitions provided under the "Prevention of Corruption Act, 1988" read with "Central Civil Services (Conduct) Rules, 1964" shall be followed.

C. Conformity with Code of Conduct

The employees shall refer the relevant provisions of Code of Conduct of NK Tokyo and NK India while dealing with the above said issues and shall be required to act in conformity with the Code.

D. Disciplinary Action

It is the responsibility of each employee to abide by all applicable laws and regulations at all time. In case of (a) giving Facilitation Payments, (b) giving business courtesies without prior approval, disciplinary action will be taken as prescribed under the Code of Conduct of the Company which may resulted in to punishment/or termination of services without any prior notice.

E. Roles of Compliance Officer

The Compliance officer shall monitor the effectiveness of the internal rules and review its implementation, considering the suitability, adequacy and effectiveness. Any complaint/whistle blowing with regard to improper expenditure, as mentioned above, shall



be forwarded to the management for investigation and requisite resolution.

F. Operation and Check

Any business expenditure, which has been declared improper/or suspicious by the finance department of the company, shall be immediately reported to the management for investigation and immediate action shall be taken according to the Code of Conduct of the Company.

Further, while granting prior approval towards expenditure for business courtesies, an intimation to finance department shall also be made in advance to avoid the unnecessary confusion subsequently.