

Code of Conduct for ID&E Group

Standards of Conduct

1. WINNING THE CONFIDENCE OF SOCIETY

1 – 1 Faithful and Ethical Behavior

Acting with integrity has always been the most fundamental aspect of our corporate responsibility. Thus, ID&E is committed to behaving in an ethical manner, enhancing corporate governance, improving the quality of technical services and products, and earning the

trust and respect of society. ID&E makes sure that officers and employees are aware of the corporate governance policy, put the policy into practice, and ensure the transparency and credibility of corporate management.

1 – 2 Compliance with Social Norms, Laws, and Regulations

ID&E is committed to strictly following the letter and spirit of laws and regulations.

ID&E responds harshly to conflicts of interest. In addition, ID&E eliminates antisocial forces and organizations that threaten to the order or peace of the civil society and sever relationships with them.

2. PROVIDING QUALITY TECHNICAL SERVICE

2 – 1 Developing Technologies

The mission of ID&E is to contribute to the sustainable development of society by offering technical skills in the services we provide. ID&E correctly understands the needs of society and is committed to leading technological research and development.

2 – 2 Ensuring Technical Quality

With pride in its team of professionals, ID&E is committed to maintaining and improving quality to provide high-quality technical services and products that achieve customer satisfaction.

3. FAIR AND TRANSPARENT OPERATING PRACTICES

3–1 Fair and Free Competition

ID&E refuses to pursue business interests through illicit means; therefore, ID&E operates in a fair, transparent manner of free competition and in compliance with laws and regulations.

3–2 Responsible Procurement

ID&E is well aware of the influences of our procurement decisions. ID&E respects the position of business partners and maintains fair procurement practices, while ID&E promotes their adoption of the practices of social responsibility.

3–3 Proper Financial Reporting

As a listed company, ID&E is responsible for ensuring the credibility of financial reporting. For this purpose, ID&E has an internal control system to draft financial reports based on fair and appropriate financial records.

3–4 Protection and Use of Intellectual Property

Knowledge and innovation are key drivers of growth and prosperity. ID&E respects that intellectual property is used to contribute to the sustainable development of society, while ID&E works to protect and manage those rights.

4. ESTABLISHING A MOTIVATING WORK ENVIRONMENT

4–1 Respect for Human Rights

ID&E affirms diversity and does not limit employment opportunities or discriminate on the basis of race, nationality, sex, faith, or social status.

4–2 Creating a Dynamic, Reliable Work Environment

Based on a free and open-minded corporate culture, ID&E preserves the rights of motivated and capable employees and creates a working environment which respects labor management cooperation, where such employees can work with a sense of security. Also, ID&E engages in sincere and constructive discussions and negotiations when determining working conditions etc., and thus maintains and develops sound labor management relations.

4–3 Realizing Work-Life Balance

The work environment of ID&E rewards all employees for fulfilling job responsibilities, meet the career expectations of each person, and allow each employee to make individual choices with regard to different lifestyles at home, keeping pace with the changes in life stages.

4–4 Creating a Safe Work Environment

ID&E places top priority on safety in every aspect of corporate activities.

4–5 Developing Human Resources and their Competence

To develop human resources with high ethical standards, creativity, and deep expertise, ID&E consistently provides educational opportunities on corporate and professional ethics. ID&E also maintains a system to enhance expert knowledge and the technologies of employees and encourages every employee to obtain official qualifications.

5. PR ACTIVITIES AND INFORMATION DISCLOSURE AND PROTECTION

5–1 Enhancing PR (public relations) and IR (investor relations) Activities

ID&E promotes engagements with stakeholders and ensures the transparency and credibility of management through such opportunities as the general meeting of shareholders, where we welcome open discussion for enhanced IR activities.

5–2 Information Management and Preventing Insider Trading

ID&E strictly protects and controls all information obtained in the course of business and prevents abuse and leaking of such information. ID&E also maintains the systems of compliance to prevent insider trading.

6. CONSERVING THE ENVIRONMENT

6–1 Providing Environment-friendly Technologies and Products

ID&E recognizes that conservation of the global environment is a priority issue shared by all human beings and promotes research and technological development for a sustainable society.

6–2 Reducing Load on the Global Environment

ID&E positively promotes environment-friendly business activities to create a more affluent environment where nature and people can coexist in harmony. ID&E complies with laws, regulations, international standards, and company rules concerning the environment, including our Sustainability Basic Policy.

7. CONTRIBUTION TO SOCIETY

7–1 Contributing to society through our businesses

ID&E is committed to working as a team and building socio-economic infrastructure as the basis of affluence for communities and residents around the globe. ID&E respects the history and culture of each nation and region and contributes to the sustainable development of society through excellent technical services and products appropriate for each region.

7-2 Participating in Social Action Programs

As members of the local communities and as a good corporate citizen, ID&E works with the communities in which we operate and contribute to their welfare. Officers and employees are encouraged and supported to voluntarily take part in social contribution activities. ID&E also encourages engineers in developing nations through operational assistance from the Kubota Fund, established by Yutaka Kubota, the founder of the leading group company, Nippon Koei Co., Ltd.

8. ENHANCING THE BRAND VALUE

With recognition of the brand (credibility) of ID&E Group as a proud management resource, we will protect and enhance its value.

Guidelines of Conduct

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1 – 1 Faithful and Ethical Behavior

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Acting with integrity has always been the most fundamental aspect of our corporate responsibility. Thus, ID&E is committed to behaving in an ethical manner, enhancing corporate governance, improving the quality of technical services and products, and earning the trust and respect of society. ID&E makes sure that officers and employees are aware of the corporate governance policy, put the policy into practice, and ensure the transparency and credibility of corporate management.

Guidelines of Conduct

- 1 – 1 – (1) Provide excellent technical services and products at a fair price, and execute duties with integrity to win the confidence of society.
- 1 – 1 – (2) Maintain strict neutrality and independence in decisions on service provision based on engineering and corporate ethics. For this purpose, we refuse any offer of cooperation, assistance, or benefit from a third party with a special interest in the business.
- 1 – 1 – (3) Protect the credibility of the technical services and products. We shall not make false reports nor falsify data.
- 1 – 1 – (4) In the event of an inquiry or complaint about our operations from customers or local residents, carry out an immediate investigation and act appropriately.
- 1 – 1 – (5) Maintain high ethical standards and act with integrity both personally and professionally to avoid committing any injustice or causing a scandal. Any breaches shall be handled in a fair and prompt way.
- 1 – 1 – (6) Avoid possible conflicts of interest involving the pursuit of personal profit while sacrificing the interests of ID&E Group. In the event of such a situation, we shall report to and seek the decision of an appropriate division.

1 – 2 Compliance with Social Norms, Laws, and Regulations

Standards of Conduct

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ID&E is committed to strictly following the letter and spirit of laws and regulations. ID&E responds harshly to conflicts of interest. In addition, ID&E eliminates antisocial forces and organizations that threaten the order or peace of the civil society and sever relationships with them.

Guidelines of Conduct

1 – 2 – (1) In every aspect of assigned duties, observe high ethical standards and demonstrate good sense, while observing social norms, laws, and regulations of the relevant nation, ID&E Policy, and the appropriate rules.

1 – 2 – (2) Respect international social norms including the UN Global Compact.

Note: The UN Global Compact is an initiative presented at the World Economic Forum (Davos Forum) in January 1999, stating ten principles in the areas of human rights, labor, the environment, and anti-corruption. The principles are:

- 1) support of and respect for the protection of human rights,
- 2) no complicity in human rights abuses,
- 3) freedom of association and the effective recognition of the right to collective bargaining,
- 4) elimination of forced and compulsory labor,
- 5) effective abolition of child labor,
- 6) elimination of discrimination in respect of employment and occupation,
- 7) precautionary approach to environmental challenges,
- 8) initiatives to promote greater environmental responsibility,
- 9) development and diffusion of environmentally friendly technologies, and
- 10) work against corruption including extortion and bribery.

1 – 2 – (3) Do not provide of benefits to antisocial organizations or individuals for any reason. Share information with industry groups and local companies, and engage in eliminate antisocial forces from society in cooperation with relevant organizations.

2. PROVIDING QUALITY TECHNICAL SERVICE

2-1 Developing Technologies

Standards of Conduct

2-1 Developing Technologies

The mission of ID&E is to contribute to the sustainable development of society by offering technical skills in the services we provide. ID&E correctly understands the needs of society and is committed to leading technological research and development.

Guidelines of Conduct

- 2-1- (1) Consistently strive to enhance technological capability for the purpose of providing quality technical services and products.
- 2-1- (2) Be diligent at collecting information in terms of the latest trends in professional technologies and the revision of legislation and endeavor to secure safety, the environment, and human rights.
- 2-1- (3) Optimize the opportunity to participate in the activities of academic societies and associations to grasp the latest technological trends. We shall research and develop advanced and original technologies that fulfill the needs of society.

2-2 Ensuring Technical Quality

Standards of Conduct

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With pride in its team of professionals, ID&E is committed to maintaining and improving quality to provide high-quality technical services and products that achieve customer satisfaction.

Guidelines of Conduct

- 2-2- (1) Take all possible precautions to maintain the quality of technical services and products in order to ensure safety and win the confidence of customers. For this

purpose, carry out thorough quality control following the procedures prescribed in the quality management system based on ISO 9001.

- 2-2- (2) Meet the timelines for service completion and product delivery stipulated in the contract. If there should be a possible delay for any reason, report it and explain the reason to customers and clients promptly with proposed remedies.
- 2-2- (3) If there is any defect in the technical services or products, respond promptly and faithfully. Submit adequate reports and disclose information, as well as probe the cause and prevent a recurrence.

3. FAIR AND TRANSPARENT OPERATING PRACTICES

3–1 Fair and Free Competition

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ID&E refuses to pursue business interests through illicit means; therefore, ID&E operates in a fair, transparent manner of free competition and in compliance with laws and regulations.

Guidelines of Conduct

- 3–1– (1) Be in full compliance with all applicable competition laws and regulations of nations in which we operate, and do not resort to actual or perceived dishonest practices when receiving orders and performing sales and marketing duties.
- 3–1– (2) Do not behave in a way that could be misinterpreted as collusive links to politicians and government officials, including illegal payoffs. We build transparent, sound, and normal relationships.
- 3–1– (3) Do not engage in actual or perceived bribery and corruption nor offer excessive benefits inappropriate under normal social conventions to anyone for the purpose of obtaining unjust or preferential treatment in our activities.
- 3–1– (4) Orders are to be won by proposing the most suitable technology and offering an appropriate price based on information collected in a justifiable manner under fair and free competition. Do not bid at a price that may sacrifice quality and safety.
- 3–1– (5) Respond responsibly to appointments as the preferred bidder by customers or clients. Even if we need to decline the appointment, make the final decision according to our prescribed approval procedure, and explain the reason for the decision to the customer.
- 3–1– (6) Assume a fair attitude and abide by the contract when calculating and issuing invoices.

3–2 Responsible Procurement

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ID&E is well aware of the influences of our procurement decisions. ID&E respects the position of business partners and maintains fair procurement practices, while ID&E promotes their adoption of the practices of social responsibility.

Guidelines of Conduct

- 3–2– (1) Do not abuse a superior bargaining position over our business partners. Do not intervene in the corporate management of our partners.
- 3–2– (2) When procuring services or goods, select our business partners through a fair evaluation process according to the procurement standards in place for safety, quality, the environment, price, and delivery time. Request our business partners to respect the Code of Conduct for ID&E Group.
- 3–2– (3) Concluded contracts in a fair manner according to the conditions agreed earlier and maintain fair trade practices on the basis of such contracts.
- 3–2– (4) Never accept payments, gifts, entertainment or other advantages from our business partners that are inappropriate under normal social conventions. Never offer inappropriate or excessive benefits to specific partners.
- 3–2– (5) Assist our business partners in the exercise of their social responsibilities, which shall include compliance with laws and regulations, product quality and safety control, environmental conservation and protection of information security, fair trade and ethics, safety and health, human rights, and work conditions.

3–3 Proper Financial Reporting

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As a listed company, ID&E is responsible for ensuring the credibility of financial reporting. For this purpose, ID&E has an internal control system to draft financial reports based on fair and appropriate financial records.

Guidelines of Conduct

To ensure the accuracy and credibility of financial and tax accounting, comply with all corporate accounting principles, relevant laws and regulations, including the tax law, corporate policies and rules, and make financial reports based on actual business conditions and through appropriate accounting procedures.

3–4 Protection and Use of Intellectual Property

Standards of Conduct

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Knowledge and innovation are key drivers of growth and prosperity. ID&E respects that intellectual property is used to contribute to the sustainable development of society, while ID&E works to protect and manage those rights.

Guidelines of Conduct

- 3–4– (1) Fully utilize our intellectual property, including know-how and new technologies, for the benefit of society.
- 3–4– (2) Appropriately protect and control our intellectual property rights as a result of development activities, including patents, copyrights, and trademark rights. In addition, prevent of infringement of intellectual property rights owned by other people by the illegal use of software, etc.

4. ESTABLISHING A MOTIVATING WORK ENVIRONMENT

4–1 Respect for Human Rights

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ID&E affirms diversity and does not limit employment opportunities or discriminate on the basis of race, nationality, sex, faith, or social status.

Guidelines of Conduct

- 4–1– (1) Comply with laws, regulations, and corporate rules concerning human rights.
- 4–1– (2) Respect the personality, diverse values, and character of each individual, treat each other with respect, and act responsibly.
- 4–1– (3) Value the efforts of the International Labor Organization (ILO) regarding human rights and avoid use of child labor that violates the ILO recommendations or forced labor in any form. Inform our business partners to assume the same attitude.
- 4–1– (4) Do not harass or treat others unfairly, including sexual harassment and workplace bullying. Do not allow others to take such action.
- 4–1– (5) Respect and protect the privacy of individuals. Handle confidential personal information deliberately according to the predetermined procedure. Do not leak nor try to acquire unnecessary information.

4–2 Creating a Dynamic, Reliable Work Environment

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Based on a free and open-minded corporate culture, ID&E preserves the rights of motivated and capable employees and creates a working environment which respects labor management cooperation, where such employees can work with a sense of security. Also, ID&E engages in

sincere and constructive discussions and negotiations when determining working conditions etc., and thus maintains and develops sound labor management relations.

Guidelines of Conduct

- 4-2- (1) Create a work environment where diverse human resources work comfortably irrespective of employment status and always give due consideration to the position of others in order to help them fully demonstrate their competence.
- 4-2- (2) Strengthen the sense of unity and reliability by maintaining communication in every part and level of position and foster the sense of participation in management by sharing actively management information.
- 4-2- (3) Based on a fair and equitable assessment system, officers and supervisors shall evaluate the competence, vocational aptitude, and performance of employees and treat them appropriately.
- 4-2- (4) Prepare and maintain a work environment that meets the needs of each nation when operating business with diverse human resources recruited from around the world.
- 4-2- (5) Respect to the political beliefs and religious affiliations of individuals. However, do not engage in political and religious activities, including recruitment for religious organizations, during work hours and in the workplace, except personal worship as approved by laws and regulations and accepted by the workplace.

4-3 Realizing Work-Life Balance

Standards of Conduct

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The work environment of ID&E rewards all employees for fulfilling job responsibilities, meet the career expectations of each person, and allow each employee to make individual choices with regard to different lifestyles at home, keeping pace with the changes in life stages.

Guidelines of Conduct

- 4–3– (1) Seek to achieve a balance between work and life involving such life events as marriage, family care and other family-related activities, lifelong learning, and participation in community programs, while fulfilling job responsibilities.
- 4–3– (2) Managers shall give guidance on effective and efficient ways of working and optimize work allocation in order to eliminate overwork from workplaces.
- 4–3– (3) Make effort in creating a workplace where each employee is motivated to continue their career by improving productivity and changing the pace.
- 4–3– (4) Maintain and encourage improvement of physical and mental health.

4–4 Creating a Safe Work Environment

Standards of Conduct

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ID&E places top priority on safety in every aspect of corporate activities.

Guidelines of Conduct

- 4–4– (1) Comply with laws, regulations, and company rules concerning occupational health and safety.
- 4–4– (2) Work to prevent occupational accidents, sickness, and injury and dedicate all our strength to protecting the safety of officers, employees, and all people from partner companies and in the value chain.
- 4–4– (3) Build a safety management system that gives top priority to the safety of all parties concerned in business operations.
- 4–4– (4) If any accident or disaster is anticipated, investigate the circumstances immediately and take all possible measures to prevent it from occurring.
- 4–4– (5) Prepare and maintain manuals that specify emergency communication and the establishment of emergency control headquarters for crisis management. In the event of an accident or disaster, respond promptly in accordance with the manuals, make the necessary reports, and disclose information to prevent a recurrence.

4–5 Developing Human Resources and their Competence

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To develop human resources with high ethical standards, creativity, and deep expertise, ID&E consistently provides educational opportunities on corporate and professional ethics. ID&E also maintains a system to enhance expert knowledge and the technologies of employees and encourages every employee to obtain official qualifications.

Guidelines of Conduct

- 4–5– (1) Enhance the sense of ethics and make voluntary efforts to improve such competence as creativity and expertise.
- 4–5– (2) Managers shall nurture subordinates through on-the-job training as successors and pass down their expertise.
- 4–5– (3) Managers shall encourage subordinates to participate in career development programs and external educational opportunities and support their self-development.

5. PR ACTIVITIES AND INFORMATION DISCLOSURE AND PROTECTION

5–1 Enhancing PR (public relations) and IR (investor relations) Activities)

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ID&E promotes engagements with stakeholders and ensures the transparency and credibility of management through such opportunities as the general meeting of shareholders, where we welcome open discussion for enhanced IR activities.

Guidelines of Conduct

- 5–1– (1) We are committed to investor relations and engagements with stakeholders. We obtain the expectations and opinions through communication with stakeholders, analyze and reflect them in our operations whenever necessary.
- 5–1– (2) The general meeting of shareholders is an important opportunity to engage with shareholders and welcome open discussion.
- 5–1– (3) We properly disclose information in accordance with applicable laws and regulations and conduct PR activities to communicate corporate information appropriately and on a timely basis.
- 5–1– (4) We disclose information as needed by the stock market, including management principles, management policies, earnings position, and the profit sharing policy, as well as corporate information for stakeholders on the environment and social safety, appropriately, accurately, promptly, fairly, and voluntarily and on a timely basis to fulfill our accountability to society.

5–2 Information Management and Preventing Insider Trading

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ID&E strictly protects and controls all information obtained in the course of business and prevents abuse and leaking of such information. ID&E also maintains the systems of compliance to prevent insider trading.

Guidelines of Conduct

- 5–2– (1) Build and maintain an information infrastructure in accordance with the ID&E Group Information Security Policy.
- 5–2– (2) Recognize the importance of all information, including customer and personal information, and collect, record, control, use, and dispose of confidential information as appropriate.
- 5–2– (3) Place priority on fulfilling the responsibility to protect the confidentiality of the contract. All formal and informal confidential information on customers and clients, business partners, and corporate management, technologies, and sales and marketing is strictly controlled during our tenure of office or even after retirement. Do not disclose information to third parties without prior permission, which may result in damage to the persons concerned nor will the information be used for personal profit or for the benefit of third parties.
- 5–2– (4) Do not leak insider information obtained in the course of business that may influence the stock price of ID&E or other companies before the releases of such information.
- 5–2– (5) Do not trade stock based on insider information, taking advantage of the job position or business connections.

6. CONSERVING THE ENVIRONMENT

6-1 Providing Environment-friendly Technologies and Products

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ID&E recognizes that conservation of the global environment is a priority issue shared by all human beings and promotes research and technological development for a sustainable society.

Guidelines of Conduct

We promote research and technological development in the prevention of global warming, conservation of the environment and the protection of biodiversity, use of renewable energy, effective and sustainable use of resources, and energy saving. We provide technical services and products that contribute to the reduction in the environmental load by using optimum technologies.

6-2 Reducing Load on the Global Environment

Standards of Conduct

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ID&E positively promotes environment-friendly business activities to create a more affluent environment where nature and people can coexist in harmony. ID&E complies with laws, regulations, international standards, and company rules concerning the environment, including our Sustainability Basic Policy.

Guidelines of Conduct

- 6-2- (1) Seek to eliminate waste and save energy by reducing, reusing, and recycling waste to establish a recycling-based society that reduce the environmental load. In addition, proactively promote green procurement and energy saving.
Note: The policy to Reduce, Reuse, and Recycle wastes is the "3R" policy promoted by Ministry of Economy, Trade and Industry of Japan.

- 6–2– (2) Appropriately dispose of industry waste generated by our business activities. In particular, strictly control the waste that may impact human health and the living environment.

7. CONTRIBUTION TO SOCIETY

7–1 Contributing to society through our businesses

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ID&E is committed to working as a team and building socio-economic infrastructure as the basis of affluence for communities and residents around the globe. ID&E respects the history and culture of each nation and region and contributes to the sustainable development of society through excellent technical services and products appropriate for each region.

Guidelines of Conduct

- 7–1– (1) Display expertise and diverse technologies accumulated through a number of projects, including construction and maintenance of the socio-economic infrastructure and support for disaster restoration, as well as utilize our comprehensive strengths. Respond to the variety of needs and expectations and propose technologies that enable sustainable development.
- 7–1– (2) Contribute to the sustainable development of society through the provision of global environment-friendly technical services.
- 7–1– (3) Take people with disabilities into consideration when providing technical services or products and contribute to the society with universal designs.
- 7–1– (4) Appropriately transfer technologies when providing technical services to developing nations.
- 7–1– (5) Be committed to applying to society the technologies and experience we have cultivated and accumulated through business. Be willing to disclose information

appropriately in the form of presentations at meetings of academic societies, in papers, or during external lectures.

7-2 Participating in Social Action Programs

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As members of the local communities and as a good corporate citizen, ID&E works with the communities in which we operate and contribute to their welfare. officers and employees are encouraged and supported to voluntarily take part in social contribution activities. ID&E also encourages engineers in developing nations through operational assistance from the Kubota Fund, established by Yutaka Kubota, the founder of the leading group company, Nippon Koei Co., Ltd.

Guidelines of Conduct

- 7-2- (1) In the event of a natural or other disaster, offer humanitarian assistance to the local residents by using the knowledge and experience we have accumulated and cultivated through business.
- 7-2- (2) Exchange opinions and work with NPOs and NGOs, which are the key players in solving social issues, including the social contribution and the conservation of the global environment, to contribute to the sound and sustainable development of society.
- 7-2- (3) Contribute to the local communities by accepting trainees and dispatching instructors.

8. ENHANCING THE BRAND VALUE

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With recognition of the brand (credibility) of ID&E Group as a proud management resource, we will act with common sense and responsibility to protect, enhance and promote its value.