

EMPLOYEE HANDBOOK FOR THE NIDEC BUSINESS ETHICS POLICY

8 April 2019



Nidec
All for dreams

Nidec Business Ethics Policy Employee Handbook

Issued 8 April 2019

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To all executives and employees of the Nidec Group:

Nidec's Commitment to Compliance - the "Royal Road of Business Management"

The Nidec Group sets the "royal road of business management" as one of its management philosophies to grow healthily and contribute to society and is striving to be an indispensable business group in society for the next 100 years and beyond. To achieve this, we must always be a No. 1 business group, and it is also essential for us to acquire and maintain a deep trust from our customers, society, and shareholders through business activities



While the Nidec Group is expanding its business globally, there is a growing worldwide demand for corporate compliance in any nation or region recently. In fact, there have been frequent reports of well-known companies being accused of improper accounting, fraud, cartel, etc. in recent years. Committing an illegal act or conducting an unfaithful or improper business transaction only to obtain short-term profits even once could impair the long-established trust from our customers, society, and shareholders in an instant. It takes a tremendous amount of time and effort to recover the trust once damaged.

The Nidec Group's philosophy, the "royal road of business management," means to follow the rules of the society and manage business with good faith. The word "compliance," which has the same meaning as the "royal road of business management," is fundamental to realizing the Nidec Group's business philosophies. We all must always stay on the "royal road of business management", exercise compliance, and steadily move business forward, even if such a way may appear a detour. Each one of us, a Nidec Group member, needs to realize the obligation to stay on the "royal road of business management", comply with domestic and overseas laws and regulations and promote the Group's business with a high sense of ethics. Let's always remember never to act against justice. Under absolutely no circumstances, will the Nidec Group ever commit an injustice.

We all should keep in mind once again that exercising compliance and conducting business faithfully with a good ethical sense will lead us to the "royal road of business management," and let's realize the Nidec Group that will be essential to the world for the next 100 years and beyond.

January 24, 2014

永野重信

Shigenobu Nagamori
Chairman of the Board, President & CEO
Nidec Corporation

DEDICATION

This Ethics Handbook is dedicated to our most important obligation as a company – ethical conduct.

It is the intent of Nidec Corporation and its subsidiaries and affiliated companies (collectively and individually, "Nidec" or "Company") to have all employees conduct themselves in ways that demonstrate uncompromising ethical standards in all of their dealings with customers, suppliers, governments, the public and each other. In other words, the integrity of Nidec rests on the integrity of its employees.

As Nidec continues to expand globally, we must be sensitive to cultural differences while ensuring continued adherence by our employees to Nidec's high ethical standards.

PURPOSE

Our business must be judged by the highest standards of ethical behavior. The message is simple and clear: diligent observance of the laws and regulations is a requirement from which there can be no exception. The same is true about observance of Company policies and practices. However, rules cannot guarantee ethical conduct; only people can. Therefore, the purpose of this Handbook is as follows:

- To affirm in a comprehensive statement the ethical standards required of all Company employees.
- To encourage all employees to put the applicable ethical standards into daily practice.

DEFINED RESPONSIBILITIES

Company

- Provide all employees with clear guidelines on matters of everyday business conduct
- Implement the Business Ethics Policy (the "Policy" or the "Business Ethics Policy") contained in this Ethics Handbook
- Distribute this Ethics Handbook to all employees.
- Ensure through communication and training programs that all employees are aware of and understand the Policy.
- Provide continuing counsel on Company policies and procedures to all employees.
- Enforce compliance with the Policy.



- Assure there will be no retribution for reporting an alleged violation of the Policy or Company policies or procedures.
- Require all supervisors and managers to implement and comply with the Policy.

Supervisors/Managers

- Ensure that all current and new employees under their supervision receive a copy of this Ethics Handbook, are trained in its meaning and application, and sign and return the Acknowledgment on the last page of this Ethics Handbook. The acknowledgment will be maintained in the employee's personnel file.
- Periodically review the Policy with employees under their supervision and ensure that "refresher" programs are provided as necessary.
- Direct any inquiries relating to the Policy to, as appropriate, the relevant Ethics Officer, Compliance Officer, Compliance Promoter, Regional Compliance Officer (together or individually, "Compliance Leader"), the Nidec Corporation Compliance Office (the "Compliance Office"), or to the Company's Legal Department (the "Legal Department") and ensure the employee's concern has been addressed.
- Enforce the requirements of the Policy and the Company's policies and procedures which support the Policy.
- Maintain a workplace environment that encourages frank and open communication, free of the fear of reprisal, concerning compliance with the Policy.
- Set the example by conducting themselves and managing their departments and the activities of all employees under their supervision in accordance with the Policy.

- Uphold the Policy and the policies, procedures and practices that support the Policy in their daily business conduct.

All Employees

- Review regularly their knowledge and understanding of the Policy.
- Contribute to a workplace environment that is conducive to the maintenance of the Policy.
- Uphold the Policy and the policies, procedures and practices that support the Policy in their daily business conduct.
- Contribute to a workplace environment that is conducive to the maintenance of the Policy.
- Seek help when the proper course of action is unclear or unknown.
- Remain alert and sensitive to situations that could result in actions by any employee that are illegal, unethical, in violation of the Policy or the policies and procedures that support the Policy, or are otherwise improper.
- Encourage fellow employees to consult with their Compliance Leader, the Compliance Office or the Legal Department when it appears they may be in danger of violating the Policy or other Company policies and procedures.
- Report actual or potential violations of the Policy or other Company policies and procedures for appropriate action.

INTRODUCTION TO THE BUSINESS ETHICS POLICY

Nidec has a long and distinguished tradition of adherence to the highest ethical standards. Nidec intends to maintain these standards in all of its business dealings. They apply in the acquisition of new business as well as to performance of our contractual obligations, and the production of high quality products that meet customer requirements and applicable law. Improper activities could harm Nidec's reputation for integrity and otherwise result in adverse consequences to Nidec and its employees. Even the appearance of impropriety may be extremely damaging.

The purpose of the Policy is to affirm in a comprehensive statement the standards of conduct required by the Company. This Policy supplements the Company's other policies and procedures, and provides firm, uncompromising standards for each employee of the Company with respect to dealing with customers, suppliers, government agencies, the public, and others.

Adherence to this Policy is the responsibility of each employee and is a condition of continued employment. The Policy will be administered independently of other Company practices. Adherence to the Policy will be the subject of management attention and periodic internal audits and reviews. An employee's actions under this Policy are significant indications of the individual's judgment and competence.

NIDEC GROUP COMPLIANCE CODE OF CONDUCT: SEVEN COMPLIANCE PRINCIPLES

This Business Ethics Policy is predicated upon the Seven Compliance Principles (the "Principles") which comprise the Nidec Group Code of Conduct. As legal, regulatory, and corporate requirements evolve, employees and officers of the Company must continue to always be mindful of the spirit of the Principles, to promote healthy business activities and to follow the path of the "royal road of business management" as a global manufacturer that contributes to establishing a sustainable society:

1. We will comply with all laws and regulations and act based on noble business ethics.
2. We, as a global manufacturing company, will ensure we produce defect-free and quality products.
3. We will ensure we disclose timely and accurate information.
4. We will ensure we properly manage and use company information and assets.
5. We will ensure we keep our work environments safe and comfortable.
6. We will compete free and fairly, and we will not engage in any anticompetitive conduct.
7. We will ensure we create and maintain a compliance system that is necessary and sufficient to comply with the Nidec Group Compliance Code of Conduct.

1. WE WILL COMPLY WITH ALL LAWS AND REGULATIONS AND ACT BASED ON NOBLE BUSINESS ETHICS

GENERAL ETHICAL STANDARDS

The Business Ethics Policy consists of general standards that shall be met by all employees. These standards, however, are not necessarily the only obligations that apply

to employees' conduct. In general, all employees shall take care to avoid any conduct that could reasonably appear to be improper or might injure Nidec's reputation for honesty and integrity in its activities. If in doubt, consult with your supervisor, your Compliance Leader, the Compliance Office or the Legal Department.

COMPLIANCE WITH LAWS, RULES AND REGULATIONS

The Company is strongly committed to conducting its business affairs with honesty, integrity and in full compliance with all applicable laws. No employee of the Company is authorized to commit an illegal or unethical act, or to instruct others to do so, for any reason.

If a law conflicts with a particular action or policy prescribed by the Policy, you must comply with the law; if a local custom, industry practice or previous company policy conflicts with this Policy, you must comply with this Policy. If a foreign local law conflicts with a domestic law, contact the Legal Department. Do not hesitate to ask your Compliance Leader, the Compliance Office or the Legal Department for advice before making any decision about which you are uncertain.

INSIDER INFORMATION AND SECURITIES TRADING

As a publicly traded company, Nidec Corporation is required to provide full and fair public disclosure on a timely basis of any activities that would materially affect the value of Nidec Corporation's stock, options or any of its other securities. In the normal course of business, some employees may become aware of such activities before the activities become public knowledge. Such activities include any activity of Nidec Corporation, or any of its subsidiaries and affiliated companies. Until it is released to the public, this knowledge is considered "inside" information and shall be kept confidential. Applicable securities laws are designed to protect the public by preventing anyone with inside information from unfairly exploiting this knowledge. Acting on inside information for personal gain or releasing it to anyone else prior to its public disclosure is in violation of law and Company policy.

The following guidelines are intended to help in complying with the rules regarding inside information:

- Inside information shall be shared only with persons inside the Company whose responsibilities require them to have the information.

- The Company has standard procedures for the release of material information outside the Company. No such disclosure shall be made without following those procedures strictly.
- An employee shall not buy or sell Nidec Corporation stock, or other Nidec Corporation securities, or direct someone else to buy or sell on his/her behalf or on the behalf of other parties if he/she has knowledge of material inside information that has not been made public.
- An employee shall not trade in another company's stock, options or other securities on the basis of Company or Nidec Corporation inside information, or information learned in the course of his/her Company duties, that has not been made public.

Primary responsibility for compliance rests with each individual employee. The Company has issued from time to time antitrust/competition law policy statements and guides and encourages its employees to consult these documents. In addition, relevant Company employees will receive periodic antitrust/competition law training.

Generally, an employee shall not enter into any understanding, agreement or plan, expressed or implied, formal or informal, written or oral, with a competitor in regard to prices, terms or conditions of sale or service, production, distribution, territories or customers. He/she shall not exchange or discuss with a competitor prices, terms or conditions of sale or service, marketing plans, or other competitive information nor engage in other conduct that violates any of these laws or this Policy. If an employee identifies what might be an antitrust/anti-competition problem, he/she should promptly notify the Legal Department.

ETHICAL STANDARDS IN GOVERNMENT CONTRACTING

The Company strives to excel as a responsible provider of quality products and services to government organizations, as well as to its other customers. Accordingly, no employee shall, in connection with any transaction with any government organization, engage in conduct in violation of law or regulation or otherwise inconsistent with the standards of honesty and integrity necessary to achieve that objective. This includes, but is not limited to, providing scrupulous attention to the areas described below.

Sensitive Information

Government data and information shall not be solicited or accepted from any source, directly or indirectly, if there is reason to believe its release is unauthorized or if its transmission or receipt would be unlawful. In addition, sensitive, nonpublic data, and information of competitors, such as bids or trade secrets, shall not be solicited or accepted from any source, directly or indirectly, if there is any reason to believe its release is unauthorized or unlawful.

Consultants and Agents

Properly utilized consultants and agents may be able to assist the Company in achieving its legitimate business objectives. However, Company personnel must take steps to ensure that consultants and agents comply with all relevant laws and regulations (including global anti-bribery laws), Company policies and the terms of their consulting or other agreements, including requirements concerning proprietary information and conflicts of interest. Such steps will include performing the due diligence necessary to confirm a history of legal compliance by the relevant consultant or agent. Written agreements with consultants or agents that have been reviewed by the Legal Department shall be entered into prior to a consultant or agent providing services to the Company.

Avoidance of Gifts, Gratuities, Etc. to Government Officials and Employees

No employee may, directly or indirectly, give, offer or promise anything of value (for example, meals, entertainment, a favor, or any other gift) to any government official or employee, foreign or domestic, in a position to influence any government decisions with respect to the Company or its activities unless the gift is of a nominal amount expressly authorized by Company policy, is legal to provide pursuant to all relevant governments' laws and regulations, and has been approved by the relevant Compliance Officer, Regional Compliance Officer or the Compliance Office. In addition, facilitating payments as defined by the FCPA are generally prohibited under this Policy; any exception must be approved by the Compliance Officer, Regional Compliance Officer, Compliance Office, or the Legal Department.

Contract Performance Requirements

Government contracts are to be entered into and performed in good faith. An employee may not provide the government something different than what is specified or fail to adhere to testing requirements, unless prior governmental approval is obtained in writing.

Charging of Costs to Government Contracts

Contracts with governments are often priced and/or compensated, in one manner or another, on the basis of costs. In such an instance, only costs that are allowable and allocable to a contract under law and regulation may be billed to the government. Accuracy and consistency are required in the accumulation and allocation of such costs. It is each employee's responsibility to charge accurately his/her time and other costs within his/her purview to the best of his/her knowledge and belief. Incorrect charging is a serious matter, is strictly prohibited and will result in investigation and possible disciplinary action.

Contract Negotiation

In the negotiation of most United States and foreign government contracts, subcontracts and modifications, cost and pricing data must be submitted to the government before agreement on price, and the contract must certify that all data are current, accurate and complete. It is Company policy to disclose all cost and pricing data that a reasonable buyer or seller would believe might significantly affect the price of a government contract or subcontract. Each Company employee bears individual responsibility to deal with the government fairly and openly, and to comply with all disclosure requirements when proposing and negotiating government contracts and subcontracts.

Classified Documents

Pursuant to applicable laws and regulations, strict restrictions are imposed on the acceptance, protection and control of classified government documents (confidential, secret or top secret). Prior to accepting any such documents, if you are not wholly familiar with the applicable security restrictions, please contact the Legal Department. Strict compliance with the law and Company policy will be required. Any breach of the applicable security rules pertaining to classified government documents should be immediately reported to the Legal Department.

Other Requirements

Applicable law and regulations and the terms of government contracts may impose requirements for compliance with administrative and socio-economic programs, and on record keeping and record retention. In many instances certifications of compliance with a particular program may be required. Each employee shall comply with such government contracting requirements and shall execute certificates only in good faith after diligent inquiry into underlying facts. Furthermore, each employee shall take care to ensure that all statements, communications, and representations to government representatives are current, accurate and complete to the best of his/her knowledge and belief after performing appropriate due diligence.

HEALTH, SAFETY AND ENVIRONMENT

The Company is committed to compliance with all federal, state and local laws and regulations that apply to its operations anywhere in the world, including those concerning health, safety and the environment.

Employees shall follow all laws, regulations, Company policies and directives relating to matters of health and safety and the maintenance of environmental standards. In addition, employees are expected to use common sense and good judgment in dealing with such matters.

2. WE, AS A GLOBAL MANUFACTURING COMPANY, WILL ENSURE WE PRODUCE DEFECT-FREE AND QUALITY PRODUCTS

QUALITY

Company products and services shall be of high quality and shall meet or exceed contractual specifications for all of the Company's customers, including government entities.

PRODUCT SAFETY

The Company is committed to compliance with all federal, state and local laws and regulations that apply to its products. Employees will make every reasonable effort to ensure that the Company's products comply with applicable standards and are safe for the public and its employees.

The Company shall not present misleading information to its customers. Product specifications and user manuals must be accurate and sufficiently detailed to prevent accidents and disputes. Any employee who becomes aware of a defect or suspected fault in any of the Company's products must immediately report it to his or her supervisor or an appropriate senior officer of the Company and the Company must consider the user's interest as the first priority. Such defects should be promptly communicated to customers and product users.

3. WE WILL ENSURE WE DISCLOSE TIMELY AND ACCURATE INFORMATION

ACCOUNTING SYSTEMS, BOOKS AND RECORDS

Company policy is that its books and records will fairly and accurately reflect all transactions and the acquisition and disposition of assets in reasonable detail and will conform both to applicable legal requirements and to the Company's systems of internal controls. Books and records will be maintained in accordance with accounting principles generally accepted in Japan or the United States or in other countries, when relevant. No false, artificial or misleading statements or entries shall be made in Company books and records including, but not limited to, time cards, accounts and financial statements.

No unrecorded off-the-books or “slush” funds or secret assets of any kind shall be maintained for any purpose whatsoever.

COERCION OF AUDITORS

The integrity of the Company’s audited financial statements is critical. No employee shall take any action to fraudulently influence, coerce, manipulate, or mislead the Company’s independent public accountant engaged in the performance of an audit of the Company’s financial statements for the purpose of rendering the resulting financial statements materially misleading.

PUBLIC DISCLOSURE AND FINANCIAL REPORTING

The Company has a responsibility to communicate effectively and candidly with Nidec Corporation stockholders and other constituencies so that they have a realistic picture of Nidec’s financial condition and results of operations. Nidec is committed to full, fair, accurate, timely and understandable disclosure in Nidec Corporation’s periodic reports.

These obligations apply to all employees with any responsibility for the preparation of such reports or public disclosures, including drafting, reviewing, signing or certifying the information included in such reports or public disclosures. Adherence to these obligations requires an environment of open and honest communication, integrity and full disclosure, while not compromising confidentiality and proprietary information.

If any employee, including those not responsible for the preparation of such reports or other public disclosures, has concerns about any of the Company’s system of internal accounting and financial controls, the internal audit process and financial or other disclosures, he or she should communicate those concerns to his/her supervisor or his or her Compliance Leader or the Compliance Office. Any employee who is contacted by another employee expressing concerns about any of the foregoing should immediately report those concerns to his/her supervisor or Compliance Leader, the Compliance Office or the Legal Department. In the alternative, an employee may report such concerns, confidentially and anonymously, by calling or e-mailing the Company’s “Ethics Compliance Hotline”. The Ethics Compliance Hotline telephone number is posted at every Company location.

4. WE WILL ENSURE WE PROPERLY MANAGE AND USE COMPANY INFORMATION AND ASSETS

PROTECTION AND PROPER USE OF COMPANY ASSETS

Protecting Company assets against loss, theft and misuse is the responsibility of every employee. Any suspected theft, fraud or inappropriate use of Company assets should be reported to an employee’s supervisor or the relevant Compliance Leader or the Compliance Office. Assets may only be used in accordance with Company policies. Assets may not be sold, loaned, given away or disposed of without proper authorization.

PROPRIETARY DATA

The Company’s trade secrets and other proprietary data are part of the Company’s valuable intellectual property and other valuable information assets (“Nidec Proprietary Data”). Nidec Proprietary Data includes technical, financial, operating, marketing and administrative information in many forms.

Protection of the confidentiality of Nidec Proprietary Data is vital. A Company employee shall not use such information for personal benefit or for the benefit of anyone other than the Company, a fellow Nidec subsidiary, and/or Nidec Corporation.

Furthermore, an employee shall not disclose or make public such information except with the authorization of the Legal Department, which will assist in taking the steps necessary to protect the information, such as providing, and ensuring the execution of, a nondisclosure or confidentiality agreement, as appropriate.

This restriction on disclosure to third parties applies to any disclosure of any Nidec Proprietary Data to any government agency, to contractors, subcontractors, customers, and suppliers, as well as to the general public. Employees shall at all times take all precautions to protect such information from inadvertent disclosure.

In addition, the Company and its employees may from time to time receive or have access to trade secrets or proprietary data of a government agency, other corporations, and other third parties. Employees shall handle such information in accordance with any agreements (such as nondisclosure or confidentiality agreements) applying restrictions on the information’s use or disclosure, and with the same care and protection that Company employees are required to provide Nidec Proprietary Data.

Finally, many Company employees have been previously employed with organizations not affiliated with the Company, and possess confidential and/or proprietary information

as a result of such employment. Such third party proprietary data should be afforded the same protections provided Nidec Proprietary Data, and must not be disclosed to fellow Company employees.

CONFLICT OF INTEREST

No employee may have a personal, business or financial interest that is incompatible with the loyalty and responsibility owed to the Company ("conflict of interest"). It is not possible to identify every particular activity that might give rise to a conflict of interest. However, some practices and circumstances that may result in conflicts are described below:

Dealing with Suppliers and Customers

Employees should be motivated to acquire goods and services and make transactions for the Company on terms most favorable to the Company. Disclosure shall be made to the Company if an employee or any of his/her immediate family members has a "financial interest" in a business that is a supplier or customer, or is performing services of any kind for, or is otherwise compensated by, such a business. A "financial interest" for purposes of this Policy includes direct or indirect ownership of stock in a corporation, interest in a partnership, joint venture, or sole proprietorship, or a beneficial interest in any of these organizations through trusts, nominees, profit sharing, or compensation arrangements.

A "financial interest" does not include (a) ownership of less than 5% of stock or other securities of any publicly traded company or (b) ownership of less than 10% of any bank, trust company, insurance company, or non-public company that is owned by 500 or more persons.

Dealing with Competitors

Similarly, disclosure shall be made to the Company if an employee or any of his/her immediate family members has a financial interest in a competitor's business or is performing services of any kind for, or is otherwise compensated by, a competitor.

Compensation, etc. from Others

An employee or member of his/her immediate family shall not accept compensation, loans, entertainment or gifts of more than nominal value, commissions, property, or anything else of personal financial or other advantage from outside parties in connection with any transactions in which the Company might have an interest, without making full disclosure to the Company.



Other Opportunities Resulting from Employment

The acquisition by an employee or his/her immediate family members of an interest or other financial advantage in real estate, patent rights, securities, profit opportunity or other right or property which results from or is connected with his/her employment, shall be disclosed to the Company.

Reporting and Evaluating a Potential Conflict of Interest

If at any time you believe that you have a potential conflict of interest situation, you should report it immediately to your supervisor, your Ethics Officer, Compliance Leader or the Compliance Office. All reported potential conflicts of interest will be evaluated by the relevant officer who will determine whether a conflict of interest exists that is potentially damaging to the Company, is in violation of this Policy, or is in violation of any laws.

5. WE WILL ENSURE WE KEEP OUR WORK ENVIRONMENTS SAFE AND COMFORTABLE

EQUAL EMPLOYMENT OPPORTUNITY, ANTI-HARASSMENT AND SEXUAL HARASSMENT

The Company is committed to a policy of equal employment opportunity so as to ensure that there shall be no discrimination or harassment against an employee or applicant on the grounds of race, color, religion, sex, sexual orientation, age, disability, national origin, or any other factor made unlawful by applicable laws and regulations.

This policy relates to all phases of employment including recruitment, hiring, placement, promotion, transfer, compensation, benefits, training, educational, social and recreational programs and the use of Company facilities. Sexual harassment is specifically prohibited. These policies cover all personnel actions in all job categories at all levels.

WORKPLACE HEALTH AND SAFETY

The Company is committed to compliance with all laws and regulations that apply to its operations anywhere in the world, including those concerning health and safety in the workplace. Employees will make every reasonable effort to ensure that the Company's places of business are safe for its employees and the public. A healthy and safe workplace and environment is not just the responsibility of the Company or management, it also demands the attention of every employee.

6. WE WILL COMPETE FREELY AND FAIRLY AND WE WILL NOT ENGAGE IN ANY ANTI-COMPETITIVE CONDUCT

ANTI-TRUST/COMPETITION LAWS

Compliance with antitrust/competition laws and profitable operation of the Company are compatible objectives. Dealing fairly, equally, and openly with customers and suppliers, as well as competing aggressively and independently, are among the principles on which the Company has built its success. Failure to follow these laws may result in criminal penalties including jail sentences and/or fines, as well as loss of employment.

Primary responsibility for compliance rests with each individual employee. The Company has issued from time to time antitrust/competition law policy statements and guides and encourages its employees to consult these documents. In addition, relevant Company employees will receive periodic antitrust/competition law training.

Generally, an employee shall not enter into any understanding, agreement or plan, expressed or implied, formal or informal, written or oral, with a competitor in regard to prices, terms or conditions of sale or service, production, distribution, territories or customers. He/she shall not exchange or discuss with a competitor prices, terms or conditions of sale or service, marketing plans, or other competitive information nor engage in other conduct that violates any of these laws or this Policy. If an employee identifies what might be an antitrust/anti-competition problem, he/she should promptly notify the Legal Department.

POLITICAL PAYMENTS

No funds or assets of the Company shall be used to aid any candidate or nominee for national, state or local political office or to aid any political parties or committees unless otherwise permitted by law and approved in advance by your Compliance Leader or the Compliance Office. These restrictions apply to payments for such activities in all countries; the relevant laws must allow such payments and they must be approved in advance by the relevant Compliance Leader or the Compliance Office. These prohibitions cover direct contributions and indirect assistance such as the furnishing of goods, services or equipment to candidates, political parties or committees or employee expense reimbursement for political activities. Employee contributions to approved Company political action committees are permissible as well as an employee's personal contribution or participation in the political process in accordance with applicable laws.

EMPLOYMENT OF CURRENT AND FORMER GOVERNMENT EMPLOYEES

In the United States, federal, state and local laws and regulations establish a number of requirements or restrictions on present and former government employees. Any employee who formerly worked for the government, or who currently serves as a special government employee or as a reservist on active duty, shall strictly comply with these rules. In addition, consultation must be made with the relevant Compliance Leader, the Compliance Office or the Legal Department before employing a former government employee.

Moreover, it is Company policy that discussions of possible future employment may not be held with a current US, state, or local government employee in violation of law. Contact the Legal Department before engaging in any such discussions. To the extent this restriction applies in other countries with respect to their government employees, the relevant countries' laws also must be strictly followed.

GIFTS, ETC.

Avoidance of Gifts to Government Officials and Employees

Providing gifts, either directly or indirectly through a third party, to federal, state or local government officials anywhere in the world (unless of a nominal amount expressly authorized by Company policy pursuant to applicable laws and regulations, and approved by the relevant Compliance Officer, Regional Compliance Officer or the Compliance Office) is strictly prohibited.

In addition to the strict limitations on providing gifts to government officials (discussed further below), the following rules apply to the acceptance or provision of gifts to parties **other than government officials and employees** such as customers, suppliers, or other business-related third parties.

Acceptance from or Provision of Gifts to Non-Government Parties

Regardless of value, do not accept gifts, meals or entertainment, or any other favor from customers, suppliers or any other entity if doing so might compromise, or appear to compromise, your ability to make objective business decisions in the best interests of the Company. Likewise, regardless of value, no gift, meals or entertainment, or any other favor shall be given to an employee of a customer, supplier, or any other entity with the intent to influence, or that might create the appearance of being with the intent to influence, that employee's conduct.

The acceptance or provision of gifts, meals, or entertainment that exceeds the following limitations must be approved in writing by your Compliance Leader or the Compliance Office:

- Do not accept or provide any gift in exchange for any party doing, or promising to do, anything for the other party.
- Never provide or accept any gift of cash or cash equivalents (such as gift cards).
- Do not ask for gifts, meals, or entertainment from a customer or supplier.
- Do not accept or provide gifts of more than modest value. Acceptable gifts, for example, include a logoed pen or shirt, or a small holiday gift basket.
- Symbolic gifts, such as trophies and statues in recognition of a business relationship are acceptable.
- Gifts or discounts offered to Company employees or offered to third-party company employees generally as part of an agreement between the Company and a customer or supplier may be accepted or provided.
- You may accept or provide occasional meals and entertainment from or to a customer or supplier if the event is attended by the customer or supplier, and if the costs involved are appropriate considering local custom for business-related meals and entertainment. With respect to entertainment, for example, conditioned on attendance by the customer or supplier, attendance at or hosting a group at a local sporting event, or participating in or hosting a sporting event such as a golf outing, is acceptable.
- Non-cash/non-gift card prizes won by a Company employee at an event, such as a golf tournament, that are based on chance or skill (for example, a "closest

to the pin" golf prize), may be accepted so long as a substantial number of the pool of potential winners are not Company employees, and so long as the value of the prize is not in excess of \$500 (in cases where the value of the prize is in excess of \$500, written approval by your Compliance Officer, Regional Compliance Officer or the Compliance Office is required prior to acceptance of the prize).

With respect to invitations to attend premium events, such as the Super Bowl, the World Cup, the Olympics, the World Series, the Masters Golf Tournament, the Open Championship, the Cannes Film Festival, or the Academy Awards, consult with your manager to determine if there is a sufficient business rationale to attend the event, and if there is, obtain written approval from your Compliance Officer, Regional Compliance Officer or the Compliance Office. The Company should pay for your travel and lodging in connection with attending any such event. Likewise, obtain written approval from your Compliance Officer, Regional Compliance Officer or the Compliance Office prior to hosting employees of customers, suppliers, or other entities at any premium event.

If your business unit applies a stricter policy such as the Anti-Bribery Policy for the Nidec Group, the stricter policy should prevail over this section of the Ethics Handbook.

INTERNATIONAL BUSINESS

Employees worldwide, irrespective of geographic location, must comply with all applicable domestic or foreign laws/regulations (e.g., foreign exchange controls, global antitrust/competition laws, customs duties, value added taxes; and the U.S. Foreign Corrupt Practices Act, UK Bribery Act, French Sapin II Act, Japanese Unfair Competition Prevention Act and any other applicable anti-bribery legislation (together, "Anti-Corruption Laws").

If there is any question as to a potential conflict between domestic laws/regulations and foreign laws/regulations, the Legal Department should be immediately contacted, and no action is to be taken without such consultation.

Boycotts

U.S. companies, including permanent U.S. affiliates of foreign companies and companies under the operational control of U.S. companies, are prohibited from participating in economic boycotts against friendly countries, or against companies located in friendly countries. Detailed and complex regulations have been adopted by the U.S. government that prohibit the taking of any action that may support a boycott. In addition, the regulations prohibit the Company or any of its employees from refusing to do business with anyone based upon race, religion, sex or national origin and prohibit the Company or any of its employees from providing information concerning these matters to others. Employees should be aware that there may be similar anti-boycott

laws and regulations in other countries in which the Company does business.

Moreover, the U.S. regulations require that certain requests to the Company or any of its employees to participate in a boycott must be promptly reported to the U.S. government. Requests to participate in a boycott might be verbal or might be found in almost any type of business document or electronic communication including e-mails, contracts, requests to bid, letters of credit, purchase orders and questionnaires.

Employees shall carefully review such documents and electronic communications for boycott language, being particularly alert for words like “boycott”, “blacklist” and provisions that prohibit the importation of goods from certain countries or that require that goods be shipped on vessels that are only able to enter the ports of particular countries. If a document contains language that an employee believes may be boycott related, he/she shall immediately contact the Legal Department.

Export Controls

The US. Export Administration Act, the Arms Export Control Act, the International Traffic in Arms Regulations, and several other Acts and implementing regulations under such statutes control US. exports of goods, services and technical data and similar laws and regulations applicable in other jurisdictions including the European Union and China control the export and import of goods, products, information and technology from those jurisdictions to other countries. It is the policy of the Company to comply fully with all applicable export control laws and regulations.

In particular, each employee involved in international sales should be aware of the various embargoes of exports to certain countries which are imposed by U.S. and other countries' laws. These laws can have extra-territorial reach and can therefore apply to the Company's operations globally. Failure to adhere to such laws could result in the loss of export trading rights for the Company and/or in criminal penalties for employees.



Bribery

No employee shall promise, offer or make any payments in money, products, or services, either directly or indirectly, to any person in order to induce favorable business treatment, to affect governmental decisions or to win business in violation of the U.S. Foreign Corrupt Practices Act, UK Bribery Act, French Sapin II Act, Japanese Unfair Competition Prevention Act and any other applicable anti-bribery legislation or anti-bribery laws in other countries (“Anti-Corruption Laws”). The accounting practices of the Company shall be consistent with the requirements of Anti-Corruption Laws and related regulations and with all other applicable laws and regulations enacted to combat bribery.

7. WE WILL ENSURE WE CREATE AND MAINTAIN A COMPLIANCE SYSTEM THAT IS NECESSARY AND SUFFICIENT TO COMPLY WITH THE NIDEC GROUP COMPLIANCE CODE OF CONDUCT

BUSINESS ETHICS POLICY IMPLEMENTATION

Nidec Corporation has a Compliance Committee chaired by a Chief Compliance Officer and its Compliance Office serves as the Secretariat of the Compliance Committee. The Chief Compliance Officer has appointed Regional Compliance Officers who work under the Compliance Office's instructions, and Compliance Officers in each business unit or independently operated segment of Nidec's global operations to prevent compliance violations in the organizations under their supervision. Business units also have Ethics Officers or Compliance Promoters designated to implement the Business Ethics Policy. The Compliance Officers and Regional Compliance Officers, and the business unit Ethics Officers or Compliance Promoters are available for consultation on ethics issues or to answer any questions you may have about this Policy. Finally, the Compliance Office and the Legal Department are also a resource to answer questions concerning compliance with this Policy.

Many other Company policies govern the ethical conduct of Company employees. Often these policies elaborate upon the general guidelines set forth in this Business Ethics Policy. Employees shall make themselves aware of and comply with the applicable policies and procedures.

EMPLOYEE RESPONSIBILITY AND DISCIPLINE

Each Company employee shall be responsible to conform his/her conduct strictly to this Policy and any other applicable policies. Each employee will be provided a copy of this Ethics Handbook, and shall review it carefully in order to understand and to comply with

this Business Ethics Policy.

Each business unit Leader is responsible for ensuring that all employees within his/her business unit receive a copy of the Ethics Handbook, and that each employee attests his/her agreement to comply with its purposes and provisions. With respect to particular areas of conduct involving specific employees, further training and guidance will be provided as appropriate. In any instance where any employee requires guidance as to how to follow this Policy, he/she should seek advice from his/her supervisor or the applicable Compliance Leader or the Compliance Office.

If at any time a Company employee or agent has engaged in, is about to engage in, has been asked to engage in, or suspects others have engaged in, conduct that may violate this Policy, then any employee having knowledge of the matter should report it directly to his/her supervisor or to the applicable Ethics Officer. In the alternative, the employee may report such ethics concern or potential violation to the Compliance Officer, Compliance Promoter, Regional Compliance Officer or the Compliance Office, or to the Legal Department. Finally, the employee may also report such ethics concern or potential violation by e-mailing "Nidec Global Compliance Hotline" or calling the "Ethics Compliance Hotline" as described in the section below.

SUPERVISORS' RESPONSIBILITIES

Each supervisor is responsible to oversee the conduct of each employee under his/her supervision and to ensure the employee's compliance with this Policy. Any supervisor receiving a report from an employee or from any other source of a possible ethics violation shall report it to the applicable Compliance Leader, the Compliance Office or the Legal Department, or the Nidec Global Compliance Hotline or Ethics Compliance Hotline; under each of these options, appropriate action shall be taken. Anyone violating this Policy, whether occurring through individual misconduct, a failure to exercise adequate supervisory oversight, or where applicable, a failure to report misconduct of others, shall be subject to appropriate disciplinary action. Serious misconduct may result in termination of employment.

REPORTING ALTERNATIVES AND ETHICS COMPLIANCE HOTLINES

Finally, the employee may also report such ethics concern or potential violations by e-mailing the "Nidec Global Compliance Hotline" as below:

- The Americas:** nidec_hotline_americas@nidec.com
- China:** nidec_hotline_china@nidec.com

- Europe:** nidec_hotline_europe@nidec.com
- Southeast Asia:** nidec_hotline_asia@nidec.com
- Japan:** nidec_hotline_hq@nidec.com

In addition, some business units operate a telephone "Ethics Compliance Hotline" which may be used, if available to your business, as an alternative to the Nidec Global Compliance Hotline (your Ethics Officer can confirm availability of the telephone numbers to your business):

- Inside the US:** 877-522-7545
- Outside the US:** +1 770-582-5264

The e-mail addresses and/or telephone numbers are posted at every Company location.

To report any questions or concerns regarding violation of laws, accounting principles, financial standards, or of this Business Ethics Policy, contact the Nidec Global Compliance Hotline or Ethics Compliance Hotline. Reports or calls to the Ethics Compliance Hotline can be made on an anonymous basis.

Whatever the concern, there is an appropriate resource within the Company or within the Nidec Corporation compliance structure. Additionally, the Company's Board of Directors is committed to providing avenues through which such issues may be raised, reviewed and, in every possible instance, resolved.

NO RETALIATION

There shall be no retaliation or harassment of employees who report possible violations or other concerns. Any employee who engages in such retaliation or harassment will be subject to serious disciplinary action, including possible termination of employment.

BUSINESS ETHICS POLICY ACKNOWLEDGMENT

PERF HERE

I have carefully read the Handbook, including the Company Business Ethics Policy. I understand and agree to comply with its purposes and provisions.

Signature of Employee

Employee Number

Typed or printed name of employee

Date

Name and address of business unit (Company)

Please complete and return this acknowledgment form to your Human Resources Department to be included in your employee personnel file.

“Committing an illegal act or conducting an unfaithful or improper business transaction only to obtain short-term profits even once could impair the long-established trust from our customers, society, and shareholders in an instant.... “*Compliance*”, which has the same meaning as the “*royal road of business management*”, is fundamental to realizing the Nidec Group’s business philosophies”

Shigenobu Nagamori

Nidec Corporation, Chairman and CEO