



Code of Ethics

approved by the Board of Directors on _____

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GLOSSARY

In this document and its annexes the expressions below shall have the following meaning:

“**Code**”: this Code of Ethics

“**Decree**”: Legislative Decree no. 231 of 8th June 2001 et seq.

“**Model**”: The organisation, management and control model provided for by the Decree

“**Company**”: Nidec ASI Spa

“**Company Representatives**”: the members of the Board of Directors, the members of the Board of Statutory Auditors and the general managers, if any, of the Company currently holding office, as well as any other person in a top position, i.e. any other person who holds a representative, administrative or managerial position in the Company or in one of its organisational units having financial and functional autonomy, as well as any person who, also de facto, manages or and controls the Company

“**Group**”: the Company, its subsidiaries pursuant to art. 2359, par 1 and 2 of the Italian Civil Code, the parent company and the companies subject to joint control

“**Supervisory Body**”: in-house organism in charge of watching over the operation and observance of the Model and any updates

“**Head**”: the person in charge of one or more company units or functions, in accordance with the Company's organisational chart

“**Employees**”: all individuals who are employed by the Company (including contract employees and executives)

“**Collaborators**”: persons who have agency or commercial representation relationships with the Company, or other collaborative relationships resulting in coordinated and continuous work, mainly personal, but not as employees

“**Public official**”: party carrying out a public legislative, judicial or administrative function. A public function is an administrative function regulated by norms of public law and by authoritative acts. In it, the will of the public administration is formed by means of authoritative or certifying powers.

“**Public service officer**”: the subject who, under any capacity, carries out a public service, i.e. an activity regulated the same way as civil service but without resorting to any authoritative or certifying powers

1. GENERAL ASPECTS

1.1. INTRODUCTION AND SCOPE

The present Code of Ethics is a public statement on behalf of NIDEC ASI Spa which lists the key values and principles, commitment and responsibilities of ethical value the Company is inspired to.

The circulation and implementation of the Code comply with the principles contained in the Decree on the administrative liability of juridical persons. The Code must therefore be considered an essential element of the Model adopted by Nidec ASI Spa.

1.2. TYPE OF CODE AND PURPOSE

The purpose of the Code is to provide basic information on the rules of conduct to be followed, their recipients and the responsibility of the recipients in the event of violation.

The Code therefore constitutes a set of norms recipients have to comply with while carrying out their activities. Any non-compliant behaviour is neither tolerated, nor allowed and shall be considered an activity carried out to damage the Company. Observance of the Code shall be considered an essential part of the contractual obligations undertaken by the Employees, the Collaborators and the Company Representatives, within the limits of their compatibility with the laws in place or contractual norms that can be applied to their relations with the Company.

Nidec ASI Spa

- acknowledges legal significance and binding effectiveness to ethical principles, standards and behavioural principles set by the Code;
- promote l'applicazione del Codice a Dipendenti, Collaboratori ed Esponenti Aziendali anche mediante l'inserzione di apposite clausole contrattuali che ne stabiliscano l'obbligo di osservanza;
- undertakes not to conduct business with anyone who does not agree with or refuses to comply with the principles set forth in the Code;
- provides for sanctions in case of infringement so as to ensure the effectiveness and efficacy of the Code and undertakes to apply such violations;
- provides adequate information and training to this respect;
- guarantees the privacy of anybody reporting violations of the Code of Ethics and undertakes to prevent any kind of retaliation against them.

1.3. RECIPIENTS

The Recipients of the Code are the Collaborators, the Employees and the Company Representatives.

In addition to having full understanding of the Code, the Recipients must also contribute actively to its implementation and report any violations of the Code.

1.4. GROUP COMPLIANCE

NIDEC ASI Spa belongs to the NIDEC Group and is subject to the management and coordination of Nidec Corporation, pursuant to Article 2497 bis of the Italian Civil Code. As such, the Company is subject to the regulations applicable to the parent company and therefore adheres to and respects the principles of compliance of the Group.

The term 'compliance' for the Group means observance of internal regulations aiming at ethical conduct, i.e. conduct that complies with the general principles of honest and upright behaviour considered proper by others.

These provisions are contained primarily in the **Group's Anti-Corruption Code** and in **Nidec's Employee Handbook on Business Ethics Policy**, which **sets forth the general principles of conduct valid throughout the Group** and establishes the conduct to be maintained in the main individual aspects of work.

The Handbook is annexed to this Code, thus it constitutes an integral part of it to ensure it is circulated among the Recipients.

2. CORE PRINCIPLES AND VALUES

Nidec ASI Spa is a leading company in the field of industrial automation, power electronics and motors with applications in the main industrial sectors. It is the Company's clear intention for all its activities to be carried out respecting the principles of honesty, fairness, good faith, integrity, transparency and in compliance with the laws and regulations in place. However, Nidec ASI Spa requires more than just compliance with laws, regulations and internal policies. Recipients are required, in all their work activities and in all related situations, to act in accordance with the general principles of honest and upright behaviour which are considered proper by others.

Both internal and external Company operations, conduct and relationships are guided by the following core values:

- **Legality, honesty and fairness**

Under no circumstances shall the pursuit of the Company's interest justify conduct contrary to the principles of fairness, legality and non-discrimination. Within its own corporate organisation, the Company undertakes to raise awareness of the provisions of the law, the Code, the Model and the procedures aimed at preventing the violation of laws and at ensuring respect for the rights, also in terms of privacy and opportunities, of all subjects involved in its business and professional activities.

- **Transparency, good faith and collaboration**

Relations must be based on maximum transparency, good faith and collaboration, in full compliance with the law. All information circulated by the Company must be complete, transparent, understandable, and accurate.

- **Impartiality**

In its relations with shareholders, users, customers, suppliers, employees and collaborators and third parties in general, the Company avoids any form of discrimination, respects the fundamental rights of people and guarantees equal opportunities to everyone.

- **Conflicts of interest**

In carrying out its activities, the Company does its best to avoid situations of conflict of interest.

- **Safety, Safeguarding Health and Working Conditions**

The physical and moral integrity of Employees and Collaborators is considered a core value by the Company, which protects safety, hygiene and health in the workplace and considers respecting the rights of workers and full compliance with current legislation on safety, hygiene and health in the workplace to be essential.

- **Environment**

The Company promotes the respect and protection of the environment, and actively commits itself to ensure compliance with the environmental regulations in place when carrying out its business activities.

3. GENERAL PRINCIPLES OF CONDUCT

3.1. OBSERVANCE OF THE LAW

Observance of the law and the legal system of each country in which the Company operates is a fundamental principle for Nidec ASI Spa that each Employee, Collaborator and Company Representative must observe, together with Company policies, in carrying out their activities. No violation of the law under any circumstance shall be accepted by the Company.

Regardless of the sanctions provided by law, violators will incur disciplinary action as a result of failing to comply with their obligations. Compliance with the rules of the Code on behalf of the Employees is also required pursuant to and for the purposes of Art. 2104 of the Civil Code.

3.2. RESPECT, HONESTY AND INTEGRITY

Each Employee shall acknowledge and respect the personal dignity, privacy and personality rights of any individual. No discrimination against anyone on the basis of nationality, culture, religion, age, disability, race, sexual identity, nor sexual, personal or other types of harassment or offenses shall be tolerated.

These principles apply both to relationships within the Company and with third parties.

3.3. ACCOUNTABILITY AND SUBSTANTIATION

All Company actions and operations must be duly documented in order to ensure traceability of the decisional process, authorisations and implementation. Document support must be extensive and detailed in order to identify who authorised, carried out, registered and verified an operation.

4. PRINCIPLES AND RULES OF CONDUCT TOWARDS THIRD PARTIES

4.1. RELATIONS WITH CUSTOMERS

The Company sets up contracts and relationships with customers in a fair, complete and transparent manner, in compliance with the provisions of the law, the Code and internal procedures.

In their relations with customers, Recipients must not offer, promise, grant or authorise, nor accept, cash, gifts or any other form of benefit which may be interpreted as a means of obtaining advantages of any kind for any activity connected with the Company and which may not be considered common courtesy or normal business relations.

4.2. RELATIONS WITH SUPPLIERS

Processes involving the purchase of goods or services must be directed towards seeking the maximum competitive advantage for the Company, in compliance with the principles of fairness and impartiality towards each supplier, who must meet the requirements of the regulations in place and company procedures.

Employees who purchase goods, commodities and services must:

- verify and ensure that every operation/transaction is legitimate, duly authorised, coherent, well documented, entered and may be easily verified in any moment;
- assess the quality, convenience, cost-effectiveness and compliance of the offers with respect to the company's needs, in accordance with the principles of fairness and transparency;
- take into consideration the professionalism, efficiency and overall reliability of suppliers;
- comply with Company procedures established to select and correctly manage relationships with suppliers. In particular, Employees are required to use objective assessment criteria in their selection, using procedures which are codified, transparent and open to verification;
- ensure that suppliers have suitable means for the Company's needs and image, whether such means are financial, organizational structures, skills, competencies, quality systems and resources.

All relations with suppliers must be based on absolute compliance with the law, the principles of the Code and internal procedures and regulations.

In their relations with suppliers, Recipients must not offer or accept money in cash, gifts or other forms of benefits which may not be considered common courtesy or normal business relations and that have not relatively low value.

4.3. RELATIONS WITH COMPETING COMPANIES

The Company complies with the regulations in place on fair competition, acting in a fair and professional manner.

The Recipients must not obtain competitive information through industrial espionage, bribery, theft or eavesdropping, nor must they knowingly disclose false information about a competitor.

4.4. RELATIONS WITH THE PUBLIC ADMINISTRATION

Relations with the Public Administration and Italian and foreign public institutions are exclusively managed by people authorised by the company.

While carrying out negotiations and any other activity aimed at being awarded contracts to be stipulated with the Public Administration, or with any other body entrusted with a public service, the Company shall avoid:

- to promise or pay out any kind of direct or indirect contributions and allocate funds and loans to support public subjects, with the exception of what allowed and provided for by the current laws and regulations in place;
- to offer employment and/or business opportunities which may directly or indirectly illegally benefit subjects who are members of the Public Administration or their relatives or similar.

The Company condemns any type of behaviour intended to:

- obtain from the State, from the European Union or from another public body, any type of contribution, financing, soft loan or other disbursement of the same type, by means of altered or falsified declarations and/or documents, or by means of omitted information or, more generally, by means of artifices or deception, including those carried out by means of a computer or IT system, aimed at misleading the distributing body;
- allocate contributions, subsidies or other types of funding granted by the State or other public body or the European Community to purposes which are different from those they were granted for.

4.5. RELATIONS WITH JUDICIAL AND AUDITING AUTHORITIES

The Company carries out its business operating in a fair and lawful way and collaborates with the judicial authority, the police and any public official or public service officer with supervisory powers and who may carry out investigations against it.

Employees or Company Representatives who maybe subject, even at a personal level, to investigations or maybe subpoenaed, and/or those who may be notified of other judicial measures, must promptly inform the Supervisory Body.

4.6. RELATIONS WITH POLITICAL PARTIES

The Company may not in any way allocate funds to finance political parties, committees, public organisations or political candidates.

All relations with political organisations and the Unions are regulated by the laws, regulations and applicable agreements/contracts in place.

Each Employee expressing an opinion on political issues may do it in a personal capacity and not on behalf of the Company.

5. PRINCIPLES AND RULES OF CONDUCT FOR EMPLOYEES AND ON SAFETY

The Company condemns any form of labour exploitation and ensures equal opportunities and treatment based on merit to all Employees, preventing any form of discrimination and pursuing their professional development

The Company aims to ensure a healthy working environment that complies with current legislation on health protection, risk prevention, safety and safeguard of environmental resources. To this end, the Company undertakes to:

- comply with and prioritise the legislation in place on worker health and safety;
- avoid risks to workers as much as possible and within the limits of technical progress, by choosing less hazardous materials and processes that mitigate the risks at source;
- properly assess and mitigate non-avoidable risks through appropriate collective and individual safety measures;
- duly inform and train Employees and Collaborators, providing up-to-date and task specific information;
- ensure workers are consulted on health and safety in the workplace;
- ensure that any safety needs that arise during work activities or during audits and inspections are addressed quickly and effectively;
- ensure that workplaces, plants, machinery, equipment, work organization and its operational aspects are carried out in such a way as to safeguard the health of workers, third parties and the community in which the Company operates;
- provide, thanks to the introduction of specific contractual regulations, suitable workplaces and ensure full compliance with accident prevention regulations by third parties in case of specific work activities carried out by Employees;
- foster preventive actions and internal investigations and controls in order to protect health and safety and to reduce the possibility of accidents, injuries or situations of non-compliance with applicable laws, regulations and technical standards.

The Company undertakes to provide suitable organisational, instrumental and economic resources with the aim of guaranteeing full compliance with the accident prevention regulations in place and the continuous improvement of the health and safety of workers in the workplace and the necessary prevention measures.

Within their area of competence, Employees and Collaborators are required to ensure full compliance with the law, the principles of this Code, the company procedures and any other internal provisions provided for to ensure the protection of safety, health and hygiene in the workplace.

6. PRINCIPLES AND RULES OF CONDUCT TO USE COMPANY ASSETS

Each Employee and Collaborator of the Company is responsible for what they are entrusted with which is to be used in the interest of Nidec ASI Spa for work reasons only, as per the regulations in place and the articles of association of the Company, and in line with the principles stated by the present Code and corporate procedures.

No employee is allowed to create files, databases, videos or audio using company equipment or structures, unless for purposes in connections with the corporate activity.

Anyone authorized to operate the IT system is responsible for the security of the systems used, is subject to the regulations in place and to the conditions of license agreements and is obliged to use it taking into account the company procedures implemented for this purpose. Misuse of company assets and resources includes the use of network connections for purposes other than those relating to work activities.

Computer programs not made available by the Company are prohibited and therefore their installation and use will be punished.

It is forbidden to install devices to listen in, block or stop IT communications, as it is forbidden to spread the use of such equipment, devices or programs or carry out wiretappings, obstruction or interruption of IT communications.

7. PRINCIPLES AND RULES OF CONDUCT TO MANAGE INFORMATION

Internal Company information that has not been disclosed to the public must be kept confidential. Information not considered of public domain either obtained from or on suppliers, customers, employees, agents, consultants and third parties should also be considered confidential pursuant to the provisions of the law and contractual terms and conditions. Therefore, such information must not be used for personal purposes, nor must it be wrongfully passed on to third parties.

Anyone who might have inside information relating to the Company is required to comply with the applicable rules, even if provided for by the regulations of other countries which the Group is subject to. Internal information means circumstances the public is not aware of, and should it become public knowledge it could affect the Group's share prices. Any clarification in this context may be requested to the Legal Department.

The duty of confidentiality remains in effect after the termination of employment and/or contractual relationships.

Access to Intranet and the Internet, information exchange via electronic data processing instruments as well as electronic business negotiations pose risks to privacy protection and data security. The effective prevention of these risks is a key factor in Information Systems management, the duties of managers and each employee.

Any kind of personal data must be protected from unauthorized access and misuse, including within the Company. The processing of personal data is only permitted to the extent that the collection, processing or use thereof is necessary for predetermined, specifically defined and legitimate purposes. In addition, personal data must be stored securely and safeguards must be taken when transmitting it. The highest standards of data quality and protection against unauthorized access must be ensured. Personal data must be used with the utmost transparency towards the persons concerned, who have the right to verify the use and correctness of the information and, where appropriate, to question it, block its use and arrange for its deletion.

Data that incites racial hatred, misrepresentation of violence or other criminal acts, or contains material deemed sexually offensive in relation to the cultural environment may not be collected or transmitted under any circumstance.

Relations with the mass media should be strictly managed by the persons duly authorized by the Company to that end. Therefore, any request from the media must be communicated in advance to the Head and/or the relevant Department.

The Company condemns any kind of conduct intended to alter corporate accounting data and information either for communication inside or outside the Company and/or to authorities or the public in general.

8. PRINCIPLES AND RULES OF CONDUCT ON COMPETITION

Collusive agreements have serious international consequences for Employees and companies, which may include imprisonment for the persons involved, high penalties and other administrative penalties as well as rights to compensation from the company and the Employees involved.

The resulting economic damage and loss of reputation can have a serious and lasting impact on the success of the company. Additionally, heavy fines can be imposed against the employees involved.

Any kind of agreement on the allocation of projects, areas, customers or markets among competitors is prohibited. Agreements on mutual abstention from stealing customers are also included.

The company sets its prices regardless of its competitors and based on economic calculations. Under no circumstances are price agreements with competitors permitted. This general prohibition also applies to individual price components, e.g. reductions, discounts, additional charges or minimum prices.

Unilateral disclosure of information to competitors, e.g. on prices, may also be considered an unlawful restriction of competition and may be sanctioned accordingly. The disclosure of competitively sensitive information about the Company to competitors is therefore prohibited as are the acceptance and use of such information by competitors.

Examples of competitively sensitive information subject to an obligation of confidentiality include specific information on prices, quantities, price differences, strategic business planning, orders, deliveries, turnover and planned innovations or investments.

It is forbidden to disclose and exchange competitively sensitive information even in the context of meetings or at the meetings of industry associations.

Any clarification in this context may be requested to the Legal Department.

9. PRINCIPLES AND RULES OF CONDUCT ON MONEY LAUNDERING

Money laundering is generally intended as the introduction, for example through exchange or transfer, of money derived directly or indirectly from crimes into legal economic activities, concealing its true origin.

Legislation in most countries considers money laundering a criminal offence. A person or company being involved in transactions in which the money is known or likely to come from criminal activities is already considered an unlawful act.

The Company condemns any kind of behaviour which may directly or indirectly lead to criminal offences such as money laundering, possession of stolen goods and/or illegal use of goods, money or other utilities and that may obstruct justice. Consequently, the Company undertakes to implement preventive and permanent control procedures to achieve this end (separation of roles, tracing operations, monitoring, etc.).

In no way and under any circumstance Recipients shall:

- receive or accept (not even promise to receive or accept) cash or other unusual forms of payment;
- counterfeit and/or put into circulation (by buying and/or selling) banknotes, coins, public credit cards, revenue stamps or watermarked paper.

In addition to cash transactions, cashless payments also involve risks with regard to money laundering offences. For this reason, special attention must be paid to the following suspicious behaviours and warning signs when making a payment:

- Lack of clarity as to the identity of the recipient of the payment (e.g. payment through an account in the name of someone other than the contractual counterparty; the issuer of the invoice for a service is not the contractual counterparty but another person/company).
- Payments to the Company's bank accounts that do not clearly correspond to a business transaction.
- Transactions through well-known tax havens.
- Short-term settlements through different accounts (e.g. the advance payment was through account A and the settlement is requested through account B in another country).
- Request for settlement in another currency, notwithstanding the contract or invoice.
- Multiple payment transactions from different sources to pay a single invoice.
- Attempts to conceal or falsify the details of a financial transaction.

Employees must also comply with all accounting, recording and reporting requirements applicable to financial and monetary flows.

The Company attaches the utmost importance to proper accounting practices and documentation of business transactions in compliance with national and international billing regulations, which require faithful description and recording of all business transactions in a certain period of time and filing of all documents relating to the transaction.

In the presence of solid evidence that customer payments come from illegal activities, customers committed tax offences or if there are doubts on the financial transactions, the administra-

tive body and the Supervisory Body must be duly informed. This must be done as soon as possible in order to fulfil any statutory reporting requirements.

10. PRINCIPLES AND RULES OF CONDUCT ON CONFLICT OF INTERESTS

Employees have the duty to take decisions in the best interest of the company and not on the basis of personal interest. Employees must avoid all those situations and activities which may conflict with the Company's interests or that may interfere with the capacity to take impartial decisions in the best interest of the company.

Employees are not allowed to perform work for competing businesses or engage in competitive business activities.

Any situation with a potential conflict of interest must be reported in advance to the Head and/or the Supervisory Body.

11. DUTY OF NOTIFICATION

Recipients need to notify the Supervisory Body directly of:

- any illicit conduct based on factual, detailed and consistent elements,
- any violation of the Model,
- any suspicion or attempt to carry out such conducts or violations.

The Heads must report to the Supervisory Body any violation of the rules of conduct or of the procedural rules.

All reports must be written and hand delivered in sealed envelope (addressed to the Supervisory Body) to the HR Office of each premise, or sent by email to odv231@assostudio.com

The Company and the Supervisory Body protect the identity of those reporting violations, i.e. whistleblowers, disclosing it to the Authorities only if necessary.

The Company is against any form of retaliation or discrimination, direct or indirect, towards whistleblowers for reasons connected with the reporting done.

12. VIOLATIONS OF THE CODE

An violation of the obligations set forth in this Code, in the form of notification of the violation and non-acceptance of any justifications put forward, results in the application of the disciplinary sanctions provided for by the Model.

Any violation of the Code also jeopardises the fiduciary relation with the Company.

13. EFFECTIVE DATE AND AMENDMENTS TO THE CODE

The rules and regulations of the present Code shall become effective as from the date of publication in the Company Intranet.

Any updates to the Code must be approved by the Company's Board of Directors.

ANNEX: EMPLOYEE HANDBOOK ON NIDEC'S CORPORATE POLICY