

CODE OF ETHICS

Approved by the Board of Directors on July 14th 2017

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1.

FOREWORD

1.1 Company, principles and Code of Ethics

NMB Italia S.r.l., a single-member company (hereinafter also referred to as “NMB Italia” or the “Company”) belongs to the MINEBEA MITSUMI Group (hereinafter also the “Group”), which includes 85 subsidiaries or controlled companies located in 14 countries all over the world. The Company sells ball bearings, small electric motors, fans and other electromechanical products to companies operating in several sectors, ranging from the industrial and automotive to aerospace and medical industry.

NMB Italia was set up in 1982 with the mission of interpreting the need of specific markets and building a bridge between said markets and the Group’s factories, in order to obtain a high level of satisfaction from customers. NMB sells the Group’s products while performing its business activities in Italy, Spain, Switzerland, Turkey and other South American and South Eastern Europe countries.

In 2014 NMB Italia was granted the ISO 9001: 2008 quality certifications for the commercialization of mechanical and electromechanical components and the certification according to EN 9120: 2009 / UNI EN 9120: 2010 standard for the commercialization of mechanical and electromechanical components for the aerospace and defense industries.

While performing its activities, the Company complies with key values such as legality, transparency, correctness of management, good faith, integrity and loyalty and from these values it derives its own models of conduct.

The Company has already adopted the so called “Minebea Group Code of Conduct”, approved in 2005, as an ethical governance instrument with which it complies, with the aim of pursuing an appropriate corporate conduct and the “Guidelines for behaviour for the Group’s executives and employees”, approved in 2010, in order to guarantee that all the Group’s executives and employees will share and put into practice the values set out in the “Code of Conduct of the Minebea Group”.

This Code of Ethics expresses, with renewed strength, the ethical commitments and responsibilities that NMB Italia undertakes in its conduct of business and company activities.

As a matter of fact, the Code of Ethics clearly and explicitly enunciates the values in which NMB Italia believes, along with the guiding principles and the standards of conduct that enrich the decision-making processes of the company and the duties and responsibilities that must inspire the behavior of those who work with the Company and together with the Company.

The principles and values contained in the Code of Ethics are the founding policies and procedures applied by NMB Italia.

1.2 Recipients and scope of application

The principles and provisions of the Code of Ethics are standard specifications of the general obligations of due diligence, correctness and loyalty, which qualify the work performance and behaviour in the working environment.

The Code of Ethics represents a public statement of NMB Italia’s commitment to pursue the values and principles established therein and a fundamental and essential tool to guide the behaviour and conduct of the members of the

Board of Directors, the Statutory Auditor, the attorneys, employees, cooperators, partners and all those who operate in the name and on behalf of the Company (hereinafter the "recipients").

Compliance with the values, principles and guidelines set out in the Code of Ethics contribute to the achievement of the Company's goals and are of paramount importance for the proper functioning, reliability, credibility and standing of the Company itself. This is the reason why all recipients, in their roles and responsibilities, must know the content of the Code of Ethics, comprehend its meaning and dynamically cooperate to implement it.

Compliance with the provisions of the Code of Ethics must be fully considered an essential part of the contractual obligations undertaken by the Company's directors, supervisors, employees and cooperators.

Moreover, the Code of Ethics broadly embraces the role and the relationships of NMB Italia with its own Stakeholders, the latter meaning all subjects, either public or private, Italian or foreign, natural or legal persons who, in any capacity, have – either temporarily or permanently - contacts with the Company and/or have an interest in the activities that the same performs.

The Company, in order to protect its image and to safeguard its own resources, will not enter into any kind of relationships with subjects that do not intend to operate in strict compliance with current legislation and/or refuse to act according to the values and principles set out in the Code of Ethics or comply with the company procedures.

In this respect, the Code of Ethics represents an instrument aimed at preventing, with regard to all Company's relationships, either internal and external, any unlawful or otherwise unethical conduct.

The Company will actively work to ensure disclosure and knowledge of the Code of Ethics to all parties involved, as well as a deeper knowledge and updating of the same, and to verify the actual application of the values and principles established therein, providing for sanctions in case of any infringement.

2.

GENERAL PRINCIPLES

2.1. Compliance with the law provisions in force

The compliance with the law provisions in force, either of a legislative nature or regulations-related, of a domestic or international nature, constitutes a vital principle, on which NMB Italia's conduct is based.

It is therefore mandatory for the recipients, while performing their tasks, to know and comply with the law provisions and regulations in force. Said context also encompasses the necessary attention and compliance with the new provisions and regulations governing competition, both on the domestic and international market.

The Company therefore commits the recipients to carefully acquire the necessary knowledge of the laws and regulations in force, which apply to the performance of the functions, by formally stating that it does not intend to start or continue relations with any parties that do not undertake or maintain such a commitment.

In particular, recipients are specifically prohibited from acting or from contributing to cause any of the offences described in Legislative Decree No. 231 of June 8th 2001 and subsequent amendments and integrations.

In no way can any conduct carried out in violation of the current legislation and of the principles set out in the Code of Ethics be considered beneficial for the Company and, therefore, no one can be considered authorized to implement such behaviour on the pretext of supporting the Company itself.

The adoption of all the organizational tools aimed at preventing the violation of the law provisions in force has been supported by NMD Italia.

2.2 Honesty, loyalty, fairness and moral standards

All the activities carried out by NMB Italia must be performed with professional commitment, morality, fairness and good faith, by respecting the legitimate interests of customers, employees, partners, commercial and financial partners, in order to protect the Company's image.

NMB Italia encourages living in a working environment which, inspired by respect, fairness and cooperation and on the basis of the acquired experience in the various areas of expertise, enables involvement and responsibility for employees and cooperators, with regard to the specific goals that must be achieved and the criteria whereby the latter can be reached.

The Recipients are therefore asked to operate in full compliance with the values and principles set out in the Code of Ethics and the internal regulations and procedures that implement it, by committing to direct their behaviour and their activities to observe the principles of honesty and fairness, in a loyal and cooperative manner. NMB Italia preserves the value of fair competition with other operators and refrains from any collusive and abusive behaviour to the detriment of customers or third parties.

The recipients undertake not to put in place any act that, even if formally legitimate, may be in conflict with the values and principles established by the Code of Ethics.

2.3 Fairness, equality and impartiality

The Company undertakes to operate in compliance with the fairness, equality and impartiality principles, by strongly rejecting any discrimination based on age, sex, health conditions, sexual orientation, nationality, race, religious beliefs, political opinions and personal and social conditions.

The Company undertakes to promote the application of these principles amongst all recipients.

All recipients are required to direct their conduct in order not to lead any third parties, such as the Public Administration, to violate the principles of impartiality and autonomy of judgment to lead the Company to obtain an illicit or undue advantage or interest.

2.4 Protection and respect for persons and fundamental rights

NMB Italia protects the person in its physical and moral integrity and undertakes to respect the fundamental rights of all the subjects with whom it comes into contact, by also respecting the culture, customs and history of each state and region. The Company guarantees conditions and work environments that are respectful of personal dignity.

In particular, it is unquestionably forbidden to resort to harassment of any kind or, more generally, to behave in such a way as to compromise a person's serenity, or harm his or her dignity.

2.5 Safety, health protection and good working conditions

NMB Italia undertakes to promote a working environment that guarantees that all recipients and, above all, the Company's employees and cooperators - at whatever level - may benefit from working conditions in which health, safety and personal dignity are fully ensured.

NMB Italia undertakes to promote and spread amongst recipients a responsible behavior, by implementing all preventive actions in order to protect health and safety conditions for all employees and any third persons that may visit the Company's premises.

In complying with the law provisions in force - in particular Legislative Decree No. 81 of 2008 and subsequent amendments and integrations and any other provision on the matter -, the Company undertakes to protect the employees' health, by implementing all the necessary and proper measures, in order to guarantee that the working place is fully compliant with the required safety and health standards.

A good health and safety policy is strongly and systematically promoted by NMB Italia through training sessions and communication campaigns and is implemented by means of a constant upgrade of methods and systems, after having made a detailed assessment of the potential risks and critical issues related to the processes and resources that must be catered for.

NMB's employees take part in the process of risk prevention and protection of health and safety in which they are involved along with their colleagues and third parties.

All recipients must carefully comply with the company's safety procedures.

NMB Italia rejects any form of exploitation of a person's labour, refuses to avail itself of work performed by minors and in no way it uses child labour provided by third parties.

2.6 Transparency

The work of NMB Italia is based on the principle of transparency.

All actions, operations, negotiations and, more generally, the conduct of the recipients must be inspired by the utmost transparency, correctness and reliability.

The Company undertakes to provide all its interlocutors with clear, complete and timely information on the actions carried out.

2.7 Privacy

NMB Italia keeps data and information safe and confidential and fully complies with the law provisions on personal data treatment in accordance with Legislative Decree No. 196 of 30th June 2003 and subsequent law provisions.

NMB Italy, in full compliance with the Code regarding the protection of personal data and legislation aimed at protecting the privacy of all recipients and, more generally, of all those who, in any capacity, have contacts with the Company, adopts appropriate direct rules to provide, in particular, the prohibition of undue communication and/or disclosure of personal data in the absence of the prior consent of the party involved.

Respect for the dignity of workers is also ensured through respect for privacy in correspondence and interpersonal relationships between employees, through the prohibition of interfering with conferences or dialogues and through the prohibition of intrusion or forms of control that may harm the employees' personality.

Recipients are forbidden to disclose or use any confidential information, which they have come to know while performing their activities, for purposes not connected to the functions of the office, or to take advantage of them personally.

In particular, employees are required to make a commitment to keep the data and information they have learnt in the context of carrying out their duties as confidential.

2.8 Conflict of interests

A relationship based on full trust shall exist between the Company and its Directors and employees - at all levels - within which it is the director/employee's primary duty to use his/her working skills and assets for the realization of the Company's interests, in accordance with the principles established by the Code of Ethics.

The recipients are therefore required to avoid any situation and activity that might oppose a personal interest of any kind - either direct or indirect - to the Company's interests or that might interfere with or hinder the capability of making, in an unbiased and objective manner, any decisions to the benefit of NMB Italia. Therefore, the recipients must avoid exploiting their own position and, in particular, must exclude that any business activities in which a personal and/or familiar exists may overlap or cross with the functions performed and/or assigned by NMB Italia.

The occurrence of situations of conflict of interests, as well as being in contrast with the law and with the principles set out in the Code of Ethics is detrimental to the company's image and integrity.

Recipients who find themselves having an economic, financial or other interest, either currently or potentially in conflict with that of the Company must refrain from carrying out any related activity and report the existence of the conflict also to the Supervisory Board.

2.9 Protection of environment

NMB Italia regards environment as a primary asset to be safeguarded and, to this, end it plans its activities by seeking a balance between economic initiatives and essential environmental protection requirements.

The Company operates in compliance with current legislation and acts in order to limit the environmental impact of its activities, by also taking into account the development of scientific research, also for the purposes of safeguarding public health and safety.

In particular, NMB Italia undertakes to comply with the obligations, prohibitions and restrictions on the use of specific substances, their disposal and recycling and to implement actions aimed at the continuous improvement of its environmental performance, control and at reducing the use of hazardous substances, saving energy, saving water, minimizing the production of waste and recovering and recycling it.

The Company undertakes to verify the application of environmental policies and to promote activities aimed at preserving the environment for future generations and to enhance natural resources.

3.

Administrative and accounting management

3.1 Accounting Standards

In drafting the financial statements and any other type of accounting documentation NMB Italia acts in strict compliance with the law.

Every action, operation or transaction must be duly authorized, verifiable, legitimate, coherent and congruous in compliance with internal procedures. It must be correctly recorded in the company accounting system according to the criteria indicated by the law and the applicable accounting standards, in compliance with the requirements of truthfulness, accuracy, completeness and clarity of information.

The recipients are required to fully cooperate so that the management facts are correctly and promptly reflected in the company accounts and to keep all the appropriate supporting documentation in such a way as to make it readily available and consultable by the persons authorized for control.

In addition, the recipients are required to strictly comply with the internal procedures in question and to cooperate on the occasion of internal controls.

Recipients who become aware of possible irregularities or omissions, forgeries, alterations of accounting records and/or related documents, are required to promptly inform the Supervisory Board.

3.2 Anti-money laundering

NMB Italia undertakes to ensure that its activities are carried out in full compliance with the anti-money laundering legislation and with the provisions issued by the competent authorities.

All recipients are therefore required to operate in such a way as to avoid being involved in operations that might even potentially encourage money-laundering.

In any case, payments in any form are not allowed outside the procedures adopted by the Company.

4.

RELATIONS WITH EMPLOYEES

4.1 Recruitment and management of human resources

The Company is committed to developing the attitudes and potential of employees who cooperate with the Company in the performance of their skills so that the skills and legitimate ambitions of individuals are fully realized within the achievement of corporate objectives.

NMB Italy undertakes to adopt criteria of impartiality, merit, competence and professionalism for any decision concerning the relationships with employees, cooperators and self-employed workers in any capacity operating for the same.

Any discriminatory practice in selection, recruitment, training, management, development and remuneration is prohibited.

With regard to research and selection, NMB Italia adopts criteria of objectivity, competence and professionalism, by applying the equal opportunities principle with favouritism, with the aim of securing the best skills available on the market.

Recruitment takes place in compliance with the legislation on labour law or any other provisions in force and therefore on the basis of regular employment contracts, as no form of employment relationship is allowed that is not compliant or otherwise elusive of the provisions in force.

In compliance with contractual regulations, equal employment opportunities and professional development are offered, based on skills, potential and professional qualifications without discrimination and/or favoritism, ensuring fair treatment based on individual skills and abilities.

The personnel receives accurate information on the characteristics of functions and tasks to be performed, on the regulatory elements and the minimum wage levels as governed by the applicable national collective labor agreement and receives the employment documents and any personal protective equipment.

4.2 Harassment and sexual harassment

Any form of harassment in the workplace, whether of a physical or psychological nature, is strictly forbidden, including that of a sexual nature, along with any attitude related to harassment practices.

All recipients are required to cooperate in order to maintain a climate of respect for the dignity, honour and reputation of each person, by actively preventing any abusive or defamatory interpersonal behaviour.

NMB Italy rejects any action that could constitute an abuse of authority and, broadly speaking, that violates the dignity and the psycho-physical integrity of the person.

4.3 Protection of privacy

Confidential data and information relating to personnel are treated, in compliance with the applicable legislation in force, according to appropriate procedures, in order to guarantee the utmost transparency to the parties involved and the impossibility for third parties to access them, except for justified and exclusive business reasons.

4.4 Alcohol or drugs abuse

NMB Italy is committed to creating and maintaining a safe, healthy and productive work environment for all recipients. The Company recognizes that the abuse - or improper use - of alcohol, drugs and other similar substances by its employees and/or cooperators negatively affects their duty to work efficiently and can have serious consequences for them, as well as for other employees and the Company's safety and efficiency conditions and productivity. The use, possession or distribution of alcohol and illicit drugs on the Company's premises are strictly prohibited.

4.5 Smoking

Smoking is harmful not only for those who use it, but it also undermines health and safety of the work environment. For this reason smoking within the premises of NMB Italia is strictly forbidden, in order to protect healthiness of the workplace, by respecting the people who work there.

4.6 Presents, gifts and benefits

The recipients must abstain from accepting presents, gifts and benefits except for ordinary courtesy reasons and, in any case, even in the latter event, no further presents and benefits shall be accepted when they are intended for obtaining treatments that do not comply with impartiality, honesty and fairness principles.

As to the circumstances upon which any doubts exist whether presents, benefits or gifts have been given for ordinary courtesy reasons, those who may have received them are required to disclose them to their supervisor and to the Supervisory Board.

5.

RELATIONS WITH THIRD PARTIES

5.1 Authorities, Public Administration and Public Bodies

Recipients who have relations with state and governmental authorities on behalf of the Company, with public institutions, both Italian and foreign, as well as with other subjects representing collective interests and with the natural persons representing them, must operate in constant and rigorous compliance with the regulations in force in Italy and in the country in which the relationship is carried out and must be based on the general principles of probity, correctness, honesty and transparency.

In the context of relations with Public Administration and its representatives, any type of behavior that may be linked to a collusive nature or may threaten the principles expressed in the Code of Ethics is forbidden and rejected.

Recipients must refrain from trying to improperly influence decisions or determine them with violence, threat or deception and from soliciting or obtaining confidential information that could compromise the Company's integrity or reputation.

In particular, it is forbidden to:

- promise or make cash disbursements outside the purposes or for purposes other than institutional and service purposes;
- to promise or grant gifts, either direct or indirect, or advantages of any type in order to influence the independence of judgment or obtain any advantage for the Company;
- to behave in a misleading manner that might mislead the Public Administration in the technical-economic evaluation of the products offered and services rendered;
- allocate grants, subsidies, public funding for purposes other than those for which they were requested and obtained.

Should the recipients receive explicit or implicit requests for money, gifts or compensation of any kind, objects, services, favours or benefits, they must interrupt all relations and immediately notify the Supervisory Board.

The only exception to this prohibition concerns gifts, benefits and courtesy measures of a modest value which, as such, do not jeopardize the integrity and independence of judgment of the parties and cannot be interpreted as an instrument to obtain advantages improperly.

The recipients, during inspections and inspections by the Public Administration, are required to adopt an attitude of maximum availability and collaboration and to comply with any request.

5.2 Political parties, trade unions and associations

NMB Italia does not support events or initiatives that have exclusively or mainly political aims; it refrains from any direct or indirect pressure towards politicians and does not grant direct or indirect contributions for the financing, both in Italy and abroad, of political parties, movements, committees, organizations or associations with political and/or union oriented aims, or their representatives or candidates.

Any contributions, sponsorships and grants are exclusively reserved to institutions, associations and, in any case, to initiatives with a religious, social, moral, scientific and cultural purpose.

5.3 Customers

NMB Italia is well known as a competent and reliable partner.

In its relations with customers, NMB Italia's business conduct is patterned after its own criteria of transparency, correctness, honesty, efficiency and professionalism, as well as compliance with the rules designed to protect fair competition.

Recipients are required to observe internal procedures in order to manage relationships with customers.

5.4 Suppliers, contractors, consultants and other negotiating parties

With regard to its business relations, NMB Italia is inspired, in its conduct, by principle of fairness, transparency, efficiency, compliance with the law provisions and values expressed by the Code of Ethics and expects a similar attitude from those with whom it has business and/or financial relations of any type; in this respect the Company pays particular attention to the selection of negotiating counterparts, suppliers, consultants, etc..

The Company, in particular, refrains from engaging in relationships of any nature, even if direct or through a third party, with subjects (either natural or legal persons) who are known to be part of or are suspected to carry out, in Italy or abroad, activities that support, in any form, criminal organizations of any kind, including those of the mafia type, those involved in trafficking in human beings or exploitation of child labour or arms trafficking, as well as subjects or groups operating for the purpose of terrorism, this meaning and encompassing conducts that may cause serious damages to a country or an international organization, carried out with the aim of intimidating the population or forcing the public authorities or an international organization to perform or refrain from carrying out any action or destabilize or destroy the fundamental political, constitutional, economic and social structures of a country or of an international organization.

NMB Italia undertakes to treat the negotiating counterparts on an equal footing and respect for mutual satisfaction.

Relations with suppliers and contractors, during the pre-negotiation phase and during the execution phase, must be based on the principle of contractual good faith and mutual compliance with the obligations undertaken.

6.

IMPLEMENTATION, CONTROL AND VIOLATION OF THE CODE OF ETHICS

6.1 Implementation of the Code of Ethics

Compliance with the values and principles set out in the Code of Ethics by all recipients within the scope of their functions and responsibilities contributes to achieve the Company's goals and is of paramount importance for the good functioning, reliability, credibility and reputation of the Company.

All recipients must therefore know the content of the Code of Ethics, understand its meaning and actively contribute to implement it. The Company shall, for its part, dynamically act to ensure that the content of the Code of Ethics may reach all the subjects involved; moreover, it will be responsible for updating and verifying the tangible application of the values and principles contained therein; sanctions will apply in the event of violations.

6.2 Obligations for recipients

Each recipient must know the provisions set out in this Code of Ethics and accept the obligations and commitments resulting from it; this shall occur when the employment relationship starts and the Code or its significant amendments and integrations start being disclosed.

All recipients must abstain from a behaviour that does not comply with said provisions and contact their supervisors and/or contacts in case of need for clarification on how to apply them.

All recipients, because of their skills, must also adequately inform third parties about the commitments and obligations established by the Code of Ethics and require them to comply with the obligations that directly affect their activities.

In contracts with third parties, the introduction of clauses and/or the signing of declarations aimed at obtaining the commitment to fully comply with the Code of Ethics and providing for sanctions for the hypothesis of violation of this commitment is provided for.

6.3 NMB Italia's commitment

NMB Italia undertakes to ensure the largest circulation of the Code of Ethics amongst its staff, by providing employees with it, by displaying it in a place accessible to all, by publishing it on the Company's official website www.nmbitalia.it, by promoting and planning regular training sessions on the content of the Code.

The Company also undertakes to examine and update the Code of Ethics in order to adapt it to the evolution of civil attitudes and regulations relevant for the Code itself, to carry out checks in relation to any news of violations of its provisions, to apply, in case of an ascertained violation, adequate sanctions.

6.4 Supervisory Board: functions and tasks

The task of monitoring the functioning and observance of the Code of Ethics is entrusted by the Board of Directors to the Supervisory Board, which has autonomous powers of initiative and control and suitable instruments for verifying and monitoring the adequacy and effective implementation as well as the updating of the Code of Ethics.

In particular, the Supervisory Board shall

- monitor and assess the validity of the Code of Ethics in time and promote, after having previously asked the Company' departments involved, all the necessary actions in order to guarantee efficiency;
- control the actual application of the Code of Ethics and identify the behavioural deviations that may derive from the analysis of information flows and the reports received;
- promote an appropriate staff training process within the competent corporate structures by means of suitable initiatives aimed at disclosing and understanding of the Code of Ethics;
- communicate any violations of the Code of Ethics to the competent bodies in accordance with the provisions of the Disciplinary System, for the purpose of adopting any sanctions.

The Supervisory Board consists of subjects exclusively selected on the basis of professionalism, integrity, competence, independence and functional autonomy requirements.

The term of office is three years and is renewable.

6.5 Communications and reports

In order to ensure the effective application of the Code of Ethics, NMB Italia requires anyone who becomes aware of any behaviour of any kind - even a conduct showing omissions - committed in violation of the Code of Ethics, to report said behaviour and conducts to the Supervisory Board .

The reports must be made in writing and sent to the following addresses: **Organismo di Vigilanza, c/o NMB Italia Via A. Grandi 39/41, Mazzo di Rho (MI) or odv@nmb-minebea.com**

The Supervisory Board evaluates the reports received and acts for a timely and timely verification, by possibly hearing the subject who has sent the report and any further subjects who knows about the facts.

The Supervisory Board ensures the highest degree of protection and confidentiality for the reporting and protection against defamatory reports, without prejudice to legal obligations.

The Company guarantees that no one, in the workplace, shall be subject to retaliation, unlawful conditioning, inconvenience and discrimination of any kind, for reporting to the Supervisory Board violations of the Code of Ethics.

6.6 Penalties

The violation of the principles set out in the Code of Ethics undermines the trustworthy relationship between NMB and recipients. Each violation shall be seriously sanctioned by the Company - timely and rapidly - by means of adequate and balanced disciplinary measures, irrespective of any possible criminal implications resulting from said conduct and institution of criminal proceedings in the event of criminal offences.

Compliance with the Code of Ethics by NMB Italia's employees is to be regarded as an essential part of the contractual obligations undertaken in accordance with Article No. 2104 of the Italian Civil Code and the provisions of the valid National Labour Contract; any violation of the provisions set out in the Code of Ethics may result in a failure to fulfil the primary obligations of the employment relationship or a disciplinary offense - this entailing all legal consequences, also with regard to the preservation of the employment relationship - and may result in compensation for damages. These penalties will be proportionate to the significance and the nature of the facts.

Any failure by NMB's directors or statutory auditors to comply with this Code of Ethics and/o any violation of the provisions set out in the same shall entail the adoption of measures proportionate to the seriousness or repetition of violation and degree of responsibility, until the termination of the mandate owing to a just cause.

Any behaviour by cooperators, suppliers, consultants and partners linked to the Company by a contractual relationship other than that of an employee may determine, in the event of a higher degree of gravity, the termination of the relationship in accordance with the provisions established by NMB in the relevant contracts.

The Company reserves the right to bring its action before court to obtain compensation for any damage, if the conditions exist.