Statement on Modern Slavery Act 2015

This statement is made on behalf of Nakanishi Inc. (herein called "NSK Japan"), a company incorporated in Japan, and its affiliated companies including NSK United Kingdom Ltd. (collectively called "NSK Group") with regards to Modern Slavery Act 2015 (herein called the "MSA") which requires organizations to be transparent about their efforts to eradicate slavery and human trafficking in their supply chain.

We holds "To create brilliant progress with our innovative grinding technology " as our mission and have been engaged in development, manufacture and sale of high-quality products based on core technology of ultra-high speed rotation to realize it. We have made a big social contribution in three business domain (dental, medical and industrial), providing our products and services to 135 countries on the globe. Further details can be found at the official site of NSK. (<u>http://www.nsk-nakanishi.co.jp/</u>.)

For these business activities, we are provided with materials and components by our supply chains.

We recognize that modern slavery is a pervasive and insidious global issue and we are committed to social responsibility and zero tolerance for slavery and human trafficking. We give careful consideration to Section 54 "Transparency in Supply Chains" of the MSA.

As for supply chain monitoring framework, we have conducted assesments of NSK Japan and our business partners about human rights risks including slavery and human trafficking until 2017.

We have establised the NSK Group Governance Code in 2017 and announced that NSK Japan and NSK group should comply with the Governance Code requiring strict compliance with all relevant laws and regulations as well as protection of human rights and prevention of forced labour. We have ensured compliance with the MSA by implementing and verifying the following in the year ending December 2019.

- The terms and conditions of contracts used by NSK Japan require our suppliers to comply with all the laws and regulations both domestically and globally.
- We have announced about the MSA to our personnel including management members and employees of NSK Japan.
- We have confirmed that no slave labour, human trafficking, nor forced labour are found in any of our supply chain of NSK Japan by implementing the supplier audit every year.
- We accept information about slave labour and human trafficking through our internal reporting system at any time.

We will continue making great efforts to prevent slave labour and human trafficking by our supply chains including those for NSK group, and we will further raise our employees' awareness to the MSA including NSK group through discussion about and implementation of required steps to comply with the MSA.

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27th Decemer, 2019

Eiichi Nakanishi President & Group CEO NAKANISHI INC.