

Six Nidec Companies to Collectively Introduce Energy-saving Equipment, Significantly Reduce CO2 Emissions

On December 19, five of six Nidec Group factories operating in Vietnam, i.e., Nidec Vietnam Corporation, Nidec Sankyo Vietnam Corporation, Nidec Tosok Vietnam Corporation, Nidec Copal (Vietnam) Co., Ltd., Nidec Copal Precision (Vietnam) Corporation, and Nidec Servo Vietnam Corporation (the “six Nidec factories in Vietnam”) that were in the process of introducing energy-saving equipment based on the Japanese Ministry of the Environment’s “Joint Crediting Mechanism” (“JCM”), a program to reduce cost and environmental burden through power-saving measures, have successfully installed energy-saving equipment upon completion of a third-party installation inspection. The remaining factory, Nidec Copal (Vietnam) Co., Ltd., is scheduled to have its energy-saving equipment installed at a later date.

The JCM mechanism is intended to cover greenhouse gas emissions reduction programs that use Japan’s superior low-carbon and other technologies in emerging countries. In this mechanism, when a company’s energy-saving capital investment plan is adopted as an equipment financing program^{*1}, part of the investment for the equipment is subsidized, while the amount of greenhouse gas emissions that can be reduced by the investment is partially recorded as Japan’s gas emissions reduction. The program thus enables companies to suppress their investment burden and also reduce their greenhouse gas emissions, and helps the companies to contribute to greenhouse gas emissions reduction in both the countries where they operate and Japan.

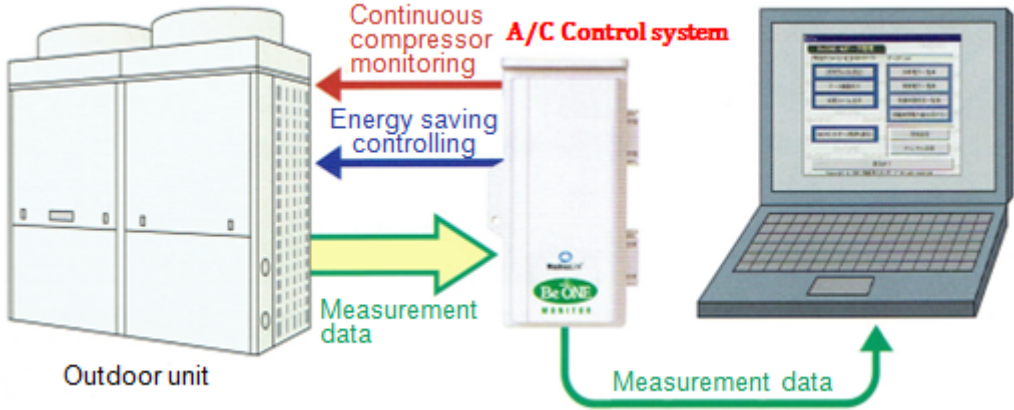
As part of the ongoing program, 450 out of 540 energy-saving air-conditioning system control devices approved as a JCM equipment financing program have been installed in the six Nidec factories in Vietnam this time.

Once installed, the devices will measure electric current to constantly monitor the operation status of the compressors inside the air-conditioning system’s outdoor units, and control them to reduce unnecessary use of electricity. With this energy-saving measure, the six Nidec factories in Vietnam are estimated to reduce their CO2 emissions by a total of approximately 4,600 tons annually, or approximately 0.75% of the Nidec Group’s total CO2 discharge during the fiscal year ended March 31, 2016.

The six Nidec factories in Vietnam are expected to save their electricity rate by tens of millions of yen each year, and to recover their initial investment of more than 100 million yen within one to two

years with the subsidy and the reduced electricity rate. By reporting the factories' CO2 reductions to the Japanese Ministry of Environment for the next seven years, the factories will be able to credit 50% of the reductions to Japan.

The Nidec Group will continue its environmental burden reduction efforts based on its “CSR Vision 2020^{*2}” and “Fifth Medium-term Environmental Conservation Plan^{*3}.”



*1 : “Financing programme for JCM model projects”

*2 : For more details, please click [here](#).

*3 : For more details, please click [here](#).