



NIDEC CORPORATION


Tokyo Stock Exchange code: 6594

# Notice of the 50th Regular General Meeting of Shareholders

 10:00 a.m. on Tuesday, June 20, 2023 (Japan time)

Time & Date The reception will start at 09:30 a.m.

 Shunju-no-Ma (Hall of Spring and Autumn), Second Floor,  
RIHGA Royal Hotel Kyoto 1 Taimatsu-cho, Shiokoji-sagaru,  
Venue Higashihorikawa-dori, Shimogyo-ku, Kyoto,  
600-8237, Japan

 Deadline for exercising voting rights by mail or the Internet, etc.

**5:30 p.m. on Monday, June 19, 2023 (Japan time)**

\*See page 2 and 3 for more detail.

## Proposals

1. Election of five Members of the Board of Directors who are not Audit and Supervisory Committee Members
2. Election of one Member of the Board of Directors who is an Audit and Supervisory Committee Member
3. Election of one substitute Member of the Board of Directors who is an Audit and Supervisory Committee Member

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## “COVID-19 Precautionary Measures”

Nidec will take certain precautionary measures to reduce the risk of infection at the 50th Regular General Meeting of Shareholders. Please read “Notes Regarding COVID-19 Safety Measures” on page 4 of this convocation notice for detailed information.

We discontinued souvenirs few years ago.

We would like to ask for your understanding.



Website for Nidec's IR info  
<https://www.nidec.com/en/>

# Nidec

## All for dreams



## To Our Shareholders

Thank you for your continued support and for the confidence that you have placed in us. Please be cordially invited to the 50th Regular General Meeting of Shareholders of Nidec Corporation.

Since its foundation in 1973, under the mission to manufacture “everything that spins and moves,” Nidec has been consistently seeking to create drive technologies that meet society’s needs, and it has grown as the world’s leading manufacturer of comprehensive motor and motor drive systems with more than 300 group companies operating in various countries in the world.

In the fiscal year ended March 31, 2023, on a consolidated basis, we surpassed our ambitious target of “net sales of 2 trillion yen,” setting a new record with net sales of 2,242.8 billion yen. In the fiscal year ending March 31, 2024, we aim to achieve a V-shaped recovery in operating profit and net income, which have suffered the impact of structural reform expenses and income tax expenses, by accelerating the radical reform of the revenue structure through WPR-X activity.

This year, Nidec Corporation marks the 50th anniversary of its founding. On April 1, we changed our trading name in Japanese to “NIDEC KABUSHIKI KAISHA” and decided on a change of Executive Vice Presidents (implemented in accordance with fair, transparent, and objective selection policy and criteria by the Nomination Committee established in November 2022). In ways such as these, we have tirelessly engaged in building the management structure to be “a global company that grows sustainably for the next 100 years and beyond,” and we will continue to evolve as ONE Nidec (a united group) to be “the world’s leading solution-providing business group that solves numerous problems for the people in the world.”



Representative Director and Chairman (CEO)

*S. Nagamul*



Representative Director and President (COO)

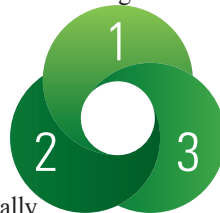
*Hiroshi Kake*

### Policy

The aim of Nidec Corporation is to contribute to the development of society and the welfare of the general public around the world. Nidec aims to do so by supplying the highest quality products. Our company is sincerely and enthusiastically dedicated to the trinity of technology, skillfulness, and modern science. Thereby, Nidec strives to promote the prosperity of our society, our company, and all our employees.

### Basic Management Creeds

1. Provide employment opportunities based on healthy business growth.



2. Supply universally desired, indispensable products for the common good.

3. Pursue the No. 1 position in all that we undertake.

### The Three Essential Attitudes

Passion, Enthusiasm, Tenacity  
Working hard and smart  
Do it now; do it without hesitation;  
do it until completed

To: All Shareholders with Voting Rights

Tokyo Stock Exchange code: 6594  
May 31, 2023  
(Date of commencement of measures for  
electronic provision: May 29, 2023)

Hiroshi Kobe  
Representative Director and President (COO)  
Nidec Corporation  
338 Kuzetonoshiro-cho, Minami-ku, Kyoto,  
601-8205, Japan

## Notice of the 50th Regular General Meeting of Shareholders

Notice is hereby given that the 50th Regular General Meeting of Shareholders (the “Meeting”) of Nidec Corporation (“Nidec” or the “Company,” together with its subsidiaries, the “Group”) will be held in accordance with the following details.

In convoking this General Meeting of Shareholders, we have adopted measures for the electronic provision of information. The matters to be provided electronically (the “Electronic Provision Measures Matters”) have been posted on the following Internet websites, under “Notice of the 50th Regular General Meeting of Shareholders” and “Other Electronic Provision Measures Matters (Matters Omitted from the Paper Copy Sent to Shareholders.)”

A paper copy of the information for this General Meeting of Shareholders has also been sent to all shareholders, as in previous years.

[The Company’s website]

<https://www.nidec.com/en/ir/event/meeting/>

[Tokyo Stock Exchange website (Listed Company Search)]

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

(Please access the Tokyo Stock Exchange website, shown above, enter “Nidec” in the “Issue name (company name)” box or “6594” in the “Code” box to search, and click on “Basic information” then “Documents for public inspection/PR information” and select “[Notice of the 50th Regular General Meeting of Shareholders/Informational Materials for a General Shareholders Meeting]” under “Filed information available for public inspection” to review the information.)

**If you decide not to attend the meeting, you can exercise your voting rights in writing or via the Internet, etc., so please refer to the Reference Document for the General Meeting of Shareholders included in the Electronic Provision Measures Matters, and exercise your voting rights by 5:30 p.m. on Monday, June 19, 2023, Japan time, following the instructions described hereinafter.**

<b>Time &amp; Date</b>	<b>10:00 a.m. on Tuesday, June 20, 2023 (Japan time)</b> (The reception will start at 9:30 a.m.)
<b>Venue</b>	Shunju-no-Ma (Hall of Spring and Autumn), Second Floor, RIHGA Royal Hotel Kyoto 1 Taimatsu-cho, Shiokoji-sagaru, Higashihorikawa-dori, Shimogyo-ku, Kyoto, 600-8237, Japan
<b>Agenda</b>	<b>Reports</b>
	<ol style="list-style-type: none"><li>1. Business report, consolidated financial statements, and audit reports regarding the consolidated financial statements by the Accounting Auditor and the Audit and Supervisory Committee for the fiscal year 2022 ended March 31, 2023</li><li>2. Non-consolidated financial statements for the fiscal year 2022 ended March 31, 2023</li></ol>
	<b>Proposals</b>
	<ol style="list-style-type: none"><li>1. Election of five Members of the Board of Directors who are not Audit and Supervisory Committee Members</li><li>2. Election of one Member of the Board of Directors who is an Audit and Supervisory Committee Member</li><li>3. Election of one substitute Member of the Board of Directors who is an Audit and Supervisory Committee Member</li></ol>

# Exercising voting rights

## ▼ Voting via mail



Please indicate your approval or disapproval for each item listed on the enclosed Voting Instruction Card and return it to us.

**Deadline** 05:30 p.m. on Monday, June 19, 2023 (Japan time)

## ▼ Voting via the Internet and others



Please see the notes for online voting on page 3, access “Smart Exercise” or our designated voting site, <https://www.web54.net>, and enter your approval or disapproval for each item. If you are a nominee shareholder of a management trust bank or other financial institution, please see the information on the platform to exercise your voting right electronically at the bottom section of the page.

**Deadline** 05:30 p.m. on Monday, June 19, 2023 (Japan time)

## ▼ Voting at the Meeting of Shareholders



Please bring this convocation notice and the enclosed Voting Instruction Card, and submit the form to the reception (There is no need to affix a seal on the form).

\*Those who are not entitled to vote, including proxies of shareholders or people accompanying them, may not enter the hall (with the exception of people accompanying physically handicapped shareholders).

**Time & Date** 10:00 a.m. on Tuesday, June 20, 2023 (Japan time)  
(The reception will start at 09:30 a.m.)

### For exercising voting rights, please note the following information in advance.

- If voting is conducted both in writing and online, the online vote will be regarded as effective.
- If voting is conducted the same way in duplicate, the most recent vote will be regarded as effective.
- If neither approval nor disapproval is indicated on the Voting Instruction Card, it will be regarded as approval.

#### Notes:

1. Any changes to the Electronic Provision Measures Matters will be posted on the websites shown above.
2. “Notes to Consolidated Financial Statements,” “Notes to Non-consolidated Financial Statements,” “Consolidated Statement of Changes in Equity,” and “Non-Consolidated Statement of Shareholders’ Equity” are omitted from the paper copy sent to shareholders. This paper copy therefore includes only parts of the consolidated and non-consolidated financial statements audited by the Audit and Supervisory Committee and the Accounting Auditor for preparing audit reports.

### The platform to exercise voting rights electronically

In addition to the aforementioned online method to exercise voting rights electronically for the Company’s General Meeting of Shareholders, nominee shareholders such as management trust banks (including their standing proxies) can, upon prior application, use the platform for exercising voting rights operated by ICJ, Inc., a joint venture established by the Tokyo Stock Exchange, Inc. and other companies.

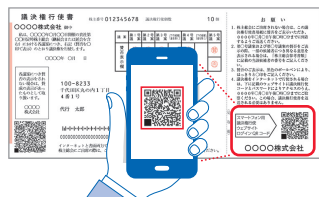


## If you wish to vote online, please note the following information in advance

### “Smart Exercise” by scanning the QR code®

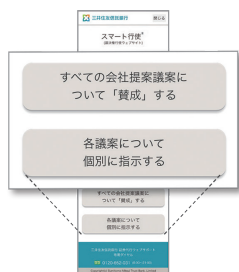
You can log in to the voting rights exercise website without entering your voting code or password.

1. Scan the QR code® printed on the bottom right of your Voting Instruction Card



\*QR code is a registered trademark of Denso Wave Inc.

2. Follow the on-screen instructions to enter your votes



Voting rights can only be exercised once through “Smart Exercise.”

#### Note

If you wish to change your votes, please login using the “Online voting using your voting code and password” shown on the right side to vote again.

### Online voting using your voting code and password [Voting via the Internet]

Exercising voting rights online is possible only through the following voting website assigned by the Company.

URL for voting website <https://www.web54.net>

1. Please use the voting code and password detailed on the Voting Instruction Card enclosed and follow the screen instructions to enter your approval or disapproval for the proposals.

### Exercising voting rights

- (i) You can exercise your voting rights on the Internet, etc. until 05:30 p.m. on Monday, June 19, 2023. However, in light of the need to tally all voting results, we respectfully ask that you conduct your voting early enough.
- (ii) If voting is conducted both in writing and online, the online vote will be regarded as effective.
- (iii) If voting is conducted multiple times on the Internet, etc., the most recent vote will be regarded as effective.

### Cost for accessing the voting website

The payment for the telephone and other fees to connect to your Internet provider and to communicate with the communications company to use the Company’s website to exercise your voting rights will be the responsibility of the shareholder.

### For inquiries on exercising voting rights on the Internet

Please address any inquiries concerning “Smart Exercise” or the “Voting via the Internet (voting rights website)” to any of the following numbers:

List of shareholders administered by:  
Stock Transfer Agency Department,  
the Sumitomo Mitsui Trust Bank, Ltd.

For Inquiries

0120-652-031 (09:00 a.m. - 09:00 p.m., JST)  
0120-782-031 (09:00 a.m. - 05:00 p.m. on weekdays, JST)

# Notes Regarding COVID-19 Safety Measures

We would like to express our gratitude for your continued patronage.

The Company's 50th Regular General Meeting of Shareholders is scheduled to be held on Tuesday, June 20, 2023. The Ministry of Health, Labour and Welfare has reclassified COVID-19 to a Class 5 infectious disease. However, we would like to inform you of the measures that we will take to ensure that the operation of the meeting places the highest priority on protecting the health and lives of shareholders.

## 1. Response of the Company

- 1) It is planned that administrative staff participating in the Meeting will wear face masks, as they may converse with shareholders.
- 2) **In order to avoid the “Three Cs” (closed spaces, crowded places, close-contact settings)**, the “waiting area (including a water server)” and the “distribution of bottled tea and catalogs” will not be available.
- 3) Please be aware that the administrative staff may call out to shareholders who appear to be in poor health.

## 2. Request for cooperation from shareholders

- 1) According to the Ministry of Health, Labour and Welfare, being in close proximity to others in an enclosed indoor space for a certain period of time (the “three Cs” of closed spaces, crowded places and close-contact settings) increases the risk of infection, and **there is a high risk of serious illness in particular among the elderly, pregnant women and those with underlying medical conditions. We ask such shareholders to please consider not attending the Meeting and exercising voting rights by the methods indicated in this convocation notice, in writing, or via the Internet, etc., depending on their state of health and the status of the pandemic.**
- 2) If you are planning to attend the Meeting, **please consider not forcing yourselves to attend if you have cold-like symptoms or are not feeling well on the day of the Meeting.**

## 3. For shareholders coming to the venue

- 1) The Meeting will be held at 10:00 a.m., and the reception desk will open at 09:30 a.m. The reception desk is usually crowded from 09:40 a.m. every year and congestion is expected, so we recommend that you come early.
- 2) In view of the heightened risk of serious disease to the elderly, pregnant women and those with underlying medical conditions, we plan to install a thermography system to confirm body temperature through thermal imaging. We request your cooperation in wearing a mask inside the venue and using alcohol-based hand sanitizer when you enter and leave. Please note that you may be denied entry and asked to leave if you are found to have a fever or to be unwell.
- 3) You will be asked to move to the microphone stand to speak during the Q&A session.

## Reference Document for the General Meeting of Shareholders

### Proposal 1 | Election of five Members of the Board of Directors who are not Audit and Supervisory Committee Members

The terms of all five Members of the Board of Directors who are not Audit and Supervisory Committee Members will expire at the end of this Regular General Meeting of Shareholders. Accordingly, shareholders are requested to elect five Members of the Board of Directors who are not Audit and Supervisory Committee Members.

The candidates for the positions of Members of the Board of Directors who are not Audit and Supervisory Committee Members of the Company are as follows:

Candidate number	Name		Current positions in the Company
01	Shigenobu Nagamori	Re-nominated	Representative Director and Chairman
02	Hiroshi Kobe	Re-nominated	Representative Director and President
03	Shinichi Sato	Re-nominated	Outside Independent Director Member of the Board of Directors
04	Yayoi Komatsu	Re-nominated	Outside Independent Director Member of the Board of Directors
05	Takako Sakai	Re-nominated	Outside Independent Director Member of the Board of Directors



Candidate number

01

Re-nominated

## Shigenobu Nagamori

Date of birth: August 28, 1944

Number of the Company's shares in possession 49,473,732 shares

### Reason for selection as a candidate

We nominate Mr. Nagamori as a candidate for a Member of the Board of Directors of the Company. We believe that Mr. Nagamori, who is the founder of the Company, served as Chief Executive Officer and led the Nidec Group to become a two trillion-yen enterprise in a short period of time, is qualified to assume the position of the Member of the Board of Directors of the Company for the Group's further growth and development.



Candidate number

02

Re-nominated

## Hiroshi Kobe

Date of birth: March 28, 1949

Number of the Company's shares in possession 948,222 shares

### Reason for selection as a candidate

Mr. Kobe is a founding member of the Company and currently the Company's Chief Operating Officer, possessing abundant experience, achievement and expertise in a wide range of areas. We nominate Mr. Kobe as a candidate for a Member of the Board of Directors of the Company because we believe that he is qualified to assume the position of the Member of the Board of Directors of the Company for the Group's further performance improvement.

### Past experience, positions and responsibilities (Significant concurrent positions)

- July 1973      Founded Nidec Corporation  
Representative Director, Chairman of the Board and President  
Chief Executive Officer (CEO)
- October 2014      Representative Director, Chairman of the Board and President
- June 2018      Representative Director and Chairman (current position)
- April 2022      Chief Executive Officer (CEO) (current position)

### Significant concurrent positions

Chairman of the Board, Nagamori Gakuen Educational Foundation

### Past experience, positions and responsibilities (Significant concurrent positions)

- July 1973      Participated in the foundation of Nidec Corporation
- March 1982      GM, Sales Dept.
- November 1984      Member of the Board of Directors
- November 1991      Member of the Board of Directors and Senior Vice President
- April 1996      Member of the Board of Directors and First Senior Vice President
- April 2000      Member of the Board of Directors and Executive Vice President
- April 2005      Chief Operating Officer (COO)
- June 2006      Representative Director and Executive Vice President
- June 2008      Representative Director and Executive Vice President
- June 2015      Representative Director and Vice Chairman  
Chief Sales Officer (CSO)
- June 2020      Vice Chairman
- May 2022      Chief Performance Officer (CPO)
- June 2022      Representative Director and Vice Chairman
- September 2022      Representative Director and President (current position)  
Chief Operating Officer (COO) (current position)

### Significant concurrent positions

-





Candidate number

03

Re-nominated

Outside

Independent Director

## Shinichi Sato

Date of birth: November 4, 1956

Number of the Company's shares in possession **0 shares**

Reason for selection as a candidate and outline of the roles expected to be fulfilled if elected

Mr. Sato has held prominent posts including Vice-Minister of Finance at the Ministry of Finance of Japan. He has been appropriately fulfilling his roles such as supervising the Company's business execution by providing valuable suggestions and opinions for the Company's overall business matters drawing on his superior insight in finance and accounting and abundant experience and superior insight in a wide range of fields including economics, fiscal affairs and monetary policy. He will continue to serve as a member of the Remuneration Committee, which was set up as an advisory body to the Board of the Directors of the Company. The Company expects Mr. Sato to continue to fulfill the role of supervising the Company's business execution from an independent standpoint.

### Past experience, positions and responsibilities (Significant concurrent positions)

April 1980	Joined Ministry of Finance of Japan (MOF)
July 1985	Director, Karatsu Tax Office, Fukuoka Regional Taxation Bureau
July 1997	Deputy Director-General, the Embassy of Japan in the UK, the Ministry of Foreign Affairs
July 2000	Director, the Administrative Management Bureau, the Management and Coordination Agency (currently the Ministry of Internal Affairs and Communications)
July 2002	Budget Examiner for Education, Culture, Sports, Science and Technology, the Budget Bureau, the Ministry of Finance
July 2003	Director, the Research Division, the Tax Bureau, the Ministry of Finance
July 2004	Director, Indirect Tax Policy Division, the Tax Bureau, the Ministry of Finance
July 2005	Director, Income Tax and Property Tax Policy Division, the Tax Bureau, the Ministry of Finance
July 2006	Director, Secretarial Division, the Minister's Secretariat, the Minister's the Ministry of Finance
July 2009	Deputy Director-General, the Tax Bureau, the Ministry of Finance
January 2010	Councilor, the Cabinet Secretariat (to Assistant Chief Cabinet Secretary)
August 2011	Deputy Vice Minister for Policy Planning and Co-ordination, the Minister's Secretariat, the Ministry of Finance
June 2013	Director-General, the Minister's Secretariat, the Ministry of Finance
July 2014	Director-General, the Tax Bureau, the Ministry of Finance
June 2016	Vice-Minister of Finance
July 2017	Left MOF
November 2017	Executive Consultant, Suntory Holdings Limited (current position)
June 2022	Outside Member of the Board of Directors, Nidec Corporation (current position)

### Significant concurrent positions

Executive Consultant, Suntory Holdings Limited



Candidate number

04

Re-nominated

Outside

Independent Director

## Yayoi Komatsu

Date of birth: March 23, 1959

Number of the Company's shares in possession

113 shares

### Reason for selection as a candidate and outline of the roles expected to be fulfilled if elected

Ms. Komatsu has held prominent posts including Director-General of Research Promotion Bureau at the Ministry of Education, Culture, Sports, Science and Technology of Japan. She has been appropriately fulfilling her roles such as supervising the Company's business execution by providing valuable suggestions and opinions for the Company's overall business matters drawing on her abundant experience and superior insight in a wide range of fields including technical research and development as well as human resource development. She will continue to serve as a member of the Nomination Committee, which was set up as an advisory body to the Board of the Directors of the Company. The Company expects Ms. Komatsu to continue to fulfill the role of supervising the Company's business execution from an independent standpoint.

### Past experience, positions and responsibilities (Significant concurrent positions)

April 1981	Joined Ministry of Education, Science, Sports and Culture of Japan (currently the Ministry of Education, Culture, Sports, Science and Technology of Japan (MEXT))
April 2001	Director, Early Childhood Education Division, Elementary and Secondary Education Bureau, the Ministry of Education, Culture, Sports, Science and Technology
April 2003	Director, Medical Education Division, Higher Education Bureau, the Ministry of Education, Culture, Sports, Science and Technology
July 2004	Counselor to the Cabinet Office's Director-General for Science and Technology Policy (currently the Secretariat of Science, Technology and Innovation Policy)
July 2005	Director, Traditional Culture Division, the Cultural Properties Department, the Agency for Cultural Affairs
April 2007	Director, the Director-General's Secretariat, the Agency for Cultural Affairs
July 2009	Deputy Director-General, the Science and Technology Policy Bureau, the Ministry of Education, Culture, Sports, Science and Technology
July 2010	Director-General, the Cultural Affairs Department, the Agency for Cultural Affairs
January 2012	Trustee and President, the Independent Administrative Institution National Museum of Art
August 2015	Director-General, Research Promotion Bureau, the Ministry of Education, Culture, Sports, Science and Technology
December 2016	Left MEXT
May 2022	Executive Director, The National Museum of Modern Art, Tokyo (current position)
June 2022	Outside Member of the Board of Directors, Nidec Corporation (current position)

### Significant concurrent positions

Executive Director, The National Museum of Modern Art, Tokyo



Candidate  
number

05

Re-nominated

Outside

Independent Director

## Takako Sakai

Date of birth: August 28, 1972

Number of the Company's  
shares in possession

332 shares

Reason for selection as a candidate and outline of the roles expected to be fulfilled if elected

Ms. Sakai has been appropriately fulfilling her roles such as supervising the Company's business execution by providing valuable suggestions and opinions for the Company's overall business matters drawing on her sophisticated, academic and professional knowledge in the tax and accounting fields as a university professor. She will continue to serve as chair of the Nomination Committee and a member of the Remuneration Committee, which was set up as an advisory body to the Board of the Directors of the Company. The Company expects Ms. Sakai to continue to fulfill the role of supervising the Company's business execution from an independent standpoint.

### Note:

1. No special relationship exists between any of these candidates to the Board of Directors and the Company.
2. The information on the candidates to the positions as Outside Members of the Board of Directors of the Company is as follows:
  - (1)Mr. Shinichi Sato, Ms. Yayoi Komatsu and Ms. Takako Sakai are the candidates to the positions of Outside Members of the Board of Directors of the Company who meet the requirements for independent directors for the position in accordance with the regulations of the Tokyo Stock Exchange.
  - (2)Mr. Shinichi Sato and Ms. Yayoi Komatsu, who are currently serving as Outside Members of the Board of Directors of the Company, will have worked at the post for one year as of the end of this Regular General Meeting of Shareholders.
  - (3)Ms. Takako Sakai, who is currently serving as an Outside Member of the Board of Directors of the Company, will have worked at the post for three years as of the end of this Regular General Meeting of Shareholders.
  - (4)Contract for limitation of liability  
The Company has executed a contract for limitation of liability with Mr. Shinichi Sato, Ms. Yayoi Komatsu and Ms. Takako Sakai, and intends to continue the contract for limitation of liability with the following content with them if the appointment of these candidates is approved.  
–The maximum amount of liability that any Member of the Board of Directors is held accountable against the Company as a result of his/her negligence to perform his/her duty shall be the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act of Japan. –  
The aforementioned liability limitation shall be applicable only if the duty that resulted in any Members of the Board of Directors being held accountable was executed under good will, and if no material negligence is identified in such duty.
3. The Company has in place a Directors and Officers Liability Insurance contract, which insures all Members of the Board of Directors of the Company, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. If the candidates are reelected as Members of the Board of Directors of the Company, each of them will be insured under the Directors and Officers Liability Insurance contract, which will be renewed during their terms of office. The outline of the contract is as described on page 42 of the Business Report.

### Past experience, positions and responsibilities (Significant concurrent positions)

April 2002	Research Associate, Graduate School of Law, Kyoto University
April 2003	Lecturer, Graduate School of Economics, Osaka Prefecture University
March 2007	Completed Doctoral Program at Graduate School of Kyoto University and received a Doctor of Laws (LL.D.)
October 2007	Associate Professor, Graduate School of Economics, Osaka Prefecture University
April 2018	Professor, Graduate School of Economics, Osaka Prefecture University
June 2020	Outside Member of the Board of Directors (Audit and Supervisory Committee Member), Nidec Corporation
April 2022	Professor, Graduate School of Law, Osaka Metropolitan University (current position)
June 2022	Outside Member of the Board of Directors, Nidec Corporation (current position)

### Significant concurrent positions

Professor, Graduate School of Law, Osaka Metropolitan University

## Proposal 2 | Election of one Member of the Board of Directors who is an Audit and Supervisory Committee Member

Member of the Board of Directors who is an Audit and Supervisory Committee Member Ms. Tamame Akamatsu will resign at the end of this Regular General Meeting of Shareholders. Accordingly, shareholders are requested to elect one Member of the Board of Directors who is an Audit and Supervisory Committee Member.

The consent of the Company's Audit and Supervisory Committee has already been granted concerning this proposal.

The candidate for the position of Member of the Board of Directors who is an Audit and Supervisory Committee Member of the Company is as follows:



Newly  
nominated

Outside

Independent  
Director

### Hiroe Toyoshima

Date of birth: September 28, 1967

Number of the Company's shares in possession **0 shares**

Reason for selection as a candidate and outline of the roles expected to be fulfilled if elected

Ms. Toyoshima will appropriately fulfill her roles such as supervising the Company's business execution by providing valuable suggestions and opinions for the Company's overall business matters drawing on her abundant experience and expertise in fields including corporate legal affairs, compliance and M&A as an attorney-at-law. She will also play a role as an Audit and Supervisory Committee Member in the Audit and Supervisory Committee's audits of the execution of duties by Members of the Board of Directors. The Company expects Ms. Toyoshima to fulfill the role of supervising the Company's business execution from an independent standpoint

Note:

1.No special relationship exists between the candidate to the Board of Directors who is an Audit and Supervisory Committee Member.  
2.The information on the candidate to the position as Outside Member of the Board of Directors who is an Audit and Supervisory Committee Member of the Company is as follows:

(1) Ms. Hiroe Toyoshima is the candidate to the positions of Outside Member of the Board of Directors who is an Audit and Supervisory Committee Member of the Company who meets the requirements for independent director for the position in accordance with the regulations of the Tokyo Stock Exchange.

(2) Contract for limitation of liability

The Company intends to execute a contract for limitation of liability with the following content with Ms. Hiroe Toyoshima if her appointment of the candidate is approved.

- The maximum amount of liability that any Member of the Board of Directors is held accountable against the Company as a result of his/her negligence to perform his/her duty shall be the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act of Japan.
- The aforementioned liability limitation shall be applicable only if the duty that resulted in any members of the Board of Directors being held accountable was executed under good will, and if no material negligence is identified in such duty.

3. The Company has in place a Directors and Officers Liability Insurance contract, which insures all members of the Board of Directors of the Company, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. If the candidate is elected as a Member of the Board of Directors of the Company, she will be insured under the Directors and Officers Liability Insurance contract, which will be renewed during her term of office. The outline of the contract is as described on page 42 of the Business Report.

#### Past experience, positions and responsibilities (Significant concurrent positions)

April 1998	Registered as attorney-at-law, the Osaka Bar Association Joined Nakamoto & Partners
November 2005	Registered as attorney-at-law in the State of New York, USA
April 2009	Partner, Nakamoto & Partners (current position)
October 2015	Outside Member of the Board of Directors, Sanesu Co., Ltd.
June 2020	Outside Member of the Board of Directors, Nitta Corporation (current position) Outside Member of the Board of Directors (Audit and Supervisory Committee Member), Nitto Fuji Flour Milling Co., LTD. (current position)

#### Significant concurrent positions

Partner, Nakamoto & Partners  
Outside Member of the Board of Directors, Nitta Corporation  
Outside Member of the Board of Directors (Audit and Supervisory Committee Member), Nitto Fuji Flour Milling Co., LTD.

## [Reference]

If this proposal is approved, the composition of the Audit and Supervisory Committee will be as follows:

Candidate under the proposal	Name		Current positions in the Company
—	Kazuya Murakami	Current position	Member of the Board of Directors (Fulltime Audit and Supervisory Committee Member)
—	Hiroyuki Ochiai	Current position	Member of the Board of Directors (Fulltime Audit and Supervisory Committee Member)
—	Aya Yamada	Current position Outside Independent Director	Member of the Board of Directors (Audit and Supervisory Committee Member)
—	Junko Watanabe	Current position Outside Independent Director	Member of the Board of Directors (Audit and Supervisory Committee Member)
●	Hiroe Toyoshima	Newly nominated Outside Independent Director	Member of the Board of Directors (Audit and Supervisory Committee Member)

## Proposal 3

# Election of one substitute Member of the Board of Directors who is an Audit and Supervisory Committee Member

Shareholders are requested to reelect one candidate for a substitute Member of the Board of Directors who is an Audit and Supervisory Committee Member in advance, to fill a vacancy for a Member of the Board of Directors who is an Audit and Supervisory Committee Member, in preparation for instances in which the number of Members of the Board of Directors who are Audit and Supervisory Committee Members falls short of the statutory minimum.

The effect of election under this proposal may be cancelled by a resolution of the Board of Directors, upon the consent of the Audit and Supervisory Committee, provided such cancellation is made prior to the assumption of office.

The consent of the Company's Audit and Supervisory Committee has already been granted concerning the submission of this proposal to this Regular General Meeting of Shareholders.

The candidate for the position of substitute Member of the Board of Directors who is an Audit and Supervisory Committee Member of the Company is as follows:



Outside

Independent  
Director

## Hiroko Takiguchi

Date of birth: December 24, 1963

Number of the Company's  
shares in possession

0 shares

### Reason for selection as a candidate and outline of the roles expected to be fulfilled if elected

Ms. Takiguchi will appropriately fulfill her roles such as supervising the Company's business execution by providing valuable suggestions and opinions for the Company's overall business matters drawing on her abundant experience and expertise in fields including corporate legal affairs, M&A and various forms of organizational governance, including corporate governance, as an attorney-at-law. She will also play a role as an Audit and Supervisory Committee Member in the Audit and Supervisory Committee's audits of the execution of duties by Members of the Board of Directors. The Company expects Ms. Takiguchi to fulfill the role of supervising the Company's business execution from an independent standpoint.

Note:

- The name of Ms. Hiroko Takiguchi is recorded on the family register as Hiroko Tamaizumi.
- Ms. Hiroko Takiguchi serves as a Partner of Kitahama Partners L.P.C. The Company made payments to Kitahama Partners L.P.C. totaling less than ¥1 million in FY2022, but we believe that this will not in any way affect Ms. Takiguchi's independence.
- The information on the candidate for the position as a substitute Outside Member of the Board of Directors who is an Audit and Supervisory Committee Member of the Company is as follows:
  - Ms. Hiroko Takiguchi is the candidate for the position of substitute Outside Member of the Board of Directors who is an Audit and Supervisory Committee Member. The Company intends to register her as an independent director for the position in accordance with the regulations of the Tokyo Stock Exchange if she assumes the position of a Member of the Board of Directors who is an Audit and Supervisory Committee Member.
  - Contract for limitation of liability  
The Company intends to execute a contract for limitation of liability with the following content with her if the appointment of the candidate is approved, and she assumes the position of Member of the Board of Directors who is an Audit and Supervisory Committee Member.  
–The maximum amount of liability that any Member of the Board of Directors is held accountable against the Company as a result of his/her negligence to perform his/her duty shall be the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act of Japan.  
–The aforementioned liability limitation shall be applicable only if the duty that resulted in any Members of the Board of Directors being held accountable was executed under good will, and if no material negligence is identified in such duty.
- The Company has in place a Directors and Officers Liability Insurance contract, which insures all Members of the Board of Directors of the Company, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. If the candidate is elected as a Member of the Board of Directors of the Company and assumes office, she will be insured under the Directors and Officers Liability Insurance contract, which will be renewed during her term of office. The outline of the contract is as described on page 42 of the Business Report.

### Past experience, positions and responsibilities (Significant concurrent positions)

April 1992	Registered as attorney-at-law, the Osaka Bar Association
January 2003	Joined Kitahama Law Office (currently Kitahama Partners L.P.C.)
	Partner, Kitahama Law Office (currently Kitahama Partners L.P.C.) (current position)
May 2005	Outside Member of the Board of Directors, Medical Ikkou Group Co., Ltd.
April 2018	Specialty Appointed Professor, Osaka University Law School Auditor,
September 2020	Kyoto Institute of Technology (current position)
April 2021	Vice Chairperson, Osaka Bar Association
March 2022	Outside Audit and Supervisory Board Member, Senshukai Co., Ltd. (current position)
June 2022	Outside Audit and Supervisory Board Member, Mitsuboshi Belting Ltd. (current position)

### Significant concurrent positions

Partner, Kitahama Partners L.P.C.  
Auditor, Kyoto Institute of Technology  
Outside Audit and Supervisory Board Member, Senshukai Co., Ltd.  
Outside Audit and Supervisory Board Member, Mitsuboshi Belting Ltd.

## [Reference] Composition of the Board of Directors after Election and Skill Matrix

When Proposal 1 “Election of five Members of the Board of Directors who are not Audit and Supervisory Committee Members” and Proposal 2 “Election of one Member of the Board of Directors who is an Audit and Supervisory Committee Member” are approved as originally proposed, the composition of the Board of Directors will become as follows:

Name	Professional skills and experience required of Members of the Board of Directors *Maximum of three							
	Business strategy	Technology and R&D	Internationality, global experience	Human resources development	Environment and society	Legal affairs, compliance	Finance and accounting	Governance, risk management
Shigenobu Nagamori	○	○						○
Hiroshi Kobe	○	○						○
Kazuya Murakami			○			○	○	
Hiroyuki Ochiai			○		○			○
Shinichi Sato	○						○	○
Yayoi Komatsu		○		○	○			
Takako Sakai				○		○	○	
Aya Yamada			○	○		○		
Junko Watanabe			○	○	○			
Hiroe Toyoshima			○			○		○

## **[Reference] Selection Policy and Selection Criteria for Members of the Board of Directors**

At the meeting of the Board of Directors held on November 5, 2022, the Company established the Nomination Committee, a majority of which is composed of Outside Members of the Board of Directors, as an advisory organ of the Board of Directors. The purpose of the Committee is to have the proper involvement and advice of the independent outside members of the Board of Directors on, among others, the selection policy and criteria, and on the candidates to the company's Members of the Board of Directors, Vice Presidents, etc., to secure fairness, transparency, and objectivity, and to further improve the quality of the Company's corporate governance system. The details of the policy and criteria to select Members of the Board of Directors, deliberated by the Nomination Committee, are as follows.

### i. Selection policy

Select persons based on the selection criteria for the posts for the purpose of enhancing Nidec's global competitiveness, and ensure sustainable growth and development of the Company's businesses.

### ii. Selection criteria

#### Common criteria

- The candidate must have professional knowledge and significant insight on business strategy, technology and research and development, internationality and global experience, human resource development, the environment and society, law and compliance, finance and accounting, and governance and risk management; and be able to propose opinions based on an objective, fair, and just viewpoint (among the common criteria, applicable ones are disclosed as a skill matrix).

#### Internal Member of the Board of Directors

- The candidate must be able to embody Nidec Way and the 3Q6S policy.

#### Outside Member of the Board of Directors

- The candidate must be able to empathize with Nidec Way and the 3Q6S policy.
- The candidate must meet the criteria of independence as an Outside Member of the Board of Directors (to prevent, for example, a conflict of interest with general shareholders).

※Nidec Way and 3Q6S: Code of conduct and management knowhow to serve as guidance for the entire Nidec Group globally.

### iii. Decision process

Candidates for Members of the Board of Directors are selected based on the selection policy and selection criteria. The Nomination Committee deliberates on the selection policy and selection criteria, as well as the nomination of candidates for Members of the Board of Directors, and reports the results of its deliberations to the Board of Directors, which decides on these matters based on these reports.



# I Current circumstances of the Nidec Group

## 1. Current circumstances and results of business operations

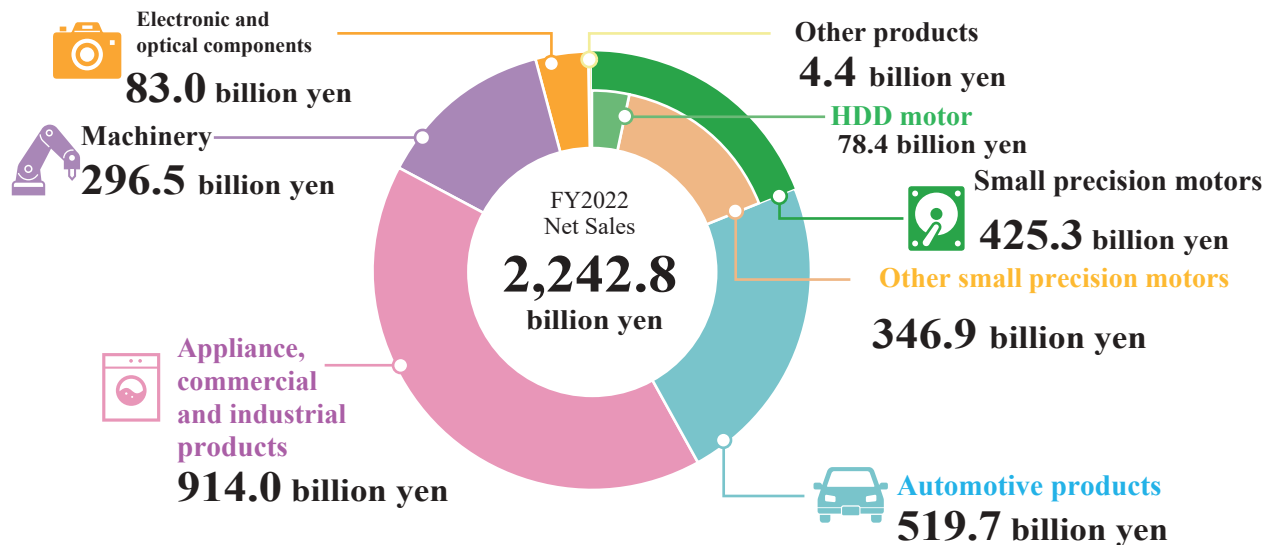
### (1) Overview of business environment in the fiscal year 2022

As of April 2023, the IMF forecasts global economic growth of 2.8% in 2023. During the fiscal year under review, economic indicators in major countries around the world showed signs of improvement. However, financial markets became unstable due to bank failures in the United States and financial instability in Europe. The business environment surrounding NIDEC continues to be severe, with shipments of IT equipment peaking out, global automobile production volume recovery delayed, demand related to capital investment peaking out, and a decline in unit growth rate in the Chinese EV market. As we celebrate our 50th anniversary in July 2023, we recorded restructuring costs for this fiscal year in response to the recent deterioration in the market environment to realize drastic earning structure reform and reduce fixed costs significantly with the aim of achieving V-shaped recovery in fiscal year 2023 through “WPR-X” activity whose target is realizing a drastic reduction of fixed cost by inventing products which can win overwhelmingly in the market under the policy of “cost is made by technology”.

Consolidated net sales from continuing operations increased 16.9% to ¥2,242,824 million for this fiscal year compared to the previous fiscal year, recording the highest annual net sales. Operating profit decreased 41.3% to ¥100,081 million for this fiscal year compared to the previous fiscal year. Profit before income taxes decreased 29.1% to ¥120,593 million and profit for the year from continuing operations decreased 66.4% to ¥45,704 million compared to the previous fiscal year.

Profit attributable to owners of the parent decreased 66.9% to ¥45,003 million.

### (2) Operating results by product category for the fiscal year 2022





## Small precision motors

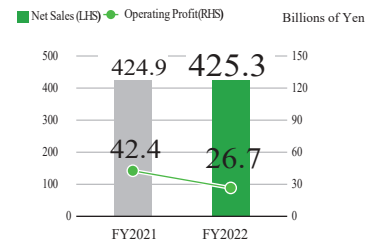
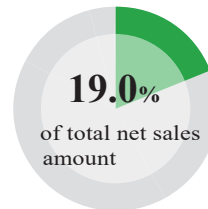
HDD motor, brushless motor, fan motor, vibration motor, brushed motor, motor-applied product, etc.

Net sales

¥ 425,333 million  
+0.1%

Operating profit

¥ 26,680 million  
-37.1%



Net sales of this category increased 0.1% to ¥425,333 million for this fiscal year compared to the previous fiscal year, including a positive effect of the fluctuations of the foreign currency exchange rates of approximately ¥63,400 million.

Net sales of spindle motors for HDDs decreased 20.6% to ¥78,462 million for this fiscal year compared to the previous fiscal year, including a positive effect of the fluctuations of the foreign currency exchange rates of approximately ¥21,000 million, mainly due to a decrease in the number of units sold. Net sales of other small precision motors increased 6.4% to ¥346,871 million for this fiscal year compared to the previous fiscal year, including a positive effect of the fluctuations of the foreign currency exchange rates of approximately ¥42,400 million.

As a result of recording restructuring costs for this fiscal year, operating profit of this category decreased 37.1% to ¥26,680 million for this fiscal year compared to the previous fiscal year, including a positive effect of the fluctuations of the foreign currency exchange rates of approximately ¥4,700 million.





## Automotive products

Automotive motor and automobile components

Net sales

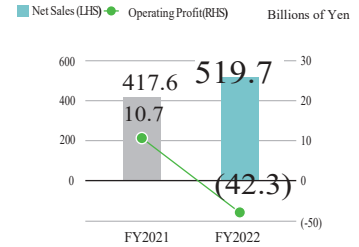
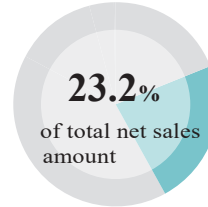
¥ 519,654 million

+24.4%

Operating loss

¥ 42,291 million

—



Under the influences of the Russian invasion of Ukraine and difficulties in procuring semiconductors and other electronic components among customers, net sales of this category increased 24.4% to ¥519,654 million for this fiscal year compared to the previous fiscal year, including a positive effect of the fluctuations of the foreign currency exchange rates of approximately ¥46,600 million, due to higher sales of the traction motor system (E-Axle).

As a result of recording restructuring costs for this fiscal year, operating profit (loss) of this category decreased ¥52,966 to ¥42,291 million for this fiscal year compared to the previous fiscal year, including a positive effect of the fluctuations of the foreign currency exchange rates of approximately ¥2,900 million.





## Appliance, commercial and industrial products

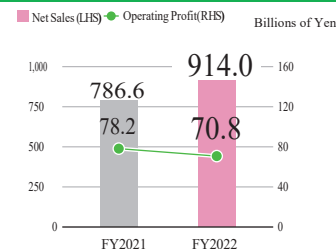
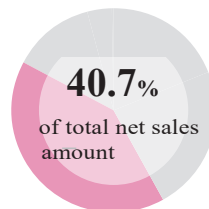
Appliance, commercial and industrial products

Net sales

¥ 913,986 million  
+16.2%

Operating profit

¥ 70,817 million  
-9.4%



Net sales of this category increased 16.2% to ¥913,986 million for this fiscal year compared to the previous fiscal year, including a positive effect of the fluctuations of the foreign currency exchange rates of approximately ¥140,500 million. This was due to an increase in the sales of power generator business for which we received many orders for large-scale projects, despite the continued impact of the Russian invasion of Ukraine.

As a result of recording restructuring costs for this fiscal year, operating profit of this category decreased 9.4% to ¥70,817 million for this fiscal year compared to the previous fiscal year, including a positive effect of the fluctuations of the foreign currency exchange rates of approximately ¥15,600 million.



## Machinery

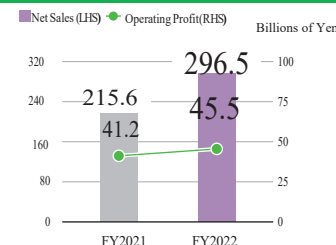
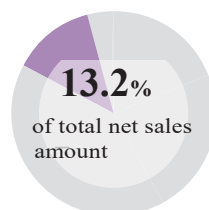
Industrial robot, card reader, inspection equipment, pressing machine, power transmission equipment, machine tools, etc.

Net sales

¥ 296,482 million  
+37.5%

Operating profit

¥ 45,538 million  
+10.4%



Net sales of this category increased 37.5% to ¥296,482 million for this fiscal year compared to the previous fiscal year, including a positive effect of the fluctuations of the foreign currency exchange rates of approximately ¥15,800 million, due to the entry into the machine tool business, in addition to higher sales of semiconductor inspection systems in strong demand for 5G, and can making presses due to the trend in deplasticization.

As a result of recording restructuring costs for this fiscal year, operating profit of this category increased 10.4% to ¥45,538 million for this fiscal year compared to the previous fiscal year, including a positive effect of the fluctuations of the foreign currency exchange rates of approximately ¥1,200 million.





## Electronic and optical components

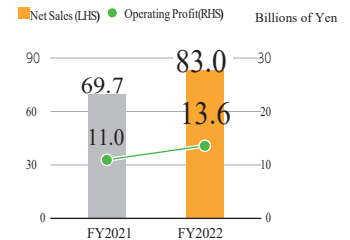
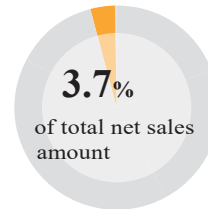
Switch, trimmer potentiometer, lens unit, camera shutter, etc.

Net sales

¥ 83,011 million  
+19.1% ↗

Operating profit

¥ 13,582 million  
+23.1% ↗



Net sales of this category increased 19.1% to ¥83,011 million for this fiscal year compared to the previous fiscal year, including a positive effect of the fluctuations of the foreign currency exchange rates of approximately ¥4,700 million.

Operating profit of this category increased 23.1% to ¥13,582 million for this fiscal year compared to the previous fiscal year, including a positive effect of the fluctuations of the foreign currency exchange rates of approximately ¥100 million.



## Other products

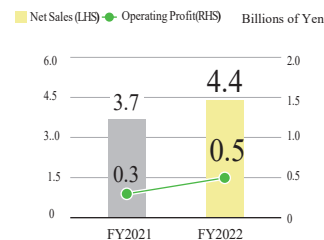
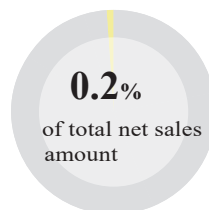
Music boxes, Services, etc.

Net sales

¥ 4,358 million  
+16.2% 

Operating profit

¥ 474 million  
+41.9% 



Net sales of this category increased 16.2% to ¥4,358 million and operating profit of this category increased 41.9% to ¥474 million for this fiscal year compared to the previous fiscal year.



## 2. Financing and capital investment

### (1) Financing

During the fiscal year ended March 31, 2023, we issued the Thirteenth and Fourteenth Series of Domestic Unsecured Bonds (totaling ¥ 50,000 million) in July, 2022, to fund the repayment of short term borrowings. We issued the Fifteenth and Sixteenth Series of Domestic Unsecured Bonds (totaling ¥ 70,000 million) in November, 2022, to fund the redemption of corporate bonds and the repayment of short term borrowings. We also raised funds mainly by borrowing from financial institutions to meet our other cash needs. With regard to our subsidiaries, we in principle do not procure funds from financial institutions, but use the cash management systems, etc. of management companies within our group to promote the consolidation of fund procurement sources and efficient use of funds. The total amount of the borrowings and corporate bonds as of the end of the fiscal year ended March 31, 2023 is ¥ 654,280 million.

### (2) Capital investment

The total capital investment in property, plant and equipment for the year ended March 31, 2023 was ¥137,814 million. This mainly consists of capital investment to strengthen domestic R&D and increase production capacity of overseas subsidiaries, such as the construction of a new base in Muko-city, Kyoto.

### 3. Assets, profits and losses

#### (1) Assets, profits, and losses of the Nidec Group

#### [International Financial Reporting Standards (IFRS)]

		FY2019	FY2020	FY2021	FY2022
Net sales	(Yen in millions)	1,534,800	1,618,064	1,918,174	2,242,824
Operating profit	(Yen in millions)	108,558	159,970	170,374	100,081
Profit attributable to owners of the parent	(Yen in millions)	58,459	121,945	135,759	45,003
Earnings per share attributable to owners of the parent – basic	(Yen)	99.37	208.19	232.40	78.19
Total assets	(Yen in millions)	2,122,493	2,256,024	2,678,483	2,872,591
Total equity attributable to owners of the parent	(Yen in millions)	947,290	1,096,020	1,292,241	1,354,505
Total equity per share attributable to owners of the parent	(Yen)	1,617.21	1,871.20	2,227.00	2,356.66

Notes: 1. Figures shown in yen in millions are rounded to the nearest million.

2. “Earnings per share attributable to owners of the parent - basic” have been calculated based on figures of “Profit attributable to owners of the parent.”

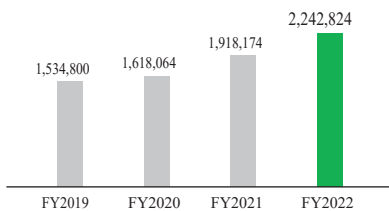
3. “Earnings per share attributable to owners of the parent – basic” is calculated based on the average total number of the Company’s shares issued and outstanding (excluding treasury stock) during each fiscal year. “Total equity per share attributable to owners of the parent” is calculated based on the total number of shares issued and outstanding (excluding treasury stock) as of the end of each fiscal year.

4. Since the Company’s shares held by the BIP (Board Incentive Plan) Trust and the ESOP (Employee Stock Ownership Plan) Trust were treated as treasury stock, in the calculation of “Earnings per share attributable to owners of the parent - basic” and “Total equity per share attributable to owners of the parent,” the number of the aforementioned shares is deducted from the average total number of the Company’s shares issued during each fiscal year as well as the total number of shares issued as of the end of each fiscal year.

5. Nidec finalized the provisional accounting treatment for the business combinations in the fiscal year 2022. The figures for the fiscal year 2021 reflect the revision of the initially allocated amounts of acquisition cost as Nidec finalized the provisional accounting treatment for the business combination.

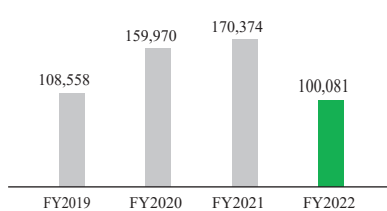
### Net sales

(Yen in millions)



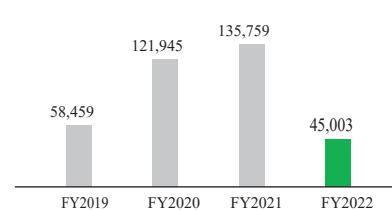
### Operating profit

(Yen in millions)



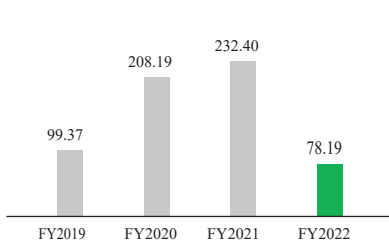
### Profit attributable to owners of the parent

(Yen in millions)



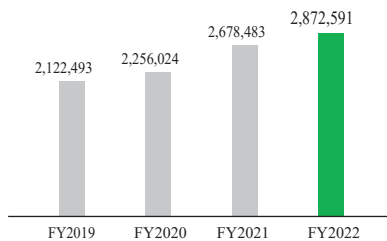
### Earnings per share attributable to owners of the parent – basic

(Yen)



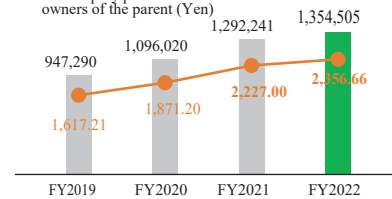
### Total assets

(Yen in millions)



### Total equity attributable to owners of the parent/Total equity per share attributable to owners of the parent

■ Total equity attributable to owners of the parent (Yen in millions)  
● Total equity per share attributable to owners of the parent (Yen)





## (2) Assets, profits and losses of the Nidec Corporation

		FY2019	FY2020	FY2021	FY2022
Net sales	(Yen in millions)	190,206	200,138	198,127	199,470
Ordinary profit	(Yen in millions)	31,845	45,646	47,695	84,171
Net income	(Yen in millions)	31,027	41,572	45,079	77,294
Earnings per share -basic	(Yen)	52.74	70.98	77.17	134.30
Total assets	(Yen in millions)	1,183,299	1,307,494	1,403,315	1,471,552
Total net assets	(Yen in millions)	288,888	298,063	250,330	240,793
Net assets per share	(Yen)	493.19	508.87	431.41	418.95

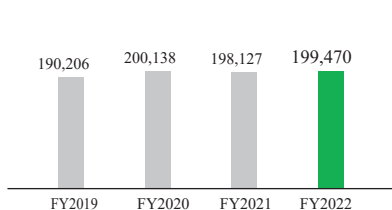
Notes: 1. Figures shown in yen in millions are rounded to the nearest million.

2. "Earnings per share - basic" is calculated based on the total average number of shares issued and outstanding (excluding treasury stock) during each fiscal year. "Net assets per share" are calculated based on the total number of shares issued and outstanding (excluding treasury stock) as of the end of each fiscal year.

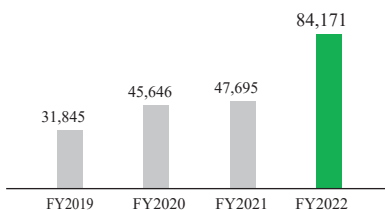
3. Since the Company's shares held by the BIP (Board Incentive Plan) Trust and the ESOP (Employee Stock Ownership Plan) Trust were treated as treasury stock, in the calculation of "Earnings per share - basic" and "Net assets per share," the number of the aforementioned shares is deducted from the average total number of the Company's shares issued during each fiscal year as well as the total number of shares issued as of the end of each fiscal year.

4. Nidec implemented a two-for-one common stock split, effective April 1, 2020. Earnings per share was calculated on the assumption that the relevant stock split had been implemented at the beginning of the fiscal year 2019.

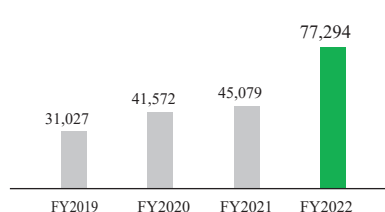
Net sales (Yen in millions)



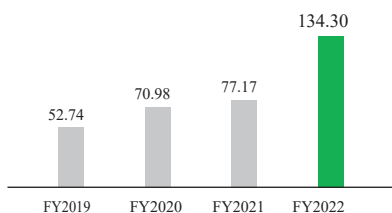
Ordinary profit (Yen in millions)



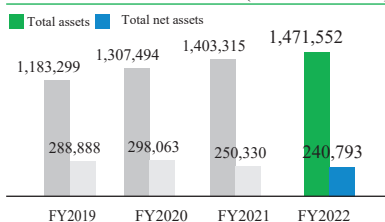
Net income (Yen in millions)



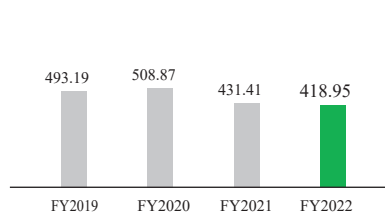
Earnings per share - basic (¥)



Total assets/  
Total net assets (Yen in millions)



Net assets per share (Yen)



#### 4. Nidec Group's Challenges

##### (1) Enhancing the Corporate Governance System

The Company transitioned to a company with an Audit and Supervisory Committee in the fiscal year ended March 31, 2021. Going forward, the Company will realize quicker decision-making and further strengthen the supervisory function of the Board of Directors by granting Members of the Board of Directors who are Audit and Supervisory Committee Members voting rights to the Board of Directors, with the aim of further strengthening corporate governance and sustainably enhancing corporate value.

##### (2) Building and Strengthening Global Management Infrastructure

Nidec Group as a global company will further enhance its group's business management, accounting and financial reporting, and business information disclosure systems in accordance with global standards.

To secure global sustainable growth and accelerate the pace of the post-merger integration (PMI) process of companies purchased overseas, we are building a "five-pronged global matrix-based business management system" intended to strengthen the foundation of our growth strategy. Specific actions include the establishment and functional expansion of regional management companies, which will be tasked to improve management quality (in the areas of governance, compliance, and internal control), secure good management efficiency (providing high-quality, low-cost shared services for individual regions), and actively support PMI.

We previously maintained a "federate-style" management system, under which individual group companies maintained a high degree of independence and autonomy in their business operations; however, to address globalization needs, we are shifting towards a "unified group matrix management" increasingly quickly.

Nidec Group's Corporate Administration & Internal Audit Department, which is responsible for group-wide internal controls, has in place a global auditing system to strengthen auditing of the sphere related to the prevention of improprieties as a response to strengthening the global management system. Nidec Group is striving to further strengthen internal controls based on the experience and know-how gained through the past audits of our financial statements and the implementation of measures to comply with the U.S. Sarbanes-Oxley Act of 2002. We also seek to improve our information disclosure system and policy through enhanced cooperation between a committee responsible for information disclosure and other relevant specialized departments.

Such specialized departments and offices, including the Legal & Compliance Department, the Risk Management Office, the Investor Relations & CSR Promotion Department, and the Eco Governance Department, also collaborate with one another and other departments as appropriate. We seek to find ways to create and maintain jobs and otherwise contribute to society based on our basic management policy as a good corporate citizen.

#### 5. Main businesses of the Nidec Group (as of March 31, 2023)

The Nidec Group mainly manufactures and sells spindle motors for hard disk drives (HDD motors), small precision motors for PCs' peripheral devices, OA (office automation) equipment/devices, home appliances, etc., and automotive motors and components. Also, we manufacture and sell mid-large size motors for home appliances, commercial and industrial motors and related products, machinery, electronic and optical components, as well as providing related services.

The group's business categories are as follows:

Product Group	Products
Small precision motors	HDD motors, brushless motors, fan motors, vibration motors, brushed motors and motor applications
Automotive products	Automotive motors and components, and traction motor system
Appliance, commercial and industrial products	Home appliance, commercial and industrial motors and related products
Machinery	Industrial robots, card readers, test systems, press machines, power transmission drives and machine tools
Electronic and optical components	Switches, sensors, lens units and camera shutters
Others	Music boxes and services

## 6. Major business sites, plants, and employees of Nidec Group (as of March 31, 2023)

### (1) Major business sites and plants

Head office	Minami-ku, Kyoto, Japan
Sales offices and product development sites	Kyoto, Tokyo, Shiga, and Kawasaki, Japan
Other sites	Nidec (H.K.) Co., Ltd. Nidec (Shanghai) International Trading Co., Ltd. Nidec Motor Corporation (U.S.A.) Nidec Global Appliance Compressores e Solucoes em Refrigeracao Ltda. Nidec Sankyo Corporation (Nagano) Nidec Techno Motor Corporation (Kyoto) Nidec Mobility Corporation (Aichi) Nidec-Shimpo Corporation (Kyoto) Nidec-Read Corporation (Kyoto)

- Notes:
1. The name of “Nidec (Shanghai) International Trading Co., Ltd.” was changed to “Nidec (Shanghai) Co., Ltd.” effective April 1, 2023.
  2. The name of “Nidec Global Appliance Compressores e Solucoes em Refrigeracao Ltda.” was changed to “Nidec Global Appliance Brazil Ltda.” effective April 1, 2023.
  3. The name of “Nidec Sankyo Corporation” was changed to “Nidec Instruments Corporation” effective April 1, 2023.
  4. The name of “Nidec-Shimpo Corporation” was changed to “Nidec Drive Technology Corporation” effective April 1, 2023.
  5. The name of “Nidec-Read Corporation” was changed to “Nidec Advance Technology Corporation” effective April 1, 2023.

### (2) Employees of the Nidec Group

#### (i) The Nidec Group

Category	Number of Employees	Increase (decrease) from the end of previous fiscal year
Total	106,592	(7,779)

Note: In addition to the above employees, 21,410 people are working as temporary staff.

#### (ii) Nidec Corporation

Category	Number of Employees	Increase (decrease) from the end of previous fiscal year	Average age	Average years of employment
Total	2,176	(335)	40.0	11.8

Note: In addition to the above employees, 61 people are working as temporary staff.

## 7. Important parent companies and subsidiaries

### (1) Important subsidiaries (as of March 31, 2023)

Subsidiaries	Capital or investment	Ratio of voting rights	Principal business
Nidec (H.K.) Co., Ltd.	HKD 2,352 thousand	100.0%	Sales of small precision motors
Nidec (Shanghai) International Trading Co., Ltd.	CNY 1,655 thousand	100.0% (100.0%)	Sales of small precision motors and automotive products
Nidec Motor Corporation	USD 1,355,662 thousand	100.0% (100.0%)	Manufacturing and sales of appliance, commercial and industrial products
Nidec Global Appliance Compressores e Solucoes em	BRL 1,275,243 thousand	100.0%	Manufacturing and sales of appliance, commercial and industrial products

Refrigeracao Ltda.			
Nidec Sankyo Corporation	JPY 35,270 million	100.0%	Manufacturing and sales of small precision motors, automotive products, machinery and electronic components
Nidec Techno Motor Corporation	JPY 2,500 million	100.0%	Manufacturing and sales of appliance, commercial and industrial products
Nidec Mobility Corporation	JPY 5,000 million	100.0%	Manufacturing and sales of automotive products
Nidec-Shimpo Corporation	JPY 3,796 million	100.0%	Manufacturing and sales of machinery
Nidec-Read Corporation	JPY 938 million	100.0%	Manufacturing and sales of machinery

- Notes:
1. Figures are rounded off to the minimum unit in the capitals.
  2. The percentages within the parentheses in the "Ratio of voting rights" column indicate the ratios of the voting rights owned by the Company's subsidiaries and other institutions.
  3. The name of "Nidec (Shanghai) International Trading Co., Ltd." was changed to "Nidec (Shanghai) Co., Ltd." effective April 1, 2023.
  4. The name of "Nidec Global Appliance Compressores e Solucoes em Refrigeracao Ltda." was changed to "Nidec Global Appliance Brazil Ltda." effective April 1, 2023.
  5. The name of "Nidec Sankyo Corporation" was changed to "Nidec Instruments Corporation" effective April 1, 2023.
  6. The name of "Nidec-Shimpo Corporation" was changed to "Nidec Drive Technology Corporation" effective April 1, 2023.
  7. The name of "Nidec-Read Corporation" was changed to "Nidec Advance Technology Corporation" effective April 1, 2023.

(2) Business combinations

N/A

**8. Major borrowings lenders and amounts borrowed (as of March 31, 2023)**

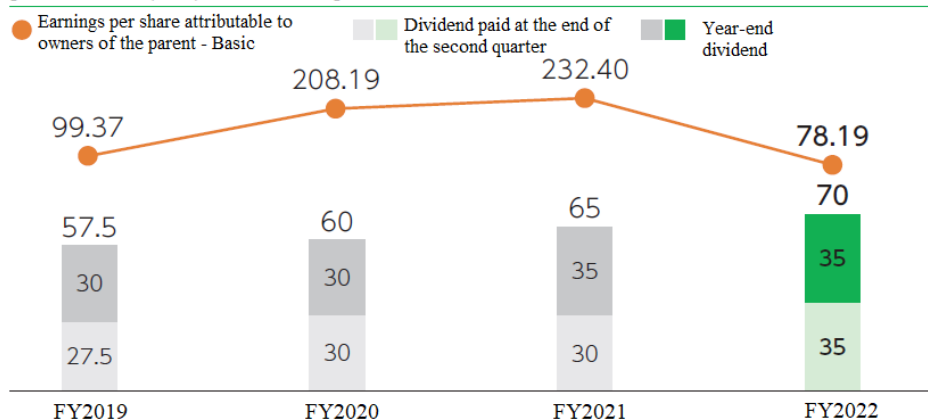
Lenders	Balance of borrowings (yen in millions)
The Bank of Kyoto, Ltd.	78,800
MUFG Bank, Ltd.	43,000
Sumitomo Mitsui Banking Corporation	30,000

**9. Dividend Policy**

From the standpoint of upholding shareholder-oriented management, we strive to make the efforts mandated by our shareholders; namely, we aim to maintain and improve over the long term our dynamic growth, large revenues, high share price, advanced technology, and generous treatment of our workers. We also strive to present a vision for the future that is reflective of our constant and vigilant attention to the changing times. Fundamental to this stance of ours is our untiring and enduring commitment to growth. In our policy on profit distribution as well, we place importance on maintaining stable dividends, targeting a dividend payout ratio to around 30% of our consolidated profit for the year, and strive to improve dividends while keeping them commensurate with consolidated profit for the year.

At the same time, we work to improve revenues by utilizing internal reserves to further strengthen our operational structure and invest in business expansion.

**Trend of earnings per share attributable to owners of the parent - basic (EPS) and dividend per share**



Note: Nidec implemented a two-for-one common stock split, effective April 1, 2020. Dividend per share and earnings per share attributable to owners of the parent – basic were calculated on the assumption that the relevant stock split had been implemented at the beginning of the fiscal year 2019.

**10. Other important matters concerning the current business circumstances of the Nidec Group**  
N/A

## II. Matters concerning shares of the Company (as of March 31, 2023)

1. Total number of shares authorized to be issued: 1,920,000,000

2. Total number of issued shares: 596,284,468

3. Number of shareholders: 159,838

### 4. Ten major shareholders (excluding treasury stock):

Shareholders	Shares owned (in thousands)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	84,576	14.70
Shigenobu Nagamori	49,473	8.60
Custody Bank of Japan, Ltd. (trust account)	29,980	5.21
The Bank of Kyoto, Ltd.	24,798	4.31
SN KOSAN LLC	20,245	3.51
MUFG Bank, Ltd.	14,851	2.58
THE BANK OF NEW YORK MELLON 140042	14,105	2.45
Nippon Life Insurance Company	13,159	2.28
Meiji Yasuda Life Insurance Company	12,804	2.22
SSBTC CLIENT OMNIBUS ACCOUNT	9,605	1.66

- Notes: 1. The numbers of shares owned have been rounded down to the nearest 1,000 shares.  
2. The Company's holding of 21,059,236 treasury stock is excluded from the above major shareholders. The shareholding ratio was calculated excluding treasury stock. Treasury stock do not include shares of the Company held by the BIP (Board Incentive Plan) Trust and the ESOP (Employee Stock Ownership Plan) Trust, but include a total of 3,531 fractional shares arising from the exchange of shares with Nidec OKK Corporation with an effective date of March 1, 2023.

### 5. Shares delivered to Members of the Board of Directors of the Company as consideration for the execution of duties during the fiscal year:

	Number of shares	Number of recipients
Members of the Board of Directors (excluding Outside Members of the Board of Directors)	0	0

Note: No shares were delivered during the fiscal year ended March 31, 2023.

**III. Matters concerning the Company's share warrant**  
N/A

#### IV. Matters concerning the Members of the Board of Directors and Audit and Supervisory Committee Members of the Company

##### 1. Members of the Board of Directors (as of March 31, 2023)

Position	Name	Job description and concurrent positions at other corporations
Representative Director and Chairman	Shigenobu Nagamori	Chief Executive Officer and Chairman of the Board, Nagamori Gakuen Educational Foundation
Representative Director and President	Hiroshi Kobe	Chief Operating Officer
Member of the Board of Directors (Fulltime Audit and Supervisory Committee Member)	Kazuya Murakami	Member of the Audit and Supervisory Board, Nidec-Read Corporation, Nidec-Shimpo Corporation, Nidec Techno Motor Corporation, Nidec Machine Tool Corporation, Nidec Global Service Corporation and Nidec Machinery Corporation
Member of the Board of Directors (Fulltime Audit and Supervisory Committee Member)	Hiroyuki Ochiai	Member of the Audit and Supervisory Board, Nidec Sankyo Corporation, Nidec Mobility Corporation, Nidec Tosok Corporation, Nidec Copal Electronics Corporation, Nidec Copal Corporation, Nidec Elesys Corporation and Nidec Servo Corporation
Member of the Board of Directors	Shinichi Sato	Executive Consultant, Suntory Holdings Limited
Member of the Board of Directors	Yayoi Komatsu	Executive Director, The National Museum of Modern Art, Tokyo
Member of the Board of Directors	Takako Sakai	Professor, Graduate School of Law, Osaka Metropolitan University
Member of the Board of Directors (Audit and Supervisory Committee Member)	Aya Yamada	Professor, Graduate School of Law, Kyoto University
Member of the Board of Directors (Audit and Supervisory Committee Member)	Tamame Akamatsu	Chairperson of the Board and President, Kyoto City University of Arts
Member of the Board of Directors (Audit and Supervisory Committee Member)	Junko Watanabe	Professor, Graduate School of Economics & Faculty of Economics, Kyoto University and Outside Member of the Board of Directors (Audit and Supervisory Committee Member), Morozoff Limited

- Notes:
1. Mr. Shinichi Sato, Ms. Yayoi Komatsu, Ms. Takako Sakai, Ms. Aya Yamada, Ms. Tamame Akamatsu and Ms. Junko Watanabe, Outside Members of the Board of Directors, have been appointed as Independent Directors who the Company believes have the capacity to fully perform their roles including the supervision of the execution of duties of the Company from an independent position, meeting the requirements for independent candidates for the position in accordance with the regulations of the Tokyo Stock Exchange.
  2. Mr. Kazuya Murakami and Mr. Hiroyuki Ochiai are Fulltime Audit and Supervisory Committee Members. Fulltime Audit and Supervisory Committee Members have been elected to improve the effectiveness of audits through the enhancement of information gathering on a daily basis and attendance of important meetings.
  3. The changes in Members of the Board of Directors and Members of the Board of Directors who are Audit and Supervisory Committee Members that occurred at the 49th Regular General Meeting of Shareholders held on June 17, 2022, are as follows:
    - (1) Mr. Hiroshi Kobe, Mr. Shinichi Sato and Ms. Yayoi Komatsu were newly elected as Members of the Board of Directors and assumed office. Ms. Tamame Akamatsu was newly elected as Member of the Board of Directors who is an Audit and Supervisory Committee Member and assumed office.
    - (2) Ms. Takako Sakai retired as Member of the Board of Directors who is an Audit and Supervisory Committee Member and was elected as Member of the Board of Directors and assumed office the same day.
    - (3) Mr. Teichi Sato and Mr. Osamu Shimizu retired as Members of the Board of Directors.



4. The following Members of the Board of Directors and Members of the Board of Directors who are Audit and Supervisory Committee Members retired during the fiscal year:

Name	Date of retirement	Reason for retirement	Job description and concurrent positions at other corporations at the time of retirement
Jun Seki	September 2, 2022	Resignation	Representative Director and President Chief Operating Officer Member of the Board of Directors and Chairman, Nidec Tosok Corporation and Nidec India Private Limited
Takeshi Nakane	October 12, 2022	Death	Outside Member of the Board of Directors (Audit and Supervisory Committee Member) Special Assistant to the Ministry of Foreign Affairs of Japan

5. Ms. Junko Watanabe, who was a substitute Member of the Board of Directors who is an Audit and Supervisory Committee Member, assumed office as Member of the Board of Directors who is an Audit and Supervisory Committee Member on October 13, 2022 due to the retirement of Member of the Board of Directors who is an Audit and Supervisory Committee Member Mr. Takeshi Nakane.
6. Mr. Kazuya Murakami, a Member of the Board of Directors who is a Fulltime Audit and Supervisory Committee Member, has held prominent posts at the Ministry of Finance of Japan and other organizations, and possesses sufficient knowledge and expertise in finance and accounting.
7. No special relationships exist between Nidec Corporation and the organizations where positions are concurrently held by Members of the Board of Directors Mr. Shinichi Sato, Ms. Yayoi Komatsu and Ms. Takako Sakai, and Members of the Board of Directors who are Audit and Supervisory Committee Members Ms. Tamame Akamatsu and Mr. Takeshi Nakane.
8. Ms. Aya Yamada and Ms. Junko Watanabe, Members of the Board of Directors who are Audit and Supervisory Committee Members, serve as a Professor of Graduate School of Law and Professor of Graduate School of Economics & Faculty of Economics, respectively, of Kyoto University. To support educational and research activities, the Company donates a course to the Graduate School of Engineering of Kyoto University called "Advance Electrical Equipment to Realize a Friendly Global Environment." The amounts of donations are ¥45 million in FY2018 (total amount of the university's donation-based income in the same fiscal year: ¥5,163 million), ¥39 million in FY2019 (total amount: ¥5,352 million), ¥39 million in FY2020 (total amount: ¥5,766 million), ¥39 million in FY2021 (total amount: ¥5,416 million), and ¥49 million in FY2022. The FY2022 donation includes those made for the university's 125th anniversary project. For any of the aforementioned fiscal years, the amounts of the Company's donations to Kyoto University are insignificant compared with the total amount of the university's donation-based income. Furthermore, based on its joint research contract with the university's Graduate School of Engineering, the Company made a payment of ¥18 million in FY2022. In addition, the faculty to which the Company made donations and payment are different from the faculty to which they belong, and they are not a representative of the university. Thus there is no direct interest between the Company and the two individuals. Therefore we believe that the donations will not in any way affect Ms. Yamada and Ms. Watanabe's independence as Outside Members of the Board of Directors who are Audit and Supervisory Committee Members.
9. The changes in positions and significant concurrent positions that occurred since the end of the fiscal year ended March 31, 2023 are as follows:

Name	After change	Before change	Date of change
Kazuya Murakami	Member of the Board of Directors (Fulltime Audit and Supervisory Committee Member) Member of the Audit and Supervisory Board, Nidec Advance Technology Corporation, Nidec Drive Technology Corporation, Nidec Techno Motor Corporation, Nidec Machine Tool Corporation, Nidec Global Service Corporation, Nidec Machinery Corporation and Nidec OKK Corporation	Member of the Board of Directors (Fulltime Audit and Supervisory Committee Member) Member of the Audit and Supervisory Board, Nidec-Read Corporation, Nidec-Shimpo Corporation, Nidec Techno Motor Corporation, Nidec Machine Tool Corporation, Nidec Global Service Corporation and Nidec Machinery Corporation	April 1, 2023

10. The following changes were made to company names effective April 1, 2023:

After change	Before change
Nidec Advance Technology Corporation	Nidec-Read Corporation
Nidec Drive Technology Corporation	Nidec-Shimpo Corporation
Nidec Instruments Corporation	Nidec Sankyo Corporation
Nidec Powertrain Systems Corporation	Nidec Tosok Corporation
Nidec Components Corporation	Nidec Copal Electronics Corporation
Nidec Precision Corporation	Nidec Copal Corporation
Nidec Advanced Motor Corporation	Nidec Servo Corporation

## 2. Remuneration, etc. of Members of the Board of Directors for the fiscal year

### (1) Policy for determining the content of individual remuneration, etc. for Members of the Board of Directors

Matters related to the policy for determining individual remuneration, etc. for Members of the Board of Directors are determined at meetings of the Company's Board of Directors.

The details are as follows:

#### (a) Basic policy

The Company's remuneration for Members of the Board of Directors shall be determined based on the following policy with the aim of strengthening global competitiveness and the sustainable growth of its business.

- Raise motivation to improve the Company's corporate value.
- Contribute to attracting talented management personnel.
- Set at an appropriate level for the Company's size and business domains.

#### (b) Outline of revenue composition

<Outside Members of the Board of Directors (excluding Members of the Board of Directors who are Audit and Supervisory Committee Members)>

To ensure their independence, the remuneration of Outside Members of the Board of Directors (excluding Members of the Board of Directors who are Audit and Supervisory Committee Members) shall be fixed remuneration only, which is paid monthly.

<Members of the Board of Directors (excluding Outside Members of the Board of Directors and Members of the Board of Directors who are Audit and Supervisory Committee Members)>

The remuneration of Members of the Board of Directors (excluding Outside Members of the Board of Directors and Members of the Board of Directors who are Audit and Supervisory Committee Members) shall be (i) fixed remuneration according to ranks, (ii) variable remuneration (bonus) based on the evaluation of performance achievement in the previous fiscal year, etc., and (iii) performance-linked share-based remuneration based on performance achievement for three fiscal years, etc.

(ii) Variable remuneration (bonus) is determined taking into account the level of achievement of consolidated net sales and consolidated operating profit targets for each fiscal year and performance and other factors of Members of the Board of Directors. Variable remuneration fluctuates from zero (no payment) to twice its median value (50% of fixed remuneration).

(iii) Performance-linked share-based remuneration covers three consecutive fiscal years, during which the number of points that fluctuates within a range of 0% to 200% according to ranks and the level of achievement of consolidated net sales and consolidated operating profit targets for each fiscal year will be granted. After the lapse of the applicable period, the number of the Company's shares calculated based on the cumulative value of points granted will be delivered, and money equivalent to the amount of the Company's shares will be paid (one unit is equivalent to one share).

The ratio of (i) fixed remuneration, (ii) variable remuneration (bonus), and (iii) performance-linked share-based remuneration for Members of the Board of Directors (excluding Outside Members of the Board of Directors and Members of the Board of Directors who are Audit and Supervisory Committee Members) shall be approximately 3 : 1.5 : 1.

Type of remuneration	Payment criteria	Payment method	Remuneration ratio
			Members of the Board of Directors
Fixed remuneration	· Set according to ranks	Monthly cash payment	3
Variable remuneration (bonus)	· Level of achievement of consolidated net sales/consolidated operating profit targets for the previous fiscal year · Performance and other factors of Members of the Board of Directors are taken into account · Fluctuate from zero to twice the median value of variable remuneration	Monthly cash payment	1.5
Performance-linked share-based remuneration	· Standard amount for each rank × Level of achievement of consolidated net sales/consolidated operating profit targets · The number of points that fluctuates within a range of 0% to 200% will be granted · After the lapse of three fiscal years, the number of the Company's shares corresponding to the cumulative points will be delivered, and money equivalent to the amount of the Company's shares will be paid	After the lapse of three fiscal years (shares and money)	1

(c) Process of determining remuneration

The Board of Directors shall determine the amount of fixed remuneration and variable remuneration for each Member of the Board of Directors (excluding Members of the Board of Directors who are Audit and Supervisory Committee Members) in accordance with the criteria stipulated in the above policy and based on the recommendations of the Remuneration Committee, which is a voluntary advisory body. In addition, the Board of Directors shall similarly determine the content of performance-linked share-based remuneration in view of the recommendations of the Remuneration Committee.

(d) Forfeiture of remuneration (clawback and malus)

Fixed and variable remuneration may be reduced with the consent of the relevant person if he or she has caused serious damage to the Company.

In addition, if a person eligible for performance-linked share-based remuneration commits a serious violation of his or her duties or internal rules or other misconduct after the beneficiary right vesting date, the Company may seek compensation from that person.

(2) Reason why the Board of Directors determined that the content of individual remuneration, etc. for Members of the Board of Directors who are not Audit and Supervisory Committee Members for the fiscal year is in line with the determination policy

As the content of individual remuneration, etc. for Members of the Board of Directors was determined following the determination policy, the Company believes that the content is in line with the determination policy.

(3) Resolution of the general meeting of shareholders on remuneration, etc. for Members of the Board of Directors

The amount of monetary remuneration for Members of the Board of Directors who are not Audit and Supervisory Committee Members was approved at no more than ¥1,000 million per year (including the portion for Outside Members of the Board of Directors at no more than ¥100 million per year) at the 47th Regular General Meeting of Shareholders held on June 17, 2020. There were four Members of the Board of Directors who are not Audit and Supervisory Committee Members

(including two Outside Members of the Board of Directors) at the end of the 47th Regular General Meeting of Shareholders. The amount of monetary remuneration for Members of the Board of Directors who are Audit and Supervisory Committee Members was approved at no more than ¥100 million per year at the 47th Regular General Meeting of Shareholders held on June 17, 2020. There were five Members of the Board of Directors who are Audit and Supervisory Committee Members (including three Outside Members of the Board of Directors) at the end of the 47th Regular General Meeting of Shareholders.

The Company introduced a performance-linked share-based compensation plan for Members of the Board of Directors (excluding Outside Members of the Board of Directors and Members of the Board of Directors who are Audit and Supervisory Committee Members), Vice Presidents, and individuals who have equivalent status at the Company. The resolution of the general meeting of shareholders regarding the above-mentioned remuneration is described in “(5) Matters regarding performance-linked remuneration, etc. and non-monetary remuneration, etc.”

(4) Total compensation, etc., for Members of the Board of Directors

Category	Number of persons	Total amount of compensation, etc. by type			Description
		Fixed remuneration	Variable remuneration	Performance-linked share-based remuneration	
Members of the Board of Directors (excluding Audit and Supervisory Committee Members)	10	¥177 million	¥6 million	¥15 million	Including ¥19 million for five Outside Members of the Board of Directors
Members of the Board of Directors (Audit and Supervisory Committee Members)	7	¥55 million	-	-	Including ¥22 million for five Outside Members of the Board of Directors
Total	17	¥232 million	¥6 million	¥15 million	

Notes: 1. The above performance-linked compensation amount includes the compensation for two Members of the Board of Directors who retired from their posts in the fiscal year 2020 and one Member of the Board of Directors who retired from his post in the fiscal year 2022.

2. Introduction of the performance-linked share-based compensation plan for Members of the Board of Directors, etc. was resolved at the 45th Regular General Meeting of Shareholders held on June 20, 2018.

The aforementioned amounts are the amounts recorded as expenses in the fiscal year 2022 in accordance with the Japanese standards. Outside Members of the Board of Directors are not covered by this plan.

(5) Matters regarding performance-linked remuneration, etc. and non-monetary remuneration, etc.

The Company received approval at the 48th Regular General Meeting of Shareholders held on June 22, 2021 for the adoption of a performance-linked share-based compensation plan (the “Plan”). In the Plan, the Company’s shares are granted to Members of the Board of Directors (excluding Outside Members of the Board of Directors and Members of the Board of Directors who are Audit and Supervisory Committee Members), Vice Presidents, and individuals who have equivalent status at the Company (Members of the Board of Directors and Vice Presidents shall be hereinafter collectively referred to as the “Members of the Board of Directors, etc.”) according to their ranks and the degree of achievement of performance targets. Two Members of the Board of Directors of the Company were eligible for the Plan at the end of the 48th Regular General Meeting of Shareholders (31 were eligible for the Plan as Vice Presidents not serving concurrently as Members of the Board of Directors and individuals with equivalent status).

(a) Overview of the Plan

The Plan is a share-based incentive plan wherein shares of the Company stock will be acquired through a trust using the amount of remuneration for the Members of the Board of Directors, etc. contributed by the Company as the fund, and the Company's shares and cash equivalent to the amount of the converted value of such shares (the "Company's shares, etc.") will be granted and paid (the "grant, etc." or "granted, etc.") to the Members of the Board of Directors, etc. (the details are as described below in (b) onwards).

<p>1) Persons eligible for the grant, etc. of the Company's shares, etc. covered by the Plan</p>	<ul style="list-style-type: none"> <li>· Members of the Board of Directors (excluding Outside Members of the Board of Directors and Members of the Board of Directors who are Audit and Supervisory Committee Members), Vice Presidents and individuals who have equivalent status at the Company</li> </ul>
<p>2) The upper limit of cash to be contributed by the Company to acquire the Company's shares to be granted, etc. to the Members of the Board of Directors, etc. (as described in (b) below)</p>	<ul style="list-style-type: none"> <li>· The upper limit for a period of three fiscal years will be 2.73 billion yen.</li> </ul>
<p>3) The maximum total number of the Company's shares, etc. to be granted, etc. to the Members of the Board of Directors, etc. (as described in (c) below) and the method to acquire the Company's shares (as described in (b) below)</p>	<ul style="list-style-type: none"> <li>· The upper limit of the number of the Company's shares, etc. to be granted, etc. to the Members of the Board of Directors, etc. each fiscal year will be 84,000 shares, and the upper limit of the number of the Company's shares, etc. to be granted, etc. to the Members of the Board of Directors, etc. for three fiscal years will be 252,000 shares (*1). (*1) The number of the Company's shares per unit will be one share. If the number of the Company's shares under the trust increases or decreases because the Company's share is subject to a share split, allotment of shares without contribution, or share consolidation, etc., the Company will adjust the number of the Company's shares, etc. to be granted, etc. for each unit according to the ratio of increase or decrease of the Company's shares, and the upper limit of the number of the Company's shares to be delivered as stated below.</li> <li>· The ratio of the upper limit of the number of the Company's shares, etc. of 84,000 shares to be granted, etc. to the Members of the Board of Directors, etc. each fiscal year to the total number of the Company's shares issued and outstanding (as of March 31, 2023, excluding treasury stock) will be about 0.01%.</li> <li>· The Company's shares will be acquired from the Company (through disposal of treasury stock) or the stock market.</li> </ul>
<p>4) Details of performance target conditions (as described in (c) below)</p>	<ul style="list-style-type: none"> <li>· The number of the Company's shares to be granted, etc. will fluctuate within the range of 0% to 200%, determined by the degree of achievement of performance targets for a single fiscal year.</li> <li>· The performance target indicators used for the covered period will be consolidated sales amount and consolidated operating profit</li> </ul>
<p>5) Timing for granting, etc. the Company's shares, etc. (as described in (d) below)</p>	<ul style="list-style-type: none"> <li>· In principle, at a certain time after the expiry of the covered period. However, the shares to be granted according to the units awarded before the amendment of the Plan on June 22, 2021 will be granted at the retirement of the Members of the Board of Directors, etc.</li> </ul>

(b) Upper limit of cash to be contributed by the Company

The Plan covers three consecutive fiscal years (a period from the fiscal year ended March 31, 2022 to the fiscal year ending March 31, 2024. In case where the trust period is extended as described below, the period covered by the Plan shall be the subsequent three consecutive fiscal years. Hereinafter the “Covered Period”).

The Company contributes cash up to 2.73 billion yen for each Covered Period as remuneration for the Members of the Board of Directors, etc. of the Company during the said Covered Period to a trust (the “Trust”) for the period equivalent to the Covered Period wherein the Members of the Board of Directors, etc. who meet the beneficiary requirements are defined as beneficiaries. The Trust will acquire the Company’s shares from the Company (through disposal of treasury stock) or the stock market using the cash entrusted as the fund, in accordance with the instructions of the trust administrator. The Company shall award units to the Members of the Board of Directors, etc. (as described in (c) below), and the Company’s shares, etc. will be granted, etc. by the Trust corresponding to the units awarded during a certain period determined in advance.

Upon expiry of the trust period, the Company may continue the Trust under the Plan or the Trust as a share-based incentive plan similar to the Plan by making amendments to the trust agreement and making additional contributions to the Trust. In such a case, the trust period of the Trust will be extended by three years, and the three fiscal years following the extension will be the new Covered Period. The Company will make additional contributions to the Trust within the above-mentioned upper limit of trust cash, and will continue awarding units to the Members of the Board of Directors, etc. as remuneration to the Members of the Board of Directors, etc. of the Company during such new Covered Period. In the event where such additional contributions are to be made when there are any Company’s shares (excluding the Company’s shares, etc. equivalent to units granted to the Members of the Board of Directors, etc. that are yet to be granted, etc.) and cash remaining in the trust property (the “residual shares, etc.”), then the sum of the amount of such residual shares, etc. and additional trust cash to be contributed by the Company shall be within the upper limit of trust cash to be entrusted to the Trust during such new Covered Period. Such an extension of the trust period will not be limited to one time only, and the trust period may subsequently be re-extended in the same manner.

(c) Method of calculating the number of the Company’s shares, etc. to be granted, etc. to the Members of the Board of Directors, etc. and the upper limit thereof

The Company’s shares will be granted, etc. according to the number of units awarded to each Member of the Board of Directors, etc. covered by the Plan. The units are calculated by the following formulas. One unit shall be equivalent to one share of the Company.

If, however, the number of the Company’s shares under the Trust increases or decreases because the Company’s share is subject to a share split, allotment of shares without contribution, or share consolidation, etc., the Company will adjust the number of the Company’s shares, etc. to be granted, etc. for each unit according to the percentage of increase or decrease of the Company’s shares, and the upper limit of the number of the Company’s shares to be delivered as stated below.

(Unit calculation formula)

The units calculated by dividing the individual remuneration amount, which has been determined in advance with respect to each rank, by the share price at the time when the Trust acquired the Company’s shares, will serve as the base (the “base units”). Performance-linked units calculated by multiplying the base units by the performance-linkage coefficient that is determined by the degree of achievement of performance targets for each year will be awarded to the Members of the Board of Directors, etc. covered by the Plan who hold office on the last day of each fiscal year of the Covered Period.

Calculation formula for base units	Individual remuneration amount / the average share unit price at the time of the Trust’s acquisition of the Company’s shares
Calculation formula for the number of performance-linked units	Base units x Performance-linkage coefficient (*2) (*3)

(\*2) The performance-linkage coefficient varies between 0% and 200% depending on the degree of achieving target of consolidated net sales and consolidated operating profit, etc. of single year

- management plan.
- (\*3) The granting units to eligibility who will be ineligible for the Plan by leaving office, etc. during the trust period, will make adjustment based on the incumbency, etc.

<Metrics, values and weightings to be used to link performance units to performance>

Metric to be used	Value to be used	Weighting	Target		
			FY2021	FY2022	FY2023
Consolidated net sales	Forecast for the given fiscal year determined each fiscal year by the Board of Directors	50%	¥1.760 trillion	¥2.300 trillion	-
Consolidated operating profit	Same as above	50%	¥200 billion	¥237 billion	-

Consolidated net sales and consolidated operating profit were chosen as the performance metrics for performance-linked compensation because they are used as target metrics in the Company's medium-term management plan, and the Company believes that achieving performance targets in terms of these metrics will contribute to the improvement of the Company's corporate value over the medium to long term.

<Performance-linkage coefficient to be used to link performance units to performance>

Degree of target attainment	Performance-linkage coefficient
120% or more	200%
115% to less than 120%	175%
110% to less than 115%	150%
105% to less than 110%	125%
100% to less than 105%	100%
Less than 100%	0%

Trends in consolidated net sales and consolidated operating profit, including figures for the fiscal year 2022, are as provided in "3. Assets, profits and losses."

The upper limit of the number of the Company's shares, etc. to be granted, etc. to the Members of the Board of Directors, etc. during the trust period of the Trust will be 84,000 shares per fiscal year. The upper limit of the total number of the Company's shares, etc. to be granted, etc. to the Members of the Board of Directors, etc. during the Covered Period (the "upper limit of the number of shares to be granted") will be 252,000 shares. Taking into account the upper limit of cash to be contributed by the Company as stated in (b) above, the Company determines the upper limit of the number of shares to be granted with reference to the most recent stock price, etc.

(d) Timing and method for grant, etc. of the Company's shares, etc. to the Members of the Board of Directors, etc.

The Members of the Board of Directors, etc. covered by the Plan who meet beneficiary requirements will receive the Company's shares (odd-shares will be discarded) corresponding to 50% of the cumulative number of performance-linked units calculated based on (c) above and awarded to them (the "Cumulative Units") at a certain time following the expiry of the Covered Period in principle, and receive cash equivalent to the Company's shares corresponding to the number of remaining performance-linked units that are converted into cash under the Trust. However, a Member of the Board of Directors, etc. who does not own a securities brokerage account handling Japanese stocks, he or she shall receive cash equivalent to the Company's shares corresponding to the cumulative numbers of units that are converted into cash under the Trust. If the Members of the Board of Directors, etc. resign from their positions during the trust period (except for cases of voluntary resignation or dismissal), they will receive the Company's shares (odd-shares will be discarded) corresponding to 50% of the Cumulative Units earned until the time of retirement, and receive cash equivalent to the Company's shares corresponding to the number of remaining performance-linked units that are converted into cash under the Trust (\*4).

In the event that an incumbent Member of the Board of Directors, etc. covered by the Plan who meets beneficiary requirements has died, the legal heir(s) of the said Member of the Board of Directors, etc. shall receive cash equivalent to the Company's shares corresponding to the cumulative number of units until the said Member of the Board of Directors, etc. passed away that are converted

into cash under the Trust.

If a Member of the Board of Directors, etc. is transferred overseas before the expiry of the Covered Period, he or she shall receive cash equivalent to the Company's shares corresponding to the cumulative number of units that are converted into cash under the Trust while in office.

(\*4) In principle, the Company's shares, etc. for the units awarded to the Members of the Board of Directors, etc. under the Plan before amendment will be granted, etc. at their retirement.

(e) Voting rights related to the Company's shares

To ensure the neutrality for the Company's management, voting rights shall not be exercised for the Company's shares held in the Trust during the trust period.

(f) Treatment of dividends of surplus related to the Company's shares

Dividends related to the Company's shares under the Trust will be paid to the Trust, and allocated to trust fees and trust expenses. If, after the allocation to trust fees and expenses, residual assets remain at the expiry of the Trust, such assets will be donated to organizations with no interest in the Company.

If the Company continues to use the Trust, such residual assets will be applied to the acquisition of shares.

(g) Other content of the Plan

Other content of the Plan will be determined at the meeting of the Board of Directors when the Trust is established and each time the trust agreement is amended and additional contributions are made to the Trust.

(Reference 1)

The Company introduced a similar plan for the Members of the Board of Directors, etc. of the Nidec Corporation's group companies, in addition to its Members of the Board of Directors, etc., and also contributes cash to acquire the Company's shares to be granted, etc. to the Members of the Board of Directors, etc. of the Nidec Corporation's group companies. The Company's shares under the Trust are managed according to the amount of trust cash of each group company.

For more details, please refer to "Notice Regarding the Extension of and Partial Amendment to the Performance-Linked Share-Based Compensation Plan for Members of the Board of Directors, etc. of the Nidec Group" (in Japanese) dated April 22, 2021.

(URL:<https://www.nidec.com/jp/corporate/news/2021/news0422-04/>)



### 3. Major activities of Outside Members of the Board of Directors

#### (1) Major activities of Outside Members of the Board of Directors in the fiscal year

Name	Attendance (number of times attended/held)				Activities
	Meeting of the Board of Directors	Meeting of the Audit and Supervisory Committee	Meeting of the Nomination Committee	Meeting of the Remuneration Committee	
Shinichi Sato	17/21	-	-	0/0	He actively made statements at meetings of the Board of Directors drawing on his superior insight in finance and accounting and abundant experience and superior insight in a wide range of fields including economics, fiscal affairs and monetary policy. Through these activities, he strives to supervise the management team from an independent and objective standpoint.
Yayoi Komatsu	20/21	-	3/3	-	She actively made statements at meetings of the Board of Directors drawing on her abundant experience and superior insight in a wide range of fields including technical research and development as well as human resource development. She also served as a member of the Nomination Committee, which was set up as an advisory body to the Board of the Directors of the Company. She played an important role in determining the selection policy, selection criteria, candidates to the offices of Members of the Board of Directors, Executive Officers, etc. Through these activities, she strives to supervise the management team from an independent and objective standpoint.

Name	Attendance (number of times attended/held)				Activities
	Meeting of the Board of Directors	Meeting of the Audit and Supervisory Committee	Meeting of the Nomination Committee	Meeting of the Remuneration Committee	
Takako Sakai	24/26	4/4	3/3	1/1	She actively made statements at meetings of the Board of Directors drawing on her sophisticated, academic and professional knowledge in the tax and accounting fields as a university professor. She also served as chair of the Nomination Committee and a member of the Remuneration Committee, which were set up as advisory bodies to the Board of the Directors of the Company. She played an important role in determining the selection policy, selection criteria, candidates to the offices of Members of the Board of Directors, Executive Officers, etc., and in ensuring transparency in the process of determining remuneration for Members of the Board of Directors and determining whether remuneration is appropriate. Through these activities, she strives to supervise the management team from an independent and objective standpoint.
Takeshi Nakane	12/13	8/9	-	0/0	He actively made statements from an independent and objective standpoint at meetings of the Board of Directors and the Audit and Supervisory Committee drawing on his abundant experience and extensive knowledge regarding foreign policies, and fulfilled the management supervisory function. He also contributed to the Audit and Supervisory Committee's audits of the execution of duties by Members of the Board of Directors as an Audit and Supervisory Committee Member.

Name	Attendance (number of times attended/held)				Activities
	Meeting of the Board of Directors	Meeting of the Audit and Supervisory Committee	Meeting of the Nomination Committee	Meeting of the Remuneration Committee	
Aya Yamada	24/26	14/14	3/3	0/0	She actively made statements from an independent and objective standpoint at meetings of the Board of Directors and the Audit and Supervisory Committee, drawing on her sophisticated, academic and professional knowledge in the legal field as a university professor, and fulfills the management supervisory function. She also contributed to the Audit and Supervisory Committee's audits of the execution of duties by Members of the Board of Directors as an Audit and Supervisory Committee Member. She served as a member of the Nomination Committee, which was set up as an advisory body to the Board of the Directors of the Company. She played an important role in determining the selection policy, selection criteria, candidates to the offices of Members of the Board of Directors, Executive Officers, etc. Through these activities, she strives to supervise the management team from an independent and objective standpoint.
Tamame Akamatsu	15/21	9/10	-	-	She actively made statements from an independent and objective standpoint at meetings of the Board of Directors and the Audit and Supervisory Committee, drawing on her abundant experience and expertise in fields including human resource development and governance as Chairperson of the Board and President of a university, and fulfills the management supervisory function. She also contributed to the Audit and Supervisory Committee's audits of the execution of duties by Members of the Board of Directors as an Audit and Supervisory Committee Member.

Name	Attendance (number of times attended/held)				Activities
	Meeting of the Board of Directors	Meeting of the Audit and Supervisory Committee	Meeting of the Nomination Committee	Meeting of the Remuneration Committee	
Junko Watanabe	11/13	5/5	-	-	She actively made statements from an independent and objective standpoint at meetings of the Board of Directors and the Audit and Supervisory Committee, drawing on her sophisticated, academic and professional knowledge in economics as a university professor, and fulfills the management supervisory function. She also contributed to the Audit and Supervisory Committee's audits of the execution of duties by Members of the Board of Directors as an Audit and Supervisory Committee Member.

- Notes: 1. During the fiscal year 2022, the meetings of the Board of Directors, the meetings of the Audit and Supervisory Committee, the meetings of the Nomination Committee, and the meetings of the Remuneration Committee were held 26 times, 14 times, three times, and one time, respectively.
2. Mr. Shinichi Sato and Ms. Yayoi Komatsu were newly elected as Members of the Board of Directors and assumed office, and Ms. Tamame Akamatsu was newly elected as Member of the Board of Directors who is an Audit and Supervisory Committee Member and assumed office, at the 49th Regular General Meeting of Shareholders held on June 17, 2022. Their attendance at meetings of the Board of Directors, Audit and Supervisory Committee, Nomination Committee, and Remuneration Committee is shown for the period after taking office.
3. Ms. Takako Sakai was elected as a Member of the Board of Directors and assumed office at the 49th Regular General Meeting of Shareholders held on June 17, 2022. She had previously served as a Member of the Board of Directors who is an Audit and Supervisory Committee Member, and her attendance shown includes the period of service as a Member of the Board of Directors who is an Audit and Supervisory Committee Member.
4. Attendance for Mr. Takeshi Nakane represents his attendance up to retirement on October 12, 2022. Attendance for Ms. Junko Watanabe represents her attendance from the date of assuming office on October 13, 2022.

## (2) Overview of Limited Liability Agreement

Nidec Corporation has a limit liability agreement with Mr. Shinichi Sato, Ms. Yayoi Komatsu, and Ms. Takako Sakai (Outside Members of the Board of Directors), and with Ms. Aya Yamada, Ms. Tamame Akamatsu, and Ms. Junko Watanabe (Outside Members of the Board of Directors who are Audit and Supervisory Committee Members). A similar agreement was concluded with Mr. Takeshi Nakane, who retired as Outside Member of the Board of Directors who is an Audit and Supervisory Committee Member on October 12, 2022. The overview of the agreement is as follows:

- The maximum amount of liability that any Outside Members of the Board of Directors or any Outside Members of the Board of Directors who are Audit and Supervisory Committee Members is held accountable against the Company as a result of his/her negligence to perform his/her duty shall be the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act of Japan.
- The aforementioned liability limitation shall be applicable only if the duty that resulted in any Outside Members of the Board of Directors or any Outside Members of the Board of Directors who are Audit and Supervisory Committee Members being held accountable was executed under good will, and if no material negligence is identified in such duty.

## (3) Overview of the Directors and Officers Liability insurance contract

### (i) The scope of the insured

Members of the Board of Directors, members of the Audit & Supervisory Board, Vice Presidents, accounting advisors, and employees in the positions of supervisors (including those who have already resigned from their positions and those who will assume the above positions during the insurance period) at the Company and all of its subsidiaries, and their successors.

(ii) Outline of the insurance contract

The policy covers damages and litigation costs incurred by the insured, arising out of claims in connection with the acts performed by the insured (including omissions) in the course of their duties in the positions mentioned in item (i). Provided, any damages and costs incurred by Members of the Board and Directors themselves who commit criminal acts such as bribery and intentional illegal acts will not be covered, as measures to ensure that the contract does not impair the appropriate execution of duties by Members of the Board of Directors, etc. Insurance premiums are fully paid for by the Company.

## V. Matters concerning the accounting auditor

### 1. Name of the accounting auditor

PricewaterhouseCoopers Kyoto

### 2. Fees paid to the accounting auditor

Category	Amount Paid
(1) Total amount of fees to be paid by the Company	¥226 million
(2) Total amount of money and other asset-type profit to be paid by the Company and its subsidiaries	¥576 million

- Notes:
1. The amount in (1) above shows the total of all audit fees combined because, in the audit contracts between the Company and its accounting auditor, the audit fees for Companies Act-based audits and Financial Instruments and Exchange Law-based audits are not distinguished, nor could they be distinguished in substance.
  2. The Company consigns and pays consideration to the accounting auditor for services concerning the preparation of comfort letters, which are non-audit services outside the scope of Article 2, Paragraph 1 of Certified Public Accountants Act of Japan.
  3. Of the Company's important subsidiaries, Nidec Motor Corporation and one other company undergo audits (limited to the audits subject to Companies Act or Financial Instruments and Exchange Act of Japan (including laws and regulations that are equivalent to these laws) by certified public accountants or auditing firms other than the Company's accounting auditor (including those with overseas qualifications equivalent to those of such accountants or firms).
  4. The Audit and Supervisory Committee obtained necessary documents, and received and discussed reports, from the members of the Board of Directors, concerned departments of the Company, and the accounting auditor, and, determined and reached consensus that the basis of the calculation of the remuneration, etc. estimated based on the audit plan and audits executed during the previous fiscal year and on the audit time and personnel allocation plan for the fiscal year 2022 audit plan is correct, based on the detailed and clear relationship between the audit work and the remuneration.

### 3. Policy to decide to dismiss or decline the re-appointment of an accounting auditor

The Audit and Supervisory Committee will dismiss the accounting auditor if any inevitable event arises pursuant to the provisions of the laws and regulations, subject to unanimous approval of the Audit and Supervisory Committee Members. If an event arises which severely hinders the accounting auditor from continuing to perform its audit duties, the Audit and Supervisory Committee shall decide the content of a proposal on dismissal or non-reappointment of the said accounting auditor, which will be submitted to the General Meeting of Shareholders.

## VI. The system to secure proper business performance and its operation

### 1. Overview of decisions regarding the system to secure proper business performance

In accordance with the Companies Act of Japan and Ordinance for Enforcement of the Companies Act, the Company has in place the following system to ensure proper business operations by the Company and its subsidiaries:

(1) System to ensure the execution of duties by the Company's and its subsidiaries' Members of the Board of Directors and employees comply with laws and regulations and the Articles of Incorporation

The Company has in place the following system to obtain social trust by complying with laws and regulations, relevant rules, internal rules and standards, social ethics codes, etc. while enhancing the ethical awareness of the officers and employees, and to establish corporate integrity:

- (i) The Company has established "Nidec Group Compliance Regulations" to put in place the basic notions, the organization and operational methods for compliance throughout the Nidec Group, and establish a compliance system and promote total awareness of this system through properly executing business operations based on laws and regulations, and by continuously checking and improving the process of executing such business operations.
- (ii) The Company has a Compliance Committee under its Board of Directors, establishes basic compliance policies, and monitors Nidec Group's compliance status.
- (iii) The Company establishes specific compliance-related action guidelines, i.e., "the Nidec Group Compliance Code of Conduct," and ensures that all Nidec Group's officers and employees understand and act on them.
- (iv) As part of its compliance promotion activity, the Company holds compliance seminars for individual Nidec companies, along with initiatives such as the preparation and use of the "Nidec Compliance Handbook," in an effort to raise their officers' and employees' awareness on compliance.
- (v) To spread compliance throughout Nidec Group, the Company has in place a Nidec Group-wide internal reporting system, "Nidec Global Compliance Hotline," to encourage Nidec Group's employees to make reports and point out problems regarding violations of laws and regulations, and internal rules, and to protect whistleblowers of such problems.
- (vi) To promote the aforementioned activity, the Company's Legal & Compliance Department works with Nidec Group's regional compliance officers in the Americas, China, Europe and Southeast Asia to secure compliance in individual Nidec companies, forming a global compliance system.
- (vii) To address compliance violations, the Company tries to prevent their recurrence by performing investigations for resolutions based on reports, notifications, etc., made to its Legal & Compliance Department or internal point of contact for such notifications. The Company deliberates compliance violations that must be dealt with penalties in a meeting of an internal disciplinary committee and the Board of Directors to decide on penalties.
- (viii) The Company has its head office departments provide the entire Nidec Group with internal control system-related instructions and support, and manage and audit Nidec companies to ensure legal, proper, and efficient business operations.
- (ix) The internal audit departments of the Company and its subsidiaries conduct internal audits on individual Nidec companies to provide them with instruction, support, and advice for better business operations.

(2) System to store and manage information concerning the execution of duties by the members of the Company's Board of Directors

The Company organizes and stores documents concerning the execution of duties by the members of its Board of Directors and Vice Presidents for a certain number of years based on "Document Regulations," and Audit and Supervisory Committee Members may view those documents at any time.

(3) Regulations and other systems to manage risks of loss concerning the Company and its subsidiaries

- (i) The Company established "Risk Management Regulations" to have in place a Nidec Group-wide risk management system, as well as a Risk Management Committee and Risk Management Office. Risk Management Committee, supervised by the Company's Board of Directors, decides the Company's risk management policies each fiscal year, while general managers of the Company's

- risk management departments and Nidec companies work under the committee to make and implement the annual plan in order to encourage thorough risk management, response, and reporting. Risk Management Office supports such actions and collects information on those actions' statuses, while Corporate Administration & Internal Audit Department audits Nidec companies on the design of their risk management systems, as appropriate.
- (ii) In addition to "Risk Management Regulations," which are intended to manage daily risks, the Company adopts Nidec Group-wide "Crisis Management Regulations" to prepare for a situation in which a risk is actualized and must be handled in reality.
  - (iii) The Company formulates the basic policy, management systems and operation methods regarding information security to manage information security risk Group-wide. Nidec established the Information Security Basic Regulations to secure Nidec group's information assets which are important management assets for business activity as well as to assure proper use of the information assets.
  - (iv) The Company has established the Information Security Committee under the supervision of the Board of Directors, and formulated the basic policy regarding information security. The Company monitors and supervises the implementation and process of information security measures.
  - (v) The division responsible for managing information security supports the execution of the related measures and responds to accidents and issues related to information security. The Corporate Administration & Internal Audit Department conducts information security auditing, supervises and supports the implementation of the related measures, as appropriate.
- (4) System to ensure an efficient execution of duties by the Members of the Company's and its subsidiaries' Boards of Directors
- (i) As the basis of the "system to ensure an efficient execution of duties by the Members of the Company's Board of Directors," the Company adopts a vice president system to empower its Vice Presidents with authorities to execute business operations. The Company's Board of Directors makes decisions on material matters concerning the Company's business policies, management strategies, etc., appoints and dismisses Vice Presidents, and supervises the execution of business operations.
  - (ii) Nidec Group establishes a mid-term business plan to realize its long-term vision that was set as a specific numerical and qualitative target, uses it as the basis of its annual business plans. When making the mid-term business plan, the Company identifies, deliberates and makes decisions based on analysis of the feasibility of accomplishing the mid-term goals, the compatibility with the long-term vision, and the issues and risks that must be overcome to successfully achieve the plan. The Company regularly reviews and rolls the plan based on changes in the market and the status of progress against the plan.
  - (iii) The Company and its subsidiaries have in place "Approval Request (*Ringi*) Regulations," which covers matters that require approval requests and approval request procedures, to define clearly the authorities to make judgments and decision on business operations and to improve business management efficiency and transparency.
  - (iv) The Company and its subsidiaries hold a risk management meeting daily to promptly report and share material information, and the minutes of the meeting is sent to each department general manager every day for daily business operations, while, as necessary such important issues are discussed widely and shared among participants in the Management Committee and the Executive Management Meeting.
- (5) Matters concerning reports to the Company regarding the execution of duties by the Members of the Board of Directors of the Company's subsidiaries
- (i) The Members of the Board of Directors and Vice Presidents of the Company serve as Members of the Board of Directors and Vice Presidents of the Nidec Corporation's group companies as well, attend their Executive Management Meetings (*Keiei-kaigi*), hold a Nidec Group-wide CEO Conference quarterly, and take other actions to efficiently share policies and information, and communicate instructions and requests within Nidec Group.
  - (ii) The administrative departments responsible for individual Nidec companies' business operations work to improve collaboration with those companies, and request them to submit reports, documents, etc. as necessary to understand their management status accurately.



- (6) Matters concerning employees to support the work of the Audit and Supervisory Committee, and matters concerning ensuring the independence of those employees from other Members of the Board of Directors (excluding Members of the Board of Directors who are Audit and Supervisory Committee Members) and the effectiveness of instructions given by the Audit and Supervisory Committee to those employees
- (i) In accordance with the Audit and Supervisory Committee's requests, the Corporate Administration & Internal Audit Department audits matters that Audit and Supervisory Committee Members request to be audited, and reports the audit results to the Audit and Supervisory Committee.
  - (ii) During such an audit, support is provided for performing the audit if ordered or requested by Audit and Supervisory Committee Members. Other Members of the Board of Directors (excluding Members of the Board of Directors who are Audit and Supervisory Committee Members) or Vice Presidents of the Company pose no improper restrictions on such reports.
- (7) System for Members of the Board of Directors and employees of Nidec Group, Members of the Audit & Supervisory Board of subsidiaries, or those who received reports from any of these people to report to the Company's Audit and Supervisory Committee, and system to protect whistleblowers
- (i) The Members of the Board of Directors, Vice Presidents and employees of the Company promptly report to the Audit and Supervisory Committee, in addition to statutory matters, matters that materially affect the entire Nidec Group, the progress of internal audit, the status of whistle blowing based on the internal whistle blowing system, and subjects reported by whistle blowing. The method for reporting is based on the decision made following discussion between other Members of the Board of Directors (excluding Members of the Board of Directors who are Audit and Supervisory Committee Members) and Vice Presidents, and the Audit and Supervisory Committee.
  - (ii) The Company's Corporate Administration & Internal Audit Department holds a meeting to report matters to the Company's Audit and Supervisory Committee on a regular basis, and reports the internal audit results at Nidec companies.
  - (iii) The Company's Legal & Compliance Department reports the status of whistle blowing by Nidec Group's officers and employees to the Company's Audit and Supervisory Committee on a regular basis.
  - (iv) Nidec Group protects whistleblowers so that they will not be affected negatively after whistle blowing based on the Nidec Group-wide internal whistle blowing system, Nidec Global Compliance Hotline.
- (8) Matters concerning the policy for handling advanced payments of the cost incurred due to the execution of duties by Audit and Supervisory Committee Members (limited to those related to the execution of duties of the Audit and Supervisory Committee), for handling procedures for reimbursement, and for handling the cost or liability incurred due to the execution of any other duties by Audit and Supervisory Committee Members
- In accordance with the Company's Audit and Supervisory Committee Regulations and the standards for audit by the Audit and Supervisory Committee, the Company's Audit and Supervisory Committee is entitled to independently deliberate matters, such as budget for auditing expenses, that Audit and Supervisory Committee Members deem it necessary to execute their duties, and may request the Company to redeem urgently or temporarily incurred costs at a later date.
- (9) Other systems to ensure an effective audit by the Audit and Supervisory Committee
- (i) Audit and Supervisory Committee Members exchange their opinions with the Company's executives.
  - (ii) Audit and Supervisory Committee Members prepare each month's activities in an audit report, and submit it to the Company's Board of Directors.
  - (iii) Audit and Supervisory Committee Members visit individual Nidec companies onsite to conduct audits on operations.

## 2. Overview of the operation of the system to secure proper business performance

The Company, based on the above system, has implemented the following specific actions:

### (1) Compliance system

As part of the Company's efforts to ensure regulatory compliance, the Legal & Compliance Department held compliance seminars for the purpose of raising awareness among the executives and employees of the Company and its subsidiaries on the importance of adhering to guidelines regarding compliance issues. Additionally, we promoted the improvement of the compliance level by holding the "Group Compliance Liaison Meetings" where compliance officers and promoters at each Group company gathered to share the status of each company's activities. The Company's Representative Director and Chairman addressed himself to compliance issues and raised awareness at the meetings with the Company's consolidated subsidiaries. Furthermore, the Company's Compliance Committee worked to secure a compliance system in the Company and its subsidiaries by monitoring their status of compliance.

### (2) Risk management system

The Company's Risk Management Office implemented activities to avoid and minimize damage by classifying the risks for the Company into 46 categories, identifying departments in charge of each risk, visualizing risks through the creation of risk metrics, monitoring signs of risks materializing, and making reports to management and related parties. In addition to these risk management departments, the Company gathered risk survey evaluation sheets, risk management activity plans, and plan implementation reports for the previous fiscal year from each of Nidec Group companies in order to verify their activities. Furthermore, the Risk Management Office formulated accident analysis and mitigation measures for "contingency risks (such as natural disasters, fires, occupational accidents, and epidemics)" that it is responsible for, to address those risks together with internal related parties. Furthermore, in the event of an emergency, the Crisis Management and Response Headquarters is responsible for information gathering, emergency response, the preparation of a business continuity activity policy, and dissemination of information to employees. Most recently, the Crisis Management and Response Headquarters was set up from January 2020 to May 2023 to respond to COVID-19. In this way, the Company sought to thoroughly manage risks by identifying and addressing key risks for the Group.

### (3) Systems to secure efficient work execution

The Company submitted for deliberation important work execution-related matters to the Management Committee prior to submitting such matters to the Board of Directors, discussed and deliberated the appropriateness of the execution of the work, the possible presence of risks in the work etc., and thus aimed to improve the efficiency of business execution.

### (4) System of auditing by the Audit and Supervisory Committee

The Company's Audit and Supervisory Committee Members all attended the meetings of the Board of Directors, and monitored them to confirm that the Company's decisions were made after sufficient discussion. The Audit and Supervisory Committee also shared information and exchanged opinions with Corporate Administration & Internal Audit Department and the accounting auditor of the Company, while obtaining information from the Risk Management Meeting, etc. as necessary, and reported to the Board of Directors, as necessary, important issues and other matters obtained from such information.

Furthermore, the Audit and Supervisory Committee invited the Company's accounting auditor to its meetings a total of seven times during this fiscal year, and closely exchanged information with the accounting auditor.

### (5) Internal audit system

Based on its internal audit plan, the Company's Corporate Administration & Internal Audit Department conducted internal audit to the Company and its subsidiaries, and, as necessary, reported and explained to the Company's executives and the Risk Management Meeting, etc. the issues and problems identified in relation to internal audit and other matters to ensure that all departments concerned will progress on those matters. The Corporate Administration & Internal Audit Department also held report meetings with the Company's Audit and Supervisory Committee Members as necessary, and reported the results of internal audits at individual Nidec Group companies.

## Consolidated Financial Statements for the Fiscal Year 2022

(April 1, 2022 – March 31, 2023)

### Consolidated Statement of Financial Position

(As of March 31, 2023)

(Yen in millions)

Title	Amount	Title	Amount
<b>Assets</b>		<b>Liabilities</b>	
Current assets	1,384,618	Current liabilities	900,407
Cash and cash equivalents	186,098	Short term borrowings	159,279
Trade and other receivables	592,948	Long term debt due within one year	59,765
Other financial assets	3,811	Trade and other payables	493,782
Income tax receivables	10,536	Other financial liabilities	4,473
Inventories	519,348	Income tax payables	27,363
Other current assets	71,877	Provisions	50,815
Non-current assets	1,487,973	Other current liabilities	104,930
Property, plant and equipment	835,691	Non-current liabilities	598,490
Goodwill	363,480	Long term debt	486,305
Intangible assets	221,740	Other financial liabilities	485
Investments accounted for using the equity method	3,097	Retirement benefit liabilities	32,337
Other investments	25,943	Provisions	1,377
Other financial assets	9,610	Deferred tax liabilities	71,210
Deferred tax assets	12,091	Other non-current liabilities	6,776
Other non-current assets	16,321	<b>Total liabilities</b>	<b>1,498,897</b>
		Common stock	87,784
		Additional paid-in capital	97,670
		Retained earnings	1,129,212
		Other components of equity	206,756
		Treasury stock	(166,917)
		<b>Total equity attributable to owners of the parent</b>	<b>1,354,505</b>
		Non-controlling interests	19,189
		<b>Total equity</b>	<b>1,373,694</b>
<b>Total assets</b>	<b>2,872,591</b>	<b>Total liabilities and equity</b>	<b>2,872,591</b>

## Consolidated Statement of Income

(For the year ended March 31, 2023)

(Yen in millions)

Title	Amount
Continuing operations	
Net sales	2,242,824
Cost of sales	(1,829,623)
Gross profit	413,201
Selling, general and administrative expenses	(231,783)
Research and development expenses	(81,337)
Operating profit	100,081
Financial income	17,709
Financial expenses	(13,146)
Derivative gain (loss)	(177)
Foreign exchange differences	20,031
Share of net profit (loss) from associate accounting using the equity method	(3,905)
Profit before income taxes	120,593
Income tax expenses	(74,889)
Profit for the year from continuing operations	45,704
Discontinued operations	
Loss for the year from discontinued operations	(1,983)
Profit for the year	43,721
Profit for the year attributable to:	
Owners of the parent	45,003
Non-controlling interests	(1,282)
Profit for the year	43,721

## Financial Statements

### Non-consolidated Balance Sheet

(As of March 31, 2023)

(Yen in millions)

Title	Amount	Title	Amount
[Assets]		[Liabilities and equity]	
Current assets	286,412	Current liabilities	788,227
Cash and cash equivalents	70,068	Accounts payable	36,428
Electronically recorded monetary claim	2,399	Electronically recorded obligations-operating	8,368
Trade receivable	87,657	Short term borrowing	557,096
Finished products	8,829	Current portion of bonds	50,000
Work in progress	59	Other accounts payable	43,399
Raw materials and supplies and other	1,648	Accrued expenses	1,951
		Deposits received	88,719
Prepaid expenses	1,852	Unearned revenue	48
Short term loans receivable from subsidiaries and affiliates	78,904	Provision for bonuses	2,105
Long term loans receivable from subsidiaries and affiliates redeemable within one year	21,100	Other	113
Other accounts receivable	7,557	Non-current liabilities	442,532
Corporate tax receivable, etc.	3,226	Corporate bonds	342,860
Other	3,296	Long-term borrowings	96,000
Allowance for doubtful accounts	(183)	Deferred tax liabilities	2,762
		Other	910
Non-current assets	1,185,140	Total liabilities	1,230,759
Property, plant and equipment	60,765	Shareholder's equity	235,242
Buildings	36,953	Common stock	87,784
Structures	839	Additional paid-in capital	149,110
Machinery and equipment	1,098	Capital reserve	92,005
Tools, furniture and fixtures	3,413	Other additional paid-in capital	57,105
Land	17,857	Retained earnings	167,346
Construction in progress	582	Legal reserve	721
Other	23	Other retained earnings	166,625
Intangible assets	4,242	General reserve	57,650
Patent right	9	Retained earnings brought forward	108,975
Software	3,124	Treasury stock	(168,998)
Software in progress	810	Total valuation and translation adjustments	5,551
Goodwill	264	Valuation difference on available-for-sale securities	5,255
Other	35	Revaluation reserve for land	296

(Yen in millions)

Title	Amount	Title	Amount
Investments and other assets	1,120,133		
Investment securities	19,383		
Stocks of subsidiaries and affiliates	838,754		
Investments in capital of subsidiaries and affiliates	97,063		
Long term loans receivable from subsidiaries and affiliates	162,179		
Claims provable in bankruptcy, claims provable in rehabilitation and other	445		
Long term prepaid expenses	230		
Prepaid pension expenses	1,045		
Other	1,479		
Allowance for doubtful accounts	(445)		
		Total net assets	240,793
Total assets	1,471,552	Total liabilities and net assets	1,471,552

## Non-Consolidated Statement of Income

(For the year ended March 31, 2023)

(Yen in millions)

Title	Amount	
Net sales		199,470
Cost of sales		146,815
Gross profit		52,655
Selling, general and administrative expenses		52,642
Operating profit		13
Non-operating income		
Interest income	10,612	
Dividend income	69,133	
Foreign exchange gain	11,061	
Other	5,253	96,059
Non-operating expenses		
Interest expenses	9,742	
Corporate bond expenses	558	
Other	1,601	11,901
Ordinary profit		84,171
Extraordinary income		
Gain on sale of non-current assets	1,145	1,145
Extraordinary losses		
Loss on disposal of non-current assets	503	
Impairment losses	8	511
Income before income taxes and other		84,805
Income taxes - current	6,206	
Income taxes - deferred	1,305	7,511
Net income		77,294

Audit Reports

Audit Report by Accounting Auditor regarding Consolidated Financial Statements

Audit Report from Independent Auditors

May 18, 2023

To The Board of Directors  
Nidec Corporation

PricewaterhouseCoopers Kyoto			
Kyoto Office			
Designated Partner			
Engagement Partner	Minamoto Nakamura	C.P.A.	Seal
Designated Partner			
Engagement Partner	Keiichiro Kagi	C.P.A.	Seal
Designated Partner			
Engagement Partner	Tatsuro Iwai	C.P.A.	Seal

Opinion on the audit

We, PricewaterhouseCoopers Kyoto, audited Nidec Corporation's consolidated financial statements (i.e., consolidated statement of financial position, consolidated statement of income, consolidated statement of changes in equity, and notes to the consolidated financial statements) for its consolidated fiscal year (April 1, 2022 – March 31, 2023) based on Article 444, Paragraph 4 of the Companies Act of Japan.

PricewaterhouseCoopers Kyoto acknowledges that the aforementioned consolidated financial statements, prepared with partial omission of the items to be disclosed based on the requirement of the international financial reporting standards in accordance with the latter part of Article 120, Paragraph 1 of Corporate Accounting Rules, properly describe, in all important points, the assets, profit, and loss of the period of such consolidated financial statements of the corporate group consisting of Nidec Corporation and its consolidated subsidiaries.

Basis for the opinion

PricewaterhouseCoopers Kyoto has performed an audit based on an audit standard that is generally considered acceptable in Japan. PricewaterhouseCoopers Kyoto's responsibility under the auditing standards is stated in "Accounting auditor's responsibility for the audit of the consolidated financial statements." PricewaterhouseCoopers Kyoto is independent of the Company and its consolidated subsidiaries in accordance with the provisions related to professional ethics in Japan, and is fulfilling other ethical responsibilities as an accounting auditor. It is PricewaterhouseCoopers Kyoto's belief that it has obtained sufficient and proper audit evidence based on which it can express its opinions.

Other information

The other information comprises the business report and its annexed detailed statements. Management is responsible for the preparation and disclosure of the other information. The Audit and Supervisory Committee is responsible for monitoring the execution of the duties of Directors related to designing and operating the reporting process of the other information.

PricewaterhouseCoopers Kyoto's opinion on the consolidated financial statements does not cover the other information, and PricewaterhouseCoopers Kyoto does not express an audit opinion thereon.



In connection with PricewaterhouseCoopers Kyoto's audit of the consolidated financial statements, PricewaterhouseCoopers Kyoto's responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or PricewaterhouseCoopers Kyoto's knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work PricewaterhouseCoopers Kyoto has performed, PricewaterhouseCoopers Kyoto concludes that there is a material misstatement of the other information, PricewaterhouseCoopers Kyoto is required to report that fact.

PricewaterhouseCoopers Kyoto has nothing to report in this regard.  
Responsibilities of management and the Audit and Supervisory Committee for the consolidated financial statements

It is the management's responsibility to prepare and properly present the consolidated financial statements in accordance with the latter part of Article 120, Paragraph 1 of Corporate Accounting Rules, which permits partial deletion of items to be disclosed based on the requirement of the international financial reporting standards. This task includes establishing and operating internal controls that the management determines to be necessary to prepare and properly present the consolidated financial statements that are free of material misstatements due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements in accordance with the premise of a going concern, and for disclosing matters relating to the going concern when it is required to do so in accordance with the latter part of Article 120, Paragraph 1 of Corporate Accounting Rules, which permits partial omission of the items to be disclosed based on the requirement of the international financial reporting standards.

The Audit and Supervisory Committee is responsible for monitoring the execution of the duties of Directors related to designing and operating the consolidated financial reporting process.

Accounting auditor's responsibility for the audit of the consolidated financial statements

It is the accounting auditor's responsibility to obtain reasonable guarantee about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express its opinions on the consolidated financial statements from an independent point of view in an audit report, based on its audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the consolidated financial statements.

PricewaterhouseCoopers Kyoto makes professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and performs the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the accounting auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- The purpose of the audit of the consolidated financial statements is not to represent any opinion on an internal control's effectiveness; however, in making those risk assessments, the accounting auditor discusses internal controls related to the audit in order to propose a proper audit procedure based on the circumstances.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy

of related notes.

- Determine whether it is appropriate for management to prepare the consolidated financial statements on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the accounting auditor is required to call attention to the notes to the consolidated financial statements in the audit report, or if the notes to the consolidated financial statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the consolidated financial statements. While the conclusions of the accounting auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the consolidated financial statements are in accordance with the provisions of the latter part of Article 120, Paragraph 1 of Corporate Accounting Rules, which permits partial omission of the items to be disclosed based on the requirement of the international financial reporting standards, assess the presentation, structure, and content of the consolidated financial statements including related notes, and whether the consolidated financial statements fairly present the transactions and accounting events on which they are based.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries in order to express an opinion on the consolidated financial statements. The accounting auditor is responsible for instructing, supervising, and implementing the audit of the consolidated financial statements, and is solely responsible for the audit opinion.

The accounting auditor reports to the Audit and Supervisory Committee regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The accounting auditor reports to the Audit and Supervisory Committee regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the accounting auditor's independence and any safeguards that are in place to reduce or eliminate obstacles.

#### Conflict of interest

No conflict of interest exists between the company and the consolidated subsidiaries, and us, PricewaterhouseCoopers Kyoto, that is required by the Certified Public Accountant Law to be described.

Audit Report from Independent Auditors

May 18, 2023

To The Board of Directors  
Nidec Corporation

PricewaterhouseCoopers Kyoto			
Kyoto Office			
Designated Partner			
Engagement Partner	Minamoto Nakamura	C.P.A	Seal
.			
Designated Partner			
Engagement Partner	Keiichiro Kagi	C.P.A	Seal
.			
Designated Partner			
Engagement Partner	Tatsuro Iwai	C.P.A	Seal
.			

Opinion on the audit

We, PricewaterhouseCoopers Kyoto, audited Nidec Corporation's non-consolidated financial statements (i.e., non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of shareholders' equity, notes to the non-consolidated financial statements and their annexed detailed statements; hereinafter referred to as "non-consolidated financial statements") for its 50th fiscal year (April 1, 2022 – March 31, 2023) based on Article 436, Paragraph 2, Item 1 of the Companies Act of Japan.

PricewaterhouseCoopers Kyoto acknowledges that the aforementioned non-consolidated financial statements comply with the corporate accounting standards that are generally accepted in Japan, and properly describe, in all important points, the assets, profit, and loss of the period of such non-consolidated financial statements.

Basis for the opinion

PricewaterhouseCoopers Kyoto has performed an audit based on an audit standard that is generally considered acceptable in Japan. PricewaterhouseCoopers Kyoto's responsibility under the auditing standards is stated in "Accounting auditor's responsibility for the audit of the non-consolidated financial statements." PricewaterhouseCoopers Kyoto is independent of the Company in accordance with the provisions related to professional ethics in Japan, and is fulfilling other ethical responsibilities as an accounting auditor. It is PricewaterhouseCoopers Kyoto's belief that it has obtained sufficient and proper audit evidence based on which it can express its opinions.

Other information

The other information comprises the business report and its annexed detailed statements. Management is responsible for the preparation and disclosure of the other information. The Audit and Supervisory Committee is responsible for monitoring the execution of the duties of Directors related to designing and operating the reporting process of the other information.

PricewaterhouseCoopers Kyoto's opinion on the non-consolidated financial statements does not cover the other information, and PricewaterhouseCoopers Kyoto does not express an audit opinion thereon.

In connection with PricewaterhouseCoopers Kyoto's audit of the non-consolidated financial statements, PricewaterhouseCoopers Kyoto's responsibility is to read the other information and, in doing so, consider

whether the other information is materially inconsistent with the non-consolidated financial statements or PricewaterhouseCoopers Kyoto's knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work PricewaterhouseCoopers Kyoto has performed, PricewaterhouseCoopers Kyoto concludes that there is a material misstatement of the other information, PricewaterhouseCoopers Kyoto is required to report that fact.

PricewaterhouseCoopers Kyoto has nothing to report in this regard.

Responsibilities of management and the Audit and Supervisory Committee for the non-consolidated financial statements

It is the management's responsibility to prepare and properly present the non-consolidated financial statements in accordance with generally accepted accounting standards in Japan. This task includes establishing and operating internal controls that the management determines to be necessary to prepare and properly present the non-consolidated financial statements that are free of material misstatements due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

The Audit and Supervisory Committee is responsible for monitoring the execution of the duties of Directors related to designing and operating the non-consolidated financial reporting process.

Accounting auditor's responsibility for the audit of the non-consolidated financial statements

It is the accounting auditor's responsibility to obtain reasonable guarantee about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express its opinions on the non-consolidated financial statements from an independent point of view in an audit report, based on its audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the non-consolidated financial statements.

PricewaterhouseCoopers Kyoto makes professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and performs the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the accounting auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- The purpose of the audit of the non-consolidated financial statements is not to represent any opinion on an internal control's effectiveness; however, in making those risk assessments, the accounting auditor discusses internal controls related to the audit in order to propose a proper audit procedure based on the circumstances.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the non-consolidated financial statements on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's

ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the accounting auditor is required to call attention to the notes to the non-consolidated financial statements in the audit report, or if the notes to the non-consolidated financial statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the non-consolidated financial statements. While the conclusions of the accounting auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.

- Besides assessing whether the presentation of and notes to the non-consolidated financial statements are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the non-consolidated financial statements including related notes, and whether the non-consolidated financial statements fairly present the transactions and accounting events on which they are based.

The accounting auditor reports to the Audit and Supervisory Committee regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The accounting auditor reports to the Audit and Supervisory Committee regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the accounting auditor's independence and any safeguards that are in place to reduce or eliminate obstacles.

#### Conflict of interest

No conflict of interest exists between the company and us, PricewaterhouseCoopers Kyoto, that is required by the Certified Public Accountant Law to be described.

## **Audit Report**

The Audit and Supervisory Committee audited the execution of duties by Members of the Board of Directors during the 50th fiscal year (April 1, 2022 to March 31, 2023). We hereby report the methods and result thereof as follows.

### 1. Methods and content of audits

Regarding the content of resolutions of the Board of Directors relating to the matters stipulated in Article 399-13, Paragraph 1, Item 1(b) and (c) of the Companies Act, and the development and operational status of the system built in accordance with such resolutions (internal controls system), the Audit and Supervisory Committee regularly received reports from Members of the Board of Directors, employees, etc., requested an explanation as necessary, expressed opinions, and conducted audits according to the following methods:

- (1) Pursuant to the audit policy and assignment of duties established by the Audit and Supervisory Committee, the Audit and Supervisory Committee cooperated with the Company's internal control department and attended important meetings, received reports from Members of the Board of Directors, employees, etc. on matters related to the execution of their duties, requested an explanation as necessary, inspected important approval and other documents, and investigated the status of operations and property at the head office and major offices. Furthermore, the Audit and Supervisory Committee communicated and exchanged information with Members of the Board of Directors and members of the Audit & Supervisory Board of the Company's subsidiaries, and received business reports from them as necessary.
- (2) The Audit and Supervisory Committee also supervised and inspected if the Accounting Auditors maintain their independence and perform audits properly, received reports from the Accounting Auditors on the execution of their duties, and requested an explanation as necessary. In addition, the Audit and Supervisory Committee received the notice from the Accounting Auditors that "A system that ensures proper execution of duties" (stipulated in each section of Article 131 of the Corporate Calculation Regulations) is in place based on "the quality control standard on audit" (based on the Business Accounting Council's decision on October 28, 2005) and other standards, and requested an explanation as necessary.  
Then the Audit and Supervisory Committee deliberated the business reports and their annexed detailed statements, the non-consolidated financial statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of shareholders' equity, and notes to the non-consolidated financial statements) and their annexed detailed statements as well as the consolidated financial statements (consolidated statement of financial position, consolidated statement of income, consolidated statement of changes in equity, and notes to the consolidated financial statements) for the fiscal year based on the aforementioned methods.

### 2. Audit result

- (1) Business report and other documents
  - (i) The Audit and Supervisory Committee certifies that the business report and its annexed detailed statements are in accordance with laws, regulations, and the Articles of Incorporation, and that these documents exhibit the Company's business condition properly.
  - (ii) The Audit and Supervisory Committee identified no material facts on either improper act concerning the execution of the duties of the members to the Board of Directors, or violation of any laws, regulations or the Articles of Incorporation.
  - (iii) The Audit and Supervisory Committee certifies that the resolutions from the meeting of the Board of Directors concerning an internal control system are appropriate. Also, the Audit and Supervisory Committee has no issues to point out on the content of the business report and the execution of the duties of the Members of the Board of Directors concerning the said internal control system.

(2) Non-consolidated financial statements and annexed detailed statements

The Audit and Supervisory Committee certifies that the auditing method and the audit result of the Company's Accounting Auditor, PricewaterhouseCoopers Kyoto, are appropriate.

(3) Consolidated financial statements

The Audit and Supervisory Committee certifies that the auditing method and the audit result of the Company's Accounting Auditor, PricewaterhouseCoopers Kyoto, are appropriate.

May 19, 2023

The Audit and Supervisory Committee, Nidec Corporation

Kazuya Murakami	Fulltime Audit and Supervisory Committee Member	Seal
Hiroyuki Ochiai	Fulltime Audit and Supervisory Committee Member	Seal
Aya Yamada	Audit and Supervisory Committee Member	Seal
Tamame Akamatsu	Audit and Supervisory Committee Member	Seal
Junko Watanabe	Audit and Supervisory Committee Member	Seal

Note: Audit and Supervisory Committee Members Ms. Aya Yamada, Ms. Tamame Akamatsu and Ms. Junko Watanabe are Outside Members of the Board of Directors as stipulated in Article 2, Item 15 and Article 331, Paragraph 6 of the Companies Act.