

Further Evolution in the Second Founding Period

— Unification of the Group through medium- to long-term growth and expansion of human capital —

Towards the expansion of human capital

In 2023, the year of our 50th anniversary, we changed our Japanese company name from “Nihon Densan Corporation” to “NIDEC Corporation”, and we will continue to evolve as we enter a second founding period. As we enter a new stage in the next 50 years, we aim to achieve further growth, with sales of 4 trillion yen in FY2025 and 10 trillion yen in FY2030. To achieve this, we will break away from the old federal management style (which emphasizes the autonomy of individual companies), and to establish integrated group management style (One NIDEC: management that grows while creating group synergies from the perspective of overall optimization), we are promoting personnel measures and infrastructure development. Up until now, the company and its business have been driven by the strong leadership of its founder, Shigenobu Nagamori, but in the next 50 years of growth, under the leadership of the new president, Mitsuya Kishida, we will realize our vision of being a “global company that continues to grow for over 100 years” while passing on “NIDEC-ism” and the “NIDEC Way” (guidelines and standards for the behavior of all employees) to the next generation.

In addition, we are also striving to create a business group that can compete globally in order to become “the world’s leading solution-providing business group that solves numerous problems for the people of the world”. In creating a business group, we are focusing on the multifaceted human capital perspective in both the soft and hard areas of human resources, so that the entire group can have a firm core in the midst of diversity and work together to achieve the same dream as “One NIDEC”. Furthermore, based on our corporate philosophy, corporate slogan and “NIDEC Way”, which are the foundation of our strengths, we have compiled our basic approach to company organization and human resources as the “NIDEC Global Personnel Policies”, and are putting these into practice as specific Human Resources Strategies and Measures. By removing the barriers between group companies and markets, and by pursuing a business group that can combine the technologies and human resources cultivated at each company under a solid corporate philosophy, we can maximize the effects of M&A (PMI), which is a feature of our business strategy.



NIDEC Global Personnel Policies and major personnel measures

The most basic policy of the NIDEC Global Personnel Policies is “For Our Future, For Our Dream—Our organizations and human resources will continue to take on challenges for the future of people around the world and our dreams.” Under this are a policy related to organizational and human resources development and a policy related to personnel systems. This is a way of unifying recognition and intent on a global scale by putting into words the basic policies and beliefs that will form the basis of the various strategies and measures that will be developed in the future. This policy also includes the idea of achieving a system and organizational management that allows the more than 100,000 employees of the NIDEC Group to work under a fair system and to move freely between businesses and companies according to their business and career needs.

With regard to the establishment of a global human resources system and organization, the Global HR Strategy Committee, which was established in April 2024, is engaged in discussions between President Kishida, the heads of each business division, the heads of HR at major overseas offices, and the domestic HR department. We will continue to promote the planning of a wide range of human resources measures with the aim of developing and revitalizing the organization so that employees around the world, especially the younger generation, can connect with each other. At the same time, we have also launched the “All for Dreams Committee” to pursue the NIDEC Group’s purpose. We will consider bottom-up measures to help each and every employee pursue the “meaning of working for the NIDEC Group” while inheriting the management philosophy and corporate culture of the founder.



* The personnel measures in the above diagram are mainly applied to the Japan region.

The Nidec Group’s approach to human capital management

Human capital management is a way of management that views human resources as capital and maximizes their value to improve corporate value over the medium to long term. At the Nidec Group, the founder’s spirit is placed at the core of its human capital management, from which the “NIDEC Global Personnel Policies” and other personnel guidelines and measures are developed. By building a foundation where all employees of the group can work together to overcome any barriers, we believe that we can achieve our vision of “a global company that continues to grow for over 100 years” and “the world’s leading solution-providing business group that solves

numerous problems for the people of the world” as set out in our corporate philosophy.

We believe these guidelines and measures will lead to contributing to the company’s business performance and other achievements from organizational or personnel aspects. To achieve consolidated net sales of 10 trillion yen in FY2030 and become a global company that continues to grow for the next 100 years and beyond, we will steadily advance the development and implementation of guidelines and measures based on the above approach to human capital management.

Building independent and self-reliant organizations and developing human resources

— Independence and self-reliance from founder management: Building organizations and developing human resources that can think for themselves and create their own futures —

In our group management system, which is focused on the next 50 years, new leaders selected from within the NIDEC Group will take on management, and we are also building a succession plan and the mechanisms (organizational development and human resource development mechanisms) to ensure that sustainable management can be maintained no matter who becomes the leader.

As we move from the previous top-down management style that made the most of the strong leadership of our

founder, Shigenobu Nagamori, to a new group management system centered on the new president, Mitsuya Kishida, we need to make more changes than ever before to become an independent and self-reliant organization and workforce in order to realize our corporate philosophy and achieve our goal of becoming a “global company that continues to grow for over 100 years”. To achieve this, we are focusing on the following three areas, with the “NIDEC Global Personnel Policies” at the center.

- ① **Executive development: Strengthening the group management system**
- ② **Career development support and philosophy dissemination: Encouraging challenges and envisioning the future on one’s own**
- ③ **Organizational development: Interpreting the role of one’s own organization and aiming to maximize results**

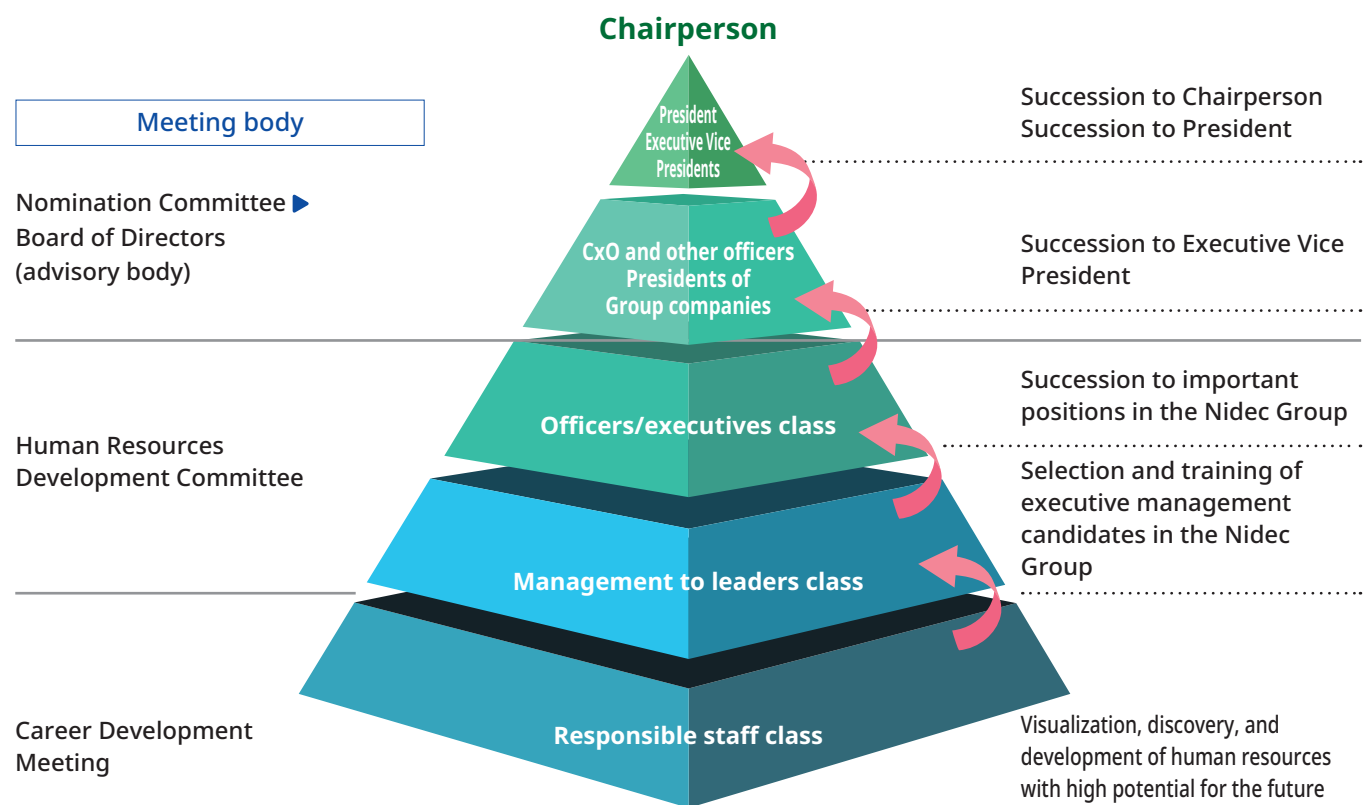
① Executive development: Strengthening the group management system

As we move towards a group management structure, a stable pipeline of talent for key positions is essential. To this end, we are visualizing key positions throughout the group, and while management executives are discussing the validity of succession plans, we are also identifying candidates who could become the next generation of management talent, and promoting strategic early development initiatives. In addition to tough assignments such as corporate restructuring and selecting and promoting

talented individuals, we are also strengthening the development of potential management personnel through a training school established by the company’s founder with the aim of spreading the company’s philosophy and management mindset, and the Global Business School, which is designed to help students acquire a high level of management knowledge as the leaders of global companies, while combining knowledge acquisition with practical experience. In addition, we have begun implementing executive development measures tailored to the characteristics of each region.

Concept of talent pooling

Talent pools (from management rank to responsible staff rank)



* We have also established a system to prevent decision-making power from being concentrated in the hands of specific individuals by setting up a committee to discuss issues such as succession planning.

OJT		Off-JT	
Criteria for selection of the relevant post and selection, etc. * Nomination Committee deliberation and Board of Directors' Meeting resolution			
Tough Assignment		Individualized programs (e.g. executive coaching)	
Group company management	M&A and PMI experience	Spread of Nagamori's and the Nagamori management method	Global Business School
New Business Launch	Consolidation and elimination of businesses		Next-Generation Global Business School
Project Manager	Overseas Sites Management		KUAS MBA
Rotation	Overseas experience		Selective education
			Cross-style match



Nagamori Management School, a training program for business leaders run by Nagamori

② Career development support and philosophy dissemination: Encouraging challenges and envisioning the future on one’s own

As stated in our basic policy, “For Our Future, For Our Dream—Our organizations and human resources will continue to take on challenges for the future of people around the world and our dreams”, in our group management system, each and every employee is required to proactively demonstrate their value. For this reason, we are focusing on supporting career development and spreading our philosophy as a way of creating an environment in which employees can work together to achieve the same dream.

In terms of career development support, we provide support for drawing up a future plan by taking stock of and reviewing one’s career through “career training for supervisors

and junior staff” and “utilizing career plan sheets”. In addition, we promote initiatives to realize career plans through career-related dialogue in 1-on-1 meetings and other daily activities. At times, we also support the realization of new career plans for employees through regular internal job postings.

In order to align the vectors of our employees and create an organization in which each employee can play a maximum role, we distribute and utilize “The Challenging Road”, which summarizes the thoughts of the company’s founder (NIDEC’s philosophy and way of thinking, etc.). We are creating an organization with aligned vectors by creating an environment where “The Challenging Road” is a natural part of everyday work, and by providing opportunities to reflect on the level of understanding and implementation of the philosophy through regular training and other activities.

③ Organizational development: Interpreting the role of one’s own organization and aiming to maximize results

While continuing to uphold NIDEC’s spirit, corporate culture, and 3Q6S, we are also working to implement the message from President, Kishida, “Open & Transparent (openly communicate what you can do, and don’t hide your weaknesses)”, we are not only focusing on individual employees, such as through executive development and career development support, but we are also working on organizational development to make the organization itself more autonomous and to reform it.

In organizational development, we conduct an “Organizational Performance Survey” with the aim of maximizing organizational results, and we consolidate and provide feedback on the results of employees’ self-diagnosis of the organization from a multifaceted perspective, including the degree of penetration of the vision, workplace relationships, and the strength of achievement orientation. Furthermore, based on the results of the Organizational Performance Survey, we hold Workplace Workshops at each workplace where employees can honestly discuss what their

workplace should be like, and through considering and implementing action plans that they can work on themselves to improve their organization and workplace, we are working to create organizational value.

We believe that communication between people is the most important factor in creating value and improving added value for an organization. In addition, we are working to foster a sense of unity within the organization through two-way communication between management and employees, while quickly establishing opportunities for interaction (dialogue) between President, Kishida and employees. Also, in terms of various domestic measures in the area of human resources, from fiscal 2021 we have been holding what we call HR Town Hall Meetings, where the person in charge of human resources at our company visits our domestic offices to work on things like ensuring that our human resources policies are understood and collecting opinions from employees.

Indicators for the penetration of the philosophy	FY2022	FY2023	FY2025 Target
Penetration of the vision	80.9%	76.4%	85.0%

*1 Penetration of the vision: Percentage of employees who responded “agree” or “somewhat agree” to the question “Is the company’s management philosophy and vision shared at your workplace?” in the annual “Organizational Performance Survey”.

*2 The decrease in the figure for FY2023 is mainly due to the fact that the personnel of the management level were temporarily unstable and unclear.



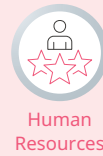
Exchange meeting for the President, Kishida, and employees

Materiality Initiatives

Maintain and foster globally competitive human resources

Materiality

- **Promote the discovery and development of global leaders**
 - Strengthen the development of management personnel, including global human resources
- **Establish and make functional a global talent management system**
 - Establish regional HR management
 - Clarify positions subject to head office management
 - Establish a global mobility policy



Human Resources

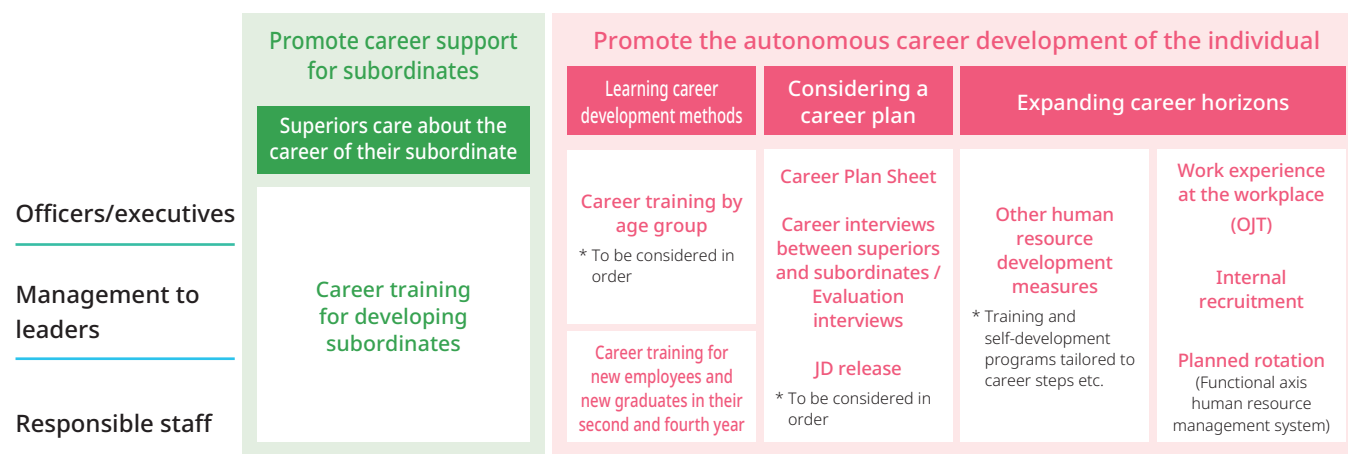
Background to the identification of materialit

The NIDEC Group aims to achieve consolidated sales of 10 trillion yen by FY2030, and in order to realize its vision of becoming “a global company that continues to grow for over 100 years” and “the world’s leading solution-providing business group that solves numerous problems for the people of the world,” it believes that it is essential to secure and develop human resources with high international competitiveness, that is, human resources that can play an active role globally. If we do not respond to these materiality issues, not only will we not be able to achieve the above-mentioned goals as a company that is developing its business globally, but there is also a risk that our corporate activities will come to a standstill if we suddenly need to find a successor for an important post.

Initiatives in FY2023

In terms of executive development, as an initiative with a medium- to long-term perspective rather than a short - term one, the Human Resources Development Committee, which was established in FY2020, discusses the appropriateness of succession plans (successor development plans) with management executives, while also identifying candidates for the next generation of

Career Support Framework at NIDEC



management personnel and implementing strategic early development initiatives. As part of this initiative, we have been accelerating the development of management candidates since FY2022. In addition to assigning them high-level tasks such as corporate restructuring and selecting and promoting them, we also hold a training school (once a month) run by the company's founder to instill our corporate philosophy and management mindset. Furthermore, through the activities of the Nomination Committee, which was established in November 2022, we have appointed a new president for our company. The Nomination Committee carefully deliberates on the appointment of the new president, ensuring that the criteria for the appointment are met and that the candidate is suitable for the position.

In terms of career development support, in addition to the career interviews and career training for young employees that we have been conducting through the use of career plan sheets, we are also implementing the measures shown in the diagram below.

We are implementing training for managers to identify their strengths and weaknesses as leaders, and we are using individual feedback reports in on-the-job training. In addition to rolling out educational videos on daily conversations between superiors and subordinates (1 on 1) to Group companies in Japan, we are also implementing new training with an eye to supporting the career development of subordinates, and we are working to strengthen the development of subordinates and management capabilities in our own organizations.

Toward the future

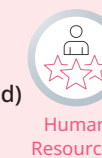
We will expand the scope of candidates for next-generation management personnel to include foreign nationals, and promote the early and systematic implementation of training measures. The “Global Business School” (opened in 2016) and the “Next Generation Global Business School” (opened in 2017), where candidates for management positions in the NIDEC Group from around the world gather to acquire a high level of management knowledge as leaders of a global company, were suspended due

to the impact of the coronavirus in recent years, but will be gradually reopened and efforts will be made to strengthen training by combining knowledge acquisition and practical application. In terms of developing the next generation of leaders and professional human resources, we will expand our lineup of human resource development measures, such as customized training that allows people to learn the content they want to learn, in order to promote autonomous growth, and we will also strengthen our support for career development. In terms of talent management and human resource allocation, we will establish the “Global Mobility Policy” and put in place a smooth transfer scheme in order to promote the right person in the right place globally.

Promote diversity

Materiality

- **Achieve the targets below related to women’s empowerment (non-consolidated)**
 - Ratio of female directors*: 20% or higher
 - All managerial positions held by women: 9% or higher
 - Ratio of female candidates for managerial positions*: 15% or higher
- * Executive officer or higher position, including outside directors
- * Referring to female employees in positions immediately prior to managerial positions
- **Recruit non-Japanese directors**



Human Resources

Background to the identification of materialit

NIDEC Group recognizes diversity as a source of competitive advantage. As we develop our business globally, we believe that we can respond effectively to the rapidly changing business environment and customer needs by respecting and accepting the differences that individuals have, and by making the most of those differences. If we do not respond to these materiality issues, even talented and motivated individuals may not be able to make the most of their abilities and values, and this could hinder creative business activities. In addition, the risk of prejudice, discrimination and harassment occurring will increase, and we can expect to see an increase in employee turnover as a result. For this reason, we are working to create a workplace environment and develop and promote human resources that will allow each organization and employee to fully demonstrate their potential. In addition, we are working to refine the “NIDEC-ness” (philosophy) that we have cherished since our founding to suit the times, and share it with all employees, while also promoting initiatives to foster unity of purpose even amid diversity.

Initiatives in FY2023

We believe that creating a workplace environment where the potential of each individual employee and the organization as a whole can be fully realized is important

in order to achieve the goal of empowering women, which we have set as a materiality KPI. To this end, we are promoting organizational development that aims to improve performance by activating relationships between employees and connecting each workplace to the organization as a whole. We have introduced an “Organizational Performance Survey” to visualize the current situation in each workplace, and a “workplace workshop” where members of each workplace can have an honest dialogue based on the survey results, and we are working to foster an organizational culture and build an organization that can make decisions based on a vision while respecting diverse opinions.

Results of the Organizational Performance Survey (excerpts from items related to career awareness)

	FY2022	FY2023	FY2025 Target
Career consciousness	50.2%	50.4%	55%

* Career consciousness: Percentage of employees who responded “agree” or “somewhat agree” to the question “Do you have a career direction in mind?” in the annual “Organizational Performance Survey”.

Toward the future

We have been promoting diversity in terms of attributes such as the recruitment of female and foreign nationals since around 2005. In addition to these, we have been strengthening activities focused on the diversity of individual employees’ values and career aspirations, and as of the end of FY2023, we have achieved all of our targets for each level, with a female officer ratio of 19.4% compared to the target of 10% or more, a female manager ratio of 8.1% compared to the target of 8% or more, and the ratio of female candidates for management positions was 15.2%, which is more than the target of 15% or more for each level (the target values here are for the single year of 2023).

We believe that we need to continue to improve on these indicators. We will set new targets and continue to support the development and promotion of employees within the company, while also focusing on diversity and inclusion initiatives that will maximize organizational performance by expanding the scope of diversity and making the most of the values and aspirations of each and every employee, regardless of their attributes.



Examples of female executives who are active in our company:
Naoko Toyoshima Head of Nidec Center for Production Technology R&D

Promote occupational safety and health, and health-oriented business management

Materiality

- Ensure a safe and comfortable work environment
- Reduce the number of serious accidents (those resulting in death or permanent disability) to zero
- Improve the Lost-time injury frequency rate
- Realizing health management as a unified NIDEC Group
- Receive certification as a White 500 Company (in the large enterprise category) under the 2025 Certified Health & Productivity Management Outstanding Organizations Recognition Program



Human Resources

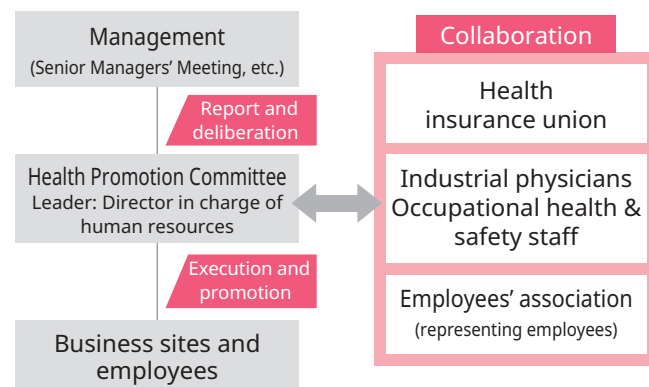
Background to the identification of materialit

The shrinking of the working population is a global social issue, and it is important for companies to support the health management of their employees in order to treat limited labor resources with care and maximize “human resource value”. Therefore, the NIDEC Group is working on health management with the themes of creating a safe and comfortable working environment where employees can fully demonstrate their abilities and promoting the safety and health of employees, with the cooperation of the company and employees, in order to prepare for the risks of reduced productivity, loss of human resources, and reduced brand value in the event that the above four items are not addressed. The Health Promotion Committee, which is made up of members from across the company, is taking the lead in strengthening the system for managing and promoting health, and we are also working to improve health literacy by holding health seminars with industrial physicians and conducting health awareness surveys for all employees. In addition, we are promoting health management, such as by achieving a complete smoking ban on the premises of our domestic offices.

Health

Aiming to create a work environment that promotes our employees’ mental and physical health and help them shine at Nidec to the greatest extent possible,

Health management promotion system



we have a Health Promotion Committee in place. Each business base has health promotion personnel to launch measures tailored to its workplace while working in collaboration with industrial physicians, i.e., health experts, and a health insurance union for the entire company to promote health-oriented business management. Furthermore, in order to establish a flexible health promotion system, preparations were made to establish an in-house health insurance association within the NIDEC Group, and this was officially established in April 2024.

Initiatives in FY2023

We held health seminars by industrial physicians to improve employee health literacy and the overall health of our employees. Each year, the theme of the seminar is decided based on the results of the Nidec Health Survey, an annual internal health survey. The seminar in FY2023 focused on the topics that were highly requested by employees and that were directly related to their health issues (e.g. stiff shoulders, back pain, sleep, smoking cessation, mental health). In addition, for employees with high health risks, we provide effective individual health guidance based on the results of health checkups and encourage them to undergo a thorough medical examination.

Toward the future

Currently, each Group company in Japan is implementing its own health management and promotion initiatives, but eventually we will build a foundation for promoting health-oriented management throughout the Nidec Group. We will implement medium- to long-term initiatives to strengthen our industrial health system, visualize the health status of the entire Group, and operate a cycle of improvement. We will continue our efforts to promote the physical and mental health of our employees and to create a work environment in which they can maximize their activities.

Safety

Based on past cases, the entire Group has taken on new measures aimed at eliminating workplace accidents.

Initiatives in FY2023

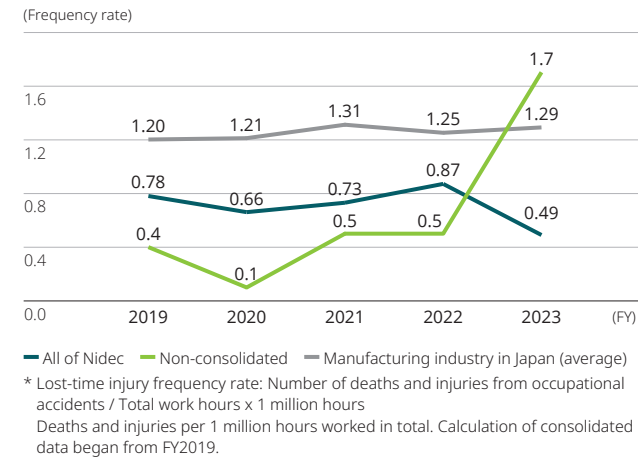
We achieved the planned targets for the materiality KPIs related to safety activity checks and remote safety checks.

Target	Results
A complete inspection of steps	2,370 cases improved
A complete inspection of areas where there is a risk of limbs being caught in the machine	8,651 cases improved

Toward the future

We will analyze the causes of the occupational accidents that have occurred, and implement group-wide inspections and countermeasures for the events that were the root causes, in an effort to eliminate similar accidents.

Lost-time injury frequency rate



Respect human rights and follow proper labor practices

Materiality

[Follow proper labor practices]

- Manage working hours of employees, including those in managerial positions, from the perspective of occupational safety
- Reduce average overtime hours by improving productivity

[Respect human rights]

- Clarify human rights policies for workers including those in the supply chain, and spread them among employees



Human Resources

Background to the identification of materialit

If we do not address these material issues, there is an increased risk that our activities will have a negative impact, i.e. that stakeholders will be affected by human rights violations. In addition, we will be exposed to the following four major risks.

- 1 Reputational risk, such as consumer boycotts and damage to brand value
- 2 Operational risks such as strikes, the outflow of human resources, or the suspension of transactions with customers or suppliers
- 3 Legal risks such as being held liable for lawsuits or sanctions
- 4 Financial risks such as a decline in share price or divestment

In order to reduce and avoid these risks, we are promoting initiatives such as human rights impact assessments, the

cessation, prevention and mitigation of negative impacts, monitoring and information disclosure as part of our human rights due diligence process.

Initiatives in FY2023

In FY2023, we are focusing on the following aspects of the human rights due diligence process: stopping, preventing, and mitigating negative impacts; and monitoring. Every year, we promote human rights awareness in line with International Human Rights Day and Human Rights Week. As a continuous initiative from FY2022, we have been conducting e-learning on the theme of “Respect for Human Rights in the Workplace” and compliance training that includes content on harassment. In addition, we are using SAQ (self-assessment) to survey and evaluate the current situation at the approximately 300 NIDEC Group locations, and are also promoting specific corrective measures. For example, the SAQ revealed that some bases were not implementing the NIDEC Group Human Rights Policies formulated in 2021, so we re-communicated these policies globally. In addition, we are promoting individual corrective measures at each base, such as ensuring that the NIDEC Global Hotline, which is the internal reporting contact point, is well known, and clearly stating the prohibition of harassment in the employment regulations. In order to prevent human rights risks in the supply chain, we are asking suppliers, mainly in Asia, to complete a SAQ and are currently investigating and evaluating the current situation. Based on the information obtained from the SAQ on the upstream supply chain, we are evaluating the risks in each category on two axes: the severity of the negative impact on human rights and the likelihood of occurrence, and prioritizing responses.

With regard to managing working hours, we continued to consider how to optimize the number of managers in Japan, and we also carried out micro-management of employees’ working hours, and reported and liaised with the relevant parties as appropriate. We also made sure that employees who had reached a certain number of working hours in the middle of the month, and their superiors, were aware of the need to coordinate their work through sufficient communication.

Toward the future

We will strengthen our human rights due diligence to identify and minimize human rights risks at each NIDEC Group site and in our supply chain. Specifically, we will identify potential negative human rights impacts by conducting human rights impact assessments based on stakeholder feedback. In addition to implementing educational measures to verify understanding of human rights items centered on the Basic Policy on Human Rights at all global locations, and conducting regular SAQ surveys on human rights, we will also strive to take appropriate corrective and preventive measures, including through dialogue with locations and suppliers that are particularly high risk. We will also continue to ensure that working hours are appropriate and that occupational accidents are prevented. We will fulfill our social responsibilities as a company that employs over 100,000 people across the Group.