



FOR IMMEDIATE RELEASE

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Tokyo Stock Exchange code: 6594

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Released on July 23, 2024, in Kyoto, Japan

Notice Regarding the Disposal of Treasury Stock through Third-Party Allotment in Line with the Continuation of the Performance Share Plan

Nidec Corporation (TSE: 6594; OTC US: NJDCY) (“Nidec” or the “Company”) today announced that its Board of Directors has resolved to dispose treasury stock through third-party allotment (the “Disposal of Treasury Stock”) at a meeting held on July 23, 2024.

1. Outline of the Disposal of Treasury Stock

1. Date of Disposal	August 7, 2024
2. Class and Total Number of Shares to be Disposed of	381,600 shares of common stock A) Board Incentive Plan Trust Account: 268,500 shares B) Employee Stock Ownership Plan Trust Account: 113,100 shares
3. Disposal Value	6,812 yen per share
4. Total Disposal Value	2,599,459,200 yen
5. Disposal Recipient	A) The Master Trust Bank of Japan, Ltd. (Board Incentive Plan Trust Account: 76268) B) The Master Trust Bank of Japan, Ltd. (Employee Stock Ownership Plan Trust Account: 76269)
6. Other	The disposal of Treasury Shares shall be conducted subject to the effectiveness of the registration statement submitted under the Financial Instruments and Exchange Act.

2. Purpose of and Reason for the Disposal

The Company resolved to continue the “Board Incentive Plan” Trust (the “BIP” Trust) for Directors (excluding Founder and Chairman of the Board, Outside Directors and those who are Audit and Supervisory Committee Members), Executive Officers, and individuals who have the equivalent status (the “Directors, etc.”) of the Company, and Directors (excluding Outside Directors) and Executive Officers of the Affiliate Companies (the “Affiliate Directors, etc.”, “Directors, etc. covered by the BIP” along with the Company’s Directors, etc.) and the “Employee Stock Ownership Plan” Trust (the “ESOP” Trust) for Executives in the Company and overseas (the “Executives”), both of which were adopted in 2018, till 2027.

The Disposal of Treasury Stock shall be carried out in the form of disposal of treasury stock through third-party allotment to The Master Trust Bank of Japan, Ltd. (Board Incentive Plan Trust Account: 76268), the co-trustee under the BIP trust agreement concluded between the Company and Mitsubishi UFJ Trust and Banking Corporation, and to The Master Trust Bank of Japan, Ltd. (Employee Stock Ownership Plan Trust Account: 76269), the co-trustee under the ESOP trust agreement concluded between the same parties.

The number of shares to be disposed of shall be the number of shares expected to be delivered to Directors, etc. covered by the BIP and the Executives covered by the ESOP during the trust period pursuant to the Policies on the BIP and the ESOP, and its dilution shall be limited in scale to 0.06% (rounded off to two decimal places) of

the total number of shares outstanding, which, in terms of voting rights, corresponds to 0.07% (rounded off to two decimal places) of the total number of voting rights at 5,742,882, as of March 31, 2024.

As the shares of the Company allotted through the Disposal of Treasury Stock shall be delivered to Directors, etc. covered by the BIP and the Executives covered by the ESOP pursuant to the Policies on the BIP and the ESOP, and also as it is not assumed for the shares from the Disposal of Treasury Stock to temporarily flow into the stock market, the Company believes that its impact on secondary market shall be insignificant, and that the number of shares disposed of, as well as its scale of dilution, shall be within a reasonable range.

In addition, for the outlines of the BIP Trust and the ESOP Trust, please refer to the April 23, 2024 notice regarding the continuation of, and partial revision to, the performance share plan for the Nidec Group's Directors, etc., and the April 24, 2018 notice regarding the adoption of a new performance share plan for the Nidec Group's Executives in Japan and overseas.

Outline of the BIP Trust Agreement

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| 1. Type of Trust | Monetary trust other than an individually operated designated money trust (third-party benefit trust) |
| 2. Purpose of Trust | Provide Directors, etc. covered by the BIP with incentives |
| 3. Trustor | The Company |
| 4. Trustee | Mitsubishi UFJ Trust and Banking Corporation
(Co-trustee: The Master Trust Bank of Japan, Ltd.) |
| 5. Beneficiaries | Directors, etc. covered by the BIP who meet the beneficiary requirements |
| 6. Trust administrator | A third-party individual who has no conflict of interest with the Company and the Affiliate Company(Certified public accountant) |
| 7. Date of trust agreement | July 26, 2018 |
| 8. Trust term | July 26, 2018 to August 31, 2024 (tentative)
(scheduled to be extended until August 31, 2027 through revision of a trust agreement in July 2024) |
| 9. Exercise of voting rights | No voting rights will be exercised, |

Outline of the ESOP Trust Agreement

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| 1. Type of Trust | Monetary trust other than an individually operated designated money trust (third-party benefit trust) |
| 2. Purpose of Trust | Provide the Executives with incentives |
| 3. Trustor | The Company |
| 4. Trustee | Mitsubishi UFJ Trust and Banking Corporation
(Co-trustee: The Master Trust Bank of Japan, Ltd.) |
| 5. Beneficiaries | The Executives covered by the ESOP, who meet the beneficiary requirements |
| 6. Trust administrator | A third person who has no conflict of interest with the Company and the Affiliate Company(Certified public accountant) |
| 7. Date of trust agreement | July 26, 2018 |
| 8. Trust term | July 26, 2018 to August 31, 2024 (tentative)
(scheduled to be extended until August 31, 2027 through revision of a trust agreement in July 2024) |
| 9. Exercise of voting rights | No voting rights will be exercised. |

3. Basis for and Details of the Calculation of Disposal Value

To eliminate arbitrariness in determining disposal value, the Company has taken recent trends in its stock price into consideration and has set the disposal value at 6,812 yen per share, the closing price announced by Tokyo Stock Exchange, Inc. (the "Tokyo Stock Exchange") on July 22, 2024, the business day immediately prior to the date on which the resolution with regard to the disposal of treasury stock was passed by the Board of Directors. The Company's reason for adopting the closing price announced on that date is that the market price announced immediately prior to the Board of Directors' decision serves as an objective and reasonable indicator that provides a fair basis for the calculation of disposal value.

In addition, the Company's Audit and Supervisory Committee (comprising five members, three of whom are Outside Directors), concluded that said disposal value was reasonably and legally calculated and does not constitute a value arbitrarily determined in favor of the Company.

4. Procedures under the Code of Corporate Conduct

The Disposal of Treasury Stock will result in only a minor dilution of shares, well below the prescribed level of 25%, while producing no changes in the holdings of controlling shareholders. Therefore, third-party opinions and the confirmation of the shareholders' consensus, which would otherwise be mandated based on Article 432 of the Tokyo Stock Exchange's Securities Listing Regulations, are not required.

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(Appendix) On April 23 2024, we disclosed " Notice Regarding the Continuation of the Performance Share Plan for the Nidec Group's Executives and Others, and Partial Amendment to the Plan." in Japanese. We will disclose the notice translated in English as follows.

Released on April 23, 2024, in Kyoto, Japan

Notice Regarding the Continuation of the Performance Share Plan for the Nidec Group's Executives and Others, and Partial Amendment to the Plan

Nidec Corporation (TSE: 6594; OTC US: NJDCY) ("Nidec" or the "Company") today announced that it has resolved, in the meeting of its Board of Directors held on April 23, 2024, to submit to the 51st Annual General Meeting of Shareholders (the "General Meeting of Shareholders") scheduled for June 2024 a bill regarding the partial amendment to, and the continuation thereafter of, the Board Incentive Plan Trust (the "BIP Trust") introduced as a performance share plan (the "Performance Share Plan") for the Company's Directors (excluding Founder and Executive Chairman, Outside Directors, and those who are Audit and Supervisory Committee Members), Executive Officers and individuals who have the equivalent status (the "Company's Directors, etc."), and Directors (excluding Outside Directors) and Vice Presidents ("Nidec Group companies' Directors, etc.," and referred to as "Intended Directors, etc." together with the Company's Directors, etc.) of the Company's main group companies, as described below.

The Performance Share Plan after the amendment

(1) Outlook of the Performance Share Plan

The Performance Share Plan to be amended and continued is a stock compensation system that: covers three consecutive business years (*i.e.*, the fiscal year ending March 31, 2025 to the one ending March 31, 2027) (the "Intended Period"); provides the Intended Directors, etc. with points based on, among others, their titles and the degree of achievement based on their annual performance targets; and, after the Intended Period, issues and pays ("issue, etc.") the number of the Company's shares and the amount of money that corresponds to that of the Company's shares converted into cash ("the Company's shares, etc."), both to be calculated based on the number of given points accumulated (as defined in (5) below. The same applies hereinafter) (the "number of points accumulated").

If the BIP Trust is continued based on (4) (ii) below, the following three business years will be the Intended Period.

(2) Resolution at the General Meeting of Shareholders regarding the Performance Share Plan

At their respective General Meetings of Shareholders, the Company and its group companies will: resolve, among other necessary matters, the upper limit of the amount of money to be placed into the BIP Trust during the Intended Period, and the upper limit of the total number of the Company's shares, etc. to be issued, etc. to the Intended Directors, etc.; and manage the Performance Share Plan within the range approved by the General Meetings of Shareholders.

(3) Intended targets of the Performance Share Plan (requirements for recipients)

In principle, the Intended Directors, etc., who must meet the following requirements as recipients, must follow a designated procedure to be confirmed as recipients, and be issued, etc. the Company's shares, etc. from the BIP Trust based on the number of points.

- (i) In principle, the Intended Directors, etc. must be Intended Directors, etc. during the Intended Period;*1
- (ii) The Intended Directors, etc. must not leave office due to personal reasons, dismissal, etc., or engage in certain activities in violation of any internal or external rule, regulation, or law while in office ; and
- (iii) The Intended Directors, etc. must meet requirements deemed necessary for them to achieve the Performance Share Plan's aim.

*1. The Company's shares, etc. may be issued, etc. even before the end of the Intended Period if a decision is made for an Intended Director, etc. to be transferred overseas.

- (4) Trust period
- (i) The trust period after the Performance Share Plan is decided to be continued
While the trust period of the BIP Trust set based on the Performance Share Plan was approximately three years until August 31, 2024, the Company plans, upon the continuation of the Performance Share Plan, to extend the BIP Trust's trust period for an additional three years from August 2024.
 - (ii) Continuation of the BIP Trust
Upon the expiration of the trust period, the Company may, by revising the trust agreement or placing an additional amount in the trust, continue the BIP Trust as the Performance Share Plan or a performance share plan similar to the Performance Share Plan. In such case, the Company will extend the BIP Trust's trust period by three years, while the Company and its group companies will obtain approval at their respective General Meetings of Shareholders regarding each extended trust period, then provide additional funds within the upper limit of the amount of money to be contributed to the BIP Trust during the new Intended Period, to continue to provide Intended Directors, etc. with points. However, when such an additional contribution is made, if there is any share of the Company and money remaining in the trust property (excluding those shares of the Company that corresponds to the points issued to Intended Directors, etc., but that are yet to be issued, etc.) ("remaining shares, etc."), the total of the remaining shares, etc. and the additional trust money to be contributed must be approved at respective General Meetings of Shareholders, and be below the upper limit of the amount of money to be contributed to the BIP Trust during the new Intended Period. The trust period may not be just one-time, but may be extended repeatedly thereafter.
- (5) Number of the Company's shares, etc. to be issued, etc. to Intended Directors, etc.
The number of the Company's shares, etc. to be issued, etc. to Intended Directors, etc. will be based on the number of the points to be calculated based on the following point-calculation formula, and a point will be regarded as a share of the Company. If the number of the Company's shares in the BIP Trust increases or decreases due to, for example, share split, allotment of shares without contribution, or share consolidation, the Company will, based on the degree of such increase or decrease, adjust the number of upper limit of the number of the Company's shares, etc. to be issued, etc. per point, and the upper limit of the number of shares in (7) (ii) below.

(Point-calculation formula)

The Company will calculate the performance-linked points by multiplying the points calculated by dividing the basic compensation amount predetermined for each position with the share price as of the BIP Trust's acquisition of the Company's shares ("base units"), with the performance-linked points calculated based on the degree of achieving annual targets, etc., and pay the resulting amount to the Intended Directors, etc. who are in office as of each business year during the Intended Period.

Formula to calculate the base units	: Basic compensation amount predetermined for each position / Average unit price as of the BIP Trust's acquisition of the Company's shares
Formula to calculate the number of performance-linked points	: Base units x Performance-linked coefficient (*2)(*3)

- (*2) The performance-linked coefficient will assess, among others: the degree of achievement in consolidated sales and operating profit in the annual business plan; and, from the business year ending March 31, 2025, the number of ESG evaluation institutions that grant us the scores and ratings we target in the three major institutions (MSCI, FTSE and CDP). The performance-linked coefficient will fluctuate in the range of 0% - 200%.
 - (*3) The number of points to be provided to those Intended Directors, etc. who left office during the trust period, due to retiring, etc. will be adjusted based on the individuals' terms in office, etc.
- (6) How and when to issue, etc. the Company's shares, etc. to Intended Directors, etc.
Those Intended Directors, etc. who meet the requirements as recipients of the Company's shares, etc. will be issued the number of the Company's shares that are equivalent of 50% of the number of points accumulated in (5) above during a designated period after the end of the Intended Period (Odd shares will be disregarded), while the Company's shares equivalent to the remaining number of points accumulated will be converted into cash in the BIP Trust, and the Intended Directors, etc. will receive the amount of money equivalent to the amount converted into cash. However, if those Intended Directors, etc. do not own a brokerage account for Japanese stocks, the Company's shares equivalent to the number of points

accumulated will be converted into cash in the BIP Trust, and the Intended Directors, etc. will receive the amount of money equivalent to the amount converted into cash. Directors, etc. who leave office during the trust period (excluding those who leave office due to personal reasons, dismissal, etc.) will be issued the Company's shares equivalent to 50% of the number of points accumulated as of leaving office (Odd shares will be disregarded), and the Company's shares equivalent to the remaining number of points accumulated will be converted into cash in the BIP Trust, and the Directors, etc. will receive the amount of money equivalent to the amount converted into cash.

If any of Intended Directors, etc. deceases while in office, the Company's shares equivalent to the number of points accumulated at the time of the death of the Intended Directors, etc. will be converted into cash in the BIP Trust, and the heir(s) of the deceased Intended Directors, etc. will receive the amount of money equivalent to the amount converted into cash

Additionally, if a decision is made for any Intended Directors, etc. to be transferred overseas, the Company's shares equivalent to the number of points accumulated will be converted into cash in the BIP Trust prior to the end of the Intended Period, and such Intended Directors, etc. may receive the amount of money equivalent to the amount converted into cash while in office.

- (7) Upper limit of the trust money to be contributed to the BIP Trust for the Company's Directors, etc., and the upper limit of the number of the Company's shares, etc. issued by the BIP Trust to the Company's Directors, etc.

The upper limit of the trust money to be contributed to the BIP Trust as stock-based compensation to Company's Directors, etc. during the Intended Period, and the upper limit of the Company's shares, etc. to be issued, etc. by the BIP Trust must be below the following upper limit, provided that such amount be resolved at the Annual General Meeting of Shareholders:

- (i) Upper limit of the trust money to be contributed to the BIP Trust as a stock-based compensation for Company's Directors, etc. for the continued Intended Period: JPN2.73 billion*

However, if the BIP Trust in (4) (ii) above is to be continued, the upper limit of the trust money to be contributed to the BIP Trust as a stock-based compensation for the Company's Directors, etc. during the Intended Period will be JPN2.73 billion for each new Intended Period (three-year business period).

*4. The amount will be the total of the BIP Trust-provided share acquisition fund and the combination of the trust fees and costs.

- (ii) Upper limit of the number of the Company's shares, etc. to be issued, etc. by the BIP Trust as a stock-based compensation for Company's Directors, etc. regarding the continued Intended Period: 367,500 shares.*5

However, if the BIP Trust in (4) (ii) above is to be continued, the upper limit of the number of the Company's shares, etc. to be issued, etc. by the BIP Trust as a stock-based compensation for Company's Directors, etc. regarding a new Intended Period will be 122,500 shares per business year, and 367,500 shares for the Intended Period (three-business year period).

*5. The upper limit of the Company's shares, etc. to be issued, etc. was set based on the present shares price, etc. used as a reference, and also based on the upper limit of the above trust money.

In addition to the above, the Company will contribute money to acquire the Company's shares for the to be issued, etc. to the Directors, etc. of the Company's group companies, within the upper limit of the trust money resolved at the individual companies' General Meetings of Shareholders, and manage the Company's shares in the BIP Trust based on the amounts of the individual group companies' trust money.

- (8) How the BIP Trust should acquire the Company's shares
The BIP Trust plans to acquire the Company's shares from either the stock market or the Company (the portion for treasury share disposal), within the upper limit of the trust money in (7) above and within the upper limit of the Company's shares, etc. to be issued, etc.

- (9) How to exercise the voting right for the Company's shares in the BIP Trust
During the trust period, to secure neutrality in business management, the voting rights will not be exercised for the Company's shares in the BIP Trust's trust period.
- (10) How to treat dividends of the Company's shares in the BIP Trust
The BIP Trust will receive the dividends for the Company's shares in the BIP Trust, and used it for the BIP Trust's trust-based compensation and fees. If, after the dividends are used for the trust-based compensation and fees, there is any residue as of the end of the trust, the money will be donated to an organization not related to the Company or any of its group companies. If the Company continues to use the BIP Trust, the residual money will be utilized to acquire shares.
- (11) How to treat residual shares as of the end of the trust period
If, due to failure to achieve a business target, etc., there is any residual share as of the expiration of the trust period, the Company may, by revising the trust agreement or placing additional trust, continue the BIP Trust as a performance share plan similar to the Performance Share Plan. When ending the BIP Trust at the expiration of the trust period, the BIP plans to, as a measure to return profit to shareholders, transfer the residual shares to the Company for free of charge, and the Company plans to cancel the shares based of resolution at a meeting of its Board of Directors.

Reference

Details of trust agreement

1	Type of Trust	Monetary trust other than an individually operated designated money trust (third-party benefit trust)
2	Purpose of Trust	Provide Directors, etc. covered by the Plan with incentives.
3	Trustor	The Company
4	Trustee	Mitsubishi UFJ Trust and Banking Corporation (Co-trustee: The Master Trust Bank of Japan, Ltd.)
5	Beneficiaries	Directors, etc. covered by the Plan who meet the beneficiary requirements
6	Trust administrator	A third person who has no conflict of interest with the Company and the Affiliate Company(Certified public accountant)
7	Date of extending the trust agreement	August 2024 (tentative)
8	Trust term	July 26, 2018 – August 31, 2027 (tentative)
9	Start of the Plan	July 26, 2018
10	Exercise of voting rights	No voting rights will be exercised.
11	Type of acquired shares	Common Company shares
12	Amount of trust money	JPY2.73 billion (tentative) (including trust fee and trust expenses)
13	Manner of share acquisition	To be acquired from the stock exchange market or the Company (the portion for treasury share disposal)
14	Granted rights holder	The Company
15	Residual properties	Residual properties that the Company, which is the holder of granted rights, can receive are within the extent of allowances for trust expenses etc., which are calculated by deducting funds to acquire Company shares from the Trust money.

Note: The tentative dates given above are subject to change to appropriate dates according to the applicable laws and regulations.

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