



All for dreams

Notice of the 48th Regular General Meeting of Shareholders



Time & Date

10:00 a.m. on Tuesday June 22, 2021
(Japan time)

The reception will start at 09:30 a.m.
MIYAKO HALL, First Floor,
Nidec Corporation Annex Global Learning Center
1-1 Kuzehigashi-tsuchikawa-cho, Minami-ku,
Kyoto, 601-8204 Japan



Venue

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

5:30 p.m. on Monday, June 21, 2021 (Japan time)

*See page 2 and 3 for more detail.

Proposals

- 1.Election of four members of the Board of Directors who are not Audit and Supervisory Committee Members
- 2.Amendments to the amount and content of performance-linked share-based remuneration, etc. for members of the Board of Directors who are not Audit and Supervisory Committee Members, etc.

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“COVID-19 Precautionary Measures”

Nidec will take certain precautionary measures to reduce the risk of infection at the 48th Regular General Meeting of Shareholders.

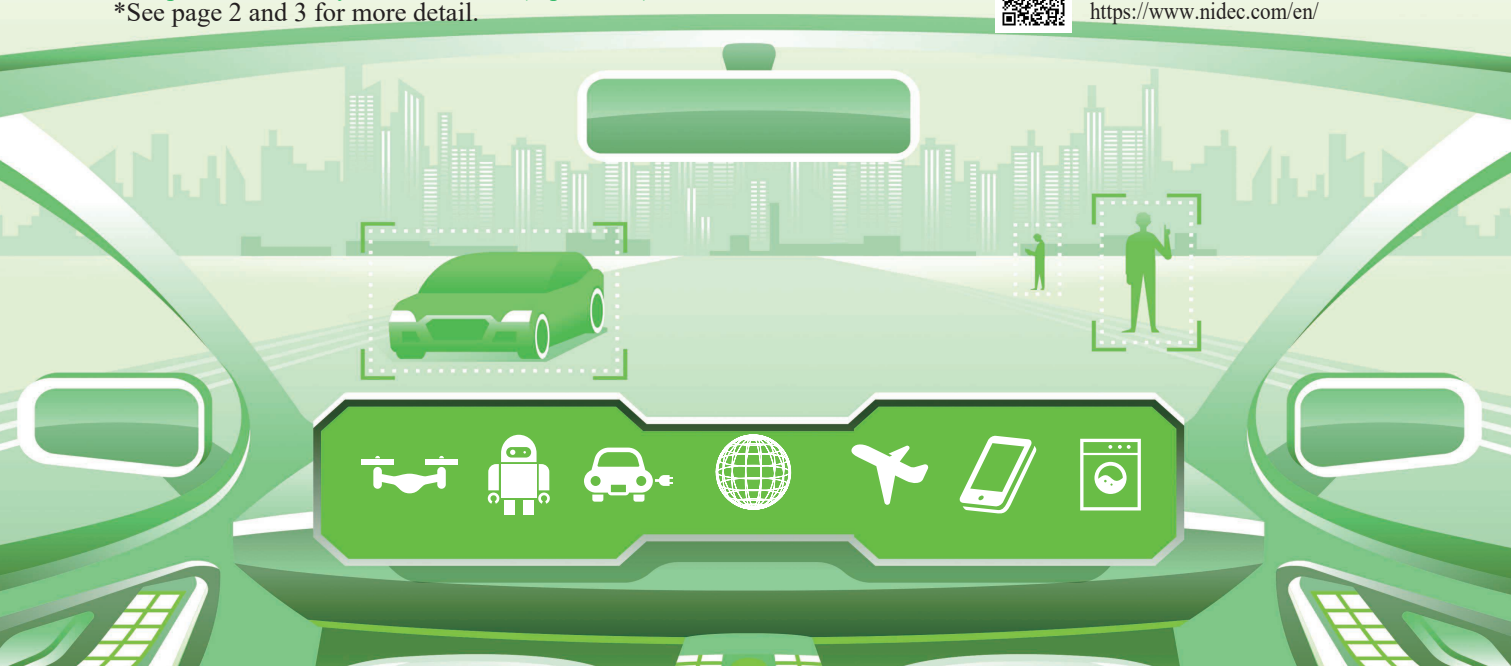
Please read “Notes Regarding COVID-19 Safety Measures” on Pages 4 and 5 of this convocation notice for detailed information.

We have discontinued souvenirs since last year.

We would like to ask for your understanding.



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



To Our Shareholders



Representative Director and Chairman (CEO)

Thank you for your continued support and for confidence that you have placed in us. Please be cordially invited to the 48th 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 the 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, 2021, consolidated net sales reached a record high of 1,618.1 billion yen, and both consolidated operating profit and consolidated net income increased to 160.0 billion yen and 122.0 billion yen, respectively, as a result of creating new businesses through the transformation of the business portfolio for regrowth and activities to improve profitability through the WPR4 Project launched in the fiscal year 2020.

As the Nidec Group celebrates the 50th anniversary of its founding in 2023, all employees will work together towards the goals of “a global company that grows sustainably for the next 100 years and beyond” and “the world’s leading solution-providing business group that solves numerous problems for the people in the world” under the reaffirmed “New Corporate Philosophies.”

In the midst of the spread of the new coronavirus infection, we hope that you pay close attention to your health and we would also like to thank you for your continued support.

*WPR is a registered trade mark



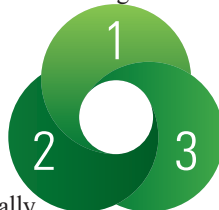
Representative Director and President (COO)

Mission Statement

Nidec Corporation’s mission is to contribute to the development of society and well-being of people by providing excellent products and services through a sincere and enthusiastic dedication to the fusion of science, technology and manufacturing expertise.

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.

Corporate Mottos

Passion, Enthusiasm and Tenacity
Intelligent Hard Working
Do it now, Do it without fail, Do it until it’s completed.

To: All Shareholders with Voting Rights

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

Notice of the 48th Regular General Meeting of Shareholders

Notice is hereby given that the 48th 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 order to prevent the recent spread of the novel coronavirus infection, at this General Meeting of Shareholders, please exercise your voting rights in advance in writing, via the Internet, or by alternative means as much as possible, and refrain from visiting the venue on the day of the Meeting, regardless of your health condition. Please refer to the Reference Document for the General Meeting of Shareholders, **and exercise your voting rights by 5:30 p.m. on Monday, June 21, 2021**, Japan time, following the instructions described hereinafter.

Time & Date	10:00 a.m. on Tuesday, June 22, 2021 (Japan time)(The reception will start at 9:30 a.m.)
Venue	MIYAKO HALL, First Floor, Nidec Corporation Annex Global Learning Center 1-1 Kuzehigashi-tsuchikawa-cho, Minami-ku, Kyoto, Japan
Agenda	Reports 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 2020 ended March 31, 2021 2. Non-consolidated financial statements for the fiscal year 2020 ended March 31, 2021
	Proposals 1. Election of four members of the Board of Directors who are not Audit and Supervisory Committee Members 2. Amendments to the amount and content of performance-linked share-based remuneration, etc. for members of the Board of Directors who are not Audit and Supervisory Committee Members, etc.

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 21, 2021 (Japan time)

▼ Voting via the Internet and others



Please see the notes for online voting on page 3, access 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 institutions, please see the information on the platform to exercise your voting right electronically at the bottom section of page 3.

Deadline 05:30 p.m. on Monday, June 21, 2021 (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 22, 2021 (Japan time)
(The reception will start at 09:30 a.m.)

If you wish to vote online, 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, it will be regarded as approval.

Notes:

1. Any changes to the Reference Document for the General Meeting of Shareholders, business report, consolidated financial statements and non-consolidated financial statements made up to the day preceding the Meeting will be announced on our website.
2. Of the documents to be provided to our shareholders with this notice, “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 deemed to have been provided to our shareholders by posting on the Company’s website in accordance with applicable laws and regulations and Article 15 of the Company’s Articles of Incorporation. These notes are parts of the consolidated and non-consolidated financial statements audited by the Audit and Supervisory Committee and the Accounting Auditor for preparing audit reports.

Nidec’s website

<https://www.nidec.com/en/>



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

1. Voting website

Exercising voting rights online is possible only through the following voting website assigned by the Company. The site can also be accessed by mobile phones.

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



With a barcode-reading mobile phone, access to the website is possible by reading the QR code® on the left. Please see the instructions for your mobile phone for details on bar code reading.

(QR code is a registered trademark of Denso Wave Inc.)

(1) Exercising voting rights

- (i) If you wish to exercise your voting rights online, 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.
- (ii) You can exercise your voting rights on the Internet until 05:30 p.m. on Monday, June 21, 2021. However, in light of the need to tally all voting results, we respectfully ask that you conduct your voting early enough.
- (iii) If voting is conducted both in writing and online, the online vote will be regarded as effective.
- (iv) If voting is conducted multiple times, or if voting is conducted both by PC and by mobile phone, the most recent vote will be regarded as effective

(2) 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 exercising voting rights on the Internet 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)

2. 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.

Notes Regarding COVID-19 Safety Measures

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

The Company's 48th Regular General Meeting of Shareholders is scheduled to be held on Tuesday, June 22, 2021, and we would like to inform you of the measures that will be taken to prevent the spread of the novel coronavirus infection as follows. We would like to ask you for your understanding and cooperation.

1. Response of the Company

- 1) Officers and administrative staff participating in the Meeting will wear face masks.
- 2) **In order to avoid the “Three Cs” (closed spaces, crowded places, close-contact settings):**
 - **Please note that the “waiting area (including a water server)” and the “distribution of bottled tea and catalogs” will not be available, the same as last year.**
 - Seats at the venue will be set up with a space open to the front and back and to the left and right. **Please understand that the venue may be dispersed (such as the use of first and second venues), and admission to the venue may be restricted depending on the situation.**
- 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 your voting rights by the method indicated in this convocation notice, in writing, or via the Internet, etc.**
- 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. It may take some time for reception procedures due to the response to the novel coronavirus, so we recommend that you come early.
- 2)In order to avoid the “Three Cs” and prevent the spread of the novel coronavirus, the shuttle bus service from the nearest station, JR Mukomachi Station, to the venue will not be available (staff will be stationed here and there on the walking route). You can also take the city bus from the Hachijo Exit of JR Kyoto Station.
*Please refrain from coming to the event by car and bicycle, as no parking is available.
- 3)Because asking everyone to have their temperature taken at the reception desk may result in congestion near the reception desk, **we plan to install a thermography system to confirm body temperature through thermal imaging.**
Depending on the situation, the administrative staff may ask you to have your temperature taken and we ask for your cooperation with this. Please note that you may be denied entry and asked to leave if you are found to have a fever (or if you are found to be unwell during the Meeting, or if you do not cooperate with the temperature check).
- 4)Please cooperate by wearing a mask at all times in the venue and the building, and using alcohol to disinfect your hands at the reception and when entering and exiting the venue. (Please note that we may not be able to admit you if you do not cooperate with this request.)
- 5)You may be asked to move to the microphone stand during the Q&A session.
- 6)**The Company’s top priority is to protect the health and lives of its shareholders, and we intend to reduce the scale of the Meeting and shorten the time required to conduct the Meeting. We would like to ask for your understanding and cooperation.**

Reference Document for the General Meeting of Shareholders

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

The terms of all four 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 four 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	Jun Seki	Re-nominated	Representative Director and President
03	Teiichi Sato	Re-nominated	Outside Independent Director Member of the Board of Directors
04	Osamu Shimizu	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 has served as Chief Executive Officer since he founded the Company and led the Nidec Group to become a one 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

Jun Seki

Date of birth: May 9, 1961

Number of the Company's shares in possession 297 shares

Reason for selection as a candidate

Mr. Seki managed another company prior to joining Nidec and is currently the Company's COO, possessing abundant experience, achievement and expertise in a wide range of areas. We nominate Mr. Seki 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 growth and development.

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) (current position)
October 2014	Representative Director, Chairman of the Board and President
June 2018	Representative Director and Chairman (current position)

Significant concurrent positions

Member of the Board of Directors and Chairman:
 Nidec-Shimpo Corporation
 Nidec Sankyo Corporation
 Nidec Mobility Corporation
 Nidec Copal Corporation
 Chairman of the Board, Nagamori Gakuen Educational Foundation

Past experience, positions and responsibilities (Significant concurrent positions)

April 1986	Nissan Motor Co., Ltd. Senior Vice President
April 2014	Senior Vice President
December 2019	Executive Officer, Vice-COO
January 2020	Special Executive Consultant, Nidec Corporation
April 2020	President Chief Operating Officer (COO) (current position)
June 2020	Representative Director and President (current position)

Significant concurrent positions

Member of the Board of Directors and Chairman:
 Nidec Tosok Corporation
 Nidec Elesys Corporation
 Nidec India Private Limited



Candidate number

03

Re-nominated

Outside

Independent Director

Teiichi Sato

Date of birth: October 15, 1941

Number of the Company's shares in possession 1,438 shares

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

Mr. Sato has served as Director-General of the Japan Society for the Promotion of Science and an outside director of another company, after holding prominent posts at the Ministry of Education, Culture, Sports, Science and Technology 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 abundant experience and superior insight in a wide range of fields including human resource development. He also serves as a member of the Remuneration Committee, which was set up in February 2021 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 1964	The Ministry of Education, Science, Sports and Culture of Japan (currently the Ministry of Education, Culture, Sports, Science and Technology of Japan)
July 1990	Deputy Director-General (Higher Education Bureau)
July 1992	Deputy Commissioner for Cultural Affairs
July 1993	Director-General, Science and International Affairs Bureau
July 1994	Director-General, Minister's Secretariat
July 1997	Vice Minister of Education, Science, Sports and Culture of Japan
July 2000	Director-General, the Japan Society for the Promotion of Science
January 2003	Ambassador Extraordinary and Plenipotentiary, Permanent Delegation of Japan to the UNESCO
April 2007	Executive Director, Tokyo National Museum
October 2009	Professor, Graduate School of International University of Health and Welfare
June 2015	Member of the Board of Directors, NHK Promotions Inc. (current position)
June 2018	Outside Member of the Board of Directors, Nidec Corporation (current position)

Significant concurrent positions

Member of the Board of Directors, NHK Promotions Inc.



Candidate number

04

Re-nominated

Outside

Independent Director

Osamu Shimizu

Date of birth: September 21, 1953

Number of the Company's shares in possession 205 shares

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

Mr. Shimizu has held prominent posts at the Ministry of Finance of Japan and other organizations. 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 deep insight on legal and tax affairs as an attorney-at-law and abundant experience and superior insight in a wide range of fields including financial and monetary policies as well as public policies. He also serves as a member of the Remuneration Committee, which was set up in February 2021 as an advisory body to the Board of the Directors of the Company. The Company expects Mr. Shimizu 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 1976	The Ministry of Finance of Japan
June 1984	Executive Director, African Development Bank
November 1996	Personal Secretary to the Minister of Finance of Japan
January 1998	Director for Inter-Division Affairs, Budget Bureau
July 1999	Director, Income Tax and Corporation Tax Policy Division, Tax Bureau
July 2001	Director, Planning and Administration Division, Tax Bureau
July 2003	Director-General, Fukuoka Regional Taxation Bureau, National Tax Agency
July 2004	Deputy Director-General of the Minister's Secretariat (Local Administrative and Financial Reform), the Ministry of Internal Affairs and Communications of Japan
July 2006	Deputy Director-General(International Bureau, Tax Bureau and Minister's Secretariat), the Ministry of Finance of Japan
January 2007	Deputy Director-General, Okinawa Development and Promotion Bureau, the Cabinet Office
July 2010	Director-General (Okinawa Affair), the Cabinet Office
January 2012	Vice-Minister for Policy Coordination, the Cabinet Office
April 2014	Professor, Faculty of Political Science and Economics, Waseda University (current position)
June 2018	Outside Member of the Board of Directors, Nidec Corporation (current position)
October 2018	Registered as attorney-at-law, the Dai-ichi Tokyo Bar Association

Significant concurrent positions

Professor, Faculty of Political Science and Economics, Waseda University

Notes:

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) Messrs. Teiichi Sato and Osamu Shimizu 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) Messrs. Teiichi Sato and Osamu Shimizu, who are currently serving as outside members 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.
 - (3) Contract for limitation of liability

The Company has executed a contract for limitation of liability with Messrs. Teiichi Sato and Osamu Shimizu, and intends to execute a contract for limitation of liability with the following content with them if the appointment of each candidate is approved.

- The maximum amount of liability that any members 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 or elected as a member 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 15 of the Business Report.

Proposal 2

Amendments to the amount and content of performance-linked share-based remuneration, etc. for members of the Board of Directors who are not Audit and Supervisory Committee Members, etc.

1. Reasons for the proposal

The Company received approval at the 45th Regular General Meeting of Shareholders held on June 20, 2018 and the 47th Regular General Meeting of Shareholders held on June 17, 2020, for the adoption of a performance-linked share-based compensation plan (the “Plan”), and the Plan remains in effect to this date. 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 (hereinafter collectively, the “Members of the Board of Directors, etc.”) according to their ranks and the degree of achievement of performance targets. In continuing with the Plan, the Company proposes to partially amend its content and set a new remuneration limit under the Plan.

The purpose of this proposal is to raise the motivation of the Members of the Board of Directors, etc. to attain the Company’s performance targets by clarifying the linkage between their remuneration and the Company’s stock value and to further motivate them to contribute to sustainably enhancing corporate value (stock value) through their ownership of the Company’s shares, thereby expanding corporate value of the Company over the medium to long term. Accordingly, the Company believes this proposal is reasonable.

At the end of this General Meeting of Shareholders, the number of the Members of the Board of Directors, etc. covered by the Plan will be two (the number of Vice Presidents who do not serve concurrently as members of the Board of Directors and individuals who have the equivalent status covered by the Plan will be 31), if Proposal 1 “Election of four members of the Board of Directors who are not Audit and Supervisory Committee Members” is approved as originally proposed.

As described above, the Plan also covers Vice Presidents and individuals who have the equivalent status (the “Vice Presidents, etc.”), and the remuneration under the Plan includes the remuneration for such Vice Presidents, etc. However, given the possibility that such Vice Presidents, etc. will newly assume the position of members of the Board of Directors during the period covered by the Plan, the Company proposes the amount and content of the overall remuneration based on the Plan as remuneration, etc. for the Members of the Board of Directors, etc.

2. The amount and content, etc. of remuneration, etc. under the amended Plan

(1) 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 (2) onwards).

1) Persons eligible for the grant, etc. of the Company’s shares, etc. covered by the Plan	• 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
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 (2) below)	• The upper limit for a period of three fiscal years will be 2.73 billion yen.

<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 (3) below) and the method to acquire the Company's shares (as described in (2) below)</p>	<ul style="list-style-type: none"> • 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). <p>(*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.</p> <ul style="list-style-type: none"> • 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, 2021, excluding treasury stocks) will be about 0.01%. • The Company's shares are planned to be acquired from the Company (through disposal of treasury stocks) or the stock market.
<p>4) Details of performance target conditions (as described in (3) below)</p>	<ul style="list-style-type: none"> • 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. • The performance target indicators used for the covered period will be consolidated sales amount and consolidated operating profit
<p>5) Timing for granting, etc. the Company's shares, etc. (as described in (4) below)</p>	<ul style="list-style-type: none"> • 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 will be granted at the retirement of the Members of the Board of Directors, etc.

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

The amended Plan covers three consecutive fiscal years (a period from the fiscal year ending 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 amended 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 stocks) 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 (3) 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.

(3) 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.

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 (2) above, the Company determines the upper limit of the number of shares to be granted with reference to the most recent stock price, etc.

(4) 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 (3) 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 in view of the original purpose of the Plan.

(5) 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.

(6) 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.

(7) 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/>)

(Reference 2)

Regarding the Company’s “policy for determining the content of individual remuneration, etc. for members of the Board of Directors,” the following is the extract of the “policy for determining the content of performance-linked compensation, etc. and calculation method of the amount or number thereof” to be adopted after the approval of this proposal. The full text of the previous determination policy is provided in the Business Report.

■ Policy for determining the content of performance-linked compensation, etc. and calculation method of the amount or number thereof

The performance-linked share-based remuneration for members of the Board of Directors who are not Audit and Supervisory Committee Members (excluding outside members of the Board of Directors; the “Members of the Board of Directors”) is aimed at raising the motivation of the Members of the Board of Directors to attain the Company’s performance targets by clarifying the linkage between their remuneration and the Company’s stock value and further motivating them to contribute to sustainably enhancing corporate value (stock value) through their ownership of the Company’s shares, thereby expanding corporate value of the Company over the medium to long term. The compensation plan covers three consecutive fiscal years and uses a structure whereby the number of units that fluctuates within a range of 0% to 200% according to the ranks of eligible Members of the Board of Directors and the degree of attainment of performance targets every year will be awarded to eligible Members of the Board of Directors. After the covered period elapses, the number of the Company’s shares calculated based on the cumulative value of units awarded and cash equivalent to the amount of the Company’s shares converted into cash will be granted and paid (one unit is equivalent to one share). The amount of performance-linked share-based remuneration shall be about 20% of fixed compensation (when business targets are 100% attained).

If persons eligible for performance-linked share-based remuneration commit a serious violation of their duties or internal rules or other misconduct after the beneficiary right vesting date, the Company may seek compensation from that person.

I Current circumstances of the Nidec Group

1. Current circumstances and results of business operations

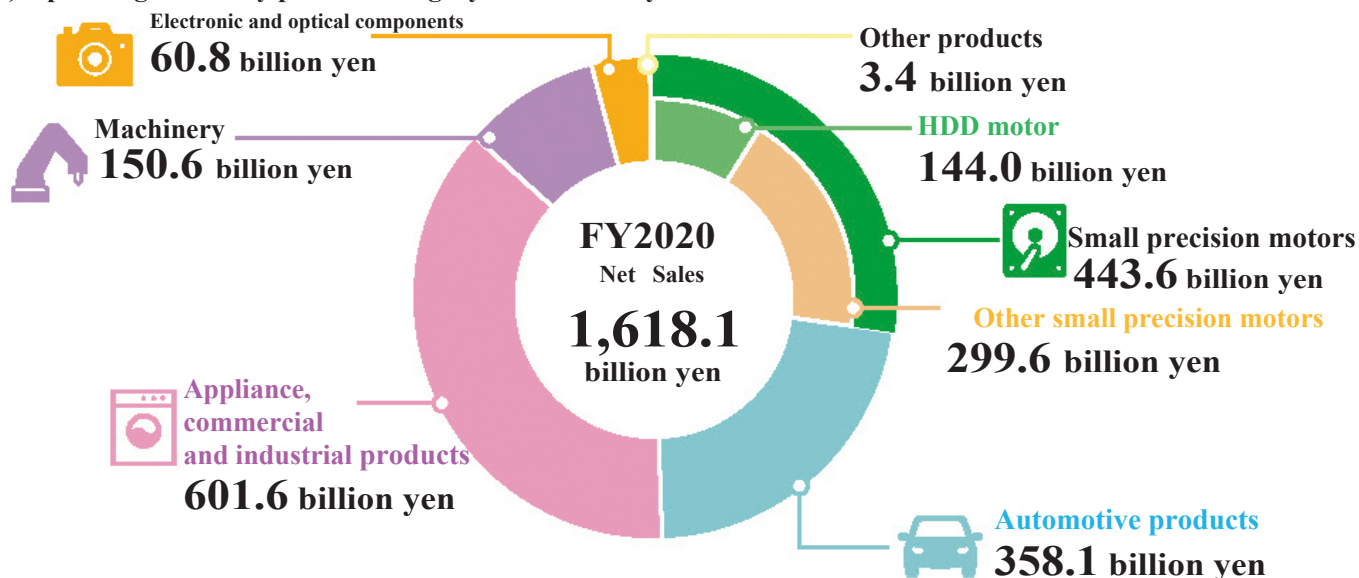
(1) Overview of business environment in the fiscal year 2020

The International Monetary Fund (IMF) estimates that the growth rate of the global economy will settle at -3.3% in calendar year 2020. This growth forecast was 1.1 points higher than the forecast as of October 2020, reflecting stronger economic activity in the second half of the calendar year than expected. Fiscal year 2020 was a period of recovery from the economic slowdown caused by the spread of the COVID-19 in various regions of the world. At present, there are growing expectations for the end of the COVID-19 pandemic through the vaccine rollout becoming widespread and for fiscal stimulus measures in each country. However, the situation remains highly uncertain due to risk factors such as the further spread of COVID-19 and the trend toward the resumption of lockdown of cities due to the emergence of variants, concerns over fiscal pressures in each country, as well as rising raw material prices and the lack of supply of certain components such as semiconductors.

Consolidated net sales from continuing operations increased 5.4% to ¥1,618,064 million for this fiscal year compared to the previous fiscal year, recording the highest annual net sales. Operating profit increased 47.4% to ¥160,011 million for this fiscal year compared to the previous fiscal year. Profit before income taxes increased 45.5% to ¥152,978 million and profit for the year from continuing operations increased 63.0% to ¥122,845 million compared to the previous fiscal year.

Profit attributable to owners of the parent increased 108.7% to ¥121,977 million.

(2) Operating results by product category for the fiscal year 2020





Small precision motors

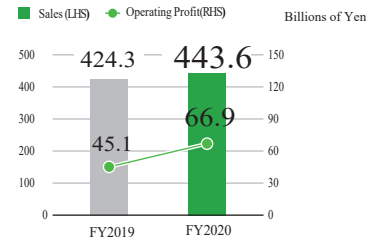
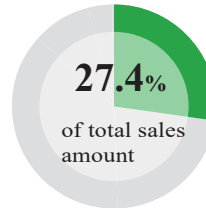
HDD motor, brushless motor, fan motor, vibration motor, brushed motor, motor-applied product, etc.

Net sales

¥ 443,598 million
+4.6%

Operating profit

¥ 66,923 million
+48.3%



Net sales of this category increased 4.6% to ¥443,598 million for this fiscal year compared to the previous fiscal year. The fluctuations of the foreign currency exchange rates had a negative effect on net sales of this category by approximately ¥5,100 million for this fiscal year compared to the previous fiscal year. Although the number of units sold of spindle motors for HDDs decreased approximately 22% compared to the previous fiscal year, net sales of spindle motors for HDDs slightly decreased 8.4% to ¥144,029 million for this fiscal year compared to the previous fiscal year due to improvements in product mix and others. On the other hand, net sales of other small precision motors increased 12.2% to ¥299,569 million for this fiscal year compared to the previous fiscal year by engaging in new demands one after another by launching a number of new products such as IT fan motors, high-efficiency motors for home appliance, and thermal solution products for game consoles and other products.

Operating profit of this category increased 48.3% to ¥66,923 million for this fiscal year compared to the previous fiscal year, mainly due to improved product mix of spindle motors for HDDs and increased sales of high value-added new products including IT fan motors in other small precision motors, as well as thorough manufacturing cost improvement and others by in-house production of parts. The fluctuations of the foreign currency exchange rates had a positive effect on operating profit of this category by approximately ¥900 million for this fiscal year compared to the previous fiscal year.





Automotive

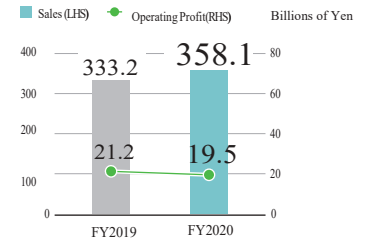
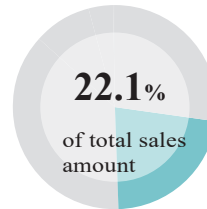
Automotive motor and automobile components

Net sales

¥ 358,075 million
+7.5%

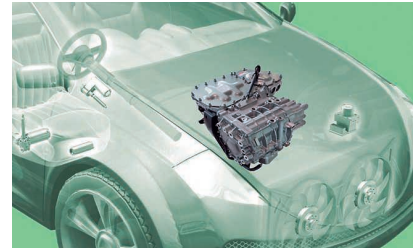
Operating profit

¥ 19,526 million
-7.9%



Net sales of this category increased 7.5% to ¥358,075 million for this fiscal year compared to the previous fiscal year. This increase was due to rapid recovery of net sales that bottomed out in the three months ended June 30, 2020, and the impact of the acquisition of OMRON Automotive Electronics Co. Ltd. The fluctuations of the foreign currency exchange rates had a negative effect on net sales of this category by approximately ¥100 million for this fiscal year compared to the previous fiscal year.

As a result of improvement of profitability through WPR4 project with our total efforts, operating profit of existing products excluding traction motors recovered rapidly after bottoming out in the three months ended June 30, 2020, and continued to improve to double digits. However, Nidec continued to record advanced development costs for the traction motor system (E-Axle), which is experiencing rapid growth in demand. Consequently operating profit decreased 7.9% to ¥19,526 million for this fiscal year compared to the previous fiscal year. The fluctuations of the foreign currency exchange rates had a negative effect on operating profit of this category by approximately ¥100 million for this fiscal year compared to the previous fiscal year.





Appliance, commercial and industrial products

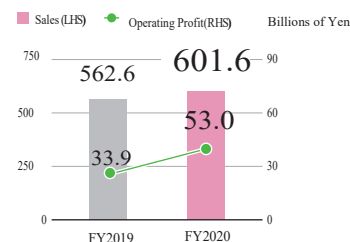
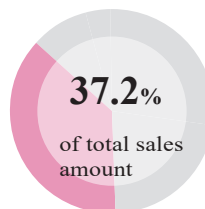
Appliance, commercial and industrial products

Net sales

¥ 601,611 million
+6.9%

Operating profit

¥ 53,025 million
+56.2%



Net sales of this category increased 6.9% to ¥601,611 million for this fiscal year compared to the previous fiscal year, primarily due to an increase in sales of motors and gears for transfer robots in the U.S. and Europe, and the impact of the acquisition of Embraco whose sales of compressors for home appliances are increasing significantly. The fluctuations of the foreign currency exchange rates had a negative effect on net sales of this category by approximately ¥11,700 million for this fiscal year compared to the previous fiscal year.

Although Nidec recorded approximately ¥5,700 million in restructuring costs in Europe and others for this fiscal year, the operating profit improved by 2.8% due to increase in sales and thorough manufacturing cost improvement and others, resulting in an increase of 56.2% to ¥53,025 million for this fiscal year compared to the previous fiscal year. As a result, the operating profit ratio excluding restructuring costs exceeded 10% continuously for 3Q and for 4Q. The fluctuations of the foreign currency exchange rates had a negative effect on operating profit of this category by approximately ¥1,700 million for this fiscal year compared to the previous fiscal year.





Machinery

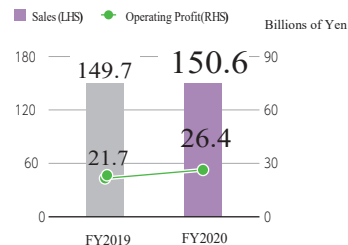
Industrial robot, card reader, inspection equipment, pressing machine, power transmission equipment, etc.

Net sales

¥ 150,575 million
+0.6%

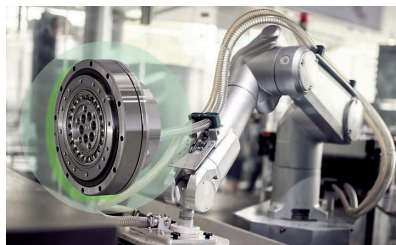
Operating profit

¥ 26,405 million
+21.5%



There was an increase in sales of semiconductor inspection system due to strong demands for 5G. Therefore, net sales of this category increased 0.6% to ¥150,575 million for this fiscal year compared to the previous fiscal year. The fluctuations of the foreign currency exchange rates had a negative effect on net sales of this category by approximately ¥1,100 million for this fiscal year compared to the previous fiscal year.

Operating profit of this category increased 21.5% to ¥26,405 million for this fiscal year compared to the previous fiscal year, due to the effect of an increase in operating profit by engaging in new product demands for 5G and manufacturing cost improvement and fixed cost rationalization. The fluctuations of the foreign currency exchange rates had a negative effect on operating profit of this category by approximately ¥400 million for this fiscal year compared to the previous fiscal year.



Electronic and optical components

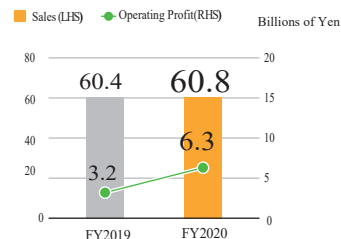
Switch, trimmer potentiometer, lens unit, camera shutter, etc

Net sales

¥ 60,824 million
+0.7%

Operating profit

¥ 6,315 million
+97.3%



Net sales of this category increased 0.7% to ¥60,824 million for this fiscal year compared to the previous fiscal year. The fluctuations of the foreign currency exchange rates had a negative effect on net sales of this category by approximately ¥800 million for this fiscal year compared to the previous fiscal year.

Operating profit of this category increased 97.3% to ¥6,315 million for this fiscal year compared to the previous fiscal year, because of the increase in sales due to new product launch and fixed cost rationalization. The fluctuations of the foreign currency exchange rates had a negative effect on operating profit of this category by approximately ¥400 million for this fiscal year compared to the previous fiscal year.



Other products

Service


Net sales

¥ 3,381 million

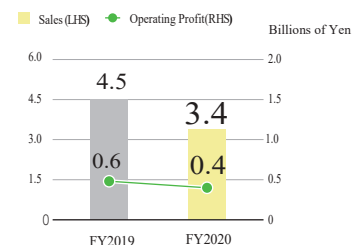
-25.4% 

Operating profit

¥ 391 million

-36.1% 

0.2%
of total sales
amount



Net sales of this category decreased 25.4% to ¥3,381 million and operating profit of this category decreased 36.1% to ¥391 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, 2021, we issued the twelfth series unsecured bonds (totaling ¥50,000 million) in June 2020 to fund the redemption of corporate bonds, and unsecured bonds denominated in Euro (Green Bond) (totaling 500 million Euro) in March 2021 to fund the development and manufacture of traction motors for electric vehicles (EVs). In addition, to meet cash needs in the fiscal year, we raised funds by issuing commercial paper with a balance of ¥30.0 billion at the end of the fiscal year. 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, 2021 is ¥499,313 million.

(2) Capital investment

The total capital investment in property, plant and equipment for the year ended March 31, 2021 was ¥88,911 million. This mainly consists of capital investment to increase production capacity of overseas subsidiaries, such as the construction of a manufacturing plant for appliance, commercial and industrial products for Nidec Motor Corporation. Additionally, we have made investments to strengthen domestic R&D.

3. Assets, profits and losses

(1) Assets, profits, and losses of the Nidec Group [International Financial Reporting Standards (IFRS)]

		FY2017	FY2018	FY2019	FY2020
Net sales	(Yen in millions)	1,459,039	1,475,436	1,534,800	1,618,064
Operating profit	(Yen in millions)	165,903	129,222	108,558	160,011
Profit attributable to owners of the parent	(Yen in millions)	130,834	109,960	58,459	121,977
Earnings per share attributable to owners of the parent - basic	(Yen)	220.96	186.49	99.37	208.25
Total assets	(Yen in millions)	1,773,199	1,884,008	2,122,493	2,256,067
Total equity attributable to owners of the parent	(Yen in millions)	932,501	996,795	947,290	1,096,054
Total equity per share attributable to owners of the parent	(Yen)	1,575.38	1,693.54	1,617.21	1,871.25

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

2. "Net sales" do not include consumption taxes.

3. "Earnings per share attributable to owners of the parent - basic" have been calculated based on figures of "Profit attributable to owners of the parent."

4. "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 stocks) 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 stocks) as of the end of each fiscal year.

5. 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" for the fiscal year 2018, the fiscal year 2019, and the fiscal year 2020, 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.

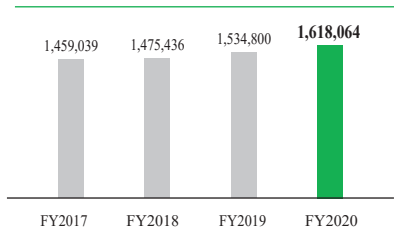
6. Secop's refrigeration compressor business has been classified as discontinued operations from the fiscal year 2019. As a result, the amounts of net sales and operating profit no longer include discontinued operations, presenting only the amounts for continuing operations.

7. 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 2017.

8. Nidec has finalized the provisional accounting treatment for business combinations in the fiscal year ended March 31, 2021. The figures for the fiscal year 2019 reflect the revision of the initially allocated amounts of acquisition price as NIDEC finalized the provisional accounting treatment.

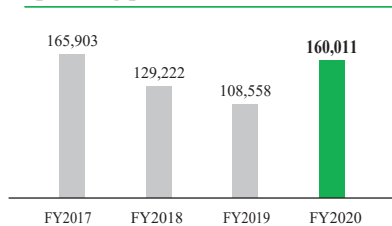
Net sales

(Yen in millions)



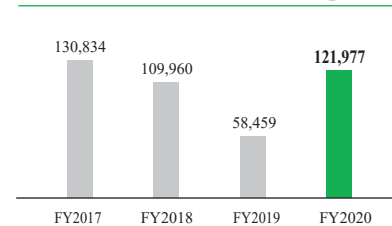
Operating profit

(Yen in millions)



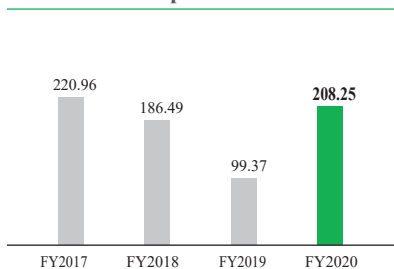
Profit attributable to owners of the parent

(Yen in millions)



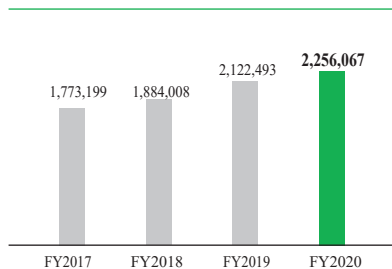
Earnings per share attributable to owners of the parent – basic

(Yen)



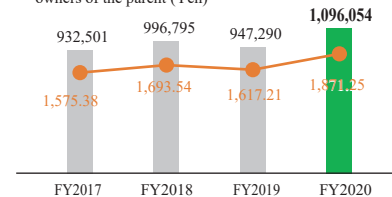
Total assets

(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

		FY2017	FY2018	FY2019	FY2020
Net sales	(Yen in millions)	225,793	222,217	190,206	200,138
Ordinary profit	(Yen in millions)	16,947	49,213	31,845	45,646
Net income	(Yen in millions)	16,715	48,417	31,027	41,572
Earnings per share-basic	(Yen)	28.23	82.12	52.74	70.98
Total assets	(Yen in millions)	904,890	983,178	1,183,299	1,307,494
Total net assets	(Yen in millions)	318,857	309,867	288,888	298,063
Net assets per share	(Yen)	538.68	526.46	493.19	508.87

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

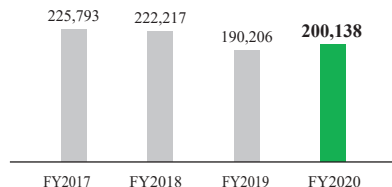
2. "Net sales" do not include consumption taxes.

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

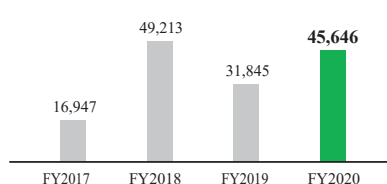
4. Since the Company's shares held by the BIP (Board Incentive Plan) Trust and the ESOP (Employee Stock Ownership Plan) Trust were treated as treasury stock, in the calculation of "Earnings per share - basic" and "Net assets per share" for the fiscal year 2018, the fiscal year 2019, and the fiscal year 2020, 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 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 2017.

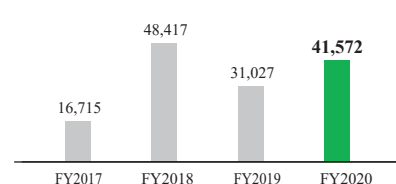
Net sales (Yen in millions)



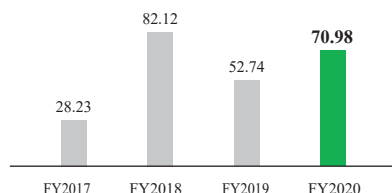
Ordinary profit (Yen in millions)



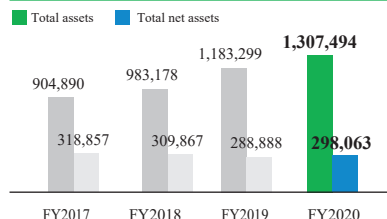
Net income (Yen in millions)



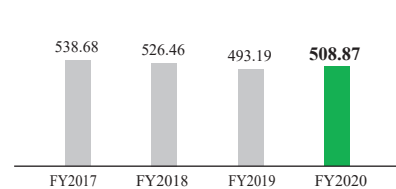
Earnings per share-basic (Yen)



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 a 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 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, and the Investor Relations & CSR Promotion 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, 2021)

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 appliance, 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
Appliance, commercial and industrial products	Home appliance, commercial and industrial motors and related products
Machinery	Industrial robots, card readers, test systems, press machines and power transmission drives
Electronic and optical components	Switches, trimmer potentiometers, lens units and camera shutters
Others	Services

6. Major business sites, plants, and employees of Nidec Group (as of March 31, 2021)

(1) Major business sites and plants

Head office	Minami-ku, Kyoto, Japan
Sales offices and product development sites	Kyoto, Tokyo, Shiga, Nagano, and Kawasaki, Japan
Other sites	Nidec Electronics (Thailand) Co., Ltd. Nidec Motors & Actuators (Germany) GmbH Nidec Motor Corporation (U.S.A.) Nidec Sankyo Corporation (Nagano) Nidec Techno Motor Corporation (Kyoto) Nidec Mobility Corporation (Aichi) Nidec-Shimpo Corporation (Kyoto)

(2) Employees of the Nidec Group

(i) The Nidec Group

Category	Number of Employees	Increase (decrease) from the end of previous fiscal year
Total	112,551	(4,655)

Note: In addition to the above employees, 23,635 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	2,568	(188)	38.7	10.3

Note: In addition to the above employees, 87 people are working as temporary staff.

7. Important parent companies and subsidiaries

(1) Important subsidiaries (as of March 31, 2021)

Subsidiaries	Capital or investment	Ratio of voting rights	Principal business
Nidec Electronics (Thailand) Co., Ltd.	USD 231,657 thousand	99.9%	Manufacturing and sales of small precision motors
Nidec Motors & Actuators (Germany) GmbH	EUR 25 thousand	100.0%	Manufacturing and sales of automotive products
Nidec Motor Corporation	USD 1,355,662 thousand	100.0% (100.0%)	Manufacturing and sales of appliance, commercial and industrial products
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 commercial and industrial products
Nidec Mobility Corporation	JPY 14,561 million	100.0%	Manufacturing and sales of automotive products
Nidec-Shimpo Corporation	JPY 3,796 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.

- (2) Business combinations
N/A

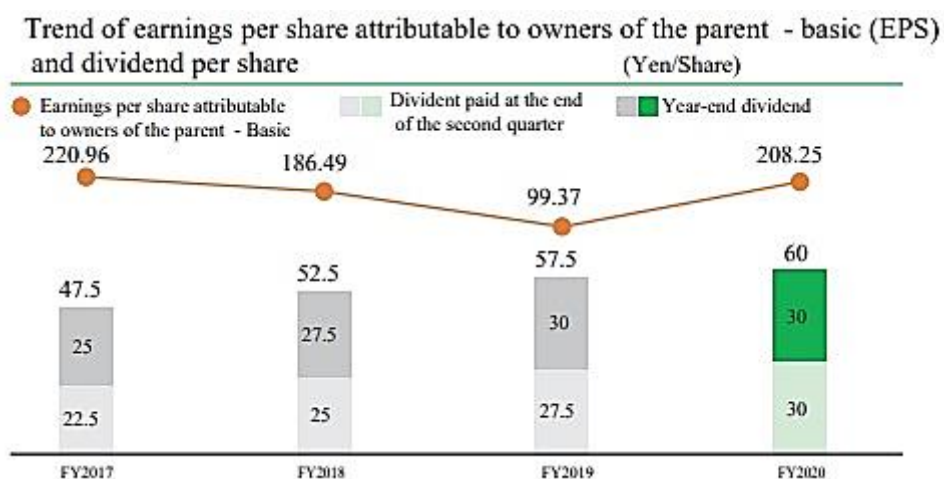
8. Major borrowings lenders and amounts borrowed (as of March 31, 2021)

Lenders	Balance of borrowings (yen in millions)
MUFG Bank, Ltd.	12,221
Sumitomo Mitsui Banking Corporation	9,162

9. Dividend Policy

To meet the mandates from our shareholders from the standpoint of upholding shareholder-oriented management, we strive to contribute to the earth with the world's highest performance motors, as a global company that grows sustainably for the next 100 years and beyond. Thus, we 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.



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 stock split had been implemented at the beginning of the fiscal year 2017.

- 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, 2021)

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: 100,586

4. Ten major shareholders (excluding treasury stocks):

Shareholders	Shares owned (in thousands)	Shareholding ratio (%)
Shigenobu Nagamori	49,473	8.44
The Master Trust Bank of Japan, Ltd. (trust account)	41,282	7.04
Custody Bank of Japan, Ltd. (trust account)	24,817	4.23
The Bank of Kyoto, Ltd.	24,798	4.23
SN KOSAN LLC	20,245	3.45
SSBTC CLIENT OMNIBUS ACCOUNT	18,877	3.22
THE BANK OF NEW YORK MELLON 140042	15,534	2.65
MUFG Bank, Ltd.	14,851	2.53
JP MORGAN CHASE BANK 385632	13,709	2.33
Nippon Life Insurance Company	13,159	2.24

- Notes: 1. The numbers of shares owned have been rounded down to the nearest 1,000 shares.
2. The shareholding ratio was calculated excluding treasury stocks (10,390,804 shares).

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, 2021)

Position	Name	Job description and concurrent positions at other corporations
Representative Director and Chairman	Shigenobu Nagamori	Chief Executive Officer, Nidec Corporation; Member of the Board of Directors and Chairman, Nidec-Shimpo Corporation, Nidec Sankyo Corporation, Nidec Mobility Corporation, and Nidec Copal Corporation; and Chairman of the Board, Nagamori Gakuen Educational Foundation
Representative Director and President	Jun Seki	Chief Operating Officer, Nidec Corporation; Member of the Board of Directors and Chairman, Nidec Tosok Corporation and Nidec India Private Limited
Member of the Board of Directors (Audit and Supervisory Committee Member)	Kazuya Murakami	Member of the Audit and Supervisory Board, Nidec Techno Motor Corporation, Nidec-Shimpo Corporation, Nidec-Read Corporation, Nidec Machinery Corporation and Nidec Global Service Corporation
Member of the Board of Directors (Audit and Supervisory Committee Member)	Hiroyuki Ochiai	Member of the Audit and Supervisory Board, Nidec Tosok Corporation, Nidec Sankyo Corporation, Nidec Copal Electronics Corporation, Nidec Elesys Corporation, Nidec Mobility Corporation, Nidec Copal Corporation and Nidec Servo Corporation
Member of the Board of Directors	Teiichi Sato	Member of the Board of Directors, NHK Promotions Inc.
Member of the Board of Directors	Osamu Shimizu	Professor, Faculty of Political Science and Economics, Waseda University
Member of the Board of Directors (Audit and Supervisory Committee Member)	Takeshi Nakane	Special Assistant to the Ministry of Foreign Affairs of Japan
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)	Takako Sakai	Professor, Graduate School of Economics, Osaka Prefecture University

- Notes:
1. Mr. Teiichi Sato, Mr. Osamu Shimizu, Mr. Takeshi Nakane, Ms. Aya Yamada, and Ms. Takako Sakai, 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 Company transitioned to a company with an Audit and Supervisory Committee in accordance with the resolution of the 47th Regular General Meeting of Shareholders held on June 17, 2020. As a result, Mr. Kazuya Murakami, Mr. Hiroyuki Ochiai, and Mr. Takeshi Nakane retired from the position of member of the Audit and Supervisory Board and were appointed as members of the Board of Directors

- who are Audit and Supervisory Committee Members on the same date.
4. Appointments and transfers of members of the Board of Directors and members of the Audit and Supervisory Board during the fiscal year ended March 31, 2021 were as follows:
 - (i) Mr. Jun Seki was newly elected and assumed office as a member of the Board of Directors, and Ms. Aya Yamada and Ms. Takako Sakai were newly elected and assumed office as members of the Board of Directors who are Audit and Supervisory Committee Members at the 47th Regular General Meeting of Shareholders held on June 17, 2020.
 - (ii) Mr. Hiroshi Kobe, Mr. Hiroyuki Yoshimoto, and Mr. Mikio Katayama retired from Representative Directors, and Mr. Toshihiko Miyabe and Mr. Akira Sato retired from the position of member of the Board of Directors at the 47th Regular General Meeting of Shareholders held on June 17, 2020.
 - (iii) Mr. Eisuke Nagatomo and Ms. Junko Watanabe retired from the position of member of the Audit and Supervisory Board at the 47th Regular General Meeting of Shareholders held on June 17, 2020.
 5. Mr. Kazuya Murakami, a member of the Board of Directors who is an 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.
 6. Ms. Takako Sakai, a member of the Board of Directors who is an Audit and Supervisory Committee Member, is a certified tax accountant 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. Teiichi Sato and Mr. Osamu Shimizu, and members of the Board of Directors who are Audit and Supervisory Committee Members Mr. Takeshi Nakane and Ms. Takako Sakai.
 8. Ms. Aya Yamada, a member of the Board of Directors who is an Audit and Supervisory Committee Member, serves as a Professor of Graduate School of Law, 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 ¥1.3 million in FY2016 (total amount of the university’s donation-based income in the same fiscal year: ¥4,756 million), ¥49 million in FY2017 (total amount: ¥4,848 million), ¥45 million in FY2018 (total amount: ¥5,163 million), ¥39 million in FY2019 (total amount: ¥5,352 million), and ¥39 million in FY2020. Accordingly, the amounts of the Company’s donations are insignificant compared with the total amount of the university’s donation-based income. In addition, the faculty receiving the Company’s donations is not the faculty where she belongs, and she does not represent the university. Thus there is no direct interest between the Company and Ms. Yamada. Therefore we believe that the donations will not affect Ms. Yamada’s independence.

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

The Company established a policy for determining the content of individual remuneration, etc. for members of the Board of Directors who are not Audit and Supervisory Committee Members (the “Determination Policy”) at a meeting of the Board of Directors held on February 6, 2021. The Company subsequently made partial changes to the Determination Policy at a meeting of the Board of Directors held on April 22, 2021, such as the abolishment of giving the Representative Director and Chairman discretion to determine the individual remuneration amount for members of the Board of Directors who are not Audit and Supervisory Committee Members following the establishment of the Remuneration Committee.

The details of the Determination Policy after the change are outlined below:

(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.

The Company’s remuneration for members of the Board of Directors combines “fixed compensation (basic remuneration)” set according to ranks and “performance-linked share-based remuneration” that reflects business performance, to incentivize them to sustainably expand business with a management perspective, while securing competitiveness to attract talented human resources. The remuneration of outside members of the Board of Directors who are not Audit and Supervisory Committee Members and members of the Board of Directors who are Audit and Supervisory Committee Members shall solely consist of fixed compensation to ensure their independence.

(b) Policy for determining the amount of individual basic remuneration (monetary remuneration), etc. (including the policy for determining the timing or conditions of payment)

The basic remuneration for members of the Board of Directors who are not Audit and Supervisory Committee Members (excluding outside members of the Board of Directors) shall be fixed monthly remuneration and determined based on comprehensive consideration, according to ranks, responsibilities, and the level of contribution to corporate performance, while also taking into account the remuneration levels at other companies, the Company’s business results, and the levels of employee salaries. The basic remuneration of outside members of the Board of Directors who are not Audit and Supervisory Committee Members shall be fixed monthly remuneration and determined according to ranks and responsibilities, while taking into account the remuneration levels at other companies and the Company’s business results.

(c) Policy for determining the content of performance-linked remuneration, etc. and non-monetary remuneration, etc. and calculation method of the amount or number thereof (including the policy for determining the timing or conditions of payment)

The purpose of performance-linked share-based remuneration for members of the Board of Directors who are not Audit and Supervisory Committee Members (excluding outside members of the Board of Directors) is to raise their motivation to attain performance targets specified in the medium-term management plan in an aim for the Group to make concerted efforts to achieve the medium-term management plan and expand corporate value over the medium to long term. The plan has a scheme where remuneration fluctuates depending on the level of achievement of consolidated net sales and consolidated operating profit targets stated in the medium-term management plan. Shares of the Company managed in a trust account shall be granted when members of the Board of Directors who are not Audit and Supervisory Committee Members retire. The number of shares to be granted fluctuates within a range of 0% to 200% according to the degree of achievement of business plans for each fiscal year and for a medium term to function as an incentive. The amount of performance-linked share-based remuneration shall be about 10% of fixed compensation (when business targets are 100% attained).

If persons eligible for performance-linked share-based remuneration commit a serious violation of their duties or internal rules or other misconduct after the beneficiary right vesting date, the Company may seek compensation from that person.

(d) Determination of the content of individual remuneration, etc. for members of the Board of Directors

The amount of individual remuneration for members of the Board of Directors who are not Audit and Supervisory Committee Members shall be resolved by the Board of Directors based on the recommendations of the Remuneration Committee. The details of individual share-based remuneration for members of the Board of Directors who are not Audit and Supervisory Committee Members (excluding outside members of the Board of Directors) shall be resolved by the Board of Directors within the scope of resolution of the general meeting of shareholders.

Note: “(d) Determination of the content of individual remuneration, etc. for members of the Board of Directors” as of March 31, 2021 are as follows: The amount of individual remuneration for members of the Board of Directors who are not Audit and Supervisory Committee Members shall be calculated by the Human Resources Department, based on benchmarks of remuneration levels of peer companies in the related industry/sector with similar business scale. The remuneration amount shall then be deliberated at a meeting consisting of members of the Board of Directors and Vice Presidents including the Representative Director and President, before the Representative Director and Chairman makes a decision upon delegation from the Board of Directors. The scope of delegation is to determine the amount of basic remuneration for members of the Board of Directors who are not Audit and Supervisory Committee Members. The content of share-based remuneration for individual members of the Board of Directors who are not Audit and Supervisory Committee Members (excluding outside members of the Board of Directors) shall be resolved by the Board of Directors that includes outside members of the Board of Directors, within the scope of the resolution of the general meeting of shareholders.

(2) Delegation of the determination of individual remuneration, etc. for members of the Board of Directors (excluding members of the Board of Directors who are Audit and Supervisory Committee Members)

A resolution was made during the fiscal year to delegate the authority of determining the specific amount of individual remuneration for members of the Board of Directors who are not Audit and Supervisory Committee Members to Shigenobu Nagamori, the Representative Director and Chairman. The scope of delegation is to determine the amount of basic remuneration for members of the Board of Directors who are not Audit and Supervisory Committee Members. This authority was delegated because the position of Representative Director and Chairman is most suitable for assessing the work of each member of the Board of Directors while supervising the Company's overall business performance. The content of share-based remuneration for individual members of the Board of Directors who are not Audit and Supervisory Committee Members (excluding outside members of the Board of Directors) shall be resolved by the Board of Directors that includes outside members of the Board of Directors, within the scope of the resolution of the general meeting of shareholders.

(3) 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.

(4) 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 “(6) Matters regarding performance-linked remuneration, etc. and non-monetary remuneration, etc.”

(5) Total compensation, etc., for members of the Board of Directors

Category	Number of persons	Total amount of compensation, etc. by type		Description
		Fixed compensation	Performance-linked compensation	
Members of the Board of Directors (excluding Audit and Supervisory Committee Members)	9	¥146 million	(¥10 million)	Including ¥14 million for two Outside Members of the Board of Directors
Members of the Board of Directors (Audit and Supervisory Committee Members)	5	¥41 million	-	Including ¥16 million for three Outside Members of the Board of Directors
Members of the Audit & Supervisory Board	5	¥13 million	-	Including ¥4 million for three Outside Members of the Audit & Supervisory Board
Total	19	¥200 million	(¥10 million)	

- Notes: 1. The above includes information regarding five members of the Board of Directors and two outside members of the Audit & Supervisory Board who retired during the fiscal year 2020.
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 2020 in accordance with the Japanese standards. Outside members of the Board of Directors are not covered by this plan.
3. The performance-linked share-based compensation plan covered the period of three fiscal years from the fiscal year ended March 31, 2019 to the fiscal year ended March 31, 2021, which was the remaining period of the medium-term management plan "Vision 2020." The fiscal year 2020 is the final fiscal year of the covered period. Performance-linked share-based remuneration, including the medium-term performance-linked portion, was finalized in the final fiscal year. As the amount of performance-linked share-based remuneration finalized in the fiscal year 2020 fell below the cumulative remuneration amount calculated at the end of the previous fiscal year, the difference is shown as a reduction in the above table.
4. In accordance with the resolution of the 47th Regular General Meeting of Shareholders held on June 17, 2020, the Company transitioned to a company with an Audit and Supervisory Committee effective the same day.
5. The amount and number of recipients for remuneration, etc. received as a member of the Audit & Supervisory Board and the remuneration, etc. received as an Audit and Supervisory Committee Member in the fiscal year 2020 are stated separately.

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

The Company received approval at the 45th Regular General Meeting of Shareholders held on June 20, 2018 and the 47th Regular General Meeting of Shareholders held on June 17, 2020, for the adoption of a performance-linked share-based compensation 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, etc. of the Company were eligible for the plan at the end of the 47th Regular General Meeting of Shareholders (28 were eligible for the plan as Vice Presidents not serving concurrently as members of the Board of Directors and individuals with equivalent status).

The purpose of the plan is to raise the motivation of Members of the Board of Directors, etc. to attain performance targets specified in the medium-term management plan "Vision 2020," in an aim for the Group to make concerted efforts to achieve the medium-term management plan and expand corporate value over the medium to long term. The plan has a scheme where remuneration fluctuates depending on the level of achievement of consolidated net sales and consolidated operating profit

targets stated in the medium-term management plan as financial metrics tracking business growth. Specifically, the number of units (number of shares) to be awarded to the eligible Members of the Board of Directors, etc. for the fiscal years covered by the Company's medium-term management plan (the three fiscal years from the fiscal year ended March 31, 2019 to the fiscal year ended March 31, 2021, which is the remaining period of the medium-term management plan "Vision 2020"; the "Covered Period") will be calculated and determined based on the method set forth below. In principle, the number of shares equivalent to the cumulative units will be granted to the eligible Members of the Board of Directors, etc. when they retire. As a general rule, 50% of the shares corresponding to the cumulative units (odd-shares will be discarded) will be granted in shares, and the rest will be paid in cash after the shares are sold to secure funds to pay tax.

The Company contributes trust cash up to the amount calculated by multiplying ¥0.37 billion by the number of years of the Covered Period (¥1.11 billion for the initial Covered Period of three fiscal years) as remuneration for the Members of the Board of Directors, etc. of the Company during the said Covered Period, and establishes a trust for the period equivalent to the Covered Period wherein the Members of the Board of Directors, etc. who meet the beneficiary requirements are beneficiaries. The upper limit of the number of units to be awarded to the Members of the Board of Directors, etc. during each Covered Period is calculated by multiplying 22,300 units by the number of years of the said Covered Period, 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. from the Trust during the said Covered Period will be equivalent to such upper limit of the number of units. Therefore, the upper limit of the number of shares to be granted for the initial Covered Period (three fiscal years) will be 133,800 shares (due to the stock split, which was implemented effective April 1, 2020, one unit shall be equivalent to two shares of the Company. Therefore, one unit shall be equivalent to two shares of the Company for the initial Covered Period).

The remuneration amount is determined according to the ranks of the Members of the Board of Directors, etc., and is about 10% of fixed compensation for each rank. The remuneration amount does not exceed the upper limits of cash resolved at the meetings of the Board of Directors on April 24, 2018 and April 24, 2020, as well as at the 45th Regular General Meeting of Shareholders and the 47th Regular General Meeting of Shareholders. Therefore, the amount has been resolved as reasonable.

Calculation formula

■ The number of base units to be awarded per fiscal year will be determined by the following formula.

- Short-term performance units = share-based remuneration by company and rank (*1) ÷ base share price (*2) × 60%
- Medium-term performance units = share-based remuneration by company and rank (*1) ÷ base share price (*2) × 40%

* Rounded down to the nearest whole unit

■ Cumulative unit totals for the Covered Period (three fiscal years) will be tallied by summing the following.

<Short-term performance units>

- First fiscal year's short-term performance units × short-term performance-linkage coefficient (*3)
- Second fiscal year's short-term performance units × short-term performance-linkage coefficient (*3)
- Third fiscal year's short-term performance units × short-term performance-linkage coefficient (*3)

<Medium-term performance units>

- (First fiscal year's medium-term performance units + second fiscal year's medium-term performance units + third fiscal year's medium-term performance units) × medium-term performance-linkage coefficient (*4)

(*1) Share-based remuneration by company and rank

Share-based remuneration by rank (Yen in thousands)						
Chairman	Vice Chairman	President	Executive Vice President	First Senior Vice President	Senior Vice President	Vice President
10,000	6,000	8,000	5,000	4,000	3,000	2,000

* The number of units to be awarded are determined based on rank as of March 31 of every year.

* The amount of share-based remuneration applicable to individuals appointed as Vice President of NIDEC while on secondment at that company will be the amount based on their rank at the company from which they are seconded.

(*2) Base share price

The base share price is ¥16,946.8896, which is the average per-share acquisition price (rounded off to the fourth decimal place) of the Company shares held in the trust used by the Plan. The acquisition of the Company shares took place in July 2018.

(*3) Short-term performance-linkage coefficient

Metrics, values and weightings to be used to link short-term performance units to performance

Metric to be used	Value to be used	Weighting	Target		
			FY2018	FY2019	FY2020
Consolidated net sales	Forecast (quantified in millions of yen) for the given fiscal year in the Company's financial results released in April or May of that fiscal year	50%	¥1.575 trillion	¥1.650 trillion	¥1.500 trillion
Consolidated operating profit	Same as above	50%	¥190 billion	¥175 billion	¥125 billion

Performance-linkage coefficient to be used to link short-term 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%
90% to less than 100%	50%
Less than 90%	0%

(*4) Method of linking medium-term performance units to performance

Metrics, values and weightings to be used to link medium-term performance units to performance

Metric to be used	Value to be used	Weighting	Target
			FY2020
Consolidated net sales	Medium-term management plan target (quantified in millions of yen) disclosed at the beginning of said plan's term	50%	¥2 trillion
Consolidated operating profit	Same as above	50%	¥300 billion

Performance-linkage coefficient to be used to link medium-term 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%
90% to less than 100%	50%
Less than 90%	0%

Trends in consolidated net sales and consolidated operating profit, including figures for the fiscal year 2020, are as provided in "3. Assets, profits and losses."

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)			Activities
	Meeting of the Board of Directors	Meeting of the Audit and Supervisory Committee and the Audit & Supervisory Board	Meeting of the Remuneration Committee	
Teiichi Sato	22	-	1	He actively made statements at meetings of the Board of Directors drawing on his experience and superior insight in a wide range of fields including human resource development. He also served as a member of the Remuneration Committee, which was set up in February 2021 as an advisory body to the Board of the Directors of the Company. He played an important role 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, he strives to supervise the management team from an objective standpoint.
Osamu Shimizu	20	-	1	He actively made statements at meetings of the Board of Directors drawing on his abundant experience in fields such as financial and monetary policies and from a professional standpoint as an attorney-at-law. He also served as a member of the Remuneration Committee, which was set up in February 2021 as an advisory body to the Board of the Directors of the Company. He played an important role 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, he strives to supervise the management team from an objective standpoint.

Name	Attendance (number of times)			Activities
	Meeting of the Board of Directors	Meeting of the Audit and Supervisory Committee and the Audit & Supervisory Board	Meeting of the Remuneration Committee	
Takeshi Nakane	22	15	-	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 fulfills 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.
Aya Yamada	16	10	-	She actively made statements from an independent and objective standpoint at meetings of the Board of Directors and the Audit and Supervisory Committee, with 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.
Takako Sakai	17	10	1	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 tax and accounting fields as a university professor, and fulfills the management supervisory function. She also served as a member of the Remuneration Committee, which was set up in February 2021 as an advisory body to the Board of the Directors of the Company. She played an important role in ensuring transparency in the process of determining remuneration for members of the Board of Directors and determining whether remuneration is appropriate. In addition, she 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 2020, the meetings of the Board of Directors, the meetings of the Audit and Supervisory Committee, the meetings of the Audit & Supervisory Board before the transition to the Audit and Supervisory Committee, and the meetings of the Remuneration Committee were held 22

times, 10 times, 5 times, and once, respectively.

2. Mr. Takeshi Nakane attended 10 meetings of the Audit and Supervisory Committee and 5 meetings of the Audit & Supervisory Board.
3. During the 47th Regular General Meeting of Shareholders held on June 17, 2020, Ms. Aya Yamada and Ms. Takako Sakai were newly elected and assumed office as outside members of the Board of Directors. In the period between this date and the end of the fiscal year 2020, the meetings of the Board of Directors were held 17 times, and the meetings of the Audit and Supervisory Committee were held 10 times.

(2) Overview of Limited Liability Agreement

Nidec Corporation has a limit liability agreement with Messrs. Teiichi Sato and Osamu Shimizu (outside members of the Board of Directors), and with Mr. Takeshi Nakane, Ms. Aya Yamada, and Ms. Takako Sakai (outside members of the Board of Directors who are Audit and Supervisory Committee Members). 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	¥575 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 other two companies 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 2020 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 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.
- (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) Information Security Management Office 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.
- (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, 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 assessment & survey 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 in January 2020 to respond to COVID-19, and remains active. 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 six 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 2020

(April 1, 2020 – March 31, 2021)

Consolidated Statement of Financial Position

(As of March 31, 2021)

(Yen in millions)

Title	Amount	Title	Amount
Assets		Liabilities	
Current assets	1,024,112	Current liabilities	629,668
Cash and cash equivalents	219,524	Short term borrowings	30,977
Trade and other receivables	441,078	Long term debt due within one year	75,596
Other financial assets	10,556	Trade and other payables	400,307
Income tax receivables	9,454	Other financial liabilities	2,463
Inventories	296,631	Income tax payables	17,910
Other current assets	46,869	Provisions	33,546
Non-current assets	1,231,955	Other current liabilities	68,869
Property, plant and equipment	662,659	Non-current liabilities	512,430
Goodwill	320,020	Long term debt	424,900
Intangible assets	195,565	Other financial liabilities	1,666
Investments accounted for using the equity method	2,422	Retirement benefit liabilities	31,703
Other investments	19,360	Provisions	756
Other financial assets	6,056	Deferred tax liabilities	48,223
Deferred tax assets	15,022	Other non-current liabilities	5,182
Other non-current assets	10,851	Total liabilities	1,142,098
		Common stock	87,784
		Additional paid-in capital	105,179
		Retained earnings	1,016,591
		Other components of equity	(49,631)
		Treasury stock	(63,869)
		Total equity attributable to owners of the parent	1,096,054
		Non-controlling interests	17,915
		Total equity	1,113,969
Total assets	2,256,067	Total liabilities and equity	2,256,067

Consolidated Statement of Income

(For the year ended March 31, 2021)

(Yen in millions)

Title	Amount
Continuing operations	
Net sales	1,618,064
Cost of sales	(1,251,506)
Gross profit	366,558
Selling, general and administrative expenses	(139,267)
Research and development expenses	(67,280)
Operating profit	160,011
Financial income	4,200
Financial expenses	(5,924)
Derivative gain	1,014
Foreign exchange differences	(5,334)
Share of net loss from associate accounting using the equity method	(989)
Profit before income taxes	152,978
Income tax expenses	(30,133)
Profit from continuing operations	122,845
Discontinued operations	
Loss from discontinued operations	(228)
Profit for the year	122,617
Profit for the year attributable to:	
Owners of the parent	121,977
Non-controlling interests	640
Profit for the year	122,617

Financial Statements

Non-consolidated Balance Sheet

(As of March 31, 2021)

(Yen in millions)

Title	Amount	Title	Amount
[Assets]		[Liabilities and equity]	
Current assets	267,044	Current liabilities	608,762
Cash and cash equivalents	70,850	Accounts payable	39,329
Notes receivable	28	Electronically recorded obligations-operating	1,817
Electronically recorded monetary claim	285	Short term borrowing	383,950
Trade receivable	79,998	Current portion of bonds	38,940
Securities	2,974	Long term debt current portion due within one year	29,171
Finished products	6,803	Other accounts payable	39,774
Work in progress	349	Accrued expenses	945
Raw materials and supplies and other	713	Deposits received	42,459
Prepaid expenses	1,075	Unearned revenue	39
Short term loans receivable from subsidiaries and affiliates	68,588	Provision for bonuses	2,083
Long term loans receivable from subsidiaries and affiliates redeemable within one year	18,206	Other	30,255
Other accounts receivable	11,300	Noncurrent liabilities	400,669
Corporate tax receivable, etc.	1,081	Corporate bonds	399,900
Other	5,011	Deferred tax liabilities	458
Allowance for doubtful accounts	(217)	Other	311
Noncurrent assets	1,040,450	Total liabilities	1,009,431
Property, plant and equipment	45,043	Shareholder's equity	293,600
Buildings	22,442	Common stock	87,784
Structures	493	Additional paid-in capital	147,930
Machinery and equipment	1,289	Capital reserve	92,005
Tools, furniture and fixtures	2,641	Other additional paid-in capital	55,925
Land	14,230	Retained earnings	121,755
Construction in progress	3,911	Legal reserve	721
Other	37	Other retained earnings	121,034
Intangible assets	3,613	General reserve	57,650
Patent right	23	Retained earnings brought forward	63,384
Software	2,336	Treasury stock	(63,869)
Software in progress	404	Total valuation and translation adjustments	4,463
Goodwill	792	Valuation difference on available-for-sale securities	4,794
Other	58	Revaluation reserve for land	(331)

(Yen in millions)

Title	Amount	Title	Amount
Investments and other assets	991,794		
Investment securities	13,756		
Stocks of subsidiaries and affiliates	803,869		
Investments in capital of subsidiaries and affiliates	85,639		
Long term loans receivable from subsidiaries and affiliates	85,919		
Claims provable in bankruptcy, claims provable in rehabilitation and other	445		
Long term prepaid expenses	411		
Prepaid pension expenses	263		
Other	1,937		
Allowance for doubtful accounts	(445)		
		Total net assets	298,063
Total assets	1,307,494	Total liabilities and net assets	1,307,494

Non-Consolidated Statement of Income

(For the year ended March 31, 2021)

(Yen in millions)

Title	Amount	
Net sales		200,138
Cost of sales		140,178
Gross profit		59,960
Selling, general and administrative expenses		40,225
Operating profit		19,735
Non-operating income		
Interest income	2,154	
Dividend income	21,692	
Foreign exchange gain	3,257	
Gain on valuation of derivatives	1,012	
Other	2,248	30,363
Non-operating expenses		
Interest expenses	3,028	
Corporate bond expenses	633	
Other	791	4,452
Ordinary profit		45,646
Extraordinary income		
Gain on sales of noncurrent assets	6	6
Extraordinary losses		
Loss on disposal of noncurrent assets	18	
Impairment losses	21	39
Income before income taxes and other		45,613
Income taxes - current	4,036	
Income taxes - deferred	5	4,041
Net income		41,572

Audit Reports

Audit Report by Accounting Auditor regarding Consolidated Financial Statements

Audit Report from Independent Auditors

May 13, 2021

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	Toru Tamura	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, 2020 – March 31, 2021) 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 describes, 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.

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 by Accounting Auditor regarding Non-Consolidated Financial Statements

Audit Report from Independent Auditors

May 13, 2021

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	Toru Tamura	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 48th fiscal year (April 1, 2020 – March 31, 2021) 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 describes, 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.

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.
- Obtain sufficient and appropriate audit evidence regarding the financial information of business units included in the non-consolidated financial statements in order to express an opinion on the non-consolidated financial statements. The accounting auditor is responsible for instructing, supervising, and

implementing the audit of the financial information of business units, 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 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 48th fiscal year (April 1, 2020 to March 31, 2021). 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 14, 2021

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
Takeshi Nakane	Audit and Supervisory Committee Member	Seal
Aya Yamada	Audit and Supervisory Committee Member	Seal
Takako Sakai	Audit and Supervisory Committee Member	Seal

Note: Audit and Supervisory Committee Members Mr. Takeshi Nakane, Ms. Aya Yamada, and Ms. Takako Sakai are outside members of the Board of Directors as stipulated in Article 2, Item 15 and Article 331, Paragraph 6 of the Companies Act.