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Corporate Governance Report

Last updated: July 3, 2024

Nidec Corporation

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

I. Basic Views on corporate governance, capital structure, corporate profile, and other basic information

1. Basic views

Nidec Group pursues continuous enhancement of corporate management in the manner consistent with its mission statement, three principles of Nidec's operations, and its qualitative objects of achieving "high business growth," "high profits," and "high shareholder value." In this context, Nidec codified its corporate governance policies in May 2006 to reinforce the group's overall corporate governance activities and to communicate its commitment and responsibilities to stakeholders.

Corporate governance policy

1. Principle

The Nidec Group Corporate Governance Policy aims for sustainable enhancement of corporate value focusing on "high business growth," "high profits," "high shareholder value" based on ethical integrity and social trust. To this end, Nidec pursues sound, efficient and transparent business management through ceaseless improvement in

internal controls and information disclosure.

2. Stakeholder engagement

Sustainable enhancement of corporate value builds upon harmonious relations with stakeholders. Our definition of stakeholders extends broadly and includes not only its shareholders, customers, suppliers, individual employees, but even the communities and the environment that can be directly or indirectly affected by the Nidec Group's objectives and actions. As a business seeking growth through fulfillment of social responsibility and sustainable corporate value development for its stakeholders, Nidec Group will continue to increase our focus on products and activities that are green and socially desirable. This concept constitutes a common thread running through its entire business activities, most notably reflected in its engagement in the brushless DC motor technology, which provides excellence in energy efficiency, operating life and noiselessness for IT and audiovisual devices, automobiles, home appliances and industrial machinery. Nidec Group contributes to the progress of society and reduction of load on the earth's environment by developing and supplying products that are environmentally friendly and required by society, and through a range of business activities related to the above. Nidec Group believes that all this helps ensure sustainable growth in its company value.

3. Business execution and management oversight

The Board of Directors makes material management decisions and oversees the Group's business operations as a whole. The Board of Directors includes highly independent outside directors (non-executive directors), who are dedicated to monitoring managerial decisions from an objective perspective and further improving management transparency for all stakeholders.

The Audit and Supervisory Committee audits directors' execution of business and receives reports from accounting auditors.

The Executive Management Meeting and the Monthly Executive Meeting compose the Group's business execution mechanism and discuss specific operational issues. The Executive Management Meeting is held and convened by the President twice a month as a rule, as the decision-making body for operational matters. The meeting involves the pre-deliberation of items submitted to the Board of Directors, as well as the deliberation and resolution of overall operational policies, plans, and individual important matters.

The Monthly Executive Meeting is held once a month, where all executive officers gather, led by the Chief Executive Officer, to discuss high-priority topics and align the direction of management.

With a view to improving management efficiency, the Group has adopted an executive officer system and a business unit management system. The executive officer system delegates part of the Board responsibilities to executive officers, thereby allowing the Board of Directors to focus on more proactive, in-depth discussions on the Group's strategic directions and enables executive officers to accelerate the execution of business. In the meantime, the business unit management system makes clear the locus of respective managerial responsibilities and contributes to the maintenance and improvement of a viable internal control system. Furthermore, the Group has adopted chief officer system. Each chief officer shares roles under the strong leadership of the Chief Executive Officer, and makes group-wide business execution to achieve the group's business goals.

4. Internal control

The Group commits itself to the enhancement of its management soundness and transparency by specifying risk management responsibilities and maintaining compliance capabilities generally required for listed companies in Japan. Through the auditing activities of the Corporate Administration & Internal Audit Department, a specialized oversight division, the Group regulates its internal controls over financial reporting and evaluates their effectiveness in the manner consistent with the Article 24-4-4, Paragraph 1 of the Financial Instruments and Exchange Act. In addition, Compliance Committee, Risk Management Committee and Information Security Management Committee, all operating under the direct supervision of the Board of Directors, are dedicated to the creation of a strong internal control environment for the Group. Each Committee has its subordinate body, named the Legal & Compliance Department, the Risk Management Office and Information System Department, respectively.

5. Information disclosure

The Group ensures strict adherence to its Disclosure Policy and conducts fair, timely and proper disclosure of information in order to offer appropriate accountability and transparency to shareholders and relevant stakeholders. Each disclosure item is carefully reviewed by the Disclosure Committee with respect to materiality, legality and

adequacy of disclosure. In the meantime, shareholder opinions and viewpoints are constantly fed back to the management through day-to-day investor relations activities.

6. Subsidiary governance

Unified under the same management principles, each company of the Group operates in compliance with Nidec's internal control system. The members of the management team at each Nidec subsidiary, including those sent from Nidec, undertake substantial discussions in managerial decision-making with a significant involvement of experts to ensure that specific circumstances in each company are rationally considered and that each company's independency is appropriately assured.

<Reasons for non-compliance with certain principles of Japan's Corporate Governance Code>

Nidec complies with all of the principles set forth in the Corporate Governance Code.

<Disclosure based on the principles of the Japan's Corporate Governance Code>

<Principle 1.4 Cross-Shareholdings>

1. Basic policy for cross-shareholdings

Nidec holds shares in the companies that Nidec has relationships with in terms of trading and cooperation in its business or other areas when it judges the shareholding contributes to the company's corporate value expansion through stabilizing its business for a mid to long-term perspectives by maintaining and strengthening the relationship with them. Nidec assesses its cross-held shares individually at the Board of Directors every year on not only qualitative aspect such as purposes of the shareholding, but also, on quantitative aspect such as benefits that can be brought through the shareholding from the perspective of economic rationality. According to the results of the assessment, Nidec intends to reduce the number of shares held if the cross-held shares would make insignificant benefits.

2. Policy for exercising voting rights for cross-shareholdings

With regard to the exercise of voting rights in relation to cross-shareholdings, Nidec makes comprehensive decisions to vote for or against individual proposals to serve the investees' sustainable growth from the perspective of whether appropriate governance and compliance structures are in place at investee companies.

(Basic views on executing voting rights)

With regard to the individual proposals submitted to the shareholders' meetings of the companies Nidec invests in, Nidec decides to vote for or against after confirming the following points: if the proposals suit the purposes of holding the shares that are to maintain and strengthen the trade and cooperation relationships through mid- to long-term investment, and particularly, the circumstances that might lead to assassinating shareholders value by reformatting organizations including asset transfer and mergers. Regarding proposals that are considered law violation and antisocial behaviors, Nidec opposes under any conditions.

<Principle 1.7 Related party transactions>

When any member of the Board of Directors launches a business transaction with Nidec on behalf of either him-/herself or a third party, or when a family member, etc. of any member of the Board of Directors engages in business with Nidec, Nidec refers the matter to the Board of Directors in accordance with Board of Director's regulations to confirm whether or not the matter goes against Nidec's interest. Likewise, Nidec applies a designated procedure when any member of the Board of Directors launches a business transaction with a related party of an executive officer or a major shareholder.

<Supplementary Principle 2.4.1>

Nidec has been promoting diversity in workplace since 2005, placing diversity as one of its important management policies. 2017 saw the company establish an organization dedicated to promoting diversity and enhance the establishment of a system, education, and an environment to enable diverse human resources to demonstrate their capabilities and skills to the maximum extent. In fiscal 2020, the top management held management school for all female managers in the Nidec group companies in Japan. These measures have led to raising female ratio in managerial positions and in the Board, and receiving a high external evaluation such as three-star "Eruboshi" status and "Nadeshiko Brand." Please refer to Nidec's CSR webpage for more information:

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

Target and current status of female ratio in managerial and executive positions*

*positions above executive officer level and position of outside director

Target:

Achieve 9% or more of female ratio in managerial positions and 20% or more in

executive positions by fiscal 2025

Current status:

Female ratio in managerial positions: 5.0% in fiscal 2018, 5.2% in fiscal 2019, 5.7% in fiscal 2020, 6.2% in fiscal 2021, 7.0% in fiscal 2022 and 8.1% in fiscal 2023

Female ratio in executive positions: 2.4% in fiscal 2018, 2.4% in fiscal 2019, 7.9% in fiscal 2020, 10.0% in fiscal 2021, 15.0% in fiscal 2022 and 23.3% in fiscal 2023

The above have been calculated based on the figures as of each fiscal year's March 31st.

About half of managers are employees who were recruited mid-careers (47% as of March 31st, 2024), and people from diverse backgrounds play an active part regardless of the hiring category. As of April 1, 2024, the company has two foreign executives. Nidec will promote actively not only women but also foreign people and people we recruit from outside. Nidec introduces a job-ranking system with which Nidec clarifies employee's responsibility and authority as a company-wide measure. Nidec has put the right person in the right position and fosters the human resources by promoting them regardless of ages, nationality and gender, and giving them challenging tasks since then. To promote understanding of LGBT, Nidec's work rules stipulate that employees must respect each other's personality and work together regardless of gender identity, sexual orientation, gender identity, etc., and, as part of this effort, we apply the personnel rules and policies to all employees including ones who have the same-sex partners.

Nidec continues to promote the creation of a company where each and every employee can work comfortably and actively.

<Principle 2.6 Roles of corporate pension funds as asset owners>

Nidec dispatches appropriate personnel from the Human Resources Department for a stable management of corporate pension funds. With regard to the management of the pension funds, Nidec monitors depositaries periodically. Nidec reviews the status, basic policy and soundness of asset management through the personnel allocated by Nidec to the board of representatives. Nidec allocates personnel who has expertise in finance, accounting and human resource management to the board of representatives.

<Principle 3.1 Full disclosure>

- (i) Please refer to Nidec's webpage:
<https://www.nidec.com/en/corporate/about/philosophy/>
- (ii) Please refer to Nidec's webpage:

<https://www.nidec.com/en/ir/management/governance/>

- (iii) Nidec abolished directors' retirement allowance system on December 31, 2004. Remuneration paid to the members of the Board of Directors for the year ended March 31, 2024 is as follows:

Directors (excluding Audit and Supervisory Committee Members and Outside Members of the Board of Directors)

Number of recipients: 2

Fixed remuneration: 139 million yen

Variable remuneration: 0 million yen

Performance-linked share-based remuneration: 0 million yen

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

Number of recipients: 2

Fixed remuneration: 38 million yen

Outside Members of the Board of Directors

Number of recipients: 7

Fixed remuneration: 56 million yen

The information regarding remuneration is disclosed in the securities reports and business reports. These reports are posted on Nidec's website.

<https://www.nidec.com/en/ir/library/reports/>

<Disclosure of policy on determining remuneration amount and its calculation method>

Remuneration for directors are determined linked with Nidec's performance. The total amounts of remuneration for the members of the Board of Directors who are not Audit and Supervisory Committee Members and the members of the Board of Directors who are Audit and Supervisory Committee Members are set within maximum limit of ¥1,000 million (including ¥100 million for outside directors) and ¥100 million per year, respectively, both of which were determined at the 47th shareholders' meeting held on June 17, 2020. Please refer to "Disclosure of policy on determining remuneration amounts and calculation methods" under "Director remuneration" below for details of the policy on determining remuneration amounts and calculation methods.

- (iv) The Board of Directors are composed of directors with integrity, knowledge, capability, ample experiences and ethics. Nidec selects nominees for the Board of Directors to be resolved at shareholders' meeting every year, considering both boards' diversity as well as nominees' genders, ages, nationality and skills.
- (v) The reasons for appointment and dismissal of the members of the Board of Directors are stated in the convocation for shareholders' meeting. Please refer to Nidec's notice of convocation for the shareholders' meeting at the following webpage:
<https://www.nidec.com/en/ir/event/meeting/>

<Supplementary Principle 3.1.3>

To achieve sustainable management, Nidec will keep growing strongly by matching the direction of the company's business strategy and solution to social issues in the world. Considering the importance to re-examine the entire management from a new perspective and redefine its strengths and weakness, Nidec selected 15 action themes across five materiality areas (environment, products, human resources, supply chain, corporate governance). In the Sustainability Promotion Meeting presided by the President and the Sustainability Committee chaired by an outside member of the Board of Directors, the progress is checked regularly. For details on each initiative, please visit the following URL on our company website.

- Webpage: <https://www.nidec.com/en/sustainability/principle/materiality/action/>
- Integrated Report: https://www.nidec.com/en/ir/library/integrated_report/-/media/www-nidec-com/sustainability/integrated_report/IntegratedReport2023_en.pdf

Regarding the crucial aspects of "environment" and "human resources" that can have significant impacts on our company's sustainability, we have implemented the following initiatives in recent years:

<Fiscal 2021>

- Development of medium-term strategic goals, including ESG targets, through the establishment of "Vision2025" (in which we identified our materiality)
- Adoption of Basic Policy on Human Rights

<Fiscal 2022>

- Submission of a commitment letter to the Science Based Targets initiative (SBTi), an international climate change initiative
- Commitment to aligning its corporate reporting with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations

<Fiscal 2023>

- Setting medium- and long-term CO2 reduction targets
- Undertaking third-party verification regarding CO2 emissions
- Completion of the SBT certification application process
- Commencement of information disclosure aligned with the TCFD recommendations
- Commencement of information disclosure regarding human capital

<Supplementary Principle 4.1.1>

The Board of Directors makes material management decisions and oversees the Group's business operations as a whole. The Board of Directors includes highly independent outside directors (non-executive directors), who are dedicated to monitoring managerial decisions from an objective perspective and further improving management transparency for all stakeholders.

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With a view to improving management efficiency, the Group has adopted an executive officer system and a business unit management system. The executive officer system delegates part of the Board responsibilities to executive officers, thereby allowing the Board of Directors to focus on more proactive, in-depth discussions on the Group's strategic directions and enables executive officers to accelerate the execution of business. In the meantime, the business unit management system makes clear the locus of respective managerial responsibilities and contributes to the maintenance and

improvement of a viable internal control system. Furthermore, the Group has adopted chief officer system. Each chief officer shares roles under the strong leadership of the Chief Executive Officer, and makes group-wide business execution to achieve the group's business goals. The Board of Directors resolves the following matters stipulated in the Board of Directors' regulations: 1) matters designated by law, 2) important matters on operation, 3) matters on accounting and human resources, 4) matters stipulated on the Articles of incorporation, etc.

<Principle 4.8 Effective use of independent directors>

<Principle 4.9 Independence standards and qualification for independent directors>

The Board of Directors comprises eleven members, including six outside members. The Board has highly independent outside members who have no particular relationships with Nidec, which enhances the function of supervising the company's business management, the transparency and the objectivity of the management. Currently six such outside directors make material management decisions and oversee the Group's business operations as a whole based on their extensive experience and deep insight from an objective and neutral perspective. The current outside directors were appointed as they met the independence requirements of Tokyo Stock Exchange, had no capital, personal or business relationships with Nidec from the past to the present, and had no conflicts of interests with the general shareholders. Nidec files them as independent directors.

<Supplementary Principle 4.10.1>

Nidec is a company with an Audit and Supervisory Committee. The number of independent outside directors reaches the majority of the Board of Directors (six independent outside directors and five internal directors). The company has the Nomination Committee and the Remuneration Committee, which were set up as voluntary advisory bodies under the Board of the Directors. As advisory bodies under the Board, the Nomination Committee and the Remuneration Committee deliberate inquiries from the Board and report deliberation results to the Board. The Nomination Committee and the Remuneration Committee consist of outside and internal directors of the Board of Directors, and the majority of each committee's member is outside directors. With the aim of enhancing the Company's global competitiveness and ensuring a sustainable growth and development of its businesses, the Nomination Committee deliberates the selection policy and criteria of directors and executives, the succession plan, the draft of the list of candidates for the office of Executive Vice Presidents. The

Remuneration Committee mainly deliberates the design and establishment of remuneration policy for directors (setting performance goals, rationality of performance-linked remuneration, validity of remuneration composition and individual amount of remuneration based on its policy, etc.)

<Supplementary Principle 4.11.1>

Nidec's Board of Directors comprises eleven members, including six outside members. All the eleven members are individually selected with a good balance, based on their knowledge, experience, and qualification in a diversity of areas, as well as on Nidec's businesses, business environment, etc. The members include those with global perspectives and experiences and women to secure diversity in internationality, gender, etc. Going forward, when selecting candidates to the Board of Directors, Nidec will continue to take into account, among others, the balance of the knowledge, experience, and qualification of the Board of Directors as a whole, and the number of its members based on its diversity in gender, career and ages, etc. and on Nidec's business scale. Please refer to "Directors' Skill Matrix" for directors' skills.

<Supplementary principle 4.11.2>

With regard to the status of concurrent positions of directors including outside directors, Nidec discloses the information on reference materials of the convocation for Regular General Meeting of Shareholders every year. Please refer to the convocation for Regular General Meeting of Shareholders.

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

<Supplementary principle 4.11.3>

Annually, Nidec sends out questionnaires to all directors including outside directors, on the efficacy of the meetings held by the Board of Directors, which discusses, analyzes, and assesses the results of the questionnaires. In FY2021, Nidec introduced a third-party (external law firm) evaluation system to obtain objective evaluation and analysis. The evaluation results were as follows:

- The Board of Directors functioned sufficiently.
- The Board composition (number of members, the ratio of outside directors to internal directors, etc.), frequency and lengths of the meeting and number of deliberations were appropriate.
- Communications regarding the convening of the meetings were accurate and

smooth, and the secretariat's operations were effective.

- Opportunities to request additional information to clarify any uncertainties regarding deliberation items were secured.
- Open and candid discussions (not formal but rather free-spirited and constructive discussions and exchanges of opinions) took place in the meetings.

Also, the third-party evaluator (external legal firm) graded high overall aspects of the Board of Directors including its composition and operation. It has been confirmed that it had a well-established system for conducting robust discussions and open and candid discussions took place in the meetings, including the participation of external directors. The board's oversight function has also received high praise, and the pre-briefing sessions held before the meetings have been recognized as contributing greatly to the improvement of the Board's effectiveness. Nidec will continue to discuss measures to constantly improve the meetings of the Board of Directors based on the results of questionnaires.

<Supplementary principle 4.14.2>

Nidec encourages the Board members including outside directors and executive officers to understand its management principle and corporate culture by continually providing them with information regarding the management environment and through trainings by experts from inside or outside of the company when necessary.

<Supplementary principle 5.1 Policy for constructive dialogue with shareholders>

Nidec formulates a corporate governance policy as the principle for promoting constructive dialogue with shareholders, and discloses it on its website. Nidec appoints an executive officer in charge of Investor Relations (IR), and the IR department works extensively with sales and administrative departments as well as the related departments of the group companies to carry out IR activities. Nidec promotes dialogue between investors and management members including outside directors, executive officers responsible for business units and headquarters administrative departments, depending on themes and purposes. Also, Nidec formulates Disclosure Policy and internal regulations regarding banning insider trading for all Nidec Group that stipulate information disclosure methods and procedure for fair, timely and appropriate disclosure. Nidec discloses its internal control structure regarding timely disclosure on its website. For details of the implementation status of dialogue with investors and IR activities, please refer to III. 2. IR Activities.

Corporate Governance Policy

<https://www.nidec.com/en/corporate/about/cg/governance/>

Disclosure Policy

<https://www.nidec.com/en/ir/management/disclosure/>

<Action to Implement Management That Is Conscious of Cost of Capital and Stock Price>

In order to achieve profitable and sustainable growth in the medium- and long-term while maintaining the financial soundness of our company, we have introduced Return on Invested Capital (ROIC) as one of the key performance indicators in our medium-term strategic goal, "Vision 2025". We are accelerating cost of capital-conscious management to achieve this objective. To achieve our target of ROIC exceeding 15% by fiscal year 2025, we will strongly drive initiatives to increase profitability through thorough fixed cost reduction, cost control, and sales prices improvement. Additionally, we will focus on optimizing invested capital through efficient investment activities that consider the shortening of the Cash Conversion Cycle (CCC) and business risks. By pursuing these initiatives, we aim to maximize free cash flow and allocate the generated cash towards growth capital (reinvestment), shareholder returns, and interest-bearing liabilities repayment in a balanced manner. In particular, for the allocation towards growth capital, we will implement a system that visualizes the "characteristics of target markets," "our status in those markets," and "profitability and financial condition" of each business unit. This system will enable us to evaluate and prioritize the allocation of resources relatively. Through these initiatives, we aim to achieve overall optimization of resource allocation based on our business portfolio strategy and pursue profitable medium- and long-term growth.

2. Capital structure

Foreign shareholding ratio	Greater than or equal to 20%, less than 30%
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<Major shareholders>

Shareholders	Number of Shares Owned (shares)	Holding Ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	77,005,800	13.39
Shigenobu Nagamori	49,473,732	8.60

Custody Bank of Japan, Ltd. (trust account)	29,458,960	5.12
The Bank of Kyoto, Ltd.	24,798,428	4.31
S.N. Kosan, LLC.	20,245,740	3.52
The Bank of Mitsubishi UFJ, Ltd	14,851,804	2.58
Nippon Life Insurance Company	13,159,496	2.28
Meiji Yasuda Life Insurance Company	12,804,172	2.22
THE BANK OF NEW YORK MELLON 140042	11,173,298	1.94
SSBTC CLIENT OMNIBUS ACCOUNT	9,776,314	1.70

Controlling shareholders (except for parent company)	-
Parent company	None

Supplementary information

The Statement of Changes to a Statement of Large-Volume Holdings, made available for public inspection on October 16, 2023, has been received from Mitsubishi UFJ Financial Group, Inc. and states that each of these companies held shares as of October 9, 2023, as shown below. However, as the Company cannot confirm the actual status of shareholdings as of March 31, 2024 (Record date for the exercise of voting rights), the status of major shareholders shown above is based on the content of the shareholders' register.

The content of said Statement of Changes to a Statement of Large-Volume Holdings is as follows:

<Shareholder's name (number of shareholdings, ratio to number of shares issued)>

The Bank of Mitsubishi UFJ, Ltd. (14,851,804 shares, 2.49%)

Mitsubishi UFJ Trust and Banking Corporation (9,251,980 shares, 1.55%)

Mitsubishi UFJ Kokusai Asset Management Co., Ltd. (6,235,600 shares, 1.05%)

Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (989,485 shares, 0.17%)

Total: (31,328,869 shares, 5.25%)

The Statement of Changes to a Statement of Large-Volume Holdings, made available for public inspection on November 21, 2023, has been received from Sumitomo Mitsui Trust

Bank, Limited and states that each of these companies held shares as of November 15, 2023, as shown below. However, as the Company cannot confirm the actual status of shareholdings as of March 31, 2024 (Record date for the exercise of voting rights), the status of major shareholders shown above is based on the content of the shareholders' register.

The content of said Statement of Changes to a Statement of Large-Volume Holdings is as follows:

<Shareholder's name (number of shareholdings, ratio to total number of shares issued)>

Sumitomo Mitsui Trust Bank, Limited (7,011,600 shares, 1.18%)

Sumitomo Mitsui Trust Asset Management Co., Ltd. (12,654,064 shares, 2.12%)

Nikko Asset Management Co., Ltd. (10,806,500 shares, 1.81%)

Total: (30,472,164 shares, 5.11%)

The Statement of Large-Volume Holdings, made available for public inspection on November 22, 2022, has been received from Baillie Gifford & Co and states that each of these companies held shares as of November 15, 2022, as shown below. However, as the Company cannot confirm the actual status of shareholdings as of March 31, 2024 (Record date for the exercise of voting rights), the status of major shareholders shown above is based on the content of the shareholders' register.

The content of said Statement of Large-Volume Holdings is as follows:

<Shareholder's name (number of shareholdings, ratio to total number of shares issued)>

Baillie Gifford & Co (1,572,800 shares, 0.26%)

Baillie Gifford Overseas Limited (23,165,889 shares, 3.89%)

Total: (24,738,689 shares, 4.15%)

The amendment report for the Statement of Changes to a Statement of Large-Volume Holdings was submitted on September 13, 2023. The Statement of Changes to a Statement of Large-Volume Holdings, made available for public inspection on April 7, 2020, has been received from Capital Research and Management Company and states that each of these companies held shares as of March 31, 2020, as shown below. However, as the Company cannot confirm the actual status of shareholdings as of March 31, 2024 (Record date for the exercise of voting rights), the status of major shareholders shown above is based on the content of the shareholders' register.

The content of said Statement of Changes to a Statement of Large-Volume Holdings is as follows:

<Shareholder's name (number of shareholdings, ratio to total number of shares issued)>

Capital Research and Management Company (9,585,706 shares, 3.22%)

Capital international Inc. (742,855 shares, 0.25%)

Capital International Co., Ltd. (1,226,900 shares, 0.41%)

Total: (11,555,461 shares, 3.88%)

The Statement of Changes to a Statement of Large-Volume Holdings, made available for public inspection on October 7, 2022, has been received from Nomura Securities and states that each of these companies held shares as of September 30, 2022, as shown below. However, as the Company cannot confirm the actual status of shareholdings as of March 31, 2024 (Record date for the exercise of voting rights), the status of major shareholders shown above is based on the content of the shareholders' register.

The content of said Statement of Changes to a Statement of Large-Volume Holdings is as follows:

<Shareholder's name (number of shareholdings, ratio to total number of shares issued)>

Nomura Securities Co., Ltd. (2,494,217 shares, 0.42%)

Nomura Asset Management Co., Ltd. (27,720,700 shares, 4.65%)

Total: (30,214,917 shares, 5.07%)

The Statement of Changes to a Statement of Large-Volume Holdings, made available for public inspection on March 3, 2023, has been received from BlackRock Japan and states that each of these companies held shares as of February 28, 2023, as shown below. However, as the Company cannot confirm the actual status of shareholdings as of March 31, 2024 (Record date for the exercise of voting rights), the status of major shareholders shown above is based on the content of the shareholders' register.

The content of said Statement of Changes to a Statement of Large-Volume Holdings is as follows:

<Shareholder's name (number of shareholdings, ratio to total number of shares issued)>

BlackRock Japan Co., Ltd. (9,785,100 shares, 1.64%)

BlackRock Advisers, LLC (1,078,820 shares, 0.18%)

BlackRock Investment Management LLC (814,039 shares, 0.14%)

BlackRock (Netherlands) BV (1,502,758 shares, 0.25%)

BlackRock Fund Managers Limited (1,197,620 shares, 0.20%)

BlackRock Asset Management Ireland Limited (2,461,700 shares, 0.41%)

BlackRock Fund Advisors (7,151,800 shares, 1.20%)

BlackRock Institutional Trust Company, N.A. (5,756,648 shares, 0.97%)

BlackRock Investment Management (UK) Limited (695,900 shares, 0.12%)

Total: (30,444,385 shares, 5.11%)

3. Corporate profile

Listed stock market and market section	Tokyo Stock Exchange, Prime Market
Fiscal year end	March 31
Type of business	Electric appliances
Number of employees (consolidated) as of the previous fiscal year-end	More than 1,000
Net sales (consolidated) in the previous fiscal year	More than ¥1 trillion
Number of consolidated subsidiaries as of the previous fiscal year-end	More than 300

4. Policies on measures to protect minority shareholders in conducting transactions with controlling shareholder

None

5. Other special circumstances that may have material impact on corporate governance

None

II. Business management organization and other corporate governance systems regarding decision-making, execution of business, and oversight in management

1. Organizational composition and operation

Organizational form	Company with an Audit and Supervisory Committee
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<Directors>

Maximum number of directors stipulated in the Articles of Incorporation	20
Term of office of directors stipulated in the Articles of Incorporation	1 year
Chairperson of the Board	Representative Directors

	(excluding Chairman and President)
Number of directors	11
Appointment of outside directors	Appointed
Number of outside directors	6
Number of independent directors among outside directors	6

Outside directors' relationship with the Nidec (1)

Name	Attribute	Relationship with Nidec											
		a	b	c	d	e	f	g	h	i	j	k	
Shinichi Sato	Other												
Yayoi Komatsu	Other												
Takako Sakai	Scholar												
Aya Yamada	Scholar								○		○		
Hiroe Toyoshima	Lawyer												
Kunio Umeda	Other												

Categories for "Relationships with Nidec"

“○” when the director presently falls or has recently fallen under the category

“△” when the director fell under the category in the past

“●” when a close relative of the director presently falls or has recently fallen under the category

“▲” when a close relative of the director fell under the category in the past

- a. Executive of Nidec or its subsidiaries
- b. Non-executive director or executive of a parent company of Nidec
- c. Executive of a fellow subsidiary company of Nidec
- d. Party whose major client or supplier is Nidec or an executive thereof
- e. Major client or supplier of Nidec or an executive thereof
- f. Consultant, accountant, or legal professional who receives a large amount of monetary consideration or other property from Nidec besides remuneration as a director/Audit & Supervisory Board member
- g. Major shareholder of Nidec (or an executive of said major shareholder if the shareholder is a legal entity)

- h. Executive of a client or supplier company of Nidec (which does not correspond to any of d, e, or f) (the director himself/herself only)
- i. Executive of a company, between Nidec and which outside directors/Audit & Supervisory Board members are mutually appointed (the director himself/herself only)
- j. Executive of a company or organization that receives a donation from Nidec (the director himself/herself only)
- k. Others

Outside directors' relationships with Nidec (2)

Shinichi Sato

Designation as an independent director: Applicable

Supplementary information on corresponding items: Mr. Shinichi Sato is deemed as independent director based on the Tokyo Stock Exchange regulations.

Reasons for appointment:

Mr. Sato has held prominent posts at the Ministry of Finance of Japan and other organizations. Nidec will strengthen its corporate governance functions through his advice on its overall business matters based on his high-level expertise.

Mr. Sato is deemed to be adequately independent since he meets the requirements for independent directors from the past to the present in accordance with the regulations of the Tokyo Stock Exchange. Nidec judged that there were no potential conflicts of interest between Mr. Sato and the ordinary shareholders and designated him as an independent director.

Yayoi Komatsu

Designation as an independent director: Applicable

Supplementary information on corresponding items: Ms. Yayoi Komatsu is deemed as independent director based on the Tokyo Stock Exchange regulations.

Reasons for appointment:

Ms. Komatsu has held prominent posts at the Ministry of Education, Culture, Sports, Science and Technology of Japan and other organizations. She will provide Nidec with

advice on its overall business matters with her high level of expertise which will further enhance the company's corporate governance function.

Ms. Komatsu is deemed to be adequately independent since she meets the requirements for independent directors from the past to the present in accordance with the regulations of the Tokyo Stock Exchange. Nidec judged that there were no potential conflicts of interest between Ms. Komatsu and the ordinary shareholders and designated her as an independent director.

Takako Sakai

Designation as an independent director: Applicable

Supplementary information on corresponding items: Ms. Takako Sakai is deemed as independent director based on the Tokyo Stock Exchange regulations.

Reasons for appointment:

Ms. Sakai currently works as a professor of Graduate School of Law, Osaka Metropolitan University. Nidec believes it can strengthen its corporate governance through her advice based on high-level expertise as a university professor from an independent position.

Ms. Sakai is deemed to be adequately independent since she meets the requirements for independent directors from the past to the present in accordance with the regulations of the Tokyo Stock Exchange. Nidec judged that there were no potential conflicts of interest between Ms. Sakai and the ordinary shareholders and designated her as an independent director.

Aya Yamada

Designation as an Audit and Supervisory Committee Member and an independent director: Applicable

Supplementary information on corresponding items: Ms. Aya Yamada is deemed as independent director based on the Tokyo Stock Exchange regulations.

Reasons for appointment:

Ms. Yamada currently works as a professor of Graduate School of Law, Kyoto University. Nidec believes it can strengthen its decision-making and the audit and supervisory functions of the Board of Directors through her advice based on high-level expertise as a university professor from an independent position.

To promote education and research, Nidec donates money to an endowed course “Advance Electrical Equipment to Realize a Friendly Global Environment,” held by Kyoto University Graduate School of Engineering. The amounts of the donation are 39 million yen in fiscal 2019 (compared to 5,352 million yen of total amount of donation to the university), 39 million yen in fiscal 2020 (compared to 5,766 million yen), 39 million yen in fiscal 2021 (compared to 5,416 million yen), 49 million yen in fiscal 2022 (compared to 9,885 million yen) and 39 million yen in fiscal 2023. The FY2022 donation includes those made for the university's 125th anniversary project. For any of the aforementioned fiscal years, the amounts of the Company's donations are insignificant compared to the total amount of donation to the university. Furthermore, based on its joint research contract with the university's Graduate School of Engineering, the Company made a payment of ¥18 million in FY2022 and ¥53 million in FY2023. The faculty to which the Company made donations and payment are different from the faculty to which they belong, and they are not a representative of the university. Nidec believes that there is no direct interest between Nidec and Ms. Yamada, and therefore that there is no problem with her independency.

Hiroe Toyoshima

Designation as an Audit and Supervisory Committee Member and an independent director: Applicable

Supplementary information on corresponding items: Ms. Hiroe Toyoshima is deemed as independent director based on the Tokyo Stock Exchange regulations.

Reasons for appointment:

Ms. Toyoshima currently works as a lawyer. She will provide Nidec with advice on its overall business matters with her high level of expertise which will further enhance the company's corporate governance function.

Ms. Toyoshima is deemed to be adequately independent since she meets the requirements for independent directors from the past to the present in accordance with the regulations of the Tokyo Stock Exchange. Nidec judged that there were no potential conflicts of interest between Ms. Toyoshima and the ordinary shareholders and designated her as an independent director.

Kunio Umeda

Designation as an Audit and Supervisory Committee Member and an independent director: Applicable

Supplementary information on corresponding items: Mr. Kunio Umeda is deemed as independent director based on the Tokyo Stock Exchange regulations.

Reasons for appointment:

Mr. Umeda has served in various important positions at the Ministry of Foreign Affairs of Japan. He will provide Nidec with advice from outside point of view based on his extensive experiences and knowledge which will further enhance the decision-making function and oversight capabilities of the Board of Directors.

Mr. Umeda is deemed to be adequately independent since he meets the requirements for independent directors from the past to the present in accordance with the regulations of the Tokyo Stock Exchange. Nidec judged that there were no potential conflicts of interest between Mr. Umeda and the ordinary shareholders and designated him as an independent director.

<Audit and Supervisory Committee>

	Total committee members	Full-time members	Internal directors	Outside directors	Chairperson
Audit and Supervisory Committee	5	2	2	3	Internal director
Directors and/or staff to support the Audit and Supervisory Committee	Appointed				

Matters related to the independence of such directors and/or employees from executive directors

Nidec regards the Corporate Administration & Internal Audit Department as a group of employees to assist the duties of the Audit and Supervisory Committee. The Corporate Administration & Internal Audit Department audits matters that the Audit and Supervisory Committee request to be audited, and reports the audit results to the Audit and Supervisory Committee. During such an audit, to secure the Corporate

Administration & Internal Audit Department's independency from executive directors, support is provided for performing the audit if ordered or requested by the Audit and Supervisory Committee. The executive directors pose no improper restrictions on such reports.

Cooperation between the Audit and Supervisory Committee, accounting auditor, and the internal audit department

(1) Cooperation between the Audit and Supervisory Committee and accounting auditors

In addition to quarterly meetings between the Audit and Supervisory Committee and the accounting auditors, two to three meetings are held annually when necessary. In these meetings, the Audit and Supervisory Committee members and accounting auditors exchange opinions on audit results, audit systems, audit plans and audit implementation status.

(2) Cooperation between the Audit and Supervisory Committee and the internal audit department

The Corporate Administration & Internal Audit Department, Nidec's internal audit department, regularly submits a report to the Audit and Supervisory Committee in a meeting, where the Audit and Supervisory Committee is informed of the results of the Nidec Group's internal audits. In addition, the Audit and Supervisory Committee, as necessary, exchanges opinions and shares information with the Corporate Administration & Internal Audit Department, and requests the department to hold onsite audits.

< Voluntary Committees >

Voluntary establishment of committee(s) corresponding to a nominating committee or remuneration committee	Established
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Committee's name, composition and attributes of Chairperson

	Committee corresponding to a nominating committee	Committee corresponding to a remuneration committee
Committee's name	Nomination Committee	Remuneration Committee
Total committee members	5	5
Full-time members	2	2
Internal directors	2	2
Outside directors	3	3
Outside experts	0	0
Other	0	0
Chairperson	Outside director	Internal director

Supplementary information

As advisory bodies under the Board, the Nomination Committee and the Remuneration Committee deliberates inquiries from the Board and reports deliberation results to the Board. The Nomination Committee and the Remuneration Committee consist of outside and internal directors of the Board of Directors, and the majority of each committee's member is outside directors. With the aim of enhancing the Company's global competitiveness and ensuring a sustainable growth and development of its businesses, the Nomination Committee deliberates the selection policy and criteria of directors and executives, the succession plan, the draft of the list of candidates for the office of members of the Board of Directors, President and Executive Vice Presidents. The Remuneration Committee mainly deliberates the design and establishment of remuneration policy for directors (setting performance goals, rationality of performance-linked remuneration, validity of remuneration composition and individual amount of remuneration based on its policy, etc.)

<Independent directors >

Number of independent directors	6
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Other matters related to independent directors

None

<Incentives>

Incentive policies for directors	Adoption of performance-linked and share-based incentive plan
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Supplementary information

Supplementary information is included in “Disclosure of policy on determining remuneration amounts and calculation methods” which is indicated below.

Recipients of stock options	
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Supplementary information

None

<Director remuneration>

Disclosure of directors’ remuneration	Selected directors
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Supplementary information

Nidec abolished its retirement benefits system for directors on December 31, 2004.

Remuneration is disclosed individually only to those who have a total remuneration of 100 million yen or more.

The remuneration amounts Nidec paid for the directors in fiscal year ended March 31, 2024 are shown below. The securities reports and business reports that contain information regarding remuneration amounts are posted on Nidec’s website.

(<https://www.nidec.com/en/ir/library/reports>)

Directors (excluding Audit and Supervisory Committee Members and Outside Members of the Board of Directors)

Number of recipients: 2

Fixed remuneration: 139 million yen

Variable remuneration: 0 million yen

Performance-linked share-based remuneration: 0 million yen

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

Number of recipients: 2

Fixed remuneration: 38 million yen

Outside Members of the Board of Directors

Number of recipients: 7

Fixed remuneration: 56 million yen

Policy on determining remuneration amounts and calculation methods	Established
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Disclosure of policy on determining remuneration amounts and calculation methods

Matters concerning the policy to determine the amounts of executives' remuneration or the way to calculate such amounts, and the process to determine the amounts

1) Policy to make decisions on executive remuneration and the process to determine its amounts

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.
- Attract talented management personnel.
- Set at an appropriate level for the Company's size and business domains.

b) Outline of revenue composition

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

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

<Founder and Chairman of the Board>

The remuneration of Founder and Chairman of the Board shall be fixed remuneration only, which is paid monthly.

<Members of the Board of Directors (excluding Founder and Chairman of the Board, outside members of the Board of Directors and members of the Board of Directors who are Audit and Supervisory Committee Members)>

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

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

iii) Target period for the performance-linked share-based remuneration is three consecutive fiscal years. The eligible directors are given the number of points that fluctuates within a range of 0% to 200% according to their position ranks, the level of achievement of consolidated net sales and consolidated operating profit plans as well as how many ESG evaluation institutions grant us the scores and ratings we target. After the lapse of the applicable period, the number of the Company's shares calculated based on the cumulative value of points granted will be delivered, and money equivalent to the amount of the Company's shares will be paid (one unit is equivalent to one share).

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

c) Process of determining remuneration

The Board of Directors shall determine the amount of fixed remuneration and variable remuneration for each member of the Board of Directors (excluding members of the Board of Directors who are Audit and Supervisory Committee Members) in accordance

with the criteria stipulated in the above policy and based on the recommendations of the Remuneration Committee, which is a voluntary advisory body. In addition, the Board of Directors shall similarly determine the content of performance-linked share-based remuneration in view of the recommendations of the Remuneration Committee.

d) Forfeiture of remuneration (clawback and malus)

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

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

<Support system for outside directors >

The General Affairs Department that acts as the secretariat for the Board of Directors supports the outside directors. The General Affairs Department provides the outside directors with the company's information in a timely manner and corresponds to their inquiries through day-to-day communication. With regard to the meetings of the Board of Directors, the General Affairs Department provides all the directors with the financial information and information materials related to the proposals for the meetings and accounting information a day before the meetings are held. In addition, assistance is provided by the Corporate Administration & Internal Audit Department, Nidec's internal audit department, to outside directors who are Audit and Supervisory Committee Members. When a meeting of the Audit and Supervisory Committee is held, meeting notices are sent out to all the Audit and Supervisory Committee Members by three days prior to the day of the meeting, while documents related to the bills to be deliberated in the meeting of the Audit and Supervisory Committee are sent to the members at the latest one day before the meeting. After a meeting of the Audit and Supervisory Committee, meeting minutes are sent to all Audit and Supervisory Committee Members. In addition, as necessary, various information is reported and provided by full-time Audit and Supervisory Committee Members and executive officers to outside directors who are Audit and Supervisory Committee Members.

Outside members of the Board of Directors and the Audit and Supervisory Committee have informal meetings where they are provided various kinds of information by the

executive officers. Nidec serves them sufficient opportunities to observe group company sites worldwide physically or online.

2. Matters regarding functions of business execution, auditing, oversight, nomination, and remuneration decisions: overview of current corporate governance system

Nidec transitioned to a “company with an Audit and Supervisory Committee” through a resolution at the 47th Annual General Meeting of Shareholders held on June 17, 2020. Nidec’s Board of Directors consists of eleven directors including five internal directors and six outside directors. Four outside directors are female. The Audit and Supervisory Committee consists of five members including two internal members and three outside members. Two outside members are female.

The Board of Directors makes material management decisions and oversees the Group’s business operations as a whole. The Board of Directors includes highly independent outside directors (non-executive directors), who are dedicated to monitoring managerial decisions from an objective perspective and further improving management transparency for all stakeholders.

The Audit and Supervisory Committee audits directors’ execution of business and receives reports from accounting auditors.

The Executive Management Meeting and the Monthly Executive Meeting compose the Group’s business execution mechanism and discuss specific operational issues. The Executive Management Meeting is held and convened by the President twice a month as a rule, as the decision-making body for operational matters. The meeting involves the pre-deliberation of items submitted to the Board of Directors, as well as the deliberation and resolution of overall operational policies, plans, and individual important matters. The Monthly Executive Meeting is held once a month, where all executive officers gather, led by the Chief Executive Officer, to discuss high-priority topics and align the direction of management.

With a view to improving management efficiency, the Group has adopted an executive officer system and a business unit management system. The executive officer system delegates part of the Board responsibilities to executive officers, thereby allowing the Board of Directors to focus on more proactive, in-depth discussions on the Group’s strategic directions and enables executive officers to accelerate the execution of business. In the meantime, the business unit management system makes clear the locus of

respective managerial responsibilities and contributes to the maintenance and improvement of a viable internal control system. Furthermore, the Group has adopted chief officer system. Each chief officer shares roles under the strong leadership of the Chief Executive Officer, and makes group-wide business execution to achieve the group's business goals. Please refer to page 43 for more information about chief officer system.

To clarify the management responsibility, the terms of office of both members of the Board of Directors who are not Audit and Supervisory Committee Members and executive officers are set to one year. With regard to the remunerations for directors, Nidec abolished the directors' retirement benefits systems in December 2004 to make the remuneration more strongly linked to the company's performance. Nidec adopted in the fiscal year ended March 31, 2018 a performance-linked and share-based incentive plan for directors (excluding members of the Board of Directors who are Audit and Supervisory Committee Members and outside directors), executive officers and employees who have the equivalent positions. This plan aims to enhance the directors' motivation for achieving the company's performance goals, and contributing to sustainable expansion of the corporate value through their possession of the company's shares. This plan was revised partially in 2021.

The members of the Board of Directors have highly independent outside members who have no particular relationships with Nidec, which enhances the function of supervising the company's business management, and improves the transparency and the objectivity of the management. Such outside directors make material management decisions and oversee Nidec's business operations as a whole based on their extensive experience and deep insight from an objective and neutral perspective. Nidec elects outside directors by reference to the rules for Independent Executives defined by the Tokyo Stock Exchange. They are highly independent members who have no personal, capital, trading or other conflicts of interest with Nidec in the past and the present, and possess no conflict of interest with ordinary shareholders. In light of their independent status, Nidec appoints all outside directors as independent directors. These members strengthen the audit and supervisory functions of Nidec to improve its management's transparency and objectivity.

Nidec strives to strengthen the auditing and supervising functions to the management through the coordination between the Board of Directors composed of five internal directors who have a thorough knowledge on the company's business and six outside directors, the Audit and Supervisory Committee whose composition ratio of outside

member is over 50%, and the Corporate Administration & Internal Audit Department, the company's internal auditing department.

3. Reasons for adoption of current corporate governance system

Please refer to the above-mentioned “overview of current corporate governance system.”

III. Implementation of measures for shareholders and other stakeholders

1. Measures to vitalize the General Meeting of Shareholders and enable smooth exercise of voting rights

	Supplementary information
Early notification of Regular General Meeting of Shareholders	In 2024, Nidec dispatched the Notice for the 51st Regular General Meeting of Shareholders held on June 18, 2024, on May 31, eighteen days before the meeting was held.
Scheduling shareholders' meetings avoiding the peak day	Nidec scheduled the Regular General Meeting of Shareholders on off-peak days when meetings of many other companies are not concentrated. In the past three years, Nidec held shareholder meetings on June 18, 2024, June 20, 2023, June 17, 2022, and June 22, 2021.
Electronic exercise of voting rights	A system for executing voting rights through the electromagnetic methods and cellular phone have been in place since 2004 and 2005, respectively.
Participation in electronic voting platform	Nidec participated in Electronic Voting Platform operated by ICJ, Inc. for institutional investors.
Providing convocation notice in English	Nidec prepares an English translation of the full text of its notice for Regular

	General Meeting of Shareholders, and posts it on its website and the website of Tokyo Stock Exchange along with the notice in Japanese.
Other	<p>At the Regular General Meeting of Shareholders, Nidec explains the previous year's operation results by using business report to help shareholders better understand the company.</p> <p>The Founder and Chairman of the Board, Member of the Board of Directors and Chairman and the President and Chief Executive Officer answer the questions raised by the participating shareholders, In addition, Nidec opens the shareholders' meeting to the media to enhance transparency.</p> <p>The voting results with the number of votes at the shareholders' meeting are posted on Nidec's website.</p>

2. IR Activities

	Supplementary information	Explanation by Representative
Preparation and publication of disclosure policy	<p>Nidec publishes its disclosure policy on its following IR website in both Japanese and English.</p> <p>Japanese: https://www.nidec.com/jp/ir/management/disclosure</p> <p>English: https://www.nidec.com/en/ir/management/disclosure/</p>	
Regular briefings for retail investors	Nidec conducts explanations through the media by the Founder and Chairman of the Board, the	Yes

	<p>Representative Director and President CEO and the Member of the Board of Directors and Chairman. Nidec also participated in online IR fair held for individual investors. Our speech was broadcast on radio programs. Also, Nidec conducted an IR seminar where IR staff explained Nidec's growth strategy for individual investors.</p>	
<p>Regular briefings for analysts and institutional investors</p>	<p>Nidec held face-to-face and online briefing quarterly in fiscal 2023. Mainly the Founder and Chairman of the Board, the Representative Director and President CEO and the Member of the Board of Directors and Chairman and Senior Vice President and CFO provided explanations and answered questions from analysts, institutional investors and the media.</p> <p>In fiscal 2023, Nidec held ESG briefing that was held for the first time in fiscal 2022. Outside Member of the Board of Directors, Chair of the Nomination Committee, member of the Remuneration Committee and member of the Sustainability Committee, First Senior Vice President and Executive General Manager of Motion & Energy Business Unit and other persons responsible for each business explained on the function of each committee (the Nomination Committee, the Remuneration Committee and the Sustainability Committee), Nidec's ESG initiatives and eco-friendly products. Nidec will</p>	<p>Yes</p>

	hold ESG meeting regularly and continue to disclose information.	
Regular briefings for overseas investors	Nidec held financial results briefings quarterly in fiscal 2023, with simultaneous interpretation to English. Mainly the Founder and Chairman of the Board, the Representative Director and President CEO, and Senior Vice President and CFO provided explanations and answered questions from analysts, institutional investors and the media. Also, the Founder and Chairman of the Board, the Representative Director and President CEO, and Senior Vice President and CFO gave presentations via the Internet for investors in North America and Europe each once a year. Nidec has IR offices in New York and the Netherlands, and these resident officers often visit investors and conduct briefings locally.	Yes
Posting of IR materials on website	The following IR materials are posted on the company's website. Items (a) through (g) are available in both Japanese and English. (a) Consolidated financial statements (b) Earnings results briefing presentation materials (c) Recorded audio of the results briefing including Q&A session (d) Convocation notice for shareholders meeting and notice of resolutions (e) Important news releases	

	<p>including timely disclosures</p> <p>(f) Securities report</p> <p>(g) Corporate governance report</p> <p>(h) Presentation materials used for briefing sessions for retail investors</p> <p>(i) Half-year reports for retail investors</p>	
Establishment of department in charge of IR	<p>Department in charge of IR activities is IR Department. The executive officer in charge of IR activities is Mr. Akinobu Samura, Senior Vice President and Chief Financial Officer (CFO). The head of IR is Mr. Teruaki Urago, General Manager of IR Department. IR Department is composed of 10 employees including resident officers in New York and the Netherlands.</p>	
Other	<p>As part of the strategy to increase the number of retail investors, Nidec constantly holds explanatory meetings for securities companies' sales representatives. The company held 110 online or face-to-face meetings in fiscal 2023.</p>	

3. Measures to ensure due respect for stakeholders

	Supplementary information
Stipulation of internal rules for respecting the position of stakeholders	<p>The company clarifies its basic stance for serving its stakeholders including society and its employees in Nidec's mission statement. Also, the company stipulates the stance for the relationships with stakeholders in the company's Corporate Governance Policy as follows: Sustainable enhancement of corporate value builds upon harmonious relations with stakeholders. Our definition of stakeholders extends broadly and includes not only our shareholders,</p>

	<p>customers, suppliers, individual employees, but even the communities and the environment that can be directly or indirectly affected by the Group’s objectives and actions. As a business seeking growth through fulfillment of social responsibility and sustainable corporate value development for our stakeholders, we will continue to increase our focus on products and activities that are green and socially desirable. This concept constitutes a common thread running through our entire business activities, most notably reflected in our engagement in the brushless DC motor technology, which provides excellence in energy efficiency, operating life and noiselessness for IT and audiovisual devices, automobiles, home appliances and industrial machinery. Nidec Group contributes to the progress of society and reduction of load on the earth’s environment by developing and supplying products that are environmentally friendly and required by society, and through a range of business activities related to the above. We believe that all this helps ensure sustainable growth in our company value.</p>
<p>Implementation of environmental activities, CSR activities etc.</p>	<p>Nidec’s sustainability promotion activities focus on pursuing the social value of its product and having responsibility for the environment and society when conducting its business. Nidec’s basic concept of CSR is defined in our CSR Charter, and specific policies are systematized as Nidec Group CSR Declaration. Our company, which operates businesses around the world, has incorporated ESG considerations that we deem particularly important for ensuring sustainable growth into our medium-term strategic goal, “Vision 2025”. We are engaged in 15 thematic activities related to 5 materiality areas (environment, products, human resources, supply chain, and corporate governance). The Sustainability Promotion Meeting, chaired by the President and consisting of vice presidents, discusses the progress of these initiatives, challenges to be overcome, and response strategies to new social demands. A summary and resolutions are then reported to the Sustainability Committee, which serves as the supervisory body for the committee. The Sustainability Committee, consisting of a majority of Outside Members of the Board of Directors, evaluates these reports from an objective and professional standpoint and shares important matters with the</p>

	<p>Board of Directors.</p> <p>Please refer to the following webpage on Nidec’s materiality initiatives. https://www.nidec.com/en/sustainability/principle/materiality/action/ Other CSR activities are also disclosed on Nidec’s webpage. https://www.nidec.com/en/sustainability/</p>
<p>Development of policies on information provision to stakeholders</p>	<p>Nidec established Disclosure Policy and publishes it on its website. In the policy, the company stipulates that it engages in fair disclosure for the stakeholders and discloses critical information that is not subject to either fair disclosure or timely disclosure requirements but potentially affect investment decisions. Also, Nidec clarifies its policy in the CSR Charter as follows: “We strive to achieve fair and transparent disclosure of information through dialogue with stakeholders, including shareholders, customers, business partners, and employees, to earn and retain the trust of society.”</p>
<p>Other</p>	<p>Regarding Health-Oriented Management</p> <p>Based on the belief that employees’ health and job satisfaction are important sources of management, the top management announced the declaration of health-oriented management in 2020 which is to create an environment in which each employee can work energetically.</p> <p>The Health Promotion Committee has been established as a cross-divisional organization that includes occupational health staff, and in parallel with company-wide measures, the company is working on improving each workplace.</p> <p>Nidec analyzes health awareness surveys and stress level test for all employees, and considers and conducts initiatives such as provision of communication opportunities with colleagues and seminars by industrial physicians to maintain the employees’ good health. In fiscal 2021, Nidec achieved a complete smoking cessation on its domestic sites. Nidec group is promoting smoking cessation as a whole.</p> <p>As a result of these efforts, Nidec was certified as an excellent corporation for health management by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi for three</p>

	<p>consecutive years.</p> <p>Nidec will continue to promote the health of its employees as part of its efforts to create an environment in which each and every employee can demonstrate his or her full potential.</p>
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IV. Matters related to the internal control system

1. Basic views on the internal control system and the progress of system development

Nidec has in place the following system to secure proper business operations in accordance with Company Act and bylaws for execution thereof.

1. System to ensure the execution of duties by Nidec’s and its subsidiaries’ members of the Board of Directors and employees comply with laws and regulations and the Articles of Incorporation

Nidec 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) Nidec 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 established a compliance system and promote total awareness of this system by properly executing business operations based on laws and regulations, and by continuously checking and improving the process of executing such business operations.

(ii) Nidec has a Compliance Committee under its Board of Directors, establishes basic compliance policies, and monitors its group companies’ compliance status.

(iii) Nidec establishes specific compliance-related action guidelines, i.e., “the Nidec Group Compliance Code of Conduct,” and ensures that all Nidec group companies’ officers and employees understand and act on them.

(iv) As part of its compliance promotion activity, Nidec holds compliance seminars for

individual Nidec companies, formulates and uses Nidec Compliance Handbook to help raise their officers' and employees' awareness on compliance.

(v) To spread compliance throughout Nidec group companies, Nidec has in place a group-wide internal reporting system, "Nidec Global Compliance Hotline," to encourage its group companies' 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, Nidec'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, Nidec tries to prevent their recurrence by performing investigations and resolving issues based on reports, notifications, etc., made to its Legal & Compliance Department or internal point of contact for such notifications. Nidec deliberates compliance violations in a meeting of an internal disciplinary committee and the Board of Directors to decide on penalties among the compliance violation matters that need to be penalized.

(viii) To exercise its corporate governance Nidec Group-wide, Nidec has its head office departments provide the entire Nidec group with internal control system-related instructions and support, and manage and audit Nidec group companies to ensure legal, proper, and efficient business operations.

(ix) The internal audit departments of Nidec and its subsidiaries conduct internal audits on individual Nidec group companies to provide them with instruction, support, and advice for better business operations.

2. System for the storage and management of information regarding the execution of duties by directors

Nidec organizes and stores documents regarding the execution of duties by the members of its Board of Directors and executive officers for a certain number of years based on "Document Regulations," and the members of the company's Audit and Supervisory

Committee may view those documents at any time.

3. Regulations and systems related to risk management of Nidec and its subsidiaries

(i) Nidec 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 its risk management policies each fiscal year, while the general manager in charge of risk management 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 group companies on the design of their risk management systems as needed.

(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.

(iii) The company formulates basic policy, management systems and operation method regarding Nidec group-wide information security to manage Nidec Group’s information security risk. 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 basic policy regarding information security. The company monitors and supervises the implementation and process of information security measures.

(v) Department in charge of information security management supports the execution of the related measures and responds to accidents and issues related to information security. The Corporate Administration & Internal Audit Department conducts information security auditing, supervises and supports the implementation of the related measures as needed.

4. System to ensure an efficient execution of duties by Nidec's and its subsidiaries' Board of Directors

(i) As the basis of the "system to ensure an efficient execution of duties by Nidec's and its subsidiaries' Board of Directors," Nidec adopts an executive officer system to empower its executive officers with authorities to execute business operations. Nidec's Board of Directors makes decisions on material matters concerning the company's business policies, management strategies, etc., appoints and dismisses executive officers, 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. Nidec regularly reviews and rolls the plan based on changes in the market and the status of progress against the plan.

(iii) Nidec and its group companies 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) Nidec and its group companies 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 Executive Management Meeting and the Monthly Executive Meeting.

5. Matters concerning reports to Nidec regarding the execution of duties by Nidec's subsidiaries' directors

(i) The members of the Board of Directors and executive officers of Nidec serve as members of the Board of Directors and executive officers of Nidec group companies concurrently, attend their Executive Management Meeting, 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 group 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 related to employees who support the members of the Audit and Supervisory Committee and such employees' independence from the directors who are not Audit and Supervisory Committee Members, and ensuring the effectiveness of instructions to such employees.

(i) In accordance with the Audit and Supervisory Committee's requests, the Corporate Administration & Internal Audit Department audits matters that the members of Audit and Supervisory Committee request to be audited, and reports the audit's results to the Audit and Supervisory Committee.

(ii) During such an audit, support is provided for performing the audit if ordered or requested by the members of the Audit and Supervisory Committee. Members of the Board of Directors who are not Audit and Supervisory Committee Members or executive officers of the company pose no improper restrictions on such reports.

7. System for a member of the Board of Directors, an employee of Nidec Group and a member of the Audit & Supervisory Board of the Nidec subsidiaries, or someone who has received a report from any of these people, to report to the company's Audit and Supervisory Committee, and to protect whistleblowers.

(i) The members of the Board of Directors, executive officers and employees of Nidec 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 members of the the Board of Directors who are not Audit and Supervisory Committee Members and executive officers, and the Audit and Supervisory Committee.

(ii) Nidec's Corporate Administration & Internal Audit Department holds a meeting to

report matters to Nidec's members of the Audit and Supervisory Committee on a regular basis and reports the internal audit results at Nidec group companies.

(iii) Nidec's Legal & Compliance Department reports the status of whistle blowing by Nidec Group's officers and employees to the members of Nidec'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 the members of Nidec's Audit and Supervisory Committee, or for handling procedures for reimbursement, and for handling the cost or liability incurred due to the execution of any other duties by the members of the company's Audit and Supervisory Committee.

In accordance with Nidec's Audit and Supervisory Committee Regulations and the standards for audit by the members of 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 the members of the Audit and Supervisory Committee deem 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 members of the Audit and Supervisory Committee

(i) The members of the Audit and Supervisory Committee exchange their opinions with the Company's executives.

(ii) The members of the Audit and Supervisory Committee prepare each month's activities in an audit report and submit it to the company's Board of Directors.

(iii) The members of the Audit and Supervisory Committee visit individual Nidec group companies' field site to conduct audits on operations.

2. Basic views on excluding organized crime and the progress of system development

Nidec clearly states in its CSR Charter that the company engages in sincere business activities and stipulates in Nidec Group CSR Declaration its policy of having absolutely no association with organized crime and other criminal elements that pose a threat to public order and safety. Also, the company established a procedure manual for dealing with organized crimes. With these materials, Nidec has a firm system to exclude organized crimes in a resolute manner. Specifically, the company has been executing the measures below for excluding organized crimes:

- (1) Nidec puts in the General Affair Department a person in charge that is responsible for dealing with inappropriate requests from organized crimes and other criminal elements.
- (2) Nidec participates in Kyoto's corporate defense measure council and collects information regarding organized crimes in close cooperation with the other participants. Also, the company receives instructions from the external expert organizations such as police department and the Kyoto Center for the Elimination of Boryokudan.
- (3) The person in charge in the company participates in citizen's meetings for eliminating Boryokudan and Kyoto's corporate defense measure council where the person in charge receives trainings. He/she then informs Nidec's employees of necessary information in a timely manner and alert the employees.

V. Other

1. Adoption of anti-takeover measures

Adoption of anti-takeover measures	Not adopted
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Supplementary information

Nidec has not adopted any anti-takeover measures.

2. Other matters concerning the corporate governance systems

1. Basic policy for timely disclosure

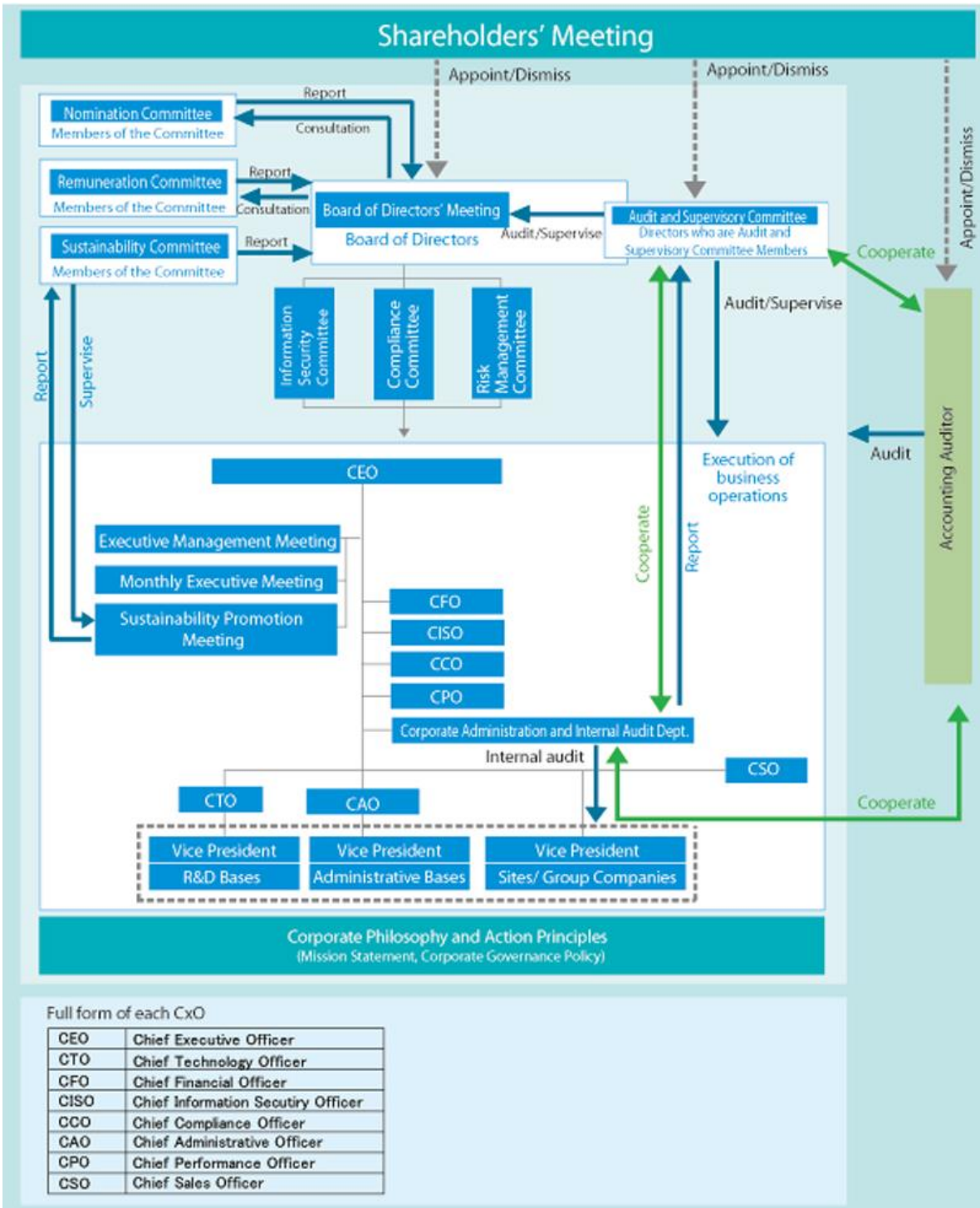
Nidec's Disclosure Policy stipulates its basic policy for timely disclosures as follows:

In order to provide shareholders and investors with a common ground for corporate value assessment, and thereby enhance managerial accountability and transparency, Nidec seeks to ensure timely and fair disclosure of relevant corporate information. All employees and board members of Nidec (and its subsidiaries) are committed to strict compliance with Disclosure Policy.

2. Internal system for information disclosure

Nidec stipulates specific disclosure methods and procedure in its disclosure procedure management regulations and internal regulations for preventing insider trading for all Nidec group companies based on the above-mentioned basic policy in order to conduct fair and appropriate disclosure in a timely manner. Nidec's information disclosure system based on these regulations is as follows:

- (1) When there is an important decision that is believed to be the type of information that should be disclosed timely, or when there is a fact of the same type, the president and the department leaders of the business base who have obtained the information immediately report it to the information management officer (the officer in charge of supervising Nidec's Corporate Communication Department).
- (2) The information disclosure committee headed by an executive officer in charge of IR deliberates whether or not the information needs to be disclosed timely, when to disclose the information, how to disclose it, and the information management officer makes the final decision.
- (3) The information management secretariat (Nidec's Corporate Communication Department) discloses the information based on a comprehensive information management to secure fair disclosure of information and prevent insider trading. Subsidiary-related information that should be disclosed timely is disclosed by the subsidiary's department in charge based on instructions by Nidec's Corporate Communication Department.



<Directors' Skill Matrix>

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