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# Nidec Automobile Motor (Zhejiang) Certified as Zhejiang Province's First "Advanced-level Smart Factory"

Nidec Corporation (TSE: 6594; OTC US: NJDCY) ("Nidec" or the "Company") announced today that Nidec Automobile Motor (Zhejiang) Corporation ("Nidec Automobile Motor (Zhejiang)"), one of the Company's subsidiaries, has become the first company in Zhejiang Province to be certified by its government as an "advanced-level smart factory" based on the FY2025 phased smart factory development system promoted by China's Ministry of Industry and Information Technology. Having been certified as a "provincial-level smart factory" by Zhejiang Province in January 2024, Nidec Automobile Motor (Zhejiang) has acquired a higher-level certification this time.



List of "advanced-level smart factories (certified as such for the first time in Zhejiang Province)" posted on the official website of Department of Economy and Information Technology of Zhejiang Province

Zhejiang Province defines "advanced-level smart factories" as "new factories that have in place smart manufacturing equipment and industrial software and systems, and that interconnect production equipment and information system, to improve the entire manufacturing process's efficiency and to innovate business models." To meet this definition, factories must be able to share production and management data with each other, accurately control important production processes, manage production and management in a coordinated way, while being capable of implementing digitalization-based and smart applications at critical moments.

As a result of integrations in production, management, logistics, and development, Nidec Automobile Motor (Zhejiang), achieved conversions and upgrades in many areas through its factory, which was certified as smart in FY2023. Nidec Automobile Motor (Zhejiang)'s actions include:

### 1. Introducing cloud computing and a corporation management platform\*1

By utilizing cloud computing and a corporation management platform, Nidec Automobile Motor (Zhejiang) successfully shares data in its production process, launches collaborations, and performs remote cooperation. This system enabled information sharing and collaboration among departments, improving the entire production process's efficiency and harmony.

\*1. Corporation management system (an abbreviation of "digitalization corporation management platform and OA system): This method utilizes an "online corporation hub" built based on digital technology to integrate people, processes, information, and resources dispersed inside a company or an organization into a single platform to, for example, digitalize communication, automate processes, and centralize data.



Architecture diagram of cloud computing's collaboration platform

#### 2. Building an intelligent warehouse

Nidec Automobile Motor (Zhejiang)'s intelligent warehouse, which plays a central role in smart manufacturing and logistics operations, improves efficiency, reduces costs, sophisticates management systems, and enables inter-industry collaborations. In particular, with a data linking-and visualization-based management system, the warehouse has become significantly automated, dramatically improving the digitalization capability of the entire Nidec Automobile Motor (Zhejiang).



**Intelligent 3D warehouse** 

#### 3. Human-machine collaboration

Nidec Automobile Motor (Zhejiang) adopts AI, smart sensor, and other next-generation technologies in its production processes. Further, by integrating SAP, MES, WMS, and other systems, and using smart production equipment, smart quality inspection equipment, and automated guided vehicles (AGVs), Nidec Automobile Motor (Zhejiang) successfully achieved interaction of its production processes, dramatically improving production efficiency and flexibility.



**Automatic production process** 

## 4. Big data analysis and intelligent decision-making

Nidec Automobile Motor (Zhejiang) analyzes massive data from its production process, and utilizes AI and machine learning algorithms, to support sophisticated production data processing and decision-making. These activities enable Nidec Automobile Motor (Zhejiang) to optimize its production plans, predict equipment failures, and improve its products' quality.



**Automatic production line** 

Nidec Automobile Motor (Zhejiang)'s automatic production lines improves labor productivity, stability, and product quality without manual intervention. The latest certification as an advanced-level smart factory means that Zhejiang Province has recognized Nidec Automobile Motor (Zhejiang)'s positive actions in smart use of things and digitalization, and highly evaluated its automation, transparency, visualization, and redundancy-elimination measures.

Going forward, Nidec Automobile Motor (Zhejiang) will advance further to build high-level, ideal factories, while aiming to meet the government's policy and be certified as a "national-level smart factory." Based on its "Drive creativity, high-end lead, and ecosystem-based collaboration" guidelines, Nidec Automobile Motor (Zhejiang) will upgrade its production processes and technological equipment, and launch other actions such as interconnection of equipment and promotion of production transparency, to make ideal factories.