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Nidec Conversion, a Division Under Nidec Corporation's Motion & Energy Business Unit, Announces Its Sustainability Promotion Plan

Nidec Corporation (TSE: 6594; OTC US: NJDCY) (the "Company") announced today that Nidec Conversion, a division under the Company's Motion & Energy Business Unit, has unveiled its sustainability promotion plan from 2025 – 2028.

■ **How Nidec Corporation promotes sustainability**

To fulfill its mid- and long-term mission of "Contribute to the Earth with World-leading Motors," Nidec Corporation identified critical issues to tackle preferentially in expanding its corporate value ("materiality issues"), and promotes initiatives such as "Realize a decarbonized society," "Address water risks," and "Society- and eco-friendly sustainable procurement."

In its efforts to realize a decarbonized society, Nidec Corporation aims to achieve Net Zero in CO₂ emissions from its business activities by the fiscal year of 2040, and along the entire supply chain by FY2050. As its mid-term targets to achieve these Net Zero goals, the Company set targets of reducing 42 percent CO₂ emissions in Scope 1 and 2, and the production of indirect emissions (Categories 1 and 11 of Scope 3) by 25 percent, by 2030 compared to FY2022 emissions, which are CO₂ emissions reduction targets based on the SBTi (Science Based Targets initiative)* standard. In addition, the Company contributes to improving energy efficiency and curbing environmental load through high-efficiency motors and electricity generators, battery energy storage system (BESS), and many other products and technologies.

*SBTi: An international initiative to promote companies to set greenhouse gas emissions reduction targets based on climate science. Nidec obtained its SBTi certificate in 2024 for its CO₂ emissions reduction target up to FY2030.

■ **How Nidec Conversion promotes sustainability**

As an international leader in electric solution, industrial automation, battery energy storage system (BESS) and other areas of business, Nidec Conversion promotes a sustainable energy transition. The company's first-ever sustainability promotion plan aims to address issues in the following priority areas in the three-year period of 2025-2028 under the slogan, "Promote Innovations, Drive Sustainability."

● **Environmental efforts**

- Curb CO₂ emissions: Reduce 42 percent CO₂ emissions in Scope 1 and 2, and the production of indirect emissions (Scope 3) by 25 percent, by 2030 compared to FY2022 emissions. In addition, achieve Net Zero by 2040 in Scope 1 and Scope 2 CO₂ emissions and by 2050 along the entire value chain (Scope 3).
- Utilize renewable energies: Transition 50% of Nidec Conversion's total energy needs to renewable

electricity by 2030.

- Reduce environmental load: Reduce water consumption by one-third by 2028. Curb air pollutants' emissions through pollution prevention strategies.

● Promoting social responsibilities

- Supply chain management: Ensure that all sourced minerals are *Conflict Free* to secure transparency in the supply chain.
- Promote a proactive safe culture: Spread safety awareness throughout the company with the goal of zero fatalities and serious injuries at work.
- Support local communities: Support local communities' development via educational programs and regional efforts.
- Diversity and equal opportunity: Emphasize human rights and labor practices, and provide all stakeholders with values.

● Enhancing governance

- Transparency and accountability: Pursue a key performance indicator (KPI), and assess progress via a third-party audit.

The sustainability promotion plan: Its background and goals

Nidec Conversion, with manufacturing plants in Europe, China, India and the United States, confirms its commitment to technological innovations that support sustainable energy conversion. The company will proceed in line with European Sustainability Reporting Standards (ESRS), accomplishing 8 distinct ESG targets, through 48 strategic actions. Furthermore, Nidec Conversion will advance its environmental goals by addressing key issues such as climate change, biodiversity protection, and water management, to concretely reduce and control its impact on the ecosystem. Thus the company enhances its support for its customers and partners to achieve their own decarbonization goals.

Long-term perspective

Nidec Conversion's sustainability promotion plan evaluates progress after three years of its initial operation, and sets and constantly updates new targets and milestones. Under its vision, "Promote Innovations, Drive Sustainability," Nidec Conversion acts to realize a sustainable future.

■ Executives' comments

Dominique Llonch, CEO and President of Nidec Conversion, and Nidec Energy's Chairman, declared: *"Nidec Conversion has always positioned itself as a facilitator of the energy transition. Being able to unveil our first Sustainability Plan this year is a reason for us to be proud and a demonstration of the tangibility of the path we started several years ago,"* and he concluded, *"Today, it is clear that each and every actor must act to their best against climate change, and Nidec, which supports energy transport and saving can make a difference with efficient and resilient technologies."*

Simone Cascioli, Global HSE & ESG Director, added: *"We believe that the value of our commitment to sustainable development comes through tangible actions, emphasizing the*

importance of the environment and local communities. This is why we have embarked on a journey that leads us today to the company's first ESG Improvement Plan: a transparent roadmap of the goals we intend to achieve, inside and outside the world of Nidec Conversion."

For more details on Nidec Conversion's sustainability promotion plan, please visit the company's official website at:

<https://www.nidec-conversion.com/sustainability-2025/>

■ About Nidec Conversion

As part of the Nidec Motion & Energy Business Unit, Nidec Conversion offers complete, customised electrical systems for energy efficiency in all fields. Its target markets are petrochemical, traditional and renewable energy, e-mobility, steel, marine and industrial automation. The multinational company specialises in heavy-duty applications with electric motors and generators up to 65 MW power (87,000 hp), electronic power converters and inverters, automation and software for industrial processes, and the retrofitting of power plants and hydroelectric generators. In addition, the company has strong know-how in the field of integrated systems for the production and storage of electrical energy (i.e. BESS) from renewable sources and their integration into electricity grids, as well as in the design and implementation of infrastructures for recharging electrical machines. Nidec Conversion is also able to offer optimised technologies for motor control and to develop automation solutions for specific applications, customised to the client's needs.

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