nichicon

Integrated Report 2025



Capital stock
14.28 billion yen

Employees (consolidated)
5,242

Sales of household energy storage systems, and the vehicle-to-home (V2H) systems EVPower Station™
No. 1 in Japan

Number of group companies
28

Net sales
175.7 billion yen

Annual dividend per share
35 yen

World-first

Developed the Tribrid Energy Storage System™, which enables highly efficient use of electricity generated with solar power to be used in households and electric vehicles (EVs) or plug-in hybrid vehicles (PHEV)

Year of establishment
1950



World-first

Development of the EVPower Station™, the vehicle-to-home (V2H) systems that supplies power from electric vehicles (EV/PHEV) to home appliances and provides rapid EV charging at home

Business bases

44 bases in 11 countries

Overseas sales ratio

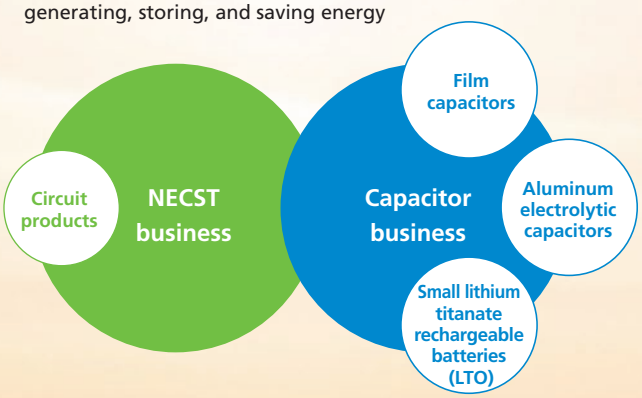
49.4%

Share of accelerator power supplies for medical facilities and academic research

Greater than 80%

Two business areas

Developing the Capacitor business and NECST (NICHICON Energy Control System Technology) business centered on core technologies for generating, storing, and saving energy



Top notch management

First-class performance in every aspect of our business, including quality, cost, delivery, service, and technology

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Editorial policy

The purpose of this report is to provide a greater understanding of the NICHICON Group's strategies and sustainability initiatives toward achieving a sustainable society and continuously improving corporate value.

In addition to a round-table discussion between external directors, we hear in depth from those responsible, as we did last year. It is our hope that this report will lead to greater dialogue.

Period covered

This report covers the activities and results in fiscal 2024 (April 1, 2024–March 31, 2025). However, in some parts, it mentions activities and results after April 2025.

Organizations covered

NICHICON Corporation and its consolidated subsidiaries

Reference guidelines

- International Integrated Reporting Framework (IFRS Foundation)
- Company-Investor Dialogue 2.0 for Collaborative Value Creation (Ministry of Economy, Trade and Industry of Japan)
- Final Report: Recommendations of the Task Force on Climate-related Financial Disclosures.

More information and past case examples can also be found on our website below.

Investor Relations
https://www.nichicon.co.jp/english/ir/

CSR & Environment
https://www.nichicon.co.jp/english/company/sustainability/

Contributing to the creation of a sustainable society by implementing our Mission Statement

The NICHICON Group is, based on our Mission Statement, manufacturing products that have value and performing activities to create a brighter future for society.
With business activities and products that take advantage of our strengths as a company, we will solve the various problems of society and help to make that society more sustainable.

NICHICON's ideals

Mission Statement

We dedicate ourselves to creating valued products that will contribute to a brighter future for society. We strive to attain a better global environment, to live up to our ethical and social responsibilities and to diligently work to exceed the expectations of our customers, shareholders and employees. With heart and soul we aim to maximize our corporate value by the way of "ko-do" (Think and Work).

* "ko-do" (Think and Work): NICHICON has coined this word (in the Japanese origin), which refers to thinking and working.

NICHICON's strengths

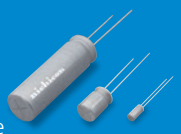
Strengths

- Developing innovative products and technologies
- Contributing to society as a creation business
- Cultivating diverse human resources
- Engaging in active R&D activities including industry-academia collaboration
- Making aggressive capital investment and R&D investment
- Building a sound financial base
- Promoting digital transformation for reforming manufacturing and making operations more efficient

Business activities and products

Capacitor business

- Aluminum electrolytic capacitors
- Film capacitors
- Small lithium titanate rechargeable batteries (LTO)







NECST business

NECST:NICHICON Energy Control System Technology

- Circuit products









Materiality (key issues) →P. 21

• Contributing to a decarbonized society through products • Enhancing customer satisfaction through unique technologies and absolute quality • Creating a workplace where employees feel fulfilled and able to take on challenges • Reducing environmental impact in business activities • Responding to change and strengthening governance and risk management systems

Sustainability Policy →P. 20



Value provided by NICHICON

Value provided		Contributing to the solving of social issues
Clean energy		Achieving carbon neutrality
Energy savings		Expanding the functions of information and communications equipment
Comfort		
Safety and security		Facilitating advanced medicine
BCP		Providing aid to post disaster reconstruction activities
Harmonious coexistence with local regions		
Diversity		Improving the quality of life

SUSTAINABLE DEVELOPMENT GOALS



Katsuhiko Mori
Representative Director and President, COO

Ippei Takeda
Representative Director and Chairman, CEO

Mission Statement

We dedicate ourselves to creating valued products that will contribute to a brighter future for society. We strive to attain a better global environment, to live up to our ethical and social responsibilities and to diligently work to exceed the expectations of our customers, shareholders and employees. With heart and soul we aim to maximize our corporate value by the way of "ko-do" (Think and Work).

"ko-do" (Think and Work): NICHICON has coined this word (in the Japanese origin), which refers to thinking and working.

Message from the Management

We will further strengthen the capabilities of our human resources through large-scale organizational reform and strategically select and focus our management resources, seeking to improve our ability to push through challenges.

Summary of results for fiscal 2024

Reduction in revenue and profit, improved cash flow

Consolidated net sales for NICHICON Group for fiscal 2024, (period ended in March 2025) were ¥175.752 billion (down 3.2% year-on-year). With regard to profit, all profit items booked a decrease in earnings, with operating income was ¥5.204 billion (down 41.6% year-on-year), ordinary income was ¥7.511 billion (down 34.2% year-on-year), and net income attributable to owners of the parent was ¥5.878 billion (down 28.8% year-on-year). The drop in operating income was particularly dramatic, and as the most senior executive in the company, is something I take very seriously.

The main reason for this major drop was that profits in the Capacitor business fell by 78.8% year-on-year, a significant decline. In the NECST business, sales of high added value products such as household energy storage systems and quick chargers for electric vehicles (EVs) were strong, with profit reaching more than twice that of the previous year (increasing by 130.5%). However, this was not enough to offset the weak performance of the Capacitor business.

One cause for the difficulties faced by the Capacitor business is the steep rise in costs for energy and raw materials. Moreover, wage rises in line with trends throughout Japan increased labor costs, pressuring profits. On the sales front, growth in EV sales slowed, with products for automotive-related products under-performing compared to expectations, while demand for products for use in air conditioners and industrial inverters has suffered due to limits on customer investment in equipment, brought on by economic stagnation.

Although it was thus a difficult year in terms of revenue, there was a significant improvement in cash flow. We strengthened production, sales, and inventory (PSI) management to improve earning power, allowing us to speed up collection of accounts receivable and reduce inventory. Meanwhile, operating cash flow (cash inflow) increased by ¥2.025 billion year-on-year to reach ¥18.346 billion. Investment cash flow (cash outflow) decreased ¥4.372 billion over the previous period due to refined investment discipline. As a result, free cash flow at the end of the period increased by approximately ¥6.4 billion over the previous period to approximately ¥10 billion. With regard to financial cash flow we were able to reduce interest-bearing debt (external procurement cash) by ¥9.8 billion through measures sure as the redemption of convertible bonds. I believe that these cash flow management efforts have provided an enhanced foundation for still more growth as external conditions recover.

Outlook for fiscal 2025

Revising our portfolio to achieve higher added value and enhance profitability

Fiscal 2025 is the final year for the Vision 2025 medium-term growth targets. Although we set targets of ¥200 billion in sales and an operating income margin of 10%, in light of the fact that the current difficult business environment is expected to continue, we have revised our anticipated results for the final fiscal year downward to consolidated net sales of ¥180 billion and operating income of ¥6 billion (an operating income margin of 3.3%). However, I would like for us to be persistent until the last, and work to improve our performance as much as possible.

I recognize that improving investment efficiency and strengthening earning power is essential to improving our corporate value and PBR. Vision 2025 sets an annual investment in equipment of at least ¥10 billion as a management target. Although we executed this plan, we did not achieve returns that are commensurate with this level of investment. To improve investment efficiency, from fiscal 2025, we intend to move forward to engage in dramatic selection and focusing with regard to our product portfolio, particularly regarding the Capacitor business.

Although we refer to capacitors as a single type of item, the term in fact refers to many different products and categories, each with a different profit margin. Going forward, we will focus management resources on high-added value sectors or on markets where growth is anticipated and will scale back the resources used for low-growth or low-profit products, and in some cases, consider divestment or withdrawal. Conductive polymer hybrid aluminum electrolytic capacitors used in in-vehicle ECUs and generative AI servers are one promising sector. Demand for high added-value products is strong in new sectors such as AI where quality and performance are more important than cost. Accordingly, we will seek profit growth through products such as these that contribute to the creation of new value.

In the second half of fiscal 2025 we plan to launch a product that is a first-of-its-kind for NICHICON. This is an essential component in information and communications devices such as generative AI servers and PCs where high-speed processing is required. In future, we anticipate that demand will expand into areas such as advanced driver assistance systems (ADAS), and in fact we are already receiving inquiries from a variety of customers. In the NECST business, we have also developed a new product suitable for the growing capacity demanded of household



energy storage systems. This product features a space-saving design with a maximum capacity of 19 kWh and is equipped with AI-based control that allows optimal charging based on the relevant weather conditions. Sales began in October, in conjunction with changes to subsidy programs.

Medium- to long-term growth strategy

Shifting toward profit maximization and creating new value by deepening collaboration between businesses

In conjunction with the end of Vision 2025, we are moving forward with the formulation of the next medium-term growth targets that will start in fiscal 2026. While specific numerical targets and management indices are still under discussion, our basic policy clearly emphasizes a shift from prioritizing sales to focusing on profit and profit margins. Moving forward, rather than focusing on sales growth exclusively, we will work to increase absolute profit levels by expanding high-value-added products and striving for higher profit margins.

With regard to the issue of strengthening profitability in the Capacitor business, we will proceed with the shift to sectors with high added value by improving cooperation with our customers, who are manufacturers of finished products. Rather than the technology-driven development we have pursued to date, we will work toward the creation of new technologies and products from the customer's point of view. In that regard, NICHICON boasts the distinct advantage of having a maker of finished products in-house: the NECST business. For the Capacitor business, the NECST business is positioned as a customer, and I hope that by adding vigor to the communication between both businesses and promoting the sharing of technology and information so that both parties gain an awareness of the needs and problems of the other, we will be able to link this to efficient development of new products and technologies.

In particular, NICHICON's NECST business division employs more than 400 engineers and technical personnel who joined the company as mid-career hires recruited from major home appliance and electronics manufacturers. I believe that exchanging information will offer many hints for developing capacitor technologies from a customer-focused standpoint. Although we have been unable to leverage our strengths sufficiently thus far, in fiscal 2025 the operating officers and general managers at both businesses established a forum where they cross organizational boundaries to gather on a monthly basis for free discussion. We will continue these efforts, working to build an edge that will allow us to stay ahead of our competition.

Ahead of the announcement of our medium-term growth targets for the next period, in August 2025, we identified five materialities (key issues) with a view to achieving growth and creating value in the medium- to long-term (see P. 21). Reflecting the increasingly complex problems faced by society, the content of these materialities covers a broad range of areas, from the direction of our product manufacture and technology development to improving the capabilities of our human resources, and to environmental initiatives, and governance and risk management. We will use these five key issues as guidelines for management, moving forward with selecting and focusing limited management resources, and improving corporate value.

Organizational reform and strengthening our human capital

Large-scale organizational reform to create the ability to push through challenges

I recognize that people—so-called "human capital"—are most important when it comes to the sustainable growth of a company. Now more than ever, we need people with the determination to take on challenges if we are to push through the current stagnant situation we face. This was the thinking that inspired us to establish a human resources system that rewards those people who take on challenges two years ago. Moreover, looking five or ten years into the future, we decided that drastic organizational reform was urgently needed, and implemented large-scale transfers of personnel in April as a result of top-down decisions.

These reforms were not limited to executive officers, but extended across many positions and levels, including transfers of factory and sales office managers, most business unit management, general managers, and management personnel. There were many cases of people being assigned responsibility for areas they had never had jurisdiction over in the past, or being transferred to the head office from a factory (or vice versa). This was the first time in the history of the company that such a large number of people had been transferred.

When someone remains in one department for a long time, they develop an unavoidable tendency to focus only on their own department, resulting in optimization that is only partial. Through these reassignments we hope to encourage managers to broaden their perspectives to include other departments, fostering communication between departments so that they gain a holistic view of the entire company. We anticipate that this will produce new realizations from the perspective of overall optimization and enhance the ability of each of our employees to take the initiative in pushing through challenges to overcome the status quo.

Diversity is particularly important in strengthening human capital. It is not enough to simply have a diverse range of human resources present; it is also important to develop this into new capabilities as an organization by combining diverse cultures, perspectives, personalities, and abilities. As I mentioned, NICHICON employs many talented people who have come to us from other companies, particularly in the NECST business. In addition to technical personnel who hold numerous patents in their own right, NICHICON is home to people with highly specialized knowledge and abilities in our production, sales, management, and IT-related departments. By increasing opportunities for interaction and communication between these people with their diverse backgrounds and those with a more conventional background at NICHICON, and promoting integration, we hope to improve our ability to push through challenges.

We will also take a similar perspective in further focusing on women's participation. In a similar vein, I believe that we must do more than increase the ratio of women managers; as an organization it is important to create an environment in which talented women can participate actively. We are also promoting the hiring of people from other countries. While we already have employees from China, South Korea, and France working in back-office departments, going forward we will also promote the hiring of human resources from India and other countries in the hope that the interplay between different cultures will inspire new realizations and ideas and in turn, create new innovation.

Promoting open innovation

Accelerating innovation and creating new value through co-creation

We will continue to work actively to achieve open innovation through cooperation and co-creation with external companies and research facilities in order to enhance our ability to push through challenges. Since 2016, NICHICON has been promoting industry-academia collaboration with the Institute of Industrial Science and the University of Tokyo, and in October 2024, established the "Future Green Energy Conversion NICHICON Joint Research Program" in collaboration with the Nagasaki Institute of Applied Science. Going forward, we will leverage collaborative research with the Nagasaki Institute of Applied Science to make power conversion equipment more efficient and develop energy management systems (EMS) and engage in the construction of simulation technologies and development of advanced, practical technologies. Professor Kurokawa of the Nagasaki Institute of Applied Sciences is the preeminent authority in Japan in the field of power conversion technology, and we anticipate that he will be extremely inspirational, stimulating the growth of our engineers.

In April 2025, NICHICON concluded a partnership agreement with Nissan Motor Co., Ltd, and Uji City, Kyoto Prefecture. Through this project, going forward we intend to pursue co-creation with the goal of achieving a decarbonized society through the use of EVs and energy storage systems, and I hope that we can actively expand such initiatives to other regions.



To our stakeholders

We will take on the challenges of the future with heart and soul, building on our 75-year history.

While it is often said that the lifespan of a company is 30 years, NICHICON welcomes its 75th anniversary this year. I think the fact that we have survived this long can be attributed to the flexible manner in which we have repeatedly changed to meet the needs of the environment. Like living beings, although companies may seem outwardly the same, they cannot remain healthy or grow in a sustainable manner without new cells continuously emerging to replace new ones within.

Looking back on the last 75 years, there have been several sectors that we decided to withdraw from after considering the future of the company. Conversely, we have also undergone major turning points such as entering the power source sector, expanding our businesses overseas, and creating the NECST business, which focuses on finished products rather than components. In particular, we entered into the NECST business starting from zero, growing it to the point where it now accounts for 40 percent of all company sales, and 70 percent of operating income, making it possibly the most significant change in our 75-year history.

On the other hand, there are many things that we have continued to value throughout our history. The most significant of these is our Mission Statement. Although every part of our Mission Statement is fundamental to our identity as a company, we place particular emphasis on the closing section, "with heart and soul." Going forward, we at the NICHICON Group will continue to face our customers, shareholders, employees, and all other stakeholders, and will work together to create a society with a bright future. I would like to ask for your continued understanding and support for our endeavors.

Ippei Takeda
Representative Director
and Chairman, CEO

Katsuhiko Mori
Representative Director
and President, COO

Vision 2025 medium-term growth targets

NICHICON strives to be a business that is admired for its ESG initiatives and sustainable growth achieved through the realization of its Mission Statement. On November 30, 2021, the Company established its Vision 2025 medium-term growth targets to accelerate initiatives that capitalize on its strengths.

The changing external environment

New values such as those embodied in the SDGs, carbon neutrality, circular economies, and shared economies are spreading across the globe	Innovative advances in digital technologies such as 5G, AI, and IoT	Efforts to adapt to life with COVID-19 are driving change in industrial structures, socioeconomics, and the promotion of DX
Demand for automation and power conservation is expanding beyond the developed world to emerging countries	Electrification of vehicles and the shift to EVs are accelerating dramatically	Reduced generation costs are propelling a move to renewable energy as a primary power source

NICHICON's Capacitor and NECST businesses are solutions for an era in which problems must be solved to achieve a better global environment

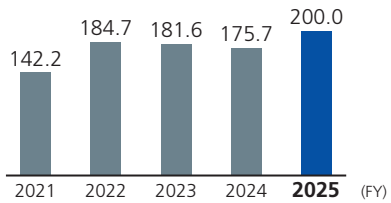
Growth strategies that leverage NICHICON's strengths

Systems for producing and selling a broad range of aluminum electrolytic capacitors in Japan and abroad	**Focus on growth markets and strategically strengthen and expand our business base**
Independently develop and produce electric and hybrid vehicle film capacitors made from metallized film	**Take the growth in demand as an opportunity for growth and invest management resources actively**
Broad lineup of energy and environment-related products in the NECST business and Power supply technologies covering everything from switching power supplies to applied systems	**Respond to the megatrend of decarbonization by expanding value-creating business through alliance strategies and solutions and further improvements to our product lineup**
Framework for development of innovative, unique, leading products and technologies such as small lithium titanate rechargeable batteries (LTO), household energy storage systems, and V2H systems	**Further accelerate development of products that help solve social issues**

Managerial targets for fiscal 2025

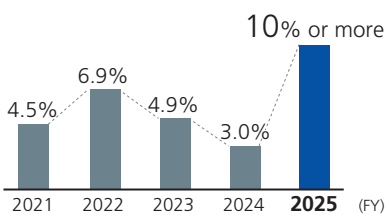
Consolidated net sales

¥200.0 billion



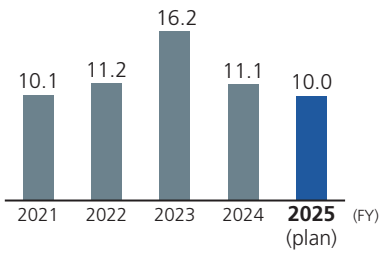
Consolidated operating income margin

10% or more



Capital expenditure

¥10.0 billion yearly



Message from the Finance Officer

Pursuing profit and capital efficiency to achieve an early performance recovery



Hitoshi Chikano
Senior Managing Executive Officer
General Manager of Corporate Planning Headquarters

Challenges to our core businesses are stalling growth trajectories

The results for fiscal 2024 (year ended in March 2025) were challenging. I take this situation extremely seriously and will work to achieve an early recovery of our performance and build a foundation for sustainable growth.

In fiscal year 2022, the NICHICON Group achieved record net sales of ¥184.7 billion and an operating income of ¥12.6 billion (operating profit margin of 6.9%). In the following fiscal year, 2023, although sales and operating income both declined, we booked a record high net income attributable to owners of the parent of ¥8.25 billion. By the end of fiscal 2023, I was confident that we would reach our Vision 2025 medium-term growth targets of net sales of ¥200.0 billion and operating income of ¥20.0 billion.

However, results for fiscal 2024 stood at net sales of ¥175.7 billion (down 3.2% year-on-year), and operating income of ¥5.2 billion (down 41.6% for the same period), a significant reduction in profit. Having achieved record profits in the previous period, as finance officer I feel a keen sense of responsibility for this result.

The main reason for the deterioration in earnings was the difficulties faced by the Capacitor business. In the automotive sector, there has been a move away from EVs toward hybrid vehicles, particularly in Europe, and demand for high-profit, high value-added capacitor products has thus been sluggish. Similarly, the decline in high-profit sales to distributors, along with China's controls on capital investment in the industrial machinery sector, and the low profitability of household white goods, also contributed to the deterioration in earnings.

Toward creating a platform for recovery

Although we are working toward achieving the Vision 2025 medium-term growth targets, we have revised the performance forecasts for the year ending March 2026, the final year in the current medium-term growth targets downwards from the original performance targets. We intend to recover performance to a level of ¥180.0 billion in net sales and ¥6.0 billion in operating income.

In the Capacitor business, we will focus on high value-added capacitors for AI servers, an area that is undergoing particular growth in the information and communications sector. At the same time, we will work to address the problem of rebuilding our product portfolio to improve profitability. Additionally, the automotive and industrial machinery sections are easily affected by the external environment, and so we will endeavor to strengthen our business base through internal improvements.

Conversely, the NECST business has achieved ongoing increases in both revenue and profit since fiscal 2013, and in fiscal 2025 is forecast to achieve ¥41.0 billion in sales for household energy storage systems alone (a year-on-year increase of 15%). Sales of V2H systems and quick chargers are also strong, supporting revenue growth in this business. Growth is also stable for applied devices such as medical equipment and accelerators for research use.

Based on the current state of our business, the NICHICON Group is focusing on management built around a core of profit and capital efficiency to improve profitability. Although some of our products have a profit margin in excess of 10%, our operating income margin for consolidated results remained at approximately 3%, due to the high proportion of low-margin product lines. Going forward, we will review our low-margin product lines and invest more management resources in product lines with a high margin. Regarding management indices, we will focus on operating income, cash flow, and capital efficiency rather than net sales. We will work to improve the current ROE of 5.3% and ROIC of 4.9% to a minimum of 8% each.

To achieve those goals, in fiscal 2024, we worked to reduce inventory assets and speed up collection of accounts receivable, creating an operating cash flow of ¥18.3 billion. Our investment activities, including ¥10.0 billion in capital investments, were covered using funds from sales activities. I believe that by continuing annual financial investments of ¥10.0 billion beginning in fiscal 2021, we have maintained financial soundness and improved our cash generation abilities while prioritizing liquidity.

Maintaining progressive dividends even when profits are declining

Returning profits to our shareholders is a critical issue for management. Despite declining profits, NICHICON increased its dividends for fiscal 2024 by ¥2 over the previous period based on its policy of progressive dividends, offering an annual dividend of ¥35 per share (an interim dividend of ¥17 and final dividend of ¥18). Additionally, we repurchased ¥1.6 billion of treasury stock, retiring 8 million shares.

Going forward, we will leverage repurchases of treasury stock to balance improvements to capital efficiency with returns to shareholders. We have set a target dividend payout ratio of 30%. For fiscal 2025, we plan on an annual dividend of ¥36 per share (an increase of ¥1).

I assumed the post of General Manager of Corporate Planning Headquarters on July 1, 2025. I intend to switch from a finance-focused role to one in management and continue contributing to changing the NICHICON Group for the better.

Message from the General Manager of Capacitor Business Headquarters

We will focus on market growth as we integrate development, production, and sales in our pursuit of customer satisfaction



Kenji Watanabe
Operating Officer
General Manager of Capacitor Business Headquarters

Seeking to recover performance through product development that anticipates the needs of growing markets and improving production efficiency

Fiscal 2024 (the fiscal year ended in March 2025) was a difficult year for the Capacitor business. In particular, a significant slowdown in battery electric vehicle (BEV) market growth saw delays and cancellations in large projects for which we had prepared, resulting in a 78.8% drop in operating income for the segment over the previous period, representing a substantial decline.

Conversely, it was also a year with many positive developments in terms of the business environment. In the automotive domain, which we consider to be very important, although adoption of BEV has been slower than anticipated, the market for hybrid vehicles (HEV/PHEV) continues to grow, and technologies such as Advanced Driver Assistance Systems (ADAS) and Electronic Control Units (ECU) are driving steady progress in vehicle electrification, leading to increased orders for our in-vehicle products. In the information and communications sector, another important domain for NICHICON, the rapid adoption of generative AI has resulted in good sales, primarily of high added-value products for servers, and we anticipate further growth going forward.

NICHICON has been actively investing in equipment since predicting the potential for growth in this market several years ago. We anticipate that the results of this groundwork will begin to become evident from the second half of fiscal 2025, leading to a recovery in performance.

In the automotive sector, we continued to strengthen and expand our product lineup to offer flexible options tailored to customer requirements for the hybrid capacitors and aluminum electrolytic capacitors for which demand is growing in response to advances the use of electronics in vehicles, as well as the xEV film capacitors that are essential to vehicle electrification. We are also preparing for mass production of new types of products in the information and communications sector in response to evolving AI server requirements, in addition to conductive polymer aluminum solid electrolytic capacitors and conductive polymer hybrid aluminum electrolytic capacitors. We aim to achieve business growth by strengthening product capabilities through a focus on growth markets as we work to increase production capacity at each factory and improve manufacturing process efficiency.

Creating an organization that is fully visible from every workplace

I took on the position of General Manager of Capacitor Business Headquarters in January 2025. Since joining NICHICON, I have taken on a number of roles, including production manager and plant manager at production sites in Japan and overseas. I strongly believe that my appointment to general manager is an expression of management's determination to change the company's culture. My experience to date has shown me that my most important task is to rebuild the manufacturing capabilities that are the source of a manufacturer's competitive strength.

The most pressing challenge is to enhance the connection between development, manufacturing, and sales, transforming NICHICON into an organization that is able to operate as a whole. We hope to create an organizational format in which "threads" pass through the conventional vertical structure of the organization so that the overall movement of the company can be seen from any department. We will further strengthen production, sales, and inventory management and promote information sharing across the entire business, and in doing so, will make inventory circulation along with market and customer trends captured by those at the forefront of sales visible to even manufacturing divisions, working to enhance profitability through optimized production plans that are based on the holistic information this provides.

Improving the motivation of employees in the production workplace is another priority for me. As a manufacturer, we must pursue balanced Quality, Cost, Delivery, Service, and Technology (QCDST). I visit all our factories and emphasize to our employees that responding to customer requests for samples and inquiries regarding delivery time should be given priority for strategically significant categories or highly profitable products. At the same time, I focus on initiatives such as promotion of company-wide projects that help to bridge the gap between head office and the manufacturing divisions and ask that improvements be made to everyday communication and meeting practices at every factory.

I hope that such practices will bring a personal aspect to everyday tasks, improving the motivation of each employee in the workplace, and helping to build relationships that inspire customers to say, "It has to be NICHICON."

Message from the General Manager of Technology Center

Aiming for highly competitive technology development that helps to create value from the customer's standpoint

Masahiko Ishida
Operating Officer
General Manager of Technology Center, Capacitor Business Headquarters



Enhancing our competitive advantage through backcasting-based technology development

The Technology Center has a core role in technology development in NICHICON's Capacitor business. By pursuing horizontal integration between technical divisions at production sites in Japan and overseas, and promoting the adoption of new technologies, the development of core technologies throughout the company, and the development of products tailored to a range of markets and customer needs, we are leading efforts to address a diverse array of technological challenges we face in business operations.

We are focusing resources on the automotive (vehicle-mounted) and information and communications domains, which we have designated as key areas for our Capacitor business. Leveraging the technical expertise that NICHICON has accumulated over many years, we will promote backcasting-based development, working backwards from our future requirements to bring products tailored to a customer perspective to market with optimal timing. For example, in the automotive domain, we anticipate a global trend toward electrification and the use of electronic systems and are accelerating the development of capacitors for use in vehicle-mounted systems that address the need for heat resistance and durability. In the information and communications domains, we anticipate further rapid advances in AI server performance and are moving forward with research into new materials and structures that will allow us to achieve high capacity, heat resistance, and compact size that this will require from capacitors. By commercializing these innovations, we will strengthen our competitive position in the market.

I worked for a long time in the technical department of a production factory where I was engaged in the development of products and materials, and in April 2024 assumed the role of general manager of this center. Going forward, I will leverage my experience in the development of individual products and will take a broader perspective to include fundamental research into new materials, improvements to manufacturing processes, and advancements to manufacturing equipment. Through these efforts I hope to make our business more competitive as a whole.

Actively promoting open innovation in cooperation with external organizations

The role of the Technology Center is to undertake initiatives directed toward improving existing products and enhancing our product lineup while promoting innovation that will create value in the medium to long term. As part of these efforts, we are focusing on collaborations with external organizations, such as co-creation with makers of material and equipment with whom we have a collaborative relationship, and industry-academia cooperation with universities.

For example, in developing small lithium titanate rechargeable batteries (LTO), a new and growing field, we have formed an alliance with a major battery maker to develop cells that will become a foundational technology. This shortened the development period, allowing us to commercialize the technology in less than a year, something that would have taken several years had we tried to do it alone.

On the industry–academia front, we are engaged in a comprehensive partnership with the Institute of Industrial Science at the University of Tokyo, pursuing joint research using groundbreaking technologies and manufacturing methods to develop the core technologies needed to create next-generation devices, and using AI to shorten development periods. We are also engaged in joint research with Mie University on the development of electrolyte solutions—crucial to capacitors—and have made considerable progress in evaluating chemical formulations that balance heat resistance and the ability to withstand high voltage levels.

Going forward, I hope to actively expand these efforts toward open innovation and will work to incorporate advanced technologies and new perspectives not found within NICHICON, further enhancing our competitive strength.

Pursuing new technologies that will contribute to a sustainable future

To create highly competitive products and technologies, we must take a stance based on "creation from the customer's perspective." To that end, it is important that we consider how customers will use the products we provide to create value, rather than just looking at quality or performance. Accordingly, the technology staff at the center must do their best to visit customers and listen to their opinions first-hand in order to gain an understanding of their needs.

I recognize that contributing to a sustainable society is also an important responsibility for technology development. Capacitors are small components, but they have a unique ability to instantly deliver large amounts of stored power to circuits that other devices cannot replicate, making them indispensable to supporting major social movements such as the electrification of vehicles, the advancement of AI, and efforts toward decarbonization. Going forward, I believe that we must maintain a strong awareness of the burden imposed on society by our products. At organizations such the global businesses that are leading the way in tackling environmental issues there is a growing demand for the disclosure of information on environmental impact that extends to parts such as the capacitors incorporated into end products. To address this, we assess CO_2 emissions throughout the entire product life cycle from procurement of materials through to manufacturing, transport, use, and disposal, and integrate CO_2 reduction goals into design from the development stage. This policy is intended to improve materials and manufacturing processes.

Looking to the future, we will respond to the increasingly complex needs of our customers, and by creating technologies and products that help to address a range of social issues, continue to be the motive force driving growth at NICHICON.

Message from the General Manager of NECST Business Headquarters

Seeking further business growth through products and services that help to resolve social issues



Tsunehiro Momoi
Managing Operating Officer
General Manager of NECST Business Headquarters

Achieving increased revenue and profitability by responding to societal demands for decarbonization

The NICHICON NECST business offers society innovative products such as the Tribrid Energy Storage System™ in the energy and environmental domains where the global trend toward decarbonization is accelerating, and has responded to cutting-edge needs in industry, academic research, and the medical field though practical products such as specialty power supplies, using the power-saving control board circuitry expertise we have gained. We are expanding the scope and profit of sales of these products through a range of business activities that help to resolve social issues, enhancing the crucial role they play in driving NICHICON growth.

Although there were inconsistencies in some product segments, overall results remained solid for fiscal 2024. Household energy storage systems, which we have positioned as a growth driver, posted sales exceeding those of the previous year with the support of demand response subsidies. There has also been an expansion in the number of EV quick charger sites in response to societal demand for infrastructure development, while large specialty power supplies for medical, research, and industrial applications also continued to see strong sales. As a result, net sales for this segment for fiscal 2024 reached ¥76.5 billion (an increase of 1.8% over the previous period), and segment operating income was ¥3.6 billion (an increase of 130.5%), marking an increase in both revenue and profit.

Growing market share by strengthening proposal capabilities and enhancing our product lineup

In fiscal 2025 we will continue to pursue business growth, focusing on a core of energy storage systems for household and industrial use.

For household energy storage systems, in addition to newly built homes, where sales have grown through the house construction route, going forward we intend to strengthen sales for existing homes. In particular, many households that had previously installed solar power generation have shown particularly high interest in consuming their own power due to declining post-FIT power sales prices. To address this trend, we will enhance our market proposal capabilities through measures such as developing routes to trading companies.

On the product side, in September 2025, we launched the ESS-T5 and ESS-T6 series, which is the third generation of our Tribrid Energy Storage System™. With a powerful output of 9.9 kWh and the ability to charge both storage batteries and EVs simultaneously, this system will allow us to achieve further differentiation in the market. Moreover, we also plan to launch a new series of advanced solar power conditions in January 2026, intended to meet the needs of people who do not own an EV or who are seeking standalone battery solutions.

Promoting new developments in the industrial domain. In October 2025, we launched the Cyclic Multi Charger, a new product for businesses such as bus, truck, taxi, or logistics companies that operate large numbers of commercial EVs. This product can charge up to six EVs quickly and with a high output of 90 kWh in a cyclic manner, and will help to address issues faced by businesses, such as ensuring space for charging and keeping power costs down. We will also release the new BS series of industrial energy storage systems for small- and medium-sized business sites beginning in September 2025. Significantly more compact than previous models, this series allows direct current integration with EV charging and discharging units, helping to reduce energy costs and enhance the resilience capabilities of businesses.

Creating a new business from the perspective of creating technologies

In April 2025, we undertook an organization reform at NECST Business Headquarters with a view to enhancing our business promotion capabilities. We will reorganize along functional lines, grouping into functions such as technology development, product planning, production, sales, and after-sales service, creating a new structure in which each function is managed directly by headquarters. Our goal in doing so is to further accelerate decision making and properly standardize the chain of command.

We will also continue to work to automate production and enhance our supply systems to address growing demand in emerging markets. Centering our efforts around the Product Innovation Integration Division, we are promoting sharing of technical information between factories and expanding cross-organizational efforts at improvement to enhance production efficiency. Going forward, we will make capital investments such as introducing new technologies and expanding production lines in a timely manner in step with our business plans.

In the medium to long term, we will also take on the challenge of creating new businesses from the perspective of technology creation. In the business-to-business domain we are developing our after-sales maintenance services and are considering offer value-added services tailored to the needs of individual customers and the challenges they face. Meanwhile, in the Business-to-consumer domain, we seek to deepen relationships with individual users through the "Owners' Club," an organization with a membership comprising people who have purchased energy storage systems. We will also endeavor to leverage networks to create new business models, such as our efforts to provide demand response (DR) services in collaboration with power companies.

Round-table discussion between the chairman of the board and external directors

The future potential of NICHICON, a manufacturer that continues to evolve with sincerity and dedication, making the resolution of social issues its ultimate goal

Five external directors held a frank and open dialog with board chairman Takeda regarding medium- to long-term growth, reviewing fiscal 2024, and discussing management challenges, business opportunities and risks, and management of human capital.



External Director
Noriko Kurimoto

External Director
Kazumi Matsushige

Representative Director and Chairman
Ippei Takeda

External Director
Haruhiko Kato

External Director
Senko Ikenobo

External Director
Muneya Taniguchi

Resolutions for our 75th anniversary, and looking back on fiscal 2024

Matsushige Fiscal 2024 marked the start of a turbulent era of political change and global economic instability. Now, in increasingly challenging circumstances, companies must reexamine their own roles and purposes. This represents a true opportunity for NICHICON. Our business is aligned with the direction that a sustainable society seeks to take, and as such, the role expected of us is significant. Fiscal 2025 marks a period in which all employees should work together to seize this opportunity for growth.

Kato Although the business environment in fiscal 2024 was challenging, it was a year in which we returned to our roots and moved forward with innovations such as improvements to quality and productivity. We have been watching expectantly as those in the Operating Division lead the way in taking bold measures.

Although fiscal 2025 continues to be a tumultuous year around the world, I believe that it is important for us to move forward steadily, doing what a manufacturing company should do, which is to hone our technologies and continue to create high-quality products.

Kurimoto Although we face growing uncertainty in the external environment, I believe that NICHICON has made progress with a variety of structural reforms such as reducing cost and putting the right people in the right place. In fiscal 2025, we must construct a firmer management foundation to ensure that we are not swayed by external factors. To that end, as a lawyer specializing in governance, I will endeavor to offer statements and proposals intended to strengthen governance.

Takeda It is precisely because of the challenging management conditions that we were inspired to think about how we can create a management structure that is resilient to changes in the external



Kazumi Matsushige Director
Appointed an external director in June 2012
Draws on an extensive academic background as both a professor and president of a university, together with high degree of insight, offering advice and guidance from an objective standpoint.

environment, and consequently we were able to focus on enhancing quality and improving technology development. At the same time, I believe that developing new products is also important and have promoted new product development in both the Capacitor and NECST businesses. We plan on launching products that will meet general expectations in the second half of fiscal 2025, and it is my belief that our earnest efforts has transformed these difficult circumstances into opportunities for growth.

2025 marks the 75th anniversary of our founding. To mark this as our next starting point for growth, on our founding anniversary day everyone at NICHICON pledged to take on the ambitious target of improving corporate value. To achieve this goal, the Board of Directors has discussed materiality while deliberating on how to shape NICHICON into a company that is based on our Mission Statement, and has identified five specific initiatives. I would like for us to embark on these immediately.

Kato At meetings of the Board of Directors in fiscal 2024, we discussed the major issue of how to further develop our business-to-consumer business. While NICHICON has always had a focus on business-to-business operations, in 2010 we launched the NECST business, which sells household energy storage systems, and are moving into the business-to-consumer domain. It is therefore crucial to build awareness of the NICHICON brand in the business-to-consumer sphere, and we have also released television commercials to ensure that our products are understood correctly. I feel that in taking on this challenge, we have attempted something we have never tried before.

Matsushige Although we discussed a wide variety of themes, including human resources, quality issues, and governance, I expect the most from new product development. I believe that the new devices for AI servers and the electric vehicle V2H systems that we are currently developing are more than just efforts in technology development; they represent the leading edge in the green technologies that will support society in future. As a member of the board with specialist knowledge in science and engineering, I recognize that one of my roles is to express the hopes I hold for technology development of this kind. I hope that there will also be a chance to talk with the people responsible for development.

NICHICON also has a culture of contributing to society in the environmental field through efforts such as the early adoption of solar power generation at our head office building. That is why we can say that one of our missions is to actively develop products that will be well received by a society that is striving for sustainability. Fulfilling the role that society demands of us is directly linked to the qualities of "future potential" and "social contribution" that younger generations value when choosing a company, and I therefore see this as an important part of efforts to enhance our public relations activities.

Takeda Going forward, I hope to promote the appeal of NICHICON's technological capabilities to young engineers more actively. Our power-supply technology in particular is world-class and supports cutting-edge scientific technology. I believe that promoting the fact that we offer opportunities to get involved with the development of such technologies will inspire an interest in NICHICON. I hope to strengthen our development capabilities by employing young engineers on large projects and thereby contribute to the development of scientific technology in Japan.

Kurimoto What impressed me was the extensive discussion on leveraging human resources, second only to discussions on performance. To me, this indicated that NICHICON is constantly working to offer employees opportunities for growth that are based on the careers they want, and to fairly evaluate those people who take on new challenges. Individual growth ultimately leads to the growth of the company, which is why I feel that these discussions have been extremely significant.

Takeda When it comes to products, the quality of the products themselves and the people associated with them are equally important; any improvement in product quality is predicated on improving the quality of these people. Working from a foundation based on the human resources philosophy, "People are the energy of NICHICON," the company is creating systems to provide fair evaluations for people who actively take on challenges. Evaluation systems that everyone can agree on improve employees' motivation and sense of achievement, driving the growth of the company.



Haruhiko Kato Director
Appointed an external director in June 2023
In addition to many years in important positions at the Ministry of Finance, has a high level of knowledge regarding finance, taxation, and accounting, and has served as both a manager and CEO at a financial institution, and a director at an automotive manufacturer. Leverages this experience to offer advice and guidance from an objective standpoint.

The potential of technology and human resources to drive future growth

Taniguchi NICHICON has constructed a platform for growth founded on two pillars: the Capacitor business and the NECST business. To further accelerate growth moving forward, it is important that we further leverage the strengths of existing businesses while creating demand and new value through collaboration with other industries. We anticipate active overseas expansion, including cross-border M&A initiatives, and thus growth is anticipated for the NECST business overseas.

Takeda With regard to collaboration with other industries, we are promoting technology development together with specialist external experts through efforts such as industry–academia collaboration, accelerating development and increasing efficiency. We are beginning to see results that I think are extremely exciting, and I am increasingly hopeful for the future.

Ikenobo I believe that the diversity of human resources is important for medium- to long-term growth. As honorary consul in Iceland, a country that has made significant inroads with regard to diversity, I have witnessed the situation there first-hand, which has made me even more aware of its importance. Active participation by employees with a wide variety of backgrounds contributes to the company's performance and enhances its image as a well-balanced enterprise that values people on a holistic basis. I believe that communicating both our products and our philosophy as part of our branding will make us an attractive company for younger generations. As an external director, I hope to gain an understanding of trends in society's expectations as quickly as possible and will work to offer suggestions and advice that will enhance our reputation as a company.

Kurimoto With regard to diversity, I am glad that Ms. Ikenobo has joined the Board of Directors. I too have three expectations, some of which are related to diversity. The first is that we make use of a diverse range of human resources. The increasing number of women in management provides a clearer picture of what the future might hold for job seekers, helping us to secure human resources. The second is the development of capacitors for in-vehicle and AI server applications, where NICHICON is focusing investments as growth areas. Since this is a domain that demands high levels of reliability, I believe that recognition of NICHICON's reliable technological capabilities will improve the strength of our brand. The third is the promotion of ESG management. In particular, I think that supplying the energy storage systems that serve as infrastructure in times of disaster holds promise as a way to enhance the social perception of NICHICON.

Matsushige The specialty power supply section is an extremely competitive sector globally, with Japanese products offering top-class reliability. NICHICON develops power supplies in sizes ranging from compact to ultra-large and is able to provide high levels of reliability. These power supplies are also used in space-related research facilities.

Takeda NICHICON power supplies are also in place in "NanoTerasu" in the Tohoku region, and in the "SPring-8" large synchrotron radiation facility, which studies the structure of substances at the atomic level. For example, SPring-8 was used to analyze the samples brought back to Earth by the asteroid probe "Hayabusa." NICHICON's abilities are gaining recognition in the scientific community and in academia, as well as in the science and technology industries, and have won us acclaim.



Noriko Kurimoto Director
Appointed an external director in June 2023
Utilizes specialist experience as a lawyer to offer objective advice and guidance as a legal specialist.

Matsushige NICHICON also boasts significant share of the medical accelerator power supply market.

Takeda We hold more than 80% of the accelerator power supply market for particle beam equipment used for treating cancer. Specialty power supplies cannot be developed using the same technologies as the power supplies used to common household appliances. On that point, NICHICON possesses the technological capabilities to develop a wide range of products, from power supplies for office equipment to those used for accelerators for cancer treatment.

Taniguchi Indeed, NICHICON has the potential to establish its position at the top of this market niche globally.

Matsushige Without NICHICON, the world would face significant obstacles to the advancement of scientific technology. That would make a highly effective public relations strategy.

Recognizing problems and promoting growth strategies

Kato In recent years the Capacitor business has faced difficulties brought on by the rise of Chinese products. To develop new types of capacitors that match the requirements of the era rather than simply concentrating on generic forms, I would like to ask that we engage in constantly evolving, non-linear development of businesses and products, adopting new technologies through industry-academia collaboration.

I also emphasize selective focus and improvements in production efficiency. Since balancing offensive and defensive strategies accelerates growth, in business it is also necessary to act on matters such as the decision to withdraw from challenging markets like China at an early stage. The biggest risk we face is being perceived as a commodity business. We must distance ourselves from this situation if we are to avoid becoming embroiled

in a price war where we are unable to achieve differentiation of our technologies and functions. I think that the answer to the question of how we should monetize NICHICON's powerful technological capabilities offers some major opportunities.

Takeda The risks are just as you state. Retreating due to inferior price competitiveness demonstrates nothing short of a lack of competitiveness in technical areas such as production efficiency. What is important is that we revise our business structure to increase profit, and make strategic selections as needed.

Kato I believe that we must shift the product portfolio of the Capacitor business to an area with higher added value. If we do not evolve, we will soon be eclipsed.

Takeda To avoid being overtaken, it is vital that we conduct a thorough technical analysis of the products offered by our competitors and gain an in-depth understanding of them. NICHICON V2H systems were disassembled and researched by other companies as a matter of course after they were released. If one looks at the future of the company as a whole, while immediate profit is important, we also need to adopt a perspective that prioritizes overall optimization. There are areas where we should conduct research and development to ensure a sound technology base for the future, even if they are not exactly profitable in the short term. To that end, we hope to continue to evolve while making flexible judgments as required, enhancing our competitiveness.

Matsushige Please endeavor to create products that are the standout choice in the market and make NICHICON the preferred choice of both society and the younger generation. To that end, we need factors that allow us to achieve differentiation. We will also venture into new domains while keeping our core businesses. Maintaining this balance carefully should allow us to become a company that is resilient to change.

Takeda Alongside our efforts to take on challenges in new domains and to develop new products, I emphasize the importance of training sales personnel. At a sales training session the other day, I talked about how, in my experience, sales personnel must be appealing as people in a way that makes their customers want to buy from them, as well as possess product knowledge. Creating fans is fundamental to sales. It is essential to cultivate fans, both of NICHICON and of yourself. Of course, while excellent product specifications and the product knowledge to explain them are essential, beyond that it is important to do your utmost for customers, working with sincerity to build trust. I am certain that this trust will lead to growth at NICHICON in the medium and long term.

Matsushige Sincere customer service and high-quality products will also make us competitive as we expand overseas. Southeast Asia and the Middle East are markets with particularly high potential, as the environmentally friendly products that are a strength of NICHICON have yet to be adopted in strength in these regions. While there are risks, if we find acceptance in even one area we can expect further ripples of success.

Further promotion of diversity initiatives is another opportunity for growth. At present two of our external directors are women. In future, however, I hope that more women will be appointed to director's posts through internal promotion. Seeing this will alter the thinking of NICHICON employees, which is sure to increase the number of people who aspire to be directors themselves, and to give them a better perspective on both the company and society as a whole.

Takeda I agree. When more people view becoming a director as an achievable goal, they actively pursue advancement in their own careers. NICHICON has created the position of "Operating Officer," to which people are promoted from within the company, allowing people other than directors can become operating officers. I think that is important to promote women to these positions, and there are already candidates. While directors serve for a period of two years, operating officers are appointed to their positions for one year, which means that there are more opportunities for promotion, and we anticipate ongoing development of talent to continue.

Additionally, although it may seem that a large proportion of the board is from outside the company if one only looks at the members of the board, the company is actually run by those working in it, and having a large number of external directors thus contributes to a healthier corporate structure. I believe that the most appropriate way forward is to leverage a dual mechanism in which people who have learned their skills at NICHICON drive growth as operating officers while the Board of Directors brings outside knowledge to bear in offering supervision and guidance.



Muneya Taniguchi Director
Appointed an external director in June 2025
Leverages many years in financial operations and extensive knowledge of finance and accounting to offer advice and guidance from an objective standpoint.

Being the "preferred choice," a company that strengthens human capital

Taniguchi NICHICON was a pioneer in the energy storage system field, establishing both the Capacitor business and the NECST business as foundations for its operations. What impresses me in the path NICHICON has taken is how the company recruited several hundred engineers with many different backgrounds almost overnight. These new hires integrated with engineers already working in the company to spark innovation, and our

organizational capabilities have gone from strength to strength. Furthermore, this has fostered the mindset that each engineer is contributing to solving the environmental challenges facing society, which has raised their motivation and, as a result, has also helped strengthen our human capital.

At the same time, we have improved our human resources systems and constructed mechanisms that reward people who take on challenges. The "ko-do" (Think and Work) in our Mission Statement is a culture, a code of conduct for creating new added value with heart and soul. I believe that this meshes well with our human resources systems and has strengthened the foundation for the middle management that plays a crucial role in cultivating the next generation of talent.

Kato Outside of the context of an M&A, hiring over 400 engineers mid-career and creating a business on this scale is not something that can be achieved easily.

Matsushige That is proof that we are the "preferred choice" referred to earlier.

Ikenobo Over a 75-year period, NICHICON has combined the abilities of our human resources to offer products to society out of an altruistic mindset, achieving dramatic growth. This way of living resonates with "Dynamic Equilibrium of Life," the signature pavilion sponsored by NICHICON at Expo 2025 Osaka, Kansai, whose concept it embodies perfectly. A visit to the pavilion offers the experience of minimalist visual expressions that subtly convey philosophical insights without any excessive performance, showcasing Japanese ways of thinking and living to the world at large.

How much does a business contributed to society, and how beautiful is the way of life that it enables? The representation of this concept is sure to have given visitors a feeling for the direction that NICHICON hopes to take. I am sure that some of the people who came to the pavilion will have been children or young people who felt an interest in our business and may have been inspired to work at NICHICON in the future. In addition to world-class product quality, I feel that NICHICON's approach is one of the reasons that makes us the preferred choice.

To our investors and stakeholders

Kurimoto I would like investors to note that NICHICON emphasizes shareholder value through progressive dividend allocation, even when there have been difficulties with our performance. I hope that a greater section of the public will come to know us for the fact we leverage proven technical capabilities to create extremely safe products.

Matsushige Product development at NICHICON is about more than simply generating profit; our role is to address the problems faced by society. You could say that as a company we embody the form a company should take, and how it should train human resources.

Kato Our contribution in the energy sector stands out in particular. If renewable energy gains a greater foothold in future, most of our power will be from electricity. Contributing to the world at large through power supplies that control power, and particularly power supply technologies with energy-saving capabilities, signifies that we are becoming a leader in the environmental domain, as outlined in our materialities. While NICHICON is a for-profit enterprise, our business activities revolve around contributing to the environment.



Senko Ikemoto Director
Appointed an external director in June 2025
Leverages extensive operational experience in Japan's premier cultural and artistic organizations, as well as director and committee roles in various groups, offering advice and guidance from an objective standpoint.

Taniguchi NICHICON has taken on the grand challenge of creating a more livable global environment. I believe that we are a company that looks decades into the future with this in mind, holding a steadfast determination to make quality products with heart and soul, diligently doing what must be done. My impression is that the management team led by the chairman and the operating officers is united in driving the company forward. Today, I have been reminded of my wish to contribute to their efforts through suggestions and advice on a variety of fronts.

Ikenobo NICHICON has released two world-first products, including a system that uses solar generated electricity in homes, EVs, and PHEVs, which is a major selling point. "World first" is significant in that it does not simply refer to the creation of a new product, but to the fact that the world has changed—that the future has been transformed. Now, as even, NICHICON retains a pioneering spirit at its core. It is precisely because these are times of tumultuous change that we should promote the appeal of this ethos, which has remained unchanged since the company was founded.

Takeda As I mentioned earlier, fiscal 2025 marks the 75th anniversary of the company. The fact that NICHICON has come this far can be attributed to the unshakable principles that guide our management, principles in which we will continue to place great faith. To bring these principles to reality, we further break down the five materiality initiatives decided upon by the Board of Directors, incorporating them into specific actions that will lead to improved corporate value. I believe that doing so will serve as an expression of gratitude to our shareholders, and indeed, to all our stakeholders, and that above all will contribute to the happiness of our employees, who are the foundation of the company.

Message from the General Manager of Sustainability Office

Deepening our sustainability based on the needs of the era



Akihiro Yano
Director and Managing Executive Officer
General Manager of Administration Headquarters and General Manager of Sustainability Office

Identifying materiality through company-wide discussions

Sustainability activities are an integral part of the management strategy for our group business, which supplies products to a broad range of manufacturing sectors. We drive these activities forward through a Sustainability Promotion Committee which provides oversight for three related committees, the Environment and Energy, Diversity, and Compliance and Risk Management committees.

Beginning in fiscal 2024 we used our responses to the CSRD*1 to deepen company-wide initiatives. Committee members are chosen from the headquarters divisions of both the Capacitor and NECST businesses, as well as from the various management divisions, and further discussion pursued on sustainability issues. A study team was convened to identify materiality and conduct IRO*2 evaluation on each issue. The study moved forward using double materiality evaluation to measure the impact from the two perspectives of society and finance, and in fiscal 2025 identified materiality for the NICHICON group after discussion among management and the Board of Directors (see P. 21). Thereafter, we established an action plan and moved on to setting KPIs.

In addition to these efforts, we held committee meetings every month in fiscal 2024, and continued with activities for each theme.

Progress achieved by the three committees in fiscal 2024, and future plans

Environment and Energy Committee

As part of our efforts to facilitate decarbonization management, we introduced internal carbon pricing (ICP) in fiscal 2024. We have also enhanced our response to CDP, providing answers on water security as well as climate change in fiscal 2024. As a consequence, we acquired A list selection, the highest rating for climate change, and received the high rating of A- for water security. Furthermore, we are moving ahead with preparations to comply with TNFD*3 requirements.

The business of the NICHICON Group has a deep association with initiatives related to climate change, water, and biodiversity. We identify and analyze the business risks and opportunities for each, along with their financial impact, and consider the appropriate actions to take.

Regarding supplier engagement, which requires strengthening, we have added questions on water security and biodiversity to the CO_2 emission reduction survey conducted every year. We will link these efforts toward improvement across the entire supply chain, beginning with grassroots activities aimed at raising awareness. In light of changes to the makeup of our suppliers brought about by growth in the NECST business, we will also work to expand the scope of the companies surveyed and offer guidance from the procurement department.

Diversity Committee

Two years have passed since we transitioned to a new system with "People are the energy of NICHICON" as its human resources philosophy. We have addressed the communication gap between supervisors and their subordinates by holding one-on-one meetings. Going forward, we will improve company-wide standards by sharing successful examples of improvements to communications in each workplace, promoting the adoption of aligned goals throughout the company.

Additionally, in fiscal 2024, we enhanced our English conversation education programs to increase the number of human resource able to function well in a global setting. In fiscal 2025, in addition to continuing the previous year's focus on improving employee engagement, we will endeavor to promote women to management positions.

Compliance and Risk Management Committee

Beginning in fiscal 2024 we revised the NICHICON Group Code of Conduct in April, and updated the Supply Chain CSR Procurement Promotion Guidebook in September, in light of changes to the RBA Code of Conduct*4 and other international standards. We will implement regulations thoroughly, including all suppliers, and will check the status of their compliance. Additionally, we continued training on information security and the management of personal information, as well as on adherence to competition laws.

In fiscal 2025, we will review regulations relating to information security and move forward with discussions on reorganizing internal reporting systems in response to revisions to the Whistleblower Protection Act, and on establishing anti-corruption and anti-bribery compliance programs.

With the global situation changing rapidly, companies must increase the speed of their decision making and execution. Ensuring that all employees from top management down shares a common awareness and fulfills their respective roles consistently is an essential part of both business operations and sustainability initiatives. By leveraging environmental-related products and other strengths to contribute to the society of the future, we will continue the evolution of human capital management and sustainability management, the foundation on which these efforts rest.

*1 CSRD: Corporate Sustainability Reporting Directive for the EU
*2 IRO: Here, refers to the impact of business activities on society, along with risk and opportunities for business
*3 TNFD: Task Force on Nature-related Financial Disclosures
*4 RBA Code of Conduct: The code of conduct for the RBA (Responsible Business Alliance) (formerly the EICC Electronic Industry Citizenship Coalition CSR Alliance)

Sustainability Policy and promotion structure

Sustainability Policy

Following the NICHICON Group Mission Statement, we will dedicate ourselves to contributing to the creation of a brighter future society through the creation of products that help to achieve a better global environment.
Our aim is to realize a sustainable society and increase corporate recognition while fulfilling our corporate social and ethical responsibilities.

1. By combining a wide range of technologies starting from material development to system design, NICHICON is helping solve social issues such as climate change. By promoting digital transformation and innovation, we are helping to create a brighter future.
2. We value dialogue and cooperation with all stakeholders, creating shared value, and developing fair and highly transparent management.
3. Our goal is to increase customer satisfaction by respecting human rights, ensuring diversity, developing human resources, and top notch management,* and aiming for corporate development and the happiness of all employees.

*First-class performance in every aspect of our business, including quality, cost, delivery, service, and technology

Sustainability promotion structure

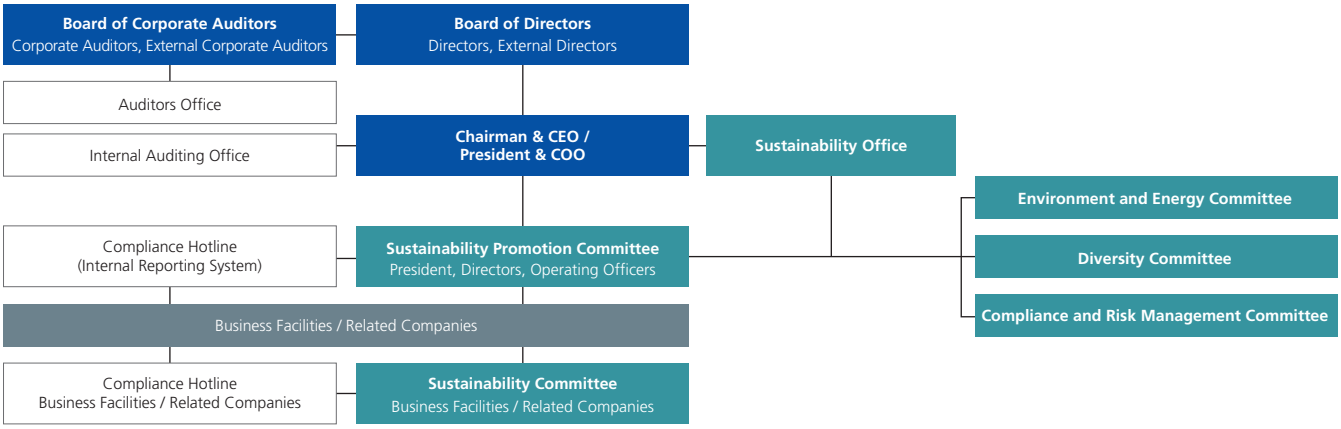
On November 30, 2021, the NICHICON Group established its medium-term growth targets, Vision 2025, as well as its Sustainability Policy, which aims to realize a sustainable society and improve corporate value by achieving these targets. To carry out its business in line with this policy, the Group established the Sustainability Office (in February 2022) which oversees the Sustainability Promotion Committee, chaired by the president.

The Sustainability Promotion Committee serves to strengthen and build on the functions of the CSR Promotion Committee (established in June 2003). In addition to reviewing and making decisions on Group-wide policies, the committee also keeps track of policy progress and gives guidance for improvement among other functions. It is for this reason that committees linked to the Sustainability Promotion Committee also adopt an approach geared toward ESG, namely on the environment and energy (E), diversity (S), as well as on compliance and risk management (G). The Sustainability Promotion Committee meets once a month to deliberate over outcomes from talks on sustainability issues discussed by three committees.

Topics discussed at past committee meetings

- **The environment and energy**
  Introduction of internal carbon pricing (ICP); response to CDP Climate Change and Water Security questionnaires; review of procurement diversification for renewable energy
- **Diversity**
  Promotion of women's participation; consideration and rollout of measures to improve engagement
- **Compliance and risk management**
  Response to RBA standards; revision of the Code of Conduct and CSR Procurement Guidebook; enhancement of information security and handling of external whistleblowing
- **Materiality**
  Discussions toward identifying materiality

Sustainability promotion structure chart



Materiality (key issues)

Background to identifying materiality

The NICHICON Group established its Sustainability Policy in order to realize its Mission Statement: "We dedicate ourselves to creating valued products that will contribute to a brighter future for society." Guided by this policy, we have worked to address social issues through dialogue and collaboration with a wide range of stakeholders.

However, given the increasing complexity of today's social environment and growing uncertainty about the future, we determined it was necessary to clearly define the issues that the entire Group should address under a shared understanding. As we approach our 75th anniversary in 2025, and in pursuit of further growth, we identified materiality (key issues) from both corporate and environmental/social perspectives to realize our purpose of contributing to the creation of a brighter future society.

In identifying these issues, we organized and prioritized those that the Group should focus on, taking into account both our strengths and the expectations of society and stakeholders. Through this process, we aim to allocate our limited management resources with greater focus across sustainability, business, and common themes, thereby enabling more effective and swifter implementation of initiatives.

Going forward, we will work to integrate these issues into our business strategy and promote their understanding throughout the organization. We will also set goals and KPIs for each materiality and continue striving to enhance corporate value on a sustainable basis. In addition, we plan to review them as necessary in response to changes in the external environment.

Materiality identification process

STEP1

Identifying environmental and social issues

Identify issues related to society based on the following sources:

- ESRS
- SASB
- Requests from society, business partners, and other external factors

Organizing value chain information

Identify business activities across the Group's value chain, from upstream to downstream, with particular focus on those most closely connected to environmental and social issues.

STEP2

Identifying and evaluating impacts on the environment and society as well as opportunities and risks for the Group

Based on the concept of *double materiality,* identify and assess both *impacts on the environment and society* (impact materiality) and *risks and opportunities for the Group* (financial materiality) across NICHICON's entire value chain.

STEP3

Identification of materiality

Following a review by the study team, finalize materiality after discussions by the Sustainability Promotion Committee and deliberations by the Board of Directors.

NICHICON Group's materiality and the changes brought inside and outside the Group

Materiality	Why it is important	Changes inside and outside the Group based on identified materiality
Contributing to a decarbonized society through products	In light of the global trend toward decarbonization, this materiality was set to promote solutions to social issues such as climate change through the development of environmentally related products that contribute to the reduction of greenhouse gas emissions.	Through the creation and provision of products and services that help reduce greenhouse gas emissions, we aim to support customers and society in achieving carbon neutrality. These initiatives also lead to the creation of new business opportunities and the strengthening of competitiveness in existing businesses.
Enhancing customer satisfaction through unique technologies and absolute quality	We established this materiality based on the belief that providing solutions to social issues such as climate change and improving convenience in people's lives through challenges in advanced technology, as well as delivering value through products and services of absolute quality, are essential to enhancing customer satisfaction.	This approach creates opportunities for new business domains and technological development. At the same time, by creating products that deliver value exceeding customer expectations, we aim to bring joy and inspiration to our customers.
Creating a workplace where employees feel fulfilled and able to take on challenges	Guided by our Human Resources Philosophy, "People are the energy of NICHICON," we established this materiality with the belief that providing employees with opportunities for capability development and enhancing engagement from a medium-term and long-term perspective will lead to the sustainable growth of the corporation.	By promoting advanced technological development and skill acquisition, and by contributing to value creation, we positively influence employee engagement and foster a corporate culture full of vitality and creativity.
Reducing environmental impact in business activities	We established this materiality based on the recognition that reducing the environmental impact of our business activities is a pressing social issue directly tied to our business opportunities and risks, such as increased costs from the introduction of carbon taxes and stricter environmental regulations.	We will carry out business activities, technological innovation, and information disclosure aimed at reducing environmental impact across the entire value chain. Through environmentally conscious business practices, we also aim to further promote resource circulation and environmental conservation.
Responding to change and strengthening governance and risk management systems	We established this materiality based on the belief that accurately identifying and countering business risks, thoroughly ensuring compliance, and securing the soundness and transparency of business operations are essential for driving the Group's sustained growth and enhancing corporate value.	By continuously engaging in legal compliance grounded in shared ethics and values, we mitigate financial and reputational risks, thereby improving the stability of our business. In terms of information disclosure, we also seek to strengthen trust with investors, customers, employees, and other stakeholders, while further enhancing transparency and accountability in management.

Reducing the environmental impact of business activities

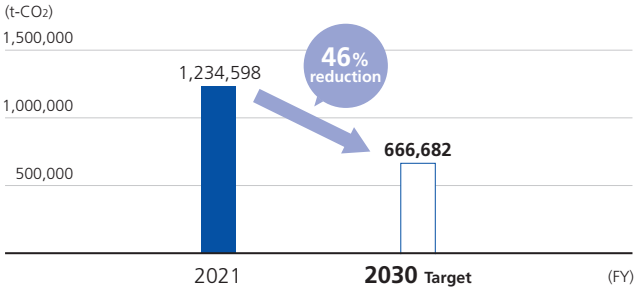
Metrics and results

Carbon neutrality is a challenge that needs to be addressed worldwide. As such, the NICHICON Group has formulated a Sustainability Policy that aims to reduce CO_2 and other greenhouse gas emissions (Scope 1, 2, and 3*1) by 46% by fiscal 2030 (compared to fiscal 2021 levels) to contribute to efforts to mitigate global warming.

These targets have been recognized as scientifically grounded in achieving the Paris Agreement's 2°C target (aligned with the 1.5°C target) and have been certified by the Science Based Targets (SBT) initiative.*2

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

FY2030 CO_2 emissions reduction target (Scope 1, 2 and 3)



*1. Scope 1: Direct emissions from the use of fuels / Scope 2: Indirect emissions associated with the use of externally purchased electricity / Scope 3: Indirect emissions other than Scope 1 and 2
*2. An international environmental initiative that encourages companies to set greenhouse gas emission reduction targets based on scientific evidence aligned with the level required by the Paris Agreement, aiming to limit the rise in the global average temperature to 1.5°C compared to pre-industrial levels.

CO_2 emissions (Scope 1, 2, 3) results (t-CO_2)

Scope and category			FY2022	FY2023	FY2024
Scope 1		—	34,786	31,460	30,545
Scope 2 (Market-based method)		—	206,835	177,872	147,724
Scope 2 (Location-based method)		—	200,588	162,941	138,966
Scope 3	Category 1	Purchased goods and services	785,126	755,179	697,386
	Category 2	Capital goods	27,571	39,879	27,399
	Category 3	Fuel- and energy-related activities not included in Scope 1 and 2	37,578	30,948	27,760
	Category 4	Upstream transportation and distribution	25,083	21,811	20,539
	Category 5	Waste generated in operations	1,911	2,276	2,237
	Category 6	Business travel	979	1,311	1,387
	Category 7	Employee commuting	4,473	4,608	4,300
	Category 8	Upstream leased assets	193	264	261
	Category 11	Use of sold products	37,353	41,668	45,964
	Category 12	End-of-life treatment of sold products	5,998	5,400	4,875
	Total		926,265	903,344	832,108
Total amount	Note: Scope 2 is based on the market-based method		1,167,886	1,112,676	1,010,377

Notes on the CO_2 emissions factor used to calculate CO_2 emissions

Scope 1: Emissions factor for each type of energy according to the Act on Promotion of Global Warming Countermeasures
Scope 2: (Domestic) Ministry of the Environment's Greenhouse Gas Accounting and Reporting System / List of emissions factors by electric power company
(Overseas) The International Energy Agency's (IEA) Emissions Factors (latest country-specific data)
Scope 3: Embodied Energy and Emission Intensity Data for Japan Using Input-Output Tables (3EID) of the Center for Global Environmental Research, National Institute for Environmental Studies, Japan / Database for calculating an organization's greenhouse gas emissions through its supply chain, Ministry of the Environment / Greenhouse Gas Protocol emissions factor databases, and other sources

Approach on the reduction of CO_2 emissions

In addition to efforts to reduce energy consumption per basic unit by working aggressively to improve the efficiency of production processes that consume energy and reduce the percentage of defective products, we are promoting the improvement and efficient operation of facilities, which lead to energy saving.

As well as switching to low-emissions equipment and joining the EV100 initiative, we are transitioning to low-carbon vehicles and improving the environment. We are also shifting away from the use of fuel oil to liquefied natural gas (LNG) as an energy source. Energy saving is being promoted with the participation of all employees, such as by properly managing air-conditioning temperatures, switching to LED lighting, turning off unnecessary lighting and equipment, and turning off idling engines when commuting by car.

We are also asking suppliers to practice eco-driving—avoiding sudden starting and acceleration—as well as to cooperate with our Idling Stop campaign.

In distribution and logistics, we are working to reduce CO_2 by decreasing the number of product deliveries and moving to consolidated shipments.

Furthermore, we believe that the expansion of inverter smoothing film capacitors—a key device for promoting the spread of EVs that do not emit CO_2—will lead to CO_2 reductions in society as a whole.

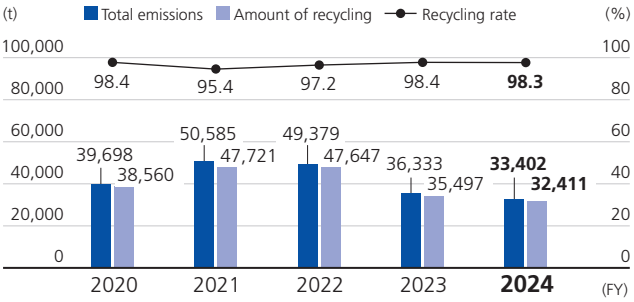
Compared to fiscal 2023, CO_2 emissions and sales intensity decreased in fiscal 2024 by saving energy in the production process. We will continue to strive to further reduce CO_2 emissions by working to improve production efficiency and reduce the percentage of defective products.

Waste reduction and recycling initiatives

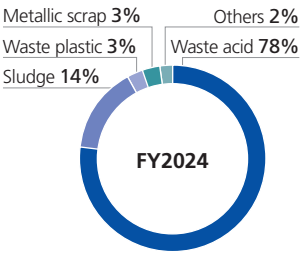
We are working toward zero emissions in order to build a sound material-cycle society and to engage in sustainable economic and production activities.

In fiscal 2024, we continued to reduce waste and convert paper, scrap metal, and waste plastic into valuable resources.

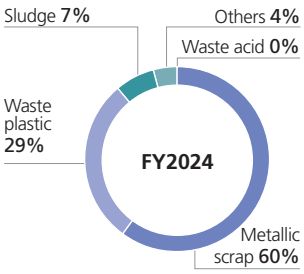
Total waste emissions, amount of recycling, recycling rate



Breakdown of waste generation



Final disposal volume



Selected for the highest rating of "A List" in CDP's climate change survey

The NICHICON Group was selected for the highest rating, the "A List," in the Climate Change category of CDP's 2024 survey, recognizing outstanding initiatives and disclosures in this field. In addition, in the Water Security category, which we disclosed for the first time, we received a leadership-level* score of "A- (A minus)."

We believe that the "A List" is a strong endorsement of the NICHICON Energy Control System Technology (NECST) business development's direct contribution to addressing climate change in the long term. Moving forward, we will continue to prioritize global environmental preservation as a key business issue, contributing to the creation of a sustainable and bright future society through the achievement of our medium-term growth targets, Vision 2025.

Climate CDP A List 2024

* The scores are evaluated on an eight-level scale, from the highest leadership level (A, A-) to the management level (B, B-), awareness level (C, C-), and disclosure level (D, D-)

Information disclosure based on the TCFD (scenario analysis)

In pursuit of realizing a decarbonized society, our Group has expressed support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). In December 1997, the NICHICON Group established the NICHICON Group's CSR Charter, and as the Mission Statement declares, we have contributed to the creation of a brighter future for society through the manufacture of products that have value. In alignment with the TCFD recommendations, we will continue to focus on more transparent information disclosure, including the resilience of our strategies based on climate-related scenario analysis.

For our Group's key businesses, such as the Capacitor business and NECST business, we conduct impact assessments of the risks and opportunities posed by climate change. Based on information provided by the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC), we have analyzed the risks and opportunities for the Group in 2030 in terms of the 1.5°C scenario, in which society as a whole is moving toward decarbonization and is able to successfully control rising temperatures, and the 4°C scenario, in which economic development is prioritized resulting in an inability to control rising temperatures.

WEB For more details, please refer to the disclosures based on the TCFD recommendations.
https://www.nichicon.co.jp/english/company/sustainability/environment/tcfd/

Diagram of future society under 1.5°C scenario

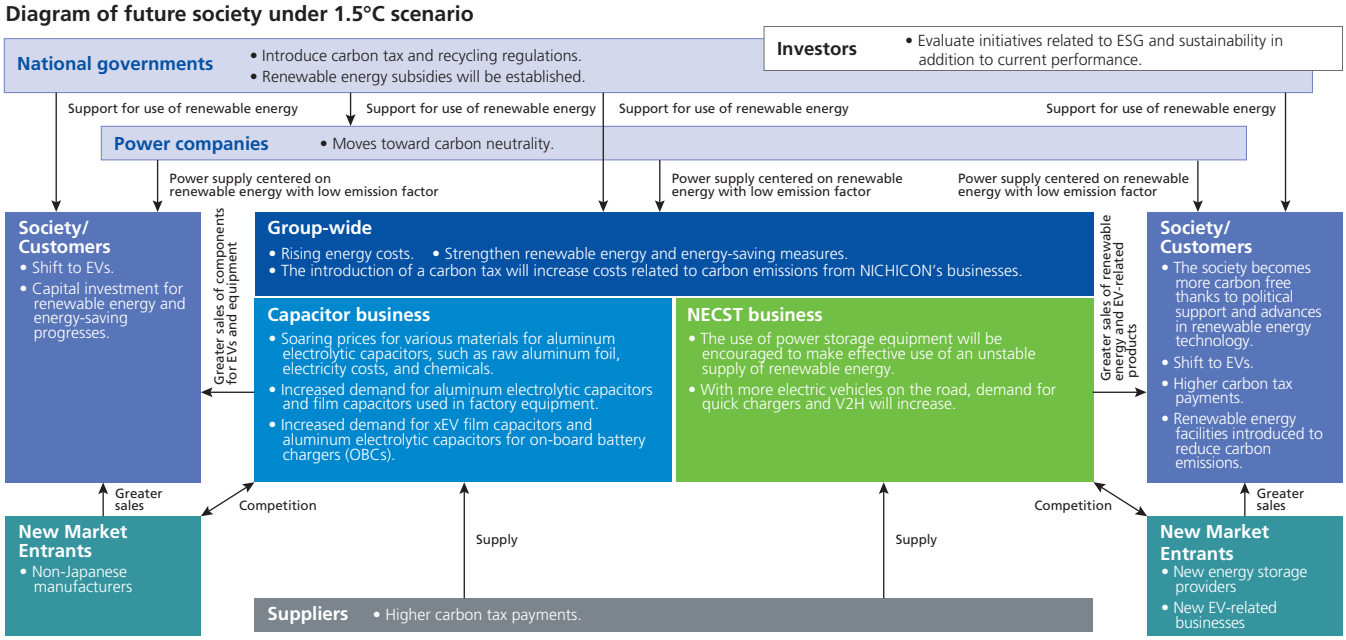
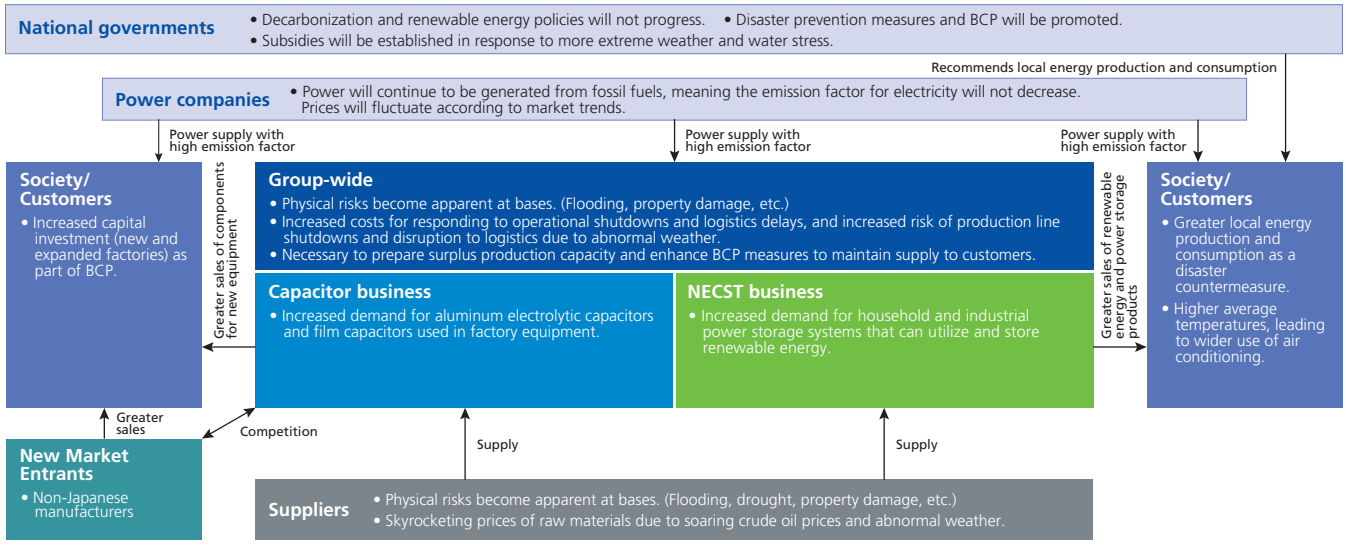


Diagram of future society under 4°C scenario



Reducing the environmental impact of our products

Our basic approach to product development

The NICHICON Group's Sustainability Policy clearly states our commitment to attain a better global environment and aim to create a sustainable society along with improved corporate value. Based on this policy, we have created many products that reduce our environmental impact.

The NECST business, which was launched in 2010, continues to provide the world with products that embody our Sustainability Policy. For example, combining the energy storage and V2H systems, which are the mainstay products of the NECST business, with solar power generation, enables us to supply power without carbon emissions, which has significantly helped to reduce our impact on the environment.

Meanwhile, in the Capacitor business, we have a range of products that help to reduce our impact on the environment, such as film capacitors for electrified vehicles (xEVs) including EVs and hybrid vehicles, high-performance aluminum electrolytic capacitors used in various automotive ECUs for electrification and in AI servers, and small lithium titanate rechargeable batteries (LTO) optimized for micro-energy charging from sources such as indoor light solar power generation and vibration energy, making them ideal for future energy harvesting. Moreover, with the latest technology, our circuit products have improved power conversion efficiency, achieving less power consumption and size reduction.

Going forward, the NICHICON Group will continue to create valued products at the cutting-edge and bring them to market. In doing so, the Group will increase its corporate value through business expansion and contribute to society by solving social issues.



EVPower Station™ VSG3 series

Rollout of the third-generation EVPower Station™ VSG3 series

Since 2012, we have been the first in the world to develop and sell V2H systems that operate both with and without connection to the power grid. In 2019, as part of the second generation, we introduced the first grid-connected V2H system in Japan to obtain JET certification. In 2024, we launched the third-generation VSG3 series, which has been well received. The VSG3 series features the following functions:

- Separate type: The main unit and the control unit are separated, providing greater flexibility in installation.
- Compact and lightweight: Compared to the second generation, the mass has been reduced by 58%, achieving a weight of 37.9 kg.
- Automatic power supply during a blackout: The system has been improved to start automatic power supply during a power outage without the need to operate a switchover switch or connect a 12 V cable for system startup (EV must be connected to the V2H unit).
- CLLC circuit system: The new circuit system, CLLC, enables miniaturization and higher efficiency. By adopting SiC MOSFETs and optimizing the inverter circuit, losses are reduced, and efficiency is improved by 10% under light loads (compared to our second-generation model).
- Operation temperature: To accommodate Japan's increasingly hot summers, the maximum operating temperature has been set at 50°C. The control unit is available in two colors, silver and bronze, allowing customers to choose a color that matches their home.

We believe V2H promotes the electrification of vehicles and adds new value, and as such, we hope to contribute to the electrification of mobility in Japan with this product.

This product was awarded the Minister of the Environment Award at the JECA FAIR 2024 Product Competition.

Enhancing quality and customer satisfaction

Complying with the RoHS Directive, REACH Regulations, and China RoHS Directive

The standard products sold by the NICHICON Group comply with the EU's RoHS Directive.*1 Our eco-friendly product GeoCap® complies with the 2013 revision of the EU's RoHS Directive (2011/65/EU). We have also completed corresponding measures to manage the four phthalate esters which were newly restricted under the Official Journal of the European Union 2015/863 directive, prior to its enforcement on July 22, 2019, with construction of a control system also being completed.

In complying with the REACH Regulations,*2 we communicate to our business partners each update of the list of substances of very high concern (SVHC) that the European Chemicals Agency (ECHA) announces twice a year and conduct surveys on contained substances. Our products also comply with China RoHS*3 requirements.

Compliance with these directives and regulations as well as content labels can be confirmed on our website.

*1. EU's RoHS Directive: Restrictions on the use of specific hazardous substances contained in electrical and electronic equipment
*2. REACH Regulations: Rules for chemical substance registration, evaluation, authorization, and restriction
*3. China RoHS Directive: Administrative measures for the control of hazardous substances in electrical and electronic products in China

Managing hazardous substances throughout the supply chain

Based on various laws and regulations, the NICHICON Group has formulated and enforces the NICHICON Group Green Procurement Guidelines which specify prohibited substances, curtailed substances, and controlled substances. With these guidelines, we strive to protect the environment throughout the supply chain. The Group has also applied to the Ministry of Economy, Trade and Industry to participate in chemSHERPA, a scheme the ministry developed to share information on chemical substances contained in products throughout the supply chain. The chemSHERPA scheme complies with the laws and regulations and international standards of various countries, including Japan. Through this scheme, we hope to reduce the burden on customers, including business partners to whom we provide information.

Boosting the reliability of products

Electronic components

We are a member of the Subcommittee on Electronic Component Safety under the Electronic Components Technology Standardization Strategy Committee of the Electronic Components Board in the Japan Electronics and Information Technology Industries Association (JEITA). Through this participation, we work to maintain or improve reliability technology in electronic components and promote awareness of electronic component knowledge. In addition, participating in the committee enables us to obtain information quickly and accurately so that we can respond to issues related to electronic component reliability and trends in product safety legislation and safety standards as well as address social demand for safety and security.

Furthermore, with the goal of achieving Zero Defects, we are focusing on the development of production technologies through industry–academia collaboration with universities and companies, aiming to advance manufacturing technologies that can support increasingly sophisticated applications in fields such as information and communications and automotive.

Equipment

As a board member of the Japan Electrical Manufacturers' Association (JEMA), we sit on various advisory committees including on distributed power supply technology, energy storage system technology, and smart energy, among others. As well as working to solve technical and policy issues surrounding storage batteries, energy management systems (EMS), and other equipment, we are also involved in bringing together the industry with the aim to standardize performance labels for energy storage systems in line with Japanese industrial standards. Moreover, with international noise-related standards formulated by the International Electrotechnical Commission (IEC) and the International Special Committee on Radio Interference (CISPR), as a board member of the KEC Electronic Industry Development Center, we hold discussions with related manufacturers, focusing on reflecting and improving standards and developing human resources to improve product reliability and safety.

Customer-based response at the Customer Consultation Office

We have established a Customer Consultation Office to provide consultation and field requests regarding the consumer products it develops, manufactures and sells, such as V2H and household energy storage systems.

For customers who wish to make consultations and inquiries, the Customer Consultation Office is their first point of contact with NICHICON. While of course providing information in a speedy and conscientious manner in response to inquiries, we also provide appropriate guidance based on the individual needs of each customer. We are working every day to improve the quality of our service and make more people into "NICHICON fans," being careful to always provide highly conscientious customer service.

Human resource cultivation and utilization

Human Resources Philosophy / Profile of human resources sought / Human resources policy

Mission Statement

We dedicate ourselves to creating valued products that will contribute to a brighter future for society. We strive to attain a better global environment, to live up to our ethical and social responsibilities and to diligently work to exceed the expectations of our customers, shareholders and employees. With heart and soul we aim to maximize our corporate value by the way of "ko-do" (Think and Work).

Human Resources Philosophy

People are the energy of NICHICON

Profile of humanresources sought	Human resources policy
• Human resources who can understand and respond to changes in society (Performance) • Human resources who can provide value beyond customer expectations (Customer creation) • Human resources who have the determination to get things done (Never give up) • Human resources who can produce results as a team (Teamwork)	• Providing opportunities for people with vision and verve, and those who do their best to thrive, and assessing them fairly • Developing and supporting human resources who can respond to change to create value • Accepting diverse abilities and individual differences to encourage individual growth (diversity and inclusion) • Aiming for the well-being of all employees

Realizing the Mission Statement based on mutual understanding and an equal relationship between employees and the Company

As a human resources initiative focused on employee fulfillment and motivation, we introduced one-on-one meetings in fiscal 2024. This has improved communication gaps between managers and their team members. Looking ahead, we will continue to promote communication measures that transcend boundaries between supervisors and subordinates as well as across the organization. By doing so, we aim to enhance the individual capabilities of all employees, leverage the power of teamwork, and, through mutual understanding, work toward realizing our Mission Statement.

Education and training

We are accelerating measures (especially those that enable women to play an active role) to support the development and growth of our employees. These measures include rank-based training, job-based training, compliance training, competition law training, etiquette and manners seminars, and female leader training. We also encourage employees to gain quality control and other qualifications, and recommend they take a range of correspondence courses, thereby giving greater opportunities for motivated employees to improve their abilities. Starting in fiscal 2024, we also established a new English conversation program to strengthen employees' English communication skills and promote the development of globally capable personnel.

As part of efforts to foster young engineers, we dispatch young engineers to the Institute of Industrial Science at the University of Tokyo, with which we have signed an industry–academia collaboration agreement. Through joint research on cutting-edge technologies, we actively support the training of engineers. We also conduct initiatives such as cross-divisional new product development meetings led mainly by young employees and activities to promote commercialization, thereby implementing a variety of human resource development measures.

Respect for fundamental human rights and human rights education

We uphold the principle of "respecting the basic human rights, personal dignity, and privacy of all people." In addition to prohibiting discrimination on the basis of nationality, race, gender, and other attributes, we have renewed our educational materials on harassment, and we repeatedly educate employees on the importance of not engaging in any acts that violate human rights, including defamation through power harassment, sexual harassment, or other forms of misconduct.

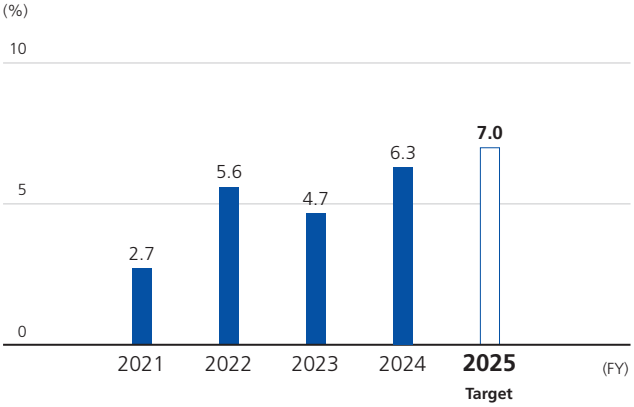
Diversity and inclusion

We promote diversity and inclusion initiatives to promote the employment of a diverse range of personnel, including disabled persons, the elderly, women, and foreigners, to allow each employee to reach their maximum potential.

As of April 2025, we have hired 92 new graduates, of which 22 are women and 12 are international students. Additionally, in fiscal 2024, we had 141 mid-career hires, and by proactively recruiting skilled personnel, we are building an organizational structure and culture that allows diverse human resources to thrive.

In terms of our policies related to human resource development, including ensuring diversity, the NICHICON Group has set a goal of increasing the proportion of female workers in managerial positions to 7% by the end of March 2026.

Proportion of women in managerial positions



Supply chain management

Ensuring occupational safety and health

The NICHICON Group provides periodic safety and health education programs to its employees. Each day, our employees recite the safety rules and identify any potential danger. Our operators also engage in danger prediction training to increase their safety and reduce the possibility of injury. Regarding the safety of our new employees, they are thoroughly educated so that every task, including on-the-job training (OJT), is conducted safely at each workplace.

And with safety instruction and training aimed at zero occupational/commuting accidents being our priority as well as making improvements by pointing out problems to each other through cross-checks between worksites and the head office, we also try to incorporate each other's best practices. In addition, information on activities at all business sites is compiled and distributed to workplaces to reduce variations and differences in attitude toward the activities.

Health and productivity management

Based on our Human Resources Philosophy that people are the energy of NICHICON, we strive to realize our Mission Statement by creating a safe, secure, healthy, and rewarding work environment.

For the sound growth of the Company, it is important that employees and their families are healthy both mentally and physically. Along with efforts to prevent illness through early detection and treatment through health screenings and physical checkups, as well as stress checks for mental illness, we are working to improve the workplace environment by restricting long working hours and encouraging employees to take time off by setting dates for all employees to take paid leave.

And as part of our efforts to support a balance between work and medical treatment, we have introduced a group long-term disability income compensation insurance system that compensates employees for a portion of their income in the event that they are unable to work for an extended period due to injury or illness.

Promoting CSR in the supply chain

The NICHICON Group asks its business partners for their understanding of its CSR philosophy, which incorporates the Responsible Business Alliance (RBA; the former Electronic Industry Citizenship Coalition®) Code of Conduct and ISO 26000 Guidance on Social Responsibility, the international standard on organizational social responsibility. In this manner, we fulfill our responsibility throughout the supply chain.

The NICHICON Group sources materials from a variety of countries and regions. We also require our business partners to comply with the laws in each country in which they conduct their operations and act in accordance with social norms. To instill awareness regarding our strict demand for the respect of human rights, we do not seek procurement from any business partners who do not understand and practice these values.

We distributed the NICHICON Group Supply Chain CSR Procurement Promotion Guidebook to principal business partners, requesting that they understand the content of this guidebook and the RBA standards of conduct. At the same time, we ask them to complete self-assessment checklists, enabling us to confirm the status of individual companies' initiatives.

Also, we have adopted a basic policy of non-use of conflict minerals in light of the U.S. Dodd–Frank Act and the Securities and Exchange Commission (SEC) disclosure rules in accordance with that act, and are working to improve transparency throughout the supply chain by sharing data with suppliers and other measures.

Thorough compliance and risk reduction in the supply chain

Our basic purchasing policies provide for ensuring that transactions are open, fair and lawful. We maintain thorough compliance, including with the Subcontracting Law.

To reduce risk, we have established a business continuity plan (BCP) and respond appropriately to the issue of conflict minerals proactively and across the supply chain.

Corporate governance

Basic approach

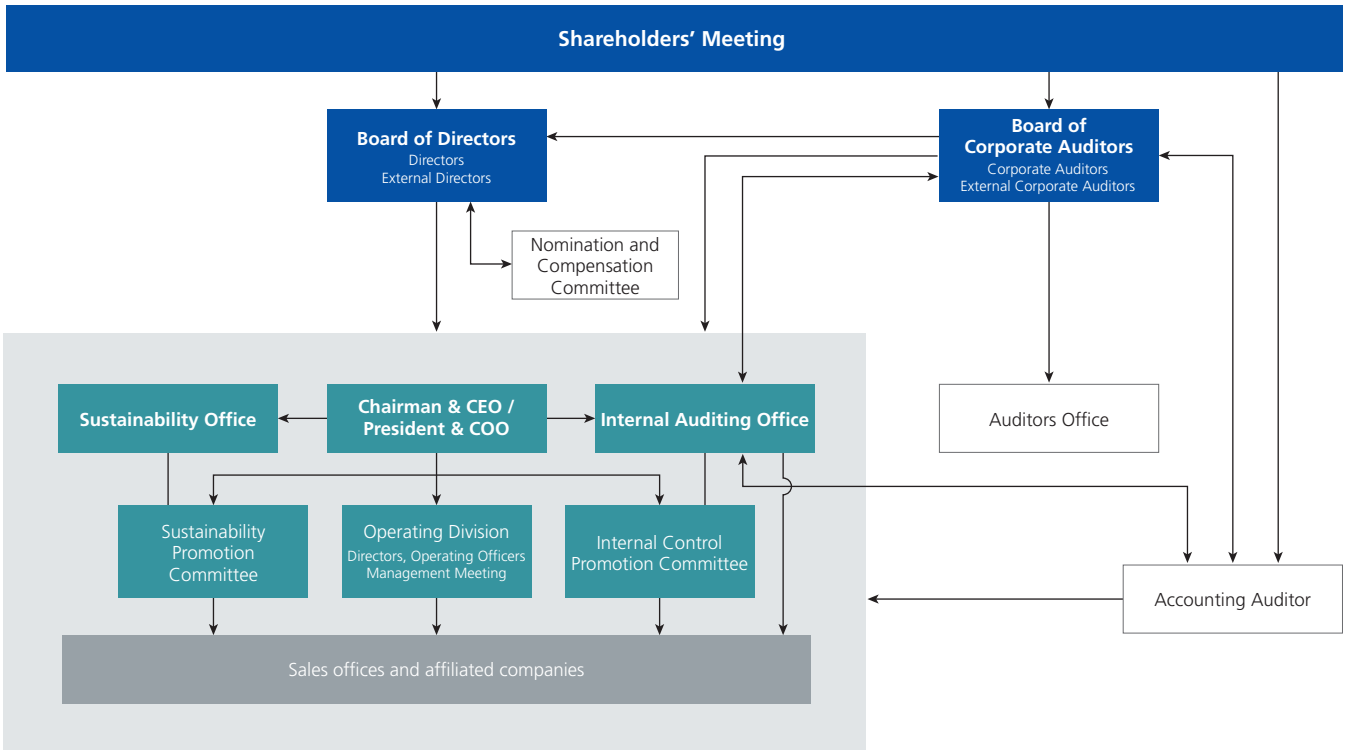
Based on our Group Mission Statement, the strengthening of corporate governance is positioned as one of our most important priorities. As such, we are working to improve management efficiency by ensuring transparency and fairness, and speeding up the decision-making process. We are engaged in corporate governance enhancements in an effort to respond nimbly to business environment and market changes and improve performance while maintaining sound management through the creation, strengthening and practical management of internal control systems to continuously improve corporate value and meet our ethical and social responsibilities in accordance with the following basic approach.

(1) Respect the rights of shareholders, ensure equality.
(2) Cooperate appropriately with stakeholders, taking into account the interests of shareholders and all other stakeholders.
(3) Ensure transparency and the appropriate disclosure of Company information.
(4) The Board of Directors attempts to establish an effective executive supervisory function from an objective standpoint emphasizing the role of independent external directors in light of fiduciary responsibilities and accountability to shareholders.
(5) Strive to engage shareholders in constructive dialogue that contributes to sustainable growth and improvement of corporate value over the medium- to long-term.

Quick reference chart for corporate governance structure

Form of institutional design	Company with Company Auditors
Number of directors (of which, external directors)	8 (5)
Directors' terms of office	2 years
Chair of the Board of Directors	Chairman
Number of corporate auditors (of which, external corporate auditors)	4 (2)
Number of external directors designated as independent	5
Number of Board meetings in FY2024	10
Number of Audit & Supervisory Board meetings in FY2024	12
Voluntary committees	Nomination and Compensation Committee
Adoption of the Operating Officer system	Yes
Stock option system	None
Accounting Auditor	Deloitte Touche Tohmatsu LLC

Corporate governance structure



Corporate governance structure

Board of Directors

The Board of Directors consists of eight members, including five external directors. We believe this is an appropriate size for continuing to deliver prompt decision-making. In terms of operations, meetings are held periodically as necessary to make fair and appropriate decisions through sufficient discussion, and to supervise the status of business execution by the director in charge.

We have also introduced an Operating Officer system to clarify the roles of management oversight and business execution functions. By clarifying the division of duties and administrative authority, and making flexible decisions according to the characteristics of each department, we aim to speed up management and execute business appropriately and efficiently.

Nomination and Compensation Committee

The Nomination and Compensation Committee has been established as an advisory body to the Board of Directors for the purpose of ensuring the fairness, transparency, and objectivity of procedures related to the nomination and compensation of directors, and to further enhance the corporate governance system.

The majority of members of the Nomination and Compensation Committee are external officers. The committee consists of four members, including three independent external directors. We are working to improve the independence and objectivity of the processes related to decisions on nomination and compensation.

Board of Corporate Auditors

The Board of Corporate Auditors consists of four corporate auditors, including two external corporate auditors (three of whom are standing corporate auditors). In addition to attending Board meetings and other important meetings to express their opinions, the auditors conduct legal audits based on their review of the execution of business duties by the Board of Directors and the Company's operational and financial condition. They also conduct operating audits, ascertaining management conditions through site visits to divisional headquarters, business facilities and Group companies. In addition to these duties, standing corporate auditors attend the Management Meeting, the Internal Control Promotion Committee, the Sustainability Promotion Committee, and other important meetings to monitor the execution of business duties by the Board of Directors.

The auditors report on the status of reciprocal business duty execution at the Board of Corporate Auditors. Based on audit planning and implementation, they work in close cooperation with accounting auditors, exchange information and opinions on a quarterly basis in an effort to improve the efficacy and efficiency of auditing. The Board of Corporate Auditors works closely with the Internal Auditing Office to exchange information and opinions whenever necessary, in an effort to improve the efficacy and efficiency of audits related to checking the degree of penetration of the Company's management policies, including compliance with laws and regulations, and the status of system development for crisis management. Additionally, the Auditors Office has been set up to which employees who are to assist the duties of the corporate auditors are appointed and assigned through consultation between the Directors and the Board of Corporate Auditors.

Internal Control Promotion Committee

Chaired by the president, the Internal Control Promotion Committee consists of executives from the Financial & Accounting Headquarters, Administration Headquarters, and the Digitalization Promotion Department. To ensure the accuracy and reliability of financial reporting, the committee periodically evaluates the Company and its Group companies with respect to Company-wide Control, Financial Reporting Process Control, Work Process Control, General IT Control, and IT Work Process Control, reporting outcomes to the Board of Directors and the Board of Corporate Auditors.

Sustainability Promotion Committee

Its mission is to promote Group-wide related initiatives in order to accomplish the Group's Sustainability Policy. As well as selecting topics for Group-wide initiatives related to Environment and Energy (E), Diversity (S), and Compliance and Risk Management (G), and considering and deciding on policies, the committee also oversees how the topics are progressing and gives instructions for improvement.

Board evaluation

To improve the functioning of the Board of Directors, self-evaluations are carried out by every director each year. Based on these evaluations, the effectiveness of the Board of Directors as a whole is verified and assessed by the Board to further enhance its performance.

Board diversity

The current internal directors have experience and skills related to global affairs, production, sales and marketing, finance, and risk management. We strive to ensure that the diversity of the Board of Directors and the overall balance of knowledge, experience and skills are the best for the Company. For instance, we appoint external directors who have experience as representative directors of other companies, or who have a high level of expertise regardless of whether they are in the same industry as us or not.

Additionally, we proceeded with the appointment of female directors and the ratio of female directors reached 17% in June 2025. Our aim is to increase diversity on the Board of Directors by appointing people who meet the skills required by the Company.

Training for directors and auditors

To ensure that officers can properly fulfill their responsibilities, NICHICON conducts training with the help of internal and external experts on the Company's Mission Statement, products, and governance policies, etc. Should an officer wish to participate in external seminars and it is deemed useful for the duties of the officer, then NICHICON will provide financial assistance as necessary.

Policies and procedures concerning appointment and dismissal

The policy for the appointment of senior management and director candidates is comprehensively considered from the perspective of the right person for the right job. We consider their overall balance and ability to cover every function and business field of the Company and monitoring of business execution, as well as accurate and prompt decision-making, a sense of responsibility and leadership, having the necessary knowledge and experience, and appropriate risk management.

In response to advice from the Board of Directors, the Nomination and Compensation Committee deliberates and reports to the Board on matters such as the appointment and dismissal of directors, the selection and dismissal of representative directors, and succession plans. The Board of Directors makes decisions regarding the nomination of director candidates based on reports from the Nomination and Compensation Committee.

With regard to the dismissal policy, procedures for dismissal will be conducted if any serious violation of laws and regulations, or of the Articles of Incorporation, are found in relation to duties, or if it is seen that there have been any significant departures from the selection policy.

The policy for the appointment of candidates for the Board of Corporate Auditors is also comprehensively considered from the perspective of the right person for the right job. We consider their wealth of experience in auditing the execution of director duties, knowledge of finance and accounting, and knowledge of the Company's business and corporate management.

Directors and corporate auditors skills matrix

Name	Position in Company	Corporate management	Manufacturing / R&D	Sales / Marketing	Finance / Accounting	International experience / Diversity	Legal / Risk management	Sustainability / ESG	Human resource development
Ippei Takeda	Representative Director, Chairman	○	○	○	○	○	○	○	○
Katsuhiko Mori	Representative Director, President	○		○		○		○	○
Akihiro Yano	Director	○	○		○	○		○	
Kazumi Matsushige	Director (External/Independent)		○				○	○	○
Haruhiko Kato	Director (External/Independent)	○			○	○			○
Noriko Kurimoto	Director (External/Independent)					○	○	○	
Muneya Taniguchi	Director (External/Independent)	○		○	○	○			
Senko Ikenobo	Director (External/Independent)					○		○	○
Shigeo Yoshida	Standing Corporate Auditor	○	○	○	○	○			○
Seiya Ueno	Standing Corporate Auditor	○			○	○	○		
Yoshihiko Nakatani	Standing Corporate Auditor (External/Independent)	○	○			○			○
Kan Tsutagawa	Corporate Auditor (External/Independent)	○		○	○		○		○

Note: The above skills matrix does not represent all the experience and knowledge possessed by each director and auditor.

Reasons for appointing external officers

Name	Independent officer	Supplementary information	Reason for appointment
Kazumi Matsushige	○	• Professor Emeritus, Kyoto University • President of Shikoku University and Shikoku University Junior College • Outside Director of Awa Paper & Technological Company, Inc.	Appointed as an external director to further strengthen the Company's management structure by leveraging his wealth of academic experience and deep insight as a university professor and university president to gain his advice and guidance from an objective standpoint.
Haruhiko Kato	○	• From the private sector • Outside Director (Audit and Supervisory Committee Member) of Asahi Broadcasting Group Holdings Corporation • Outside Director of Chubu Electric Power Co., Inc.	Appointed as an external director to further strengthen the Company's management structure by leveraging not only his experience as a director of a car manufacturer but also his time served as a representative director and running a financial institution, in addition to his considerable knowledge on finance, taxation, and accounting after having held important positions in the Ministry of Finance for many years, to gain his advice and guidance from an objective standpoint.
Noriko Kurimoto	○	• From the private sector • Partner Lawyer, Kansai Law & Patent Office • Outside Audit & Supervisory Board Member of The Kinki Sharyo Co., Ltd.	Appointed as an external director to further strengthen the Company's management structure by leveraging her extensive knowledge as a lawyer to gain her advice and guidance from an objective standpoint as a legal expert.
Muneya Taniguchi	○	• From the private sector • Special Advisor of Mitsubishi UFJ Securities Holdings Co., Ltd.	Appointed as an external director to further strengthen the Company's management structure by leveraging his extensive knowledge of finance and accounting gained through his involvement in financial operations for many years to gain his advice and guidance from an objective standpoint.
Senko Ikenobo	○	• Vice Head Priest of Shiunzan Chohoji (Rokkakudo) Temple • Vice Chairman of Japan Ikebana Art Association • Vice President of Ikenobo Society of Floral Art • Vice Chairman of the Kyoto Association of Corporate Executives • Outside Director of Asahi Broadcasting Group Holdings Corporation • Deputy Chairperson, Executive Board Member, and Senior Advisor of the Japan Association for the 2025 World Exposition	Appointed as an external director to further strengthen the Company's management structure by leveraging her many years of experience in managing Japan's leading cultural and artistic organizations, as well as serving as a director and committee member in various associations to gain her advice and guidance from an objective standpoint.
Yoshihiko Nakatani	○	• Academic • Experience at other companies	Appointed as an external corporate auditor to ensure the soundness of the Company from an objective standpoint and to enhance and strengthen the highly transparent audit system by leveraging his deep insight and extensive experience as an academic, in addition to his experience with technology management at private companies.
Kan Tsutagawa	○	• Experience at other companies	Appointed as an external corporate auditor to ensure the soundness of the Company from an objective standpoint and to enhance and strengthen the highly transparent audit system by leveraging his considerable knowledge of corporate management after having served as a director of a news organization.

Executive compensation

1. Basic policy

The basic policy is to establish a compensation system linked to shareholder interests so that it functions sufficiently as an incentive to continuously increase corporate value. When determining compensation for each director, the policy is to set it at an appropriate level taking into account each director's respective responsibilities. More specifically, compensation for executive directors consists of fixed, basic compensation and performance-linked compensation, whereas external directors who perform supervisory functions are paid only a fixed compensation from the viewpoint of their role and independence.

2. Basic compensation for directors

The basic compensation for directors is a fixed monthly compensation determined by a comprehensive look at individual duties and achievements, Company performance, trends in other companies, medium- to long-term business performance, and past payouts, etc. It is set within the amount of compensation for directors approved at the General Meeting of Shareholders.

3. Content and amount of performance-linked compensation

To focus attention on improving business performance every fiscal year, the Company's performance-linked compensation is determined within a certain range of net income attributable to owners of the parent. The compensation for directors according to their roles and the degree to which they have contributed to the Company over the short term and medium to long term is determined within the amount approved at the General Meeting of Shareholders based on the report of the Nomination and Compensation Committee. Performance-linked compensation is paid at a set time each year.

4. Ratio of basic and performance-linked compensation for directors

The Company's performance-linked compensation is paid within the scope of net income attributable to owners of the parent. Since this fluctuates greatly depending on business performance, the ratio to basic compensation also fluctuates significantly every year. As such, we do not lay down any rules for determining the ratio for each type of compensation.

5. Details of compensation for directors

Based on the decision of the Board of Directors, specific details on the amount of compensation for each director are entrusted to the representative directors. The content of such authority shall be determined through discussion by the representative directors regarding the evaluated allocation of performance-linked compensation and the amount of basic compensation for each director. The Board of Directors shall consult with the Nomination and Compensation Committee to obtain a report so that such authority is appropriately exercised by the representative director, and the representative directors receiving the above mandate must make decisions in accordance with the contents of the report.

Cross holding

With regard to the classification of investment shares held for purely investment purposes and those held for other purposes, the Company classifies investments for the purpose of dividends and capital gains as net investment shares, and classifies investment shares that are for purposes other than pure investment as specified investment shares. Specified investment shares are held when judged to contribute to the improvement of corporate value over the medium to long term, taking

Executive compensation for FY2024

Executives	Total compensation (millions of yen)	Total by type of compensation (millions of yen)				Number of eligible officers
		Fixed compensation	Performance-linked compensation	Retirement benefits	Of the items listed on the left, non-monetary compensation, etc.	
Directors (excluding external directors)	169	136	33	—	—	4
Corporate Auditors (excluding external corporate auditors)	22	22	—	—	—	3
External officers	58	58	—	—	—	7

Notes: 1. The total amount of compensation for directors as resolved by the General Meeting of Shareholders (June 28, 2007) is set at within 280 million yen per annum (the number of directors at the conclusion of this General Meeting of Shareholders was seven), and the total amount of compensation for corporate auditors as resolved by the General Meeting of Shareholders (June 27, 2025) is set at within 80 million yen per annum (the number of corporate auditors at the conclusion of this General Meeting of Shareholders was four).
2. The amount of compensation, etc., for corporate auditors includes the compensation for two corporate auditors (including one external corporate auditor) who retired during the current fiscal year.
3. The amount of compensation for directors does not include salaries and bonuses for those who concurrently serve as employees.
4. The Company resolved to abolish the executive retirement benefits scheme for directors and corporate auditors at the conclusion of the 72nd Ordinary General Meeting of Shareholders held on June 28, 2007. It has been resolved that directors and corporate auditors who continue to serve from the time after the conclusion of this meeting will be presented upon their retirement with executive retirement benefits corresponding to the period of their tenure until the abolition of said scheme.
5. Compensation for each corporate auditor is determined through discussions among all corporate auditors, but only fixed compensation is provided.

into account the necessity of business operations and maintaining and strengthening long-term, stable relationships with business partners. NICHICON does not hold any net investment shares.

Regarding specified investment shares, we regularly verify the dealings and relationship with the companies we hold shares in based on a medium- to long-term perspective, as well as the financial position, share price, dividends, and other conditions of the companies we hold shares in. Our policy is to reduce the number of stocks which have become less relevant to hold while conducting dialogue and negotiations with our business partners and others.

The Board of Directors also regularly reviews the appropriateness of continuing to hold such shares in line with the above policy.

Voting criteria for specified investment shares are determined after examining from various perspectives, such as whether they will lead to medium- to long-term improvement in the corporate value of the companies we hold shares in.

Total amount of cross holdings on consolidated balance sheet (as of March 31, 2025)

	FY2022	FY2023	**FY2024**
Number of stocks	42	38	**33**
Total amount on consolidated balance sheet (million yen)	23,581	26,722	**21,719**
Consolidated net assets ratio (%)	23.3	23.5	**19.1**

Note: NICHICON does not hold any stocks that fall under deemed stock holdings.

Number of stocks held for purposes other than pure investment and total amount on balance sheet (as of March 31, 2025)

	Number of stocks	Total amount on balance sheet (million yen)
Unlisted stock	14	858
Stocks other than unlisted stocks	19	20,860

Stocks increased in FY2024

	Number of stocks	Total acquisition value of increased shares (million yen)
Unlisted stock	1	499
Stocks other than unlisted stocks	—	—

Stocks decreased in FY2024

	Number of stocks	Total sale value of decreased shares (million yen)
Unlisted stock	—	—
Stocks other than unlisted stocks	7	3,106

Anti-takeover measures

As a basic policy regarding control of the Company, we believe that if a takeover proposal is made to the Company, the final decision on whether or not to accept the offer should be left to the shareholders of the Company at that time. In such case, we believe that it is necessary to secure and enhance corporate value and the common interests of shareholders by enabling shareholders to make informed judgments based on sufficient information and a reasonable period of deliberation through fair and transparent procedures for confirming the intentions of the shareholders.

Information disclosure and dialogue with shareholders and investors

58 shareholders attended the Fiscal 2024 Ordinary General Meeting of Shareholders (held on June 27, 2025). During the report of financial results, charts, graphs and other visuals were screened to provide explanations in a manner that was easy to see and understand.

As well as showcasing featured products at the venue, we displayed the new brand slogan, "Kurashi ni, Enepa! (Energy performance for living!)" to convey our goal of leading the industry by proposing new value through enhancing energy performance in everyday life. We showcased to all shareholders our small lithium titanate rechargeable batteries (LTO) for wearable IoT devices and inverter smoothing film capacitors for driving xEV motors, as well as our aluminum electrolytic capacitors for automobiles and information and communication devices, from our Capacitor business. From our NECST business, we introduced the third-generation V2H system, EVPower Station™, our Tribrid Energy Storage System™, our accelerator power supplies for medical and academic research as well as our cyclic multi charger



Shareholders' meeting venue



Product display

Compliance and risk management

Dissemination of the NICHICON Group Code of Conduct (revised)

In addition to the Company Credo, the Mission Statement defines the direction and social responsibility on which every employee should be focused. In October 2002, we established the NICHICON Group Code of Conduct as guidance for director and employee observance of laws and regulations and to spread shared ethics and values. Subsequently, the Responsible Business Alliance (RBA) Code of Conduct was established, and in November 2010, ISO 26000 (guidance on social responsibility) was published. To enhance the comprehensiveness of the requirements for labor, environmental conservation, health and safety, and ethics as demanded by the RBA and ISO 26000, we issued the NICHICON Group Code of Conduct (Revised 2nd Edition) in April 2013. Following revisions to the RBA Code of Conduct, we released the NICHICON Group Code of Conduct (Revised 3rd Edition) in April 2024 to ensure alignment. After issuing the revised version, we have been working to improve employees' understanding through Code of Conduct education while giving training and sharing information at each business facility, utilizing e-learning tools and other means for all employees in Japan and overseas.

Provision of internal and external consultation services (Internal Reporting System)

Compliance plays a significant role in the promotion of sound corporate activities in conformity with all laws, ordinances, internal rules, policies, codes of ethics, etc. The NICHICON Group has established an internal reporting rule as one of the mechanisms to ensure thorough compliance, and has established a "Compliance Hotline (Internal Reporting System)" based on this rule.

Specifically, points of contact and means of consultation are provided, and investigations are conducted when necessary, should reports be received. Furthermore, we thoroughly protect the personal information of the people who file reports to ensure they do not suffer any negative effects, making every effort to prevent misconduct and detect issues at an early stage. In April 2024, the Competition Law Compliance External Reporting Hotline was established.

Enhanced structure for competition law compliance

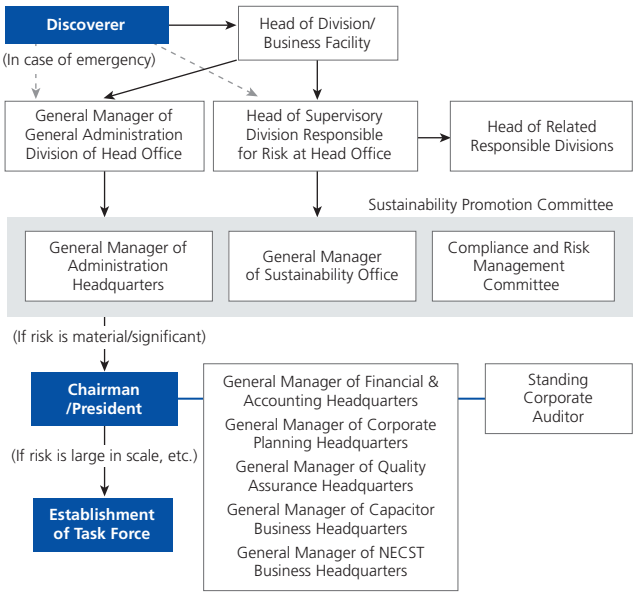
The NICHICON Group has made an effort to engage in activities that thoroughly comply with social ethics and follow laws and rules to fulfill our social responsibility. However, as we have been suspected of violating antitrust laws in Japan and competition laws in other countries in the past, we have been investigated by the Japan Fair Trade Commission and overseas competition authorities. We sincerely apologize for the concern these events caused our shareholders and all other stakeholders.

The NICHICON Group takes these findings extremely seriously and strives to strengthen compliance structures and educational activities to more thoroughly comply with antitrust laws in Japan and competition laws in other countries. In an attempt to further enhance the NICHICON Group competition law compliance structure, the Competition Law Compliance Subcommittee was established under the CSR Promotion Committee (currently Sustainability Promotion Committee) in July 2016. In addition, competition law compliance regulations were formulated to prevent competition law violations before they occur and clarify basic items that must be observed when executing business duties. These regulations specify the establishment of a Compliance External Reporting Hotline for reporting and consultation, the implementation of regular auditing by the Auditing Department related to competition law compliance, pre-approval and post-reporting procedures for the prevention and monitoring of contact with competitors to implement supervision and guidance of the status of compliance with competition laws. Furthermore, we are holding competition law compliance workshops mainly for sales divisions to ensure thorough compliance with competition laws in the workplace. These workshops provide detailed explanations of regulations, as well as numerous case studies taken from real incidents presented by lawyers. These activities have also been rolled out to production and overseas worksites in an effort to ensure thorough compliance and strengthen the Group-wide competition law compliance structure. We have also been making use of e-learning tools to conduct video lectures presented by lawyers and comprehension checks, not only for sales divisions, but also for production and overseas worksites.

Risk management system

The Group has established and operates risk management regulations in an attempt to avoid losses and risks beforehand, and to minimize

Company-wide liaison system in the event of materialization of risks



damage in the unlikely event that a risk does occur.

The organization that plays a central role in risk management is the Compliance and Risk Management Committee established within the Sustainability Promotion Committee. This committee reviews and provides guidance based on the monthly activity reports submitted by each business facility. Material risks are also identified and managed at each facility with the actual progress of such efforts and their verification confirmed through the monthly reports, with guidance provided for ongoing improvement.

Ongoing improvements to the business continuity plan (BCP) and business continuity management (BCM) entrenchment efforts

The NICHICON Group makes an effort to take the appropriate responses and countermeasures to prevent risk and minimize damage from the perspective of employees, trading partners, customers, regional communities and all our stakeholders with respect to systems and countermeasures for risks with the potential to significantly impact business, such as natural disasters and accidents, management risks, and political, economic and social risks. And in an effort to maintain safe and stable corporate management, operations and thorough familiarization of disaster and crime prevention management regulations and risk management regulations are conducted in accordance with its contents. We place importance on the establishment of BCM for the quick resumption or continuation of business in the event of damage from a natural disaster or accident during the course of business activities.

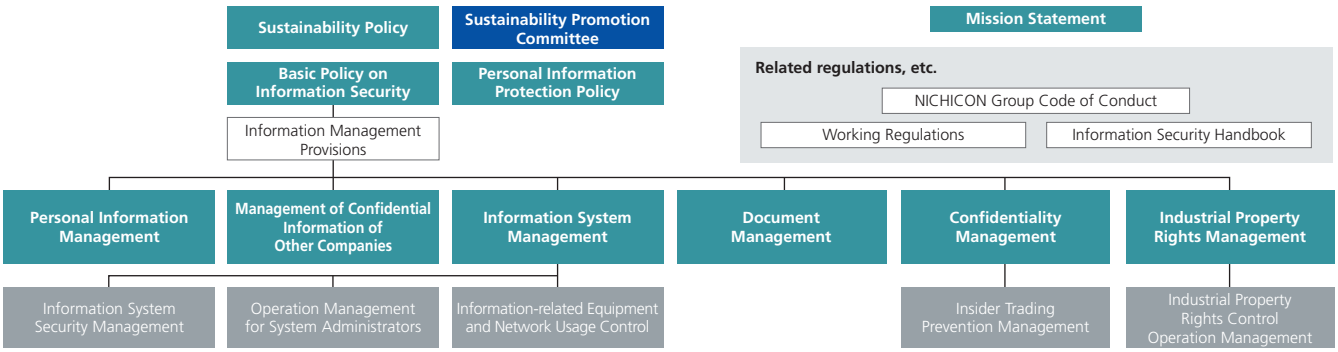
The Great East Japan Earthquake, which occurred on March 11, 2011, provided the NICHICON Group with an opportunity in 2012 to complete preparation of an outline for the NICHICON Group BCP formulation guidelines and business continuity regulations encompassing both the already-drafted BCP and BCM. Based on these activities, NICHICON is establishing BCM including continuous improvements via the PDCA cycle to further enhance its BCP.

Strengthening of information security

In the Group's business activities, we handle confidential information obtained from customers and business partners (such as business partner information, personal information, trade secrets, and technical information). In recent years, however, there has been an increase in cyberattacks targeting companies, as well as information leaks caused by intentional or negligent actions of employees. Failure to respond to these issues in a timely and appropriate manner could lead to the loss of social trust, economic losses such as system restoration costs or compensation to customers, and even the suspension of business operations due to system downtime, all of which could negatively impact business performance. Additionally, regulations and laws related to data protection and personal information are being increasingly established and strengthened globally, with penalties for violations becoming more severe.

As part of our measures against information security risks in the Group, we are advancing efforts from both human and technical perspectives. On the human side, we have established various regulations that employees must adhere to, such as the Basic Policy on Information Security, Information System Security Regulations, Personal Information Protection Policy, and Information Management Provisions. Based on these regulations, we regularly conduct information security training and simulated phishing email exercises. On the technical side, we implement malware protection, collect various logs such as PC operation histories, control access to information, undergo vulnerability assessments, conduct simulated attacks, monitor communications to prevent unauthorized access, and restrict the use of storage media such as USB drives and SD cards. Additionally, the PCs used by employees are monitored 24/7 by external specialists, and if any suspicious behavior is detected, we have a system in place to quickly identify and address the issue. Furthermore, in preparation for any information security incidents or accidents, the entire Group has enrolled in cyber security insurance.

NICHICON Group information management framework



Directors and corporate auditors

Directors



Ippei Takeda
Representative Director and Chairman, CEO

Mar. 1963	Joined the Company
Feb. 1978	Representative Director & President of Nichicon (America)
June 1983	Director of the Company
Dec. 1983	General Manager of the Company's International Division
July 1995	General Manager of the Company's Ohno Factory and Overseas Sales Representative
June 1997	Managing Director of the Company
June 1998	President & COO of the Company
June 2003	Representative Director & President, COO of the Company
June 2007	Representative Director & Chairman, COO of the Company
June 2013	Representative Director & Chairman, CEO of the Company (current)



Katsuhiko Mori
Representative Director and President, COO

Apr. 1991	Joined the Company
Jan. 2003	Deputy General Manager of Tokyo Sales Office No.1 Sales Division, Eastern Japan Sales Headquarters of the Company
Jan. 2004	General Manager of the Company's International Sales Headquarters
Feb. 2004	Managing Director of Nichicon (Taiwan) Co., Ltd
June 2011	President of Nichicon (Taiwan) Co., Ltd.
Jan. 2014	General Manager of the Company's Greater China President of Nichicon (Hong Kong) Ltd.
July 2020	Operating Officer of the Company General Manager of Capacitor Business Headquarters
June 2023	Representative Director & President, COO of the Company(current)



Haruhiko Kato
External Director

Apr. 1975	Joined The Ministry of Finance
July 2007	Director-General of the Tax Bureau
July 2009	Commissioner of the National Tax Agency
July 2010	Resigned from Commissioner of the National Tax Agency
Jan. 2011	Senior Managing Director of Japan Securities Depository Center inc.
June 2011	Representative Director and President of same company
June 2013	Outside Director of Toyota Motor Corporation
Mar. 2014	Outside Director of Canon Inc.
July 2015	Director and President of Japan Securities Depository Center inc.
June 2019	Standing Company Auditor of Toyota Motor Corporation
June 2023	External Director of the Company (current)
June 2024	Outside Director (Audit and Supervisory Committee Member) of Asahi Broadcasting Group Holdings Corporation (current)
June 2025	Outside Director of Chubu Electric Power Co., Inc. (current)



Noriko Kurimoto
External Director

Dec. 2007	Registered as attorney, Osaka Bar Association Joined Kansai Law and Patent Office
Jan. 2014	Partner of same Office (current)
June 2023	External Director of the Company (current)
June 2024	Company Auditor of Kinki Sharyo Co.,Ltd. (current)

Corporate auditors



Shigeo Yoshida
Standing Corporate Auditor

Apr. 1982	Joined the Company
Aug. 1988	Manager, Nichicon (Singapore) Pte. Ltd.
June 2003	Deputy General Manager of International Sales Division, Sales Headquarters of the Company
Nov. 2004	General Manager of Administration Division, Power Supply Center of the Company
Apr. 2007	Managing Director, Nichicon (Hong Kong) Ltd.
Nov. 2008	Overall responsibility for East Asian sales of the Company
June 2009	Director of the Company Operating Officer of the Company General Manager of the Company's Sales Headquarters
May 2011	General Manager of the Company's Production Headquarters
July 2011	Managing Operating Officer of the Company
Oct. 2012	Representative Director and President, Nichicon Hi-Tech Foil Corporation
June 2013	Representative Director & President, COO, of the Company
June 2023	Special Advisor of the Company (current)
June 2024	Standing Corporate Auditor of the Company (current)



Seiya Ueno
Standing Corporate Auditor

Apr. 1990	Joined Mitsui Trust Bank, Limited (now Sumitomo Mitsui Trust Bank, Limited)
Jan. 2001	Joined The Industrial Bank of Japan, Limited (now Mizuho Bank, Ltd.)
Dec. 2004	General Manager, Capital Markets Department, Mizuho Corporate Asia (Hong Kong) Limited
Apr. 2015	Head of Americas Office, Portfolio Management Department Head of Americas Office, Asset Management Control Department, Mizuho Bank, Ltd.
May 2018	Joined the Company as General Manager of Management Division, Capacitor Business Headquarters
Sep. 2019	General Manager of the Company's Internal Auditing Office (current)
June 2024	Standing Corporate Auditor of the Company (current)



Akihiro Yano

Director and Managing Executive Officer
General Manager of Corporate Planning Headquarters and General Manager of Sustainability Office

Apr. 1980	Joined Pioneer Corporation
Apr. 2001	Managing Director of Planning Division of Pioneer Europe (NV)
May 2005	Representative Director and President of Pioneer Electronics Germany (GmbH)
Dec. 2009	Joined the Company as Deputy General Manager of Production Management Division, Production Headquarters
Oct. 2010	Deputy General Manager of the Company's Corporate Planning Headquarters
May 2011	General Manager of Corporate Planning Headquarters
July 2011	Operating Officer of the Company
June 2013	Director of the Company (current)
July 2015	Managing Operating Officer of the Company
July 2017	Senior Managing Operating Officer
Feb. 2022	General Manager of Sustainability Office (current)
July 2023	Managing Executive Officer of the Company (current)
July 2025	General Manager of the Company's Administration Headquarters



Muneya Taniguchi

External Director

Apr. 1985	Joined The Mitsubishi Bank, Limited (now MUFG Bank, Ltd., hereafter "the Bank")
June 2011	Executive Officer and General Manager of Corporate Banking Division No. 3, Corporate Banking Group No.1 of the bank
May 2015	Managing Executive Officer of the bank
Apr. 2019	Senior Managing Executive Officer of the bank
June 2019	Representative of the Board of Directors and Senior Managing Executive Officer of the bank
Apr. 2021	Representative of the Board of Directors and Deputy President of the bank
Apr. 2022	Deputy Chairman of Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
Apr. 2025	Senior Advisor of Mitsubishi UFJ Securities Holdings Co., Ltd. (current)
June 2025	External Director of the Company (current)



Yoshihiko Nakatani

Standing Corporate Auditor
External Corporate Auditor

Apr. 1972	Joined Matsushita Electric Industrial Company (currently Panasonic Holdings Corporation)
Apr. 1995	General Manager of Multimedia Promotion Office
Apr. 1997	Executive Vice President of the European Laboratories, GmbH
Sep. 1999	Director of the Overseas R & D Promotion Center
Oct. 2004	Professor in COE Program Promotion organization at Ritsumeikan University
Apr. 2008	Professor in Ritsumeikan Global Innovation Research Organization at Ritsumeikan University
Apr. 2009	Director of the Research Department at Ritsumeikan University
Apr. 2012	Vice President of the Industry-Academia-Government Collaboration Strategy Board at Ritsumeikan University
June 2018	Substitute Corporate Auditor of the Company
Apr. 2020	Senior Researcher, Center of Research for Science and Technology at Ritsumeikan University
June 2020	External Corporate Auditor of the Company (current)



Kazumi Matsushige

External Director

Apr. 1981	Assistant Professor in the Research Institute for Applied Mechanics, Kyushu University
May 1990	Professor in the Faculty of Engineering, Kyushu University
Apr. 1993	Professor in the Department of Electronic Science and Engineering, Graduate School of Engineering, Kyoto University
July 1996	Director of Venture Business Laboratory, Kyoto University
Apr. 2001	Director of International Innovation Center, Kyoto University
Apr. 2004	Vice President of Kyoto University (responsible for industry-academia collaboration and intellectual property)
Apr. 2005	Director, International Innovation Organization, Kyoto University
Apr. 2012	Professor Emeritus, Kyoto University (current) Distinguished Visiting Professor, Ryukoku University
June 2012	External Director of the Company (current)
Apr. 2013	President of Shikoku University and Shikoku University Junior College (current)
June 2016	Outside Director of Awa Paper & Technological Company, Inc. (current)



Senko Ikenobo

External Director

Nov. 1989	Headmaster Designate of Ikenobo
July 1995	Vice Head Priest of Shiunzan Chohoji (Rokkakudo) Temple (current)
Jan. 2007	Vice Chairperson of Japan Ikebana Art Association (current)
Apr. 2012	Vice President of Ikenobo Society of Floral Art (current)
Oct. 2019	Executive Board Member of the Japan Association for the 2025 World Exposition
Dec. 2019	Executive Board Member and Senior Advisor of the Japan Association for the 2025 World Exposition
Apr. 2021	Vice Chairperson of the Kyoto Association of Corporate Executives (current)
June 2023	Outside Director of Asahi Broadcasting Group Holdings Corporation (current)
Dec. 2023	Deputy Chairperson, Executive Board Member, and Senior Advisor of the Japan Association for the 2025 World Exposition (current)
June 2025	External Director of the Company (current)



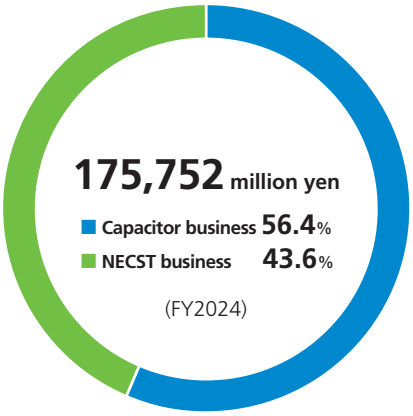
Kan Tsutagawa

External Corporate Auditor

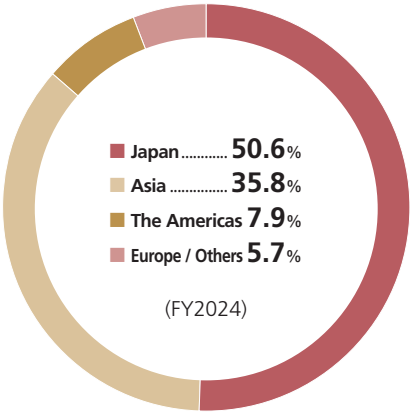
Apr. 1973	Joined The Yomiuri Shimbun
June 2007	Executive Officer, Director of Production, Tokyo Head Office of same company
June 2009	Director, Chief Editor of same company
June 2011	Senior Managing Director, YOMIURI TELECASTING CORPORATION
June 2013	Director, Vice President of same company
June 2014	Representative Director, Vice President of same company
June 2016	Representative Director, President of same company
June 2019	Representative Director, Chairman of same company
June 2020	Chief Advisor of same company
July 2022	Advisor of the Company (current)
June 2023	External Corporate Auditor of the Company (current)

Segment information

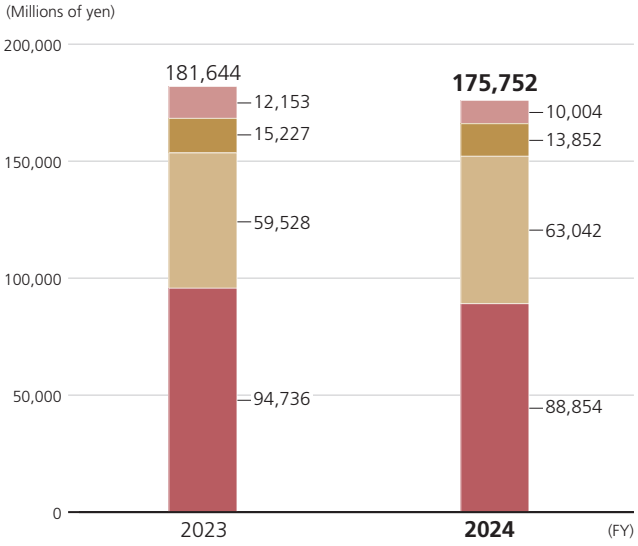
Sales ratio by segment



Net sales by region



Net sales by region

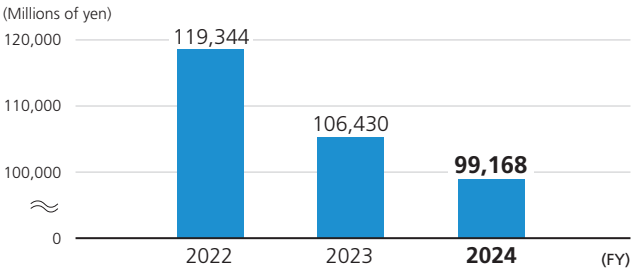


Capacitor business

- Aluminum electrolytic capacitors
- Small lithium titanate rechargeable batteries (LTO)
- Film capacitors for power electronics
- Film capacitors for xEVs
- Transformers



Net sales

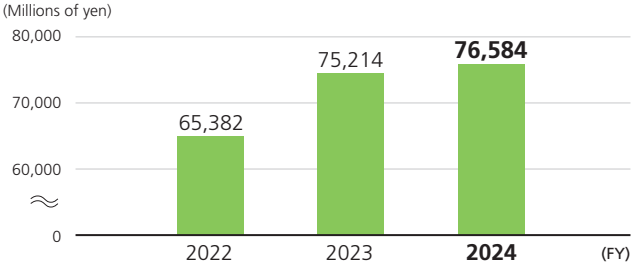


NECST business

- Household energy storage systems
- V2H systems
- EV and PHEV quick chargers
- Switching power supplies
- Function modules
- Public and industrial power storage systems
- Accelerator power supplies at medical facilities
- Accelerator power supplies for academic study
- Pressure sensors



Net sales



Overview of fiscal year ended March 31, 2025

In the Capacitor business, net sales amounted to ¥99,168 million, a 6.8% decrease year on year. Segment operating income was ¥1,551 million, down 78.8% year on year, resulting in both lower sales and profit.

By market segment, in the automotive and vehicle-related equipment field, although growth in battery electric vehicles (BEVs) has slowed, demand for hybrid vehicles has been increasing. The overall automotive market remains firm, and electrification continues to make steady progress. In particular, demand for conductive polymer aluminum solid electrolytic capacitors and conductive polymer hybrid aluminum electrolytic capacitors (collectively, conductive polymer capacitors) used in Advanced Driver Assistance Systems (ADAS) and electrification units is expanding, and production capacity is being strengthened. In the information and communications equipment field, conductive polymer capacitors have performed strongly for use in generative AI servers and data centers, and further growth is expected going forward. Meanwhile, for products for household appliances and industrial inverter equipment, demand for large aluminum electrolytic capacitors is showing signs of bottoming out as some customers work through inventories, with expectations for recovery ahead.

About future developments

We will continue to enhance our product lineup of conductive polymer capacitors, where demand is expected to expand. In addition, we will expand production capacity and enhance our technological development structure for film capacitors for xEVs, aiming to increase orders in each of our key markets.

For information and communications equipment such as AI servers, we will contribute to higher functionality through products including the PCY Series, a chip-type conductive polymer aluminum solid electrolytic capacitor that offers an industry-leading guarantee of 125°C for 12,000 hours. For xEV applications, we are focusing on developing film materials and evaporation patterning technologies that enable higher capacitance and higher ripple current capability, as well as technologies for high-performance module integration. To meet domestic and overseas demand, we are promoting in-house production of metallized film at NICHICON (KUSATSU), our mother plant in Japan, and at NICHICON (SUQIAN) in China. Furthermore, we plan to establish a new production site in Shiga Prefecture, aiming to build a global production system capable of 400,000 units per month. On the technological front, we will promote needs-driven product development and seed development through industry–academia collaboration, and further strengthen our competitive advantage through KPI-based management grounded in common performance indicators.

Overview of fiscal year ended March 31, 2025

In the NECST business, net sales totaled ¥76,584 million, representing a 1.8% increase year on year. Segment operating income rose significantly to ¥3,648 million, 2.3 times higher than the previous fiscal year, resulting in both higher sales and profit.

Growth in this business was driven by household energy storage systems. The new products launched last year achieved substantial expansion through the development and enhancement of sales channels that target not only newly built homes but also existing buildings, thereby promoting the effective use of renewable energy. In EV-related equipment, the installation of the Company's quick chargers was accelerated under the Japanese government's policy to develop a nationwide EV charging infrastructure network.

Meanwhile, V2H systems were affected by changes to subsidy program conditions and sluggish EV sales; however, we are stepping up promotion activities in line with the growing number of imported EVs and V2H-compatible vehicles. Power supply products for office equipment saw improved profitability through active sales efforts and business structure reforms. In addition, large specialty power supplies for academic and medical applications performed steadily as planned.

About future developments

In response to the megatrend toward decarbonization, we are enhancing the value we provide by leveraging our circuit technologies, which cover a wide range of energy- and environment-related products; from switching power supplies to specialty power supplies for medical facilities, academic research, and industrial applications.

In the environmental field, we are strengthening our total system development that integrates energy storage and power control technologies to support the expansion of the renewable energy and energy storage markets. As part of the shift toward EVs, we are promoting the development of social charging infrastructure through quick chargers, external power feeders, and V2H systems. With the industry's first quick charger for commercial EVs, the Cyclic Multi Charger, we are meeting the diverse charging needs of commercial EVs, including high-output charging, simultaneous charging of multiple vehicles, and centralized charging management. For accelerator power supplies for medical facilities and academic research, we are developing more compact power supplies for particle beam accelerators used in cancer treatment. Drawing on our experience supplying accelerator power supplies for the 3 GeV high-brilliance synchrotron radiation facility NanoTerasu, we are also working to contribute to the advancement of fusion energy technologies aimed at establishing technologies for solving issues of mankind. Through these initiatives, we are putting into practice a transformation *from manufacturing to value creation,* helping to address social challenges and build a brighter future for society.

Financial and non-financial highlights

Financial information

	Millions of Yen					Thousands of U.S. Dollars
	FY2024	FY2023	FY2022	FY2021	FY2020	**FY2024**
For the year						
Net sales	**¥ 175,752**	¥ 181,644	¥ 184,726	¥ 142,199	¥ 116,074	**$1,175,360**
Operating income	**5,204**	8,905	12,677	6,427	1,574	**34,801**
Income before income taxes	**8,466**	10,583	9,971	9,588	2,753	**56,614**
Net income attributable to owners of the parent	**5,878**	8,254	7,815	7,902	1,703	**39,306**
Capital expenditures	**11,130**	16,200	11,201	10,127	6,542	**74,433**
Depreciation and amortization	**8,466**	6,946	7,544	6,055	5,245	**56,617**
At year-end						
Total assets	**192,583**	206,938	192,339	170,112	156,009	**1,287,919**
Shareholders' equity	**110,432**	110,900	98,838	92,416	87,187	**738,529**
Per share information	Yen					U.S. Dollars
Net income	**¥ 86.04**	¥ 120.64	¥ 114.22	¥ 115.50	¥ 24.90	**$ 0.58**
Cash dividends	**35.00**	33.00	30.00	27.00	25.00	**0.23**
Net assets	**1,644.33**	1,620.98	1,444.66	1,350.76	1,274.33	**11.00**
Shareholders' equity ratio	**57.3%**	53.6%	51.4%	54.3%	55.9%	
Return on equity (ROE)	**5.3%**	7.9%	8.2%	8.8%	2.1%	

Notes: 1. Figures are rounded to the nearest million yen.
2. For convenience, US dollar amounts have been converted at the rate of ¥149.53 to $1 using the prevailing exchange rate as of March 31, 2025.
3. Each fiscal year has been reclassified and presented in accordance with the revised regulations on consolidated financial statements.

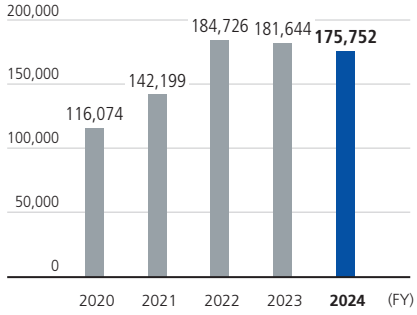
Non-financial information

	FY2024	FY2023	FY2022	FY2021	FY2020
At year-end					
Number of employees	**5,242**	5,394	5,408	5,587	5,209
Accident frequency rate	**0.890**	0.720	0.000	0.313	0.527
Accident severity rate	**0.020**	0.030	0.000	0.024	0.079
CO_2 emissions: Scope 1 (t-CO_2)	**30,545**	31,460	34,786	28,693	–
CO_2 emissions: Scope 2 (t-CO_2)	**147,724**	177,872	206,835	236,795	–
CO_2 emissions: Scope 3 (t-CO_2)	**832,108**	903,344	926,265	969,110	–
Electricity consumption (1,000 kWh)	**306,644**	350,511	434,422	511,116	–
Water consumption (10,000 tons)	**29**	23	29	25	26
Underground water consumption (10,000 tons)	**517**	572	661	684	632
Wastewater (10,000 tons)	**405**	422	520	528	511
Amount of chemical substances handled (tons)	**59.09**	180.29	367.53	555.78	380.27
Amount of chemical substances released (tons)	**10.99**	23.57	38.17	54.47	36.31

Notes: 1. Accident frequency and severity rates are calculated from domestic consolidated figures as of the end of the fiscal year ended March 2023.
2. CO_2 emissions and power consumption figures have been calculated after revisions made to the calculation methods from the end of the fiscal year ended March 2022.

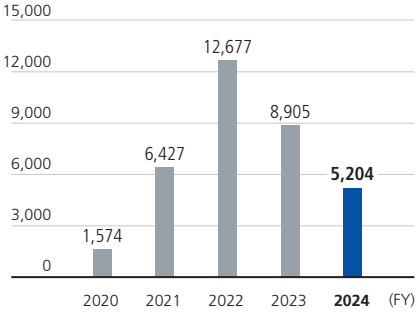
Net sales

(Millions of yen)



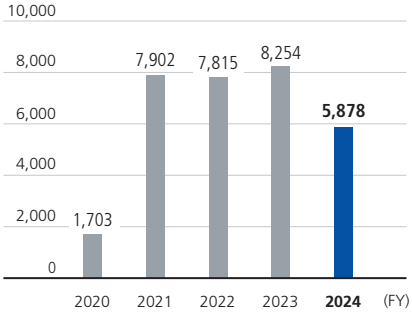
Operating income

(Millions of yen)



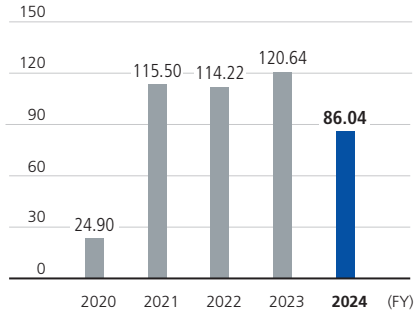
Net income attributable to owners of the parent

(Millions of yen)



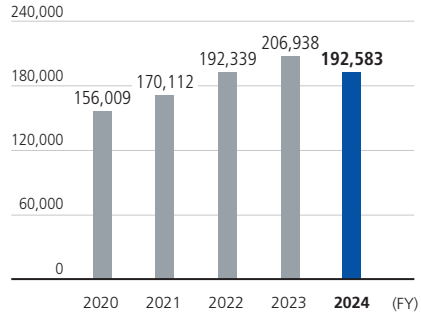
Net income per share

(Yen)



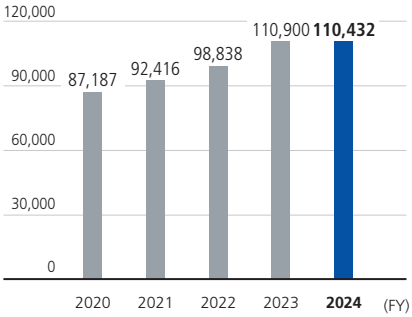
Total assets

(Millions of yen)

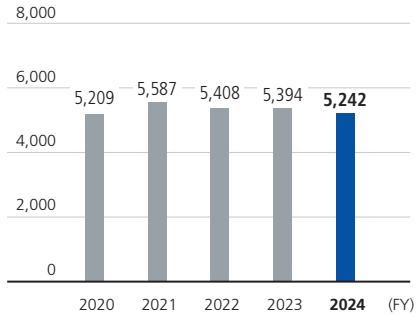


Shareholders' equity

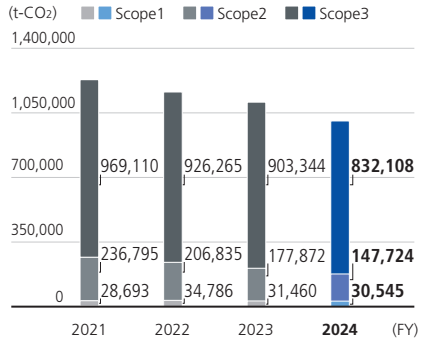
(Millions of yen)



Number of employees

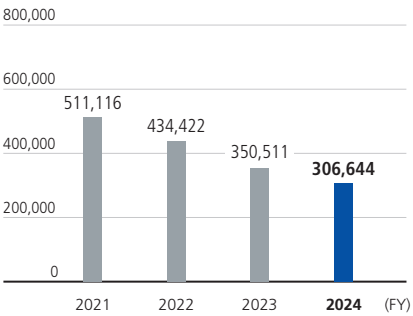


CO_2 emissions



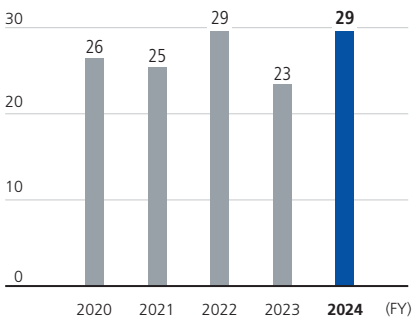
Electricity consumption

(1,000 kWh)



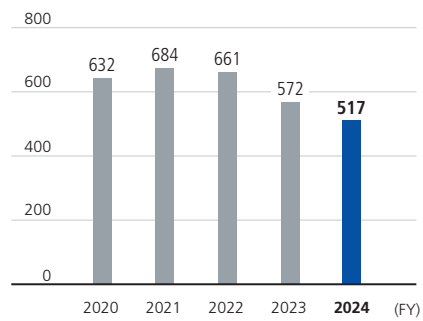
Water consumption

(10,000 tons)



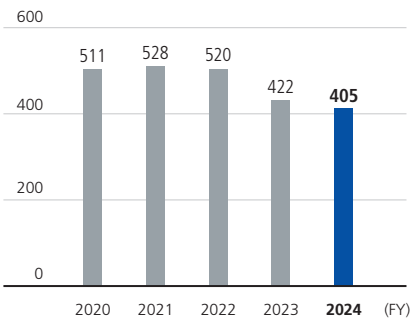
Underground water consumption

(10,000 tons)



Wastewater

(10,000 tons)



Corporate data

Corporate information

Corporate name	NICHICON CORPORATION
Head office	Karasumadori Oike-agaru, Nakagyo-ku, Kyoto, 604-0845 Japan TEL. 81-75-231-8461 FAX. 81-75-256-4158
Establishment	August 1, 1950
Capital stock	14,286 million yen (As of March 31, 2025)
Number of employees	5,242 (As of March 31, 2025 Consolidated)

Offices

TOKYO SALES OFFICE	7F, Daini-Shoken Kaikan Bldg., 1-1, Nihonbashi Kayaba-cho 2-chome, Chuo-ku, Tokyo, 103-0025 Japan
NAGOYA SALES OFFICE	18F Nishiki-Park Bldg. 4-3, Nishiki 2-chome, Naka-ku, Nagoya, 460-0003 Japan
WEST JAPAN SALES OFFICE	Karasumadori Oike-agaru, Nakagyo-ku, Kyoto, 604-0845 Japan
Sales Branches	Iwate, Sendai, Northern Kanto, Okayama, Fukuoka
Tokyo Development Center	14-9, Nihonbashi Kabutocho, Chuo-ku, Tokyo, 103-0026 Japan Development & design for various types of power supplies

Domestic subsidiaries

NICHICON HI-TECH FOIL CORPORATION
8224-1, Yashiro, Ohmachi-shi, Nagano Pref., 398-0003 Japan
Capital stock: 80 million yen
Product line: Electrode foil for capacitors

NICHICON (KUSATSU) CORPORATION
3-1, Yagura 2-chome, Kusatsu-shi, Shiga Pref., 525-0053 Japan
Capital stock: 80 million yen
Product line: Capacitors for electric apparatus and power utilities, plastic film capacitors, and capacitor applied systems and equipment

NICHICON (KAMEOKA) CORPORATION
15-1, 2-chome, Kitakose-cho, Kameoka-shi, Kyoto Pref., 621-0811 Japan
Capital stock: 80 million yen
Product line: Function modules, V2H systems, positive thermistors, EV quick chargers, and household energy storage systems

NICHICON (OHNO) CORPORATION
1-11-2 Shimoyoro, Ohno-shi, Fukui Pref., 912-0095 Japan
Capital stock: 80 million yen
Product line: Aluminum electrolytic capacitors (chip type, lead type), conductive polymer aluminum solid electrolytic capacitors, electric double layer capacitors, and new small lithium titanate rechargeable batteries (LTO)

NICHICON (IWATE) CORPORATION
8-17-1, Kubo, Iwate-machi Iwate-gun, Iwate Pref., 028-4305 Japan
Capital stock: 100 million yen
Product line: Aluminum electrolytic capacitors (chip type) and conductive polymer hybrid aluminum electrolytic capacitors

NICHICON (WAKASA) CORPORATION
35-1-1 Tada, Obama-shi, Fukui Pref., 917-0026 Japan
Capital stock: 84 million yen
Product line: Various types of power supplies and household energy storage systems

TORISHIMA ELECTRIC WORKS LTD.
3-1, Yagura 2-chome, Kusatsu-shi, Shiga Pref., 525-0053 Japan
Capital stock: 30 million yen
Product and Business line: Manufacture and sales of various kinds of power transformers and reactors

NIPPON LINIAX CO., LTD.
7-16, Kasuga-cho, Takatsuki-shi, Osaka, 569-0053 Japan
Capital stock: 15 million yen
Product and Business line: Manufacture and sales of pressure sensors and various kinds of instruments

YUTAKA ELECTRIC MFG. CO., LTD.
7F, Daini-Shoken Kaikan Bldg., 1-1, Nihonbashi Kayaba-cho 2-chome, Chuo-ku, Tokyo, 103-0025 Japan
Capital stock: 330 million yen
Product and Business line: Design, development, manufacture and sales of power supply equipment

Overseas subsidiaries

NICHICON (AMERICA) CORP.
927 East State Parkway, Schaumburg, Illinois 60173, U.S.A.
Capital stock: 3 million US$
Business line: Sales of company's products

NICHICON (AUSTRIA) GmbH
Businesspark Marximum, Modecenterstrasse 17, Unit 2-7-A, 1110 Vienna, Austria
Capital stock: 1 million EUR
Business line: Sales of company's products

NICHICON (HONG KONG) LTD.
Unit 308, Harbour Centre Tower 1, 1 Hok Cheung Street, Hunghom, Kowloon, Hong Kong
Capital stock: 5 million HK$
Business line: Sales of company's products

NICHICON (SINGAPORE) PTE. LTD.
60 Paya Lebar Road, #11-17/18, Paya Lebar Square, Singapore 409051
Capital stock: 8 million SG$
Business line: Sales of company's products

NICHICON (TAIWAN) CO., LTD.
23F, No.68, Sec.5, Zhongxiao East. Road, Xinyi District,Taipei City 110, Taiwan, R.O.C.
Capital stock: 30 million NT$
Business line: Sales of company's products

NICHICON (THAILAND) CO., LTD.
1 Empire Tower, 15th Floor, Unit 1506, River Wing West, South Sathorn Road, Yannawa, Sathorn, Bangkok 10120 Thailand
Capital stock: 20 million BAHT
Business line: Sales of company's products

NICHICON ELECTRONICS TRADING (SHANGHAI) CO., LTD.
Room 1206, Aetna Tower, 107 Zunyi Road, Changning, Shanghai, China 200051
Capital stock: 0.5 million US$
Business line: Sales of company's products

NICHICON ELECTRONICS TRADING (SHENZHEN) CO., LTD.
Room A, 16/F, KK100 No.5016, Shen Nan Road East, Luo Hu District, Shenzhen, China 518001
Capital stock: 0.3 million US$
Business line: Service business regarding sales of company's products

NICHICON (MALAYSIA) SDN. BHD.
No.4 Jalan P/10, Kawasan Perusahaan Bangi, 43650 Bandar Baru Bangi, Selangor Darul Ehsan, Malaysia
Capital stock: 63 million MYR
Product and Business line: Manufacture and sales of aluminum electrolytic capacitors

NICHICON ELECTRONICS (WUXI) CO., LTD.
Block 51-B, Wuxi National High & New Technology Industrial Development Zone, Wuxi, Jiangsu, China 214028
Capital stock: 75 million US$
Product and Business line: Manufacture and sales of aluminum electrolytic capacitors and various types of power supplies

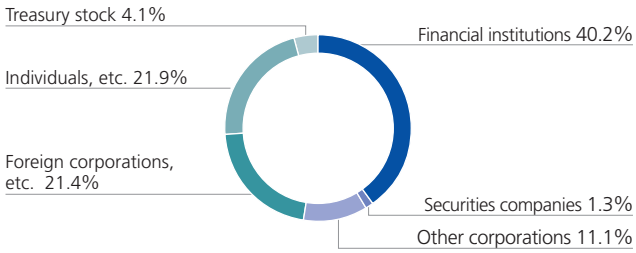
NICHICON ELECTRONICS (SUQIAN) CO., LTD.
NO.18, Yangmingshan Avenue, Suzhou Suqian Industrial Park, Suqian, China 223800
Capital stock: 55 million US$
Product and Business line: Manufacture and sales of conductive polymer aluminum solid electrolytic capacitors and film capacitors

Investor information

Stock overview

Authorized number of shares	137,000,000 shares
Issued number of shares	67,159,245 shares (excluding 2,840,755 shares of treasury stock)
Number of shareholders	19,062
Listings	Tokyo Stock Exchange Prime Market

Stockholder distribution (Number of shares)

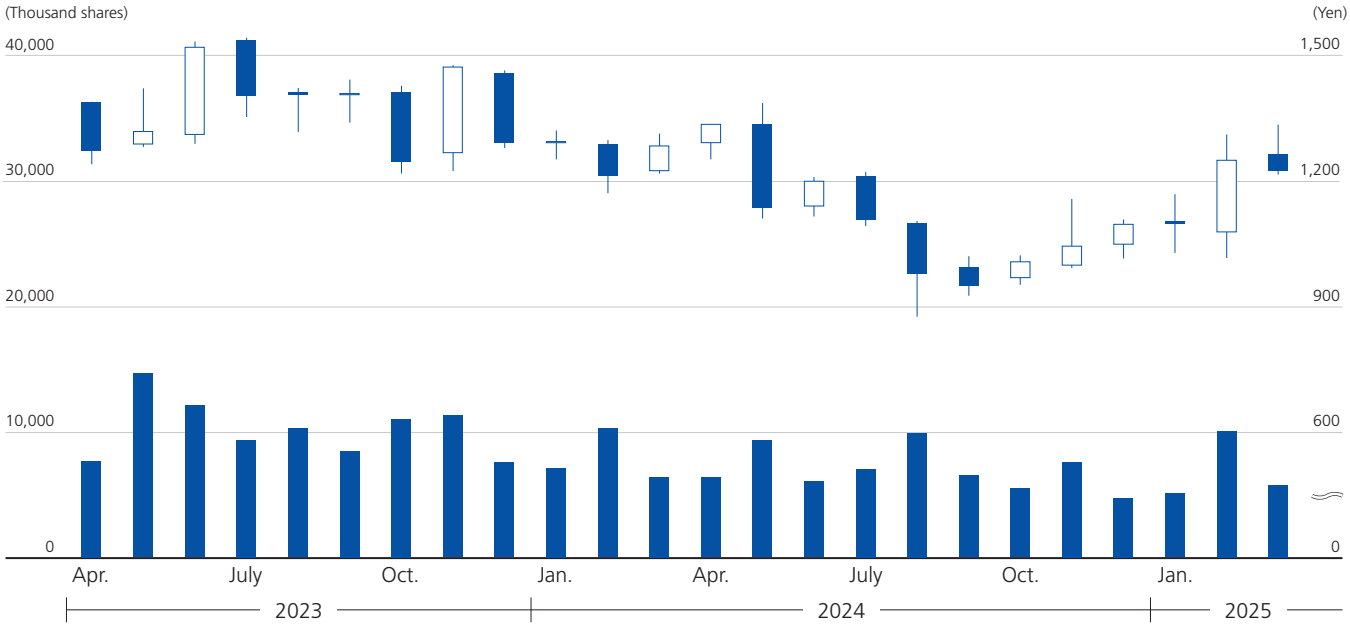


Major stockholders As of March 31, 2025

Name of shareholder	Number of shares held (thousands)	Percentage of shares held (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	7,924	11.8
NICHICON suppliers' stock ownership program	3,743	5.6
The Bank of Kyoto, Ltd.	3,409	5.1
Mizuho Bank, Ltd.	2,690	4.0
Nippon Life Insurance Company	2,670	4.0
Custody Bank of Japan, Ltd. (Trust account)	2,314	3.4
STATE.STREET.BANK.AND.TRUST.COMPANY.505001	2,290	3.4
Sumitomo Mitsui Banking Corporation	2,200	3.3
MUFG Bank, Ltd.	2,000	3.0
HSBC HONG KONG-TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES	1,717	2.6

Notes: 1. The Company holds 2,840,000 treasury shares, which are excluded from the above table.
2. The percentage of shareholdings (of total shares issued) is calculated after deduction of treasury shares.
3. The number of shares held is rounded down to the nearest thousand shares.

Stock price and trading volume



Five-year trend of stock price and volume

(Yen)

	Fiscal year ended March 31 2021	Fiscal year ended March 31 2022	Fiscal year ended March 31 2023	Fiscal year ended March 31 2024	Fiscal year ended March 31 2025
Stock price (end of period)	1,121	1,175	1,380	1,285	**1,224**
High	1,556	1,335	1,562	1,549	**1,387**
Low	585	987	1,039	1,179	**877**
Yearly trading volume	127,362,600	105,472,400	132,643,900	116,461,700	**85,056,800**

NICHICON CORPORATION

Karasumadori Oike-agaru, Nakagyo-ku, Kyoto
604-0845 Japan

Inquiries: Corporate Communications & Investor Relations Div.
TEL. 81-75-231-8461 FAX. 81-75-256-4158

https://www.nichicon.com/en-us/