Directors / Integrated Report Review

Directors



4 Masatoshi Azuma

2 Keiichi Nagano

3 Masahiro Yoshihara 5 Satsuki Shimada

6 Tatsuya Nagai

9 Kiyoshi Suzuki

7 Etsuo Saiki

1 Koichi Sato

8 Eiko Tomiyama

10 Toshihiko Enomoto

1 Koichi Sato

Representative Director President Chief Executive Officer

Joined Nippon Seiki Co., Ltd. Apr. 2006 Vice President NS International, Ltd.

Managing Director Jun. 2013 Apr. 2017 Senior Representative Director

Representative Director PRepresentative Director, President CEO Jun. 2020

2 Keiichi Nagano

Representative Director, Vice President

Joined Nippon Seiki Co., Ltd. Director, Nippon Seiki (Europe) B.V. Nov. 2016 Apr. 2020 Operating Officer Instrument Design Headquarter Senior Operating Officer

Director, Senior Operating Officer Jun. 2021 Director/Manageing Officer
Chief of Automotive System Design Headquarte In Charge of Engineering Headquarte

Region in Charge: Europe Director/Senior Manageing Officer Representative Director, Vice President

In Charge of Automotive System Design Headquarter on in Charge: Europe (Present)

3 Masahiro Yoshihara

Director/Senior Managing Officer

Shanghai Nissei Display System Co., Ltd. Oct. 2016 Apr. 2021 Operating Officer Chief of Production Engineering Headquarter Jun. 2022 Director/Senior Operating Officer, Chief of Production Engineering Headquarter In Charge of Production, Production Engineering Quality Assurance Headquarter,

Region in Charge: Americas Director / Senior Managing Officer

In Charge of Production Engineering Headquarter Region in Charge: Americas (Present)

4 Masatoshi Azuma

Director/Managing Officer

Apr. 1984 . Joined Ninnon Seiki Co. Ltd. Operating Officer, Engineering Headquarter Automotive Instrument Design Supervision dept. Deputy Senior Manager

and HUD Engineering dept. Senior Manager Senior Operating Officer Director/Manageing Officer (Present)
Chief of Corpoarte Management Headquarter
In Charge of Corpoarte Management Headquarter Region in Charge: ASEAN/Taiwan/India

In Charge of Sourcing Headquarter
Region in Charge: ASEAN/Taiwan/India (Present)

5 Satsuki Shimada

Outside Director

Joined Fuiltsu Limited Senior Manager, Product Development Process Audit Group, Product Process Audit Division, Fujitsu Limited

Exective Officer, General Manager, Group Business Promotion Office, General Manager, Assess Department, Fujitsu Quality Laboratory Ltd. (currently Eurofins FQL Ltd.): Senior Director, Platform Quality Division, Fujitsu Limited Exective Officer, General Manager, Process Consulting

Department, Eurofins FQL Ltd. (Present) Outside Director (Pres

6 Tatsuya Nagai

Director (Auditor)

Mar 1982 Joined Ninnon Seiki Co. Ltd. Senior Manager Corporate Planning dept. Senior Manager Business Promotion dept No. 2006 Apr. 2014 Senior Manager Internal Audit Office Jun. 2019 Director (Auditor)(Present

7 Etsuo Saiki

Outside Director (Auditor)

Anr 1979 Registered as an Attorney

Apr. 1070	ricgistered as arrithorney
Apr. 1979	Joined Kiichi Sakai Attorney Office
Apr. 1983	Opened Sakai Saiki Attorney Office
Apr. 2002	Niigata University Faculty of Law Affiliate Profess
Apr. 2003	Niigata Regional Court Civil Mediator
Apr. 2004	Niigata University Practical Law Associate Profess
May. 2009	Chairperson Asahi Niigata Legal Office (Present)
May. 2015	Auditor
Jun. 2019	Director (Auditor)(Present)

10 Toshihiko Enomoto

Outside Director (Auditor)

Joined NSK Ltd. Aug. 2008 Accounting Senior Manager NSK Ltd. Jun 2013 Operating Officer Deputy Chief of Director, Audit Manager NSK Ltd. Director, Audit Committee Membe Jun. 2023 Director (Auditor)(Present)

8 Eiko Tomiyama

Apr. 1986	Joined Itoman
Aug. 1989	Niigata Television Translator, Intenational
	Communication
Apr. 1994	Niigata Regional Court Legal Interpreter
Mar. 2002	Ph.D (Economics) Niigata University Moder
	Culture Research
Apr. 2006	Assosiate Proffessor Graduate Institute for
	E

Proffessor Graduate Institute for Entrepreneurial Studies (Present)

Jun 2018

9 Kiyoshi Suzuki

Outside Director (Auditor)

Apr. 1975	Joined Sanden Holdings
Sep. 2000	Quality Manager Sanden Holdings
Jun. 2003	Technical Officer Sanden Holdings
Jun. 2005	Technical Director Sanden Holdings
Jun. 2007	Director Engineering, IT, Corporate
	Management Sanden Holdings
Jan. 2014	Senior Operating Officer Paramount Bed Co., Ltd.
Jun. 2019	Director (Auditor)(Present)

Integrated Report Review



Nomura Institute of Capital Markets Research Head of Nomura Research Center

Akane Enatsu

The integrated report, published for the fourth year by Nippon Seiki, shows that the company is taking multi-layered measures in both financial and non-financial aspects to further enhance its enterprise value in a constantly changing business environment through the "New Medium-Term Management Plan 2026" formulated in November 2023 and the corporate purpose established in April 2024

In the "New Medium-Term Management Plan 2026" (period: 2024-2026), a ROE target has been newly adopted as a KPI with the aim of continuously improving enterprise value and achieving a PBR of 1.0x promptly. In addition, a business strategy for a period of intensive efforts to recover business performance from the COVID-19 pandemic and a capital policy to improve capital return are presented, along with a sustainability strategy for implementing a scenario in which ESG-related efforts are linked to the business's value creation process.

The purpose, which was established with the start of the "New Medium-term Management Plan 2026," is a reconstruction of the company's corporate philosophy system, for giving employees a new understanding of the company's direction and an opportunity to think about the future of the Nippon Seiki group. The purpose phrase "We will create a world and future filled with security and impressions" was derived through approximately one vear of discussions among employees at all levels, and can be said to be the basis of the company's value creation process

In this integrated report, it was introduced that in order to strengthen the head-up display (HUD) business, which is one of the company's main businesses, the company has been working on developing "after-market HUDs" as well as installing them in Kei-cars and compact cars and expanding sales to new customers. For the company, which has the world's leading market share in HUD, the efforts to expand the use of HUDs may lead to future sales expansion

Regarding the non-financial (ESG) aspects related to the environment (E), Nippon Seiki currently sets CO₂ emission reduction targets based on Scope 1 and Scope 2, but for the first time in this integrated report, the company disclosed emissions results including Scope 3 (Non-consolidated). The Sustainability Disclosure Standards finalized by the International Sustainability Standards Board (ISSB) in June 2023 requires disclosure of greenhouse gas (GHG) emissions, including Scope 3. For Nippon Seiki, which operates its business globally, these efforts may lead to the expansion and facilitation of future trades, as well as an expansion of the investor base.

Biography

Akane Enatsu joined Nomura Institute of Capital Markets Research (NICMR) in 2012 and was appointed as the Head of Nomura Research Center of Sustainability (NRCS) in 2019. Her main research coverage includes public finance and sustainable finance. She also serves several government organizations as a panel member. Prior to joining NICMR, Enatsu was a credit research analyst for various financial institutions including Citigroup Barclays, and Merrill Lynch. She earned an MBA from University of Oxford and a PhD (Economics) from Saitama University.

Literary works

Municipal Bond Investment Handbook (Single Author), The Era of Sustainable Finance ESG/SDGs, Bonds market (Co-author) etc.

In relation to Social (S), the integration report describes the personnel system reforms implemented to pursue "autonomous and self-motivated" human resources who can proactively think for themselves, take action to solve problems, and quickly respond to changes. The new personnel system introduced in fiscal 2024 includes "proactive career development," "improved understanding of one's role," and "strengthened alignment of roles and compensation." In addition to the introduction of the new system, and taking into account the involvement in the purpose formulation process, it is expected that the direction of growth for employees and the organization will be aligned, contributing to improved employee engagement.

Regarding corporate governance (G), the report noted that the composition of the Board of Directors has become more diverse, and that the Company is working to reduce cross-shareholdings as part of its measures to continuously increase its corporate value and quickly achieve PBR of 1.0x

As described above, this integrated report makes clear that under the new medium-term management plan, the Company is making continuous management efforts in both financial and non-financial areas with the aim of continuously improving its enterprise value. However, there is still room for challenge For example from the perspective of G. Nippon Seiki has already been formulating a business continuity plan (BCP). However, as natural disasters become more frequent and severe, it is expected that promoting business continuity management (BCM) efforts of normal times will become even more important in order to preserve enterprise value, so that the BCP can function effectively in emergencies.

In addition, the introduction of mandatory disclosure and third-party assurance has become a hot topic around the world as part of efforts to enhance sustainability information disclosure. Nippon Seiki needs to pay close attention to global trends surrounding information disclosure and respond promptly and appropriately to continue to secure the trust of stakeholders, including investors, business partners, customers, and employ-

The integrated report is important for Nippon Seiki not only for fulfilling its responsibility to stakeholders, but also as a gauge for measuring the progress and direction of its value creation process. I wish Nippon Seiki will continue to enjoy enhancing its enterprises value through information disclosure

Message | Upon publication of the Integrated Report 2024

We have launched the "New Medium-term Management Plan 2026" and also clarified our "Corporate Philosophy System." In our Integrated Report 2024, we have touched on the contents of our Medium-term Management Plan 2026 (business strategy, capital policy, sustainability strategy) and have attempted to demonstrate our commitment to continuously improve our corporate value and achieve PBR of 1.0x level. We have also introduced the thoughts that we have put into our "reasons for existence, vision, mission, and values," and have endeavored to link our ESG efforts with our value creation process to clearly express "what kind of values are to be provided to society."

We will continue to strive to disclose information in a timely and appropriate manner, and work to further improve our corporate value.



Director and Managing Officer