

Global Marketing & Product Strategy

Establishing a global system to improve sales and profitability

In addition to further expanding overseas net sales by establishing a global management system and engaging in local production for local consumption, we will create new value by expanding new product lines such as HMI and safety-related products to solve issues faced by customers, and strengthening our solution proposals.

Related material issues



Productivity improvement



Safety, ANSHIN, and well-being



Climate change

Senior Executive Officer, Marketing and Strategy

Arnaud Mondy

Further enhancing our global marketing strategy

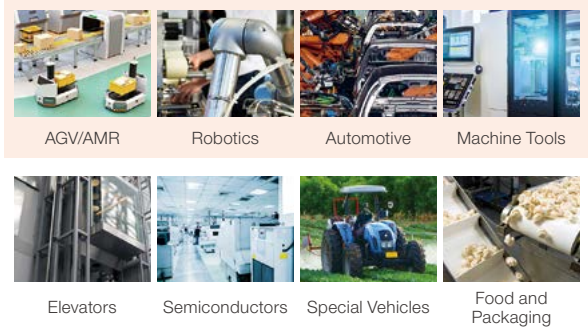
As part of the development of our global management structure, we strengthened our global marketing organization in FY2025 in order to manage the IDEC Group's brands as a single organization.

The global heads of each function manage the development of global strategies and implementation of digital marketing and marketing communications, and work closely with leaders in each region to drive our business forward.



Market strategy targeting focus industries

While IDEC Group products are used in a wide range of industries, we have identified eight key industries as our focus industries. We are engaged in initiatives focusing on industries such as AGV/AMR and robotics, which are growing globally, and automotive and machine tools, which are also expected to expand steadily in the future.



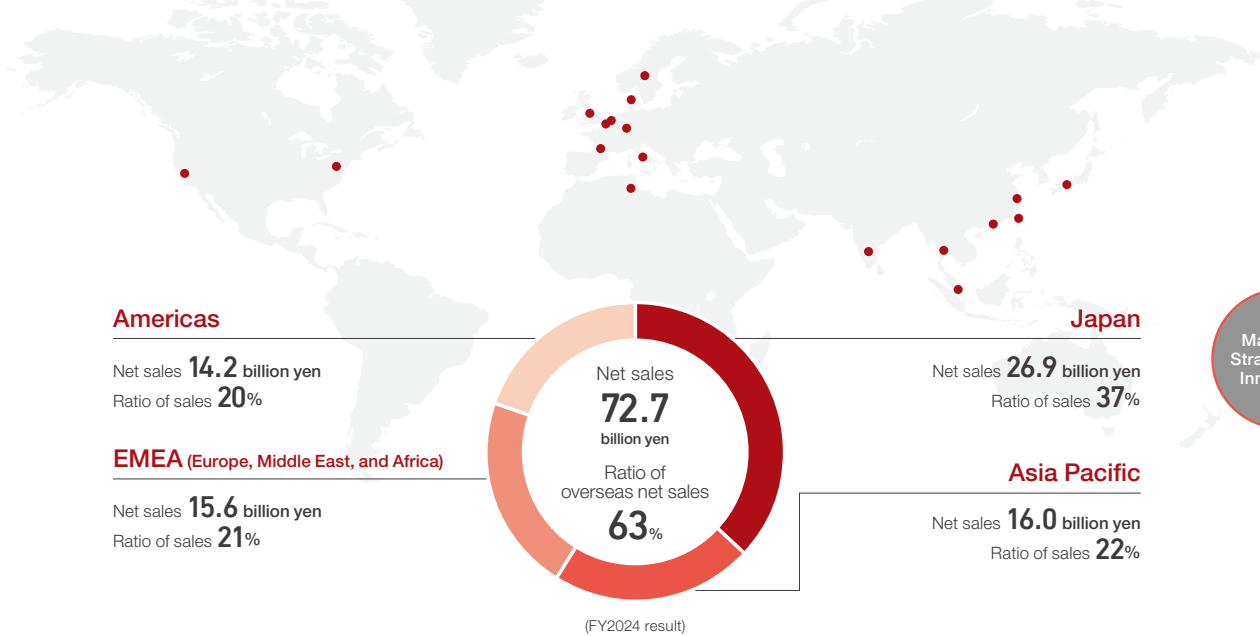
and reorganized our manufacturing, sales, and logistics sites and exchanged human resources, enabling us to take advantage of the strengths of companies. Going forward, we formulate and implement a global strategy for the entire IDEC Group, by establishing a more global organizational structure that transcends regional boundaries. By adopting local production for local markets, we will create a system covering all processes from planning and development to material procurement, manufacturing, and sales of products that meet local needs.

In sales, we are reorganizing our existing sales network into a distributor network dedicated to transactions with distributors

that are strongly committed to selling IDEC products on our behalf, and building new sales networks in each region.

In terms of region-specific initiatives, in order to expand business in Asia, where high growth is expected in the future, we are accelerating product development and local production based on local needs in China and strengthening sales channels in India to improve recognition of IDEC as an HMI and safety manufacturer and increase the share of our main products.

In mature markets such as Japan, the Americas, and EMEA, we are enhancing our solution proposals to further expand our presence.



Establishing an organizational structure and driving strategies for business expansion

At present, over 60% of the IDEC Group's sales are generated overseas. A business strategy that focuses on the global market will become even more essential in the future, and we are reorganizing our sites and reviewing our organizational structure to strengthen our global management.

Since APEM joined our Group in 2017, we have integrated

Executive Officer, Products Strategy

Yasunori Kawanaka

Expanding collaborative safety (Safety2.0) solutions to achieve our purpose

Although the number of environments in which humans and machines work together is expected to continue growing globally, there are still many cases in which equipment and robots are isolated from humans as sources of danger. To realize IDEC's main purpose of "achieve safety, ANSHIN, and well-being for people around the world," we will expand our line-up of new safety, ANSHIN and HMI products to drive collaborative safety (Safety2.0)—a cooperative safety system in which humans and machines work together to achieve both safety and productivity—and propose a variety of solutions to solve issues faced by customers.



Strengthening the highly profitable HMI and safety businesses, which are expected to grow globally

IDEC is a comprehensive control device manufacturer, with a diverse range of products and we hold the top market share in Japan and one of the largest in the world for HMI products such as industrial switches which account for around half of IDEC sales. We are also focusing on safety-related products, developing products based on the "safety DNA" we have inherited since our founding. To further expand sales and profits globally in the future, IDEC is working to strengthen its

HMI and safety businesses, which are two of its key strengths, and which have high profitability and growth potential.

In the HMI business, we are developing new products incorporating new functions, and enhancing our global standard products.

In the safety business, we are accelerating our business operations overseas—where market expansion is expected—by enhancing our product portfolio to meet regional needs. In addition to safety, we are also working to create innovative products that offer peace of mind (ANSHIN), and in January 2024 we launched the emergency-stop assist system.

Driving HMI-X by expanding solution proposals

To respond to various customer needs and issues, it is essential to propose solutions that combine various products and software, in addition to simply selling existing components as single items. In FY2024, we established the Solutions Business Promotion Department, which is working in coordination with other relevant departments to recruit and develop human resources both internally and externally, to enhance our organizational structure.

In addition to new products such as touchless switches, safety commanders, and controller with operator interfaces, developed based on changes in the market environment and industry-specific needs, we are also enhancing our solution proposals globally, such as by combining the multi-use mmWave radar sensors developed by IDEC ALPS Technologies Co., Ltd. (established in 2021) and the assist wheel drive and safety wheel drive technologies of ez-Wheel (which joined the IDEC Group in 2023). In addition to IDEC's core technologies, we also aim to provide solutions that solve customer issues through alliances and collaborations with partner companies. Solutions currently account for around 10% of sales, and we plan to expand this percentage to around 20% in the long term.

Going forward, IDEC will continue to create new value and contribute to helping customers overcome their issues by actively utilizing its core technologies such as HMI, safety and ANSHIN—which are IDEC's key strengths, and by further strengthening areas such as software and IoT.

