NSK Group

Sustainability Report 2025

MOTION & CONTROL™

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Sustainability at NSK

Top Message
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Top Message

“Change & Go Beyond”



Japan’s Bearing Pioneer

Bearings make the world go round — literally. Used in almost anything with moving parts, bearings are vital components that improve the efficiency and reliability of machines and contribute to reducing resource and energy consumption.

NSK started its journey manufacturing the first ball bearings in Japan in 1916. With over 100 years of excellence in engineering, manufacturing, and service, we have actively contributed to worldwide industrial development and the preservation of the environment.

In the early 1960s we expanded globally and have established plants and business locations in over 30 countries. NSK is a world-trusted brand with a global customer base that counts on the highest in quality and performance.

NSK Corporate Philosophy & NSK Vision 2026

NSK aims to contribute to the well-being of society and protect the global environment through our Motion & Control™ technology.

For our 100th anniversary in 2016, we created NSK Vision 2026, which conveys our aspirations to “set the future in motion,” and bring safety, reliability, and comfort to people’s lives — enriching lifestyles and building a brighter future through our products and services.

“Change & Go Beyond”

We established our mid-term management plan “MTP2026” as a period to rebuild our corporate foundation toward enabling sustainable growth through initiatives to “Change & Go Beyond” with a focus on transforming our business portfolio.

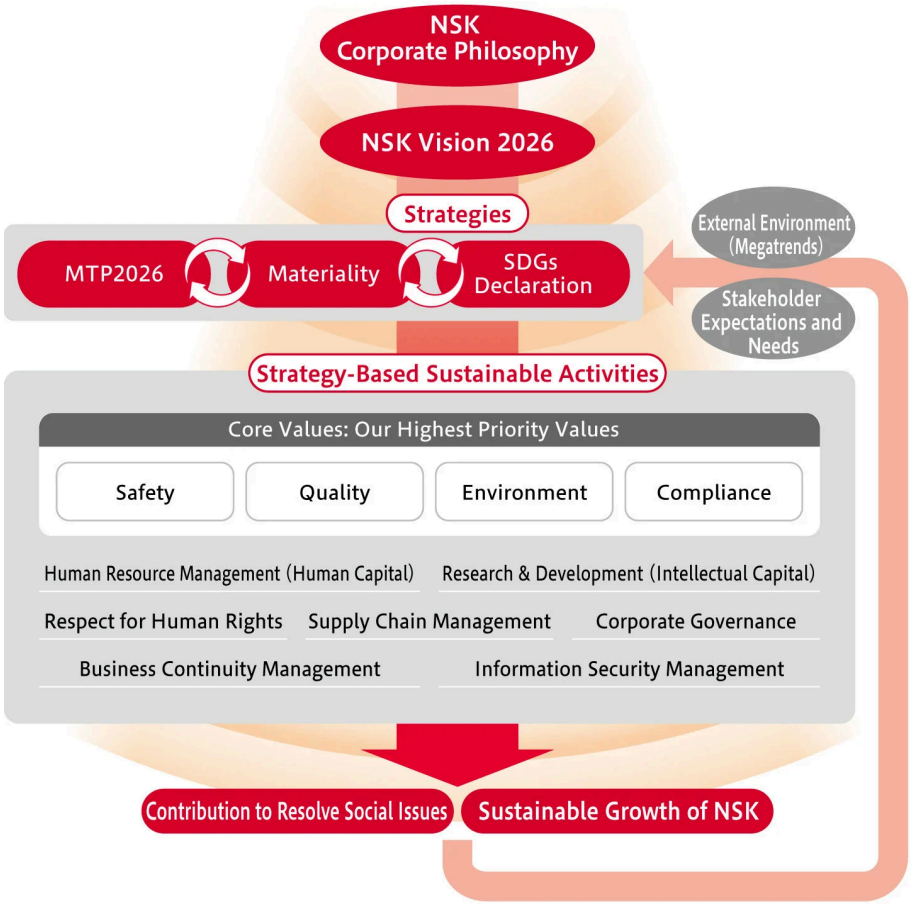
To continue to be needed, trusted, and relied upon for the next 100 years, through NSK’s core values of Safety, Quality, Environment, and Compliance, we will contribute to the sustainable development of society by creating new value while pursuing environmental conservation and the development of an advanced technological society.

Akitoshi Ichii
President & CEO
NSK Ltd.



Sustainability Management

NSK's Corporate Philosophy—NSK contributes to a safer, smoother society and helps protect the global environment through its innovative technology integrating Motion & Control™—underpins all of its corporate activities. Based on the Company's strategies that encompass its MTP2026, materiality, and SDGs Declaration, NSK engages in a broad range of sustainability activities to balance contributions to the resolution of social issues with the Company's sustainable growth.



SDGs Declaration

NSK announced details of its SDGs Declaration and selected seven goals that are particularly interlinked with its business in 2019 to help achieve the SDGs by creating collaborative value with stakeholders. While keeping these goals in mind, the Company also drew up its Declaration of NSK's initiatives to clarify its strategic intent.

SDGs Declaration

In line with our Mission Statement, NSK will work to resolve societal issues by conducting sincere and responsible business operations and achieving innovation in its products and services, in order to help realize a sustainable society. We will uphold the spirit of all 17 SDGs, and have selected seven goals that are particularly interlinked with our business, which we will place priority on tackling.

NSK's Seven SDGs



Seven Sustainable Development Goals Addressed by NSK

	Declaration of NSK's Initiatives	NSK's Seven SDGs	Measurables
1	We will contribute to a safe and resilient social infrastructure through innovation.	9, 11	Number of new products and services, sales of infrastructure-related products, etc.
2	We will contribute to climate change countermeasures by reducing the impact of our business activities on the environment.	7, 12, 13	Reduction rate of CO_2 emissions, total waste volume, recycling rate, water usage, etc.
3	We will contribute to the creation of a waste-free society and reduce impact on the global environment through environmentally friendly products and reuse of resources.	7, 9, 11, 12, 13	Number of environmentally friendly products developed, CO_2 emissions reduced by end user through use of NSK products, etc.
4	We will form richly diverse organizations where both employee motivation and value creation are fulfilled.	8	Female employee ratio, childcare leave/caregiving leave, employment of seniors, etc.
5	We will enhance our dialogue through multi-stakeholder partnerships to increase the effectiveness of our SDGs initiatives.		

Realizing the World Envisioned by NSK and the SDGs



Promotion Structure

NSK has designated “safety, quality, environment, and compliance” as core values that serve as a common standard of priority values for decision-making and actions taken by management.

We have established the Sustainability & Core Values Committee, comprising the president and the relevant directors. To advance NSK’s sustainability initiatives, the Committee sets company-wide issues, makes recommendations for their resolution, and monitors progress through policy discussions on the promotion and strengthening of core values and the sharing of related risks.

Please visit NSK Corporate Governance Structure.

Materiality

The NSK Group has identified nine material topics as the key sustainability areas on which it should focus its efforts. While living up to its corporate philosophy, the Group aims to contribute to the resolution of social issues with its sustainable growth by addressing these topics.

Material Topic Identification Process

– Step 1: Selection of Subjects for Material Topic Assessment

We selected subjects that affect or could affect NSK's sustainable growth and contribution to social issues from both short-term and mid- to long-term perspectives. Subjects such as product safety, helping to build a carbon-neutral society, and local community development were chosen for material topic analysis. The selection process primarily considered the following inputs.

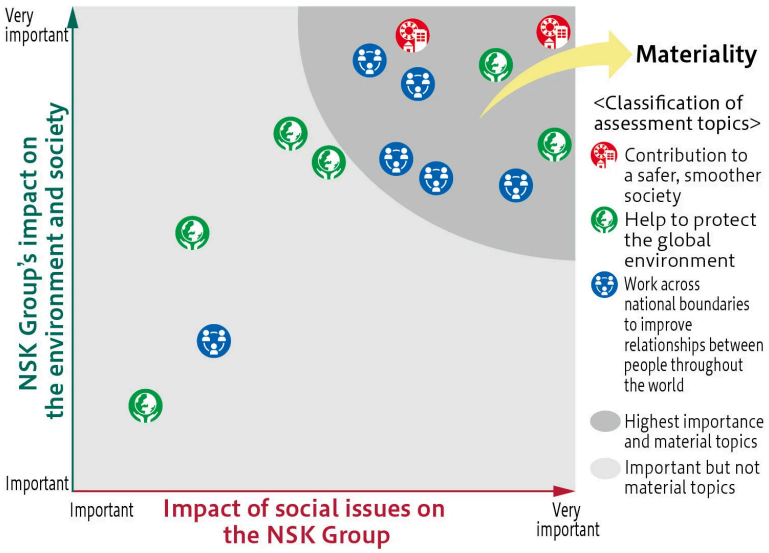
Standards, questionnaires, etc., reviewed:
(1) SDGs, GRI Standards, SASB Standards, ESRS
(2) Questionnaires from ESG research organizations
(3) Questionnaires/interviews with institutional investors

These assessment subjects align with the commitments to build a "safer, smoother society," "protect the global environment," and "improve relationships between people" articulated in NSK's corporate philosophy, as well as the "safety," "quality," "environment," and "compliance" NSK has positioned as core values.* They are also consistent with NSK's SDGs Declaration, initiatives under its Mid-Term Management Plan 2026 (MTP2026), issues identified in annual risk assessments, and activities undertaken with stakeholders such as customers and suppliers.

*Core values: Common value criteria given top priority in management decision-making and actions

Step 2: Identification of Material Topics

Based on the concept of double materiality,* the importance of the assessment subjects was evaluated and mapped from both positive and negative perspectives in terms of the NSK Group's impact on the environment and society (impact materiality) and the impact of social issues on the NSK Group (financial impact). The nine subjects with the highest importance were identified as material topics.



*Double materiality: A method of assessing material topics by evaluating not only the impact of changes in the external environment such as social issues on business, but also the impact of a company's activities on external stakeholders, the environment, and society

Step 3: Deliberation by the Operating Committee

The nine identified material topics were finally determined by the CEO after deliberation by the Operating Committee, which consists of representatives from the executive divisions. They were then shared throughout the NSK Group via the Officers' Meeting and reported to the Board of Directors. Material topics will be revised at least once every three years based on NSK's management situation, changes in social conditions, changes in stakeholder requests, and other factors.

*The appropriateness of the setting and analysis content of the above identification process has been assessed with insights from an external consultant.

Identified Material Topics

Corporate philosophy	Core values	Material topics	MTP2026 Three key management issues	Initiatives (examples)	SDGs (related goals)
Contribution to a safer, smoother society	Safety Quality Environment Compliance	1. Pursue product safety and reliability	ESG management	● Promote Total Quality No.1 initiatives (NPDS, NQ1, and human resources development)	
		2. Create value by integrating tribology and digital technologies	Enhancement of managerial resources Growth with profitability	● Ultra-stable production ● Bearings & Beyond	
Help to protect the global environment		3. Contribute to the establishment of a carbon-neutral society	ESG management	● Reduce CO_2 emissions ● Reduce energy consumption per unit of sales	
		4. Contribute to the establishment of a sound material-cycle society (conserve and recycle resources)	ESG management	● Promote resource conservation and recycling ● Make smaller, lighter, longer-lasting products	
Work across national boundaries to improve relationships between people throughout the world		5. Respect fundamental rights at work	ESG management	● Ensure compliance with labor laws and regulations ● Respect human rights	
		6. Build a corporate culture of honesty, fairness, and trust	ESG management	● Ensure group-wide understanding of the Corporate Philosophy ● Pursue initiatives to strengthen compliance	
		7. Maximize the value of human capital	Enhancement of managerial resources ESG management	● Develop and support diverse careers; utilize DX ● Improve the working environment (health and safety)	
		8. Implement sustainable supply chain management	Enhancement of managerial resources ESG management	● Improve QCD ● Collaborate on environmental/human rights initiatives, etc.	
		9. Promote regional economic development	Growth with profitability	● Strive for harmony and mutual benefit with communities	

Listed below are examples of the NSK Group's impact on the environment and society and the impact of social issues on the NSK Group for each material topic.

– Contribution to a safer, smoother society

1. Pursue product safety and reliability

- NSK Group's impact on the environment and society:
  Contributing to a safer, smoother society by offering products and services of outstanding quality
- Impact of social issues on the NSK Group:
  Growing profit by maintaining and strengthening competitiveness with enhanced quality products and services

For more details, please visit Quality Management.

2. Create value by integrating tribology and digital technologies

- NSK Group's impact on the environment and society:
  Contributing solutions to social issues by developing and providing products and services that meet customer expectations and needs
- Impact of social issues on the NSK Group:
  Growing profit by providing new products that meet customer needs

For more details, please see
Special Feature: Taking on the Challenge to Change & Go Beyond" in NSK Report 2024.

– Help to protect the global environment

3. Contribute to the establishment of a carbon-neutral society

- NSK Group's impact on the environment and society:
  CO_2 emissions from business activities / Contributing to reduced CO_2 emissions from customers and their products by advancing products and technologies
- Impact of social issues on the NSK Group:
  Growing profit due to rising demand for electrification and products that contribute to reduced CO_2 emissions / Carbon tax burden and need to invest in measures to reduce CO_2 emissions

For more details about the impact, please visit
Information Disclosure Based on TCFD Recommendations.

For more details about initiatives, please visit Climate Change Measures.

4. Contribute to the establishment of a sound material-cycle society (conserve and recycle resources)

- NSK Group's impact on the environment and society:
  Environmental impact due to discharge of waste, etc. / Effective utilization of resources
- Impact of social issues on the NSK Group:
  Growing profit due to rising demand for extended life of products, size and weight reductions, and CMS, etc.

For more details, please visit Resource Circulation.

– Work across national boundaries to improve relationships between people throughout the world

5. Respect fundamental rights at work

- Impact of social issues on the NSK Group:
  Avoiding risk of loss of business opportunities and decline of social trust in the company

For more details, please visit Respecting Human Rights.

6. Build a corporate culture of honesty, fairness, and trust

- Impact of social issues on the NSK Group:
  Avoiding risk of loss of business opportunities and decline of social trust in the company

For more details, please visit Compliance.

7. Maximize the value of human capital

- Impact of social issues on the NSK Group:
  Improving productivity and driving innovation by maximizing the human capital value of employees

For more details, please visit Human Resource Management.

8. Implement sustainable supply chain management

- NSK Group's impact on the environment and society:
  Reducing environmental impact across the supply chain
- Impact of social issues on the NSK Group:
  Improving production efficiency and product competitiveness by practicing better QCD, etc. in the supply chain

For more details, please visit Supply Chain Management.

9. Promote regional economic development

- NSK Group's impact on the environment and society:
  Contributing to regional economic development by localizing production, sales, and technology
- Impact of social issues on the NSK Group:
  Achieving growth of the NSK Group driven by global business expansion

For more details, please visit "Social Participation to Promote Social Progress."

For more information about MTP2026, please click here.

Realizing the World Envisioned by NSK and the SDGs

NSK's SDGs Declaration and Declaration of NSK's Initiatives
NSK Products Making SDG Contributions (SDG Stories)

Our Mission Statement states that "NSK contributes to a safer, smoother society and helps protect the global environment through its innovative technology integrating Motion & Control™. As a truly international enterprise, we are working across national boundaries to improve relationships between people throughout the world." The world today faces various social issues. To resolve these issues, they must be addressed not only by international organizations and governments, but also by companies and individuals. At NSK, we believe that helping to solve social issues through our business activities will help us to deliver on our Mission Statement. That is why NSK supports the achievement of the UN Sustainable Development Goals (SDGs).
We also provide level-specific training and e-learning sessions to instill awareness and thorough understanding among all NSK employees of our efforts to achieve the SDGs through our business activities.

NSK's SDGs Declaration and Declaration of NSK's Initiatives

NSK respects all 17 of the Sustainable Development Goals. We examined the SDGs closely to find the ones that are particularly relevant to NSK's business, and gradually narrowed down our list until we arrived at seven key goals. We did this while keeping in mind the company's roles and responsibilities as a member of society, as stipulated in our Mission Statement. We also considered contributions that we can make through our main businesses, the industrial machinery and automotive businesses. In deciding these seven goals, we work actively to help achieve the SDGs.



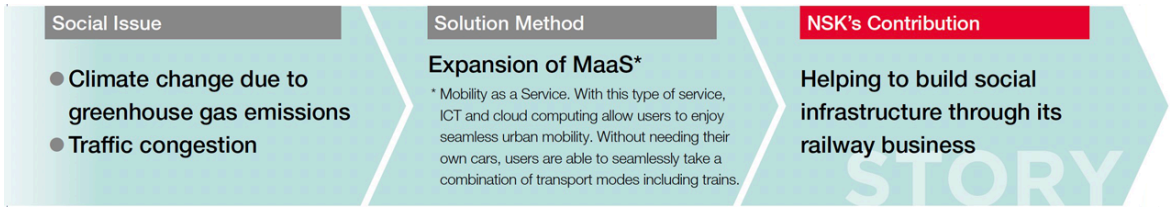
NSK Products Making SDG Contributions (SDG Stories)

NSK has organized the business areas and products where it can contribute to the SDGs. We have done this based on global issues such as climate change and the major ways in which our solutions help to solve these issues.
We share some of these products here as examples that are expected to make SDG contributions.

Industrial Machinery Business

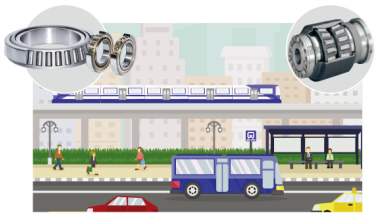
– Helping to Create Convenient Cities by Promoting Seamless Use of Public Transport





– Through the development and supply of bearings for railway vehicles, we are contributing to the creation of cities where everyone can get around easily.

In recent years, NSK has been providing railway vehicle bearings to China, Europe and other locations, reflecting customer confidence in our considerable technological capabilities. We will continue to support the development of railway infrastructure worldwide by supplying bearings for railway vehicles. Our aim is to help reduce traffic congestion and CO_2 emissions.



Automotive Business

– Helping to Create a Safe, Clean Automotive Society



Social Issue	Solution Method	NSK's Contribution
● Climate change due to greenhouse gas emissions ● Increasing death toll from road accidents worldwide	Automotive innovation through CASE* development * Connected, Autonomous, Shared, and Electric vehicles. An acronym coined using keywords that indicate the future direction of vehicle technology development	Contribution to autonomous driving and vehicle electrification

STORY

– By developing and supplying automotive parts that support autonomous driving and electrification, we are helping to reduce greenhouse gas emissions and promote motoring societies with fewer traffic accidents.

We aim to promote more efficient use of energy, limit global warming through traffic congestion reduction, and help realize safer roads with minimal accidents by supplying parts that support the development of autonomous driving and vehicle electrification technologies.



Technology Development

– Making Daily Life Safer and More Convenient Through NSK's Robotics/Actuator Business



Social Issue	Solution Method	NSK's Contribution
● Super-aged society ● Eliminating labor shortages ● Realizing safe and secure work styles	Products based on robotics, IoT, and AI technologies can provide personal support and create a more convenient, safe, and comfortable future.	Contributing through the robotics/actuator business

STORY

– NSK has entered robotics as a new field. Our aim is to help create caring societies where robots can provide personal support and assistance to people.

NSK mechatronics technology uses computer-control to further promote the advantages of mechanical component technologies such as bearings and ball screws. Utilizing the knowledge we have amassed in the field of industrial machinery, we aim to help solve the challenges faced by super-aged societies. We are doing this by developing our robotics/actuator business, which promotes safe and comfortable living. This includes care robots to assist people in the healthcare field.



Technology Development

– NSK innovation is contributing to the effective use of food oil and the conservation of rivers and oceans



– Utilizing our material technology, we are slowing the deterioration of oil used for frying foods, while helping to protect river and ocean environments.

NSK has developed a food oil deterioration suppression filter by combining paper with additives used to prevent the oxidative deterioration of oil. Since this filter helps prevent food oil deterioration, it allows oil to be used more times before disposal (saving resources). This, in turn, is expected to reduce the amount of used food oil that ends up polluting rivers and oceans. The product is currently being sold to customers.



NSK Group
Sustainability Report 2025

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Environmental

Environmental Management

Climate Change Measures

Resource Circulation

Reducing Use of Environmentally Harmful Substances

Biodiversity Conservation

Information Disclosure Based on TCFD Recommendations

Environmental Management

NSK's Approach

Policy

System

Targets and Performance

Initiatives

NSK's Approach

Addressing environmental issues, such as the increasingly serious advance of climate change worldwide, and building a sustainable world where economic growth and protection of the global environment are both possible are challenges facing all of humanity. The NSK Group's Mission Statement declares that NSK "helps protect the global environment." With the environment as one of our core values, we carry out environmental activities to address global issues, contribute to the realization of a sustainable society, and improve our corporate value.

Policy

The NSK Group established the NSK Environmental Policy and the NSK Environmental Code of Conduct in 1997 to reflect its commitment, which spans all of its business operations, to help protect the global environment. In line with this policy, we strive to develop products and services that help reduce environmental impact, and to practice business operations that seek to reduce environmental impact throughout the value chain.

In November 2021, we revised our Environmental Policy in light of growing international attention to environmental issues in recent years and rising expectations for corporate action to address these issues.

NSK Environmental Policy

NSK is determined to contribute to a safer, smoother society and help protect the global environment through its innovative technology integrating Motion & Control™, as declared in the NSK Mission Statement. The entire NSK Group works hard to achieve this mission by setting its own ambitious goals. The Group continues to take on the challenge of maximizing the environmentally protective benefits of its products and minimizing the environmental impact of its business activities.
Living up to our aspiration to "Change & Go Beyond," we work hard to achieve our goal of net-zero environmental impact and create the kind of new value that will drive the green society of the future. We are committed to growing sustainably and continuing to be needed, trusted and relied upon by society.

1. Contributing to the Establishment of a Carbon-Neutral Society

We help societies around the world to minimize energy loss by developing advanced technologies in the field of tribology (friction control and lubrication) and constantly improving our products and services. We seek to leverage our technological innovations to make our business carbon-neutral and achieve net-zero greenhouse gas emissions.

2. Contributing to the Establishment of a Sound Material-Cycle Society

We help build a sound material-cycle society that makes the most of the benefits of recycling by developing environmentally friendly products and producing them with as few natural resources and as little energy as possible.

3. Contributing to the Establishment of an Environmentally Symbiotic Society

We work hard to prevent pollution and minimize environmental impact throughout the supply chain to help build an environmentally symbiotic society.

NSK Environmental Code of Conduct

All the officers and employees of the NSK Group are expected to fulfill the NSK Environmental Policy by ensuring their actions are always in accordance with the provisions of the NSK Environmental Code of Conduct.

1. Ensuring Environmental Compliance

We always adhere to relevant environmental laws and regulations in the countries and regions where we operate. We assess the effect of our business activities on the environment and set our own standards and policies, while striving to prevent any pollution of air, water, or soil and minimizing negative environmental impact.

2. Fighting Global Warming and Climate Change

We deliver products and services that help reduce energy loss, contributing to even better energy efficiency. We minimize greenhouse gas emissions across every area of our corporate activities. In addition, we cooperate with our suppliers to minimize greenhouse gas emissions in the supply chain.

3. Conserving Resources and Practicing Recycling Measures

We use water efficiently and procure parts and raw materials with low environmental impact. We make every effort to reduce, reuse and recycle in our production operations, while minimizing both resource inputs and waste.

4. Developing and Popularizing Environmentally Friendly Products

We develop advanced technologies in the field of tribology (friction control and lubrication). We develop, produce, and provide environmentally friendly products that make the most of these technologies, thereby making the greatest possible contribution to environmental protection and social progress.

5. Conserving Biodiversity

We monitor the effect of our business activities on biodiversity, especially in the phases of research and development, procurement, and production. We mitigate the impact of these activities and work to protect biodiversity as a responsible member of the local communities where we operate.

6. Reducing Use of Environmentally Harmful Substances

We properly assess the environmental risks of any potentially harmful substances we must use, and whenever possible we switch to alternatives. We practice rigorous substance management at each phase of our operations, from development and design, to procurement, production, and distribution.

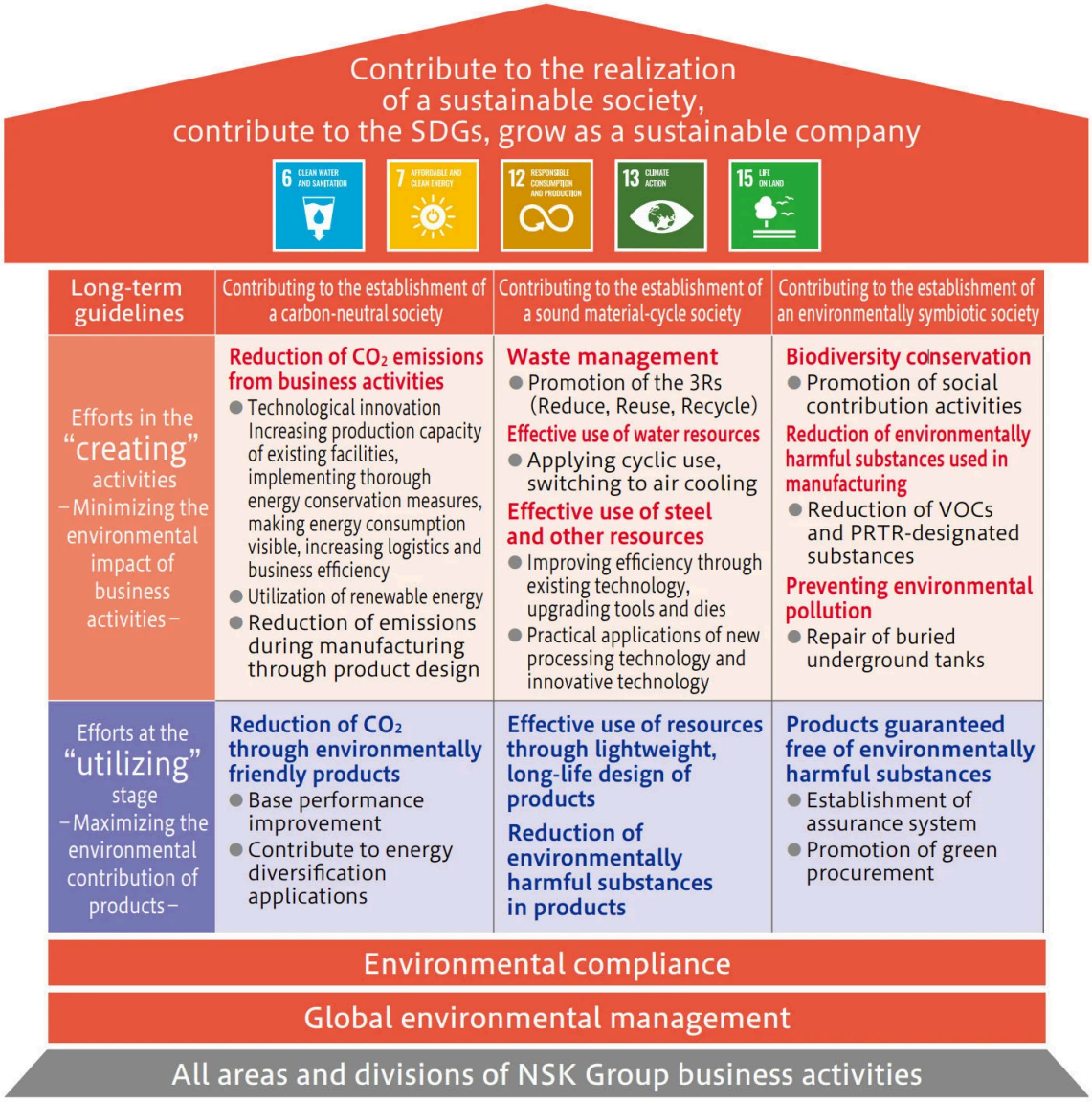
7. Communicating with Stakeholders

We disclose the progress of our environmental management efforts, and we seek to continually improve their effectiveness. We pursue good communication with our stakeholders, including government environmental agencies, local communities, customers, and suppliers.

Established December 12, 1997
Revised November 15, 2021

The NSK Group has established the Environmental Action Plan to promote ESG management, one of the key issues of MTP2026. In our practice of global environmental management and environmental compliance, we envision "contributing to the establishment of a carbon-neutral society," "contributing to the establishment of a sound material-cycle society," and "contributing to the establishment of an environmentally symbiotic society." To help achieve this vision, we are minimizing the environmental footprint of our business activities and maximizing the environmental contribution made by our products. This is also linked to helping to achieve the SDGs.

NSK Group Environmental Action Plan



Environmental Risks and Opportunities

In the drive to build a sustainable world, efforts are accelerating to strengthen national and regional regulations and to develop initiatives that encourage measures to reduce CO_2 emissions, recycle resources, and reduce environmentally harmful substances. Corporate developments also show progress, in areas such as the electrification of automobiles. In line with this, progress is being made in areas such as the electrification of automobiles. Doing its part, the NSK Group identifies and evaluates environmental opportunities and risks in each phase of the value chain and reflects these in its management strategy and environmental action plan to achieve continuous growth. See the diagram below for specific risks and opportunities.

Value Chain	Development and design	Procurement	Manufacturing	Transport	Usage	Disposal/recycling
Relevant Stakeholders	Customers/ employees	Suppliers	Employees/partner companies	Transport companies	Customers/society	
Environmental Issues	● Need to help build a carbon-neutral society: Depletion of fossil fuels, progression of global warming and climate change, occurrences of large-scale disasters ● Need to help build a sound material-cycle society: Depletion of resources and deterioration of the natural environment due to waste ● Need to help build an environmentally symbiotic society: Decline and loss of biodiversity due to climate change, environmentally harmful substances, ocean plastic pollution, etc.					
Opportunities	● Increase market share by commercializing environmentally friendly products ● Increase market share by developing products that do not contain environmentally harmful substances	● Ensure a stable supply of fuel and raw materials by promoting alternatives ● Increase engagement with environmentally friendly suppliers	● Improve environmental efficiency and reduce costs through energy conservation and resource circulation ● Improve environmental efficiency and reduce costs by developing energy-efficient production lines	● Contribute to CO_2 reductions by improving transport efficiency ● Strengthen engagement with environmentally friendly transport companies	● Expand market share and business opportunities through environmentally friendly products ● Expand efforts to reduce energy loss	● Help reduce disposal costs and environmental impacts by extending product life and improving recycling rates
		● Establish production systems not reliant on fossil fuels				
	● Increase corporate value through environmental protection activities					
Risks	● Inadequate response to environmental requirements	● Environmental impact of resource consumption ● Violating environmental laws and regulations by suppliers ● Supply chain disruption due to severe natural disasters	● Increased cooling costs due to rising temperatures ● Adverse impact on biodiversity from construction and renovation of facilities ● Increased waste disposal costs ● Depletion of fossil fuels	● Disruption of transport networks due to severe natural disasters	● Recalls due to inclusion of restricted substances ● Reduced competitiveness due to products being inferior to competitors' in terms of environmental performance	● Inadequate response to needs related to disposal and recycling of products and packaging materials
		● Delays in producing energy savings and CO_2 reductions, including at suppliers				
	● Tightening of environmental regulations ● Violating environmental laws and regulations ● Growing calls from stakeholders to address environmental issues					
Main Initiatives	● Develop environmentally friendly products (highly efficient, smaller, lighter, with longer life, and related to renewable energy) ● Develop and design products that do not contain environmentally harmful substances	● Promote green and CSR procurement ● Make raw materials common across products	● Adopt renewable energy ● Reduce and dispose of waste properly ● Reduce usage of and properly manage environmentally harmful substances ● Conduct environmental assessments ● Innovate in production technologies ● Invest in high-efficiency equipment	● Improve distribution efficiency ● Shift to modes of transport with a lower environmental footprint and switch to eco-friendly cars ● Encourage joint transport ● Reduce and reuse packaging	● Maximize reductions in CO_2 emissions during product use ● Provide information on environmentally harmful substances ● Create environmentally friendly products (highly efficient, smaller, lighter, with longer life, and related to renewable energy)	● Improve recycling rates ● Use biodegradable plastic for packaging materials
	● Undertake energy conservation activities, including with suppliers ● Advance conversion to and use of alternative fuels ● Use recycled materials ● Use resources effectively ● Management based on the NSK List of Environmentally Harmful Substances ● Comply with regulations for environmentally harmful substances					
	● Operate an environmental management system ● Comply with environmental laws and regulations ● Strengthen preparedness for risks from natural disasters with a business continuity plan (BCP) ● Improve environmental education and awareness					
Office Initiatives	● Reduce electricity consumption by promoting no-overtime work styles ● Take advantage of remote conferencing ● Switch to eco-friendly cars, use public transportation, and encourage car sharing					

Information Disclosure Based on TCFD Recommendations

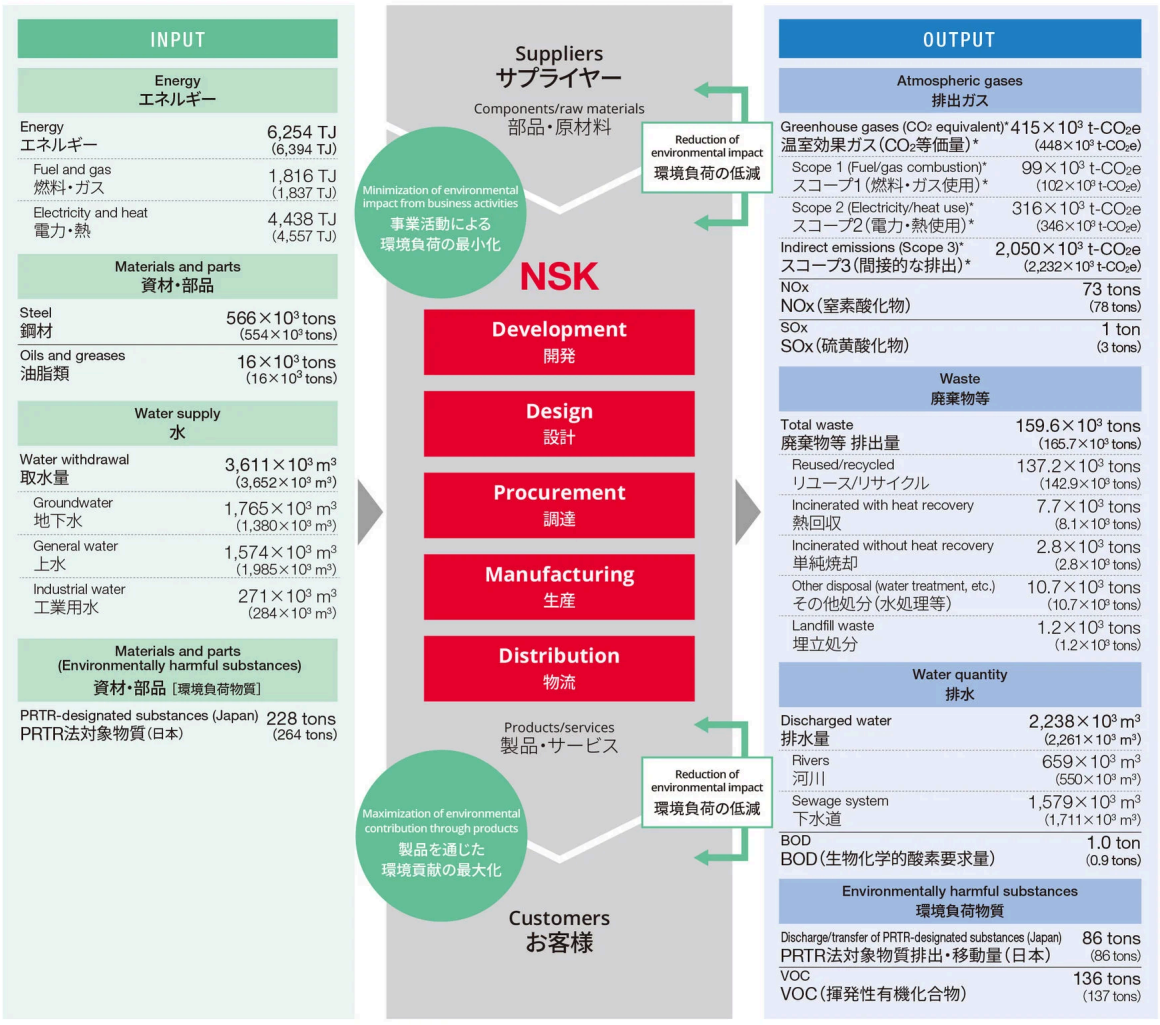
Material and Energy Balance

The NSK Group works with suppliers to reduce environmental impact through efforts such as green procurement and other initiatives. We also strive to reduce the environmental impact of our customers and of society as a whole by providing environmentally friendly products.

Input and Output of Global Business Activities (FY2023 and 2024)

Material and Energy Balance　マテリアルバランス

Figures within parentheses indicate fiscal 2023 data. The data exclude discontinued operations (steering business).
(　)は2023年度実績を示します。非継続事業（ステアリング事業）を除いた数値を表示しています。



* Total greenhouse gas emissions (CO_2 equivalent) are obtained by multiplying each type of gas by its global warming coefficient. Emission factors for electricity are variable market standards. These emission factors, which change every year, are published by power companies with which we have contracts, or are given in the International Energy Agency's CO_2 Emissions from Fuel Combustion. The amount of greenhouse gas emissions for Scope 1 to 3 are calculated based on GHG Protocol calculation standards.

* 温室効果ガス排出量（CO_2等価量）は、各温室効果ガスの排出量にそれぞれの温暖化係数を乗じ合算しました。電力の排出係数はマーケット基準（変動）を採用しました。当社が契約する電力会社が公表する排出係数（毎年更新）、または国際エネルギー機関（IEA）の「CO_2 Emissions from Fuel Combustion」の係数を採用しました。また、スコープ1からスコープ3の温室効果ガスの排出量は、「GHGプロトコル」に準じ算定しました

System

Environmental Promotion System

Each department implements various measures to achieve NSK's environmental action plan and continuously monitors and evaluates its progress.
Initiatives related to the environment are regularly reported to the Sustainability & Core Values Committee. The Committee discusses policies to strengthen activities related to the environment, which is one of NSK's core values, and considers related risks, so that it can suggest improvements to address issues. In particular, with regard to initiatives toward carbon neutrality, which is an essential management issue, the Carbon Neutrality Department sets policies, strategies, and targets from a companywide and mid- to long-term perspective, promoting various measures to achieve goals. Progress is regularly reported to the executive officer in charge and the CEO. Particularly critical measures are decided by the CEO following discussions by the Operating Committee and are deliberated by the Board of Directors. The Board of Directors supervises the implementation of these initiatives. The degree of achievement of targets to reduce CO_2 emissions is incorporated into the evaluation criteria for the short-term performance-based compensation of executive officers.

*For more information on the Sustainability & Core Values Committee, please visit NSK's Corporate Governance Structure.

Targets and Performance

Mid-Term Management Plan 2026 (MTP2026) Targets, with Targets and Performance for Each Fiscal Year

MTP2026 Targets			FY2024 Targets	FY2024 Performance	FY2025 Targets
Environmental management	Achieve and maintain ISO 14001 certification at all subject sites[*1]		Achieve and maintain ISO 14001 certification at all subject sites	Maintained ISO 14001 certification at all subject sites	Achieve and maintain ISO 14001 certification at all subject sites
	No serious violations of environmental laws and regulations		No serious violations of environmental laws and regulations	No serious violations of environmental laws and regulations	No serious violations of environmental laws and regulations
	No serious incidents of environmental pollution		No serious incidents of environmental pollution	No serious incidents of environmental pollution	No serious incidents of environmental pollution
Creating environmentally friendly products	Create environmentally friendly products with a Neco score of 1.2 or higher (ongoing)		Continue with new developments (Develop 1 or more environmentally friendly products)	Developed 7 environmentally friendly products	Develop 3 environmentally friendly products
	Avoid at least 3 million t-CO_2 emissions during the use of NSK products		2.47 million t-CO_2	2.32 million t-CO_2	2.51 million t-CO_2
Climate change measures	Manufacturing, technology, offices	CO_2 emissions[*2]: 50% reduction from FY2017	39% reduction from FY2017	55.2% reduction from FY2017	44% reduction from FY2017
		Energy usage per unit of sales: 10% reduction from FY2017	7.7% reduction from FY2017	21.9% reduction from FY2017	8.8% reduction from FY2017
Resource circulation - Resource conservation and recycling measures	Manufacturing, technology, offices	Industrial waste per unit of sales: Below -9.0% (base year FY2017)	Below -7.0% (base year FY2017)	-15.7% (base year FY2017)	Below -8.0% (base year FY2017)
		Maintain a recycling rate of at least 99%	99% or higher	99.2%	99% or higher
		Waste plastic per unit of sales: Below -3.0% (base year FY2023)	Below -1.0% (base year FY2023)	-9.1% (base year FY2023)	Below -2.0% (base year FY2023)
	Distribution (Japan)	Packaging waste per unit of sales: Below -14% (base year FY2021)	Below -11% (base year FY2021)	-44.6% (base year FY2021)	Below -12% (base year FY2021)

MTP2026 Targets			FY2024 Targets	FY2024 Performance	FY2025 Targets
Resource circulation - Utilization of water resources	Manufacturing, technology, office	Water withdrawal per unit of sales: Below -9% (base year FY2017)	Below -7% (base year FY2017)	-21.2% (base year FY2017)	Below -8% (base year FY2017)
Reducing use of environmentally harmful substances	Development and design, procurement, manufacturing	Full response to the 10 EU RoHS substances	Full response to EU RoHS (legal compliance)	Continued efforts to completely eliminate environmentally hazardous substances from developed products and manufacturing processes	Thoroughly manage by carrying out ongoing product content surveys and component analysis
	Procurement	Conduct survey regarding inclusion of substances on the NSK List of Environmentally Harmful Substances	Conduct supplier audits of the management systems for environmentally harmful substances	Continued to conduct supplier audits and take corrective actions	Conduct supplier audits of the management systems for environmentally harmful substances
			Obtain responses from all target suppliers	Continued to obtain responses from all target suppliers	Obtain responses from all target suppliers
	Manufacturing (Japan)	Handling of PRTR-designated substances per unit of sales: Continue to reduce by 1% year on year	Below -1% (base year FY2023)	-10.4% (base year FY2023)	Below -1% (base year FY2024)
Biodiversity conservation	Identify the factors in operations that could have a negative impact on biodiversity		Continue activities	Continued activities	Continue activities
	Expand social contribution activities related to biodiversity conservation		Continue activities	Continued activities	Continue activities
	Educate to deepen employee awareness of issues		Continue activities	Continued activities	Continue activities

*1 Sites with particularly large environmental impacts, including development, design, manufacturing, and distribution

*2 Total greenhouse gas emissions (CO_2 equivalent) are obtained by multiplying each type of gas by its global warming coefficient. Emission factors for electricity are variable market standards. These emission factors, which change every year, are published by power companies with which we have contracts, or are given in the International Energy Agency's CO_2 Emissions from Fuel Combustion.

Initiatives

Global Environmental Management

Acquiring and Maintaining Environmental Management Certification

The NSK Group establishes environmental management at all sites. Environmental initiatives are important at sites involved in development, design, manufacturing, and distribution because these processes have especially large environmental impacts. We require these sites to obtain external ISO 14001 certification—the international standard for environmental management systems—within three years of full-scale operation, such as the start of mass production. Additionally, we work to bolster the effectiveness of our management system at the global level by setting targets, making continuous improvements, and undergoing regular third-party audits. Further, the environmental impact of our ISO 14001 certified sites in terms of energy use, GHG emissions, water consumption, and waste emissions accounts for over 98% of the Group total.

Certification for Quality, Environmental, and Occupational Health and Safety Management Systems

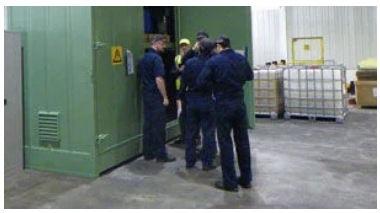
Environmental Compliance

Environmental Compliance

In addition to compliance with environment-related laws and regulations, the NSK Group does more than merely comply with environmental laws; we adhere to rigorous internal standards that go beyond legal obligations to prevent air and water pollution. In the event of an accident or legal violation that has an impact on the external environment, we promptly report the matter to administrative authorities, investigate the cause, and implement measures to prevent recurrence.

Environmental Audits

Regular internal audits and third-party audits are conducted at each site around the world. Additionally, the NSK Head Office's environment-related divisions and regional headquarters conduct audits designed to prevent oil leakages and spills, ensure compliance with environmental laws, and properly manage waste and environmentally harmful substances.



Environmental audit (Europe)

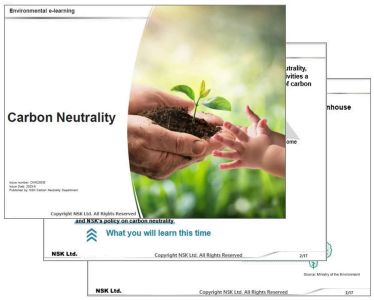
Remediating Soil and Groundwater Pollution

The NSK Group completely eliminated the use of chlorinated organic solvents by FY2003. However, we are continuing to clean up six sites where past use has left traces of contamination in soil and groundwater. We regularly monitor groundwater and report our progress to agencies.

Other Initiatives

Environmental Education

The NSK Group recognizes that the key to increasing the effectiveness of environmental protection initiatives is for every employee to perform their daily work based on sound knowledge. This is why we continuously offer training to raise employees' environmental awareness and to deepen their knowledge. Training includes level-specific environmental education for all employees, from new hires to experienced veterans, on such themes as environment management, carbon neutrality, energy conservation, resource conservation (water resources and waste), management of environmentally harmful substances and building an environmentally symbiotic society; environmental e-learning; training tailored to different objectives for the environmental managers in each department; and education for engineers.

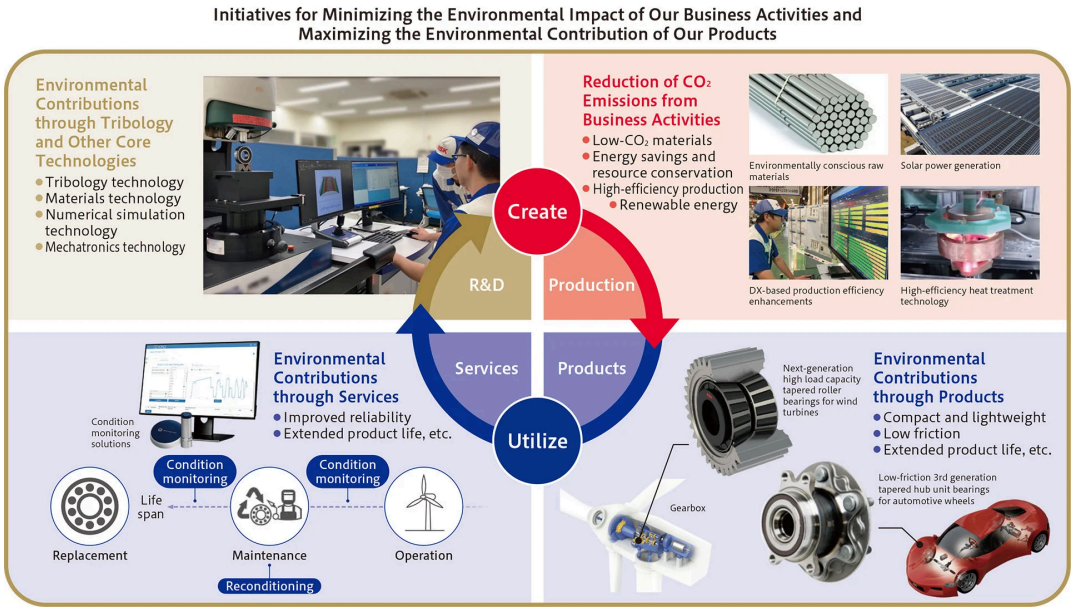


Excerpt from "Carbon Neutrality" e-learning program

Promoting CO_2 Emissions Reductions through "Create" and "Utilize" Approach

In response to the urgent issue of climate change, NSK contributes to achieving carbon neutrality across the entire supply chain. NSK works to reduce CO_2 emissions by lowering energy consumption and taking other measures, not only during the "create" stage, when products are manufactured, but also throughout the entire product life cycle, including the "utilize" stage by customers. Furthermore, the products NSK provides contribute to the efficient use of resources by incorporating the concept of a circular economy. By leveraging its core technologies, honed over more than 100 years since our founding, NSK is dedicated to contributing to the realization of a sustainable society.

Information Disclosure Based on TCFD Recommendations



For more information, see NSK Report 2025.

1.Create

NSK's Approach	Targets and Performance	Initiatives

2.Utilize

Manufacturing Philosophy	Targets and Performance	Indicators for NSK Environmentally Friendly Products

1.Create
NSK's Approach

NSK pursues sustainable business growth while working to reduce energy consumption, its top priority among efforts to achieve carbon neutrality. Under this policy, we promote energy conservation by eliminating inefficiencies, developing and introducing innovative production technologies that improve energy efficiency, and expanding the use of renewable energy.

Targets and Performance

Mid-Term Management Plan 2026 (MTP2026) Targets, with Targets and Performance for Each Fiscal Year

	MTP2026 Targets	FY2024 Targets	FY2024 Performance	Initiatives	FY2025 Targets
Manufacturing, technology, offices	CO_2 emissions*: 50% reduction from FY2017	39% reduction from FY2017	55.2% reduction from FY2017	**(1) Promotion of energy savings and fuel conversion** • Visualized energy use • Improved productivity • Stabilized quality, reduced defective products • Utilized manufacturing processes with high material yields • Reduced energy use, reduced waste (resolved air leaks, applied insulation coating, improved energy use efficiency) • Upgraded to high-efficiency equipment (compressors, LED lighting, etc.) • Converted fuel for air-conditioning equipment • Reduced gas usage **(2) Production technology innovation** • Improved production efficiency with ultra-stable production • Adopted high-efficiency induction heat treatment **(3) Expanded adoption of renewable energy** • Switched to 100% CO_2-free electricity at production sites in Europe • Accelerated switch to CO_2-free electricity in other countries and regions • Expanded introduction of solar power generation facilities in China, Japan, India, ASEAN countries and elsewhere	44% reduction from FY2017
	Energy usage per unit of sales: 10% reduction from FY2017	7.7% reduction from FY2017	21.9% reduction from FY2017	Mechanisms to promote measures • Facilitated activities by conducting NSK Group-wide and global cross-functional meetings , and collaborating with suppliers • Considered adoption of internal carbon pricing • Incorporated CO_2 emissions reductions into evaluation items for executive officer short-term performance-based remuneration and promoted relevant activities	8.8% reduction from FY2017

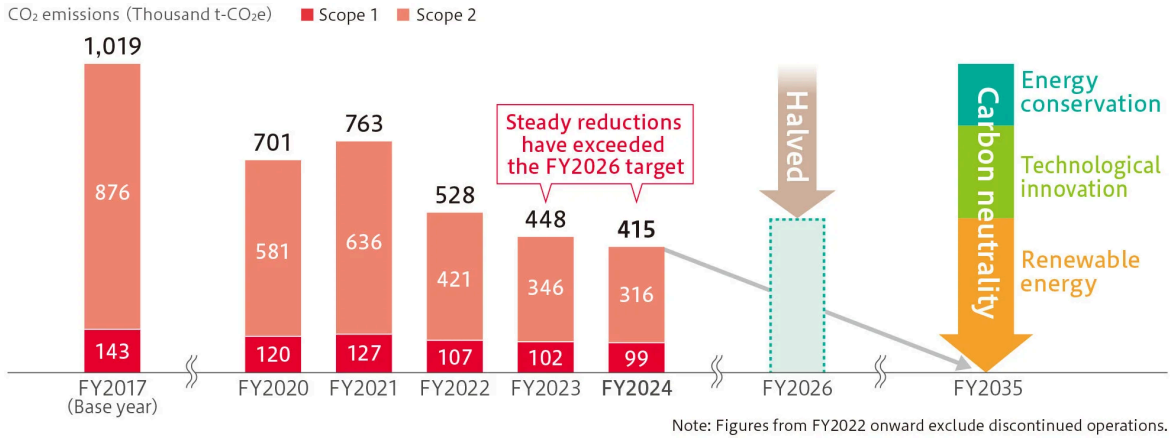
* Total greenhouse gas emissions (CO_2 equivalent) are obtained by multiplying each type of gas by its global warming coefficient. Emission factors for electricity are variable market standards. These emission factors, which change every year, are published by power companies with which we have contracts, or are given in the International Energy Agency's CO_2 Emissions from Fuel Combustion.

CO_2 Reduction Targets and Progress

- Aim to reduce Scope 1 and 2 CO_2 emissions by 50% by FY2026 from FY2017 levels.
- Aim to achieve carbon neutrality for Scope 1 and 2 by FY2035.
- Aim to reduce Scope 3 CO_2 emissions, which include the upstream supply chain, and contribute to the goal set by global society of net zero CO_2 emissions by FY2050.

– Toward Achieving Carbon Neutrality for Scope 1 and 2 by FY2035

NSK aims to achieve carbon neutrality for Scope 1 and 2 emissions by FY2035, and is working to halve these CO_2 emissions by FY2026 compared to the base year of FY2017 as part of this process. Efforts to minimize environmental impact have progressed smoothly, driving CO_2 emissions for FY2024 down to approximately 420,000 tons, thereby achieving the FY2026 target ahead of schedule.



Note: Figures from FY2022 onward exclude discontinued operations.

Click here for more details on NSK's energy consumption, greenhouse gas emissions, and more.

– Contribute to the Goal Set by Global Society of Net Zero CO_2 Emissions by 2050

In an effort to achieve a decarbonized society, NSK will increasingly introduce the latest technologies, promote innovative initiatives, and work with suppliers to reduce CO_2 emissions throughout the supply chain up to and including Scope 3.

Item	Classification	Past Initiatives →	Key Considerations for Initiatives in the Leadup to 2050
Reduction of energy consumption	Energy conservation	●High-efficiency equipment use ●Waste reduction ●Productivity enhancement ●Defect reduction	Continuous improvement
	Technological innovation	●Development of high-frequency induction heat treatment hardening ●Ultra-stable production	●Introduction of low-CO_2 heat treatment technology ●Development of higher efficiency production lines and processes
Transition to clean energy	Renewable energy Next-generation energy	●CO_2-free electricity ●Solar power generation	●Adoption of clean fuels (e-methane, hydrogen, biofuels) ●Use of new power generation technologies (perovskite, wave power)
Use of sustainable materials and resources	Resource circulation	●3R (reduce, reuse, recycle) ●Material yield rate improvement	●Use of untapped resources (heat pumps, waste heat, carbon recycling, bio-coke) ●Expanded use of regenerated materials
	Low-CO_2 materials	●Adoption of electric furnace steel ●Bioplastic use ●Development of plant-derived grease	●Adoption of carbon-neutral steel (e.g., hydrogen-reduction iron) ●Expanded use of bioplastic ●Expanded application of plant-derived grease

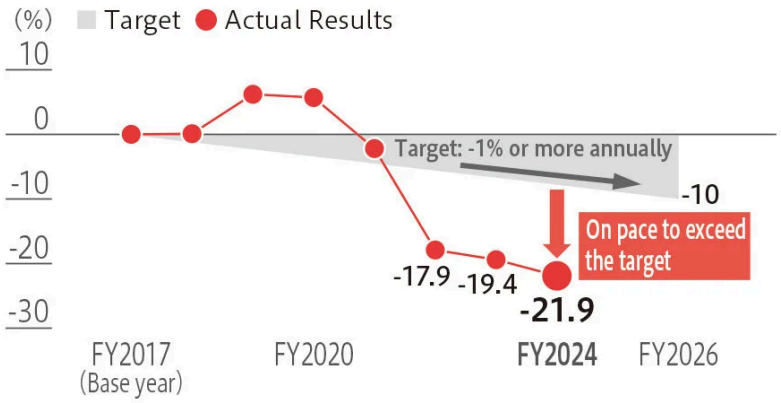
Initiatives

Initiatives on “Create” Approach

– Energy Reduction

The NSK Group aims to enhance (1) energy conservation and (2) technological innovation initiatives by sharing information across the entire Group and expanding activities at each site to improve energy efficiency and reduce CO_2 emissions. We promote ongoing energy conservation activities and the adoption of cutting-edge technology. Since FY2017, we have set an annual target of reducing energy usage per unit of sales by more than 1% each year. As of FY2024, we achieved energy usage per unit of sales of -21.9%, exceeding our target of -7.7%.

Energy Usage per Unit of Sales Target and Actual Results



Note: Figures exclude discontinued operations.

– (1) Energy Conservation

NSK plants are pursuing more advanced energy management by utilizing digital tools to monitor and analyze the energy consumption of each piece of equipment. Building on this foundation, the plants are deploying energy-saving initiatives such as improving the operational efficiency of production equipment, reducing compressed air consumption, optimizing the number of compressors in operation, and enhancing the energy efficiency of air conditioning systems.

Example Initiatives

Production Equipment Efficiency Improvement

Grinding machines consume a significant amount of energy, especially the motors that rotate the grinding wheels and the pumps that circulate coolant during grinding operations. Using a digital dashboard that visualizes energy consumption and other data, the Saitama Plant identified older, less-efficient grinding machines that consumed about 40% more energy. These machines wasted energy by continuing to run even when not processing parts. Improvements were made to stop the motors when not in use, minimizing energy waste. Pump energy use was also reduced by optimizing coolant consumption to the minimum levels required.

Many production machines, which have components that require high force, such as the grinding wheel feed mechanism of grinders, are equipped with hydraulic units. Conventional hydraulic units continuously operate the hydraulic pump motor at a constant speed, resulting in wasted energy whenever high oil flow is not needed. To address this, the Otsu Plant and other plants installed high-efficiency hydraulic units that precisely control motor speed, delivering the optimal amount of hydraulic oil at all times and significantly reducing power consumption.

Fuel Conversion for Air Conditioning Systems

Saitama Prefecture is known among Japan's prefectures for taking active steps to combat global warming, aiming to reduce its CO_2 emissions by 46% by FY2030 compared to FY2013. To achieve this, the prefecture requires large-scale business sites to set and work toward emission reduction targets. The Saitama Plant is one of NSK's largest production sites in terms of CO_2 emissions and has actively pursued emission reduction initiatives. One such initiative is the conversion of its air conditioning equipment from gas to electricity. The plant's newly installed electric air conditioning system is about four times more energy-efficient than the previous gas-powered one, leading to a significant reduction in CO_2 emissions. Moreover, the electric system produces no exhaust gases, uses no water, operates stably, and requires less maintenance, thereby reducing the plant's various environmental impacts.

Inverter-Controlled Air Conditioning and Thermal Insulation Coating for Plant Buildings

Maintaining comfortable temperature levels inside large plant buildings during summer and winter is problematic due to the power consumption of air conditioning systems and the resulting CO_2 emissions. To address this, the Fukushima Plant is combining inverter-controlled air conditioning with a rooftop thermal insulation coating to improve energy efficiency.

By using inverters to precisely control air conditioning operations based on indoor temperatures, the plant effectively reduces its CO_2 emissions. Large air conditioning systems in the plant use five or six motors for ventilation, exhaust, and air circulation. High-precision control of each motor's rotation speed with inverters helps lower CO_2 emissions while maintaining a comfortable work environment. Thermal insulation coatings have been applied to the outer walls, their interior surfaces, and the roof of the plant. These coatings reduce the impact of outside temperatures and intense sunlight. This in turn enhances air conditioning efficiency, keeping the plant cooler in summer and warmer in winter.



Thermal insulation coating on the roof of the Fukushima Plant

Thermal Insulation Coating for Heat Treatment Furnaces

During the heat treatment process, metal components like bearing inner and outer rings are usually heated in a furnace to temperatures above 800℃ to enhance their durability. This requires substantial energy consumption, both electricity and gas. Additionally, radiant heat from the furnaces significantly raises indoor temperatures, posing challenges for improving the workplace environment and reducing air conditioning energy consumption. To address these issues, the Takasaki Plant, Haruna Plant and other plants applied thermal insulation coating to their heat treatment furnaces, minimizing heat loss. This measure not only improved the workplace environment but also enhanced heat treatment efficiency and reduced air conditioning energy consumption, leading to overall energy savings.



Measuring the surface temperature of a heat treatment furnace (Haruna Plant)

Improved Compressor Efficiency (Reducing Air Leaks)

Compressors provide the compressed air necessary for powering production machinery in plants. However, air leaks can occur due to aging pipes and equipment, leading to greater compressor use and wasted electricity. Detecting these leaks is challenging because they are invisible and only produce faint sounds, making it difficult to pinpoint the leak locations. To solve this issue, the Ishibe Plant and other plants now use detection devices that overlay the source of air leak noise on captured images, effectively visualizing leak locations. This technology enables rapid detection of even the smallest leaks within seconds, which were previously undetectable. Since its implementation, the number of detected air leaks doubled in FY2023 compared to FY2021, and the energy-saving effect from repairs tripled, delivering significant results.



Air leak detection at the Ishibe Plant

(2)Technological Innovation

The NSK Group is reducing Group-wide CO_2 emissions by adopting innovative production technologies at its plants worldwide and expanding the range of products for which these technologies are utilized.

Example Initiatives

Working toward “Ultra-Stable Production”

In an effort to engage in sustainable manufacturing, NSK is working to further stabilize and enhance the efficiency of its manufacturing sites. To this end, we are pursuing innovative initiatives using digital technologies and AI. As a result of our past digital tool development and utilization activities, we are now able to identify the operating status of equipment in real time and analyze abnormalities in detail, which has significantly accelerated the speed of improvement.



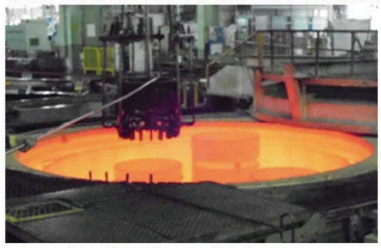
Production visualization (Saitama Plant)

In addition to these production visualization and knowledge digitalization efforts, NSK is applying AI to accelerate and enhance status identification and analysis work. These initiatives seek to achieve stable equipment operations and improve the overall efficiency of production lines, thereby contributing to lower environmental impact through waste reduction and optimized energy use.

High-Frequency Induction Heat Treatment

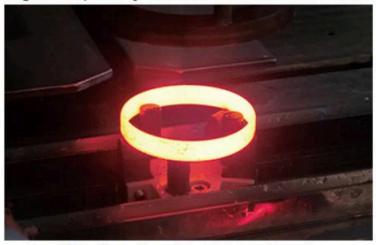
To address the challenge of reducing CO_2 emissions in the heat treatment process, we have developed high-frequency induction heat treatment technology and are actively deploying it at NSK plants worldwide. Unlike conventional heat treatment methods, which heat parts by surrounding them in a gas-heated furnace, high-frequency induction heating rapidly and efficiently heats only the part itself. At the Ishibe Plant, the introduction of high-frequency induction heat treatment has not only reduced CO_2 emissions but also optimized equipment space utilization, contributing to a safer and more beneficial workplace.

Conventional heat treatment furnace



Heating the entire furnace

High-frequency induction heat treatment



Heating the target part only

(3) Renewable Energy

NSK is advancing a plan to switch the source of electricity for all locations to renewable energy, and is expanding use of solar power generation at locations in India, the ASEAN region, and South Korea in addition to Japan and China. In FY2024, the Group increased the proportion of renewable energy in its total energy usage to 35.6%.

Example Initiatives

Solar Power Generation

In September 2024, NSK expanded the rooftop solar power generation system at the Fujisawa 2nd Plant by a factor of 6.5. Having installed approximately 2,700 solar panels, the system is now a mega solar-class facility that generates a maximum of 950 kW and reduces CO_2 emissions by 456 tons.



Solar power generation system installed at the Fujisawa 2nd Plant

Kicking Off Carbon Neutrality Education for Plants

Members of the Carbon Neutrality Department visit NSK plants to explain the Company's carbon neutrality policies and initiatives, and to impress upon employees that they are important stakeholders. These visits include question-and-answer sessions as well as dialogue. With the aim of ensuring that every employee takes the initiative in making everyday improvements, we will implement this initiative at as many plants as possible on an ongoing basis.



Education for employees with less than 10 years of employment at NSK (NSK Kyushu)

Scope 3 Upstream Reductions

Example Initiatives

Strengthening Collaboration with Suppliers

The majority of NSK's total CO_2 emissions come from upstream Scope 3 sources, making emission reductions in this area a significant challenge. To address this, NSK is expanding collaboration with the suppliers of components such as rings. The scope of collaboration continues to grow, covering about 80% of the procurement value of components with 58 suppliers as of the three-year period, FY2022-2024. NSK representatives visit major suppliers to explain the necessity of carbon neutrality achievement and how it can enhance business resilience. They also encourage each supplier to seek out the most effective CO_2 reduction measures tailored to their specific circumstances. Over the past three years, CO_2 reduction measures for key products have resulted in a reduction of 5.7%, surpassing the 5.2% target. Going forward, NSK will strengthen collaboration with overseas suppliers to further promote reductions.



Providing support for supplier installation of air leak detection equipment

Use of Low-CO_2 Materials

NSK has developed the world's first cage made from 100% plant-derived biomass plastic. Castor bean plants, the raw material source for this biomass plastic, absorb CO_2 during their growth process. Consequently, the bio-based plastic reduces CO_2 emissions by 80% compared to conventional petroleum-based plastics.



Biomass plastic cage



Castor bean materials

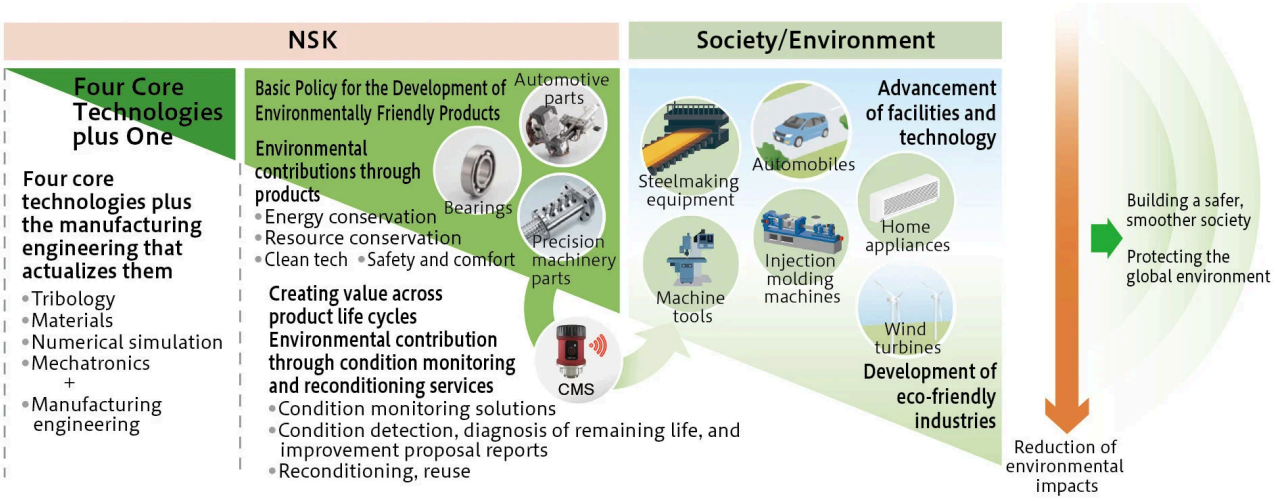
2.Utilize

Manufacturing Philosophy

Efforts to Maximize the Environmental Contribution of Our Products

The NSK Group strives to contribute to a safer, smoother society and help protect the global environment, as indicated in its Mission Statement. To achieve this, NSK is developing environmentally friendly products and technologies in line with our "Basic Policy for the Development of Environmentally Friendly Products" by making full use of our Four Core Technologies plus One: tribology, materials, numerical simulation and mechatronics, plus manufacturing engineering.

While many automobiles and industrial machines worldwide consume vast amounts of energy by operating for extended periods, NSK's products aim to reduce this energy consumption to the greatest extent possible through downsizing, weight reduction, and low torque. Furthermore, they are used in renewable energy facilities such as wind turbines, contributing to their spread. On the other hand, because the production and processing of steel, which is a key material for NSK products, requires many resources, NSK promotes waste reduction and efficient use of resources through product life-span extension and recycling. Through these efforts, NSK is working to reduce CO_2 emissions throughout the entire product life cycle.



Basic Policy for the Development of Environmentally Friendly Products

1. Each product should contribute toward the energy and resource conservation of the machine in which it is installed.
2. The amount of energy and resources required during product manufacturing should be minimal.
3. Environmentally harmful substances should not be used in products or manufacturing processes.
4. Products should contribute to the health and safety of end users by having low levels of vibration, noise, and dust emissions.

Verification Requirements and Assessment Items for Each Stage of the Product Lifecycle

NSK assesses all products throughout their entire lifecycle according to the items listed in the table below, and strives to both maximize its products' environmental contribution, and minimize their environmental impact by reducing the amount of steel, water, and other resources used and lowering GHG emissions.

Lifecycle	NSK Initiatives (Contributing to resource and energy conservation, safety, and cleanliness)
Procurement of raw materials	• Reduce product size/weight • Utilize low-carbon materials/recycled materials • Eliminate use of environmentally harmful substances*
Production	• Integrate components by standardizing and unitizing materials and parts • Boost productivity • Stabilize product quality, reduce defects • Utilize manufacturing processes with high material yields • Reduce energy use in production, reduce waste, upgrade to high-efficiency equipment • Develop and implement innovative production technologies • Strengthen collaboration with suppliers • Switch to clean energy • Eliminate use of environmentally harmful substances in processing oils and detergent oils
Transport	• Boost load efficiency, reduce transport distances by rethinking routes, promote shared transport • Reduce, reuse, and recycle packaging materials • Eliminate use of environmentally harmful substances in packaging materials
Use	• Develop longer-life, smaller, lighter, low-friction products • Develop products that help reduce use of lubricants and frequency of maintenance • Design products for ease of maintenance • Provide solutions for monitoring conditions and product repairs • Develop low-vibration, low-noise, low-dust emitting products
Disposal/recycling	• Design products to be easy to disassemble and sort • Find ways to eliminate use of difficult-to-recycle materials/components

* Environmentally harmful substances: Taking national and regional laws and regulations, as well as industry guidelines, into account, NSK defines environmentally harmful substances as chemical substances that are, or could potentially be, harmful to human health, ecosystems, and/or environmental conservation, including toxic substances, ozone-depleting substances, and substances that pollute air, water, soil, or groundwater. NSK properly manages these substances, including by prohibiting their use. For more information, see "Reducing Use of Environmentally Harmful Substances."

Resource Circulation

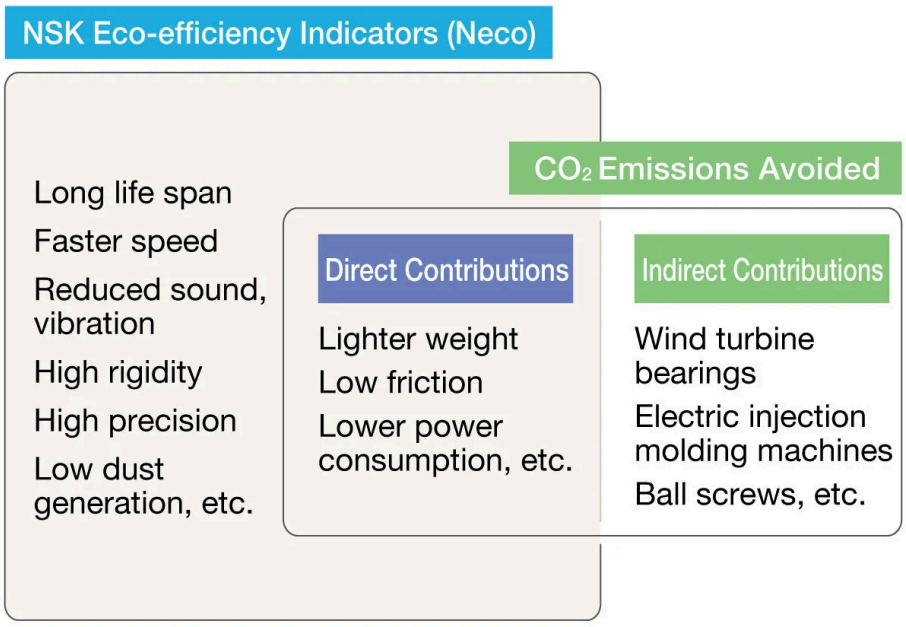
Targets and Performance

Mid-Term Management Plan 2026 (MTP2026) Targets, with Targets and Performance for Each Fiscal Year

MTP2026 Targets		FY2024 Targets	FY2024 Performance	FY2025 Targets
Creating environmentally friendly products	Create environmentally friendly products with a Neco score of 1.2 or higher (ongoing)	Continue with new developments (Develop 1 or more environmentally friendly products)	Developed 7 environmentally friendly products	Develop 3 environmentally friendly products
	Avoid at least 3 million t-CO_2 emissions during the use of NSK products	2.47 million t-CO_2	2.32 million t-CO_2	2.51 million t-CO_2

Indicators for NSK Environmentally Friendly Products

NSK has defined and operates its own indicators showing the environmental contribution of its products: the NSK Eco-efficiency Indicator (Neco), and avoided CO_2 emissions. The Neco is used to assess a product's environmental contribution based on such factors as service life. The NSK avoided CO_2 emissions index assesses both avoided emissions resulting from these factors (direct contributions) and indirectly avoided emissions from the use of wind power, etc. (indirect contributions).



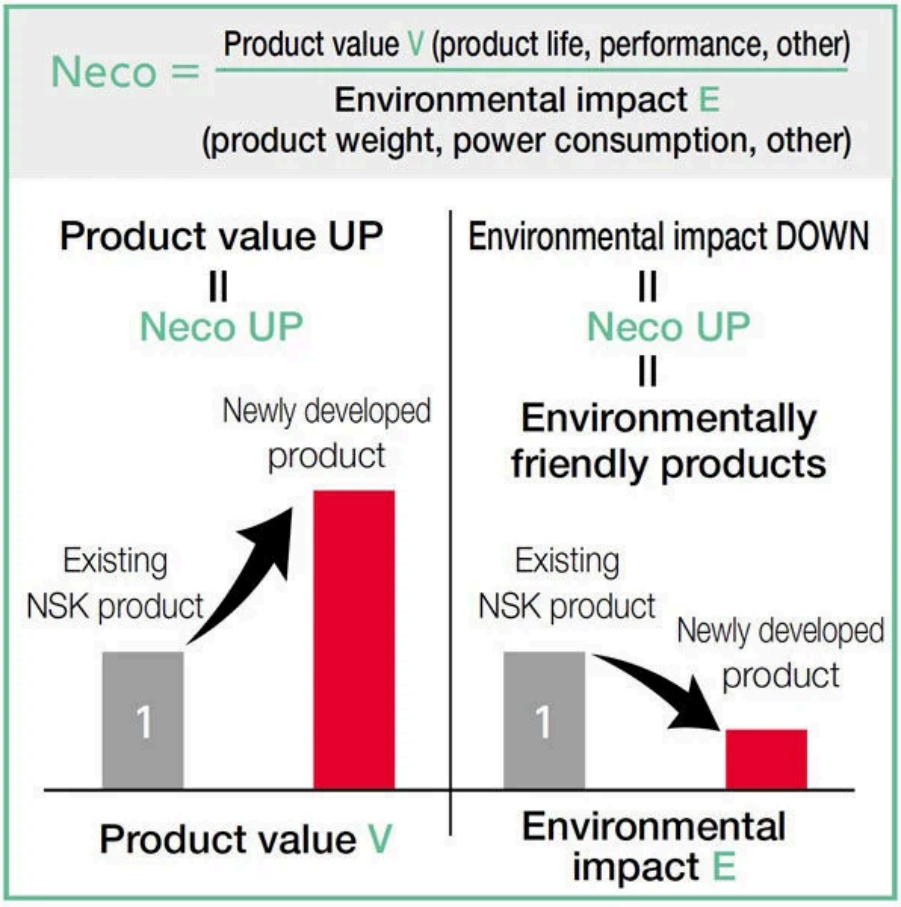
These indicators quantify the extent of a product's contribution, and NSK uses them to develop products that contribute to the environment by, for example, reducing CO_2 emissions.

NSK Eco-efficiency Indicator (Neco)

NSK has introduced the Neco score as a unique quantitative metric to comprehensively evaluate environmental contributions at the product development stage.

The Neco score is a numerical value obtained by dividing the product value V by the environmental impact E, which represents in numerical form the degree of improvement over the conventional product with a value of 1. The numerator, product value V, represents factors that assess performance, such as service life, accuracy, and maximum rotation speed. The denominator, environmental impact E, represents factors that assess environmental impact, such as product weight, power consumption, and friction loss. The greater the product value V and the smaller the environmental impact E, the greater the Neco score, indicating a more environmentally friendly product.

In assessing newly developed bearings, for example, the longer the bearing's service life is, when compared to existing products, the better its high-speed rotation, the lighter and more compact the bearing is, and the lower the friction loss, the higher its Neco value will be, indicating a more environmentally friendly product. In developing new products, NSK aims for a Neco score of 1.2 or higher.



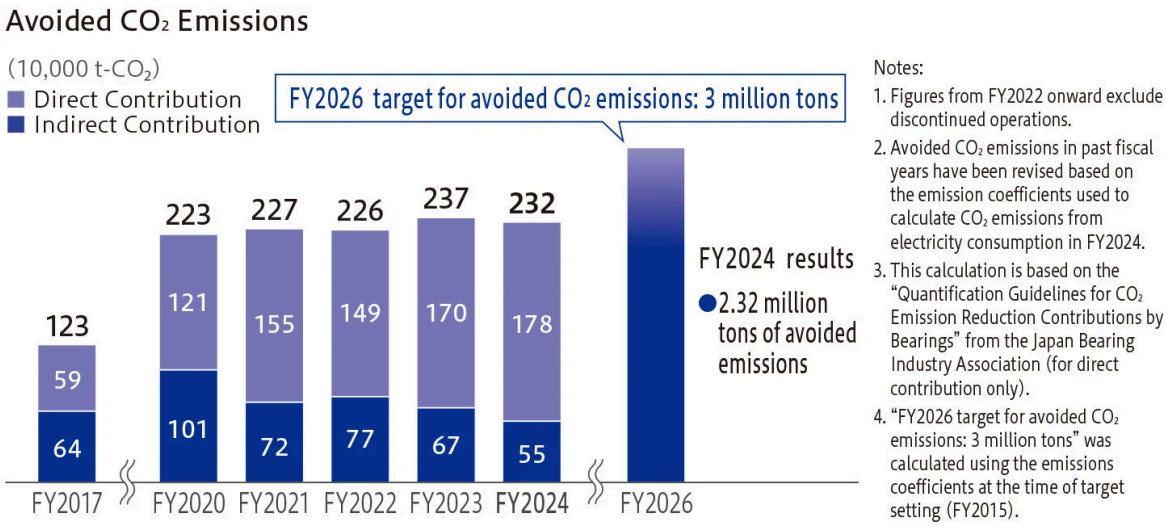
Achievements in the Development of Environmentally Friendly Products with a Neco Score of 1.2 or Higher

Avoided CO_2 Emissions

NSK's products also contribute to reducing CO_2 emissions during the "utilize" stage at customers. We promote such efforts in two categories: direct contribution and indirect contribution. In FY2024, total avoided emissions in both categories were 2.32 million tons. NSK will continue to strengthen these initiatives with the aim of delivering over 3 million tons of avoided emissions by FY2026, thereby contributing to the reduction of CO_2 emissions across society as a whole.

– Concepts for Products Helping to Avoid CO_2 Emissions at the "Utilize" stage

Category	Contribution concept	Examples of contributions to CO_2 reduction
Direct Contributions	Direct contributions to CO_2 emissions reduction through individual NSK product performance	• Reducing friction loss • Downsizing through longer life • Smaller size and less weight
Indirect Contributions	Indirect contributions through CO_2 emissions avoided by incorporating NSK products into customer equipment and facilities	• Responding to the shift from hydraulics to electrification • Responding to the spread of renewable energies • Developing new environmentally friendly products



For more information, see NSK Report 2025.

Direct Contributions

In this area, NSK products effectively contribute to the reduction of CO_2 emissions by improving the performance of existing products, such as curbing friction loss in bearings, to directly reduce energy loss in the customer machinery in which they are incorporated.

This contribution is calculated using the formula shown below.

CO_2 emissions avoided (product basis) = ΔPCO_2 × Annual uptime × Duration of use × Product sales volume

ΔPCO_2: CO_2 emissions avoided per unit of time product is used (CO_2/hour)

Annual uptime: Time a product is in operation per year (hours/year)

Duration of use: How long a product is used (years)

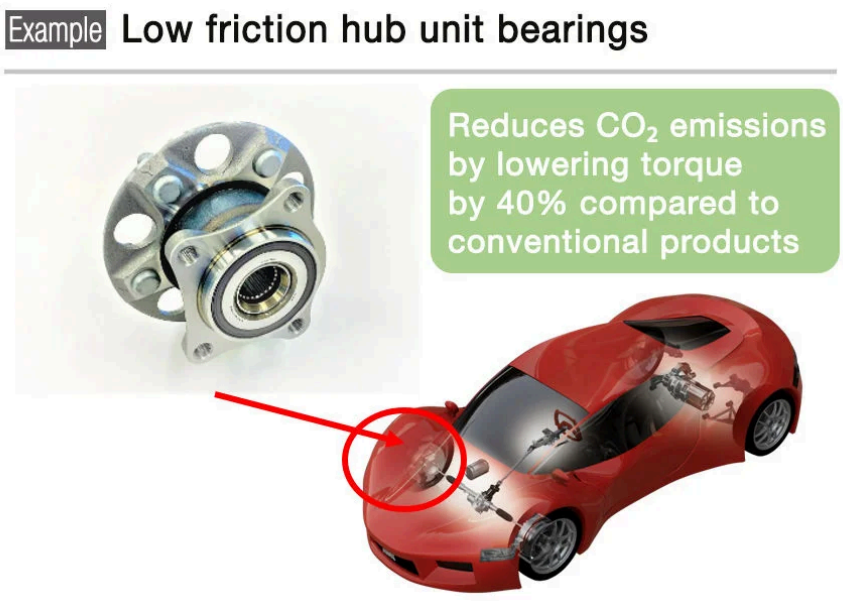
Product sales volume: Sales volume of the product in the fiscal year

Note: This calculation is based on the "Quantification Guidelines for CO_2 Emission Reduction Contributions by Bearings" from the Japan Bearing Industry Association.

Example: Low Friction Hub Unit Bearings

As hub unit bearings are often used in harsh environments in the field, they are equipped with seals to prevent mud and water from getting inside. Although these bearings are expected to improve efficiency by reducing friction, focusing on achieving low friction alone can damage the reliability of the bearings during use.

By optimizing internal bearing design, selecting the optimal grease, and developing low friction seals, NSK has developed a low friction hub unit bearing that delivers 40% lower friction, while still maintaining the field reliability required.



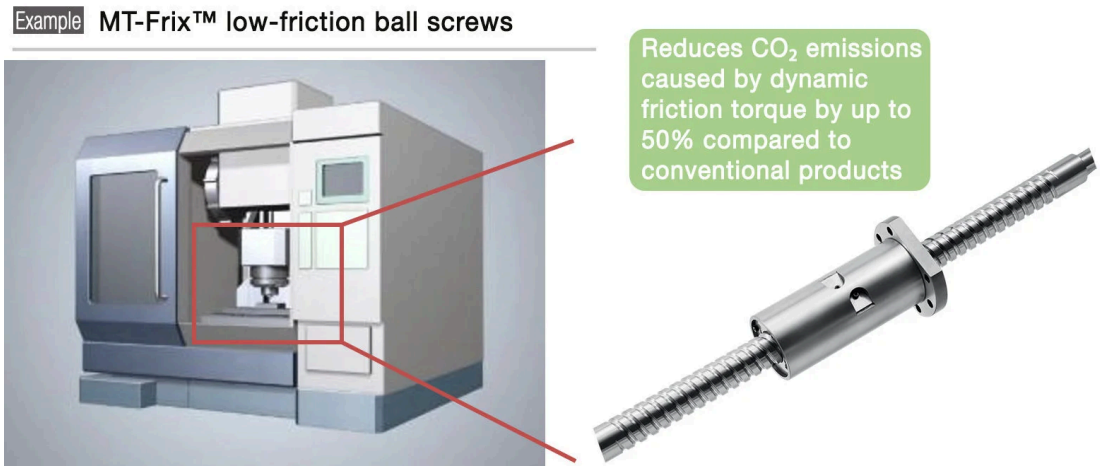
For more information, click here.

– Example: MT-Frix™ low-friction ball screws

When a ball screw is driven, it generates heat due to dynamic friction torque, and the screw shaft undergoes thermal expansion, which in turn reduces the positioning accuracy. In order to prevent accuracy loss due to heat generation, forced cooling (cooling the generated heat with an auxiliary device, etc.) may be used, but extra energy is consumed when a cooling device is employed. Therefore, in order to achieve both high precision and energy savings, it is necessary to reduce the dynamic friction torque itself.

However, with conventional technology, when the dynamic friction torque is reduced, the rigidity also declines, making the nut more likely to experience displacement, which in turn can result in the problem of reduced machining accuracy. Therefore, reducing dynamic friction torque while maintaining rigidity is needed.

NSK has leveraged its analytical technology to elucidate the precise conditions of contact between the ball and groove inside its ball screws. The findings allowed NSK to optimize the internal specifications, and the result is the newly developed MT-Frix™, a low-friction ball screw with lower dynamic friction torque but the same rigidity and size.



For more information about this product, click here.

Indirect Contributions

In this area, NSK products such as bearings for wind turbines and ball screws for electric injection molding machines (with motorized hydraulics) that are used to manufacture plastic products contribute indirectly when employed in customer machinery. Guidelines have been established based on the disclosed contribution rate of bearings in the wind power generation field. The contribution is calculated using the formula below.

CO_2 emissions avoided (equipment basis) = ΔPCO_2 × Annual uptime × Duration of use × Contribution rate × Penetration (sales volume)

ΔPCO_2: CO_2 emissions avoided per unit of time equipment is used (CO_2/hour)

Annual uptime: Time that equipment is in operation per year (hours/year)

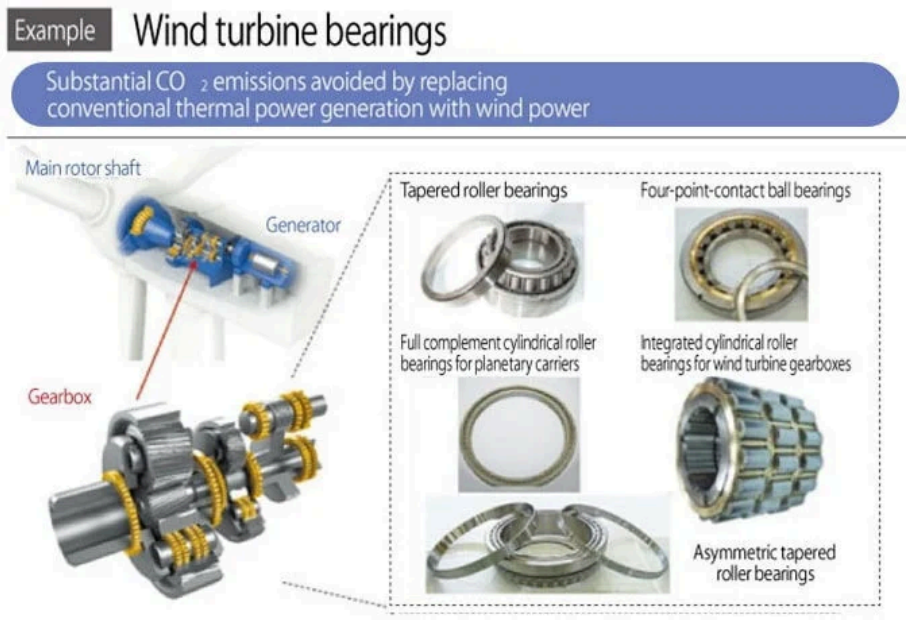
Duration of use: How long equipment is used (years)

Contribution rate: Rate of contribution of NSK products to the equipment (%)

Product penetration (sales volume): Penetration (sales volume) of the product in the fiscal year

– Example: Bearings for Wind Turbines

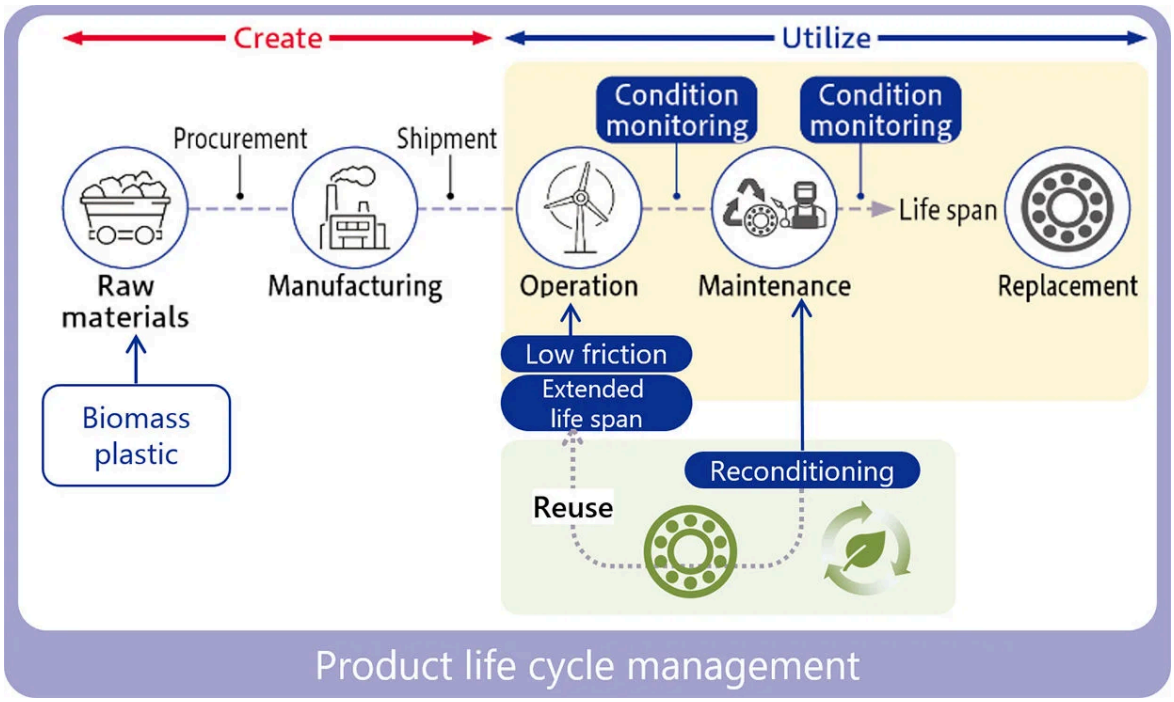
Since replacing turbine parts is difficult, bearings for wind turbines are required to operate for 20 years and must therefore be exceptionally reliable. NSK provides high-quality bearings used in the gearbox. They help determine the performance of the wind turbine and contribute to the spread of renewable energy. Thanks to NSK's advanced computer-based numerical simulations, extensive expertise in materials and heat treatment, and technologies for testing and evaluating full-size bearings, NSK bearings deliver world-class performance.



Wind turbines are used in harsh environments, operating for about 20 years at 100 meters above the ground, so high reliability is required.

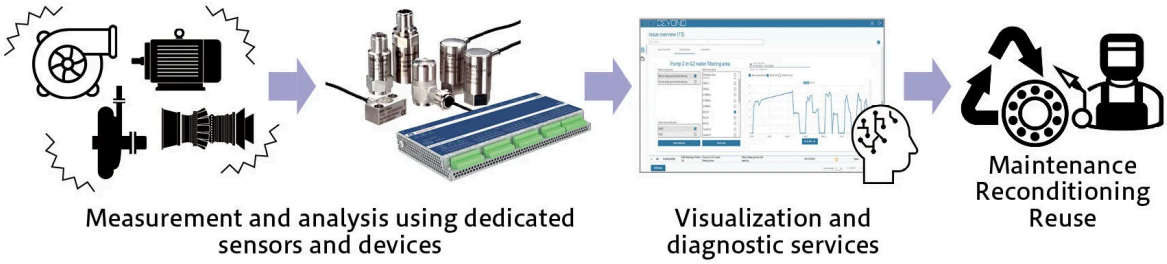
CO_2 Emission Reduction through Services

In addition to selling products, NSK provides technical services such as maintenance and condition monitoring technology, aiming to reduce CO_2 emissions throughout the entire product life cycle - from product restoration to disposal.



– Example: Condition Monitoring Solutions and Reconditioning

Condition monitoring solutions measure and analyze the vibrations of rotating and linear motion mechanisms inside equipment to diagnose the product's condition and life span. This contributes to improved machine reliability and extended product life. In addition, reconditioning enables product repair and reuse.



For more information about reconditionable large-size tapered roller bearings for construction equipment, click here .

Carbon Footprint Assessment Report

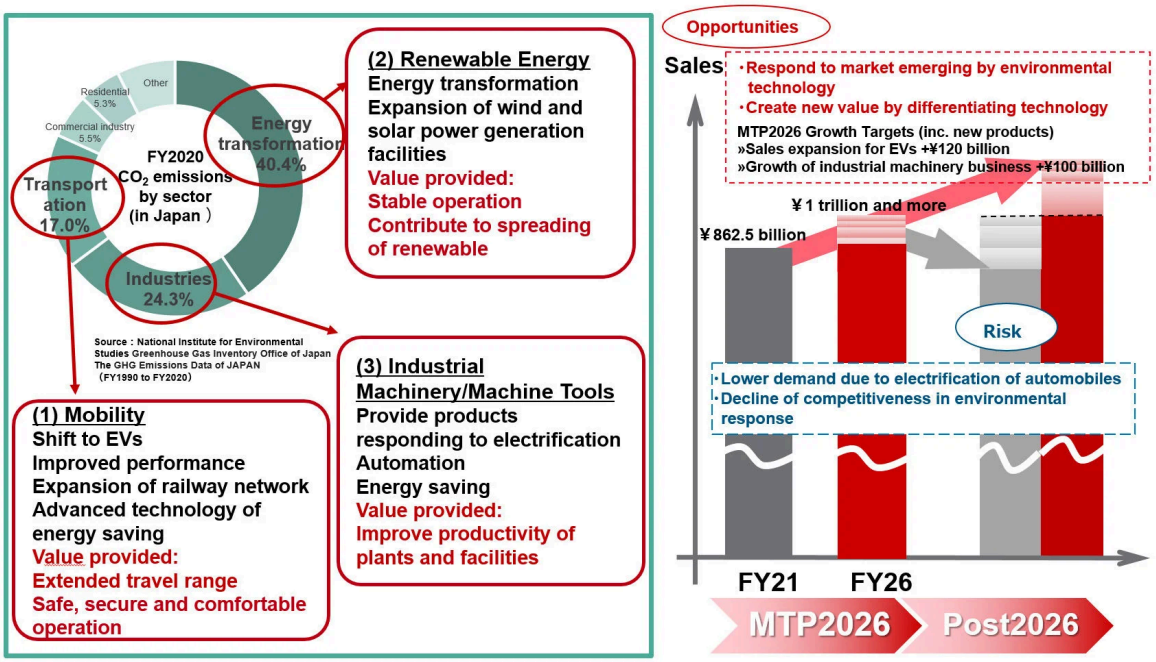
NSK releases CFP (carbon footprint of products) assessment reports and specifies CO_2 emissions calculation items for the entire product life cycle with the aim of engaging in more transparent, credible disclosure. We are also working to create new markets by disclosing environmental values.

Reconditionable Large-Size Tapered Roller Bearings for Construction Equipment

MT-Frix™ Low-Friction Ball Screw

Contributing to a Decarbonized Society

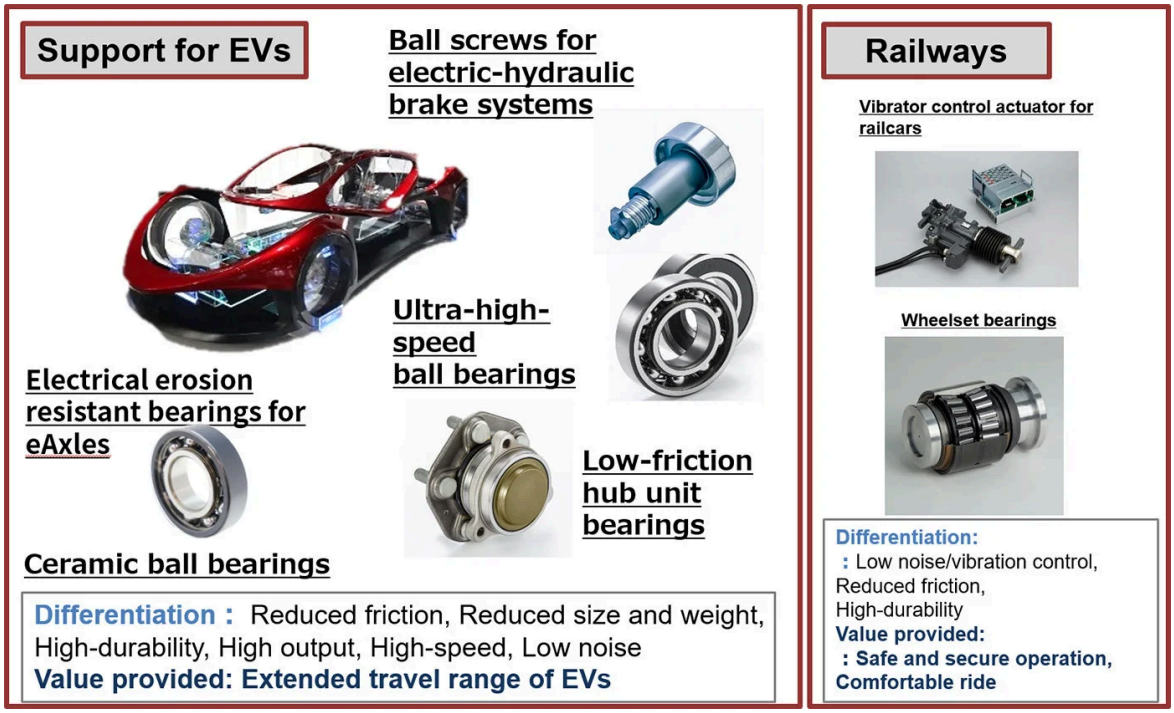
NSK recognizes that contributing to a decarbonized society is an opportunity for profitable growth. In particular, NSK is focusing on markets that are expected to see growth in the fields of mobility, renewable energy, and industrial machinery/machine tools. NSK aims to meet society's needs and achieve sustainable growth by developing products that leverage NSK's strengths in areas like precision bearings, precision ball screws, and automotive components for electric vehicles in order to expand its sales in highly profitable markets.



Example: Environmental Contribution through Automotive Electrification

Automotive electrification is indispensable to achieving carbon neutrality. Under MTP2026, NSK sets a sales promotion plan for electric vehicle components and will seek to differentiate its technology and expand its business by offering a new product, ball screws for electro-hydraulic brake systems.

Strategy and progress of the Automotive Business: NSK Report 2025



External Assessments

– Selected for CDP's "A List" for Climate Change Disclosure

NSK was selected in FY2025 as an "A List" company by the global non-profit CDP for its disclosure of climate change information. NSK actively discloses its climate change initiatives in securities reports, the NSK Report, and on the NSK website. In addition, we publish an industry-first Carbon Footprint Assessment Report on bearings.



Achievements in the Development of Environmentally Friendly Products with a Neco Score of 1.2 or Higher

FY2024: Seven Products

Eco-friendly product	NSK technology	Customer benefits	Neco
Magnetostrictive Torque Sensor for Automobiles	• Smaller • Lower cost	• Resource conservation • Extended travel range	1.26
High-Efficiency Locking Clutch Mechanism "Locking Clutch" That Does Not Require Electric Power	• Balances highly efficient power transmission and reliable locking performance • Self-locking without need for electric power	• Miniaturization and weight reduction of electric actuators for various applications • Reduced power consumption	1.21
New and Improved Low-Friction Hub Unit Bearing	• Balances low friction and muddy water resistance	• Extended travel range	1.58
MT-Frix™ Low-Friction Ball Screws	• Reduced dynamic friction torque	• Energy savings for machine tools	1.27
EtherCAT® Compatible Driver for Megatorque Motor™	• EtherCAT® Compatible Driver	• Improved production efficiency in a wide range of applications	1.49
Highly Reliable Spherical Roller Bearings for Wind Turbine Main Shafts	• New cage delivers enhanced load capacity • Made of long-life materials and high-hardness coating	• Stable wind turbine operation	1.36
Compact, Lightweight Deep Groove Ball Bearing for EVs	• New cage reduces size, weight and width, lowers friction, and delivers high-speed performance	• Reduces size and weight of EV drive unit • Improved energy efficiency, extended travel range	1.73

FY2023: Three Products

Eco-friendly product	NSK technology	Customer benefits	Neco
Low-Dust and Decontamination Compliant Actuator	• Improved low-dust performance, decontamination resistance • Reduced friction torque	• Long-term stable operation • Energy savings	1.66
Low-Dust, High-Performance Bearings for Servomotors	• Improved low-dust performance • Improved seizure resistance • Reduced friction torque	• Long-term stable operation • Energy savings	1.41
Bearings for Gas Turbine Generators for eVTOL (Large Drones)	• Reduced lubricant use • Reduced power loss	• Resource conservation • Improved fuel efficiency	1.34

FY2022: Four Products

Eco-friendly product	NSK technology	Customer benefits	Neco
Ball Screws for Next-Generation High-Accuracy Machine Tools	• Reduced friction fluctuations when the ball screw reverses direction of motion • Reduced friction fluctuations	• Improved productivity • Energy savings	1.25
J-Type ROBUSTDYNA™ Bearings for Machine Tool Spindles, Ideal for Heavy Cutting and High-Speed Applications	• Improved load capacity • Extended service life	• Improved productivity • Long-term stable operation	2.70
ROBUSTGRD™ Seizure-Resistant Grease for Machine Tool Spindle Bearings	• Improved seizure resistance • Improved oil film retention capability when coolant penetrates	• Improved productivity • Long-term stable operation	3.61
NSK Feed Drive Adjuster™, a ball screw feed drive	• Shaft end support tracks dimensional changes of the ball screw due to temperature changes, maintaining appropriate rigidity	• Improved productivity • Energy savings	1.34

FY2021: One product

Eco-friendly product	NSK technology	Customer benefits	Neco
Super-Long Life for High-Load Drive Ball Screws	• Optimization of load distribution • Long life span	• Electrification of industrial machinery • Improved productivity • Resource conservation through downsizing of machinery	1.30

FY2020: Six products

Eco-friendly product	NSK technology	Customer benefits	Neco
Low Friction Hub Unit Bearings for EVs	• Improved base oil and thickener • Reduced friction	• Improved fuel economy (energy efficiency) • Extended travel range	1.24
Technology to Reduce Machine Tool Quadrant Glitches in Circular Interpolation Motion by Stabilizing Friction in Ball Screws	• Reduced frictional variation when the ball screw reverses direction of motion	• Energy savings • Improved productivity	1.48
ROBUSTDYNA™ Ultra-High Speed High Load Capacity Angular Contact Ball Bearings	• High load capacity • High impact resistance • Ultra-high speed performance	• Long-term stable operation • Improved productivity	1.52
New Machine Tool Spindle Bearing Technology	• Significant reduction of grease run-in time • Lower temperature rise under oil-air lubrication • High reliability roller-guided cage	• Improved productivity • High-reliability	1.32
Long Life Series DH/DS NSK Linear Guides™	• Application of TF "Tough" Technology • Long life span	• Improved productivity • Energy savings	1.23
World's Fastest Ball Bearing for EV Motors (Gen 3)	• Designed resin cage with new shape by applying topology optimization technology and simulation technology • Adopted proprietary NSK grease for superior seizure resistance • Adopted high rigidity resin material for cage	• Smaller and lighter • Extended travel range • Improved fuel economy (energy efficiency)	1.51

FY2019: Six products

Eco-friendly product	NSK technology	Customer benefits	Neco
For automobiles Anti-Fretting Grease for Wear-Resistant Deep Groove Ball Bearings (in Japanese only)	• Wear suppression • Maintained heat resistance	• Energy and resource conservation due to improved durability • Noise/vibration reduced by improving fretting resistance	2.45
For EV gearboxes Tapered Roller Bearings for Lean Lubrication Conditions	• Improved seizure resistance • Reduced churning loss • Reduced the amount of lubrication oil required by more than 95% • Space-saving	• Improved fuel economy (energy efficiency) • Smaller and lighter • Significantly reduced amount of lubrication oil required	1.73
General machinery and conveyance equipment NSK K1-L Lubrication Unit for NSK Linear Guides™	• Significantly boosted lubrication capability • Reduced friction • Measures against damage and entry of foreign matter	• Improved reliability • Longer maintenance-free operation • Energy savings due to reduced dynamic friction force	1.29
For vertical equipment and machinery Lift-Rotation Z-θ Actuator	• Compact in-line arrangement of coaxial rotation and linear motion drive parts with a waterproof upper structure and brake mechanism • Waterproof design	• Small footprint	1.69
For EV motors Ultra-High-Speed Ball Bearings	• Used proprietary NSK grease • Cage with new shape and material	• Smaller and lighter • Improved fuel economy (energy efficiency) • Improved reliability	1.33
For train gearboxes Low-Maintenance High-Reliability Bearings	• Developed clearance adjustment technology • Significantly increased cage strength • Enhanced suppression of bearing creep	• Low maintenance • Reduced life cycle costs	1.41

FY2018: Two products

Eco-friendly product	NSK technology	Customer benefits	Neco
High Efficiency Motor Bearings	• Loss reduction • Extended product life	• Energy savings • Resource conservation	2.51
High-Durability Precision Ball Screws for High-Accuracy Machine Tools	• Extended accuracy lifespan • Reduced frictional torque during low-speed running • Applied surface processing technology	• Improved reliability • Maintenance cycle extension • Energy savings	1.53

1.Resource Conservation and Recycling Measures

NSK's Approach	Targets and Performance	Initiatives

2.Utilization of Water Resources

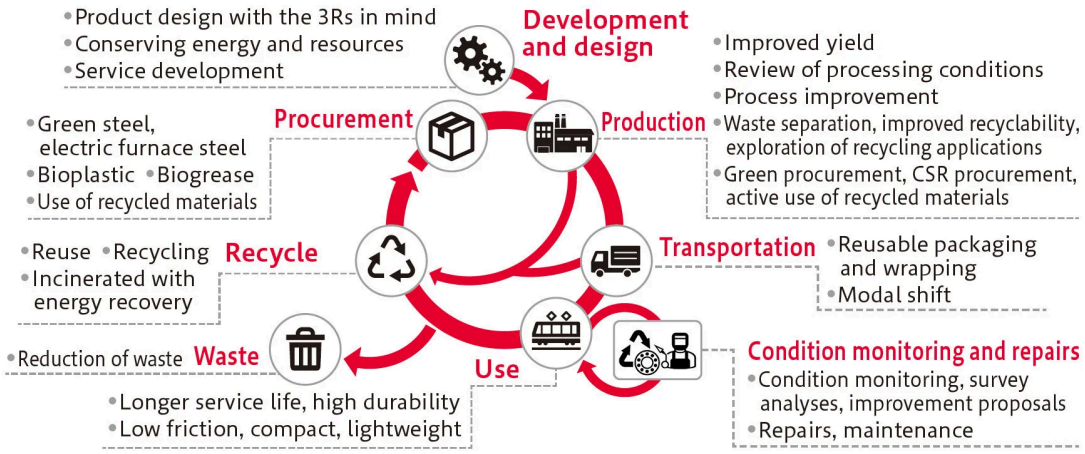
NSK's Approach	Targets and Performance	Initiatives

1. Resource Conservation and Recycling Measures

NSK's Approach

The NSK Group is promoting efforts at each stage of the value chain to enhance the 3Rs (reduce, reuse, recycle) through the development of environmentally friendly products and efficient, waste-free production, all in pursuit of realizing a circular economy.
In its development and design divisions, NSK focuses on reducing product weight and extending service life while developing products that are manufactured with minimal raw materials and are easy to recycle after use. Procurement divisions work in collaboration with suppliers to procure environmentally friendly parts and raw materials, including steel materials made from recycled scrap metal. In manufacturing divisions, efforts are made to reduce resource waste by improving material yield through process improvements and refinements to tools and molds. In addition, NSK collaborates both internally and externally with suppliers to recycle metal and grinding waste generated during production back into steel, while also promoting water recycling and waste liquid treatment to reduce waste emissions and improve recycling rates. Our logistics divisions contribute by reducing waste emissions through the repeated use of packaging and wrapping materials.

Able to detect signs of damage and deterioration during product use by utilizing condition monitoring solutions at an early stage, we contribute to reducing CO_2 emissions by actively promoting the 3Rs through reconditioning. This helps to optimize our customers' value chains, from the usage stage to equipment maintenance and repair, and even to product disposal, while contributing to the realization of a recycling-oriented society. Moreover, NSK ensures the proper disposal of waste by conducting voluntary inspections at its business sites, carrying out on-site verifications of companies entrusted with waste disposal, and enhancing management practices using information systems to prevent any compliance violations.



Waste Involved in Bearing Manufacture and 3R Efforts

Targets and Performance

Mid-Term Management Plan 2026 (MTP2026) Targets, with Targets and Performance for Each Fiscal Year

MTP2026		FY2024 Targets	FY2024 Performance	Initiatives	FY2025 Targets
Manufacturing, technology, office	Industrial waste per unit of sales: Below -9.0% (base year FY2017)	Below -7.0% (base year FY2017)	-15.7% (base year FY2017)	• Improved yield • Revised processing conditions • Improved production processes • Reduced the volume of waste • Improved the recyclability of generated waste and developed recycling uses for generated waste	Below -8.0% (base year FY2017)
	Maintain a recycling rate of at least 99%	99% or higher	99.2%		99% or higher
	Waste plastic per unit of sales: Below -3.0% (base year FY2023)	Below -1.0% (base year FY2023)	-9.1% (base year FY2023)	• Reduced plastic materials • Studied methods of reuse • Studied recycling use • Reduced waste plastic volume by compression • Identified more recipients of valuable materials	Below -2.0% (base year FY2023)
Distribution (Japan)	Packaging waste per unit of sales: Below -14% (base year FY2021)	Below -11% (base year FY2021)	-44.6% (base year FY2021)	• Used reusable packaging materials	Below -12% (base year FY2021)

Initiatives

Reduce	• Improve yield of materials such as steel by improving processing methods, tools, and molds to reduce waste • Reduce waste by introducing briquetting equipment for grinding chips, evaporators for waste liquids, and dehydrators for sludge • Reduce waste by introducing plastic compressors to convert waste plastic into useful resources
Reuse	• Promote the repeated use of packaging materials
Recycle	• Develop recycling routes, promote the recycling of plastic containers, and reduce landfill disposal
Proper Disposal	• Monitor with self-inspections at each site, on-site verification of waste treatment companies, and information systems for advanced management

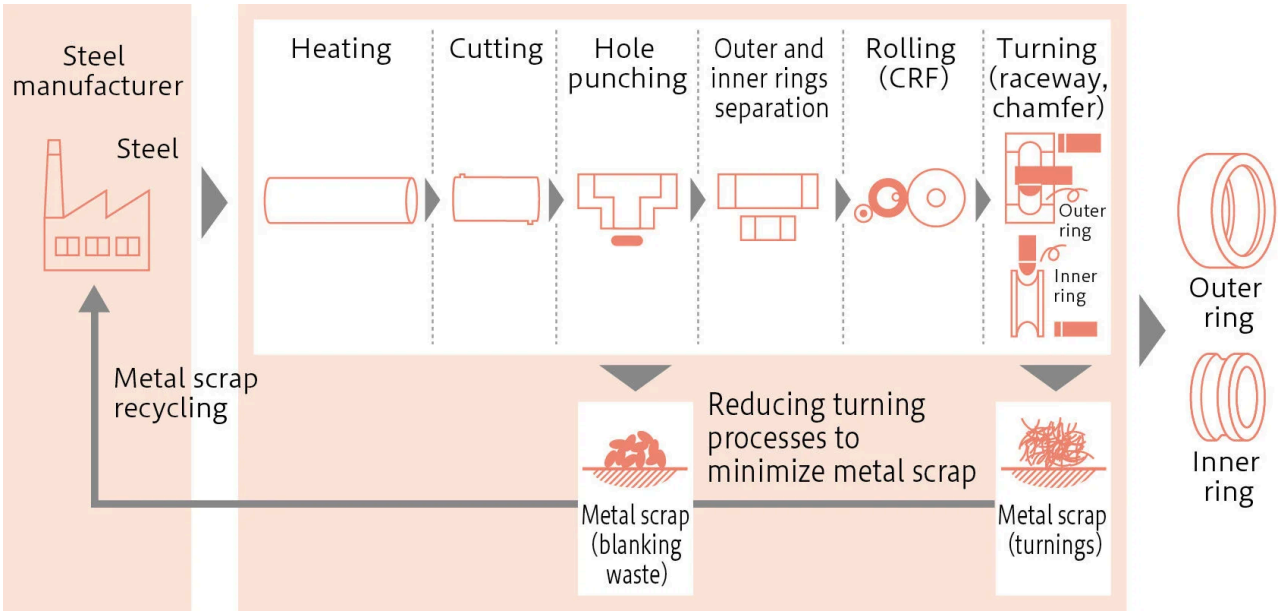
Production Process Initiatives

– Pursuing Improvements in Material Yield[*1]

The majority of NSK's main products, such as bearings, are made of steel, and approximately half of the CO_2 emissions generated during the manufacturing process come from steel production by steel manufacturers. Developing and expanding environmentally friendly manufacturing methods that utilize steel efficiently, without waste, and enable resource conservation is a crucial issue for reducing CO_2 emissions throughout the supply chain.

When manufacturing the outer and inner rings of bearings primarily from bar steel through turning[*2], the material yield is usually below 50%. However, by revising the manufacturing method, it is possible to improve the yield to above 60%, thereby reducing the amount of steel used (see the chart below). NSK has focused on high-production volume products for these improvements, but it is now working on expanding the range of applicable products and further improving yields. In addition, improving yield reduces the amount of metal scrap generated in the manufacturing process, which in turn decreases CO_2 emissions during recycling into new steel at steel manufacturers. Through the efficient use of resources, NSK is contributing to the realization of carbon neutrality and a circular economy for society as a whole.

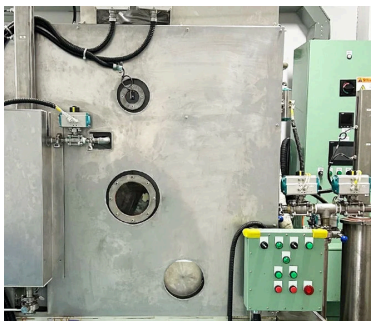
Manufacturing Process with Improved Yield



*1 The ratio of the weight of the finished part to the weight of the raw material input into the process.
*2 A machining method in which steel is rotated and shaped by applying a tool called a bit to achieve the desired form.

Reducing Grinding Waste Liquid

About 40% of the NSK Group's waste is waste liquid generated during the grinding process, and we are taking steps to reduce this waste liquid. As part of these efforts, we are introducing equipment that distills and concentrates waste liquid as well as high-performance concentrators and dryers that quickly dry liquids. Some water recovered during distillation is reused for equipment cooling to effectively utilize resources. The concentrated waste liquid is recycled outside the company as fuel, among other uses.
Shenyang NSK Precision Co., Ltd. has installed a waste liquid evaporator.



Waste liquid evaporator installed at Shenyang NSK Precision

Reducing Grinding Swarf

We are working hard to reduce the discharge of grinding swarf, which accounts for about 40% of the NSK Group's waste, and to ensure its stable recycling.
To address these issues, we are introducing briquetting equipment at our plants worldwide. This equipment compresses the grinding swarf to reduce moisture and form briquettes, thereby reducing weight and volume and allowing it to be recycled as a raw steelmaking material.
The Peterlee Plant in the UK has introduced briquetting equipment, reducing the discharge of grinding swarf and landfill waste.



Briquetting equipment installed at the Peterlee Plant

Reducing Sludge

The NSK Group takes measures to reduce the output of sludge.
At Kunshan NSK Co., Ltd. in China, we updated the filter machine, thereby reducing the oil content of diatomaceous earth used in the filter machine and reducing the amount of waste generated. Additionally, at AKS Precision Ball (Hangzhou) Co., Ltd., a sludge dehydrator was installed, reducing the moisture content of the sludge and the amount of waste generated.
Sludge is classified as hazardous waste in China, so these initiatives have reduced hazardous waste.



Updated filter machine at Kunshan NSK

Reducing Plastic Waste

The impact of plastic waste on marine ecosystems has become a social issue. Although plastic waste accounts for only about 1% of the NSK Group's waste, we are working to reduce it.
NSK-Warner K.K. has installed a plastic compressor. Stretch film, PP bands, and vinyl are compressed and sold as valuable materials.



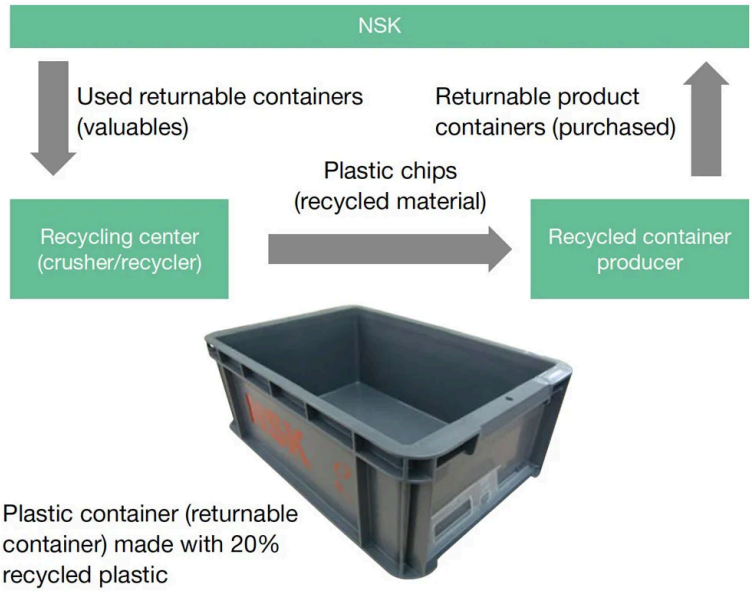
Plastic compressor installed at NSK-Warner

Distribution Process Initiatives

Recycling Plastic Containers

In Japan, we are working with a container producer to implement closed-loop recycling, where damaged plastic containers (returnable containers) that have been used repeatedly for many years are recycled as raw materials for new containers. This reduces the amount of virgin plastic resources used and the amount of plastic disposed of as waste.

Closed-Loop Recycling System



Plastic container (returnable container) made with 20% recycled plastic

Expanding the Use of Plastic Pallets

The NSK Group is working to switch from wooden logistics pallets for transporting products to customers to plastic pallets.
Switching to plastic pallets allows for longer use with less damage, significantly reducing wood use. An additional advantage is that no splinters break off during use. Furthermore, plastic pallets are excellent in terms of resource circulation, as pallets that can no longer be used due to damage or aging can be recycled as raw materials for new plastic products.



Plastic pallet

Reusing Wooden Pallets

In Europe, the wooden pallets used in shipping from Japan, being of a different size than standard European pallets (“EUR-pallet”), had been unable to be reused and were disposed of as waste. In FY2020, however, the Company commenced returning these wooden pallets to the Japan, Asia, or Oceania regions, and subsequently they are being reused for interregional shipping.

Regional Initiatives

In the Americas, packaging materials from unpacking imported products, previously disposed of in landfills as waste, have been sold to contractors since FY2020 for thermal recycling, where the energy generated from incineration is reused.

Initiatives in Development and Design

Learn more about our initiatives to reduce environmental impact through products and services.

Initiatives in Procurement

Read about our initiatives at the procurement stage.

2. Utilization of Water Resources

NSK's Approach

An examination of our water needs revealed that the NSK Group is unlikely to be subjected to restrictions on water use, given the locations of our business sites and the volume of water we use. Still, in preparation for future risks, we are working to reduce water consumption by taking measures including cyclical use of cooling water, switching to air cooling, and reusing wastewater after purification treatment in our manufacturing divisions. In addition, we are working to conserve water resources by properly treating wastewater and preventing pollution accidents.
Each site monitors water consumption and wastewater quality on a monthly basis and utilizes a system for sharing environmental information to manage data. If a worsening trend is observed, such as increased consumption, we identify the cause and implement countermeasures as needed. In addition, we regularly conduct e-learning programs for employees to raise awareness of the importance of water resources and the need to reduce consumption.

Targets and Performance

Mid-Term Management Plan 2026 (MTP2026) Targets, with Targets and Performance for Each Fiscal Year

MTP2026		FY2024 Targets	FY2024 Performance	Initiatives	FY2025 Targets
Manufacturing, technology, office	Water withdrawal per unit of sales: Below -9% (base year FY2017)	Below -7% (base year FY2017)	-21.2% (base year FY2017)	• Managed monthly progress on tasks related to water consumption and reduction • Circular use of cooling water • Switched to air-cooled AC systems • Replaced conventional toilets with water-saving toilets	Below -8% (base year FY2017)

See below for information on water withdrawal and performance.

Water withdrawal
Discharged water

Initiatives

Reducing Environmental Impact and Reusing Water Resources by Treating Wastewater

The newly constructed wastewater treatment facility at AKS Precision Ball Indonesia treats wastewater from the plant before it is discharged outside, reducing environmental impact. Moreover, the plant reuses the water treated at the wastewater treatment facility. The treated water is used for cleaning floors, watering plants, and filling cooling towers, thereby reducing water consumption.



Wastewater treatment facility at AKS Precision Ball Indonesia

Harvesting and Using Rainwater

At the Newark Plant in the UK, rainwater is collected and used in facilities such as lavatories. This system provides clean water by filtering and UV irradiating the rainwater to eliminate bacterial microbes and fungal spores, reducing the utility-supplied water used in lavatories and other areas by about 40%.



Rainwater collection system installed at the Newark Plant

Switch to Air-Cooled AC Systems

The Saitama Plant upgraded its air-conditioning systems, replacing gas-fired absorption chillers with air-cooled chillers. Not only did the upgrade significantly reduce CO_2 emissions, but the switch from absorption air-conditioning equipment, which use water to heat and cool, to air-cooled chillers, which do not, reduced water consumption by approximately 50,000m^3 per year (some 20% of the plant's annual water consumption).



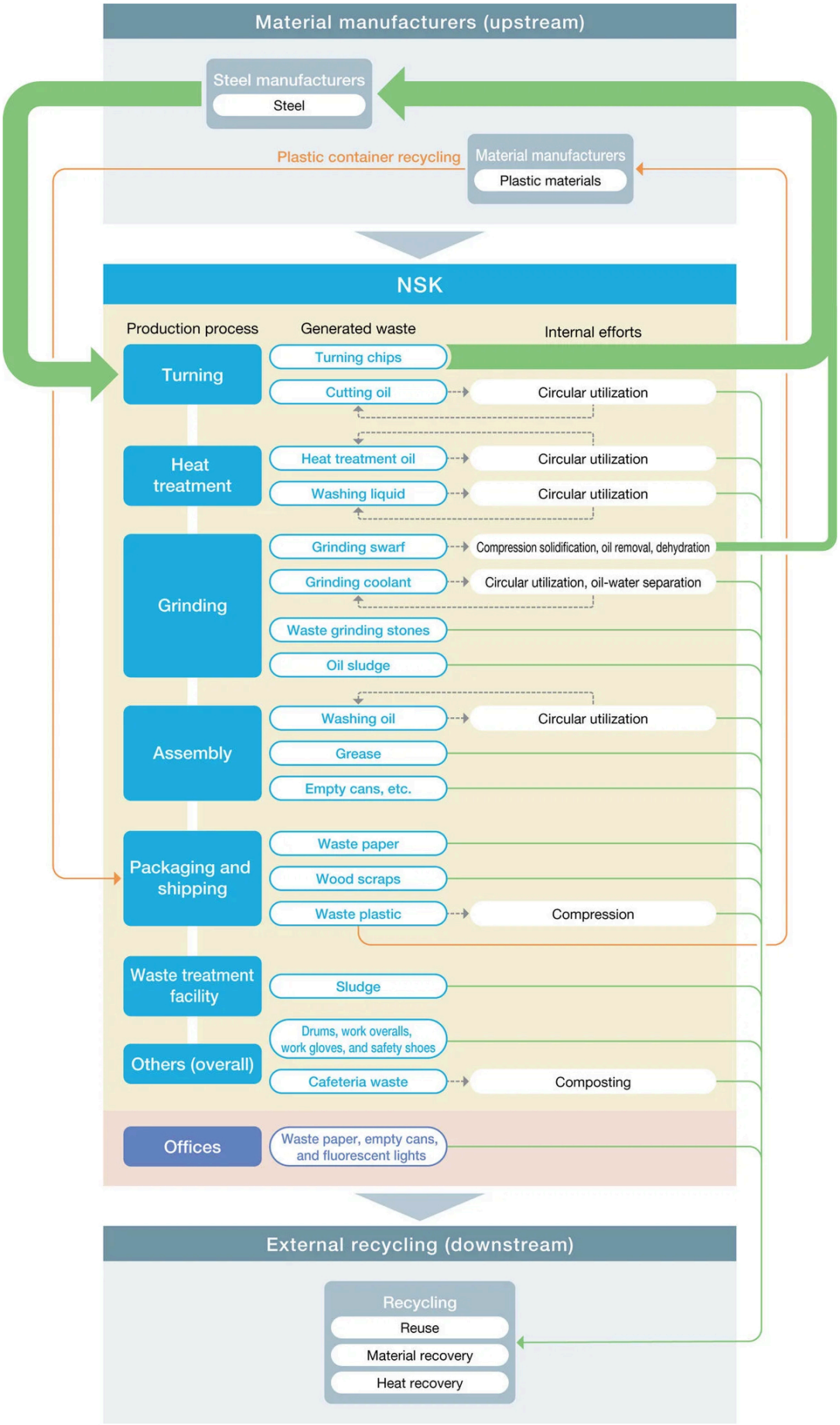
Air-cooled chillers installed at the Saitama Plant

Conducting Water Risk Assessments

Water resources are unevenly distributed across various locals, and the susceptibility to water shortages and water-related disasters varies by country and region. NSK uses the WRI Aqueduct* to assess water risk at all of its production sites around the world. The assessment found that one plant in India is located in an area at high risk of drought, with a water intake of 15,000m^3 in FY2024, representing 0.4% of the NSK Group's total water intake. The plant here is implementing initiatives with a particular focus on water recycling.

* WRI Aqueduct: A global tool for water risk assessment developed by the World Resources Institute (WRI). This tool enables the assessment of water risk with regard to water quantity, water quality, and regulatory and reputational factors in the area where a site is located.

Waste Involved in Bearing Manufacture and 3R Efforts



NSK's Approach | System | Targets and Performance | Initiatives

NSK's Approach

In recent years, international regulations on chemical substances have been tightening, and companies are increasingly required to respond swiftly and appropriately to new legal requirements. The NSK Group regards thorough legal compliance as a foundation of its corporate activities, and is working to strengthen its ability to comply with laws and regulations both in and outside Japan.

As part of these efforts, the Group actively collects and analyzes the latest regulatory information — by participating in relevant seminars, regularly checking government gazettes, and consulting with relevant authorities — to obtain timely information on legal revisions, and shares it internally. In the European Union, a Digital Product Passport (DPP) framework for companies to manage and provide product information electronically is scheduled to begin implementation in 2026. This will require firms to adopt more advanced information management systems. In preparation for DPP implementation, the NSK Group is developing a way to systematically manage and provide accurate, comprehensive information on the chemical substances and materials contained in its products. By introducing a chemical substance management system and enhancing its information infrastructure, the Group will be able to centrally manage product chemical data, enabling efficient and reliable compliance with regulations while sharing information internally and externally.

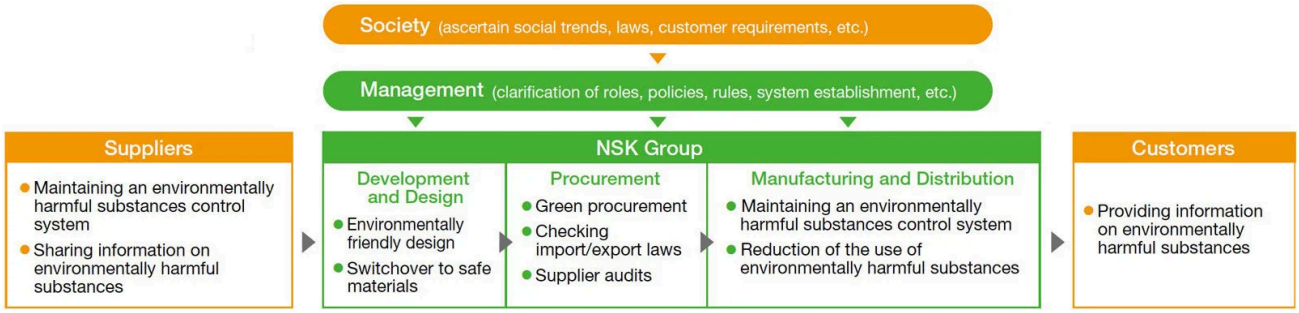
Furthermore, based on the NSK List of Environmentally Harmful Substances, the Group rigorously manages and reduces chemical substance use at every stage, from development and design to procurement, production, and logistics. For environmental impacts from plant exhaust gases and wastewater, the Group has established its own voluntary standards that are stricter than legal requirements, and works diligently on environmental protection. It also requires suppliers to follow the NSK Group Green Procurement Standards and other guidelines, thereby promoting chemical substance management throughout the supply chain.

Looking ahead, the NSK Group will continue to respond accurately to international regulatory trends while aiming to balance product safety with environmental responsibility, contributing to sustainable manufacturing.

System

To reduce the environmental impact of the entire value chain, the NSK Group maintains a system for managing environmentally harmful substances. We develop rules for the management of environmentally harmful substances in accordance with laws, regulations, and industry standards related to the chemical substances that must be managed.

Management of Environmentally Harmful Substances



Targets and Performance

Mid-Term Management Plan 2026 (MTP2026) Targets, with Targets and Performance for Each Fiscal Year

MTP2026		FY2024 Targets	FY2024 Performance	Initiatives	FY2025 Targets
Development and design, procurement, and manufacturing	Full response to the 10 EU RoHS substances	Full response to EU RoHS (legal compliance)	Continued efforts to completely eliminate environmentally hazardous substances from developed products and manufacturing processes	• Used parts that do not contain environmentally harmful substances in newly developed products • Eliminated materials containing environmentally harmful substances from manufacturing processes	Thoroughly manage by carrying out ongoing product content surveys and component analysis
Procurement	Conduct survey regarding inclusion of substances on the NSK List of Environmentally Harmful Substances	Conduct supplier audits of the management systems for environmentally harmful substances	Continued to conduct supplier audits and take corrective actions	• Checked and improved suppliers' management systems	Conduct supplier audits of the management systems for environmentally harmful substances
		Obtain responses from all target suppliers	Continued to obtain responses from all target suppliers	• Conducted a supplier survey regarding the NSK List of Environmentally Harmful Substances	Obtain responses from all target suppliers
Manufacturing (Japan)	Handling of PRTR-designated substances per unit of sales: Continue to reduce by 1% year on year	Below -1% (base year FY2023)	-10.4% (base year FY2023)	• Managed and reduced use of substances regulated by the PRTR Law	Below -1% (base year FY2024)

Initiatives

- 2006：Implemented product design and management in compliance with the EU RoHS Directive*1 and ELV Directive*2
- 2020：Implemented product design and management in compliance with the revised EU RoHS Directive*3 (including phthalates)
- 2022：Completed full elimination of materials containing PFOA in accordance with the EU REACH Regulation
- 2023：Started investigation and review for measures in response to regulatory trends on PFAS
- 2024：Started establishing a chemical substance information management system in preparation for the EU Digital Product Passport (DPP)

*1 RoHS Directive: An EU directive that restricts the use of six harmful substances in electric and electronic devices

*2 ELV Directive: An EU directive that prohibits the use of lead, mercury, cadmium, and hexavalent chromium in automotive parts and materials in order to promote the recycling of end of life vehicles

*3 Revised RoHS Directive: The revised RoHS Directive issued in 2014, now including phthalates and other substances added in 2019, restricts the use of 10 substances.

Green Procurement and Management of Environmentally Harmful Substances

The NSK Group believes that addressing increasingly serious global environmental issues requires initiatives not only within the group but throughout the entire supply chain, and the group actively promotes green procurement. Environmentally hazardous substances, identified independently based on laws and industry standards, are registered in the NSK List of Environmentally Harmful Substances.*1 The NSK Group Green Procurement Standards have also been established to ensure that parts, materials, lubricants, packaging materials, and other items containing or contaminated with prohibited substances are not delivered to plants. Based on these guidelines, suppliers are requested to maintain strict substance management and continuously improve their systems. Specifically, the Group strengthens collaboration with its business partners by obtaining their agreement to follow the NSK Group Green Procurement Standards, conducting regular surveys on environmentally harmful substances, auditing key suppliers, and promptly requesting corrective action if any issues are identified. In the FY2024 surveys and audits, no prohibited substances were found in parts or raw materials newly used in NSK products.

NSK products are supplied to global multinationals, and the final products in which they are incorporated — ranging from automobiles to electrical and electronic equipment — must comply with laws and regulations on environmentally hazardous substances in countries worldwide. To respond accurately to these regulatory trends, the Group updates the NSK List of Environmentally Harmful Substances each year. In FY2024, new regulated substances were added, mainly under the REACH Regulation,*2 to ensure thorough legal compliance. In addition, the NSK Group conducts annual surveys on environmentally harmful substances to strengthen collaboration with suppliers. This approach not only improves the accuracy of regulatory compliance but also establishes a system that can respond quickly and accurately to information requests from customers.

*1 A list classifying environmentally harmful substances as “prohibited” (substances that must not be included in or with delivered products), “reduced” (substances that will be reduced systematically), or “under observation” (substances whose inclusion must be monitored). In FY2024, new substances were added to the list, primarily under the REACH Regulation. The 2025 edition is currently being prepared, and in consideration of reducing the burden on suppliers and improving internal management efficiency, a transition is being considered from managing substances individually to managing them by regulatory framework.

*2 Regulation on the Registration, Evaluation, Authorisation, and Restriction of Chemicals (REACH) in the European Union



NSK List of Environmentally Harmful Substances

Provision of Product Safety and Chemical Substance Information

At NSK, we prepare and provide Safety Data Sheets (SDS) to ensure the safe use of our products. For certain products, we also publish SDSs on our website to enhance transparency and accessibility of information. In line with Japan's revised Industrial Safety and Health Act that came into effect in April 2025, we updated the SDSs for applicable products ahead of enforcement and completed their provision to customers. Furthermore, to more clearly communicate information on safe use, such as recommended applications and required protective equipment, we are reviewing and updating the content of SDSs on an ongoing basis.

Compliance with the European RoHS Directive and Management of Harmful Substances in Manufacturing Processes

To ensure that the ten substances prohibited under the European RoHS Directive are not contained in its products, the NSK Group compiles lists of parts verified as free of these substances based on supplier survey results. These lists are used not only during product design verification but also when receiving parts at each plant, serving as part of our management system to prevent the unintentional inclusion of prohibited substances. The European RoHS Directive initially prohibited six substances, including cadmium, lead, mercury, and hexavalent chromium, with four types of phthalates added in July 2019. These phthalates are known to have migratory properties, meaning they can transfer to other materials upon contact, making them a particular concern for product safety. Accordingly, the NSK Group conducts global surveys not only on the materials and components of its products to ensure non-use, but also on contact materials used in manufacturing processes — such as resins, rubber gloves, and packaging materials. Through these efforts, we continue to eliminate the risk of phthalate migration during manufacturing and advance initiatives to maintain product quality and safety.

Management and Reduction of Substances Regulated under the PRTR Law

At its main production sites in Japan, the NSK Group is working to manage and reduce substances regulated under the PRTR Law.* We aim to reduce the volume per unit of sales of PRTR-designated substances handled by 1% each year compared to the previous fiscal year. In FY2024, by measures such as switching cleaning agents to Type 3 petroleum products, the volume handled per unit was reduced by 10.4% year on year. In manufacturing processes that use solvents, adhesives, and other materials containing volatile organic compounds (VOCs), we are promoting initiatives such as switching to low-VOC products and improving processes. In FY2024, the Group's global VOC emissions amounted to 136 tons.

* Law concerning Pollutant Release and Transfer Register (PRTR): Act on Confirmation, etc., of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof. Japan's law intended to facilitate improvement of chemical substance management by ensuring that amounts released into the environment are ascertained and reported to authorities.

Regulatory Compliance

When launching new products, chemical substance notification, registration, and volume reporting are required in accordance with various national regulations. The NSK Group ensures appropriate and reliable compliance with such regulatory requirements, including obligations to submit data on existing chemical substances under revised and newly enforced regulations worldwide. In responding to regulations outside Japan, we have continued to manage export volumes of chemical substances under the EU REACH Regulation and, after reviewing the regulatory requirements, have taken the necessary measures. In FY2024, the NSK Group had no violations of laws and regulations relating to chemical substance registration or notification. We are also preparing for the registration of existing chemical substances under South Korea's K-REACH* law, and are steadily moving forward to meet the registration deadline of December 2027. Through these initiatives, the NSK Group is fulfilling its responsibilities not only for legal compliance but also for environmental protection and safety assurance, thereby contributing to the advancement of sustainable business activities.

* K-REACH (Act on the Registration and Evaluation of Chemical Substances): A regulatory framework in South Korea requiring phased registration of chemical substances manufactured or imported into the country, depending on annual import volumes.

Risk Assessment of Product Chemical Substances and Advancement of Supply Chain Management

To strengthen the risk assessment of chemical substances contained in its products, the NSK Group conducts assessments in compliance with key market regulations such as the EU REACH Regulation and K-REACH, using toxicological databases such as those of the European Chemicals Agency*1 and the U.S. Environmental Protection Agency.*2 In FY2024, we completed risk assessments for nearly 100% of products by sales volume, thereby promoting both product safety and environmental considerations. For supply chain management, we conduct annual supplier audits using a checklist from the Joint Article Management Promotion-consortium (JAMP) and share initiatives for chemical substance management through procurement policy briefings. These efforts help strengthen collaboration with suppliers and enhance information transparency. In addition, for chemical substances used in production processes, each NSK Group plant acquires and manages SDSs, and they record PRTR-designated substances and subject them to third-party verification, thereby ensuring both proper management of environmentally harmful substances and external reliability.

*1 The ECHA implements and enforces the EU REACH Regulation.

*2 The EPA conducts hazard assessments and regulates chemical substances in the United States.

NSK's Approach

To contribute to the global nature-positive*1 goal, the NSK Group has established "the NSK Biodiversity Guidelines,"*2 which set forth basic policies and action guidelines for biodiversity conservation. We strive to understand the impact of our business activities on biodiversity and work to suppress negative impacts and promote positive ones. We are committed to contributing to biodiversity by taking multifaceted initiatives to help achieve the nature-positive goal.

The main raw material for the NSK Group's primary products, bearings, is special steel made from recycled steel scrap. After being used by customers, the bearings become steel scrap again and are used as raw materials for steelmaking. Therefore, the dependence and impact on biodiversity at each stage, from the procurement of parts and raw materials to production at the NSK Group, use by customers, and disposal, is not significant. However, the NSK Group recognizes that a wide range of activities relate to biodiversity. Accordingly, we are working to ensure no net loss*3 of biodiversity by minimizing impacts and expanding contributions, including efforts to prevent deforestation*4 in procurement and production activities. In addition, we are working to reduce risk by utilizing assessment tools and other means to address areas that require consideration of biodiversity and to minimize impacts on biodiversity by continuing to engage in conservation and other activities on NSK premises.

In February 2025, NSK joined the 30 by 30 Alliance for Biodiversity*5 promoted by the Japanese Ministry of the Environment and the TNFD Forum*6, a global platform that supports of the activities of the international TNFD*7 framework. Through our membership in these organizations, we review the impact of our business activities on nature and the risks associated with any loss of nature, and focus on appropriately disclosing this information. We also promote efforts that contribute to achieving the international 30 by 30 goal and the nature-positive goal through initiatives to conserve natural capital and biodiversity throughout the value chain in cooperation with our stakeholders.





*1: Nature Positive: Refers to putting nature on a path to recovery, halting and reversing biodiversity loss.

*2: NSK Biodiversity Guidelines: Established on October 5, 2010, with the approval of the President and CEO, after being deliberated by the relevant officers at the Global Environment Protection Committee meeting in August 2010.

*3: No net loss: Ensuring sufficient compensatory measures are in place to offset the decrease in biodiversity caused by human activities, resulting in no net loss.

*4: Deforestation: Refers to the loss of natural forests through their conversion to non-forest land or plantations or through continuous degradation.

*5: 30 by 30 Alliance for Biodiversity: A framework for public-private partnerships promoted by Japan's Ministry of the Environment to achieve the international goal of preserving at least 30% of terrestrial and marine areas as healthy ecosystems by 2030.

*6: TNFD Forum: A group of institutions that support the TNFD by sharing the latest information and establishing a framework for financial disclosure

*7: TNFD: Taskforce on Nature-related Financial Disclosures. An international organization that establishes a framework for the appropriate assessment and disclosure of risks and opportunities related to natural capital and biodiversity

NSK Biodiversity Guidelines

Basic Policy

The NSK Group recognizes the importance of biodiversity, and understands the relationship between our business activities and the ecosystem. We aim to reduce our impact on the environment by creating systems and initiatives that ensure biodiversity is conserved.

Established October 5, 2010 NSK Ltd.

Action Agenda

1. Research and Development
We will contribute to the conservation of biodiversity by developing products that save energy and resources.

2. Procurement and Purchasing
We will contribute to the conservation of biodiversity throughout the supply chain when procuring main materials, sub-materials, and packaging/packaging materials. We will promote the purchase of the environmentally-friendly products, and consider the conservation of biodiversity in product selection criteria.

3. Manufacturing and Logistics
We will minimize the impact of our production on biodiversity by reducing consumption of energy and resources, and emission of environmentally harmful substances.

4. Plant and Office Grounds
We will consider the impact on the ecosystem when acquiring land for our places of business and during greening initiatives.

5. Social Contribution Activities
We will perform social contribution initiatives as a member of international society, and value our collaboration with public and private institutions.

6. Communications
We will actively disclose information on biodiversity-related initiatives to persons both inside and outside the company. We will heighten employee awareness of biodiversity-related issues, and constantly work to improve the quality and efficiency of initiatives.

Established October 5, 2010 NSK Ltd.

Targets and Performance

Mid-Term Management Plan 2026 (MTP2026) Targets, with Targets and Performance for Each Fiscal Year

MTP2026 Targets	FY2024 Targets	FY2024 Performance	FY2025 Targets
Identify the factors in operations that could have a negative impact on biodiversity	Continue activities	Continued activities	Continue activities
Expand social contribution activities related to biodiversity conservation	Continue activities	Continued activities	Continue activities
Educate to deepen employee awareness of issues	Continue activities	Continued activities	Continue activities

Main Initiatives

Overview of Main Biodiversity Initiatives

Action agenda classification	Main initiatives
1. Research and development	• Creating Environmentally Friendly Products
2. Procurement and purchasing	• Climate Change Measures • Resource Conservation and Recycling Measures • Reducing Use of Environmentally Harmful Substances • ENCORE
3. Manufacturing and logistics	
4. Plant and office grounds	• Protecting Endangered Species • Conducting Biodiversity Risk Assessments (IBAT Analysis) • Conducting environmental impact assessments during plant construction • ENCORE
5. Social contribution activities	• Preservation of *Satoyama* Forest Areas • Tree Planting • Marine Plastic Reduction Activities (Cleanup Activities) • Efforts to Remove Specific Invasive Species • Protecting Endangered Species • Donating to organizations
6. Communications	• Cooperation with NPOs, local governments, and local residents and organizations • Inclusion in internal and external communications • Dissemination of information and promotion of partnerships through membership in the 30 by 30 Alliance and the TNFD Forum

NSK's Business and Its Relationship with Biodiversity

– Assessing the Relationship with Biodiversity

Using the tool ENCORE* to assess the relationship with biodiversity, we analyzed the dependence and impact of NSK's business and upstream and downstream supply chain on ecosystem services. The results showed no significant dependencies and impacts on ecosystem services for the business sectors to which the NSK Group belongs. However, we identified activities in our value chain that have significant dependencies and impacts in business sectors in the upstream and downstream supply chain. The analysis also revealed that the potential impacts of our business activities are relatively large in terms of GHG emissions, soil pollutants, solid waste, water pollutants, and water use. We plan to advance our analysis and evaluation further in the future.

*ENCORE: Exploring Natural Capital Opportunities, Risks and Exposure. Jointly developed by the Natural Capital Finance Alliance (NCFA, an international financial industry group in the field of natural capital) and the UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC). A tool to visualize the impact of environmental changes on the economy. The tool was significantly updated in July 2024.

Learn more about our biodiversity impact analysis and initiatives.

Biodiversity Risk Assessments

– IBAT*1 Analysis

A survey of protected areas within a three-kilometer radius of all NSK Group production sites revealed two Ramsar wetland sites. (The survey encompassed World Natural Heritage Sites; IUCN*2 Categories I, II, and III; and Ramsar Sites) We do our utmost to care for biodiversity at these sites.

For plants located near wetlands or water sources, such as those around Lake Biwa, we recognize that the impact of water pollution is a particularly important risk in terms of biodiversity conservation. Therefore, we are strengthening our efforts to preserve water quality, such as by installing oil film detectors in the rainwater drainage paths within the plants to prevent even the slightest amount of oil from escaping the premises.

*1 IBAT: Integrated Biodiversity Assessment Tool. A tool provided by BirdLife International, Conservation International, IUCN (International Union for Conservation of Nature and Natural Resources), and UNEP-WCMC (UN Environment Programme World Conservation Monitoring Centre) to help businesses assess biodiversity risks.

*2 IUCN: A protected area management category defined by the International Union for Conservation of Nature and Natural Resources.

Expanding Social Contribution Activities Related to Biodiversity Conservation

Expanding Social Contribution Activities Related to Biodiversity Conservation

Initiatives

Protecting Endangered Species on the Premises of Our Sites

The NSK Group continues to protect endangered species within our own premises.



[Fukushima in Japan] Fukushima Plant: Wild grey-headed lapwings*1

*1 Class IB endangered species on the Fukushima Red List.



[Kanagawa in Japan] Kirihara Precision Machinery Plant: Golden orchids*2

*2 Class II endangered species on the Ministry of Environment Red List and Class II endangered species on the Kanagawa Prefecture Red List.

Tree Planting and Donation of Seedlings

[Fukushima in Japan] Fukushima Plant



Since FY2018, the Fukushima Plant, working together with town residents and local government officials, has planted *Edohigan* (cherry trees) in the Tanagura town covenant forest. In FY2023, 270 *Edohigan* were planted by 20 people, and the total number planted to date reached 500. In FY2024, participants carried out prunning to promote healthy growth of the initially planted trees. Six years after planting, they have grown to over two meters in height.

[Shizuoka in Japan] NSK-Warner K.K., Chitose Sangyo Co., Ltd.



In Kakegawa City, 70 people (employees and their family members) participated in a parent-child walking recreation activity and tree-farming activity (which included putting mesh material around the seedings to protect them from wild animals).

[India] NSK Bearings India Private Ltd.



In June 2024, the company planted 100 trees on its premises to promote afforestation.

[Indonesia] PT.AKS Precision Ball Indonesia, PT.NSK-Warner Indonesia

In FY2023, employees participated in a mangrove planting activity organized by the MM2100 Industrial Estate. The event saw the participation of 86 individuals from 37 companies, who together planted 20,818 trees across two hectares.



[Indonesia] PT. NSK Bearings Manufacturing Indonesia

In 2023, the company planted trees.



[Thailand] NSK Bearings Manufacturing (Thailand) Co., Ltd.

In June 2023, the company opened a seedling nursery to provide seedlings and young trees to employees and suppliers.



In September 2024, 300 employees participated in a tree planting activity together with 125 students and teachers from Ban Bung Toei School in Pak Chong District, Nakhon Ratchasima Province. The school is located in one of Thailand's major forest areas and is committed to environmental education.



[Canada] NSK Canada Inc.

NSK Canada held an Earth Day event, where the company distributed starter kits containing flower seeds and planters for employees to plant at home.



[U.S.] NSK Americas, Inc.

NSK Americas distributed seeds of native pollinator plants to employees as a way to promote the growth and prevalence of native wildflowers in the community.



[Brazil] Suzano Plant, NSK Brasil Ltda

NSK Brasil planted native seedlings to mark Arbor Day (September 21) and also held an informational exhibit to convey the importance of environmental protection.



— *Satoyama* Conservation Activities and Nature Observation Workshops

[Kanagawa in Japan] Five sites in Fujisawa area

Since FY2015, employees and their family members from five sites in the Fujisawa area (Fujisawa Plant, Fujisawa Technology Center, Kirihara Precision Machinery Plant, Fujisawa Plant NSK Micro Precision Co., Ltd., and AKS East Japan Co., Ltd.) have participated in observation workshops and green conservation activities twice a year in specially designated green conservation areas in Fujisawa. In FY2024, 80 people participated in the activities.



[Shiga in Japan] Ishibe Plant

Since FY2018, the Ishibe Plant has taken part in tree-planting and grass-cutting activities under the supervision of Shiga Prefecture and Konan City, with guidance from the local forestry association, with which an agreement has been signed. In FY2024, 21 people worked to remove weeds and other vegetation around the planted trees to ensure their healthy growth.



[Gunma in Japan] Five sites in Gunma area

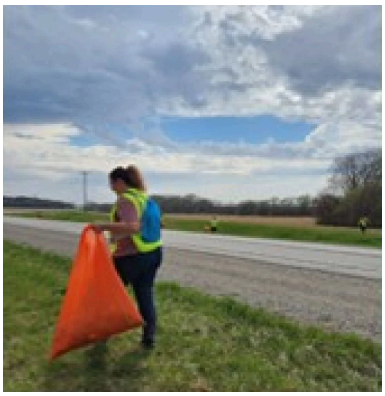
Since FY2015, five sites in the Gunma area have been engaged in *satoyama* conservation activities at the NSK Gunma Future Forest in Gunma Prefecture. In FY2024, 21 people (employees from NSK Takasaki Plant, Haruna Plant, NSK Steering Systems Co., Ltd. Soja Plant Soja Manufacturing Department, Soja Plant Akagi Manufacturing Department and NSK Steering & Control, Inc. and their family members) participated in selective thinning to address overcrowding and promote the growth of a healthy forest. This included removing poorly growing trees and pruning felled hinoki cypress trees.



Community Cleanup, Beautification Activities, and Marine Plastic Reduction Activities

[U.S.] Clarinda Plant NSK Corporation, NSK-AKS Precision Ball Company

In FY2023, about 15 employees again carried out a cleanup and planted trees within and around the plant premises.



[U.S.] Franklin Plant and Liberty Plant NSK Corporation, NSK Precision America, Inc.

As part of a biodiversity project in FY2023, employees participated in a cleanup activity in and around the facility grounds. Additionally, each employee was provided with a red oak sapling to plant at home, promoting personal tree-planting initiatives.



[U.K.] Newark Plant, NSK Bearings Europe Ltd.

As a part of the Great British Spring Clean, an environmental campaign in the U.K, the company conducted cleanup activities around the plant. 15 employee volunteers picked up 250-300 kg of garbage.



[Indonesia] PT. AKS Precision Ball Indonesia

As part of efforts to maintain the environment around the plant, 15 employees participated in a cleanup activity (mainly along a riverbank). As a result of this effort, about 15 pieces of plastic waste were collected.



[South Korea] Changwon Plant, NSK Korea Co., Ltd.

Once every quarter, employees engage in cleanup activities at the plant and its surroundings.



[Kanagawa in Japan] Kirihara Precision Machinery Plant, Fujisawa Plant Kirihara, Fujisawa Plant NSK Micro Precision Co., Ltd.

In FY2024, about 30 people conducted a beach cleanup at Katase Nishihama Beach, Enoshima, Kanagawa Prefecture as part of Fujisawa City's Zero Waste Cleanup Campaign.



[Shizuoka in Japan] NSK-Warner K.K., Chitose Sangyo Co., Ltd.

Since FY2020, these companies have conducted dune protection activities and hands-on learning along the Enshu-nada Coast at Nakatajima Sand Dunes, Hamamatsu City, under the guidance of an NPO. In FY2024, 101 people (employees and their family members) participated in collecting marine debris activities, and observing baby turtles and coastal plants.



[Nagano in Japan] NSK Micro Precision Co., Ltd. (Nagano)

In FY2024, about 40 people (employees and their family members) walked along the Tenryu River dried riverbed, collecting empty cans, plastic waste, and other litter, working up a sweat for environmental beautification.



Efforts to Remove Specific Invasive Species

[Saitama in Japan] Saitama Plant

Since FY2016, the Saitama Plant have been working to protect the native habitat of the waterwheel plant (Aldrovanda vesiculosa), a protected species, in Houzoji Marsh under the guidance of Hanyu City officials and an NPO. In FY2024, activities continued with members of the Hanyu City Waterwheel Plant Preservation Society.



Efforts to remove tadpoles of American bullfrogs, which eat the waterwheel plant (Saitama)

Endorsing and Addressing the TCFD Recommendations | Climate-related Governance | Climate-related Risk Management
Strategy | Metrics and Targets

Endorsing and Addressing the TCFD Recommendations

In January 2020, NSK endorsed the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. In accordance with the recommendations of the TCFD, NSK identifies business risks and opportunities, adapts management plans, and enhances information disclosure with the aim of contributing to both the sustainable development of society and the sustainable growth of NSK, while endeavoring to take its environmental activities to the next level.

Climate-related Governance

NSK has adopted a Company with Three Committees (Nomination, Audit, and Compensation) as its form of corporate organization. As part of this organization, the Board of Directors proactively delegates decisions regarding the execution of operations to the executive organizations and monitors the status of execution in an appropriate manner. Under the direction of the CEO, executive officers are responsible for executing their respective duties in accordance with their division of duties. The Mid-Term Management Plan is decided by the Board of Directors, which monitors the Plan's specific measures implemented by the executive organizations, as well as the progress of these measures.

Established in FY2022 and chaired by the CEO, the Sustainability & Core Values Committee specifies Group-wide issues through the discussion of policies for promoting and enhancing the core values of safety, quality, environment, and compliance, and through the sharing of climate-related risks. This Committee also provides suggestions for and monitors the progress of solutions to these issues.

NSK's Corporate Governance Structure

Climate-related Risk Management

NSK works to build a risk management system based on clearly stipulated fundamental principles aimed at effectively enabling global Group management and internal control functions. Every year, NSK classifies, analyzes, and evaluates risks to identify the risks that should be addressed. These risks are then managed in accordance with the prescribed reporting systems.
NSK has for some time treated climate-related risk, which is among the risks associated with the environment, across businesses or divisions as a risk of high importance. However, NSK is now analyzing changes in the business environment and impacts on its business by making use of the scenario analysis recommended by the TCFD and has been enhancing efforts to identify issues and implement countermeasures, among other initiatives.

Risk Management

Strategy

With the goal of considering the future impact that climate change will have on NSK's value chain, as well as the effectiveness of climate change countermeasures, NSK looked at the period up to the year 2050 and performed two scenario analyses, one scenario with a temperature increase of 1.5℃–2℃ and another scenario with an increase of 4℃. As a result of these analyses, NSK determined that its basic strategy is to contribute to realizing a sustainable society in which the global temperature rise can be kept under 1.5℃–2℃. In short, NSK will act to address transition risks associated with CO_2 emission regulations; recognize the needs of society, namely decarbonization throughout product life cycles, as opportunities to advance its business field of Motion & Control™; and promote measures to address climate change through its overall business activities. On the other hand, NSK will promote measures considering the scenario analyses results for natural disasters that are caused by climate change.

Scenario Analysis

– Analysis targets and prerequisites

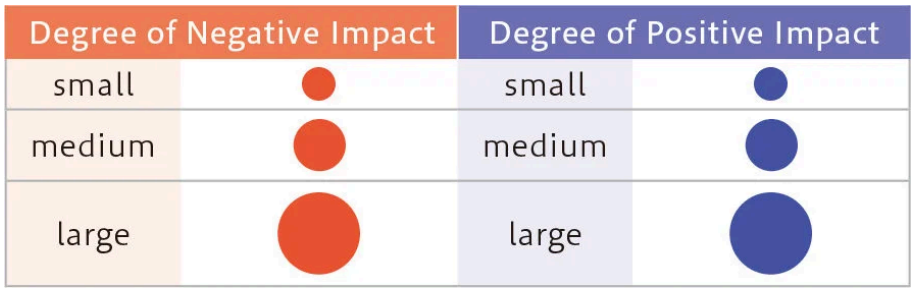
Region	Period	Scope	Main Scenarios Adopted
Countries/regions with NSK presence	2021–2050	Value chain	RCP2.6 (1.5℃), RCP4.5, RCP6.0 (2℃), RCP8.5 (4℃), WEO2020, etc.

– Image of anticipated 2050 society in which NSK operates its business for the scenario analysis (outline)

	Society Where Temperature Rises 1.5℃ to 2℃	Society Where Temperature Rises 4℃
Anticipated image of society	● Aggressive environmental policies put in place by governments and other entities fix the price of carbon at a high level, and more than 80% of the power supply is from non-fossil fuels. ● Fuel economy regulations for the automobile industry become more stringent, and almost all new cars sold are EVs. ● The frequency and impact of natural disasters caused by climate change are greater than current levels but are less severe than in the 4℃ scenario.	● Only mild environmental policies are put in place by governments and other entities, and the ratio of non-fossil fuels in the energy source composition edge up only slightly. ● Technological innovation in the automobile industry is lackluster, and internal combustion vehicles that use conventional fossil fuels remain in the mainstream for a large number of new cars sold. ● The average temperature continues to rise, and natural disasters caused by climate change increasingly escalate in severity.

Risks and Opportunities

Financial impact is indicated as negative (red) or positive (blue) impact on the business, and and the size of the circle indicates the scale of the impact.
When there is almost no impact, it is indicated as "Minimal impact."



Forecast of Risk from Response Measures

Medium to Long-term future

Classification			Identified Risks		Financial Impact	Short-term		Medium to Long-term	
						Status of NSK Initiatives	Financial Impact	NSK Countermeasures	Financial Impact
Risk	Physical	Acute	Increasingly severe natural disasters caused by climate change*	Production suspension due to in-house flood damage	●	Implementing flood countermeasures	●	• Making regular confirmations using hazard maps, etc. • Implementing appropriate countermeasures against flooding and other risks	Minimal impact
				Supply suspension due to flood damage at suppliers	●	Implementing flood countermeasures	●	• Source diversification of suppliers	Minimal impact
	Transition	Legal	Transition to decarbonization/ electrification	Introduction and strengthening of automobile fuel efficiency regulations and ZEV regulations lowers demand for products geared toward internal combustion engines and transmissions.	●	Developing products	●	• Strengthening development, sales, and production of products for ZEV	●
				Decreased demand for machinery and facilities that produce automotive internal combustion engines and transmissions	●	Developing products	●	• Strengthening product development for machine tools that address the processing of core components that replace automobile internal engines and transmissions and of materials that lower automobile weight, and the electrification of automobile parts	●
			More stringent regulations pertaining to greenhouse gas emissions	Rising carbon prices lead to increased costs for components, raw materials, and energy procurement, and in line with this, higher costs for developing new materials and methodologies, and for capital investments.	●	Reducing CO_2 emissions	●	• Promoting decarbonization in NSK business activities • Employing self-help efforts to cut costs and appropriately reflect in pricing	Minimal impact
		Reputation	Increasingly sophisticated decarbonization requests from customers	Rising development costs and capital investments for decarbonization, as well as stagnation of efforts results in reduced credibility and not being selected by customers.	●	Reducing CO_2 emissions	●		Minimal impact

Opportunities

Classification		Identified Opportunities		NSK Countermeasures	Financial Impact
Opportunities	Products and services	Rising decarbonization needs throughout the life cycle	Increasing needs to cut CO_2 emitted when users operate automobiles, machinery, etc. (final goods manufacturer Scope 3 downstream)	• Constantly generating environmentally friendly products, enhancing low friction,achieving lighter weigh • Generating new technologies and new products that arise from the Four Core Technologies plus One	●
			Increasing needs to cut CO_2 on components purchased by automobile, equipment, etc., manufacturers (final goods manufacturer Scope 3 upstream)	• Reflecting decarbonization in NSK's business activities in product pricing	●
			Accelerating action to reduce CO_2 emitted in the manufacturing process of automobile, equipment, etc.,manufacturers (final goods manufacturer Scope 1 + 2)	• Offering new solutions utilizing tribology technology	●
	Markets	Electrification progress	• Expanding demand for products/solutions geared toward automobile electrification applications • Growing need for electrification of industrial machinery mobility such as tractors and bulldozers, and machine tools, etc.	• Strengthening development, sales, production, and solutions for products that address electrification (actuators, etc.) in mobility (automotive, industrial machinery) and machine tools, etc. • Shortening development speeds by utilizing digital twin technology	●
			Rising demand for storage/charging technology	• Helping to solve the issue of EV prevalence through participation in open innovation	●
		Growing airconditioning demand*	Expanding demand for products/solutions for air-conditioning equipment	• Bolstering products/solutions that contribute to eliminating the need for maintenance	●
		Expanding railway demand	Growing demand for products/solutions for railways	• Strengthening development, sales, production,and solutions for products geared toward railways and wind power generation	●
	Energy source	Growing renewable energy demand	Increasing demand for wind power generation		●
			Rising demand for storage/charging technology	• Developing high-speed rotary bearings for cooling fans	●
			Increasing needs for failure diagnostics/residual life diagnostics	• Strengthening and expanding the condition monitoring system (CMS) business for facilities and equipment	●
			Expanding demand for products/solutions associated with hydrogen energy	• Promoting the development of products for harsh and special environments	●
	Resilience	Increased investment into addressing BCP*	As countermeasures for disaster prevention and mitigation, rising demand for construction equipment,etc., necessary for infrastructure maintenance	• Strengthening development and production of products for construction machinery	●
		Expanding demand for hydrogen energy	Growing demand for power generators in line with disaster countermeasures	• Promoting product development for household compact power generators	●

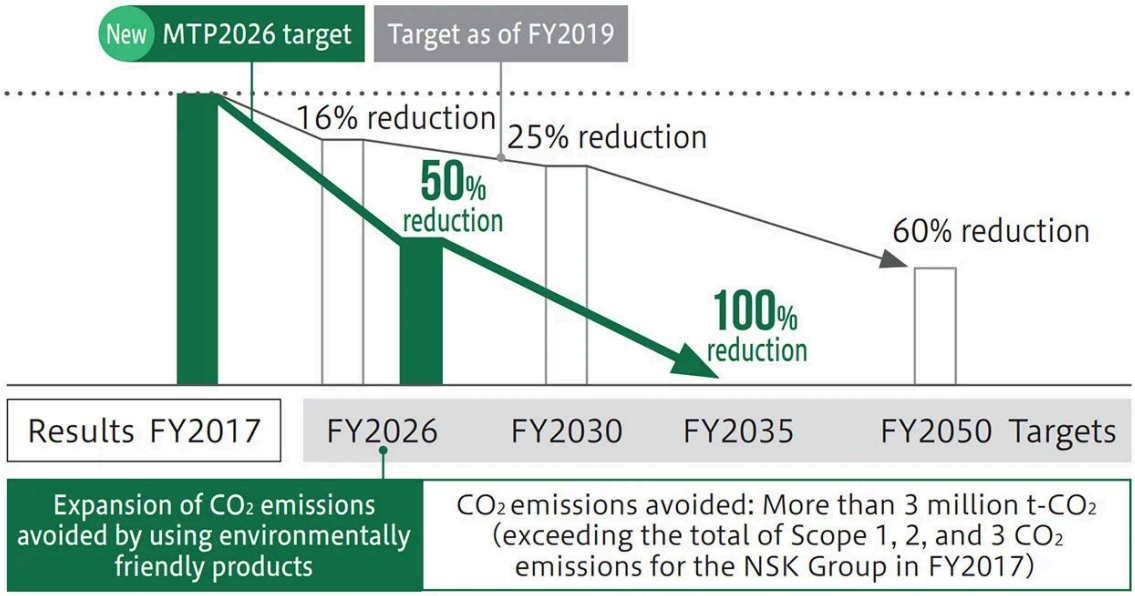
Created based on the 1.5℃ to 2℃ scenario. However, ＊ is assumed to be for a 4℃ scenario.

In estimating the financial impact, the risk of inundation, the number of days of outages and damage due to inundation, and the projected carbon tax price are calculated using data published by public agencies.

Metrics and Targets

NSK has set long-term targets and is advancing initiatives through the dual approach of cutting CO_2 emissions from business activities and expanding on the volume of CO_2 emissions avoided by using environmentally friendly products. Particularly in terms of reducing CO_2 emissions from business activities, NSK has established a target of effectively reducing Scope 1 and 2 CO_2 emissions to zero by FY2035 under MTP2026, which kicked off in FY2022. This CO_2 emission reduction target is consistent with improving corporate value and is used as an indicator for executive officer short-term performance-based compensation.

– Reductions in CO_2 Emissions from Business Activities (Scope 1 and 2)



NSK Group
Sustainability Report 2025

Social

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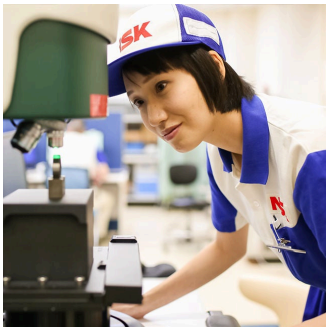
Research & Development

Philosophy & Achievements
Core Technologies

Philosophy & Achievements



NSK has relentlessly pursued innovative technologies and focused on improving quality in order to contribute to a safer, smoother society and to protect the global environment, in line with its corporate philosophy. The foundation that underpins those technologies consists of tribology, materials, numerical simulation and mechatronics, which are NSK's Core Technologies.

Then there is manufacturing engineering, another important technology and strength of NSK that gives shape to our Core Technologies.

The technologies and products that have been created based on our Core Technologies are contributing both to the development of industry across the world and to people's abundant lifestyles.

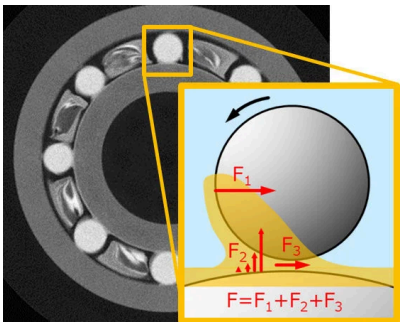
NSK will continue to engage in advanced technological development and provide highly functional, high-quality products that meet market needs in the years to come.

In an effort to contribute to a safer, smoother society and to protect the global environment, as spelled out by NSK corporate philosophy, NSK strives to accurately determine customer and societal needs, and develop environmentally friendly products and technologies that utilize the Company's Core Technologies: Tribology (friction control technology), Materials, Numerical Simulation, and Mechatronics.

By developing and bringing to market sophisticated and innovative new products in a timely manner, NSK contributes to creating a safer, smoother society while also helping save energy and reduce carbon dioxide emissions.

Core Technologies

Tribology



Friction on the bearing's ball surface

Studying, Clarifying and Controlling Friction

Tribology is the study of friction and wear of contact surfaces in relative motion, such as rotating parts that endure enormous forces with a thin oil film.
Severe operating conditions are mitigated through lubrication and surface treatments developed by NSK, resulting in superior performance for applications requiring low friction, high-speed rotation, quiet operation, or enhanced durability.

Materials

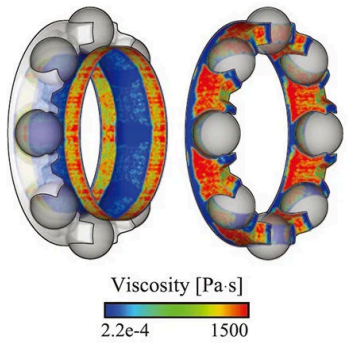


Bearings utilizing ceramics and resins

Unrelenting Pursuit of Performance Durability and Reliability

Materials research and development affects nearly every aspect of product performance.
We are constantly pursuing cost and productivity while meeting ever- evolving demands for improved functionality, durability, and reliability through technologies that utilize metals, polymers, and ceramics with optimized material composition and heat treatment conditions.

Numerical Simulation



Example of bearing grease flow analysis

Simulated Recreation in Cyberspace to Predict Performance

In the past, accuracy and reliability in product development were achieved with experience-based design and longer testing periods.
NSK's simulation technology allows virtual validation to accelerate design and production. Extreme conditions or innovative designs that defy previous expectations can also be evaluated and analyzed.

Mechatronics



Active Caster

Technology Supports People for a Convenient, Safe and Comfortable Future

Mechatronics integrates machine element technology with control technology.
By combining bearings, ball screws, and linear guides, together with motors, sensors, and computers, greater mechanical functionality is elicited with computer control. This technology enables new functions and performance in a range of industrial machinery, automotive, and biomedicine applications. It also contributes to greater reliability, as well as to convenience and safety in daily life.

Manufacturing Engineering



Cheonan Plant in South Korea

Giving Shape to Core Technologies

Contributing to the environment and heightening safety and security through our Core Technologies requires something to breathe life into these technologies. In addition, it is essential to consistently manufacture products with high quality.
NSK tackles these issues by applying smart technology to its equipment, utilizing lot, and optimizing its overall production framework while it works to realize the creation of smart factories that economize on space, save on energy, and reduce labor requirements.

NSK History & Achievements

NSK's Approach | System | Targets and Performance | Occupational Safety Measures

NSK's Approach

The NSK Group has positioned safety as one of its core values. We continuously strive to increase our employees' safety awareness so that safety will always be their basis for determining the best course of action. We implement various measures based on our Safety Philosophy to protect the safety and health of every employee, and to ensure the safe conduct of everyone in the workplace. Never content with the status quo, we constantly work to further raise the level of safety.

NSK Group's Safety Philosophy

Safety takes precedence over everything else
Creating a safe, secure, and comfortable workplace

NSK Group Safety Philosophy

We are committed to protecting the safety and health of all employees and business partners working within the NSK Group. This philosophy expresses our conviction that safety takes precedence over any business concern and that corporate activities depend on safety. It is the foundation of each and every NSK Group employee's mindset. In all our workplaces worldwide, employees take action on one's own initiative to ensure safety and to create comfortable environments where they can work with peace of mind.



NSK Group Safety Policy

The NSK Group has three key safety policies*. As part of personnel development, to encourage management to exercise “felt leadership” (leadership that enables workers to understand and “feel” management’s thoughts on safety), we have held core value workshops for executive management since FY2020. In addition, we hold workshops for employees working at production sites to foster an interdependent culture of safety. As part of our hardware countermeasures, we are working to prevent serious accidents by reducing the risks of equipment and operations through STOP6 + 2 activities and risk assessments. We also work to create a safe working environment for our business partners, including outsourcing contractors and subcontractors. In the area of compliance, we provide workers with personal protective equipment and implement new measures to prevent occupational injuries and accidents, while also working hard to ensure compliance with relevant laws, regulations, and work procedures. By actively communicating about these measures, we collect information from other companies and relevant organizations and promote new NSK standards.

* Approved by the head of the Manufacturing Strategy Division HQ (Executive Vice President)

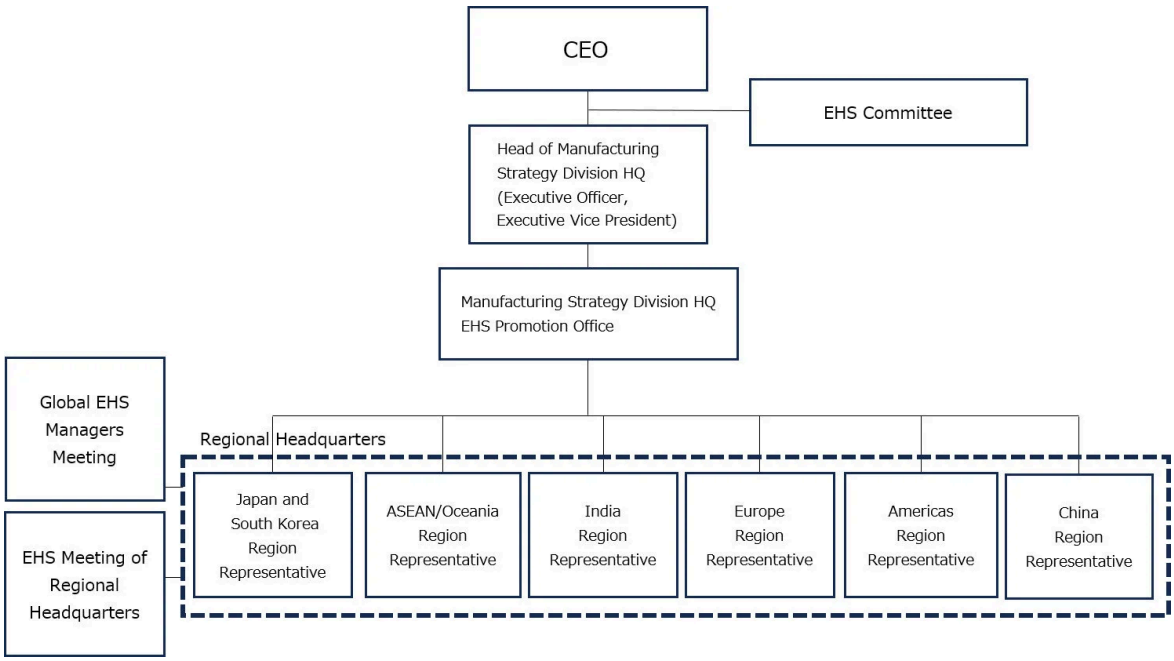
System

Organizational Structure for Safety Management

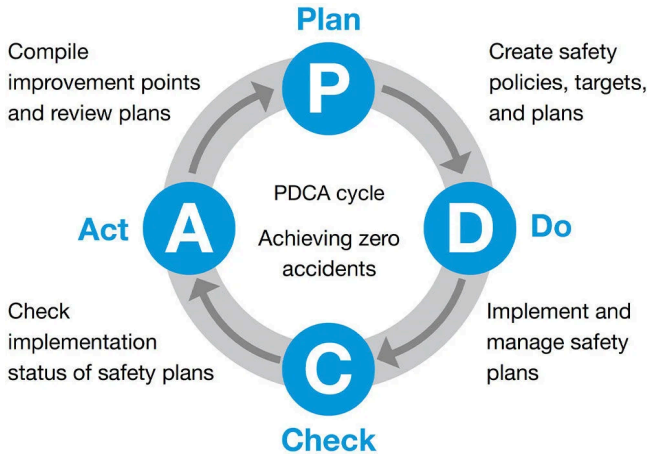
The NSK Group operates a global safety management structure headed by the CEO. Under this structure, safety management activities are communicated from the EHS Promotion Office at the Manufacturing Strategy Division HQ to NSK Group companies through the regional headquarters.

Safety issues facing specific regions are addressed by the EHS Committee the highest safety management decision-making body (attended by the Manufacturing Strategy Division HQ head, plant heads, and executive officers of each Business Division HQ). The committee determines annual policy and holds discussions on the progress made on these issues four times a year. In conjunction with the Global EHS Managers Meeting (attended by EHS managers from each region), these two bodies hold meetings to discuss issues and share information on initiatives.

Global EHS Operating Structure



Safety Management System



In Japan, company and union representatives participate in the NSK Central Safety and Health Council and the Safety and Health Committee, where they discuss and analyze occupational accidents and share insights on how to further enhance safety measures.

Occupational Health and Safety Management System

All NSK Group production sites have obtained external certification for ISO 45001, the international standard for occupational health and safety management systems. In addition, third-party management audits and internal audits by qualified personnel are carried out annually to enhance the effectiveness of the management structure and to continuously improve our activities in order to enhance the level of safety.

Certification for Quality, Environmental, and Occupational Health and Safety Management Systems

Occupational Safety Measures in BCP Emergency Response

Each NSK site, including the head office and Group companies in Japan, undertakes emergency preparedness to be ready to respond in the event of a crisis, which includes plans for contingency organizational structures, response procedures, and tools. In addition, the Group conducts BCP drills that simulate disaster situations and teach methods for rescuing and aiding casualties.

For more information, please visit Business Continuity Management (BCM).

Investigation Procedures for Occupational Accidents

When occupational accidents occur at NSK, occupational accident notifications are immediately sent out to all NSK sites around the world. The Manufacturing Strategy Division HQ EHS Promotion Office and the site where the occupational accident occurred work together to investigate the cause of the accident and implement countermeasures. Measures to prevent recurrence are then shared with other NSK sites.

Targets and Performance

Mid-Term Management Plan 2026 (MTP2026) Targets, with Targets and Performance for Each Fiscal Year

Policy		Personnel development	Hardware countermeasures	Compliance
MTP2026	Targets	• Foster a culture of safety through the global rollout of NSK safety culture workshops • Train safety and fire prevention experts	• Identify and eliminate occupational accidents and fire risks by conducting risk assessments	• Introduce and standardize preventive and predictive technologies • Analyze existing information and use it for preventive measures
FY2024	Targets	• Expand NSK safety culture workshops to China • Help instill independent/interdependent culture of safety • Complete training of second group of risk assessment promotion leaders	• Continue to improve level of equipment safety • Eliminate occupational accidents through focused instruction at high-risk sites	• Prevent construction work-related accidents with reviews of safety management at outside contractors • Help raise safety awareness in and outside of NSK (National Industrial Safety and Health Convention, etc.)
FY2024	Performance	• Conducted NSK safety culture workshops at 2 plants in China • Instilled interdependent culture of safety at 3 plants, independent culture of safety at 3 plants • Completed training of second group of 16 risk assessment promotion leaders	• Re-assessed risks according to equipment-specific severity checklist to improve level of equipment safety • Provided focused instruction at 8 high-risk sites based on number of occupational accidents occurring in previous year	• Implemented improvements in safety management at outside contractors and strengthened standards for having NSK personnel accompany outside parties on construction sites • Presented examples of NSK activities to safety and health education subcommittee of the National Industrial Safety and Health Convention
FY2025	Targets	• Help instill independent/interdependent culture of safety • Complete training of third group of risk assessment promotion leaders	• Continue to improve level of equipment safety • Eliminate occupational accidents through focused instruction at high-risk sites	• Help raise safety awareness in and outside of NSK (presentations to safety and health education and machinery and equipment safety subcommittees of the National Industrial Safety and Health Convention, conduct safety meetings with outside companies)

Lost Time Injury Frequency Rate Target and Performance

MTP2026 Target	FY2024 Performance
0.10	0.17

Note: Lost time injury frequency rate = Number of workplace accidents resulting in one or more days of work absence / total actual working hours × 1,000,000

The global lost time injury frequency rate including the discontinued operations (steering business) was 0.15.

Occupational Safety Measures

The NSK Group employs two approaches to raise individual safety awareness: ongoing activities to increase safety awareness, and initiatives to give people more time to think about safety. *Kiken Yochi* (hazard prediction) Training (KYT), communication of near-miss incidents, and the safety practice of pointing and calling are implemented at workplaces on an ongoing basis as continuous activities to increase safety awareness. KYT is intended to prevent workers from getting stuck in unconscious routines. Past accidents and near-miss incidents at each workplace are compiled into a booklet, and everyone recites them in unison at morning briefings and other occasions. Our initiatives to give people more time to think about safety include “Look Across Activities,” “Core Value Contact,” and group activities related to safety. In these group activities, safety-related themes are set twice a year for sites in Japan, and improvement activities are carried out with the participation of all employees. Awards are given for outstanding activities.

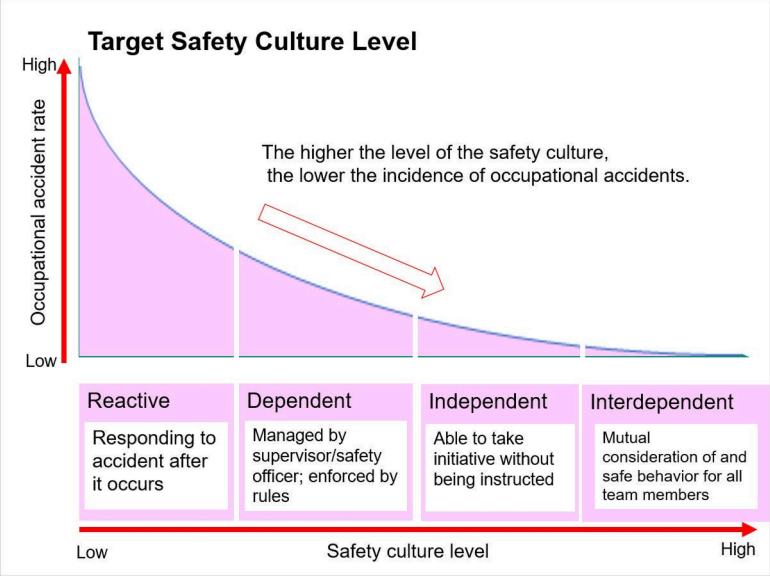
Personnel Development

– Fostering a Culture of Safety (NSK Safety Culture Workshops)

As part of its efforts to foster a culture of safety, NSK conducts safety culture workshops. These workshops involve an initial safety culture questionnaire given to all employees at each production site to determine a safety culture baseline and to analyze the strengths and weaknesses of the organizational structure, leadership, and business operations. Next, employee interviews and site observations are carried out to identify suitable methods for improving the situation on the ground. A two-day workshop with all department heads is then held to formulate and implement an action plan to boost the level of the safety culture. Sites with a high level of independent or interdependent safety culture tend to have lower rates of occupational accidents, and we believe that ongoing initiatives are required to maintain and improve safety culture levels.

Following an implementation when the action plan formulated during the workshop is carried out and safety awareness is promoted among employees at all levels, a second safety culture questionnaire survey is conducted. The second questionnaire is used to determine whether the level of safety culture has risen and to reflect on the strengths, weaknesses, and effectiveness of the action plans to further foster a culture of safety.

The NSK Group will continue to promote these activities in and outside of Japan with the aim of instilling interdependent safety culture at its plants around the world.



Practicing “Core Value Contact” in Each Department

The NSK Group practiced “Safety Contact” at the beginning of meetings, morning briefings, and other occasions from FY2019 to FY2021. In this activity, employees shared their thoughts and ideas about safety. It gave employees more time to think about safety, with the expectation that this would enhance sensitivity to safety issues. The program received positive feedback such as: “It’s easy to relate to stories I hear from people close to me,” and “It allows me to see different ways of thinking about safety in a new light.” “Safety Contact” served as a valuable safety enhancement tool.
Starting in FY2022, the NSK Group expanded the “Safety Contact” program and renamed it “Core Value Contact,” to give employees not only more time to think about safety, but also about the Group’s Four Core Values (Safety, Quality, Environment, and Compliance) and their contribution to the Core Values.

Safety *Dojo*

The NSK Group has established facilities called “Safety *Dojo*” at all production sites, where employees receive training using simulators to experience potential workplace hazards. In these *dojos*, employees learn the importance of prioritizing safety by recognizing the risks of hazardous tasks by learning from actual workplace incidents that have occurred within the NSK Group, while being trained to follow correct operating procedures. All plant employees receive regular, annual training at the Safety *Dojo*. We have compiled manuals of operational procedures, which have been distributed to plants in each country to help foster a culture of safety. Virtual reality (VR) content has also been incorporated into the curriculum recently, allowing participants to simulate experiences such as working at heights and dealing with fire hazards.



Experiencing a safety harness



VR safety training at the safety *dojo*

– STOP6 + 2 Activities

The NSK Group conducts “STOP6 + 2” activities as a means of preventing fatal and serious accidents. STOP6 is an initiative for occupational safety designed to prevent fatal and serious accidents. STOP6 classifies accidents in the manufacturing industry into six major types and defines key prevention activities. In addition to the accident types identified by STOP6, the NSK Group addresses “oxygen deficiency and poisoning” and “accidents caused due to an employee working alone” as two additional accident types in its “STOP6 + 2” activities.

Major Accident Types in STOP6 + 2 Activities

1		Getting caught-in or entangled
2		Contact with heavy objects
3		Contact with vehicles
4		Falling down or falling from a height
5		Electric shock
6		Work with hot objects, accidents caused by explosions
+ 2	1	Oxygen deficiency and poisoning
	2	Accidents caused due to an employee working alone

Hardware Countermeasures

– Risk Assessment

At NSK’s production sites, we conduct risk assessments of equipment and machinery, continuously implementing measures to reduce workplace hazards, particularly those deemed high-risk. To enhance safety, risk assessments are also conducted from the development stage for new equipment and processes. Currently, we are training safety assessors who have obtained qualification certifications from external institutions, ensuring that personnel with the proper knowledge and skills are taking action to mitigate risks. NSK currently has approximately 1,000 safety assessors, and we are working to continuously increase this number.
These initiatives are also being expanded to China, with in-house instructors from the Manufacturing Strategy Division HQ visiting the region to conduct risk assessments at production sites to establish this practice and boost the level of risk assessment.
As a result of these initiatives, the total number of workplace incidents across the entire NSK Group has decreased each year, and the number of incidents has been halved compared to when these initiatives first began.



In-house training to improve the risk assessment skills of certified personnel

Compliance

– Sharing Examples of Workplace Incidents

In the event that a workplace incident occurs at an NSK Group site, the information is shared on the Company's intranet for all business sites worldwide to view. Reenactment videos are created to provide detailed insights into the incident. This encourages employees to carry out activities to look across* at other workplaces where incidents occur and reflect on whether similar operations or situations exist in their own workplace.
By sharing past workplace incidents across the organization, NSK is working to prevent the recurrence of incidents, heighten safety awareness, and further promote the creation of a safe, secure, and comfortable working environment.



Frame captured from a workplace incident reenactment video

* NSK conducts "Look Across Activities" where employees take ownership of their surroundings and work proactively on issues, as well as taking an interest in and being involved in these efforts at other workplaces. Carrying out "Look Across Activities," either on a workplace or an individual level, makes it possible to identify new risks and make the working environment safer. These activities also increase communication about safety in the workplace and help to foster an interdependent safety culture.

Contributing to Safety Awareness (National Industrial Safety and Health Convention)

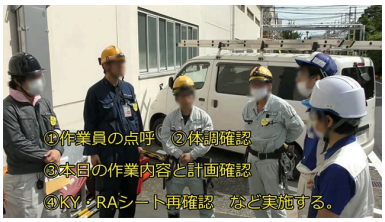
The NSK Group trains risk assessment promotion leaders by providing classroom lectures and risk assessment practices at production sites for personnel who have a machine safety specialist certification. In addition, we are rolling out a project led by risk assessment promotion leaders to re-inspect all production facilities in Japan in order to reveal unidentified risks. These efforts have improved risk communication (sharing information on hazards within the Group). Employees working at plants are now able to identify and discuss problem areas at an advanced level.
There are currently over 1,000 qualified safety assessors at the NSK Group. Occupational accidents at sites in and outside of Japan have fallen by 60% since 2016, when these risk assessment activities were begun. In addition, the NSK lost time injury frequency rate in Japan, at 0.20, is significantly lower than the manufacturing industry average. These results demonstrate that our rational risk assessment and risk reduction activities are effective. We shared examples of our safety-related personnel development and reductions in occupational accidents at the 83rd National Industrial Safety and Health Convention.



NSK presentation at the 83rd National Industrial Safety and Health Convention

Reviewing Guidebook for External Construction Crews and Reinforcing Construction Rules

To ensure the safety of external construction crews who carry out such high-risk work as work at height or working with fire, the NSK Group has put together a guidebook for external construction crews, which covers 18 specific points. We also regularly review regulations and standards to maintain our record of zero occupational accidents in construction. More specifically, these efforts include strengthening the presence of attending personnel during hazardous work, upgrading preliminary training for construction directors and work managers, and conducting interdependent safety checks using task point checklists before work begins.
The entire process for construction request applications, from initial request to completion of construction, is centrally managed via the external construction management web system developed by NSK. At the same time, employees are able to check daily construction schedules and locations, and this has also helped to improve efficiency.



Frame capture from an educational video on guidelines for managing external construction

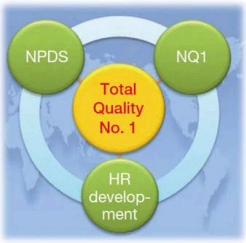
NSK's Approach | System | Targets and Performance | Quality Improvement Initiatives

NSK's Approach

With quality as one of its core values, the NSK Group aims to become "No. 1 in Total Quality." In other words, we are working to achieve the industry's best quality in everything we deliver—not only products and services but also information. We believe that this commitment to quality ensures that our products will satisfy customers all over the world.

To achieve our Quality Assurance Vision 2026 (100% good products and services that put the customer first), we engage in activities based on the Three Pillars of NSK Quality Assurance.

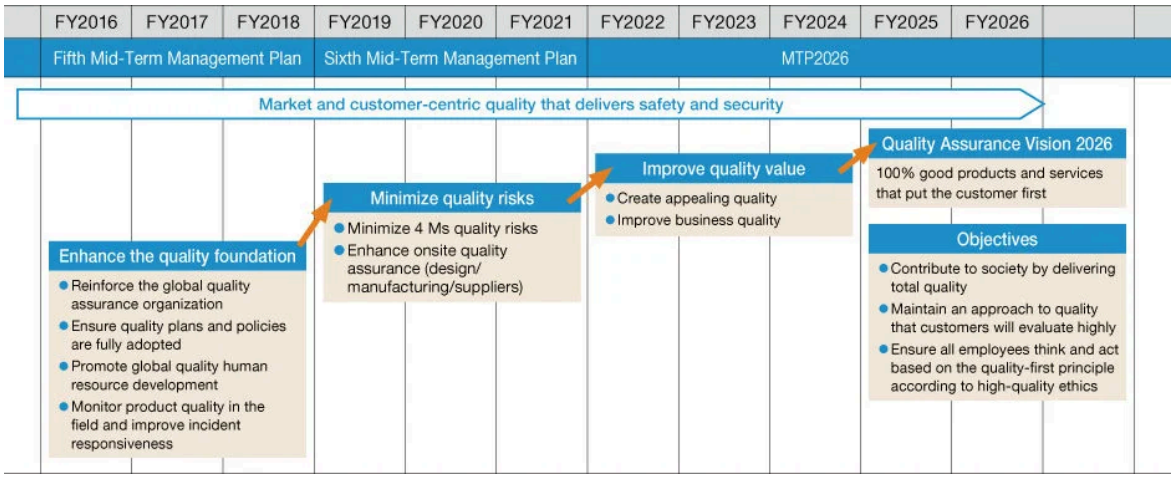
Three Pillars of NSK Quality Assurance



1. NSK Product Development System (NPDS)	To quickly transform new orders into reliable, stable production, we promote initiatives that incorporate quality into individual processes.
2. NSK Quality No. 1 (NQ1) Program	We work hard to realize stable production and ensure zero defects.
3. Human Resources Development	We promote human resource development to build a stronger foundation for quality systems.

Quality Assurance Vision 2026

Our Quality Assurance Vision 2026 sets clear goals and expectations to achieve by 2026. It has Three Pillars, as mentioned above. Across the NSK Group, we are working to build a seamless, consistent system for quality improvement, leveraging inter-departmental collaboration to achieve our goal of being No. 1 in Total Quality. This includes quality at every operational stage, from design and manufacturing, to supplier management and field responsiveness. Our goal is 100% good products and services that put the customer first, by 2026.



System

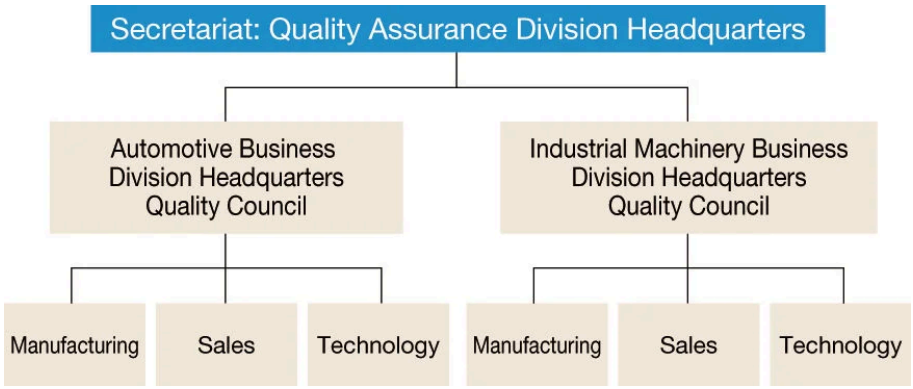
Quality Assurance Organizations

The NSK Group has established the Sustainability & Core Values Committee to promote and strengthen corporate activities based on NSK's core values (safety, quality, environment, and compliance). To that end, it identifies issues for the entire Group to address by discussing policies and sharing information on related risks. The Committee also provides suggestions for and monitors progress on solutions to these issues.

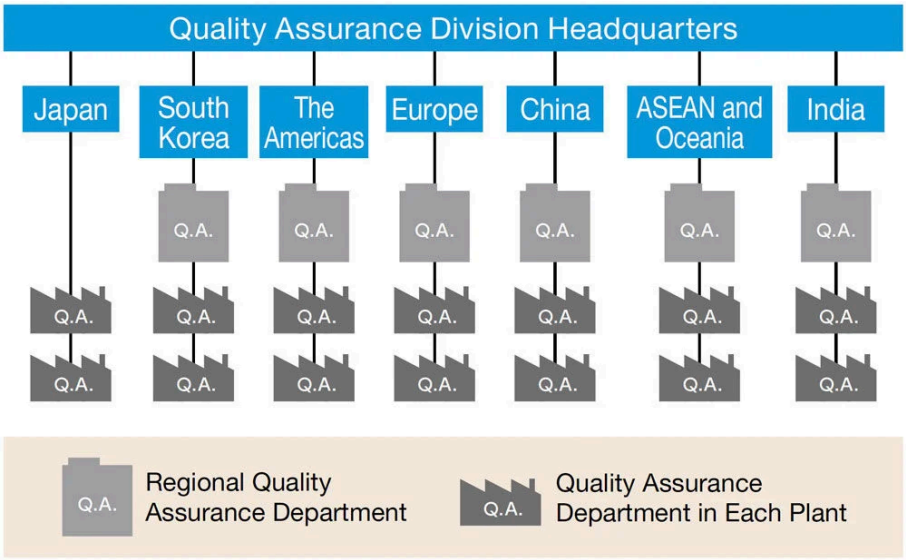
The Quality Assurance Division Headquarters is positioned as the global headquarters for quality management, and quality councils have been established within each business unit as subordinate organizations of the Sustainability & Core Values Committee. Together, they work to strengthen quality improvement efforts by promoting cooperation among the manufacturing, sales, and technical departments. The headquarters also reports the Group-wide status of quality management to senior management at monthly Officers' Meeting.

We have established regional quality assurance departments in South Korea, the Americas, Europe, China, ASEAN/Oceania, and India. This global quality assurance system has been built to meet customer needs in each country and region, as the highest priority. Biannual global meetings and regional meetings on quality are held to share and discuss quality-related information and to strengthen monitoring, oversight, and the support structure in each region.

NSK Quality Council



Global Quality Assurance Organization



Targets and Performance

Mid-Term Management Plan 2026 (MTP2026) Targets, with Targets and Performance for Each Fiscal Year

Policy		NSK Product Development System (NPDS): NSK's proprietary quality management system that quickly translates new orders into reliable, stable production	NSK Quality No. 1 (NQ1) Program: Initiatives to realize stable production and ensure zero defects	Human resource development: NSK is promoting the human resource development to build a stronger foundation for quality creation.
MTP2026	Targets	• Improve NPDS quality worldwide (Establish stricter DR and adopt design-manufacturing integrated digital FMEA[*1]) • Develop a global system addressing *kakotora* (quality problems experienced in the past) and expand to manufacturing *kakotora* (manufacturing problems experienced in the past)	• Establish digital management of quality (completion inspections, traceability, enhanced critical process control) • Enhance control of process capabilities	• Deploy quality training to all employees (virtualized training/ e-learning)
FY2024	Targets	• Start using a design-manufacturing integrated digital FMEA system • Strengthen the global *kakotora* system (by including external information sharing)	• Promote global deployment of guidelines for installing automated visual inspection machines Use process management checklists to promote the adoption of automatic visual inspection machines • Revise guidelines, organize and clarify goals for each product group and plant Create a roadmap for adopting traceability at each plant / production line • Monitor the status of new rule application to process capability by DR experts	• Provide ongoing quality training to new hires during their first 10 years with the company, aiming to foster quality awareness
	Performance	• Utilized a design-manufacturing integrated digital FMEA system during new product launches in the Automotive Business Completed creating a digital FMEA model in the Industrial Machinery Business • Added disclosed quality information to the global *kakotora* system Completed construction of mobile version of the global *kakotora* system and commenced use of the system	• Implemented 100% roll out of guidelines for installing automated visual inspection machines in and outside Japan Adopted automated visual inspection machines (achieved 80% of target) • Completed revision of guidelines clarifying traceability targets for each product group and plant Completed creation and roll out of roadmap for adopting targets • Monitored the status of new rule application on a monthly basis through DR expert evaluation (Application rate: Approx. 70%)	• Began operation of common basic training on NSK core values and *monozukuri*[*2] (ongoing training over a ten-year period) -Created objectives and content -Began implementation at the individual plant level (Implementation rate: Approx. 70%)

Policy	NSK Product Development System (NPDS): NSK's proprietary quality management system that quickly translates new orders into reliable, stable production	NSK Quality No. 1 (NQ1) Program: Initiatives to realize stable production and ensure zero defects	Human resource development: NSK is promoting the human resource development to build a stronger foundation for quality creation.
Target FY2025	• Continue to utilize the design-manufacturing integrated digital FMEA system • Strengthen the global *kakotora* system (enhance disclosed quality information and screen content) Leverage AI in use of the global *kakotora* system	• Determine optimal equipment specifications for automated visual inspection machines Promote the adoption of automated visual inspection machines using progress management checklists • Conduct Gap analysis based on revised guidelines Create case studies of plants leading the implementation of activities and share globally • Analyze trends and identify issues in new rule application to process capability • Promote enhancement of process capability through technical departments' feedback on implementation results	• Implement training on quality management system using the quality portal for Quality Assurance Department staff in Japan, once a year

*1 FMEA: Failure Mode and Effects Analysis, a method for identifying potential failure modes in design and manufacturing, evaluating their impact, and taking steps to address those

*2 *Monozukuri* is a term including not only manufacturing, but also aspects such as quality improvement, management of upstream and downstream processes, and the related human resource development.

Quality Improvement Initiatives

To ensure quality that puts customers first, and enduring quality in the field, the NSK Group strives to secure and improve quality throughout the product process, from design, to procurement from suppliers, to manufacturing. We are promoting total quality through the four initiatives shown below.



Initiatives to Enhance Field Quality

As a firm that services the manufacturing sector, the NSK Group aims to achieve a level of quality that meets the expectations of society at large. This is why we not only strive to satisfy our direct customers, but also look beyond to assess the needs of the end users who use products with NSK components. Our system enables us to both propose and deliver quality products and services that thoroughly fulfill both customer and social needs.

– Customer Management Database

In order to accurately meet customer requests, the NSK Group provides technical support related to design and expert knowledge on product usage. We have also established a database of information such as response history for customer inquiries. The information gathered from various countries and regions is used to improve our products and services.

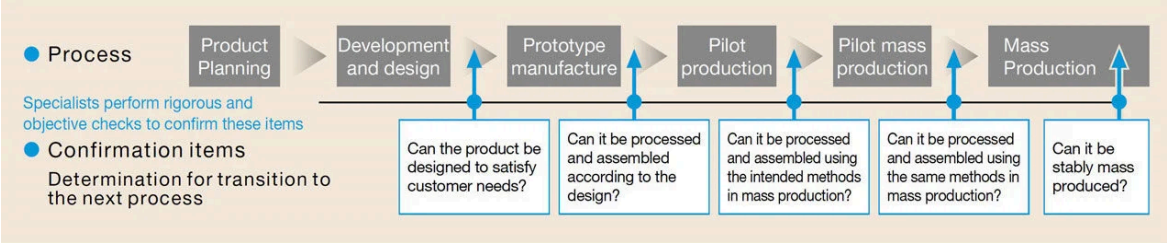
Initiatives to Enhance Design Quality

The NSK Group incorporates feedback from customers into its designs to enhance quality in the design stage. We make every effort to design products with a superior level of quality by drawing on our expertise and experience in the market, cultivated over many years. We always strive to meet our own unique quality targets, going above and beyond the core quality that our customers have come to expect.

Building Quality into Each Process: NSK Product Development System (NPDS)

The NSK Group has globally deployed an innovative quality management system, the NPDS, to respond promptly and reliably to new projects and to mass produce products that satisfy customers. At each stage of the process, from product planning to development/design, prototype manufacturing and mass production, we ensure that any concerns are resolved and strive to improve quality. Even after mass production begins, we conduct thorough management to maintain high quality.

Outline of NPDS



Education to Improve the Quality of Design Reviews in Developed Products

To improve product design quality in new projects, the NSK Group has its own internal system of experts that perform design reviews (DR) and has implemented worldwide measures to improve DR quality. These DR experts identify issues related to product quality from the design phase and into the mass production phase to prevent problems down the road. Along with the enhancement of DR content for NSK-developed products, we ask these experts to make the most of their knowledge and experience: (1) to promote robust design* proposals that fully meet customer requirements; (2) to build manufacturing processes that emphasize the 4Ms and maintain stable production; and (3) to hand down technology skills while creating learning opportunities for young NSK engineers.

To raise the DR level, the necessary materials and data need to be prepared in advance. When all the participants understand the design details before the DR meeting, the review discussions are more efficient and meaningful. NSK is increasing the number of opportunities for discussions between DR experts and our designers and developers, while working to raise their technical skills and improve the technical data that is needed for each step of the DR process. Moreover, by conducting optimal evaluation and feedback in each step of the DR process, we are working to improve the quality of product development projects as part of our DR quality enhancement efforts.

* Robust design: Design that ensures the required characteristics for various product usage conditions.

Initiatives to Enhance Manufacturing Quality

The NSK Group works diligently to deliver a consistently high level of product quality that meets customer needs.
We also develop manufacturing processes that focus on the 4Ms (man, machine, materials and methods) to further improve product quality.

4M Priority Issues

Man (human resources)

We are working to raise the quality awareness of all employees by establishing *Quality-Dojo* at all plants, worldwide. This training area provides a place for employees to learn how to use and handle NSK products and how to inspect them correctly.

Machine (equipment)

We are promoting systematic investment in quality assurance equipment to prevent any quality problems from recurring.

Material

We will continue to develop lightweight and highly reliable materials, leveraging robust design to maintain high quality.

Method

We aim to develop products that can be reliably produced without any defects.

Product Assurance Through Quality Inspection

To provide customers with assurance that they can use our products with confidence, the NSK Group conducts thorough inspections to ensure product quality. These inspections consist of both visual and functional tests and are conducted at various points of the manufacturing process, from acceptance to shipping, to prevent any defective products from leaving the plant.
Going forward, we aim to improve process assurance and increase efficiency by automating more inspections.

Preventing Quality Defects Through Effective Data Utilization

NSK is working to implement heat treatment cockpit systems across all its plants worldwide. This system enables continual operational status monitoring for heat treatment furnaces. By managing the big data obtained from this monitoring, we aim to prevent heat treatment defects before they occur.

Some customers, such as operators of railway vehicles and large-scale plants, use NSK products in environments where maintenance and inspections are challenging, and where equipment failure poses significant risks. To better support these customers, we have introduced the Condition Monitoring System (CMS) for quality assurance and defect prevention. This system detects vibrations during bearing operation and conducts vibration diagnostics, enabling the early detection of abnormal conditions. Through initiatives like these, we strive to ensure that customers can use our products with confidence.

Global Quality Improvement Activities and Their Deployment

Every month, the NSK Group monitors the status of quality management at all production sites worldwide. The NSK Group is engaged in efforts such as zero-defect activities, recurrence prevention activities, and *Quality-Dojo* activities across all production sites as part of its quality improvement activities. The Quality Assurance Division Headquarters has introduced an award system for each activity, aiming to incentivize active participation. In addition, production sites that have achieved particularly excellent results in terms of quality are designated as outstanding plants, and their characteristics and operational initiatives are analyzed and horizontally deployed to other production sites.

Objectives of Quality Information Exchange Meetings for Plants

- Learn from the successful activities of other plants
- Share solutions for particular problems
- Adopt the "Look Across Activities" approach to problems (to prevent problems from recurring at other plants)

Quality Training

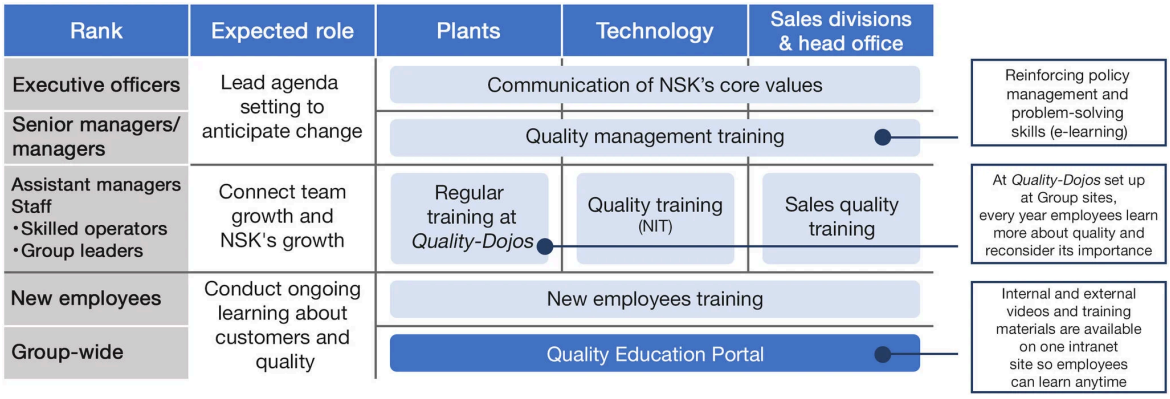
To promote continuous awareness and knowledge improvement on quality, one of the NSK Group's core values, the Group provides annual quality training for all employees.

NSK's quality education program is designed by the Quality Assurance Division Headquarters. Appropriate quality training is conducted as part of group training sessions organized by the Headquarters' Human Resources Department, NIT,* and other relevant departments, depending on employees' divisions and organizational levels. Moreover, since FY2019, we have been establishing *Quality-Dojos* at our plants and technical departments, where regular quality training is conducted annually.

Training includes

- Rank-based quality training for new employees and managers, tailored for their respective roles and responsibilities
- *Quality-Dojo* training that allows employees to learn through actual examples and products
- Digital quality training for all employees delivered via e-learning

Sixth Mid-Term Management Plan: Function-Based and Rank-Based Quality Education System



* NIT (NSK Institute of Technology): A faculty-based educational institution with credit-based courses that provides comprehensive technical education on product applications/handling, quality control, manufacturing methods, and cost efficiency. Established in 2007 as an educational center for members of NSK and NSK Group technical departments, NIT aims to develop highly skilled personnel who can support NSK's technological competitiveness.

*Quality-Dojo** Training

We believe that quality education should be learned in the order of awareness → knowledge → technique/skill. To eliminate defects caused by human error, we have established *Quality-Dojos* at 52 production sites worldwide. In these *dojos*, we foster awareness by explaining the importance of quality, while hands-on experience with actual products and defective items helps employees gain knowledge about products and quality. At NSK, it is our goal for employees working in production and technical departments to participate in *Quality-Dojo* training at least twice a year. By connecting what they learn to their daily work, these employees become valuable contributors to high-quality manufacturing, helping NSK achieve No. 1 in Total Quality.



Quality-Dojo Training: On-Site

* Teachers and assistant instructors will be appointed to all *Quality-Dojos* to manage them comprehensively, ensuring the enhancement and renewal of educational content to the training of instructors and the formulation of educational curricula.

Initiatives to Enhance Supplier Quality

High-quality lubricants, materials, and parts are required to manufacture high-quality products. At the NSK Group, we engage in a wide range of initiatives to enhance quality, based on our strong ties with suppliers. Our Quality Assurance Division Headquarters works to promote quality data visualization at suppliers, implement improvement plans, and carry out quality improvement efforts, collaborating closely with the NSK plants that receive products from suppliers.

Main Initiatives

Policy	Details
Supplier briefings on quality activity policy	By providing annual procurement policy briefings for key suppliers, NSK shares its quality activity policies and provides guidance and explanations on quality compliance and quality improvement initiatives. In May 2025, 79 companies participated in procurement policy briefings.
Ascertaining and visualizing the current quality situations at suppliers	Using trend graphs and radar charts to clarify the situation for quality problems originating at suppliers that are detected during receiving inspections and on production lines
Development of a management system for supplier quality problems	• Managing quality problems originating at suppliers using a system that handles everything from information gathering to data visualization • Information standardization, visualization, and flow acceleration
Monthly report on supplier quality issues	• Using a system to prepare and send monthly visualized data reports on supplier quality situations to business related divisions • Managing suppliers' quality performance on a monthly basis and providing them with quality guidance and audits • Quality improvement activities implemented by the top management of the Quality Assurance Division Headquarters for the worst-ranked suppliers

Supply Chain Management

Activities to Enhance Supplier Quality Awareness

NSK has been introducing its suppliers to *Quality-Dojo* training, which is highly effective in fostering quality awareness. Some suppliers have established their own *Quality-Dojos* and are promoting quality training. NSK provides guidance on activity content, instructional panels, and training methods to support the improvement of supplier quality education. With the aim of further enhancing quality awareness, during Quality Month we also provide interested suppliers with cards listing the 10 Quality Principles that NSK workers follow.

Other Initiatives

Strengthening Audit Functions

The role of the Global Quality Audit Office at the Quality Assurance Division Headquarters is to monitor compliance situations and potential risks relating to quality control, and to implement preventive measures for potential problems. To fulfill this role, the office conducts audits from a third-party perspective.

The audit office also constantly gathers product recall and defect information on other companies. It examines this information and promotes necessary information development and preventive activities.

Quality Management System

The NSK Group has obtained ISO 9001 and IATF 16949 certifications, the international standards for quality management systems, at its development, design, and manufacturing facilities. In addition, the effectiveness of our quality management system is verified through periodic third-party and internal audits, and when problems are found, appropriate corrective measures are taken to continually improve the level of our efforts.

Certification for Quality, Environmental, and Occupational Health and Safety Management Systems

Response to Product Defects

NSK provides customers with technical information and handling instructions to ensure the safe use of its products. We do our best to ensure quality, but in the unlikely event of a product or service defect, we will promptly inform the customer of the information, and all relevant departments will work together to take prompt and appropriate action to prevent the problem from spreading. We will also investigate the cause of the problem and prevent its recurrence.

NSK's Approach | System | Targets and Performance | Initiatives

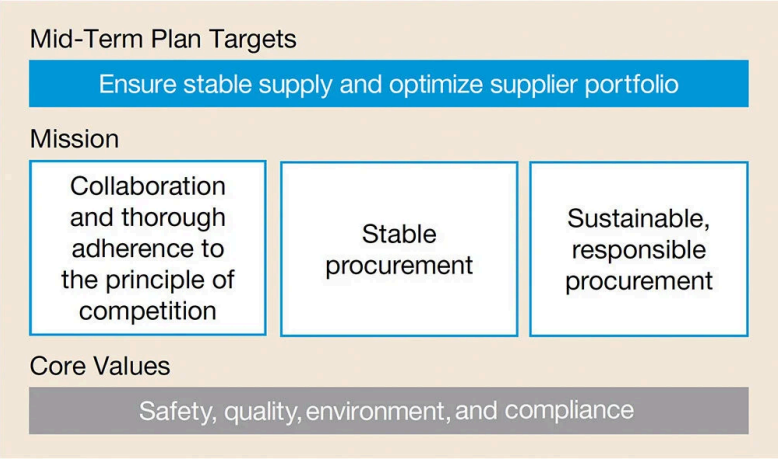
NSK's Approach

NSK considers suppliers to be indispensable business partners for NSK and aims for mutual development while building relationships of trust. Based on our basic philosophy of conducting fair and impartial procurement activities that are considerate of impacts on both society and the environment, we are engaged in efforts throughout our entire supply chain to help create a sustainable society.

Mission of NSK's Procurement Division

NSK's procurement division strives to improve earnings and cost competitiveness by ensuring stable procurement and optimizing quality, cost, and delivery time through fair, transparent transactions with suppliers. In our relationships with suppliers, we practice sustainable, responsible procurement by ensuring compliance and focusing on CSR procurement. We also share our Green Procurement Standards and Supplier CSR Guidelines with suppliers in order to foster CSR activities throughout the supply chain.

– Mid-Term Management Plan 2026: Procurement Division Headquarters



Policy

– NSK Group Basic Policy for Procurement

1. **Economic Rationality**
   Applicable companies shall conduct transactions whose quality and service are economically rational.

2. **Fairness and Impartiality**
   Applicable companies shall conduct transactions in a fair and impartial manner regardless of region, company size, or whether the counterparty is a new or existing business partner.

3. **Observance of All Laws**
   Ⅰ Applicable companies shall strictly follow the procurement laws and regulations of each country, and possess awareness of their important societal role.
   Ⅱ Applicable companies shall conduct training and education programs to ensure strict observance of procurement laws and regulations.

4. **Respect for Moral Standards**
   Ⅰ Applicable companies shall adhere to strict moral standards.
   - Transactions with counterparties and/or potential counterparties shall not be entered into if there are personal interests involved.
   - Transactions with counterparties and/or potential counterparties shall not be entered into for the purpose of personal gains.
   - Companies shall not compel counterparties and/or potential counterparties to make donations, etc.

   Ⅱ Applicable companies, when entering into transactions with small and medium-sized enterprises, shall strive to build a strong, cooperative partnership and maintain a stable supply.

5. **Environmental Preservation, Resource Conservation (Green Procurement)**
   Applicable companies shall promote environment protection by procuring environmentally-conscious products from counterparties that make positive efforts toward environmental preservation.

6. **Employee Training and Education**
   Applicable companies shall provide procurement training and education to employees.

NSK Supplier CSR Guidelines

NSK distributes the NSK Supplier CSR Guidelines to approximately 1,700 main global suppliers, requesting compliance initiatives such as adherence to competition and antibribery laws, human rights and labor initiatives such as the prohibition of child labor and forced labor and occupational health and safety, environmental initiatives such as reductions in CO_2 emissions, and community initiatives such as avoiding the use of conflict minerals.

NSK Supplier CSR Guidelines

– NSK Supplier CSR Guidelines Key Items

- Compliance
- Human rights/labor
- Environment
- Contribution to local communities
- Risk mitigation
- Information disclosure

NSK Group Green Procurement Standards

The NSK Group has established standards for green procurement throughout the supply chain, starting at the beginning with parts and materials, and works together with suppliers on this issue. The standards address efforts to fight climate change, promote resource conservation and recycling, manage environmentally harmful substances, and other important matters.

NSK Group Green Procurement Standards

– NSK Group Green Procurement Standards Key Items

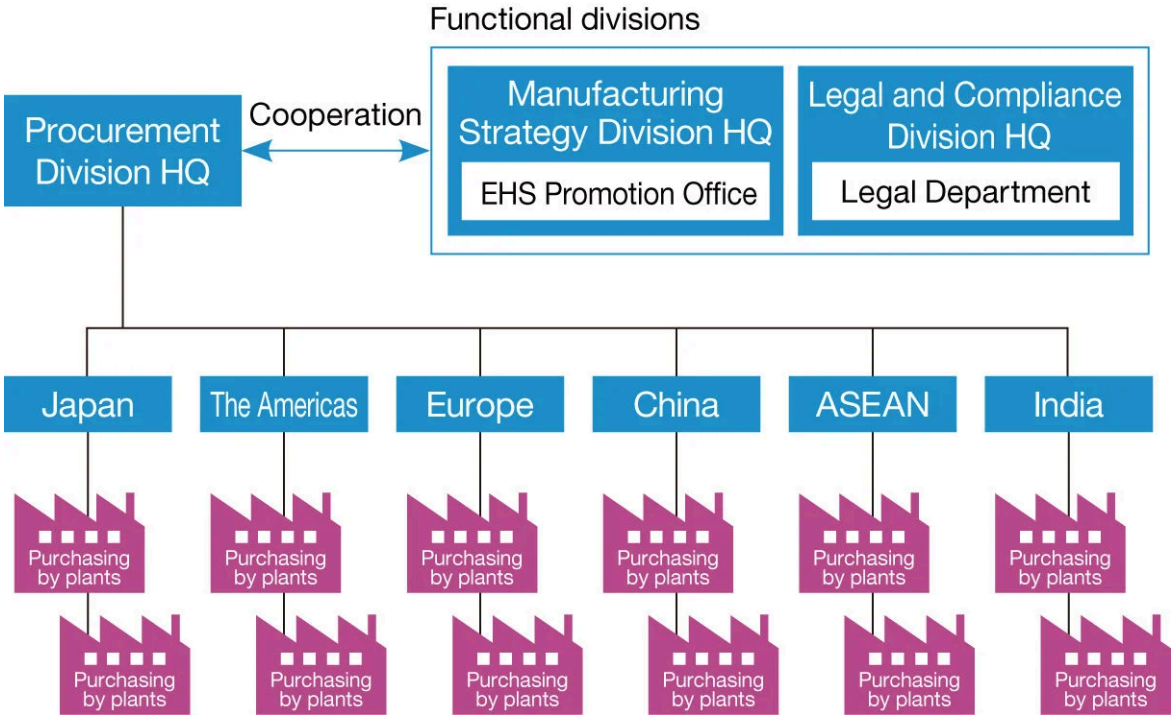
- Policies addressing environmental preservation
- Compliance with environmental laws
- Requirements for the development of an environmental management system (EMS)
- Requirements for the development of an environmentally harmful substance control system
- Requirements for environmental protection activities
- Audit and investigation of environmentally harmful substances

System

Global Supply Chain Management Promotion System

The Procurement Division Headquarters is tasked with ensuring that the NSK Group fulfills its social responsibility throughout the entire supply chain. Directed by an operating executive, it plays a central role in building systems to promote supply chain management, working in collaboration with relevant functional divisions, procurement and administrative divisions within the NSK Group. Procurement policies and progress on CSR procurement and other related measures are reviewed at the biannual Global Procurement Conference, which brings together those responsible for procurement from each region of the world.

Global Supply Chain Management Promotion System



Targets and Performance

Mid-Term Management Plan 2026 (MTP2026) Targets, with Targets and Performance for Each Fiscal Year

Policy		Rebuild the foundation for procurement reform using a global overall optimization perspective instead of pursuing only individual optimization	
MTP2026	Targets	• Strengthen BCP readiness	• Environmentally friendly procurement
FY2024	Targets	• Strengthen response capabilities by carrying out ongoing BCP inspections. Do follow-up inspections on 20 companies.	• Continue to implement Supplier CSR guidelines compliance surveys
	Performance	• BCP inspections: Did follow-up inspections on 20 companies	• Continued to implement Supplier CSR guidelines compliance surveys
FY2025	Targets	• Strengthen response capabilities by carrying out ongoing BCP inspections. Do follow-up inspections on 20 companies.	• Provide feedback on Supplier CSR Guidelines compliance surveys

Initiatives

Regional Distribution of the NSK Group's Supply Chain

The NSK Group collaborates with approximately 1,200 direct material suppliers globally (adjusted for overlaps between regions.)

– Ratio of NSK Group Suppliers by Region (Number of Suppliers)



Note: After adjusting for overlap between regions

Stable Procurement Based on Relationships of Trust

– Sharing NSK's Value Creation with Suppliers

Every year, the NSK Group holds procurement policy briefings to communicate to major suppliers on information about heightened social demands, such as human rights, labor practices, and climate change countermeasures. We also explain initiatives that NSK expects suppliers to take, such as improving occupational safety and reducing CO_2 emissions, while calling for coordinated efforts across the entire supply chain. In May 2025, 79 companies participated in procurement policy briefings.



Procurement policy briefing

Initiatives to Enhance Supplier Quality

– Promoting Fair Trade

In 2017, the NSK Group created an internal manual to address various fair trade trends in government and industry, such as laws and regulations like Japan's Act Against Delay in Payment of Fees, etc. to Small and Medium-sized Enterprises, and industry agreements like the Voluntary Action Plan of the Japan Automobile Manufacturers Association, Inc. and Japan Auto Parts Industries Association. The manual is designed for employees involved in procurement, and it covers key issues and warns against specific types of conduct that are likely to be viewed with suspicion. We disseminated the manual and continue to work hard to promote fair trade.

– Compliance Hotline

The NSK Group has established the compliance hotline (whistleblowing system) to enable anyone to anonymously convey their criticisms, opinions, and concerns. This helps to ensure any issues will be identified at an early stage so corrective measures can be taken. In Japan, for example, the hotline has two points of contact: one is the Head of the Legal and Compliance Division Headquarters and the other is an outside attorney. We are careful to ensure that not only internal whistleblowers but also suppliers can use the hotline safely and securely and face no repercussions as a result. We have distributed leaflets to make the compliance hotline more widely known.

Identifying and Managing Risks in the Supply Chain

– Supplier Risk Management

The NSK Group confirms that all suppliers understand the NSK Supplier CSR Guidelines and NSK Group Green Procurement Standards and agree to adhere to the relevant items therein. We have also incorporated clauses on environmental, social, and governance (ESG) performance into basic transaction agreements to further strengthen risk management. We determine the risk that each supplier in NSK's supply chain presents by taking into account the procurement cost and volume, the importance of the procured parts, the availability of replacements, the risk of the presence of environmentally harmful substances and conflict minerals, the risk of damage from earthquakes, wind or flood, and industry- and region-specific risks.

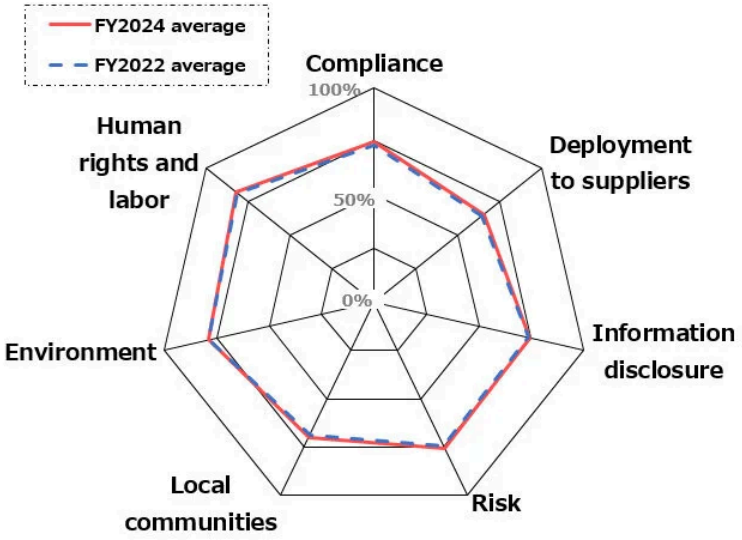
Suppliers estimated to present a high level of risk are placed under critical control, and we assess supplier risk by checking their financial condition, requiring them to conduct CSR self-assessments, and other methods. The necessary measures to reduce risk are then implemented in close collaboration between those suppliers and the relevant departments at NSK, such as design and production. We also conduct a careful study of risk before starting business with new suppliers. We confirm that the supplier meets certain requirements with study items that evaluate management structure, legal violations including violations of environmental and labor laws, and practices related to quality control and environmental management.

Evaluation items for supplier selection

- Management / financial soundness
- Initiatives for QCD (quality, cost and delivery [stable supply capacity])
- Technological and development capabilities
- CSR initiatives (initiatives for environment, occupational safety, disaster preparedness, conflict minerals, etc.)

Supplier CSR Self-Assessment

The NSK Group asks its suppliers to perform CSR self-assessments and monitors the condition of their operations (every two years). We then report the results of our evaluation of their activities back to the suppliers. We have originally created a sheet for CSR self-assessments, referring to the guidelines of industry groups, such as the Japan Auto Parts Industries Association, and external institutions' standards, such as the RBA Code of Conduct, while also considering customer demands, NSK recognized-issues and other factors. In Japan, we conducted self-assessments in FY2024 and requested responses from approximately 450 suppliers, receiving responses from about 90% of them. We provided feedback on the survey results to each company and requested that they take measures to address identified issues, such as strengthening preventive measures against occupational accidents and improving the level of green procurement. We also regularly conduct monitoring through self-assessments at each site for suppliers outside Japan. Requirements regarding human rights and the environment are becoming stricter in each region, and we will work with our suppliers to improve the level of compliance.



Respecting Human Rights

Enhancement of Supply Chain BCP Effectiveness (Japan)

The NSK Group has built a system for quickly identifying the scale of damage and problems at suppliers in the event of a disaster. The system also facilitates a precisely targeted response with the cooperation of suppliers. Drills are conducted regularly to ensure sites properly utilize the Supplier Safety Confirmation System, which is used for emergency contact. We have also asked major suppliers to create their own Business Continuity Plans (BCP) and verified their progress in order to strengthen risk management throughout the supply chain.

Developing Human Resources

For sustainable and responsible procurement, it is essential that each employee involved in procurement understands and properly performs their role in CSR procurement, while complying with relevant laws and regulations. The NSK Group regularly implements compliance and other related education for employees engaged in procurement activities at each site.

NSK's Approach

Policy

We believe each of our employees is a priceless asset and have clearly stated in the NSK Group Management Principles that our aim is to "provide challenges and opportunities to our employees, utilizing their skills and encouraging their creativity and individuality."

Strategy

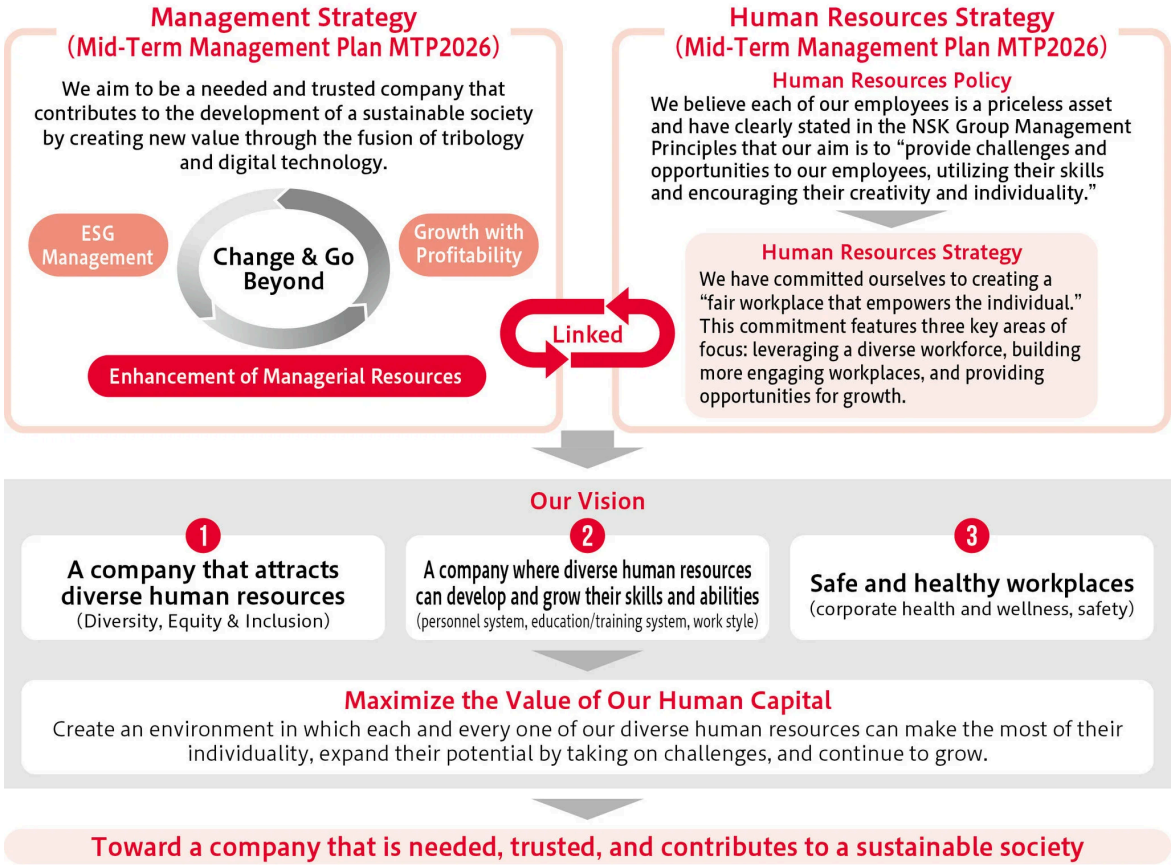
We have committed ourselves to creating a "fair workplace that empowers the individual." This commitment features three key areas of focus: leveraging a diverse workforce, building more engaging workplaces, and providing opportunities for growth.



Maximizing the Value of Our Human Capital

The NSK Group's MTP2026 tackles three key management issues: "growth with profitability," "enhancement of managerial resources," and "ESG management." In doing so, we seek to realize our corporate philosophy while simultaneously helping to address societal challenges and achieve sustainable growth. As technology and society continue to evolve, we will broaden the perspective of our initiatives and continue to "Change & Go Beyond" to achieve our ambitious goals, with the aim of being a company that is needed, trusted, and relied upon by society. As the business environment in which we operate undergoes significant changes, it is important that we bring together the knowledge, experience, and perspectives of a diverse pool of human resources that can inspire each other in order to energize the organization and enable each member to "Change & Go Beyond." This will in turn ensure that employees will continue to find fulfillment in their work and generate results as a team. In order to maximize the value of our human capital based on our human resources strategy, which is linked with our management strategy, we have set three goals. Namely, we aim to enable every member of our diverse workforce to make the most of their individuality, continue to expand their potential, and achieve personal growth.

NSK's Goal for Human Capital Management



For more information about NSK's goal for human capital management, click here.

NSK Report 2025 "Human Capital"

Initiatives

Diversity, Equity & Inclusion

We offer training programs for women in the workforce (career advancement junior training) to support women's career advancement—one of our key management challenges. In doing so, we aim to increase the number of women in managerial positions and future managerial candidates. We also included this target in the action plan we formulated in accordance with Japan's Act on Promotion of Women's Participation and Advancement in the Workplace.

To transform employees' understanding of Diversity & Inclusion (D&I) into "empathy" that will translate into everyday action, we have continued to share the views and experiences of the company's executives and managers in the form of Q&A-style "what diversity means to you" interviews, which are published throughout the company.

In a similar vein, we have sought to assist employees from various backgrounds in playing an active role by providing systems that help them balance work with child and family care, and in most cases these systems go beyond the legal mandated minimums. For example, we provide training programs specifically designed for those taking childcare leave so that this period does not leave a gap in their careers, but instead serves as an opportunity for them to prepare to advance their careers while caring for their children. Similarly, we organize support seminars on different family care–related topics that go beyond the basics to assist employees in their struggles with balancing care for family members with their work. In fact, we release videos of the seminars that can be viewed by both employees and their families.

We also engage in Diversity & Inclusion activities targeting non-Japanese employees and LGBTQ+ in an effort to promote a better understanding of and empathy with hidden forms of diversity. In 2025, we received the Gold award for the fifth consecutive year under the PRIDE Index in recognition of our various activities to empower the LGBTQ+ community.

Diversity



Diversity message series: transforming awareness of D&I from "understanding" into "empathy"



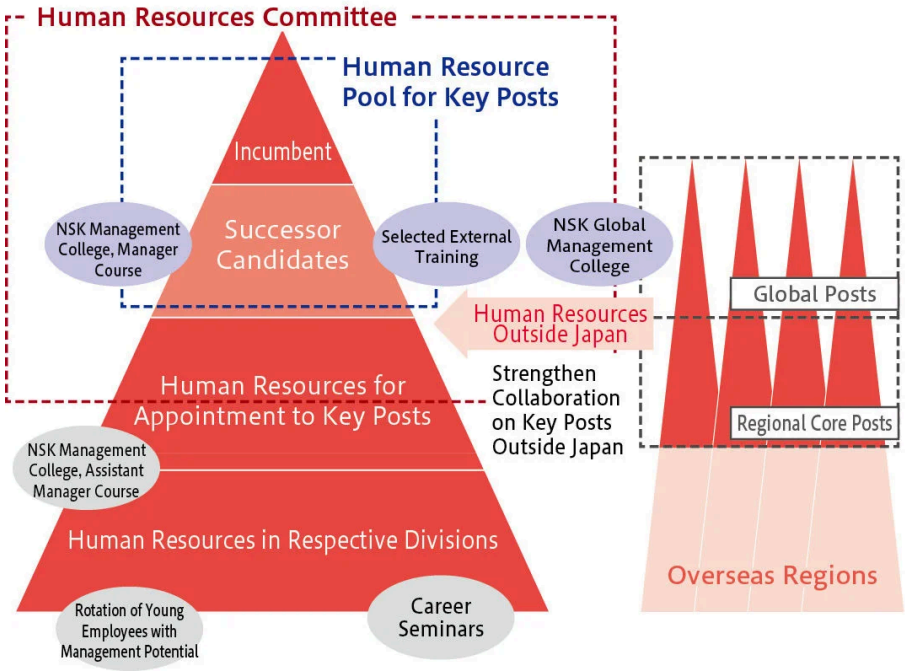
Flyer for a support seminar video on the topic of balancing work and family care

work with Pride
Gold
2025

Developing Future Management Candidates

In Japan, we took the step of designing a career development program that consistently produces a strong talent pool of future management candidates. The program itself begins with job rotations intended to nurture young employees as an early-career development measure and includes the NSK Management College, which we administer to provide training to select individuals at the assistant manager and manager levels. Similarly, we conduct region-specific training programs for human resources outside of Japan. In addition, we run a global management college that is primarily intended for successors for those in global posts as a global initiative.
Regarding appointments to key management positions, the Human Resources Committee serves as the top-level body that approves succession plans for management personnel and human resources investment plans. To expand the management successor talent pool, we hold regular discussions between each business division and functional division, and implement cross-business and cross-divisional rotations and promotions for selected employees (stretch assignments). Similarly, we hold successor planning meetings on a regular basis for global posts and regional core posts in Europe, the Americas, and China. We are committed to globally coordinated succession management that accepts all ages, genders, and nationalities in an effort that begins by clearly defining the key posts (talent profiles).

Goals for Development of Management Candidates



Development of Digital (DX) Talent

Amid rapid changes in the business environment, NSK defines digital transformation (DX) as a corporate transformation that goes beyond simply introducing digital and IT tools, but instead reshapes the Company's business approach at a fundamental level. In this regard, we are pursuing DX with a view to transforming our business portfolio and profit structure. It is therefore essential to develop digital talent who can play a central role in promoting DX, and the Digital Transformation Division Headquarters, created in April 2022, is taking the lead in rolling out a company-wide digital talent development program. We are in the process of deploying a training program that fosters a digitally-oriented mindset, with the aim of delivering training to 5,000 employees. To date, approximately 4,200 employees have taken part in the course. Approximately 1,200 employees have also completed the intermediate program.

In addition, as part of this digital talent development, we are deploying company-wide training programs to help employees acquire practical digital skills. This includes training on using IoT in production, learning Python and other programming languages, learning basic data analysis, using collaboration tools, and using citizen development and self-service BI applications.

Human Resource Programs and Career Development: Providing Opportunities for Growth

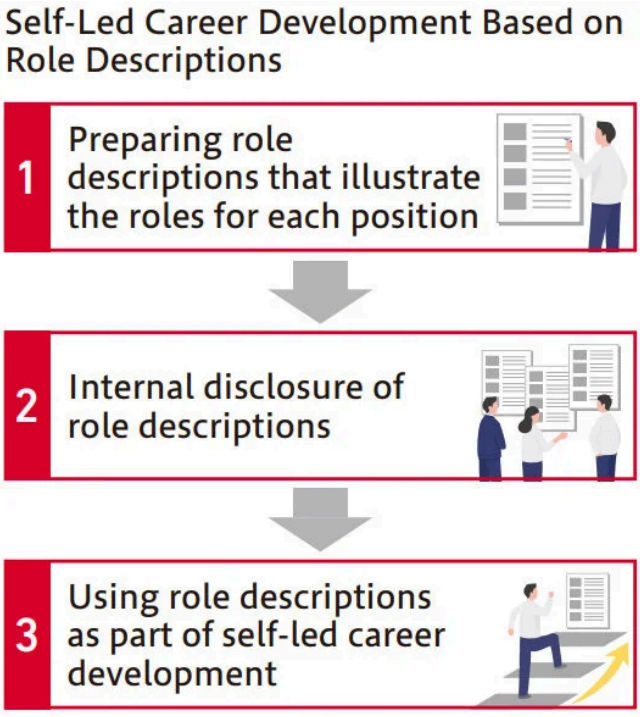


Encouraging Self-Driven Career Development

The way people approach their careers is diversifying, with a greater desire for a self-led career path. The correlation between personal growth, self-realization, and corporate growth is becoming stronger, and the relationship between employees and companies is becoming more equal, with employees having a greater say in how they shape their careers. In response to these changes, our first move has been to introduce a role-based personnel system for managerial positions. Role-based personnel systems clearly define the roles and responsibilities of each employee, and expect individuals to take the initiative on attempting to achieve lofty, future-oriented goals.

By clarifying individual positions in the form of role descriptions and clearly defining the talent requirements for each position, we aim to enable employees to envision and map out their own career path and encourage them to take self-directed steps toward personal growth. Clearly defining the necessary talent requirements has also made it easier to hire mid-career professionals as well as promote talent from within the company to positions where they can maximize their skills and experience.

In FY2025, we will publish all role descriptions internally to establish a system that enables employees to actively shape their own careers and choose from among various options, rather than at the request of the company.



Corporate Health and Wellness as the Foundation for Our Human Capital

The physical and mental health of our employees underpins all our business activities. Under its CEO, who is also the officer responsible for health management, NSK is promoting activities to maintain and improve employee health. By using a Health and Wellness Management Strategy Map to visualize KPIs for the effectiveness of our health and wellness initiatives and how they are linked to NSK's management goals, we will work to further increase the effectiveness of our programs. We believe that a healthy, safe, and secure workplace creates an atmosphere conducive to open communication, which in turn produces a positive and vibrant working environment.

NSK has been named a "White 500" organization under the Outstanding Organizations of KENKO Investment for Health Program in Japan.

In FY2025, NSK renewed the core elements of its health and wellness management framework, including the NSK Health and Wellness Declaration, the NSK Basic Policy on Health and Wellness, and the Health and Wellness Management Strategy Map. Under the three themes of "Body," "Mind," and "Lifestyle," NSK manages KPIs from a prevention and mitigation perspective to enhance the quality and outcomes of its initiatives.

In specific efforts, we further strengthened support for medical treatment when employees are injured or ill and established a program for recovery from injury or illness that supports employees who are balancing work with medical treatment. Furthermore, to promote health and wellness the NSK way, we have implemented initiatives including events to improve dietary habits such as reducing salt intake, the NSK Walking Festival—which combines the development of exercise habits with the stimulation of workplace communication—and a smoking-cessation challenge in which participants pair up with a non-smoker buddy for encouragement. These efforts are designed to promote not only health and wellness but also workplace communication, by employing formats that enable employees to enjoy themselves while improving their health at the same time.

Safe and Healthy Workplaces and Work-Style Reforms

2026
健康経営優良法人
KENKO Investment for Health
大規模法人部門
ホワイト500



Manual for Using Available Programs When Returning to Work Following Medical Leave



Event Themed on Reducing Salt at Plant Cafeterias

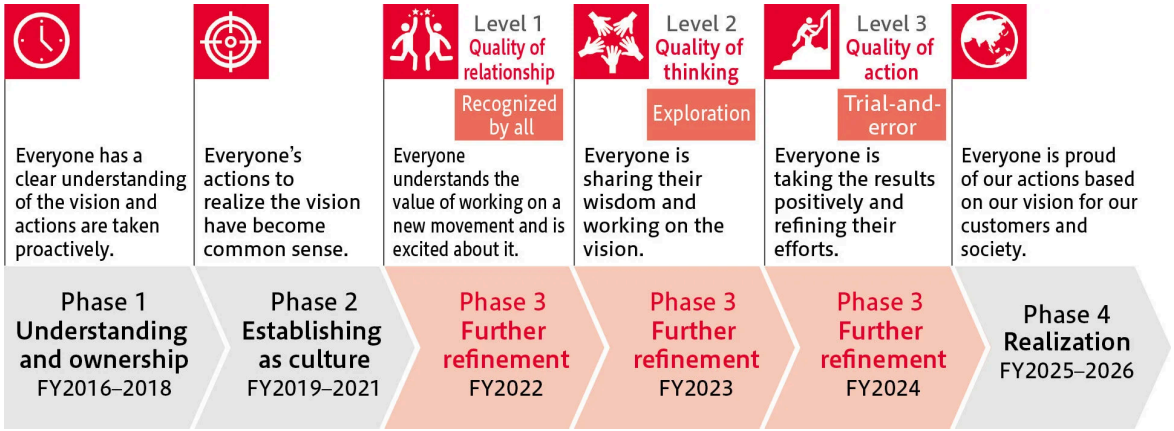


Exercise Event Where Teams Compete Over Step Counts During the Event Period

From Promotion to Achievement of Vision 2026

Since FY2016, we have engaged in a range of initiatives toward our goal of setting the future in motion under NSK Vision 2026, both in Japan and abroad. As the backbone that supports all of NSK's human capital, these initiatives aim to foster a corporate culture in which active dialogue and psychological safety within the workplace serve as the foundation for encouraging employees to bring their personal vision and sense of purpose to fruition, leading to actions that will set the future in motion for both NSK and society.

Initiatives have included publishing "how-to" guides filled with tips on setting the future in motion in day-to-day work, such as hints and best practices from initiatives so far, including the workplace action learning programs held in each department and the Vision Café dialogue activities held in each plant. We also hold a Global Vision Meeting, in which we share and discuss initiatives to promote the NSK Vision 2026 in each region worldwide. Thanks to these ongoing activities, we are making steady progress toward the understanding, ownership, and action it will take to achieve Vision 2026.



Maximizing the Value of Human Capital Through Greater Engagement

In order to enhance employee engagement, well-being, happiness, and ultimately the NSK Group's human capital, we believe it is important to conduct regular employee engagement surveys and use the findings to make ongoing improvements. Since FY2018, we have conducted biennial employee engagement surveys in all of the NSK Group's global regions, and from FY2024, we began conducting a single, common survey annually across the entire NSK Group. The survey measures a range of factors that influence employee engagement, from understanding of the company's strategy and goals and awareness of how these are linked to employees' own duties, to sense of accomplishment in employees' current roles, opportunities for personal growth, and more. To track the progress of our three goals for human capital management, we have established KPIs and targets for all our initiatives, including measures to address issues identified from the survey results.

We believe that our aim of maximizing the value of our human capital can be achieved by accumulating the results of each of these initiatives, and we have positioned the employee engagement score obtained from this survey as a composite measure of our performance.

Overview of Employee Engagement Survey

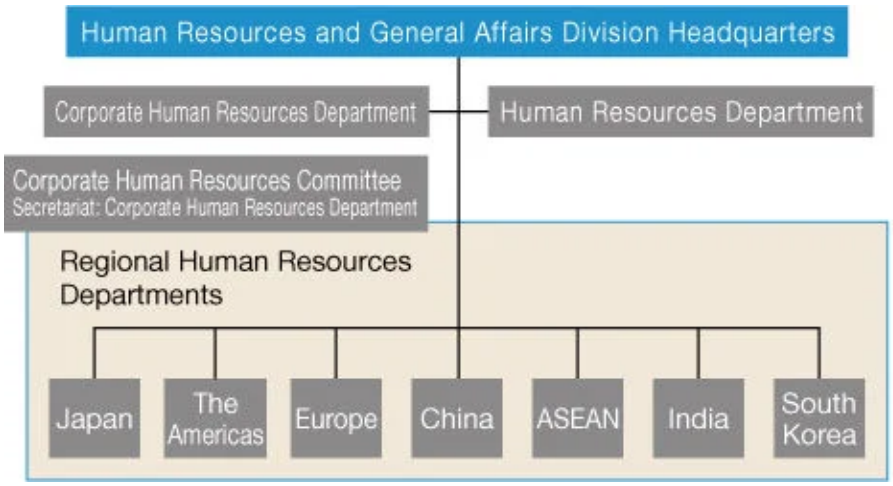
Objectives	To identify employee engagement levels on a regular basis, clarify areas of strength/challenges, and use this feedback to drive action that will improve engagement, well-being, happiness, and ultimately enhance the NSK Group's value of human capital.
Number of Respondents	83% of NSK Group employees (out of approx. 32,000 employees in total) in Japan and other countries
Survey Overview	77 multiple choice/written response questions related to employee engagement and the components that influence it, including vision and philosophy, strategy, growth opportunities, empowerment, well-being, diversity, compliance, and other categories.
Methodology	Anonymous online/paper survey
FY2024 Results	Engagement Score (global average): 72 (FY2026 Target: 70)

System

Global Human Resources

The Human Resources and General Affairs Division Headquarters collaborates closely with regional HR departments worldwide on a variety of efforts, all guided by the commitment described above. At the regular Global Human Resources Committee meetings, HR managers from each region meet to report on their regional and national initiatives, share the local challenges they face, and discuss measures to further improve talent management.

– Structure of the Human Resources and Geneal Affairs Division Headquarters



Targets and Performance

Maximizing the Value of Our Human Capital: MTP2026 Key Metrics and Targets

We have laid out KPIs and FY2026 targets for each of our initiatives intended to achieve our three goals for human capital management. We believe that our aim of maximizing the value of our human capital can be achieved by accumulating the results of each of these initiatives, and we have positioned the global employee engagement score obtained from this survey as a composite measure of our performance.
Here, we would like to introduce several initiatives from the larger scope that are particularly strongly correlated to our three goals for human capital management.

A company that attracts diverse human resources

Key Issues and Initiatives	Key Metrics	Scope[*1]	FY2024 Results	FY2026 Target
Promoting Diversity, Equity & Inclusion (creating an organization and culture that is inclusive of diverse human resources/values)	Employee diversity ratio (gender,mid-career hires, nationality)[*2*3]	Japan	29%	35%

A company where diverse human resources can develop and grow their skills and abilities

Key Issues and Initiatives	Key Metrics	Scope[*1]	FY2024 Results	FY2026 Target
Support for balancing work and personal life (e.g., childcare, nursing care, medical treatment)	Percentage of male employees taking childcare leave[*3*4]	Japan	89.2%	Maintain at 70% or higher (FY2024)
Introduction/operation of new personnel system	Introduction/ operation of role-based personnel system (managerial level)	Japan	Fully implemented the new system (introduced for overseas assignments in FY2025)	Promote understanding of system and improve operations
Promoting succession planning	Localization rate for key global posts	Global	72%	Maintain at 70% or higher
Developing digital human resources	Number of participants in basic digital talent development program[*5]	Japan	Approx. 4,200	• Deploy and instill Company-wide • Develop specialists through practical training
	Number of participants in intermediate digital talent development program[*5]		Approx. 1,200	

Safe and healthy workplaces

Key Issues and Initiatives	Key Metrics	Scope*1	FY2024 Results	FY2026 Target
Corporate health and wellness	Certification as Outstanding Health & Productivity Management Organization (White 500)*3	Japan	Certification (Outstanding Health & Productivity Management Organization)	Maintain certification
Fostering a "look across" culture of mutual safety awareness	Lost-time injury frequency rate*6	Global	0.15	0.10

Maximize the value of our human capital

Global engagement score(target) 70

*1 Includes some Group companies unless otherwise indicated.
*2 Diversity is emphasized at the decision-making level. The ratio is the percentage of diversity at the management and staff levels (equivalent to career-track positions).
*3 Scope: NSK Ltd.
*4 Calculated based on the Company's standard (leave taken within one year from the date of birth).
*5 Total number of participants for each program in FY2022 and FY2024.
*6 Figures include the steering business.

Promoting Greater Diversity and Inclusion

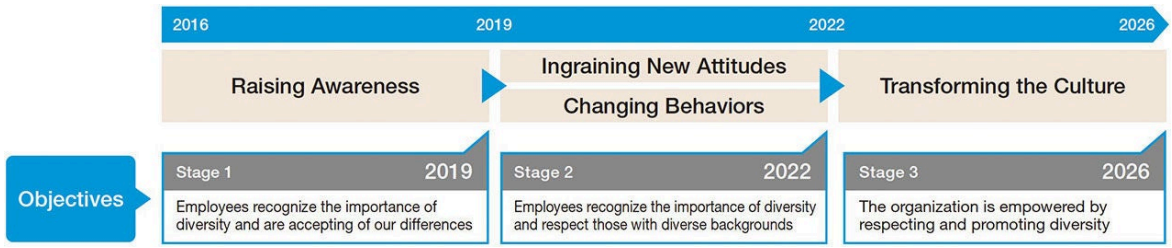
The NSK Group believes that employing people from diverse backgrounds—in gender, age, nationality, culture, lifestyle and values—will foster a work environment full of new perspectives and ways of thinking. This, in turn, will strengthen our competitiveness and capacity to avoid risks. Accordingly, we are working to build a corporate culture that embraces diversity and is inclusive of all people and the values they hold.

Diversity and Inclusion Roadmap

The NSK Group is working to promote diversity and inclusion in a three-phase initiative lasting from 2016 to 2026.

We are taking ongoing steps to promote women's career development, which is an important management objective. At the same time, we will expand our initiatives in other areas, working also to empower non-Japanese employees and all those who identify as LGBTQ+. In this way, we are determined to advance diversity and inclusion from a broad perspective.

We also recognize that encouraging diverse employees to play an active role requires that we make progress in creating more flexible work arrangements. This is why we are moving forward with work-style reform in tandem with diversity and inclusion, recognizing that they are critical to one another. In this way, we will work to achieve a shift both mindset and behavior.



- Priority 1: Promote a better understanding of diversity and inclusion
- Priority 2: Promote career advancement for women
- Priority 3: Promote career advancement for non-Japanese employees
- Priority 4: Support work-life balance (parenting, caregiving, medical or infertility treatment; Facilitating Work-Life Balance)
- Priority 5: Promoting Safe, Secure, and Comfortable Workplaces

Diversity Promotion System

NSK established a Diversity Development Team in 2006, which worked to create workplace environments that promote a balance between work and personal life for all employees. In 2016, the team was reorganized as the Diversity Promotion Office, strengthening the organizational framework for advancing diversity and inclusion.

With a mission to “support increase employee engagement in the workplace and corporate culture by helping each person to make the most of their abilities and individuality,” the office is developing measures with a focus on five priority areas to accelerate diversity promotion activities at NSK.

Promoting a Better Understanding of Diversity and Inclusion

The NSK Group is undertaking the following initiatives to become an organization in which every employee understands the need for diversity and inclusion, and respects and accepts diverse workplace members and their values.

《Main Initiatives》

- Communicating commitment from senior management (diversity training for executives, and sharing diversity messages from the president and other executives)
- Diversity seminars and training
- Diversity lectures
- Unconscious bias training
- Information sharing on internal diversity portal site and social media
- Training on LGBTQ+ issues

Promoting Career Advancement for Women

At NSK, promoting greater career opportunities for women is a management priority. By empowering more women to demonstrate their full abilities and play an active role, the aim is to further advance diversity and inclusion and strengthen the competitiveness of the company. For this reason, we are increasing the percentage of new hires who are women, while striving to create an environment where work and family can be balanced, supporting career development for women, and providing the opportunity to be active in a wide range of roles. We are also implementing initiatives to promote the active participation of women Group-wide. The aim is not only to expand the number of women in various roles, but also to increase the diversity of background and values among our managers.

Action Plan in Response to the Women's Advancement Act (in Japanese only)

With Japan's Act on Promotion of Women's Participation and Advancement in the Workplace now in effect, NSK investigated its current situation for the active participation of women, and analyzed the issues. We have created an action plan based on the results.

《Main Initiatives in Japan》

- Career advancement training for women (assistant manager/assistant manager candidate level)
- Internal talks by women in role model positions
- Facilitating interviews between junior women and senior women who can mentor them in their careers
- Workshops for women in the sales divisions: improvement activities and skill training, etc.
- Workshops for women in the technology division: social contribution activity (*Riko-challe**)

* *Riko-challe*: An initiative led by the Gender Equality Bureau of Japan's Cabinet Office, the Ministry of Education, Culture, Sports, Science and Technology, and the Japan Business Federation, to support career choices for female students who are interested in STEM fields



Career advancement training



Social contribution activity (*Riko-challe**)

《Main Initiatives Outside Japan》

- Diversity event held at the European Management Conference
- NSK Americas Women's Development Program



Diversity Event, held as part of the European Management Conference



Participants in NSK Americas Women's Development Program

Leveraging Global Talent

To grow as a corporate enterprise with a global reach, the NSK Group continually hires and trains outstanding human resources to support its operations worldwide, always striving to assign the right person to the right job. Key management positions in NSK's global business operations have been identified as "global posts." In consultation with the senior management and human resources departments in each global region, we determine the leadership competencies required for these positions. With these competencies as core requirements, we devise successor plans and systematically evaluate, promote, and compensate our global talent. This program includes the potential for transfers between different regions of NSK's business. We also provide a variety of human resource development programs for current and future leaders, and we strive to fill at least 70% of the global posts with local talent. Meanwhile, we are working to develop organizational infrastructure to ensure that we make the most of our global talent across national and regional boundaries, including establishing Group-wide guidelines designed to facilitate international personnel transfers.

Career Advancement for Non-Japanese Employees in Japan

As an important part of our Mid-Term Management Plan, we are working to foster an environment that allows non-Japanese employees to take an active role in advancing their own careers.
Specifically, we are working to develop career paths, create workplaces where non-Japanese members can perform of the best of their ability, and fostering mutual understanding and an inclusive organizational culture.

《Main Initiatives》

- Cross-cultural exchange and creation of a multinational employee community
- Cross-cultural communication training
- Creation and distribution of a guidebook for non-Japanese employees living in Japan
- Foreign language training support (Japanese, English), provision of language support tools
- Bilingual preparation of internal information
- In-house lectures and sharing information to create a more inclusive corporate culture



NSK's tea ceremony club hosts an event introducing employees of all nationalities to Japanese culture

Supporting Hidden Diversity: LGBTQ+ (SOGI)

NSK has clarified the following principles regarding LGBTQ+ (lesbian, gay, bisexual, transgender, queer and other) employees, and awareness of sexual orientation and gender identity (SOGI).
(1) We will eliminate discrimination based on gender identity or sexual orientation, while protecting the basic human rights of LGBTQ+ employees.
(2) We will increase the number of allies who understand SOGI and support LGBTQ+ employees.
(3) We will create workplaces and a corporate culture that allows everyone to play an active role regardless of their gender identity or sexual orientation.

Based on the principles, NSK has been promoting initiatives. In recognition of its activities, NSK has received the Gold PRIDE Index for five consecutive years.

work with Pride
Gold 2025

*About the PRIDE Index

This is an indicator for evaluating the efforts of companies and other organizations toward LGBTQ. The five categories are Policy, Representation, Inspiration, Development, and Engagement/Empowerment. The awards are given in three overall levels: Gold, Silver, and Bronze.

《Main Initiatives》

- Enlightenment activities：Employee seminars, lectures, and e-learning sessions
- Guidelines for respecting transgender individuals
- Family benefits expanded to include same-sex partners.
- Establishment of LGBTQ+ consultation services
- Training for LGBTQ+ consultation providers
- LGBTQ+ Ally community activities
- Distribution of LGBTQ+ Ally stickers and pins
- LGBTQ+ events for children
- Installation of "all-gender" restrooms

Utilizing the Talent and Experience of Senior Employees (Japan)

NSK recognizes that the knowledge and skills of experienced senior employees are beneficial in growing its business. Our basic policy is to provide work opportunities to employees willing to continue at NSK after retirement. We have had a rehiring program in place since April 2001. NSK is committed to ensuring that its human resources system meets the needs of all employees. We will work to build environments in which the knowledge and expertise of veteran employees can be fully utilized to support the sustainable growth of our business activities.

Providing Work Opportunities to People with Disabilities (Japan)

At NSK, we believe it is our responsibility to provide suitable employment opportunities to individuals with disabilities. With four sites in Japan, special subsidiary NSK Friendly Service Co., Ltd. provides opportunities for people with intellectual disabilities to work and thrive in our organization. Going forward, some of these employees will also be assigned to other sites to further expand employment opportunities.




Employees of NSK Friendly Service at work

Health and Wellness

Promoting Health and Wellness

To realize our corporate philosophy and contribute to resolving social issues, while also achieving sustainable growth, we aim to “maximize the value of our human capital” based on a human resources approach aligned with our management strategy by focusing on three key areas.

One of these areas is creating “safe and healthy workplaces.” We believe that the physical and mental well-being of our employees and their family members is essential for a vibrant workplace. As such, we see investing in health as a key to raising corporate value.

To promote health and wellness, we have established at the executive level the NSK Health and Wellness Declaration and the NSK Basic Policy on Health and Wellness as the basis for our company-wide health management system. Our Health and Wellness Management Strategy Map clearly outlines the relationships between challenges, goals, and expected outcomes (such as improving presenteeism and absenteeism and maximizing engagement). We have also identified health issues and specific measures under the three pillars of health initiatives and are actively implementing these activities.

Top Message

NSK Health and Wellness Declaration: Promoting Health and Wellness the NSK Way

NSK believes that the health of our employees and their families is essential to realize our corporate philosophy and remain a company that is needed and trusted by society. We are committed to creating safe and healthy workplaces where diverse members can express their individuality, work with vitality, and achieve personal growth.

NSK Basic Policy on Health and Wellness

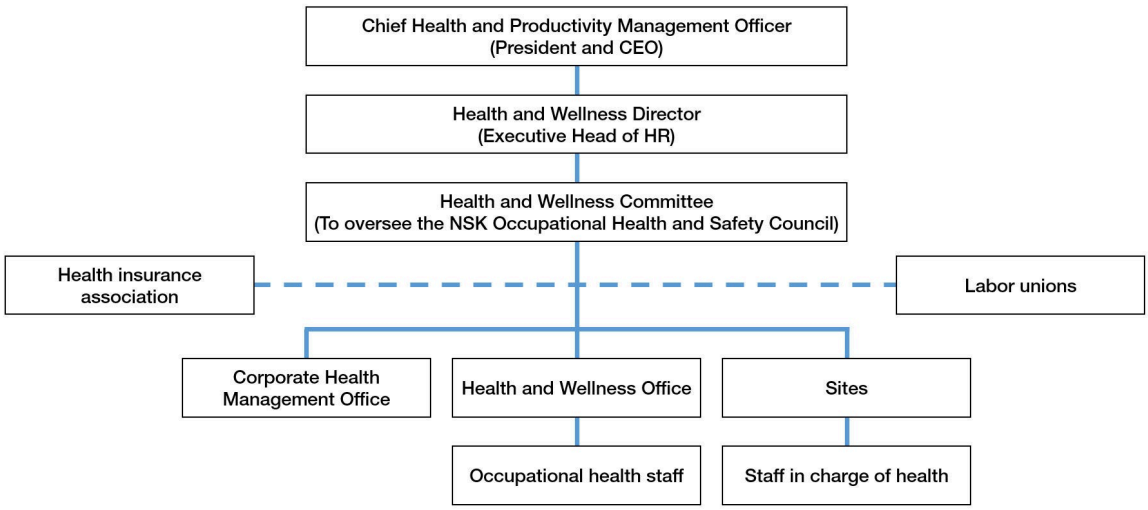
1. Management: We regard corporate health and wellness as a key investment and will strive to maximize the value of our human capital by aiming for employee well-being and sustainable corporate growth.
2. Employees: We will support employees in their self-directed efforts to manage and improve their health.
3. Environment: We will enhance both physical and psychological safety in our workplaces to create an environment where employees feel secure and able to perform to their full potential.



Akitoshi Ichii, President & CEO, NSK Ltd.

Corporate Health Management Structure (Japan)

NSK is committed to helping employees maintain and improve their health and wellness. Our collaborative approach involves the Corporate Health Management Office, the Health and Wellness Office, the HR & GA division at our headquarters and individual sites, occupational health staff, the health insurance association, and labor unions—all working together under the supervision of the president & CEO of NSK Ltd.
In April 2019, we established the Corporate Health Management Office within the HR & GA Division Headquarters to enhance our capacity to pursue health and wellness. We also built an organization that is more conducive to coordination. The resident occupational physicians at each site report to the Corporate Health Management Office, and nurses, including specialized public health nurses, also hold concurrent posts in the office. The Corporate Health Management Office regularly shares information and holds discussions with both the health insurance association, through periodic collaboration meetings, and the labor unions, through NSK Occupational Health and Safety Council, the Occupational Health and Safety Committee and other bodies, to ensure effective collaboration.
By holding regular meetings of occupational health staff and the Health and Wellness Committee—a function established to oversee the activities of the NSK Central Occupational Health and Safety Council—we will continue improving our ability to support the wellness of employees.



Health and Wellness Management Goals, KGI, and NSK Health and Wellness Management Strategy Map (Updated September 2025)

The goals of NSK health and wellness management are to help each employee maintain their energy and physical strength and enjoy a greater sense of fulfillment. Toward this end, we have established an Engagement in Health Index (EHI), which tracks employee engagement in their own health through engagement surveys and serves as a key goal indicator (KGI) for our health and wellness management initiatives.

In addition, we have created the NSK Health and Wellness Management Strategy Map in order to clarify the goals and effects of our health and wellness management activities and further strengthen our efforts in this area. The strategy map focuses on key NSK initiatives and approaches and references the Kenko Investment for Health program guidebook.

NSK Health and Wellness Management Strategy Map

Health Challenges and Three Pillars of NSK Initiatives

Based on analysis of employee health and lifestyle habits, we have identified health challenges and specific measures to address these under a framework of three pillars of NSK health initiatives: body, mind, and lifestyle. These pillars form the basis of our health and wellness activities, with specifics adjusted as needed to address individual situations. Each pillar also combines broadly implemented preventative measures with initiatives designed to prevent aggravation of certain conditions, which are focused primarily on high-risk individuals.

1. Body: Focus on prevention. Support employees to prevent aggravation of medical conditions.
2. Mind: Implement and promote mental wellness strategies to prevent the onset of mental health issues.
3. Lifestyle: Reduce smoking rate and promote non-smoking on premises.

Performance Indicators

ESG Data Book

Specific Health Initiatives (Japan)

– Physical Health : Preventing Illnesses and Supporting Those with Health Concerns to Prevent Serious Conditions

To enable all employees to work as energetically as possible, it is important to help prevent and detect illnesses at an early stage.
NSK collaborates with the NSK Health Insurance Association to maintain and improve the health of employees and their family members.

《Main initiatives》 (including those by the NSK Health Insurance Association)

- Regular health check-ups and encouraging follow-up examinations for those with health concerns
- Specific health examinations, specific health guidance, and metabolic syndrome prevention
- Health check-ups for employees in specific roles
- Various non-mandatory health screenings: stomach examinations, colorectal cancer screenings, breast cancer screenings, etc.
- Infectious disease prevention and subsidies for seasonal influenza vaccinations
- Locomotive syndrome prevention through mobility tests
- Health support using various mail-in test kits
- Various health consultations and guidance
- Consultation services for women's health issues
- Support for returning to work after leave
- Walking events
- Measures to prevent overwork
- Educational and awareness-raising activities
- Partnerships with sports clubs

Performance Indicators
ESG Data Book

– Mental Health : Reducing Mental Health Issues through Preventive Measures

Mental health is crucial for employees to experience personal growth and job satisfaction and is supported by a healthy workplace culture. NSK is fostering an environment where employees feel comfortable seeking help when troubled or experiencing difficulties.

《Main initiatives》 (including those by the NSK Health Insurance Association)

- Consultation services: Industrial physicians, health staff, HR personnel, and external counselors
- Employee Assistance Program: A program to support employees' mental well-being
- Stress checks and subsequent workplace briefings
- Awareness training for managers: Line care training
- Awareness training for employees: Self-care training
- Support for employees experiencing mental health issues
- Support for returning to work after leave
- Educational and awareness-raising activities

Performance Indicators
ESG Data Book

– Lifestyle : Prevention of Secondhand Smoke Exposure and Reduction of Employee Smoking Rate

Smoking is known to increase the risk of various diseases, including cancer. We are focusing on preventing secondhand smoke exposure and supporting employees who want to quit smoking.

《Main initiatives》 (including those by the NSK Health Insurance Association)

- Preventing secondhand smoke exposure: Moving smoking areas outdoors and consolidating smoking locations
- Promoting smoking cessation: Recommending quitting on certain days and limiting smoking times
- Offering smoking cessation programs
- Pairing up smokers and non-smokers to take on the challenge of smoking cessation

Performance Indicators
ESG Data Book

Promoting Health and Wellness the NSK Way

At NSK, we believe employees can build better lives when they strive proactively to improve their health and have opportunities to do that in a fun way. This is why, rather than simply disseminating information about health, we have introduced various mechanisms that promote internal communication and networking. We are also working to provide more opportunities for employees to collaborate with other organizations to gain more health awareness and knowledge, not just with our health management staff, hoping to broaden their interests. In addition, management, as the owner of company events, is always involved, and support teams work to keep activities lively and enjoyable.

Please follow the link below for information on some of our initiatives.

Promoting Health and Wellness the NSK Way

Promoting Safe, Secure, and Comfortable Workplaces

It is our conviction at the NSK Group that having safe workplaces and employees who enjoy and are actively engaged in both their work and personal lives will have a beneficial impact on our business. An improvement in employee productivity will lead to an improvement in their ability to produce quality work, which will ultimately foster a more fulfilling life both at work and at home. For this reason, we strive to better manage employee working hours, to encourage employees to take their annual paid leave, and to provide a variety of work-style options to fit their diverse lifestyles. At the same time, through work-style reforms, we are working to change employee mindsets and create more rewarding workplaces.

Managing Employee Working Hours and Promoting Paid Leave (Japan)

At NSK, we believe that helping employees stay focused and efficient on the job will allow them to enjoy greater productivity and produce higher quality work, without wasting time. For this reason, in addition to making flextime available to employees, we are striving to better manage working hours using objective records and to encourage employees to take their annual paid leave. In particular, labor and management have been calling on employees to use all of their annual paid leave. In addition, the head office and the sales and technology divisions offer remote work for another work-style option.

《Main Initiatives》

- Remote work system
- Flextime and discretionary labor system
- Objectively ascertaining hours worked using time clock and similar records, and proper work rules application
- Promoting time management based on labor-management collaboration
- Promoting full use of paid leave
- “No Overtime” days

And others

Programs to Re-energize Employees and Their Social Activities

Re-energized employees provide higher work productivity and efficiency. We also offer programs to support employee social activities, aiming to facilitate their growth as members of society.

《Main Initiatives》

- **Refresher leave**
  To provide opportunities for employee self-development and re-energizing, this program allows employees to take leave for up to five consecutive days every five years, beginning after they complete five years of service with the company.
- **Volunteer leave**
  To help employees contribute to society by being involved in volunteer work relating to their local communities and social welfare, this program allows employees to take up to 12 days of special paid leave per year. They must work for a non-profit organization and carry out activities such as supporting people with disabilities and promoting international exchange.

And others

Lifelong Design Learning Program

NSK provides opportunities for employees to think about and plan for retirement, including ways to maintain their motivation, health, and personal finances. The aim is for participants to enjoy rich and rewarding lifestyles after mandatory retirement. Many employees participate in the training and seminars to learn about pensions, employment insurance, and taxes.

Facilitating Work-Life Balance

Supporting Work-Life Balance in Every Life Stage (Japan)

The NSK Group is building workplaces that meet the wide-ranging needs of a diverse workforce and allow each and every employee to enjoy job satisfaction. NSK wants every employee to enjoy a healthy work-life balance. Our system for ensuring employees can balance their work and child/nursing care responsibilities exceeds legal requirements. As part of this approach, we not only provide comprehensive support for working parents and caregivers, but also strive to create a work environment where they can realize their full potential.

Support for Working Parents (Japan)

In recognition of our efforts to support working parents of small children, the Minister of Health, Labour, and Welfare awarded NSK the *Platinum Kurumin** certification.



* *Platinum Kurumin*: A special certification awarded to select companies among those granted *Kurumin* certification by the Ministry of Health, Labour and Welfare that have displayed particularly outstanding initiatives as a “company that supports child-rearing parents”.

NSK has established an action plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children.

Action Plan Based on the Act on Advancement of Measures to Support Raising Next-Generation Children (in Japanese only)

The NSK Group provide even better support for employees balancing work and childcare responsibilities, we obtain feedback from those with childcare experience. NSK is working to create and improve programs that not only exceed statutory requirements, but are also as very convenient for employees to utilize.

Main Support Systems Related to Work-Childbirth/Childcare Balance

		Pregnancy	Childbirth	Age 1	Age 2	Age 3	Age 4	Grade 1	Grade 3	Grade 6	Grade 7~
One-on-one counseling	Explain systems to expecting employee and confirm their intentions										
Leave for childbirth and childcare	Leave for birthing parents (a portion of the salary is paid) *The individual who gave birth		6 weeks before birth / 8 weeks after birth								
	Leave for partners of birthing parents (paid leave) *within 14-day period of partner giving birth		2 days within 14-day period of partner giving birth								
	Childcare leave at birth (first 5 days leave paid)		Up to 4 weeks within 8-week period of birth or due date, whichever is later								
	Parental leave (first 5 days leave paid) *Salary is paid as either leave for childbirth or childcare		Through the end of April following the child's third birthday)								
Support for working parents	Sick leave (paid leave)	Up to one year after birth									
	Medical appointments during work hours (paid leave)	Up to one year after birth									
	Use of half-days (paid leave)	Generally up to 12 times a year, but this is unlimited when deemed necessary for parental hospital visits, child medical care or other purposes related to the child.									
	Use of banked paid leave (paid leave)	Employees with child in sixth grade or below									
	Sick/injured childcare leave		Employees with child in sixth grade or below								
	Nursing time (can be used for breastfeeding, etc.)		Women employees with a child less than 1 year old (twice a day, up to 30 minutes each time)								
	Exemption from overtime work		Employees with preschool-age child								
	Limited work over statutory working hours		Employees with preschool-age child								
	Limited late-night work		Employees with preschool-age child								
	Reduced working hours for childcare		Employees with child in sixth grade or below								
	Coreless flex time		Employees with child in third grade or below								

《Other Main Initiatives》

- Prenatal interview
- Return-to-work interview
- Return-to-work support seminar
- Career support
- Providing opportunities for self-learning and development (online educational programs)
- Remote work system
- Maternity uniform
- Work-Childcare Balance Support Guidebook
- Changing room exclusively for pregnant employees
- Holiday daycare
- Affiliated daycares
- Providing babysitting discount coupons
- Financial gift for birth of child (from company and labor union)

Main Support Systems Related to Work-Childbirth/Childcare Balance (as compared to legal mandates)*

System	Details
Leave for birthing parents	Legally required to provide 6 weeks unpaid leave before and 8 weeks unpaid leave after childbirth. NSK pays employees a portion of their salary during this time.
Leave for partners of birthing parents	Not legally mandated. NSK employees may take 2 days (paid leave) within 14-day period of the birth of a child by a partner.
Childcare leave at birth (postnatal paternity leave)	NSK employees may take 4 weeks (28 days) of leave within 8-week period of the date of birth or due date, whichever is later (first 5 days leave paid).
Parental leave	Legally required to provide leave that may be extended up to the time the child turns 2 years old. NSK employees may extend their leave through the end of April following the child's third birthday. (First 5 days of leave paid when employee does not take child care leave at birth)
Sick leave (Leave and other support for sickness during pregnancy and/or after birth)	Legally required to provide unpaid sick leave up to 1 year after birth. NSK employees may take paid leave during this period.
Medical appointments during work hours	Legally required to provide unpaid leave for medical appointments up to 1 year after birth. NSK employees may take paid leave during this period.
Use of half-days	Not legally mandated. NSK employees may generally use (paid) half-days 12 times a year, but this is unlimited when deemed necessary for parental hospital visits, child medical care or other purposes related to the child.
Use of banked paid leave	Not legally mandated. NSK employees with a child in sixth grade or below may use (paid) accumulated leave.

* For up to eight weeks after birth, NSK pays employees a portion of their salary, and the NSK Health Insurance Association pays employees a maternity allowance that is equivalent to two thirds of their salary. Under the parental leave system, NSK pays employees their salary for the first five days of leave. From the sixth day of leave onwards, employees receive childcare leave benefits from the government until the child is one year and two months old (about 61 weeks). This system ensures continuous financial support in combination with the statutory system.

Support for Family Caregivers (Japan)

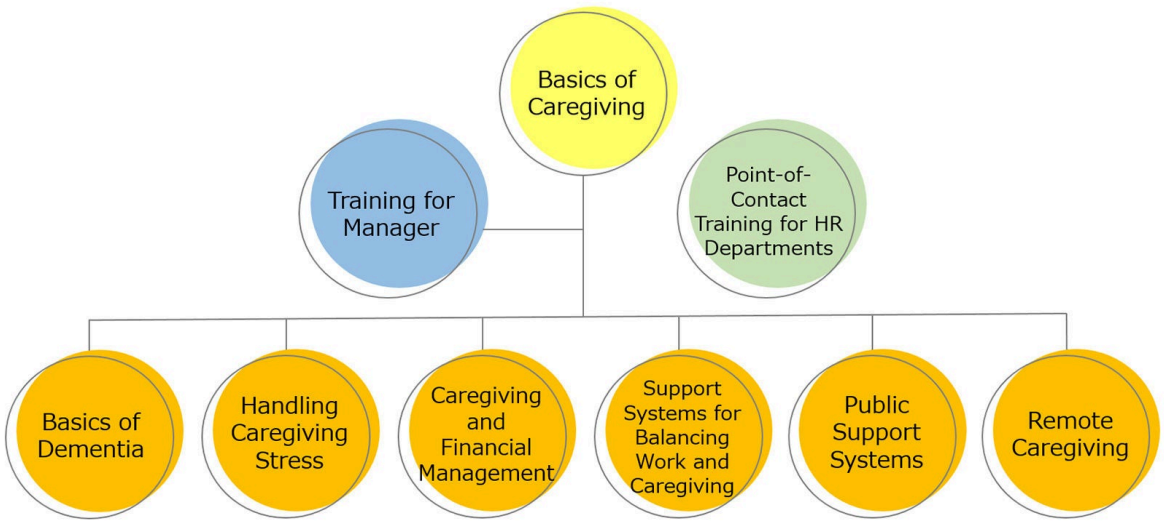
As part of measures to support employees who are providing care to a family member, NSK is aiming to create an environment where employees can easily raise any concerns about work-life balance.

– Systems Related to Caregiver Leave (as compared to legal mandates)

System	Details
Short-term leave for caregiver	5 days per year per eligible family member, 10 days per year for two or more eligible family members
Caregiver leave	Legally required to provide up to 93 days per eligible family member. NSK employees may take a total of up to 186 days* per eligible family member. * May be extended to a maximum of 365 days in special circumstances only.
Use of half-days	Not legally mandated. NSK employees may generally use (paid) half-days 12 times a year, but this is unlimited when half-days are taken for caregiving purposes.
Use of banked paid leave	Not legally mandated. NSK employees may take the number of days of (paid) banked leave needed for caregiving purposes.

《Measures to Support Work-Caregiving Balance》

- Seminars to help employees balance work and caregiving



Major NSK Caregiving Seminars

- Caregiver allowance (unique NSK benefit)
- Caregiver leave benefits

《Work Style Systems for Caregivers》

- Exemption from overtime work
- Limited work over statutory working hours
- Reduced hours for working caregivers (may be extended beyond 3 years depending on circumstances)
- Limited late-night work

《Other Main Initiatives》

- Publication of work-caregiving balance support guidebook
- Publication of email newsletter for employees regarding family caregiving
- Compilation of reference materials to support family caregiving

Support for Balancing Work and Medical Treatment (Japan)

In support measures for balancing work and medical treatment, we are promoting each measure so that employees can balance work with medical treatment and hospital visits and continue to work in their own way.

《Main Initiatives》

- Internal information meeting on balancing work and medical treatment
- Guidebook for balancing work and medical treatment
- Return-to-work program
- Awareness-raising activities: Menopause seminars for men and women, harassment prevention

In addition, we focus on awareness-raising activities and consultation on health issues specific to women.

《Main Initiatives》

- Awareness-raising activities: Training, information sessions, etc. on menstrual pain, pregnancy, menopause (men and women), and other topics
- Consultation: Online obstetrics and gynecology consultation for women's health issues with a physician at any time
- Others: Awareness-raising about postpartum blues in the support for balancing work and health promotion from a young age before pregnancy (preconception care) in the guidebook on balancing work and infertility treatment.

Human Resource Programs for Talent Management
Providing Educational Opportunities for Individuals to Realize Their Potential

Human Resource Programs for Talent Management

The NSK Group has established a range of human resource programs designed to maximize the motivation, skills, and individual potential of employees and to help shape encouraging workplaces for every employee. We provide many opportunities for individual growth, with a focus on employee evaluation and feedback using target management and performance agreements. Some of the main channels for growth are job rotation, our Workplace and Career Aspirations Survey, and our system for changing employee classification.

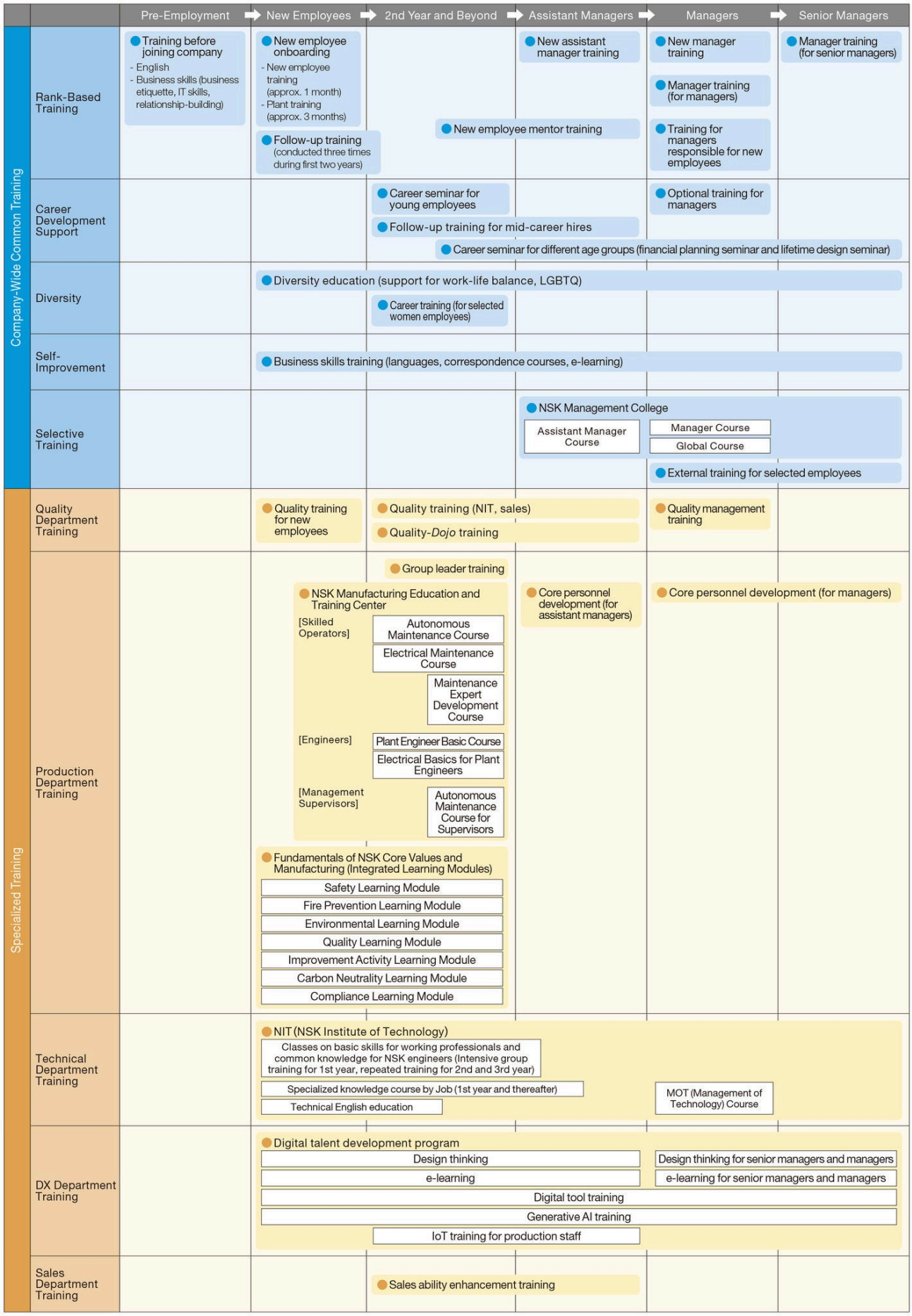
Evaluation and Feedback Using Target Management and Performance Reviews
The NSK Group uses a performance review system as a mechanism for employees to maximize their individual potential and abilities in achieving personal goals that are cascaded down from company and departmental objectives. This system aims to facilitate both individual growth and self-realization alongside company growth. Under this system, employees meet regularly with their supervisors to set goals at the beginning of each half of the fiscal year, then follow up during the period, and confirm results at the end of each half of the fiscal year. We also conduct a survey to determine how satisfied employees are with evaluation feedback from their supervisors, confirming every time that evaluations are fair and that managers and their employees are communicating well with each other. When setting personal goals with individual employees, the degree of challenge is based on the individual's own abilities and qualifications in order to encourage self-motivation and challenge-taking. We view supervisor feedback as another opportunity to support the growth of team members. By giving individuals the opportunity to reflect on their performance in dialogue with their supervisors, managers responsible for HR development, and persons in charge of HR development as their mentors, we help employees grow.

Job Rotation	Young Employee Rotation
We believe that the growth of individual employees drives the growth of the organization. Accordingly, the NSK Group positions job rotation at the core of human resource development. The rotation system allows employees to be transferred within Japan, and even to overseas and affiliated companies. The aim of job rotation is to accelerate employee development by providing new career experiences and encouraging them to learn and grow independently by taking on new work challenges.	Based on our conviction at the NSK Group that people grow through experience, young employees up to age 30 are considered to be in a training phase. We carry out job rotation for these young employees in career-track positions to broaden their outlook through a variety of experiences and to give them a better perspective. They are interviewed every three years to check their career plans. Transfers are performed to promote career development, as well as to acquire the ability to adapt to changing environments, build relationships, and hone communication skills. This reflects our efforts to offer opportunities to be active as future NSK people and to nurture growth as the human talent that will become responsible for managing the Company.
Workplace and Career Aspirations Survey	**System for Changing Employee Classification**
Once a year, the NSK Group gives employees the opportunity to submit feedback directly to human resources departments through the Workplace and Career Aspirations Survey. The survey includes questions on their current workplace environment, their personal aspirations for their future with the company, and other personal concerns they might like to address. Employees may also request a follow-up interview with HR departments. Based on the results of these surveys and interviews, we employ strategic personnel transfers to enable our employees to fully develop their unique skills and abilities through growth opportunities.	We have set up a system that allows employees to change their classification, such as allowing them the opportunity to change from a non-managerial career track to a career-track position. The system also encourages employees to develop greater career awareness and take the initiative in developing their abilities. It is an opportunity for employees to promote their own careers.

Providing Educational Opportunities for Individuals to Realize Their Potential

NSK aims to develop core human resources who can support sustainable growth. Through a variety of educational offerings and training programs that further refine our people's abilities, knowledge, and character, we provide numerous opportunities and forums for further development. As a new initiative, we implement optional training programs designed to help employees gain practical skills to tackle the challenges they face in today's rapidly changing social environment, as well as the increasing diversity and complexity of work. This initiative provides employees an opportunity to recognize how times have changed and how they can continue to learn and grow on their own. We hold the following specific training programs to help employees continue to develop their own careers.

Career Development System



NSK Management College

To develop talent for managerial roles around the world, the NSK Group has been running the Japan Management College (JMC) since 2000. In 2011, the eligibility criteria was expanded to include NSK Group employees worldwide, launching a parallel program named the Global Management College (GMC). At the JMC, managerial applicants selected in Japan systematically learn about business management over a period of about one year. They then make proposals to NSK's executives for enhancing the Group's future operations. About 435 employees have been through the JMC so far, and a steady stream of executives have been produced by the program. Every year, two GMC participants from each global region, including Japan, are selected to make educational visits to NSK Group sites worldwide to deepen their understanding of the differences in the cultural backgrounds of each country. GMC participants receive lectures on business strategy and make visits to business sites in and outside the company, helping them to acquire the knowledge and skills they will need as senior leaders. In recent years, the GMC has been sending some participants to prestigious business schools outside Japan and inviting experts to come and give lectures. The GMC has been completed by 136 people from 17 countries in seven regions to date, and many of them are now active as leaders across the NSK Group. Since FY2019, we have been selecting assistant managers and offering them a special Assistant Manager Cours. The aim is to further raise the level of the JMC program. While learning the basics of business management, these young participants learn about the current business environment, which is undergoing major changes as a result of globalization and digital technology. They spend five months studying and thinking about the optimal direction for NSK in the future.

Development of Professional Human Resources (NIT, NSK Manufacturing Education and Training Centers)

In 2007, NSK established the NSK Institute of Technology (NIT) to develop highly skilled technical personnel who can support NSK's competitiveness from a technological standpoint. In these times of constant change, NIT trains young employees to strengthen their fundamental business skills, enabling them to maximize and further develop their abilities. Additionally, NIT offers lectures in general knowledge areas, including science, mathematics, and engineering, along with the specific knowledge necessary for NSK engineers — in areas such as safety, quality, environment, engineering ethics, and the Four Core Technologies plus One. Specialized technical learning content across various fields is also provided online as needed. Through these initiatives, NSK offers educational support that helps engineers identify issues not only for direct customers, like automobile, home appliance, and industrial machinery manufacturers, but also for end users, local communities, and the global society, thereby contributing solutions leveraging NSK's MOTION & CONTROL™ while enhancing their own capabilities. In FY2024, 557 employees attended NIT lectures. Furthermore, NIT plays a role in developing the next generation in local communities by sending lecturers to universities and conducting science classes for elementary school students.

NSK Manufacturing Education and Training Center: Courses and Content

The NSK Manufacturing Education and Training Center, established in 2005, aims to enhance the training of employees involved in production to provide better products for customers. Since its inception, a total of 1,662 employees have completed regular training and are active on the shop floor. To strengthen manufacturing, it is vital to improve the skills of each individual employee. Therefore, we have implemented a system where employees acquire technical skills and knowledge, take on central roles in the workplace, and pass on skills to their colleagues.

The training courses are listed in the table below. The NSK Manufacturing Education and Training Center operates in two locations on the Fujisawa Plant and Ishibe Plant premises. It serves a broad range of employees, from those who have been with the company for about two years to those in management positions. Approximately 150 employees receive training each year and apply what they learn in their respective workplaces.

	Course	Participants	Period	Location	Target Personnel Profile	Training Content
Skilled Operator Education	Autonomous Maintenance Course	Leaders, advanced maintenance staff, and candidates	6 weeks +3 months OJT, 2-day completion training	Ishibe Plant	• Personnel who acquired necessary knowledge and skills through theoretical and practical training as a practitioner of autonomous maintenance	• Develop abilities required as an equipment-capable operator • Develop skills at the level of a certified autonomous maintenance technician
	Electrical Maintenance Course	Advanced maintenance staff candidates	6 weeks +2 months (at plant)	Fujisawa Plant	• Personnel who can solve equipment problems, whether mechanical/electrical issues, as advanced maintenance staff candidates	• Fundamentals of electrical maintenance (basic theory, programming, troubleshooting) • 2 months of hands-on training at plant
	Maintenance Expert Training Course	Specialized maintenance staff	1 year	NSK MACHINERY Co., Ltd.	• Personnel who can perform complete overhauls independently and pass on these skills	• Learn grinding machine overhaul and assembly knowledge/skills • Obtain Machine Maintenance Technician and Finishing Technician certifications
Engineer Education	Plant Engineer Basic Course	Engineers with 2-5 years of experience	6 weeks	Fujisawa Plant	• Personnel ready to take the first step toward becoming a plant engineer (who can develop themselves toward goals)	• Basic knowledge for plant engineers (fundamental technology, basic management knowledge)
	Electrical Basics for Plant Engineers	Mid-career engineers	Electrical basics: 2 days Electives: 2 days × 4 subjects	Fujisawa Plant	• Engineers who can solve equipment problems, whether mechanical/electrical issues	• Basic electrical education for plant engineers • Electrical basics (required), programming, inverters, touch panels (electives)
Management Supervisor Education	Autonomous Maintenance Course for Supervisors	Group Leaders (1-3 years)	1 week	Ishibe Plant	• Supervisors who lead equipment-capable operators to improve their workplace and build a workplace with zero accidents, zero failures, and zero defects	• Role of supervisors • How to promote autonomous maintenance and maintenance *"JISHUKEN"* • Skills at the level of certified autonomous maintenance technician
	Core Personnel Development for Senior Managers and Managers	Senior Managers and Managers	1 day × 8 sessions	Head Office	• Personnel who understand how to realize the company's manufacturing vision and can engage in cost reduction activities that lead to profit improvement	• Profit/loss and cost analysis, theme selection • Management processes and management • Establishing and implementing plant management projects

Self-Development Programs and Language Training

NSK has established a correspondence education system to support employee skill development. We offer over 150 programs, including language courses, digital transformation/IT literacy, certifications, and specialized skills, with the company covering 50% of the tuition fees upon meeting completion requirements. Additionally, we implement measures to enhance English proficiency, such as offering TOEIC® tests in-house.

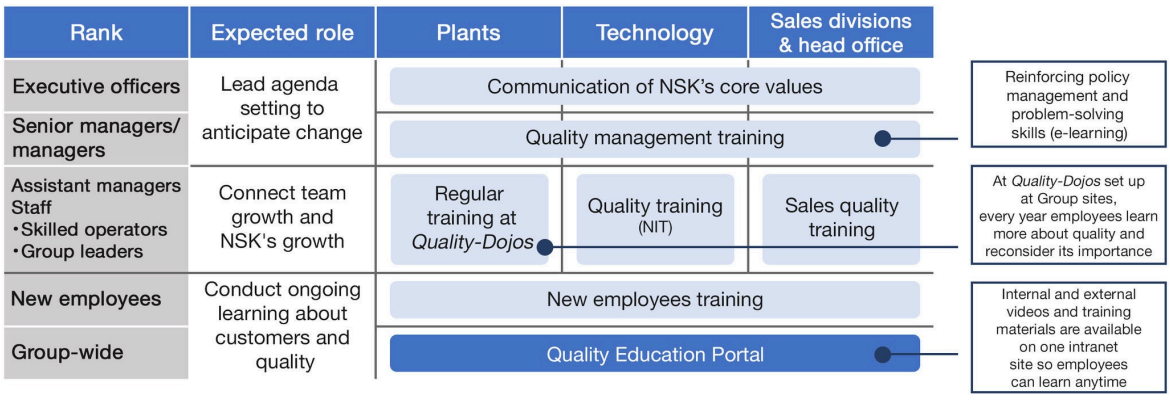
Higher Education and Various Training Programs

We send employees to universities and graduate schools in and outside Japan to cultivate globally active personnel and highly specialized professionals. Destinations include Japanese institutions such as the University of Tokyo, International University of Japan, Toyota Technological Institute, Institute of Science Tokyo, Kyushu University, and Yokohama National University, as well as institutions outside Japan like the Massachusetts Institute of Technology, the University of California, Berkeley, and Technical University of Munich.

Developing Quality-Support Professionals

NSK's quality education program is designed by the Quality Assurance Division Headquarters. Appropriate quality training is conducted as part of group training sessions organized by the Headquarters' Human Resources Department, NIT, and other relevant departments, depending on employees' divisions and organizational levels. Moreover, since FY2019, we have been establishing *Quality-Dojos* at our plants and technical departments, where regular quality training is conducted annually.

– Sixth Mid-Term Management Plan: Function-Based and Rank-Based Quality Education System



NSK's Approach

The NSK Group strives to understand the needs of each country and region, and it trains personnel, develops technology, and promotes community-based activities accordingly. Seeking to contribute to sustainable development and continue being a company that is needed, trusted, and considered a valued member of each community, we conduct social contribution initiatives in the three priority areas of "promoting science and technology," "development of the next generation," and "mutual harmony and benefit with communities."

Policy on Social Contribution Initiatives

We are determined to remain a company that is needed, trusted, and considered a valued member of each community.

1. Promoting science and technology that supports the prosperity of society
2. Fostering the development of the next generation
3. Engaging in activities designed to build mutual harmony and benefit with communities

Priority Areas and Stakeholders

Priority	Relevant Stakeholders	Category	Initiatives
Promoting science and technology	Local communities/ next generation	Providing aid to research institutions	**Supporting the NSK Foundation for the Advancement of Mechatronics (NSK-FAM)** NSK-FAM was established with a donation from NSK in 1988 and was approved as a public interest incorporated foundation in 2010. NSK-FAM's purpose is to contribute to the development of Japan and the improvement of living standards by advancing mechatronics technology. It does this by providing grants for R&D, education, technology exchanges, meetings, and other activities that will spur rapid progress in the development of mechatronics technology. http://www.nskfam.or.jp/ (only in Japanese)

Priority	Relevant Stakeholders	Category	Initiatives
Development of the next generation	Next generation	• Holding classes about bearings • Providing scholarships • Offering students work experience opportunities • Donation	**Support for the NSK Scholarship Foundation** NSK established the NSK Scholarship Foundation in April 2017 to support the development of the next generation of human resources. NSK Scholarship Foundation provides support for Japanese students studying abroad and for students from other Asian countries studying in Japan, since NSK is a Monozukuri company based in Japan, a country located in Asia. The purpose of support is to develop the highly skilled next-generation human resources who will help to solve various issues the world is facing, such as conflict and hunger, climate change countermeasures and nature conservation, an equal and fair society, and safe and healthy lifestyles. NSK Scholarship Foundation award ceremony held for FY2025 scholarship recipients (only in Japanese) **Offering online science activities for children** NSK has been offering the STEAM Program* annually since 2018 to share the fascinating world of manufacturing with children. In FY2024, the program provided science courses for children in Fujisawa City in August and at Tohoku University in September. The teaching materials used in these courses were based on dye-sensitized solar cell technology developed by NSK. NSK will continue to develop the next generation of human resources by offering bearing-based science courses and other activities, in order to help build an even more prosperous society in the future. * The Science, Technology, Engineering, Arts, and Mathematics (STEAM) Program is based on an educational policy and method that focuses on these learning areas. Science courses for children held in Fujisawa City and at Tohoku University this year (only in Japanese) **Children's Future Support Fund** NSK has endorsed Children's Future Support Fund and has set up donation-type vending machines at each site. Children's Future Support Fund: Introduction of Donation-type Vending Machines
Mutual harmony and benefit with communities	Local communities	• Cooperating in welfare programs • Cooperating in community events • Expanding Social Contribution Activities Related to Biodiversity Conservation	**Donating bicycle helmets to elementary schools in Shinagawa ward** Since 2017, NSK has been donating bicycle helmets to elementary schools to give to children who did not yet own one, in accordance with the schools' wishes, as a social contribution activity for Shinagawa ward, where NSK was founded. The Company aims to reduce injury caused by bicycle accidents and promote helmet use.

NSK's Approach

NSK believes that respecting human rights is our responsibility as a global company, and that it is essential to support and respect international norms, such as the Universal Declaration of Human Rights and the Guiding Principles on Business and Human Rights.

The NSK Code of Corporate Ethics clearly stipulates that we do not tolerate discrimination or violations of human rights (forced labor, child labor, etc.) for any reason. Furthermore, we established the NSK Human Rights Policy in October 2022 to better clarify our approach to human rights in order to facilitate further initiatives. In accordance with the policy, we respect the human rights of our stakeholders and work with our suppliers on efforts to evaluate, prevent, and mitigate impacts on human rights in line with international norms.

NSK Human Rights Policy

The NSK Mission Statement is "NSK contributes to a safer, smoother society and helps protect the global environment through its innovative technology integrating Motion & Control™. As a truly international enterprise, we are working across national boundaries to improve relationships between people throughout the world."

In order to conduct business activities in accordance with our Mission Statement and to become a company that is needed and trusted by society, we are committed to act responsibly in society. To this end, the NSK Code of Corporate Ethics clearly states that we must not, for any reason, engage in discrimination or in violation of human rights.

The NSK Human Rights Policy is grounded in the recognition of the importance of respecting the human rights of our stakeholders, assessing the impact of our business activities on the human rights of these stakeholders, and preventing and mitigating such impact, based on the United Nations Guiding Principles on Business and Human Rights.

The NSK Human Rights Policy applies to all officers and employees of the NSK Group. We also require our business partners, suppliers, and others, to respect this policy and to implement initiatives to respect human rights.

1. Commitment to Respecting Human Rights

We are committed to respecting human rights under international norms such as the International Bill of Human Rights and the International Labor Organization Declaration on Fundamental Principles and Rights at Work, in accordance with the United Nations Guiding Principles on Business and Human Rights, and to respecting the human rights of all stakeholders related to our business activities.

We also pledge to comply with applicable laws and regulations of the countries or regions in which we operate. Where there is conflict between internationally recognized human rights and the laws of a country or region, we seek ways to respect internationally recognized human rights to the greatest extent possible.

2. Human Rights Due Diligence

We will implement human rights due diligence based on the United Nations Guiding Principles on Business and Human Rights. We identify the direct and indirect adverse impacts on human rights that occur or may occur—not only in own business activities, but also in the supply chain of raw materials and parts, the use of our products and services by customers, and the disposal of products after use—as well as the affected stakeholders, in order to prevent or mitigate adverse impacts.

3. Education and Training

We will provide the necessary education and training in order to enable our officers and employees to effectively implement the content of this policy.

4. Information Disclosure

We will periodically evaluate and review the progress of our human rights initiatives, strive to continuously improve these initiatives, and disclose the status of progress through our corporate website and other communication platforms.

5. Corrective Measures and Remediation

If it becomes known from internal or external sources that our business activities, products, or services have caused an adverse impact on the human rights of stakeholders, we will engage in a sincere dialogue with the people concerned and endeavor to remedy the situation. We will also handle any grievances through a point of contact where stakeholders can consult in relation to human rights issues, and will strive to cooperate in solving problems or implementing remedies.

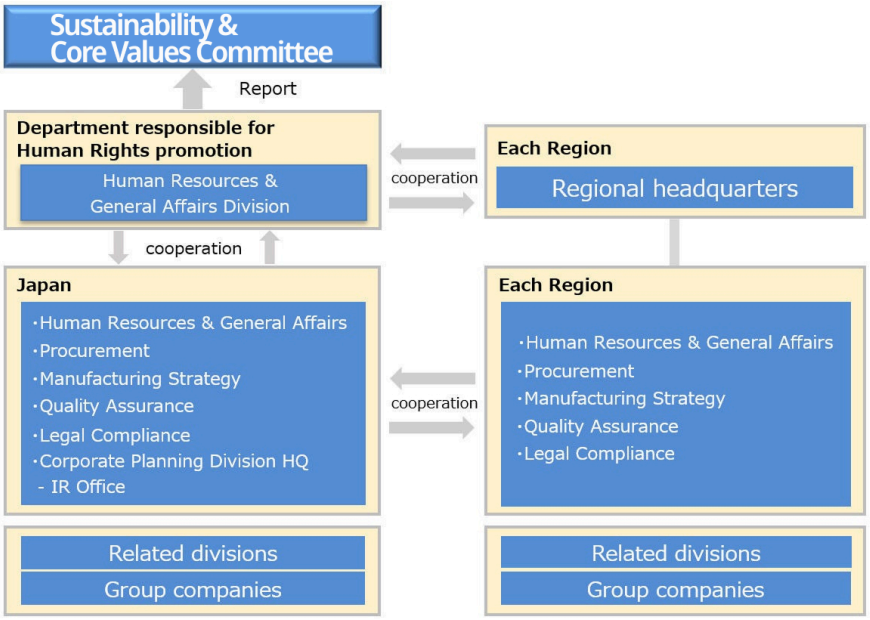
October 13, 2022
Akitoshi Ichii
President and Chief Executive Officer
NSK Ltd.



System

The person responsible for promoting the NSK Group's human rights initiatives is the operating executive serving as the head of the Human Resources and General Affairs Division HQ and the head of the Legal and Compliance Division HQ (as of September 2025). This role includes the responsibility of strengthening human rights risk management across the NSK Group. And, each functional headquarters, including human resources and general affairs, procurement, manufacturing strategy, quality assurance, and legal and compliance, collaborates globally in the practice of human rights due diligence (HRDD) for both the NSK Group and suppliers.

In addition, the Human Resources and General Affairs Division HQ, which is the organization responsible for promoting the Group's human rights initiatives, shares and discusses regional issues with regional headquarters outside Japan to develop responsive measures, too. It also promotes human rights education for all global employees. Moreover, it regularly holds NSK Human Rights Meetings as a venue for sharing information across the Group. Important matters discussed at these meetings and progress on HRDD initiatives are reported to the Sustainability & Core Values Committee.



Human Rights Due Diligence Initiatives

In FY2021, the NSK Group identified its key human rights risks with reference to human rights issues expressly stated in its codes and guidelines, information and indications from Japan's Ministry of Justice, NGOs, research firms, and major customer CSR guidelines.

Next, in FY2022, we conducted 14 interview sessions with external experts and various NSK functional division headquarters in Japan and regional headquarters outside Japan. Drawing on cases where risks had emerged in related industries with business operations similar to those of the NSK Group, as well as evaluation criteria used by international initiatives, we estimated the likelihood and severity of potential risks and assessed their priority level. As a result of taking into account the frequency and severity of injuries that can be caused by accidental entrapment or entanglement in machinery in related industries, the NSK Group identified potential gaps in occupational health and safety in technical departments and plants where people operate industrial equipment, as one of its most significant operational risks. NSK has long recognized the importance of safety initiatives and has implemented a range of safety measures at its operational sites across the Group. Moreover, the lost time injury frequency rate has remained at a low level.

To raise awareness of the importance of respect for human rights, in FY2023 we held e-learning for employees at NSK Group sites in and outside Japan, with approximately 12,000 participants. We also held training in Japan for individual job levels and target groups (for newly hired employees, managers, sales staff, and employees posted overseas), with approximately 900 participants.

Furthermore, we work with our suppliers in the area of human rights due diligence initiatives. In FY2023, we distributed a video on the NSK Human Rights Policy and initiatives to over 200 suppliers in Japan. In this way, we are promoting the advancement of human rights efforts throughout the supply chain. We also requested suppliers outside Japan to conduct self-assessments on human resources, labor, safety and health, the environment, and other areas, and we provided feedback on the results to each company.



Issues to Address/Mitigation Measures

– Human Rights and Labor

In FY2024, we implemented voluntary inspections at 13 Group companies in Japan and 38 plants/companies in 15 other countries. The issues covered as human rights risks included discrimination in employment, child labor, forced labor, working conditions, and occupational safety and health, etc. Inspection results were shared during Group HR liaison meetings in Japan and in regional HR meetings in other countries. In conjunction with voluntary inspections, we periodically review human rights issues that have been identified, taking into account the assessment results and changes in the business environment. NSK plans to continue conducting these reviews as appropriate.

(Specific Examples of Verification)

Discrimination in employment

- The existence of clear policies and systems to prevent discrimination in the employment and treatment of employees on the basis of race, ethnicity, gender, language, religion or other opinion, national or social origin, property, birth or other status.
- The establishment of a harassment consultation channel and a grievance-handling channel. Provision of an awareness/training program on harassment for employees and its regular revision.

Child labor

- Non-engagement in child labor and other human rights violations and the existence of a policy and system to prevent it.

Forced labor

- Non-engagement in forced labor and other human rights violations and the existence of a policy and system to prevent it.

Working conditions

- Management of working hours (maximum overtime hours, etc.) and payment of appropriate wages (minimum wage, etc.) in accordance with the legal system of each country and regular checks and revisions.

Occupational safety and health

- Prioritization of workplace safety and health programs and policies and efforts to prevent accidents and injuries through both physical measures and education and training.

Labor-Management Relations Based on Dialogue

For NSK to grow sustainably as a corporate group committed to high-quality manufacturing, we believe it important to look at employment from a long-term perspective and to continuously hire and develop outstanding human resources in the countries and regions where, for example, our production, sales, and development sites are located.

Hiring employees in an appropriate manner in accordance with international norms and local laws, the NSK Group regards a healthy relationship between labor and management as indispensable. We guarantee the right of employees to communicate directly with management (labor-management dialogue) without fear of retaliation, intimidation, or harassment. Also considering it important to create a work environment where each employee feels motivated and can develop, we carry out employee awareness surveys, which are aimed at measuring employee engagement and compliance awareness and take measures to address identified issues.

Creating Workplaces Where Diverse Human Resources Can Demonstrate Their Abilities

In the NSK Code of Corporate Ethics, we spell out our commitment to "prohibition of discrimination, cultivation of a sound workplace," and establish this guideline for action: "Personnel must respect the rights of individuals and must not unfairly discriminate on the basis of race, appearance, belief, gender, lineage, ethnicity, nationality, age, marital status, physical disability, or other inappropriate reason. In addition, personnel must avoid engaging in acts that cause offense to the recipient." Specific initiatives include offering seminars and consultation services for employees regarding respect for diverse gender identities and sexual orientations and preventing discrimination and harassment of LGBTQ+ people.

Supporting Hidden Diversity: LGBTQ+ (SOGI)
Promoting Safe, Secure, and Comfortable Workplaces

Legal Compliance and Corporate Ethics

In addition to stipulating “prohibition of discrimination, cultivation of a sound workplace” and “respect of fundamental rights at work” in its Code of Corporate Ethics, NSK publishes the NSK Compliance Guidebook, which explains the matters to be observed in the languages of each country. The Guidebook is distributed to officers and employees. We also regularly hold in-house training to promote understanding.

In addition, NSK’s employment regulations clearly define workplace rules that must be followed, including those related to time management (such as limits on working hours), the granting and use of annual paid leave, holidays and other types of leave, and appropriate wages, as well as matters related to human rights and labor. The Company also conducts regular internal training to promote understanding of these rules. The NSK Code of Corporate Ethics applies to all employees of the NSK Group, and any violations are subject to disciplinary action in accordance with the employment regulations.

Compliance Guidebook

NSK Code of Corporate Ethics	Matters to Be Complied With (NSK Compliance Guidebook 2022)
14. Prohibition of discrimination, Cultivation of a sound workplace	1. Prohibition of discrimination
	2. Prohibition of harassment
15. Respect of fundamental rights at work	1. Prohibition of forced labor
	2. Prohibition of child labor
	3. Management of working hours
	4. Appropriate wages
	5. Safe workplaces
	6. Labor-management dialogue

Scope: NSK Ltd. and its consolidated and non-consolidated subsidiaries as well as affiliates

Managing Supply Chain

NSK distributes copies of its NSK Supplier CSR Guidelines, which contain the matters to be observed regarding human rights and labor, to all its suppliers and requests implementation by them. In addition to asking all suppliers who have a direct business relationship with the NSK Group to take their own actions and promote procurement activities that take human rights into consideration, by means of these guidelines we are aiming to further advance our efforts to upstream suppliers. In addition, we regularly conduct CSR self-assessments and provide feedback to everyone about any issues that have come to light so that they can help improve the level of their activities.
In March 2025, the Procurement and Human Resource divisions together conducted an on-site survey (interviews, document verification, and on-site inspection) at one Group company to evaluate the effectiveness of the voluntary inspection in collaboration with external experts. These experts judged that “By comparison, the company was taking positive steps toward respecting human rights based on international standards, and the actual level of its efforts was higher than the results of its voluntary inspection.” As a further initiative, we will strengthen employee awareness and education from each of the compliance, human rights, labor, and environment perspectives.

Supply Chain Management

Occupational Health and Safety Management

NSK has positioned safety as one of its core values. Under our safety philosophy and policies, we proactively advance workplace safety and health activities that support manufacturing. NSK strives to create workplaces where employees can work safely, securely, and comfortably.

Safety Management

Quality

NSK has positioned quality as one of its core values. We seek to practice manufacturing that earns customer delight worldwide, whether with products, services, or information provided. To enhance design quality, manufacturing quality, supplier quality, and ultimately market quality, NSK has established a Quality Council chaired by the Head of the Quality Assurance Division HQ to oversee group-wide quality management.

Quality Management

Environment

In 1997, NSK established the NSK Environmental Policy to reflect its commitment to help protect the global environment across all of its business operations, as stated in the NSK Mission Statement. It develops products and services that help reduce environmental impact and promotes business operations to reduce environmental impact across its value chain. NSK's Environmental Code of Conduct sets out seven guidelines for action by officers and employees: ensuring environmental compliance, fighting global warming and climate change, conserving resources and practicing recycling measures, developing and popularizing environmentally friendly products, conserving biodiversity, reducing use of environmentally hazardous substances, and communicating with stakeholders.

Environmental Management
Climate Change Measures
Resource Circulation
Biodiversity Conservation
Reducing Use of Environmentally Harmful Substances

Addressing Conflict Minerals Regulations

As a policy, NSK prohibits the use of conflict minerals*1 in its products. Conflict minerals are those that come from the Democratic Republic of the Congo and its neighboring countries, which can be the source of funding and benefits to illegal armed groups that violate human rights. Moreover, whenever investigation reveals concerns about conflict minerals in the supply chain, we request relevant suppliers to take corrective measures, and we take measures to prevent the use of the relevant parts or raw materials, such as adopting alternatives.
Some NSK products, including electronic components used in driver units for Megatorque Motor™, contain metals such as tin and tantalum, which are subject to U.S. conflict minerals regulations*2. For this reason, NSK conducts annual conflict mineral surveys in cooperation with relevant parts and raw material suppliers. This includes tracing relevant materials back through the supply chain to the refineries and countries of origin. We confirm the safety of mineral procurement using the CMRT and EMRT unified formats developed by the Responsible Minerals Initiative (RMI), an organization leading global efforts to avoid conflict minerals. Our investigations have not identified the use of any conflict minerals that could serve as a source of funds for armed groups. Based on supplier survey results, NSK responds appropriately to all conflict mineral investigations requested by customers.

*1 Conflict minerals are defined as tantalum, tin, gold, and tungsten under the U.S. Dodd-Frank Act.

*2 U.S. regulations require companies listed in the U.S. to investigate the potential use of conflict minerals in products, and to officially submit the results and publicly disclose them every year. Although NSK is not listed in the U.S. where the regulations apply, the Company still conducts conflict mineral surveys and shares this information with customers.

Modern Slavery and Human Trafficking Statement

Based on the NSK Code of Corporate Ethics, the NSK Human Rights Policy, and the NSK Supplier CSR Guidelines, the NSK Group has published the modern slavery and human trafficking statement of NSK Europe Ltd., a consolidated subsidiary in the UK, and all its UK subsidiaries and affiliated companies (the “NSK Europe Group”).

Modern Slavery Statement | NSK Europe

Establishing a Compliance Hotline (Whistleblowing System) and Consultation Channels

NSK aims to identify and correct illegal and fraudulent activities at an early stage. If an employee or officer discovers illegal or potentially fraudulent activity, the Company requests that he or she makes a report to the internal or external whistleblowing points of contact. The whistleblower can make a report anonymously so that he/she will not face any repercussions. Any act that violates relevant laws and regulations or the NSK Code of Corporate Ethics, including behavior that qualifies as discrimination or harassment, will be subject to disciplinary action based on company regulations. In addition, the risk assessments conducted annually for all business establishments include items such as risks related to acts that violate laws and regulations and the NSK Code of Corporate Ethics, and risks related to occupational safety and the supply chain. As a result of these assessments, we take measures to mitigate the risk for items that are judged to be of high importance.

Compliance

NSK Group
Sustainability Report 2025

Governance

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Governance

Corporate Governance ▸▸ | Risk Management ▸▸ | Business Continuity Management (BCM) ▸▸

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Corporate Governance

Corporate Governance | Board of Directors | Outside Directors

Directors/Officers' Compensation | Assessment of Effectiveness of Board of Directors | Cross-Shareholdings

Outside Director Dialogue | Corporate Governance Library

Basic Policy

The NSK Mission Statement is as follows: "NSK contributes to a safer, smoother society and helps protect the global environment through its innovative technology integrating Motion & Control™." As a truly international enterprise, we are working across national boundaries to improve relationships between people throughout the world. NSK Ltd. aims to fulfill this responsibility to society while maintaining an appropriate level of profitability that meets the expectations of our shareholders, thereby achieves sustainable growth and increases our mid- to long-term corporate value.

NSK believes that the establishment and maintenance of systems that ensure transparent, fair and timely decision-making is essential in order to achieve sustainable growth and increases our mid- to long-term corporate value. To realize this objective, we are working to construct our corporate governance systems based on the following four guiding principles.

We aim:

(1) To increase the efficiency and agility of management by proactively delegating decision-making on the execution of the operations from the Board of Directors to the Company's executive organizations.

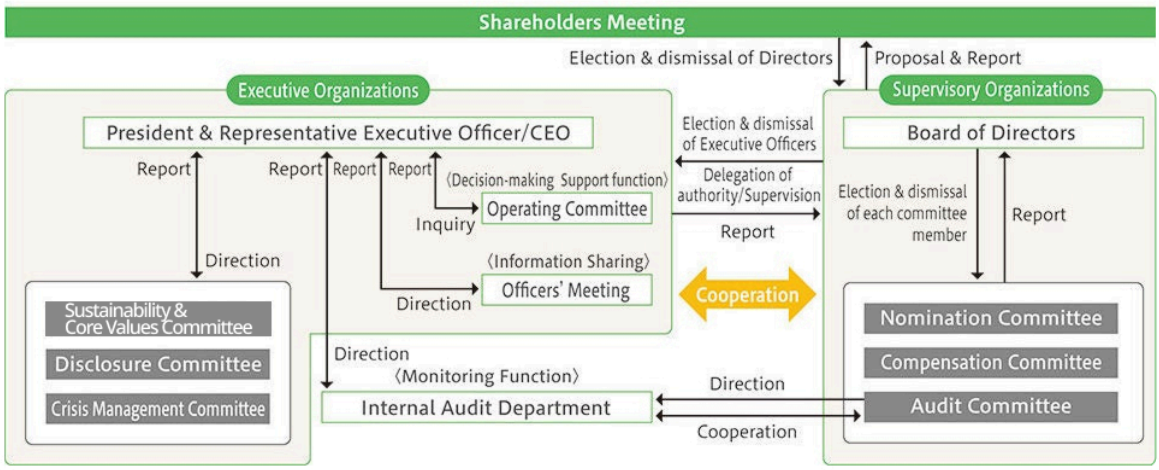
(2) To ensure that supervisory organizations have oversight of executive organizations by clearly separating the two.

(3) To strengthen supervisory organizations' oversight of the executive organizations by ensuring cooperation between the two.

(4) To improve the fairness of management by strengthening compliance systems.

NSK has adopted a Company with Three Committees (Nomination, Audit and Compensation) as its form of corporate organization to better achieve the aforementioned basic approach. We have articulated this basic approach to corporate governance and its structure in our Corporate Governance Rules, which guide directors and executive officers in the performance of their duties.

Corporate Governance Structure



Sustainability & Core Values Committee: The Sustainability & Core Values Committee promotes the Company's sustainability activities. Centered on the Group's core values of "Safety, Quality, Environment, and Compliance," as well as "Human Rights" and "Carbon Neutrality," the Committee formulates initiatives, discusses policies, and shares related risks from a cross-functional perspective. In addition, the Committee makes recommendations for addressing material issues (materiality) that are prioritized for achieving sustainable growth, monitors progress, and ensures appropriate information sharing of these activities, thereby driving the NSK Group's sustainability efforts.

Supervisory Organizations

NSK's Board of Directors passes resolutions related to basic management policies etc. The Board also delegates decision-making on the execution of the operations to executive organizations, while monitoring the status of implementation in an appropriate manner. A list of the items which must be resolved by Board of Directors is as follows.

Major matters requiring board resolution

1. Basic management policy
2. Matters regarding the interrelationship between the Executive Officers, including the division of duties between the Executive Officers and hierarchy of command of the Executive Officers
3. Basic policy on the development of internal control systems
4. Acquisition of company treasury stock stipulated in the Articles of Incorporation
5. Calling of the General Meeting of Shareholders
6. Approval of related party transactions
7. Appointment and removal of members of the Nomination, Audit and Compensation Committees
8. Appointment and removal of the Executive Officers
9. Appointment and removal of Representative Executive Officers
10. Approval of financial statements, business reports and the annexed detailed statements thereof as well as provisional financial statements and consolidated financial statements
11. Decision on matters regarding dividends of surplus stipulated in the Articles of Incorporation
12. Approval of execution of material operations
13. Establishment, amendment and repeal of material by-laws
14. Other items required to be resolved by the Board of Directors in accordance with laws or the Company's Articles of Incorporation except matters which may be delegated to the Executive Officers as well as items delegated to the Executive Officers but for which resolution of the Board are deemed necessary

The Nomination Committee, Audit Committee and the Compensation Committee, each of which are comprised of a majority of independent outside directors, work to strengthen the monitoring function by fulfilling the duties of each.

Nomination Committee

The primary function of the Nomination Committee is to determine the content of proposals regarding the election and dismissal of directors to be submitted at the general meeting of shareholders, ensuring with due care that the nominating process for director candidates is transparent and effective.

Audit Committee

The primary function of the Audit Committee is to audit the execution of duties by the Directors and the Executive Officers and prepare audit reports, as well as to determine the content of proposals regarding the election and dismissal of financial auditors. The Committee also audits in accordance with the Companies Act, and the NSK Group's governance systems and its management of business risk in cooperation with the internal audit department.

Compensation Committee

The primary function of the Compensation Committee is to determine the remuneration policy for the Directors and the Executive Officers as well as the remuneration of the individual Directors and Executive Officers.

− Executive Organizations

The Executive Officers appointed by the Board of Directors are responsible for executing their respective duties in accordance with the division of duties under the directions of the Chief Executive Officer (CEO) . NSK established the Operating Committee and Officers' Meeting, and secures the efficiency and agility of execution of operations properly.

Operating Committee

The Operating Committee is established as an organization for supporting decision-making by the CEO. It deliberates on policies and key matters relates to the execution of the NSK Group's business operations.

Officers' Meeting

The Officers' Meeting is established to foster a common understanding by sharing information of managerial issues, operational direction and status of the execution of their duties. The Officers' Meeting consists of the CEO, Executive Officers, Operating Officers and Group Officers, and is chaired by the CEO.

Internal Control System

The Executive Officers are required to create and operate internal control systems, according to the basic policy determined by resolution of the Board of Directors. The main functions of the internal control system and the roles of the organization responsible are outlined as follows:

Compliance

The Legal & Compliance Division shall formulate policies to strengthen the Group's compliance system, implement various measures based on these policies, continuously monitor the status of these policies, and regularly report its activities to the Sustainability & Core Values Committee.

Risk Management

The Corporate Planning Division Headquarters coordinates with each business, functional and regional headquarters and oversee and manage general risks related to management of the NSK Group. It is also responsible for maintaining and enhancing the internal control systems necessary for the risk management.

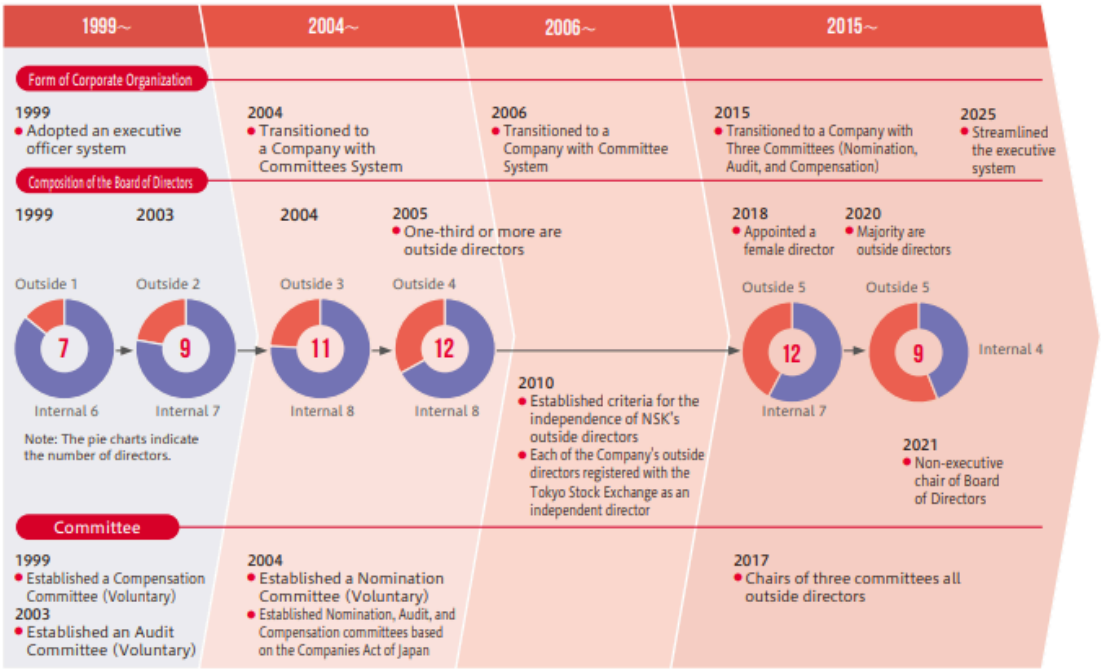
The Crisis Management Committee oversees the NSK Group's business continuity management efforts, anticipate the materialized risks that the NSK Group may encounter, and promote preparedness in normal times to minimize damage. In the event that a risk is materialized, the committee cooperates with related departments and direct and control prompt and accurate actions.

Approval and Reporting

Each NSK Group company must duly apply to the CFO for approval on matters related to corporate management, systems, the governance structure, and shareholder interests, or to the controlling business or functional division headquarters in the case of important decisions related to business operations. NSK Group Companies must also report on the status of their operations to the Company on a regular basis.

Changes to Corporate Governance System

Changes to NSK's Corporate Governance Systems



Response to Japan's Corporate Governance Code

NSK complies with all principles of the Corporate Governance Code and outlines its policies in the Corporate Governance Report that it submits to Tokyo Stock Exchange, Inc.

Corporate Governance Report

Board of Directors

Composition of the Board of Directors

The Company believes that its Board of Directors should be well-versed in the Company's businesses and be capable of supervising important managerial judgments related to business execution, with the aim of enhancing the sustainable growth and mid- to long-term corporate value of the NSK Group. Career diversity in field of expertise and business experience are considered to ensure that the Board maintains a well-balanced composition, in light of the Company's mid- to long-term business strategy or managerial issues, and the size of the Board is also considered to enhance the effectiveness of deliberations. In appointing individual directors, we seek directors who possess not only experience and insight in general business management or in their respective areas of expertise, but also high ethical standards as corporate leaders, along with a deep understanding of corporate governance, risk management and global business operations.

For reference, we expect each director to have skills, expertise, and experience of corporate management, finance/accounting capital policy, engineering/manufacturing, digital, sustainability to strengthen its supervisory function in promoting and achieving the Company's management philosophy and mid-term management plan, and outlines the expected roles of directors.

< Skills, experience and knowledge common to Directors >

Corporate governance	We believe that establishing an appropriate governance structure is necessary and important for the Company to continue its global business expansion and to enhance the effectiveness of management oversight throughout the Group.
Risk management	In order to enhance corporate value and achieve sustainable growth, we believe it is important to establish and operate internal controls through proper and efficient business execution, as well as to manage various risks related to our business.
Global business operations	Since we have operated on a global scale and appropriately incorporated geopolitical development, economic conditions, policy directions and market trends into our management and business strategies, we believe that experience and insight in this field are important.

< Reasons for selecting skill matrix items >

Item	Reason for selecting the item
Corporate management	In order to properly supervise business execution, we believe it is necessary for Directors to have experience in business operations as a top executive, knowledge of corporate reform, and a background in corporate management that enables appropriate risk-taking and prompt, decisive decision-making by the Company's management team.
Finance/Accounting Capital policy	We believe it is necessary to make management decisions that take into account the improvement of profitability and capital efficiency, based on appropriate capital allocation from a management perspective.
Engineering/Manufacturing	We believe it is necessary to have management strategies aligned with technological advancements and changes in the business environment, as well as knowledge of technological trends, including new fields and domains, and manufacturing, including safety and environmental considerations.
Digital	We aim to leverage digital technologies to enhance our managerial resources. To properly monitor the evolution of digital technologies and the business operations that utilize them, we believe that experience and expertise in the digital field are necessary.
Sustainability	We believe it is necessary to enhance corporate value through management that takes into consideration sustainability with respect to the environment and societal issues such as human rights, human resource development and diversity.

< Skill Matrix for Board of Directors >

Name	Skills, experience and expertise expected					Expected Roles of Outside Directors
	Corporate Management	Finance/ Accounting/ Capital Policy	Engineering/ Manufacturing	Digital	Sustainability	
Akitoshi Ichii	*		*		*	
Keita Suzuki	*	*		*		
Kenichi Yamana	*	*				
Ruriko Yoshida		*			*	
Junji Tsuda	*		*			Management strategy
Sayoko Izumoto		*			*	Finance/Accounting, Internal Control Systems
Mikio Fujitsuka	*	*			*	Management strategy, Finance/Accounting
Nobuhide Hayashi	*	*			*	Management strategy, Capital Policy
Akira Kashima	*	*		*		Finance/Accounting, Internal Control Systems

Junji Tsuda, Sayoko Izumoto, Mikio Fujitsuka, Nobuhide Hayashi and Akira Kashima are outside directors.

Structure and Roles of Supervisory Organizations

(As of the end of June, 2025)

Internal director (Men / Women) Outside director (Men / Women)

Organizations	Board of Directors	Nomination Committee	Audit Committee	Compensation Committee
Structure	Chair 9 members (4 internal directors, 5 outside directors) ● Majority outside directors ● Chair: Non-executive director	Chair 3 members (2 outside directors, 1 internal directors) ● Majority outside directors ● Chair: Outside director	Chair 3 members (2 outside directors, 1 internal directors) ● Majority outside directors ● Chair: Outside director	Chair 3 members (2 outside directors, 1 internal directors) ● Majority outside directors ● Chair: Outside director
Objectives and Authority	● Passe resolution related to basic management policies, etc. (including delegation of deciding on the execution of the operations to executive officers) ● Supervises execution of duties by executive officers	● Determines the content of proposals submitted to the Shareholders Meeting regarding the appointment or dismissal of directors	● Audits the duties of directors and executive officers ● Creates audit reports ● Determine the content of proposals related to appointment or dismissal of the auditor, and other matters	● Determines polices on the compensation of directors and executive officers ● Determines the individual compensation provided to directors and executive officers, and other matters
Secretariat	Corporate Planning Division HQ, Secretariat Office	Human Resource and General Affairs Division HQ	Internal Audit Department	Human Resource and General Affairs Division HQ
Number of times convened in FY2024	10	6	14	6

Years as Director at NSK, Attendance at the Board of Directors and Committee meetings

(As of the end of June, 2025)

Name	Years as Director at NSK	Attendance at the Board of Directors and Committee Meetings (FY2024)			Current Position of the Board	Significant Concurrent Positions outside the Company
Akitoshi Ichii	8	Board of Directors	100%	(10/10)	Member of the Nomination Committee	-
		Nomination Committee	100%	(6/6)		
Keita Suzuki	2	Board of Directors	100%	(10/10)	Member of the Compensation Committee	-
		Compensation Committee	100%	(6/6)		
Kenichi Yamana	4	Board of Directors	100%	(10/10)	-	-
		Audit Committee	100%	(14/14)		
Ruriko Yoshida	-	-			Member of the Audit Committee	-
Junji Tsuda	3	Board of Directors	100%	(10/10)	Chair of the Nomination Committee	Senior Advisor of Yasukawa Electric Corporation Outside Director of TOTO LTD.
		Nomination Committee	100%	(6/6)		
Sayoko Izumoto	3	Board of Directors	100%	(10/10)	Chair of the Audit Committee	External Audit and Supervisory Board Member of Freund Corporation Outside Director of Tokyo Keiki Inc.
		Audit Committee	100%	(14/14)		
Mikio Fujitsuka	2	Board of Directors	100%	(10/10)	Member of the Nomination Committee	-
		Nomination Committee	100%	(6/6)		
Nobuhide Hayashi	1	Board of Directors	100%	(8/8)	Chair of the Compensation Committee	Advisor of Mizuho Financial Group, Inc. Auditor of JTB Corp. Outside Audit & Supervisory Board Member of Tobu Railway Co., Ltd.
		Compensation Committee	100%	(5/5)		
Akira Kashima	-	-			Member of the Audit Committee	-
					Member of the Compensation Committee	

* Ruriko Yoshida and Akira Kashima were newly appointed as directors on June 25, 2025, and therefore have not attended any meetings in FY2024.

* Each of the outside directors has been registered with the Tokyo Stock Exchange as an independent director.

Reasons of Outside Directors Appointment
Management

Outside Directors

Roles and Election Standards of Outside Directors

NSK expects outside directors to possess outstanding character and a broad range of knowledge. These individuals provide expert knowledge beneficial to the Group and contribute to achieving sustainable growth and increasing its mid- to long-term corporate value.
When electing outside director candidates, we verify requirement as follows in addition to "Selection Standards of Directors":

- Persons who have neither a special interest with the Company nor conflict of interest with regular shareholders
- Persons who meet NSK's criteria for independence
- Persons who have considerable experience and deep insight as a corporate executive or as experts
- Persons who can devote sufficient time to perform duties as an outside director of NSK

The Nomination Committee determines outside director candidates who meet the above criteria.
The following persons are ineligible to become independent director candidates of NSK Ltd.

1) Persons holding positions at a company which constituted 2% or more of the previous year's consolidated sales of NSK, or persons who held such a position until recently.

2) Persons holding positions at a company which made 2% or more of its previous year's consolidated sales to NSK or a subsidiary of NSK, or persons who held such a position until recently.

3) Persons holding positions at a financial institution which NSK relies on for funding, or persons who held such a position until recently.

4) Consultants, accounting or legal professionals receiving significant financial compensation in addition to compensation for the NSK independent director position, or persons who held such a position until recently.

5) Persons belonging to a company or organization which held 10% or more of NSK's total number of shares issued at the end of the most recent financial reporting period, or persons belonging to such a company or organization until recently.

6) Persons belonging to a company or organization which NSK holds 10% or more of the company's total number of shares issued at the end of the most recent financial reporting period, or persons belonging to such a company or organization until recently.

7) Relatives within the second degree, or family members living in the same household as persons specified in items 1) to 6) (excluding non-key posts).("Key posts" are generally assumed to refer to executive or senior managers of relevant companies or trading partners, chartered public accountants belonging to relevant audit firms, and legal professionals belonging to relevant legal firms.)

8) Persons who hold executive positions at NSK or a subsidiary of NSK, or relatives within the second degree or family members living in the same household of persons who held such positions until recently.

The wording “recently” in the items above shall be assumed to be a period of three years or less from the date NSK elects directors.
These criteria satisfy those of the Tokyo Stock Exchange, Inc.

Reasons of Outside Directors Appointment

Name	Independence	Reasons of Appointment
Junji Tsuda	*	Junji Tsuda has supervised management and provide advice on general management from an independent and fair standpoint, drawing on his extensive experience as a corporate manager, high ethical standards, and broad insight, and he has actively participated in Board of Directors meetings. As Chair of the Nomination Committee, he has played a leading role through discussions and deliberations on proposals for the appointment of Directors and CEO succession planning. We believe that he will continue to contribute to improving and strengthening our corporate governance and enhancing our corporate value.
Sayoko Izumoto	*	Sayoko Izumoto has supervised management and provide advice on general management from an independent and fair standpoint, drawing on her extensive experience as a certified public accountant, high ethical standards, and broad insight, and she has actively participated in Board of Directors meetings. As the Chair of the Audit Committee, she has played a leading role through discussions and deliberations at committee meetings regarding the enhancement of the audit system and its operation. We believe that she will continue to contribute to improving and strengthening our corporate governance and enhancing our corporate value.
Mikio Fujitsuka	*	Mikio Fujitsuka has supervised management and provide advice on general management from an independent and fair standpoint, drawing on his extensive experience as a corporate manager, high ethical standards, and broad insight, and he has actively participated in Board of Directors meetings. As a member of the Nomination Committee, he has played an appropriate role through discussions and deliberations on proposals for the appointment of Directors and CEO succession planning. We believe that he will contribute to improving and strengthening our corporate governance and enhancing our corporate value.
Nobuhide Hayashi	*	Nobuhide Hayashi has supervised management and provide advice on general management from an independent and fair standpoint, drawing on his extensive experience as a corporate manager, high ethical standards, and broad insight, and he has actively participated in Board of Directors meetings. As the Chair of the Compensation Committee, he has played a leading role through discussions and deliberations on executive compensation policies and compensation decisions. We believe that he will contribute to improving and strengthening our corporate governance and enhancing our corporate value.
Akira Kashima	*	Akira Kashima has supervised management from an independent and fair standpoint, drawing on his wealth of experience as a corporate manager, high ethical standards, and broad insight. We believe that he will contribute to improving and strengthening our corporate governance and enhancing our corporate value by supervising management and providing advice on overall management as an Outside Director.

Years as Director at NSK, Attendance at the Board of Directors and Committee meetings

Supporting System

NSK provides information in an appropriate manner, including distributing materials to all directors in advance, and prior explanation by officers and the Board secretariat.
Furthermore, in previous years, we have provided opportunities for outside directors to visit business facilities in Japan and overseas, which enables them to deepen their understanding of NSK's business and matters specific to NSK.
In addition, NSK holds meetings comprised of outside directors to facilitate information exchange and foster shared understanding among outside directors and executive officers. While valuing these meetings as an opportunity to freely share opinions, the Board secretariat follows up on requests and suggestions as appropriate to improve the effectiveness of the Board of Directors.

Directors/Officers' Compensation

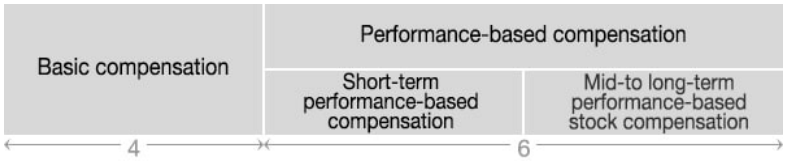
– Compensation for Directors and Executive Officers, Policy on Determining Compensation Amounts and Calculation Methods

As a Company with Three Committees (Nomination, Audit, and Compensation), NSK Ltd. makes decisions on executive compensation structure, compensation levels, and individual compensation, etc., at a Compensation Committee chaired by an outside director, and based on advice from external consultants as well as objective information on compensation levels and trends at other companies.
The Company will determine compensation for director and executive officer positions separately. When a director also serves as an executive officer, the total of each respective compensation amount shall be paid. For directors who also serve as executive officers, stock-based compensation for the director position will not be provided.

– Executive Officers' Compensation

The compensation package for executive officers consists of a fixed basic compensation and a performance-based compensation that fluctuates with performance. The Company generally sets a compensation ratio of 4:6 of fixed compensation to performance-based compensation.

Executive officer compensation package



(1) Basic compensation
The amount of basic compensation is determined according to the title of the executive officer. Moreover, an additional amount will be paid to executive officers with representation rights.

(2) Performance-based compensation
The performance-based compensation consists of a short-term performance-based compensation and a mid- to long-term performance-based stock compensation.

a) Short-term performance-based compensation
The short-term performance-based compensation are determined based on metrics consistent with management goals to increase profitability, raise efficiency of shareholders' equity, and improve corporate value: metrics related to the operating income margin, ROE, cash flow, and ratio of new product sales to total sales as well as an achievement target for ESG goals for CO_2 emission reductions and safety and quality improvement. The individual's level of achievement in their designated job duties are also evaluated when determining the amount of compensation paid to each executive officer.

b) Mid- to long-term performance-based stock compensation
In order to further incentivize contributions to a sustainable improvement of corporate value, to ensure they share the interests with shareholders and to further reinforce the link between executive officer compensation and the mid- to long-term stock value, the Company has introduced a performance-based stock compensation program using a Board Benefit Trust system. Through the system, points are fixed every three years based on a relative evaluation of the total shareholder return (TSR) of the Company's shares through a comparison with the TOPIX growth rate, the equivalent for which Company shares are then distributed upon retirement. However, for a certain portion of the above shall be provided in the from of cash obtained by converting shares into cash.

c) Return of Compensation, etc. (Malus/Clawback Provision)
In the event of a serious compliance violation or revision of the index on which performance linked remuner ation for short term performance-based salary or mid- to long-term performance linked stock compensation was calculated, the Company may request the return of all or part of the performance-based compensation via a resolution by the Compensation Committee. In addition, the Company has instituted a mechanism whereby the entire amount of mid- to long-term performance linked stock compensation may be withheld in the event of a serious compliance violation.

Directors' Compensation

The compensation package for directors consists of a fixed basic compensation and stock compensation which is variable compensation.

(1) Basic compensation
Basic compensation is determined based on whether the director is an outside director or an internal director in addition to the director's role on committees and the Board of Directors to which the director belongs.

(2) Stock compensation
In order to further incentivize contributions to a sustainable improvement of corporate value and to ensure they share the interests of shareholders, the Company has introduced a stock compensation program using a Board Benefit Trust system. The system distributes company shares upon retirement based on points allocated each fiscal year, of which separate amounts are given for outside and internal directors. However, for a certain portion of the above shall be provided in the from of cash obtained by converting shares into cash. For directors who also serve as executive officers, stock-based compensation will not be provided for the director position.

Other

In addition, in the event a member of a management team of another company such as a subsidiary or an affiliate, etc., assumes an executive officer position, compensation will be determined separately.

Directors/Executive Officers' Compensation (FY2024)

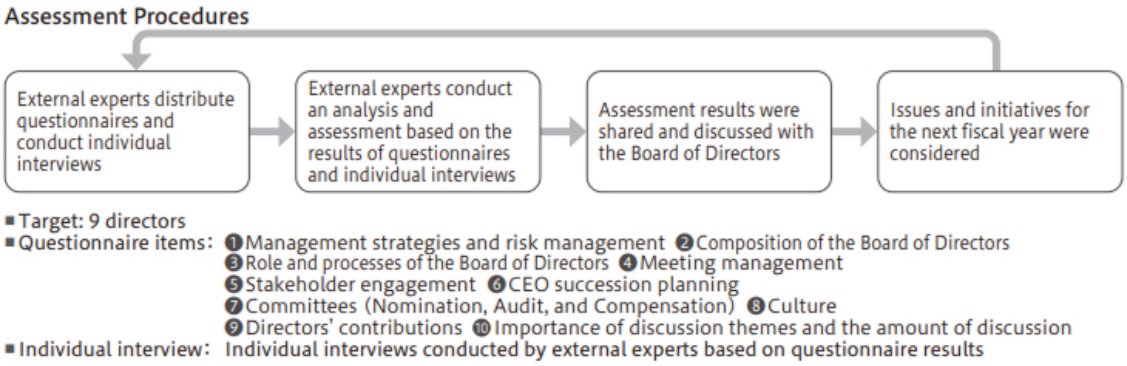
	Total compensation	Fixed compensation		Performance-based compensation		Stock compensation	
		No. of officers	Amount	No. of officers	Amount	No. of officers	Amount
Directors (Internal)	¥95 million	4	¥88 million	-	-	2	¥7 million
Directors (Outside)	¥78 million	6	¥69 million	-	-	6	¥9 million
Executive Officers	¥876 million	17	¥538 million	16	¥116 million	20	¥221 million

*Compensation (excluding stock compensation) for Directors (Internal) includes compensation for Directors who also serve as Executive Officers.
*The amount of performance-based salary is the planned amount to be paid on July 1, 2025, based on the results for the year ended March 31, 2025.
*The amount of stock compensation is the amount recorded as expenses for the current fiscal year.
*Figures listed above are rounded down to the nearest one million yen.

Assessment of Effectiveness of Board of Directors

In order to achieve sustainable growth and increase our mid- to long-term corporate value, NSK conducts annual assessments of the effectiveness of its Board function and works to further enhance performance. To maintain the objectiveness of these assessments, we commission external experts to conduct assessment based on questionnaires and interviews and the results are discussed by the Board.

Assessment Procedures



FY2024 Assessment Results and Future Initiatives

The results of the questionnaire and individual interviews confirmed that the effectiveness of the Board of Directors has improved, with accelerated discussion of the Board of Directors from the perspective of the capital markets; sharing with the Board of Directors the items considered and discussed by the Nomination, Audit, and Compensation committees; and active discussion by the Board of Directors.

"FY2023 initiatives in response to FY2022 issues", "FY2024 initiatives in response to FY2023 issues" and "Main Future initiatives in response to FY2024 issues" are as follows.

FY2022 Issues	FY2023 Initiatives
Sharing the roles of the Board of Directors amid business restructuring	● A process whereby the chairperson of the Board of Directors, outside directors, and the CEO discuss and determine the Board meeting agenda was introduced. ● The Board of Directors was deeply involved in the transition of the Steering Business to a joint venture.
Thorough and complete monitoring of MTP2026	● Directors shared their understanding of monitoring and coordinated with the executive side. ● The Board of Directors enhanced its discussions on MTP2026 themes.
Further strengthening the contribution of outside directors	● Site visits and the practice of holding Board meetings at plants were resumed to deepen the business understanding of outside directors. ● Communication was enhanced through the resumption of regular meetings of outside directors.

FY2023 Issues	FY2024 Initiatives
Enhancement of discussions based on perspectives of stakeholders	● Board discussed with a greater awareness of capital market perspectives through the implementation of dialogue between institutional investors and outside directors. ● Board proactively involved in action on governance issues based on capital market perspectives, including clarification of criteria for CEO selection and dismissal.
Further upgrading of monitoring	● Board discussed the revision of numerical targets for the Mid-Term Management Plan based on the previous year's situation. ● Discussions were held at the Board of Directors based on reports from the executive side on the progress of important themes set forth in the Mid-Term Management Plan.
Awareness and appropriate involvement in the area of "defense"	● Based on the report from the Audit Committee, Board confirmed the effectiveness and efficacy of the new risk management system.
Appropriate involvement in matters under the Nomination Committee	● Sharing information to the Board of Directors on the content of Nomination Committee discussions. ● Sharing of CEO succession planning process and philosophy with the Board of Directors.

FY2024 Issues	Main Future Initiatives
Discussion of strategies and monitoring from a big picture, mid- to long-term perspective	● Aligning the Board of Directors on management themes that the Board of Directors should focus on.
Consideration of the optimal composition of the Board of Directors	● Optimal composition of the Board of Directors in light of the business environment.
Promote business understanding that contributes to effective discussions	● Enhance opportunities for directors to visit sites and communicate with the executive side.
Securing time for discussion	● Review frequency of Board meetings and time per meeting.

Cross-Shareholdings

Policy on Cross-Shareholdings

In principle, NSK holds no cross holding shares. Conversely, we exceptionally hold cross holding shares in cases where it is deemed necessary to enhance the mid- to long-term corporate value. Regarding the appropriateness of cross shareholdings, our executive organizations conduct quantitative and qualitative evaluations on an annual basis to determine whether each individual shareholding is delivering acceptable benefits in relation to our capital cost. The Board of Directors receives regular reports from the aforementioned executive organizations and studies the matter accordingly. We will sell any cross shareholdings whose possession we believe cannot be justified, taking into account stock prices and market trends.

As a result, the number of cross shareholdings held by the Company has been reduced by 6 stocks (including 5 listed companies) in FY2024, from 136 stocks (including 79 listed companies) at the end of March 2010 to 46 stocks (including 15 listed companies) at the end of March 2025, a reduction of 90 stocks (including 64 listed companies) over 15 years.

Criteria for Exercise of Voting Rights Concerning Cross-Shareholdings

NSK has defined specific criteria for exercise of voting rights concerning Cross-Shareholdings. When exercising voting rights, we confirm that the proposal in question does not damage shareholder value, and that it serves to improve the mid- to long-term corporate value of both NSK and the company in which the stake is held. We engage in dialogue, such as requesting explanations, with the company in which the stake is held before determining whether or not we support proposals.

Notice of the Ordinary General Meeting of Shareholders (Cross-Shareholdings)

Outside Director Dialogue

Outside Director Dialogue (NSK Report 2025)

Outside Director Dialogue (NSK Report 2024)

Director Dialogue (NSK Report 2023)

Interview with NSK's Outside Directors (NSK Report 2022)

For more information on Dialogue with Shareholders and Investors, please click here .

Corporate Governance Library

Corporate Governance Report

NSK Report

ESG Data 2025 Governance

Business Continuity Management (BCM) ▸▸
Information Security Management ▸▸

NSK's Approach
System
Representative Risks and Countermeasures

NSK's Approach

At the NSK Group, the executive management team oversees the implementation of a risk management system guided by the Group's basic internal control policy. Risks faced by the NSK Group are identified, categorized and prioritized by the risk management department, before being assigned to responsible departments. This system is designed to avoid and minimize risks for the entire Group and to coordinate response measures when risks actually materialize.

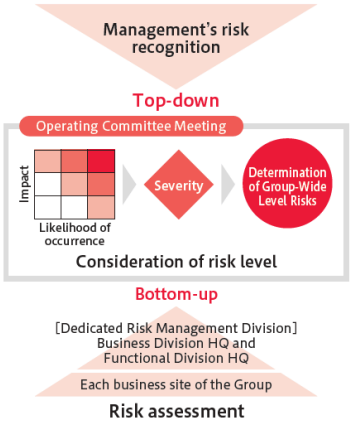
Risk Management Systems

NSK conducts risk management based on clearly stipulated fundamental principles aimed at effectively enabling the Group global management and internal control functions.
To increase the effectiveness of risk management, NSK established a new Enterprise Risk Management (ERM) framework setting out more clearly the “Three Lines of Defense” approach.

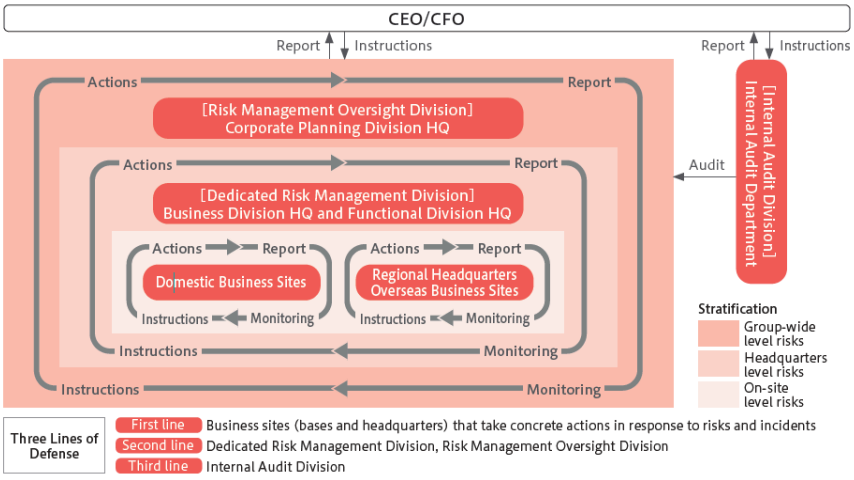
Key pillars for operation of this new framework are the introduction of risk stratification and enhancement of potential risk management. In terms of stratification, based on management’s risk recognition and instructions, risks identified through Group-wide risk assessments were divided into three categories: Group-wide level risk, headquarters-level risk, and on-site level risk, and responsibility for addressing each risk was clarified. The Operating Committee determines Group-wide material risks based on a consideration of their severity in addition to an evaluation of the likelihood of occurrence and impact and provides a report to the Board of Directors. In addition, for each risk identified, we determine countermeasures from the viewpoints of avoiding, mitigating, transferring, or accepting risk and seek more effective means of preventing risks from materializing through a cycle that entails the taking and reporting of such actions, as well as monitoring and giving instructions. At the same time, we adopt a system where, in the event of an incident, the dedicated risk management division (Business Division Headquarters or Functional Division Headquarters) in charge of managing the relevant risk seeks to mitigate the impact by working with the affected business site to take prompt and appropriate steps and assumes responsibility until the incident is over. The Risk Management Oversight Division (Corporate Planning Division Headquarters) shares the latest risk management situation with management and provides opportunities to encourage an understanding of such.

In addition, the internal audit division (Internal Audit Department), which is independent of the executive divisions, checks the ERM system framework and reports its findings to the Audit Committee.

Determination of Group-Wide Level Risk



Enterprise Risk Management (ERM) System



Representative Risks and Countermeasures

Risk Item	Details of Representative Risks	Countermeasures
(1) Risks associated with technological innovation	• Risk of delayed development response to market changes and customer technology demands brought on by technological innovation	• Ensure development plan management and operation based on mid- to long-term policies • Leverage open innovation and alliances
(2) Risks associated with safety, prevention of fire, and natural disasters	• Risk of operations being impacted by an inadequate BCP response to events such as a natural disaster or pandemic • Risk of a major industrial accident occurring • Risk of a halt in operations due to a fire	• Prioritize through impact analysis and specify and implement concrete countermeasures • Strengthen management systems and step up preventive activities at priority business sites • Enhance group-wide in-house training activities
(3) Risks associated with quality	• Risk of occurrence of serious quality problems • Risk of decline in capability to deal with problems due to shortcoming in quality assurance system • Risk of quality data fraud and falsification	• Strengthen countermeasures based on analysis of past incidents • Mitigate impact in the event of a problem through the introduction of a group-wide traceability system • Enhance information sharing and quality audit activities, and strengthen training
(4) Risks associated with the environment	• Risk that delayed measures to reduce energy use in the long term will lead to lost business opportunities and damage to corporate value • Risk of a leak of environmentally harmful substances or overrun of emission standards	• Implement investment plan based on cycle for achieving energy reduction targets • Strengthen management systems and step up preventive activities at priority business sites
(5) Risks associated with compliance	• Risk of delayed response to changes in various laws and regulations • Risk of our products being used by users of concern under security export controls • Risk of shortcomings in our responsiveness to global taxation issues	• Information sharing, and education and training through the Group compliance system • Step up initiatives based on the Three Lines of Defense, thoroughly implement customer management and conduct regular audits • Strengthen tax management system including increasing resources to deal with international taxation and sharing data and risks between parent company and subsidiaries
(6) Risks associated with human resources and labor	• Risk of being unable to secure the globally competent human resources needed to expand business and implement strategies • Risk of being too slow to embrace diverse work styles and review personnel systems and measures accordingly • Risk of disruption to business operations as a result of failure to comply with each country's labor laws and regulations	• Strengthen recruitment process and enhance succession planning according to the status of businesses and capabilities under the condition of each country and region • Formulate and implement measures and action plans within the Group based on engagement surveys and step up awareness-raising activities • Engage in information exchange and monitoring with the Human Resource division of each region around the world on a regular basis and collaborate with external experts
(7) Risks associated with procurement	• Risk of disruption to procurement due to overreliance on specific suppliers	• Consider alternatives, have more than one supplier, and encourage local procurement
(8) Risks associated with DX and information security	• Risk of delivery delays and rising costs in connection with the introduction of core systems • Information security risks such as cyber attacks and the leakage of confidential information	• Tighten project management and establish a rigorous review process for additional development • Well scheduled system updates, and conduct vulnerability assessments on a regular basis • Improve ability of early detection and coping skills, and strengthen prompt recovery capability

Risk Item	Details of Representative Risks	Countermeasures
(9) Risks associated with mid- to long-term improvement in corporate value	• Risk that unexpected changes in the business environment prevent achievement of the mid-term management plan • Risk that inadequate dialogue with stakeholders, including shareholders, investors, employees, and others, impacts improvement in corporate value or external evaluations • Risk that the tariff and trade policies of each country could place pressure on NSK's earnings	• Monitor achievement of the plan and formulate and implement new countermeasures in the event any negative changes occurred • Increase engagement activities with all stakeholders and improve disclosures and communication • Collect information in a timely manner and make subsequent adjustments to sales prices while considering changes to the location of production

NSK's Approach | System | Targets and Performance | Initiatives

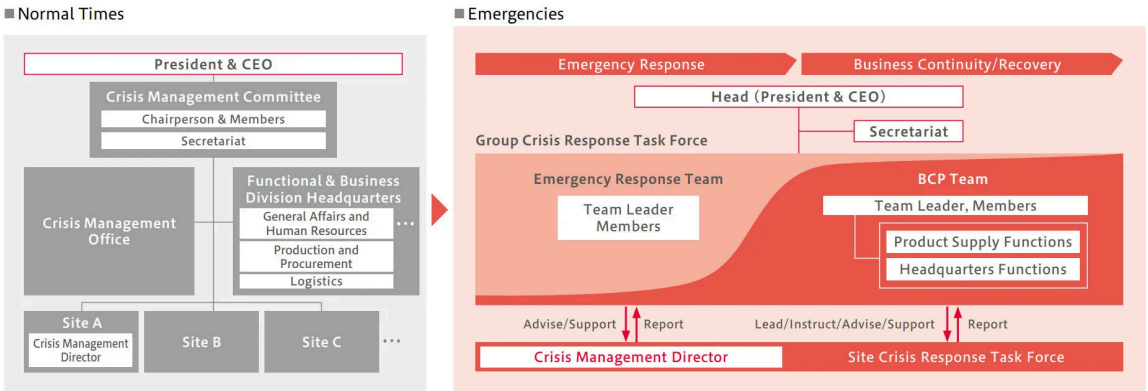
NSK's Approach

NSK's basic policy is to place the highest priority on ensuring the safety of human life, to respond to disasters in collaboration with society and to prevent disruptions to essential operations and to promptly resume operations in the event of a suspension.
NSK has established a Business Continuity Plan (BCP). As part of its disaster preparedness, NSK focuses on measures to reduce damage in the event of disaster. As post-disaster measures, NSK works to shorten recovery times and investigate alternative means of conducting business. We also ensure that necessary inventories are maintained to fulfill our responsibility to supply products to customers.

System

As an organization that directly reports to the CEO, NSK has permanently established the Crisis Management Committee to oversee initiatives related to business continuity management and to foresee the risks that the NSK Group might face. Based on this preparedness, NSK has put into place systems during normal times while directing and controlling organizations to respond to a crisis in an emergency. In addition, such organizations have been established in each region outside Japan to oversee business continuity management. The Crisis Management Committee will work with these organizations to deal with risks when they emerge.

– Crisis Management Structure



Targets and Performance

Mid-Term Management Plan 2026 (MTP2026) Targets, with Targets and Performance for Each Fiscal Year

Policy		Development of group crisis management systems	BCP formulation and effectiveness enhancement
MTP2026	Targets	• Implement a BCM in accordance with global standards • Strengthen the information sharing platform	• Formulate a BCP for critical functions • Enhance the effectiveness of the BCP formulated
FY2024	Targets	• Identify issues in order to achieve the recovery target and implement necessary measures • Prepare for the implementation of an integrated platform for disaster information gathering, reporting, and sharing	• Establish a global version of the BCP guidelines • Conduct training to enhance decision-making capabilities and action-taking skills, focusing on individuals
	Performance	• Conducted a pilot program for business impact analysis (BIA) • Prepared for the implementation of the information platform	• Established a BCM manual • Conducted a pilot program for first-hand, problem-solving-based training
FY2025	Targets	• Expand business impact analysis (BIA) to other areas • Conduct preliminary implementation of the information platform	• Roll out first-hand, problem-solving-based training company wide

Initiatives

Setting Recovery Time Objectives

Recovery time objectives are set so as to enable a resumption of product supply to customers even after a crisis occurs. To ensure recovery within the target period, the NSK Group promptly implements measures to thoroughly minimize damage in the event of a disaster. By reducing the recovery period and securing the minimum inventory required, we will be able to continue supplying products. In anticipation of unforeseen damage and difficulties for recovery within the target period, we are in a state of preparedness so that business activities can be resumed using alternative functions.

Initiatives to Enhance BCP Effectiveness

At NSK sites, including the head office and Group companies in Japan, we have been preparing for potential emergencies. These efforts include creating emergency organizational structures, establishing response procedures, and assembling useful tools. We also confirm the viability of the preparation through regular drills and address issues that emerge during the drills to make improvements. We are also working to improve BCP effectiveness in the event of a major disaster such as a large-scale earthquake. This is being done by preparing measures to minimize damage, securing emergency communication channels, establishing a reporting system, preparing for large-scale power outages, and ensuring backups for IT infrastructure.

Turning to regions outside Japan, we are formulating BCPs for our business sites based on the assumption of region-specific risks and verifying the effectiveness of the BCPs we have developed.

Initiatives in FY2024

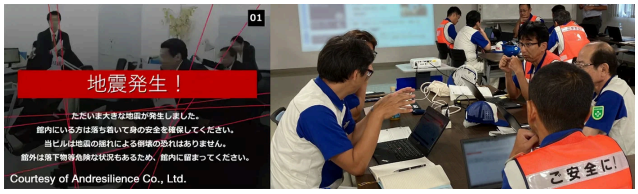
Strengthening the Capabilities of Individuals

To ensure the business continuity of organizations and companies, it is essential that each employee can respond appropriately in an emergency without relying on instructions from a leader. With this in mind, NSK is introducing new training programs in FY2024. These programs include learning methods for rescuing and aiding causalities using disaster simulations, as well as provide leadership skills so that people can solve problems that rapidly materialize during a disaster. The new training launched at a pilot plant and was then rolled out to other locations.





First hands training on protecting people's lives



Problem solving training using disaster simulations

Reflections on Disaster Responses

In light of frequent earthquakes and heavy rainfall, NSK is reflecting on its disaster responses to identify areas for improvement in its BCP. Recent insights have highlighted the need to improve decision-making and communication methods when crisis levels escalate outside of normal working hours, to better understand the latest hazard information around plants, replenish disaster supplies, and ensure the effectiveness of preparedness through exercises. Based on these reflections, we have carried out inspections of weather-related disaster preparedness at all domestic and overseas plants.

Measures for Adapting to Climate Change

We have been implementing various measures to address the increasingly severe weather disasters caused by the advance of climate change. For example, as a part of flood preparedness measures, we have conducted actions such as reviewing timeline action plan procedures, installing anti-flood plates, and implementing training for sandbag installation.





Regular training on installing anti-flood plates

NSK's Approach | System | Targets and Performance | Initiatives

NSK's Approach

The use of digital technology is expanding across an increasingly wide range of fields. At the same time, the volume of information and data is also increasing dramatically with the forms in which it is held and used continuing to diversify. In this business environment, in addition to the risks associated with information leaks and violations of laws due to the improper handling of information, there is also a higher risk of increasingly sophisticated cyberattacks, which could bring supply chain operations to a halt. Positioning information security management as one of its important management tasks, the NSK Group has established the NSK Group Basic Policy on Information Security and is working to reduce a variety of risks while strengthening its response to relevant laws and regulations. Moreover, we are promoting initiatives for more robust mechanisms and organizational structures, such as network countermeasures, against increasingly sophisticated cyberattacks.

Basic Policy and Management Standards and Rules

The NSK Group has established a basic information security policy and put in place subordinate rules and regulations. We review and expand this policy, as well as rules and regulations, in line with the enforcement and revision of statutory and regulatory requirements and changes in our operating environment. Moreover, we are working to ensure that information security rules and risk countermeasures are implemented throughout the organization via increased awareness, development, and education, as well as periodic checks on the status of their penetration. These rules and regulations apply to all personnel who handle information within NSK Group companies, including officers, employees, and temporary staff. Furthermore, we require that appropriate information security measures are in place whenever confidential information is shared with third parties. These measures include clearly defining information security requirements through contractual agreements.

Major Information Security-Related Regulations

NSK Group Basic Policy on Information Security	This policy sets out the objectives for the NSK Group's information security (information security initiatives, handling of information assets, compliance with laws, regulations, and contracts, as well as education and continuous improvement). NSK Group Basic Policy on Information Security
NSK Group Information Security Management Standards	As the top information security directives in the NSK Group, these standards outline the principles for bringing the levels of information security management across the Group up to the same high standard.
NSK Group Information Security Procedural Standards	These rules stipulate measures to protect information assets, such as proper methods for handling information assets that need to be adopted across the NSK Group.

System

Information Security Management System (ISMS)

The NSK Group is enhancing its managerial resources with the power of digital technology and continuously transforming its business. This is a key priority in our Mid-Term Management Plan 2026, MTP 2026. We established the Information Security Division (IT Governance Department, Information Security Enhancement Group) under the Digital Transformation Division Headquarters at NSK Ltd., the Group headquarters, to enable the safe use of digital technology and to globally deploy information security enhancement measures that take into account the relationship between digital technology and cybersecurity. As of April 2025, the person responsible for executing information security initiatives across the NSK Group is the Head of the Digital Transformation Division Headquarters (Operating Executive). Moreover, information security-related risks are supervised under the Corporate Risk Management System and are reviewed and discussed by the Board of Directors as an issue that concerns the entire group. The Information Security Division regularly holds global meetings, working in cooperation with information security management committees in Japan, the Americas, Europe, China, ASEAN and Oceania, India, and South Korea. NSK is working to improve the information security management level of the entire NSK Group, and to plan and implement information security measures.

Furthermore, NSK has established a CSIRT* organization to quickly and appropriately respond to cyberattacks, aimed at preventing the spread of damage and facilitating swift recovery. NSK is also a member of the Nippon CSIRT Association.

* CSIRT is an abbreviation for Computer Security Incident Response Team, an organization that rapidly responds to computer security incidents.



Targets and Performance

Mid-Term Management Plan 2026 (MTP2026) Targets, with Targets and Performance for Each Fiscal Year

Policy		• Respond to risks associated with the convenience of information handling due to the rapid development of information and communication technology and strengthen compliance with relevant laws and regulations • Establish a highly secure IT infrastructure to address increasingly sophisticated cyberattacks and take initiatives to strengthen the incident response structure		
MTP2026	**Targets**	• Strengthen security governance management operations	• Strengthen cybersecurity risk countermeasures	• Strengthen infrastructure security
FY2024	**Targets**	• Promote standardization at the global level	• Improve cybersecurity response capabilities with education and training	• Deploy global standard tools and platforms
	Performance	• Continued efforts to improve the security maturity level • Implemented standardization of security tools (services) at the global level	• Participated in FY2024 collaborative drills (training for security incident) organized by the National center of Incident readiness and Strategy for Cybersecurity and Nippon CSIRT Association • Conducted incident response training at plants in Japan • Conducted information security inspections and introduced assessment tools for business partners • Carried out regular education and training in addition to the above	• Deployed integrated security monitoring platform globally
FY2025	**Targets**	• Strengthen standardization at the global level • Strengthen security governance for group companies	• Improve cybersecurity response capabilities through education and training	• Deploy global standard tools and platforms

Initiatives

Enhancing Information Security Management

By utilizing globally adopted guidelines and frameworks (NIST Cyber Security Framework 2.0, CIS Controls, etc.) developed by professional cybersecurity organizations, NSK is forging a balanced approach to information security management in the context of people and organizations, processes, and technologies, while incorporating the concept of cyber resilience and working to strengthen these initiatives.

Status of Security Certifications

NSK has established a PDCA cycle for its information security management system, which includes periodic inventory and risk assessments (internal audits) of information assets and develop plans to handle and mitigate identified risks. As a result, based on demands from customers, NSK Group companies in Europe, China, and Japan acquired TISAX,* a security certification widely adopted in Germany's automobile industry.

* Trusted Information Security Assessment Exchange (TISAX): A corporate assessment and certification system based on the VDA Information Security Assessment (VDA ISA) framework developed by the German Association of the Automotive Industry (VDA).

Enhancing Incident Response Capabilities

We are advancing technical measures to detect suspicious activities and security threats on information devices and networks. Information about detected incidents is analyzed by the Security Operations Center,*1 which then implements countermeasures. With this structure, we have established mechanisms for swiftly responding to security incidents. In addition, vulnerabilities that affect the entire NSK Group are monitored utilizing security rating services*2 and attack surface management (ASM) tools.*3
In view of the significant impact of recent security incidents on the supply chains of other companies, we also carry out information security inspections at suppliers and strive to enhance their security level. Efforts are also underway to enhance the incident response structure at NSK plants to enable not only an IT response, but an OT*4 response to incidents, as well.

*1 Security Operations Center is an organization dedicated to detecting, analyzing, and taking countermeasures to cybersecurity threats.
*2 Security rating services quantify a company's security measures to provide ratings that are useful in external and internal risk assessment and the formulation of countermeasures.
*3 Attack surface management is a series of processes executed to discover IT assets that are accessible from outside the organization (via the Internet) and to continuously identify and assess the vulnerabilities and other risks they present.
*4 Operational technology (OT) consists of plant and other facility control systems. Whereas IT deals specifically with information, OT is considered unique in that it interacts with the physical environment.

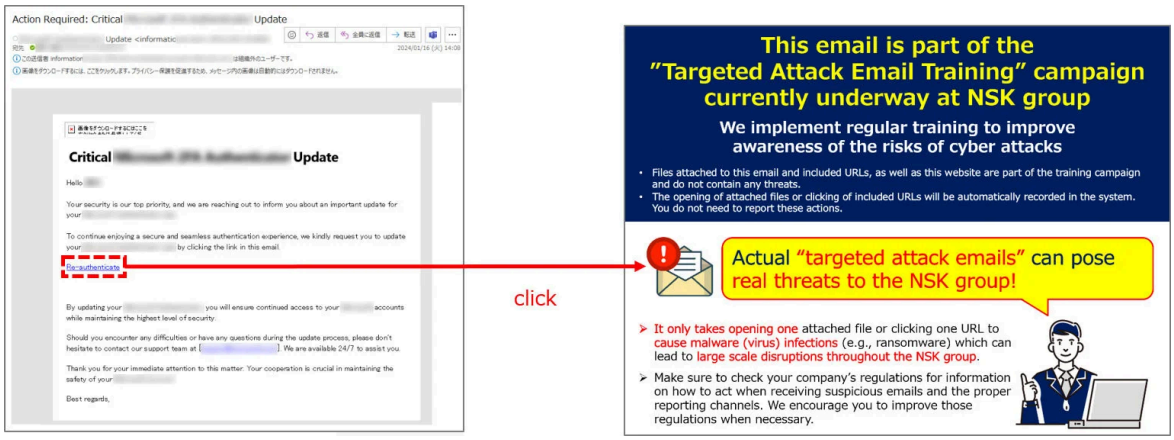
Training and Countermeasures Against Cyberattack

NSK conducts annual drills simulating incidents triggered by cyberattack. In FY2024, we participated in the NISC/NCA collaborative drill* held by the Nippon CSIRT Association to verify whether our response structure would function effectively in the event of an actual incident. We also collaborate with regional system management departments to provide training on targeted attack emails to all employees who use a PC. Incident response drills at plants simulate attacks that have taken down internal plant systems and OT systems. We evaluate our incident response procedures to ensure production continuity in the event of an emergency and improve them based on identified issues.

* NISC/NCA collaborative drills are cyber drills executed jointly by the National center of Incident readiness and Strategy for Cybersecurity (NISC) and Nippon CSIRT Association (NCA). NISC conducts an annual all-sectoral critical infrastructure provider drill (cybersecurity tabletop exercise) every December for NCA members.

Image from Targeted Attack Email Training

Educational content is displayed to employees who do not handle a suspicious email properly, in order to help employees thoroughly understand the appropriate actions to be taken.



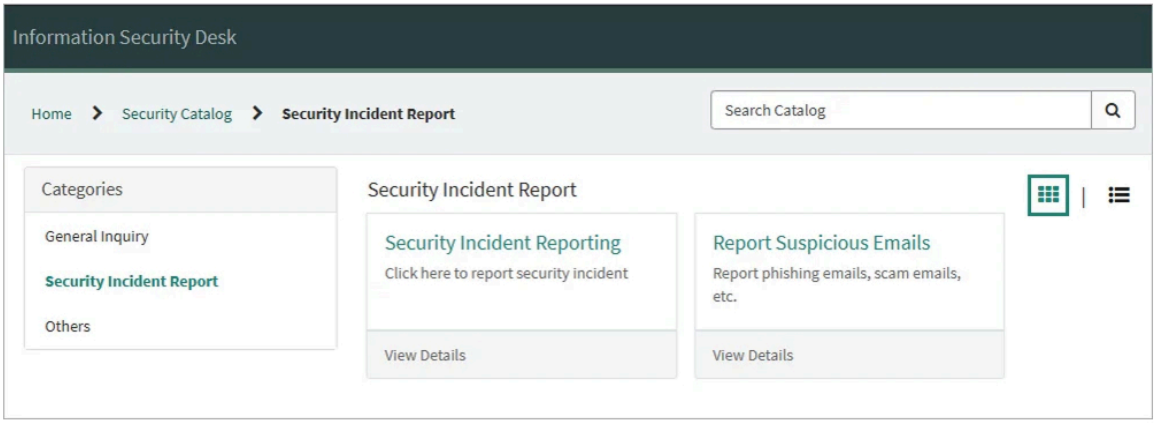
Raising Information Security Awareness

– Prevention of Information Leaks and Information Security Education

The NSK Group has established rules for classifying and appropriately handling information according to the confidentiality level of information assets, paying close attention to the handling of confidential information and striving to prevent information leaks. As part of our education and awareness efforts, we conduct regular e-learning programs for employees around the world. Furthermore, we provide training by employee categories, such as officers and the system management department members, as well as training at the time of hiring or before being posted overseas.

– Information Security Desk

The NSK Group has an internal system for disseminating security information and receiving security incident reports. We also have an escalation process to ensure that appropriate procedures are carried out when such reports are made.



NSK's Approach | System | Targets and Performance
Creating Internal Regulations, Training and Awareness Raising Activities | Monitoring

NSK's Approach

The NSK Group has positioned compliance as one of its core values. For NSK, compliance goes beyond adherence to laws and regulations. It also entails acting in accordance with internal rules, social norms and the Corporate Philosophy in a sincere and fair manner. Moreover, compliance means earning the trust of society and contributing to the development of the economy and society in Japan and around the world.

NSK Code of Corporate Ethics (Established: February 22, 2002, Revised: April 1, 2022)

NSK Code of Corporate Ethics, based on the NSK Corporate Philosophy, lays down the fundamental principles that all officers and employees of NSK Ltd. and NSK Group companies ("Personnel") shall comply with when conducting various business activities. All officers and employees of the NSK Group must follow this code. Whenever it is violated, the person concerned is subject to disciplinary action based on the employment regulations.

Scope: NSK Code of Corporate Ethics applies to NSK Ltd., its consolidated subsidiaries (unless they have established their own code independently), and NSK-Warner K.K.

[1] NSK Corporate Ethics Policies

1. Personnel will strive to ensure that NSK Ltd. and its affiliates continue to prosper as a company that acts in a sincere and fair manner, and which is respected and trusted in international and regional society.
2. Personnel will comply with all laws related to its business activities. Moreover, personnel will act in a highly ethical manner in order to ensure that NSK fulfils its responsibility as a corporate citizen.

[2] NSK Code of Conduct Concerning Compliance

1. Compliance with Competition Laws
   Personnel must not make agreements with competitors to set selling price or territorial sales markets, restrict resale price, or perform other anticompetitive acts. Personnel will conduct legitimate trade through free and fair market competition.
2. Compliance with Import- and Export-Related Laws
   Compliance with international rules is essential for freedom of global business activities. Personnel must comply with all import- and export-related laws.

3. Prohibition of Commercial Bribery (handling of entertainment, gifts, etc.)
   When giving and receiving gifts and entertainment, bribery — and any acts deviating from socially-accepted norms — is prohibited. Personnel must not provide entertainment and gifts to officials and employees of public institutions unless there are special reasons for doing so.

4. Transactions with Public Institutions and Handling of Political Donations
   Personnel must comply with all laws related to transactions with public institutions. Personnel must also comply with all laws related to political donations and must avoid questionable expenditures/provision of benefits.

5. Accurate Recording and Processing
   All business activities must be accurately recorded, archived, and processed appropriately in accordance with related laws and regulations. In the event of an audit, whether internal or external, personnel must cooperate fully and provide honest information.

6. Prohibition of Insider Trading
   Personnel must not trade in stock or other securities with the knowledge of nonpublic insider information or provide said information to any third party, including family members.

7. Handling of Intellectual Property Rights
   Personnel must strive to create, protect, and utilize intellectual property, such as inventions, and must handle intellectual property rights with great care. In addition, personnel must not infringe the intellectual property rights of others.

8. Prohibition of Illegal and Criminal Conduct
   Personnel must adopt a resolute stance against illegal conduct and must not interact with organizations that are engaged in criminal operations.

9. Protection of Corporate Assets
   Personnel must use corporate assets in an appropriate manner, solely for the purpose of corporate operations, and endeavor to protect such assets. Personnel must avoid the misuse and waste of corporate facilities, equipment, tools, materials, spare parts, and network systems.

10. Handling of Confidential and Personal Information
    Personnel must not obtain confidential information of companies, customers, suppliers, etc. through wrongful means, disclose such information to any third party, nor use for private purposes, including after retirement. Personnel must also manage personal information appropriately in order to protect privacy.

11. Relations with Customers
    Personnel must always provide high-quality, safe, and secure products and services. Personnel must always commit themselves to entering into fair trade practices, being sincere in attitude, and making proactive proposals in order to enhance trust in the NSK brand.

12. Relations with Suppliers
    Selection of suppliers must be based on fair criteria. When conducting business with suppliers, personnel must comply with related laws and treat suppliers as an equal business partner. In addition, personnel shall not seek nor receive personal profits using a dominant bargaining position.

13. Prohibition of Acts Discrediting Competitors
    Fair business activities must be performed based on the principles of free competition. Personnel must not unfairly undermine competitors' credibility by disseminating arbitrary information about competitors or their products, including libel, slander, or defamation.

14. Prohibition of Discrimination, Cultivation of a Sound Workplace
    Personnel must respect the rights of individuals and must not unfairly discriminate on the basis of race, appearance, belief, gender, lineage, ethnicity, nationality, age, marital status, physical disability, or other inappropriate reason. In addition, personnel must avoid engaging in acts that cause offense to the recipient.

15. Respect of Fundamental Rights at Work
    Personnel must not use forced or child labor. In addition, personnel must comply with all labor laws and respect fundamental rights at work.

16. Global Environmental Protection
    Personnel must comply with environment-related laws and internal rules. In addition, personnel must be conscious of the effect their work has on the environment, and strive to prevent pollution as well as protect human health and the ecosystem in order to pass on a better environment to the next generation.

[3] Disciplinary Actions

Personnel who violate this Code will be subjected to disciplinary actions.

System

Compliance Promotion System

The Legal and Compliance Division HQ formulates policies to strengthen the compliance structure of the NSK Group, implements various measure based on these policies, and continuously monitors the implementation status. Activities of the Legal and Compliance Division HQ are reported to the Sustainability & Core Values Committee on a regular basis. Through the discussion of policies for promoting and strengthening compliance, which is one of our core values, and sharing of relevant risks, the Sustainability & Core Values Committee makes recommendations and monitors progress toward resolving company-wide compliance issues.

The NSK Group has appointed persons responsible for compliance at each department, site, and NSK Group company in Japan as well as each headquarters outside Japan to serve as key contact points who regularly report on compliance and conduct risk management.

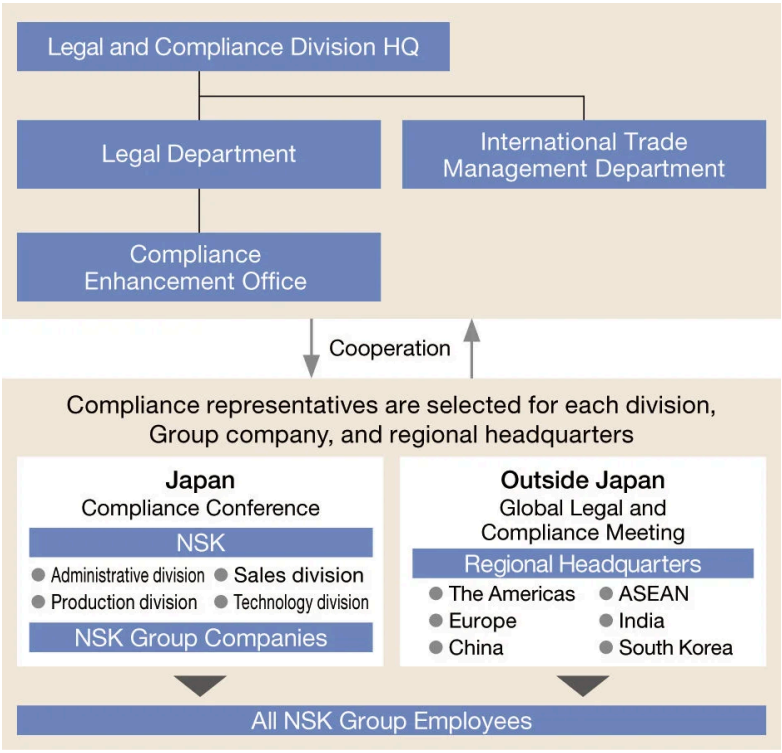
For more information on the Sustainability & Core Values Committee, please visit.

NSK Corporate Governance Structure.

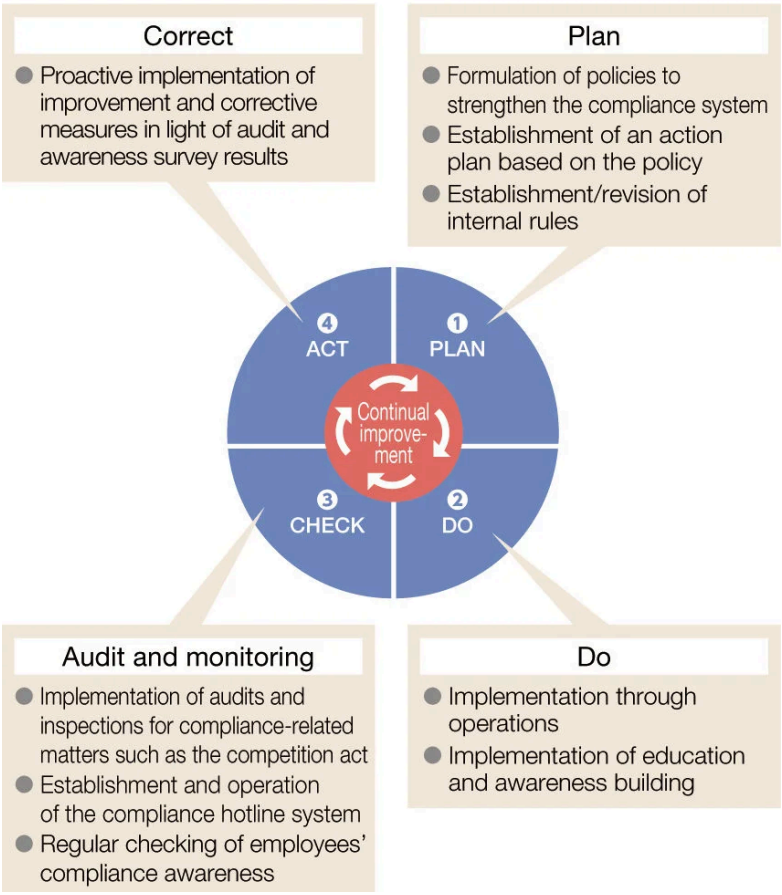
Global Legal and Compliance Meetings

In order to strengthen the global compliance system, global legal and compliance meetings are held twice a year. At these meetings, members responsible for compliance from the Americas, Europe, China, ASEAN, India, and South Korea gather to report on and discuss compliance activities in their respective regions and countries. This includes compliance training implementation methods and compliance hotline operation. They also share information on relevant laws and regulations in each country, helping one another to identify ways to improve future performance.

NSK Group Compliance System



PDCA Cycle for Continual Compliance Improvement



Targets and Performance

Mid-Term Management Plan 2026 (MTP2026) Targets, with Targets and Performance for Each Fiscal Year

Policy		Increase trust from international and regional society by completely adhering to the laws and regulations, and by taking actions based on high ethical standards	
MTP2026	Targets	• Maintain and improve compliance awareness	• Further enhance the reduction of compliance risks
FY2024	Targets	• Plan and execute training and awareness-raising activities on overall compliance	• Reduce compliance risks by strengthening monitoring activities
	Performance	• Conducted training in all sales divisions • Conducted training across all technical departments • Conducted training at seven production sites	• Conducted audits related to compliance with competition law (anti-trust laws) • Conducted employee engagement surveys (compliance awareness surveys)
FY2025	Targets	• Plan and execute awareness-raising activities on overall compliance	• Reduce compliance risks by strengthening monitoring activities • Spread awareness and promote use of the compliance hotline

Creating Internal Regulations, Training and Awareness Raising Activities

Distribution of Compliance Guidebook

NSK created the NSK Compliance Guidebook that explains the 16 items of the NSK Code of Conduct Concerning Compliance, which is part of the NSK Code of Corporate Ethics. The Guidebook is written in the languages spoken by employees around the world and distributed to officers and employees of the NSK Group. We have prepared additional localized versions of the guidebook when needed, based on relevant national laws, in order to raise awareness of compliance. Employees who receive the Guidebook pledge to abide by its content.

NSK Compliance Guidebook

Preventing Violations of the Competition Law

The NSK Group has established Rules for Compliance with Competition Law. We prohibit officers and employees from exchanging information or making arrangements with competitors regarding product prices or customers, or from making efforts to restrict sales price setting by retail stores. Moreover, contact with competitors is prohibited in principle. Whenever officers or employees need to participate in a business meeting where there is a chance for interaction with competitors, they must submit an application in advance followed by a report afterwards.
We also conduct training worldwide, focusing on sales departments annually. The training covers competition law and other compliance-related themes. The training includes the review of past cases of cartel behavior, in order to keep the applicable lessons fresh in employee minds.

Anti-bribery

The NSK Group's Anti-Bribery Standards* prohibit officers and employees not only from engaging in bribery, but also giving or receiving entertainment or gifts that deviate from publicly accepted norms. In principle, the provision of entertainment or gifts to any officer or employee of a public institution is prohibited.
Based on the Anti-Bribery Standards, localized internal regulations have been established for Group companies worldwide, based on relevant anti-bribery laws. The NSK Group regularly conducts training to prevent bribery.
Bribery is also prohibited in the NSK Code of Conduct Concerning Compliance, which is part of the NSK Code of Corporate Ethics. If there is any question that bribery may have occurred, it is reported to the compliance officer in the relevant department and the legal department of each regional headquarters. Any violation of these anti-bribery rules will subject the person concerned to disciplinary action based on the employment regulations.

*Overseen by the Legal and Compliance Division HQ and approved by the CEO

Preventing Insider Trading

The Internal Regulation for Preventing Insider Trading applies to all officers and employees of the NSK Group. This regulation prohibits officers and employees from buying or selling company stock while in possession of insider knowledge of related undisclosed information. Personnel in this situation are also not allowed to encourage others including family members to buy or sell company stock. It also prohibits NSK Group officers and employees from purchasing NSK shares on the stock market. When selling NSK shares, they must apply for permission in advance using a special system. We are working to ensure thorough awareness of insider training across the Group. We provide e-learning modules and other training, posters, and internal communication materials such as the Compliance Newsletter.

Security Export Control

The NSK Group has strengthened its system for controls for preventing products and technology from being exported for the aims of the development, manufacture, and use of weapons, based on Japan's Foreign Exchange and Foreign Trade Act. A basic policy and system of controls related to security export have been set forth in the Standards on Security Export Control. We are working to maintain and improve the reliability of the NSK Group's export-related operations and to reduce the risk of legal violations by conducting e-learning sessions, specialized training, and regular audits.

Protecting Personal Information

The NSK Group maintains a basic policy concerning the acquisition, management and protection of personal information. Internal control systems have been set up for the protection of personal information based on the actual business situation. These enable the Group to collect, use, and provide personal information appropriately in accordance with its prescribed rules. We continually strive to prevent unauthorized access to personal information, as well as its leakage, loss, destruction, or falsification. This includes carefully supervising Group employees who process data containing personal information and any external provider contracted to do so.

Privacy Policy

No Association with Organized Crime

The NSK Group is fulfilling its corporate social responsibilities with a basic policy for completely blocking any association with organized crime, including transactional relationships. Furthermore, this policy is spelled out clearly in the NSK Code of Corporate Ethics and awareness of it is continually promoted to ensure a systematic response across the Group. We have also strengthened cooperation with the police and other external organizations. In Japan, the Group adds special clauses to its contracts with business partners to enable cancellation if the business partner is later found to be connected with organized crime.

Tax Compliance

As the globalization of business advances, the NSK Group believes that the proper payment of taxes in the countries and regions where it operates is one of the most fundamental and important social responsibilities that it should undertake. In March 2018, we established the NSK Group Tax Policy. We are striving to ensure appropriate tax treatment, including refraining from forming organizations that are inconsistent with business purposes and actual conditions for the purpose of tax avoidance.

Tax Policy

Initiatives to Reduce Compliance Risks in Each Division

With the aim of reducing compliance risks in each division, the NSK Group conducts compliance training by department. The NSK Group also disseminates information via internal communication materials such as the Compliance Newsletter, otherwise known as the "Compliance *Kawaraban*," with the aim of further raising compliance awareness among officers and employees. As a result of these training and awareness-raising activities, the percentage of favorable responses to compliance-related questions in engagement surveys improved from 72% in FY2023 to 74% in FY2024.

– Training/Activities Conducted in FY2024

Details	Subjects
• Training on antimonopoly laws and the importance of accurate corporate recordkeeping (conducted annually)	Japan: Employees in all sales divisions
• Training to prevent workplace harassment as well as quality fraud, such as data falsification	Japan: Employees at seven production sites
• Training to foster engineering ethics and prevent quality fraud, including data falsification	Japan: Employees in all technical departments
• E-learning and other training programs (themes: human rights, etc.)	Japan: All employees

NSK Corporate Philosophy Day

To revisit the lessons learned from past incidents, reconfirm the resolve of all NSK Group employees that no anticompetitive incident will ever occur again, and ensure that all employees review the Corporate Philosophy and make it their own code of conduct, July 26, the date of our on-site inspection by the Japan Fair Trade Commission, has been designated as "NSK Corporate Philosophy Day."

In FY2024, a message from the president was delivered to locations in Japan and other countries, and employees watched a video about the cartel incident and an explanation of NSK's Corporate Philosophy. In Japan, practice cases of "Beyond Limits, Beyond Today," our action guidelines for realizing the Corporate Philosophy, were introduced. Overseas, after a message from the management of local bases, each site held its own events that included lectures by outside experts and discussions on compliance.

Monitoring

Employee Engagement Surveys (Compliance Awareness Surveys)

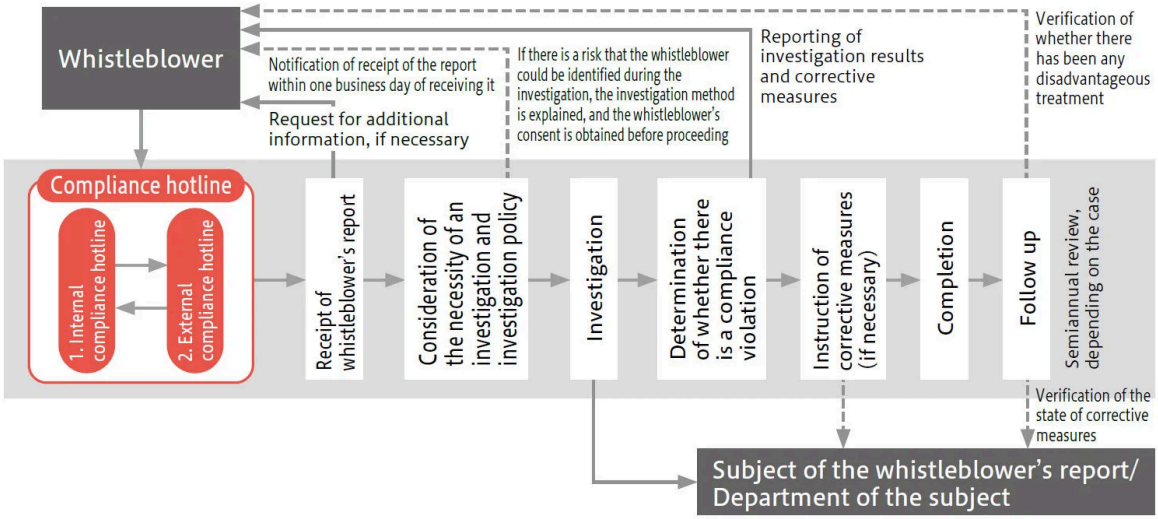
An employee engagement survey is conducted with the Human Resources Department. The objective is to assess the level of compliance awareness and the condition of work environments, in terms of motivation and opportunities for growth for each employee. We are working to address issues identified based on employee engagement surveys. These activities include raising compliance awareness in the manufacturing division, while further improving the compliance hotline's reliability.

Auditing and Inspection

Since FY2013, the Compliance Enhancement Office in NSK's Legal Department has been conducting annual audits to assess the extent of compliance with competition law. We also use self-inspections to check for risks relating to specific compliance topics.
Points for adherence to the NSK Code of Corporate Ethics are reviewed annually under the group-wide Enterprise Risk Management (ERM) framework.

Compliance Hotline (Whistleblowing System)

The NSK Group has made explicit in its internal rules that employees who learn of acts that violate or might violate the NSK Code of Corporate Ethics or compliance are to contact the compliance hotline made available in their regions and countries. The Group makes sure that employees are well informed about these hotlines. In some countries and regions, the hotline is available to suppliers, as well.
In Japan, we established hotline operational rules to ensure that the functioning of our system is in full compliance with Japan's Whistleblower Protection Act. We have also set up internal and external hotlines, which accept reports 24 hours a day. The system allows hotline users to remain anonymous, and rules are established to ensure they are protected from disadvantageous repercussions. In addition, the details of reports are only shared to the minimum extent required for investigation and remediation. Reported incidents are investigated by the Legal and Compliance Division HQ in Japan and by the local legal department outside Japan with the help of relevant departments as needed. If a compliance violation becomes apparent, corrective actions and recurrence prevention measures are quickly taken where needed.
We are distributing business card-sized cards containing the hotline contact information to make the system well known to employees. In addition, we disclose the number of reports and the status of measures taken in response to reported incidents via internal corporate communication tools, helping to form a corporate culture that ensures employees can use the system with peace of mind. In FY2024, 118 reports were received globally.



Number of Compliance Violations

In FY2024, there were no compliance violations with a major impact on the Company's business activities, including serious legal violations and violations of the NSK Code of Corporate Ethics.

Highly Evaluated by Outside Agencies (SRI/ESG)

Over and above their financial aspects, companies that merit high evaluations for their environmental and social contributions are being recognized for their promise of long-term sustainable growth. These companies are also attracting interest from a socially responsible investment (SRI) perspective while forging an increasingly important presence among a wide range of institutional investors. Acknowledged for its integrity, NSK was included in the following internationally recognized SRI/ESG indices as of July 2025.

Dow Jones Best-in-Class Asia Pacific Index	https://www.spglobal.com/sustainable1/en/csa/results/djbici-annual-review	*4 2025 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX	https://www.msci.com/data-and-analytics/sustainability-solutions
*1 FTSE4Good	https://www.lseg.com/en/ftse-russell/indices/ftse4good	Corporate ESG Performance Prime RATED BY ISS ESG	https://www.iss-stoxx.com/sustainability/
*2 FTSE Blossom Japan Index	https://www.lseg.com/en/ftse-russell/indices/blossom-japan	2025 Sompo Sustainability Index	https://www.sompo-am.co.jp/english/
*3 FTSE Blossom Japan Sector Relative Index	https://www.lseg.com/en/ftse-russell/indices/blossom-japan		

*1 FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that NSK has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

*2 FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that NSK has been independently assessed according to the FTSE Blossom Japan Index criteria and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Index. Created by the global index provider FTSE Russell, the FTSE Blossom Japan Index is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE Blossom Japan Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.

*3 FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that NSK has been independently assessed according to the FTSE Blossom Japan Sector Relative Index criteria and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Sector Relative Index. Created by the global index provider FTSE Russell, the FTSE Blossom Japan Sector Relative Index is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE Blossom Japan Sector Relative Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.

*4 THE INCLUSION OF NSK IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF NSK BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

GRI Standard Index

Statement of use	The NSK Group reports with reference to the GRI Standards for the period from April 1, 2024 to March 31, 2025.
GRI 1 used	GRI 1: Foundation 2021

General Disclosures | Material Topics | GRI 200: Economic

GRI 300: Environmental | GRI 400：Social

General Disclosures

GRI Standards	Disclosures		References
GRI 2: General Disclosures 2021	2-1	Organizational details	• Corporate Profile • Global Network
	2-2	Entities included in the organization's sustainability reporting	• Editorial Policy • The Securities Report (164th term. Japanese text only) pp.5-11
	2-3	Reporting period, frequency and contact point	• Editorial Policy
	2-4	Restatements of information	• NSK ESG Data Book 2025 p.1 • NSK Report 2025 p.67
	2-5	External assurance	• NSK ESG Data Book 2025 pp.18-19 • NSK ESG Data Book 2025 p.21 • NSK Report 2025 p.75
	2-6	Activities, value chain, and other business relationships	• Corporate Profile • Industries • Global Network • NSK Report 2025 p.3 • NSK Report 2025 pp.16-17
	2-7	Employees	• The Securities Report (164th term. Japanese text only) p.12 • NSK ESG Data Book 2025 pp.11-12
	2-8	Workers who are not employees	—
	2-9	Governance structure and composition	• Corporate Governance • Corporate Governance Report • Sustainability Approach and System • The Securities Report (164th term. Japanese text only) pp.49-53 • NSK ESG Data Book 2025 p.14
	2-10	Nomination and selection of the highest governance body	• Corporate Governance • Corporate Governance Report
	2-11	Chair of the highest governance body	• Corporate Governance • Corporate Governance Report • NSK ESG Data Book 2025 p.14

GRI Standards	Disclosures		References
GRI 2: General Disclosures 2021	2-12	Role of the highest governance body in overseeing the management of impacts	• Corporate Governance • Corporate Governance Report • Information Disclosure Based on TCFD Recommendations
	2-13	Delegation of responsibility for managing impacts	• Sustainability Approach and System • Corporate Governance • Corporate Governance Report • Information Disclosure Based on TCFD Recommendations
	2-14	Role of the highest governance body in sustainability reporting	• Corporate Governance • Corporate Governance Report • Information Disclosure Based on TCFD Recommendations
	2-15	Conflicts of interest	• Corporate Governance Report • The Securities Report (164th term. Japanese text only) p.67
	2-16	Communication of critical concerns	• Corporate Governance • Corporate Governance Report
	2-17	Collective knowledge of the highest governance body	• Corporate Governance • Corporate Governance Report • NSK Report 2025 pp.56-57
	2-18	Evaluation of the performance of the highest governance body	• Corporate Governance • Corporate Governance Report • NSK Report 2025 pp.56-57 • NSK Report 2025 p.69
	2-19	Remuneration policies	• Corporate Governance • Corporate Governance Report • The Securities Report (164th term. Japanese text only) pp.71-75
	2-20	Process to determine remuneration	• Corporate Governance • The Securities Report (164th term. Japanese text only) pp.59-61 • The Securities Report (164th term. Japanese text only) pp.71-75
	2-21	Annual total compensation ratio	• NSK ESG Data Book 2025 p.16
	2-22	Statement on sustainable development strategy	• Top Message • NSK Report 2025 pp.5-9
	2-23	Policy commitments	• Compliance • Information Disclosure Based on TCFD Recommendations
	2-24	Embedding policy commitments	• Compliance • Respecting Human Rights • Information Disclosure Based on TCFD Recommendations • NSK Report 2025 p.46
	2-25	Processes to remediate negative impacts	• Compliance • Respecting Human Rights • Supply Chain Management
	2-26	Mechanisms for seeking advice and raising concerns	• Compliance • Respecting Human Rights
	2-27	Compliance with laws and regulations	• NSK ESG Data Book 2025 p.17
	2-28	Membership associations	• Related Association (Japanese text only)

GRI Standards	Disclosures		References
GRI 2: General Disclosures 2021	2-29	Approach to stakeholder engagement	• NSK Report 2025 p.19 • NSK Report 2025 p.59 • NSK Report 2025 p.73
	2-30	Collective bargaining agreements	• NSK ESG Data Book 2025 p.12

Material Topics

GRI Standards	Disclosures		References
GRI 3: Material Topics 2021	3-1	Process to determine material topics	• Materiality
	3-2	List of material topics	• Materiality
	3-3	Management of material topics	• Environmental Management • Safety Management • Quality Management • Supply Chain Management • Human Resource Management • Respecting Human Rights • Risk Management • Compliance

GRI 200: Economic

GRI Standards	Disclosures		References
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	• Financial Information • The Securities Report (164th term. Japanese text only) pp.81-160 • NSK Report 2025 pp.10-12
	201-2	Financial implications and other risks and opportunities due to climate change	• Information Disclosure Based on TCFD Recommendations • The Securities Report (164th term. Japanese text only) pp.18-19
	201-3	Defined benefit plan obligations and other retirement plans	• The Securities Report (164th term. Japanese text only) pp.115-119 • The Securities Report (164th term. Japanese text only) pp.151-152
	201-4	Financial assistance received from government	—
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	• Hiring Process (Japanese text only)
	202-2	Proportion of senior management hired from the local community	—
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	—
	203-2	Significant indirect economic impacts	—
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	—
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	—
	205-2	Communication and training about anti-corruption policies and procedures	• Compliance • Supply Chain Management • NSK ESG Data Book 2025 p.17
	205-3	Confirmed incidents of corruption and actions taken	• NSK ESG Data Book 2025 p.17
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	N/A (NSK ESG Data Book 2025 p.17)
GRI 207: Tax 2019	207-1	Approach to tax	• Tax Policy
	207-2	Tax governance, control, and risk management	• Tax Policy • Compliance
	207-3	Stakeholder engagement and management of concerns related to tax	• Tax Policy
	207-4	Country-by-country reporting	—

GRI 300: Environmental

GRI Standards	Disclosures		References
GRI 301: Materials 2016	301-1	Materials used by weight or volume	• NSK ESG Data Book 2025 p.3 • NSK ESG Data Book 2025 p.6
	301-2	Recycled input materials used	• NSK ESG Data Book 2025 p.6
	301-3	Reclaimed products and their packaging materials	• Resource Circulation • NSK ESG Data Book 2025 pp.6-7
GRI 302: Energy 2016	302-1	Energy consumption within the organization	• Climate Change Measures • NSK ESG Data Book 2025 pp.3-4 • NSK ESG Data Book 2025 p.20 • NSK Report 2025 pp.42-43
	302-2	Energy consumption outside of the organization	—
	302-3	Energy intensity	• NSK ESG Data Book 2025 p.4
	302-4	Reduction of energy consumption	• Climate Change Measures • NSK ESG Data Book 2025 pp.3-4
	302-5	Reductions in energy requirements of products and services	—
GRI 303: Water 2018	303-1	Interactions with water as a shared resource	• Utilization of Water Resources • NSK ESG Data Book 2025 p.6
	303-2	Management of water discharge-related impacts	• Reducing Use of Environmentally Harmful Substances • NSK ESG Data Book 2025 p.3
	303-3	Water withdrawal	• NSK ESG Data Book 2025 p.3 • NSK ESG Data Book 2025 p.6
	303-4	Water discharge	• Reducing Use of Environmentally Harmful Substances • NSK ESG Data Book 2025 p.3 • NSK ESG Data Book 2025 p.6
	303-5	Water consumption	• NSK ESG Data Book 2025 p.3 • NSK ESG Data Book 2025 p.6
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	• Biodiversity Conservation • Expanding Social Contribution Activities Related to Biodiversity Conservation • NSK ESG Data Book 2025 p.9
	304-2	Significant impacts of activities, products, and services on biodiversity	• Biodiversity Impact Analysis and Initiatives • NSK ESG Data Book 2025 p.9
	304-3	Habitats protected or restored	• NSK ESG Data Book 2025 p.9
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	• Biodiversity Conservation • Expanding Social Contribution Activities Related to Biodiversity Conservation

GRI Standards	Disclosures		References
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	• Climate Change Measures • NSK ESG Data Book 2025 p.3 • NSK ESG Data Book 2025 p.5 • NSK ESG Data Book 2025 p.20
	305-2	Energy indirect (Scope 2) GHG emissions	• Climate Change Measures • NSK ESG Data Book 2025 p.3 • NSK ESG Data Book 2025 p.5 • NSK ESG Data Book 2025 p.20
	305-3	Other indirect (Scope 3) GHG emissions	• NSK ESG Data Book 2025 p.3 NSK ESG Data Book 2025 p.5 • NSK ESG Data Book 2025 p.20
	305-4	GHG emissions intensity	• NSK ESG Data Book 2025 p.5
	305-5	Reduction of GHG emissions	• Climate Change Measures • NSK ESG Data Book 2025 p.5
	305-6	Emissions of ozone-depleting substances (ODS)	—
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	• NSK ESG Data Book 2025 p.3 • NSK ESG Data Book 2025 p.8
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	• Resource Circulation • NSK ESG Data Book 2025 p.3 • NSK ESG Data Book 2025 p.7 • NSK Report 2025 p.45
	306-2	Management of significant waste-related impacts	• Resource Circulation • NSK ESG Data Book 2025 p.3 • NSK ESG Data Book 2025 p.7 • NSK Report 2025 p.45
	306-3	Waste generated	• Resource Circulation • NSK ESG Data Book 2025 p.7
	306-4	Waste diverted from disposal	• Resource Circulation • NSK ESG Data Book 2025 p.3 • NSK ESG Data Book 2025 p.7
	306-5	Waste directed to disposal	• Resource Circulation • NSK ESG Data Book 2025 p.3 • NSK ESG Data Book 2025 p.7
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	• Supply Chain Management • Reducing Use of Environmentally Harmful Substances
	308-2	Negative environmental impacts in the supply chain and actions taken	• Supply Chain Management • Reducing Use of Environmentally Harmful Substances

GRI 400：Social

GRI Standards	Disclosures		References
GRI 401：Employment 2016	401-1	New employee hires and employee turnover	• NSK ESG Data Book 2025 pp.11-12
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	• Safe and Healthy Workplaces and Work-Style Reforms: Building More Engaging Workplaces
	401-3	Parental leave	• Facilitating Work-Life Balance • NSK ESG Data Book 2025 p.12
GRI 402：Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	—
GRI 403：Occupational Health and Safety 2018	403-1	Occupational health and safety management system	• Safety Management
	403-2	Hazard identification, risk assessment, and incident investigation	• Safety Management • NSK Report 2025 p.61
	403-3	Occupational health services	• Safety Management
	403-4	Worker participation, consultation, and communication on occupational health and safety	• Safety Management
	403-5	Worker training on occupational health and safety	• Safety Management
	403-6	Promotion of worker health	• Safe and Healthy Workplaces and Work-Style Reforms: Building More Engaging Workplaces • NSK ESG Data Book 2025 p.13
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	• Supply Chain Management
	403-8	Workers covered by an occupational health and safety management system	• Safety Management
	403-9	Work-related injuries	• NSK ESG Data Book 2025 p.13
	403-10	Work-related ill health	• NSK ESG Data Book 2025 p.13
GRI 404：Training and Education 2016	404-1	Average hours of training per year per employee	• Human Resource Programs and Career Development: Providing Opportunities for Growth • NSK ESG Data Book 2025 p.12
	404-2	Programs for upgrading employee skills and transition assistance programs	• Human Resource Programs and Career Development: Providing Opportunities for Growth
	404-3	Percentage of employees receiving regular performance and career development reviews	• Human Resource Programs and Career Development: Providing Opportunities for Growth

GRI Standards	Disclosures		References
GRI 405 : Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	• Diversity: Leveraging a Diverse Workforce • Corporate Governance • NSK ESG Data Book 2025 pp.11-12
	405-2	Ratio of basic salary and remuneration of women to men	• The Securities Report (164th term. Japanese text only) p.13
GRI 406 : Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	—
GRI 407 : Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	• Supply Chain Management • Respecting Human Rights
GRI 408 : Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	• Supply Chain Management • Respecting Human Rights
GRI 409 : Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	• Supply Chain Management • Respecting Human Rights
GRI 410 : Security Practices 2016	410-1	Security personnel trained inhuman rights policies or procedures	—
GRI 411 : Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	—
GRI 413 : Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	• Social Participation to Promote Social Progress • Expanding Social Contribution Activities Related to Biodiversity Conservation • NSK Report 2025 p.19
	413-2	Operations with significant actual and potential negative impacts on local communities	—
GRI 414 : Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	• Supply Chain Management • Respecting Human Rights
	414-2	Negative social impacts in the supply chain and actions taken	—
GRI 415 : Public Policy 2016	415-1	Political contributions	• NSK ESG Data Book 2025 p.16
GRI 416 : Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	• Quality Management
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	—

GRI Standards	Disclosures		References
GRI 417： Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	—
	417-2	Incidents of non-compliance concerning product and service information and labeling	—
	417-3	Incidents of non-compliance concerning marketing communications	—
GRI 418： Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	—

RESOURCE TRANSFORMATION SECTOR - Industrial Machinery & Goods

1. Sustainability Disclosure Topics and Metrics

Topic	Metric	Code	References
Energy Management	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	RT-IG-130a.1	• NSK ESG Data Book 2025 p.4
Workforce Health & Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees	RT-IG-320a.1	• NSK ESG Data Book 2025 p.13
Fuel Economy & Emissions in Use-phase	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	RT-IG-410a.1	—
	Sales-weighted fuel efficiency for non-road equipment	RT-IG-410a.2	—
	Sales-weighted fuel efficiency for stationary generators	RT-IG-410a.3	—
	Sales-weighted emissions of (1) nitrogen oxides (NOx) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines and (d) other non-road diesel engines	RT-IG-410a.4	—
Materials Sourcing	Description of the management of risks associated with the use of critical materials	RT-IG-440a.1	• Supply Chain Management • Respecting Human Rights
Remanufacturing Design & Services	Revenue from remanufactured products and remanufacturing services	RT-IG-440b.1	—

2. Activity Metrics

Activity Metric	Code	References
Number of units produced by product category	RT-IG-000.A	—
Number of employees	RT-IG-000.B	• NSK ESG Data Book 2025 p.11

TRANSPORTATION SECTOR - Auto Parts

1. Sustainability Disclosure Topics and Metrics

Topic	Metric	Code	References
Energy Management	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	TR-AP-130a.1	• NSK ESG Data Book 2025 p.4
Waste Management	(1) Total amount of waste from manufacturing, (2) percentage hazardous, (3) percentage recycled	TR-AP-150a.1	• NSK ESG Data Book 2025 p.7
Product Safety	Number of vehicles recalled	TR-AP-250a.1	—
Design for Fuel Efficiency	Revenue from products designed to increase fuel efficiency or reduce emissions	TR-AP-410a.1	—
Materials Sourcing	Description of the management of risks associated with the use of critical materials	TR-AP-440a.1	• Supply Chain Management • Respecting Human Rights
Materials Efficiency	Percentage of products sold that are recyclable	TR-AP-440b.1	—
	Percentage of input materials from recycled or remanufactured content	TR-AP-440b.2	• NSK ESG Data Book 2025 p.6
Competitive Behaviour	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations	TR-AP-520a.1	—

2. Activity Metrics

Activity Metric	Code	References
Number of parts produced	TR-AP-000.A	—
Weight of parts produced	TR-AP-000.B	—
Area of manufacturing plants	TR-AP-000.C	• The Securities Report (164th term. Japanese text only) pp.34-35

Editorial Policy

The NSK Group carries out a variety of environmental, social, governance initiatives to do its part in creating a sustainable society. Our sustainability report explains these initiatives in detail.

Scope of Coverage

– Period of Coverage

Primarily FY2024 (April 1, 2024 to March 31, 2025).
Some activities from before March 2024 and after April 2025 are also covered.

– Organizations Covered

NSK Ltd. and its consolidated subsidiaries (77 companies).
Affiliates accounted for using the equity method (30 companies).

– Scope of Performance Data

All sites in the NSK Group.
Some data relates to initiatives carried out with customers and suppliers. In addition, the scope is indicated separately for information with a different scope.

Reference Guidelines

Sustainability Reporting Standards by the Global Reporting Initiative (GRI)
(2016 / 2018 / 2019 / 2020 / 2021 / 2022)

GRI Standard Index

Contact us regarding our sustainability report

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