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Securities Code: 6471

June 5, 2025

(Commencement date of electronic provision measures: June 3, 2025)

**NOTICE OF  
THE FISCAL 2024 (164th) ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders with Voting Rights:

Notice is hereby given that the Fiscal 2024 (164th) Ordinary General Meeting of Shareholders of NSK Ltd. (hereinafter referred to as “the Company”) will be held as follows.

In convening this year’s General Meeting of Shareholders, the Company has taken electronic provision measures for the information contained in the reference materials for the General Meeting of Shareholders, etc. (“matters subject to electronic provision measures”) and posted the matters subject to electronic provision measures as the “NOTICE OF THE FISCAL 2024 (164th) ORDINARY GENERAL MEETING OF SHAREHOLDERS” on the Company’s website.

Company website:

<https://www.nsk.com/company/investors/stock-and-bond/share-holder-meetings/>

In addition to the above, the matters subject to electronic provision measures have also been posted on the following website:

Tokyo Stock Exchange website:

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

(Please access the above website, enter “NSK” in the “Issue name (company name)” field or the Company’s securities code “6471” in the “Code” field to run a search, and select “Basic information” and then “Documents for public inspection/PR information” to view the matters subject to electronic provision measures in the section of “Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting” under “Filed information available for public inspection.”)

If you are not attending the meeting in person, you may exercise your voting rights by postal mail or via the internet, etc. in advance. Please review the “Reference Documents for the General Meeting of Shareholders” which follow this notice, and exercise your voting rights no later than 5:15 p.m. on Tuesday, June 24, 2025 (Japan time).

Yours very truly,

Akitoshi Ichii  
Director, Representative,  
President and Chief Executive Officer  
NSK Ltd.  
1-6-3, Ohsaki, Shinagawa-ku, Tokyo, Japan

- 1. Date and Time:** Wednesday, June 25, 2025, at 10:00 a.m. Japan time (reception opens at 9:00 a.m.)
- 2. Place:** Nissei Building, 3F (Nissei Hall)  
1-6-3, Ohsaki, Shinagawa-ku, Tokyo
- 3. Agenda of the Meeting**
- Matters to be reported:** Business Report, Consolidated Financial Statements, Non-Consolidated Financial Statements, and Audit Reports of the Accounting Auditor and the Audit Committee for the Consolidated Financial Statements for the 164<sup>th</sup> Fiscal Term (from April 1, 2024 to March 31, 2025)
- Matter to be resolved:**
- Proposal** Election of Nine Directors
- 4. Note regarding Measures for Electronic Provision:**
- Pursuant to laws and regulations as well as Article 14 of the Articles of Incorporation of the Company, among the matters subject to electronic provision measures, the Consolidated Statements of Changes in Equity, the Notes to the Consolidated Financial Statements, the Non-consolidated Statements of Changes in Net Assets, and the Notes to the Non-Consolidated Financial Statements are not included in the paper copy sent to shareholders. Accordingly, the paper copy sent to shareholders is a portion of the documents audited by the Accounting Auditor and the Audit Committee in the preparation of audit reports.
  - If there are any revisions to the matters subject to electronic provision measures, etc., the revisions will be posted on each website mentioned earlier.

## **Reference Documents for General Meeting of Shareholders**

### **Proposal: Election of Nine Directors**

The terms of office of all nine Directors will expire at the conclusion of the 164th Ordinary General Meeting of Shareholders of the Company (hereinafter the “Meeting”). Accordingly, election of nine Directors is proposed based on the Nomination Committee’s decision. An overview of the candidates and the policy and procedure for the election of Directors is provided below.

### **Policy and procedure for the election of Directors:**

The Company believes that the Company’s 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 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, and the size of the Board is also considered to enhance the effectiveness of deliberations.

In appointing individual Directors, in addition to selecting based on experience in business and management in general or experience in their area of expertise, high ethical standards in management and their insight into corporate governance is also in the selection criteria.

The selected candidates were subsequently decided by the Nomination Committee held on March 19, 2025, were deliberated at the Board meeting on May 23, 2025, and outlined in a Proposal to shareholders for deliberation at the Ordinary General Meeting of Shareholders.

## The List of the Candidates for Director

No.	Name	Current Position and Area of Responsibility in the Company	Years as Director at NSK Ltd.	Attendance at Board of Directors and Committee Meetings	Concurrent Positions at Other Listed Companies
1	Akitoshi Ichii	Reappointment Director, Representative, President and Chief Executive Officer Member of the Nomination Committee	8	Board of Directors: 100% (10/10) Nomination Committee: 100% (6/6)	0
2	Keita Suzuki	Reappointment Director, Representative, Executive Vice President Chief Financial Officer Member of the Compensation Committee	2	Board of Directors: 100% (10/10) Compensation Committee: 100% (6/6)	0
3	Kenichi Yamana	Reappointment Director, Member of the Audit Committee	4	Board of Directors: 100% (10/10) Audit Committee: 100% (14/14)	0
4	Ruriko Yoshida	New Appointment Operating Executive Head of Internal Audit Department	—	—	0
5	Junji Tsuda	Reappointment Outside Director Independent Director	3	Board of Directors: 100% (10/10) Nomination Committee: 100% (6/6)	1
6	Sayoko Izumoto	Reappointment Outside Director Independent Director	3	Board of Directors: 100% (10/10) Audit Committee: 100% (14/14)	2
7	Mikio Fujitsuka	Reappointment Outside Director Independent Director	2	Board of Directors: 100% (10/10) Nomination Committee: 100% (6/6)	0
8	Nobuhide Hayashi	Reappointment Outside Director Independent Director	1	Board of Directors: 100% (8/8) Compensation Committee: 100% (5/5)	1
9	Akira Kashima	New Appointment Outside Director Independent Director	—	—	0

### Notes:

- Regarding attendance of meetings of the Board of Directors and Committees: The data shows each candidate's attendance at the meetings of the Board of Directors and Committees held during fiscal 2024 (April 1, 2024, through March 31, 2025). On June 27, 2024 (the date of the Fiscal 2023 (163rd) Ordinary General Meeting of Shareholders), Nobuhide Hayashi was appointed as Director and Chair of the Compensation Committee. Accordingly, attendance is counted only during the period of appointment.
- Number of concurrent positions denoted is as expected on June 25, 2025, the date of the 164th Ordinary General Meeting of Shareholders.
- The planned members of each Committee if all nine candidates for Director are elected at this Meeting are described on page 16.
- Outside Director:** Candidate for Outside Director.
- Independent Director:** Candidate for Outside Director who satisfies the Company's Criteria for Independence of Outside Directors (page 16) and the criteria for independence prescribed by the Tokyo Stock Exchange (<https://www.jpx.co.jp/english/equities/listing/ind-executive/>), and who has been reported by the Company as Independent Director to the Tokyo Stock Exchange, subject to the approval of their election at this Meeting.

<b>No. 1</b>		<b>Akitoshi Ichii</b>	
<b>Reappointment</b>			
Company Shares Owned: 85,998		Age: 62 (DoB: May 8, 1963)	
Attendance: (FY24)	Board of Directors: 100% (10/10) Nomination Committee 100% (6/6)		
<b>Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:</b>			
Apr. 1986 Dec. 2008 Jun. 2012 Jun. 2015 Jun. 2016 Apr. 2017 Jun. 2017 Apr. 2019 Jun. 2019 Apr. 2020 Apr. 2021 Jun. 2021	Joined the Company Deputy Head of Automotive Bearings Division HQ (Automotive Business Division HQ) Head of Operations in India Executive Officer, Deputy Head of Corporate Planning Division HQ Head of Corporate Planning Division HQ, Responsible for Asia Senior Vice President Director (current) Representative (current), Executive Vice President, President's Assistant, Responsible for Administrative Divisions, Responsible for Investor Relations Office Member of the Compensation Committee Responsible for Europe and the Americas President and Chief Executive Officer (current) Member of the Nomination Committee (current)		
<b>Reasons for nominating the candidate for Director:</b>			
<p>Akitoshi Ichii is well versed in the Company's businesses and markets and has a broad range of experience in areas such as corporate planning, the automotive business, and overseas business. The Company has designated him as a Director nominee with the expectation that by having the Representative, President and CEO concurrently serve as a Director, he will be better positioned to fulfill his accountability for management execution to the Board of Directors, while at the same time contributing to the development and execution of strategies aimed at increasing corporate value.</p>			

<h1>No. 2</h1>		<h1>Keita Suzuki</h1>	
<h2>Reappointment</h2>			
Company Shares Owned: 31,830		Age: 60 (DoB: March 11, 1965)	
Attendance: (FY24)	Board of Directors: 100% (10/10) Compensation Committee: 100% (6/6)		
<b>Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:</b>			
Apr. 1987	Joined the Company		
Jun. 2015	Senior Manager of Group Financial Control Department (Finance Division HQ)		
Apr. 2018	Executive Officer, Deputy Head of Finance Division HQ		
Apr. 2019	Deputy Head of Corporate Planning Division HQ		
Apr. 2020	Senior Vice President, Head of Finance Division HQ		
Apr. 2023	Representative, Executive Vice President, Chief Financial Officer (current)		
Jun. 2023	Director (current), Member of the Compensation Committee (current)		
<b>Reasons for nominating the candidate for Director:</b>			
<p>Keita Suzuki is well versed in the Company's businesses and markets through his business experience in corporate planning, the finance and accounting departments, and overseas assignments at the Company, and has high ethical standards and insight into corporate governance. The Company has designated him as a Director nominee because we believe that by having the Representative, Executive Vice President and Chief Financial Officer concurrently serve as a Director, he will be better positioned to fulfill his accountability for management execution to the Board of Directors, while at the same time contributing to the development and execution of strategies aimed at increasing corporate value.</p>			

<h1>No. 3</h1>		<h1>Kenichi Yamana</h1>	
<h2>Reappointment</h2>			
Company Shares Owned: 23,094		Age: 63 (DoB: January 4, 1962)	
Attendance: (FY24)	Board of Directors: 100% (10/10) Audit Committee: 100% (14/14)		
<b>Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:</b>			
Apr. 1986 Jun. 2013 Jun. 2015 Jun. 2016 Apr. 2018 Apr. 2021 Jun. 2021	<p>Joined the Company</p> <p>Head of Consolidated Accounting Department (Finance Division HQ)</p> <p>Executive Officer, Deputy Head of Finance Division HQ, Deputy Head of IR &amp; CSR Offices</p> <p>Deputy Head of IR Office</p> <p>Senior Vice President, Responsible for ASEAN Operations</p> <p>Executive Advisor</p> <p>Director (current), Member of the Audit Committee (current)</p>		
<b>Reasons for nominating the candidate for Director:</b>			
<p>Kenichi Yamana has extensive business experience at the Company, primarily in the finance and accounting departments, and through his management experience as a Director as well as the head of the ASEAN region, he is familiar with the Company's business and has insight into corporate governance.</p> <p>The Company has designated him as a Director nominee because we believe that he will more appropriately supervise the Company's management based on his abundant experience and insight and contribute to the development of strategies aimed at increasing corporate value.</p>			

No. 4	<b>Ruriko Yoshida</b>		
New appointment			
Company Shares Owned: 23,503		Age: 56 (DoB: December 9, 1968)	
<b>Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:</b>			
Jul. 1991	Joined the Company		
Jun. 2015	Deputy Head, Group Financial Control Department, Finance Division HQ		
Apr. 2018	Head of Corporate Human Resources Department, Human Resource Management Division HQ		
Apr. 2021	Vice President, Deputy Head of Corporate Planning Division HQ		
Apr. 2022	Operating Officer, Head of Legal & Compliance Division HQ		
Apr. 2024	Head of Internal Audit Department (current)		
Apr. 2025	Operating Executive (Operating Officer) (current)		
<b>Reasons for nominating the candidate for Director:</b>			
<p>Ruriko Yoshida has extensive business experience at the Company, primarily in the finance and accounting departments and the human resources department, as well as experience as the head of the internal audit department. She is familiar with the Company's business and has high ethical standards and insight into corporate governance through her experience as the head of the internal audit department. Based on her experience and insight, we have nominated Ms. Yoshida as a candidate for Director because we believe that she is qualified to supervise the Company's management and will contribute to improving the Company's corporate value.</p>			

<h1>No. 5</h1>		<h1>Junji Tsuda</h1>	
<b>Reappointment Outside Director Independent Director</b>			
Company Shares Owned: 5,566		Age: 74 (DoB: March 15, 1951)	
Attendance: (FY24)	Board of Directors: 100% (10/10) Nomination Committee: 100% (6/6)		
Years since assuming office as Outside Director of the Company: 3 years			
<b>Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:</b>			
Mar. 1976 Jun. 1998 Aug. 2003 Mar. 2004 Jun. 2005  Mar. 2006 Mar. 2007 Jun. 2009  Mar. 2010 Mar. 2013 Mar. 2016 Mar. 2022 May 2022 Jun. 2022 Jun. 2023	<p>Joined Yaskawa Electric Mfg Co., Ltd (currently Yaskawa Electric Corporation)</p> <p>Executive Vice President of Yaskawa Electric America, Inc.</p> <p>Marketing Manager, Drives Division, Motion Control Division of Yaskawa Electric Corporation</p> <p>General Manager, Drives Division, Motion Control Division of Yaskawa Electric Corporation</p> <p>Director/Member of the Board, General Manager, Drives Division, Motion Control Division, Yaskawa Electric Corporation</p> <p>Director/Member of the Board, General Manager, Drives Division of Yaskawa Electric Corporation</p> <p>Director/Member of the Board, General Manager, Robotics Division of Yaskawa Electric Corporation</p> <p>Managing Director/Member of the Board, General Manager, Robotics Division of Yaskawa Electric Corporation</p> <p>Representative Director, President of Yaskawa Electric Corporation</p> <p>Representative Director Chairman of the Board/President of Yaskawa Electric Corporation</p> <p>Representative Director Chairman of the Board of Yaskawa Electric Corporation</p> <p>Director of Yaskawa Electric Corporation</p> <p>Senior Advisor of Yaskawa Electric Corporation (current)</p> <p>Director (current), Member of the Nomination Committee</p> <p>Chair of the Nomination Committee (current)</p>		
<b>Reasons for nominating the candidate for Outside Director and overview of expected roles:</b>			
<p>We expect Junji Tsuda to supervise 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 nominated Mr. Tsuda as a candidate for Outside Director because we believe that he will continue to contribute to improving and strengthening our corporate governance and enhancing our corporate value.</p>			
<b>Assessment of special interests and the independence of the candidate:</b>			
<p>Junji Tsuda has not been engaged in the execution of Yaskawa Electric Corporation's business since June 2022. Although the Company and Yaskawa Electric have transactions with each other, the amount of both transactions is less than 0.1% of the net sales of both companies, and there is no special interest in any of them. Mr. Tsuda fulfills the Company's Criteria for Independence of Outside Directors (Page 16) and the criteria for independence set forth by the Tokyo Stock Exchange. The Company has filed Mr. Tsuda as an Independent Director with the Tokyo Stock Exchange, under the condition that he is elected at this meeting.</p>			
<b>Significant Concurrent Positions outside the Company:</b>			
Senior Advisor of Yaskawa Electric Corporation, Outside Director of TOTO LTD.			

<h1>No. 6</h1>		<h2>Sayoko Izumoto</h2>	
<b>Reappointment Outside Director Independent Director</b>			
Company Shares Owned: 0		Age: 71 (DoB: July 8, 1953)	
Attendance: (FY24)	Board of Directors: 100% (10/10) Audit Committee: 100% (14/14)		
Years since assuming office as Outside Director of the Company: 3 years			
<b>Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:</b>			
Mar. 1976 Mar. 1979 Jul. 1995 Jan. 2015 Jul. 2016 Aug. 2016 Apr. 2017 Jun. 2022	Tohmatsu Awoki & Co. (currently Deloitte Touche Tohmatsu LLC) Registered as a Certified Public Accountant Partner, Deloitte Touche Tohmatsu LLC Member, Information and Communications Council, Ministry of Internal Affairs and Communications Left Deloitte Touche Tohmatsu LLC Established Izumoto Certified Public Accountant Office (current) Member of Information Disclosure and Personal Information Protection Review Board, Ministry of Internal Affairs and Communications Director (current), Chair of the Audit Committee (current)		
<b>Reasons for nominating the candidate for Outside Director and overview of expected roles:</b>			
We expect Sayoko Izumoto to supervise 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 nominated Ms. Izumoto as a candidate for Outside Director because we believe that she will continue to contribute to improving and strengthening our corporate governance and enhancing our corporate value.			
<b>Assessment of special interests and the independence of the candidate:</b>			
Sayoko Izumoto has not been engaged in the management of Deloitte Touche Tohmatsu LLC since August 2016. There are no transactions and no special interests between the Company and the said auditing firm. Ms. Izumoto fulfills the Company's Criteria for Independence of Outside Directors (Page 16) and the criteria for independence set forth by the Tokyo Stock Exchange. The Company has filed Ms. Izumoto as an Independent Director with the Tokyo Stock Exchange, under the condition that she is elected at this meeting.			
<b>Significant Concurrent Positions outside the Company:</b>			
External Audit and Supervisory Board Member of Freund Corporation, Outside Director of Tokyo Keiki Inc.			

<h1>No. 7</h1>		<h1>Mikio Fujitsuka</h1>	
<b>Reappointment Outside Director Independent Director</b>			
Company Shares Owned: 0		Age: 70 (DoB: March 13, 1955)	
Attendance: (FY24)	Board of Directors: 100% (10/10) Nomination Committee: 100% (6/6)		
Years since assuming office as Outside Director of the Company: 2 years			
<b>Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:</b>			
Apr. 1977 Jun. 2001 Apr. 2005 Apr. 2008 Feb. 2009  Apr. 2010 Apr. 2011 Jun. 2011 Apr. 2013 Apr. 2016 Apr. 2019 Jun. 2023	Joined Komatsu Ltd. General Manager of Corporate Controlling Department of Komatsu Ltd. Executive Officer of Komatsu Ltd. Executive Officer, President of Global Retail Finance Business Division of Komatsu Ltd. Executive Officer, General Manager of Corporate Planning Division, President of Global Retail Finance Business Division of Komatsu Ltd. Senior Executive Officer of Komatsu Ltd. CFO of Komatsu Ltd. Director and Senior Executive Officer of Komatsu Ltd. Director and Senior Executive Officer of Komatsu Ltd. Executive Vice President and Representative Director of Komatsu Ltd. Director of Komatsu Ltd. (stepped down June 2019) Director (current), Member of the Nomination Committee (current)		
<b>Reasons for nominating the candidate for Outside Director and overview of expected roles:</b>			
<p>We expect Mikio Fujitsuka to supervise 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 nominated Mr. Fujitsuka as a candidate for Outside Director because we believe that he will continue to contribute to improving and strengthening our corporate governance and enhancing our corporate value.</p>			
<b>Assessment of special interests and the independence of the candidate:</b>			
<p>Mikio Fujitsuka has not been engaged in the execution of Komatsu Ltd.'s business since April 2019. Although the Company and Komatsu Ltd. have transactions with each other, the amount of such transactions is less than 0.3% of net sales of the Company and less than 0.1% of net sales of Komatsu Ltd., and there is no special interest in any of them. Mr. Fujitsuka fulfills the Company's Criteria for Independence of Outside Directors (Page 16) and the criteria for independence set forth by the Tokyo Stock Exchange. The Company has filed Mr. Fujitsuka as an Independent Director with the Tokyo Stock Exchange, under the condition that he is elected at this meeting.</p>			
<b>Significant Concurrent Positions outside the Company:</b>			
<p>Outside Director of Yamaha Corporation (scheduled to step down as of June 20, 2025).</p>			

<b>No. 8</b>		<b>Nobuhide Hayashi</b>	
Reappointment Outside Director Independent Director			
Company Shares Owned: 1,277		Age: 68 (DoB: March 27, 1957)	
Attendance: (FY24)	Board of Directors: 100% (8/8) Compensation Committee: 100% (5/5)		
Years since assuming office as Outside Director of the Company: 1 year			
<b>Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:</b>			
Apr. 1980	Joined The Fuji Bank, Ltd.		
Apr. 2007	Executive Officer, General Manager of Corporate Banking Department 13 of Mizuho Corporate Bank, Ltd.		
Apr. 2009	Managing Executive Officer, responsible for Corporate Banking Division of Mizuho Corporate Bank, Ltd.		
Jun. 2011	Director, Executive Managing Officer responsible for International Banking Unit of Mizuho Corporate Bank, Ltd.		
Apr. 2013	Deputy President & Executive Officer, responsible for International Unit of Mizuho Financial Group, Inc. Deputy President & Executive Officer, responsible for liaison with International Unit of MHBC, Mizuho Bank, Ltd. Deputy President, responsible for International Unit of Mizuho Corporate Bank, Ltd.		
Jun. 2013	Member of the Board, Deputy President, responsible for International Unit of Mizuho Financial Group, Inc.		
Jul. 2013	Deputy President, responsible for International Unit of Mizuho Bank, Ltd.		
Apr. 2014	President & CEO of Mizuho Bank, Ltd.		
Apr. 2017	Chairman of the Board of Mizuho Bank, Ltd.		
Apr. 2019	Senior Advisor of Mizuho Bank, Ltd.		
Apr. 2023	Advisor of Mizuho Financial Group, Inc. (current)		
Jun. 2024	Director (current), Chair of the Compensation Committee (current)		
<b>Reasons for nominating the candidate for Outside Director and overview of expected roles:</b>			
We expect Nobuhide Hayashi to supervise 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 nominated Mr. Hayashi as a candidate for Outside Director because we believe that he will contribute to improving and strengthening our corporate governance and enhancing our corporate value			
<b>Assessment of special interests and the independence of the candidate:</b>			
Nobuhide Hayashi has not engaged in business execution at Mizuho Bank, Ltd. since April 2019. Although the Company has a borrowing transaction with the Bank, the Company is not particularly dependent on it as the Bank is one of multiple lenders used by the Company, and no special interests exist between the Bank and the Company.			

Mr. Hayashi meets the Company's Criteria for Independence of Outside Directors (listed on page 16) and the independence criteria set by the Tokyo Stock Exchange, and the Company has registered him as an independent officer with the Tokyo Stock Exchange on the condition that he is elected at this General Meeting of Shareholders.

**Significant Concurrent Positions outside the Company:**

Advisor of Mizuho Financial Group, Inc., Auditor of JTB Corp., Outside Audit & Supervisory Board Member of Tobu Railway Co., Ltd.

<h1>No. 9</h1>		<h1>Akira Kashima</h1>	
New appointment Outside Director Independent Director			
Company Shares Owned: 0		Age: 61 (DoB: March 2, 1964)	
<b>Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:</b>			
Oct. 1985 Mar. 1989 Aug. 2002 Jul. 2009 Jul. 2012 Jul. 2015 Mar. 2016 Jul. 2016 Jul. 2020  Jul. 2024	Joined Asahi Shinwa & Co. (currently KPMG AZSA LLC) Registered as a Certified public Accountant Joined BearingPoint Co., Ltd. Partner, PricewaterhouseCoopers Consultants Co., Ltd. Leader of the Consulting Division, PricewaterhouseCoopers Co., Ltd. Representative Director, PricewaterhouseCoopers Co., Ltd. Chief Executive Officer, PwC Consulting LLC Representative Officer and Chairman, PwC Consulting LLC Chairman, PwC Consulting LLC (stepped down June 2024) Executive officer, PricewaterhouseCoopers Aarata LLC (currently PricewaterhouseCoopers Japan LLC) (stepped down June 2024) Kashima CPA Office opened (current)		
<p><b>Reasons for nominating the candidate for Outside Director and overview of expected roles:</b></p> <p>We expect Akira Kashima to supervise management from an independent and fair standpoint, drawing on his wealth of experience as a corporate manager, high ethical standards, and broad insight. We nominated Mr. Kashima as a candidate for Outside Director because 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.</p> <p><b>Assessment of special interests and the independence of the candidate:</b></p> <p>Akira Kashima has not been engaged in the execution of business of PwC Consulting LLC since July 2020. In addition, he has not been engaged in the execution of PwC Japan LLC's business since July 2024. Although the Company has transactions with PwC Consulting LLC, the amount of such transactions is less than 0.2% of the net sales of PwC Consulting LLC, and there is no special interest between the two companies.</p> <p>Mr. Kashima meets the Company's Criteria for Independence of Outside Directors (listed on page 16) and the independence criteria set by the Tokyo Stock Exchange, and the Company has registered him as an independent officer with the Tokyo Stock Exchange on the condition that he is elected at this General Meeting of Shareholders.</p>			

## Notes:

### 1. Liability Limitation Agreement with Directors

The Company has entered into an agreement with each of Kenichi Yamana, Junji Tsuda, Sayoko Izumoto, Mikio Fujitsuka and Nobuhide Hayashi to limit their liability for damages under Article 423, Paragraph 1 of the Companies Act in accordance with Article 427, Paragraph 1 of the Companies Act and Article 26 of the Articles of Incorporation, and if each is re-elected in this Proposal, the above liability limitation agreement will continue with each of them.

If Ruriko Yoshida and Akira Kashima are elected as a Director, the Company plans to enter into a similar liability limitation agreement with them.

The maximum amount of compensation for damages under such a contract is the minimum liability limit stipulated by law.

### 2. Indemnity Agreement with Directors

The Company has entered into indemnification agreements with all Directors as stipulated in Article 430-2, Paragraph 1 of the Companies Act, under which the Company will indemnify the indemnitees to the extent provided by law for expenses stipulated in Item 1 and losses stipulated in Item 2 of the same Paragraph. However, the Company has taken measures to ensure that the appropriateness of the execution of duties by the indemnitees is not impaired by setting a ceiling on the amount of compensation, requiring the indemnitees to take measures to mitigate damages, and requiring deliberation by the Company's Advisory Committee when making compensation.

If each of Akitoshi Ichii, Keita Suzuki, Kenichi Yamana, Junji Tsuda, Sayoko Izumoto, Mikio Fujitsuka and Nobuhide Hayashi are reelected as Directors in the Proposal, the Company plans to continue a similar indemnification agreement with each of them. If Ruriko Yoshida and Akira Kashima are elected as Directors, the Company plans to enter into a similar indemnification agreement with them.

### 3. Directors & Officers Liability Insurance Agreement for Directors

The Company has concluded liability insurance agreements with insurance companies for directors and officers as stipulated in Article 430-3, Paragraph 1 of the Companies Act, naming all Directors as insureds, and with the Company bearing the entire amount of the insurance premium, including special items.

The insurance policy covers damages that may arise due to the insured Directors being held liable for the execution of their duties or being subjected to litigation costs or claims related to the pursuit of such liability. However, there are some exemptions, such as how damage caused by intentional or gross negligence will not be covered.

If each candidate is elected as a Director under this proposal, he/she will be covered by the insurance policy. The policy will be renewed in September 2025 during the term of office.

### 4. Special interest between the Company and candidates for Director:

No special interest exists between the Company and each candidate for Director above.

### 5. In cases where a candidate for Outside Director has been a director, executive officer, or corporate auditor of another stock company during the past five years, regarding violations of laws, regulations, or the articles of incorporation or other unfair business practices at that stock company during his/her term of office:

Kyushu Electric Power Company, Incorporated (“Kyushu Electric”), where Junji Tsuda served as External Member of the Board of Directors, received a business improvement order from the Ministry of Economy, Trade and Industry in April 2023 due to unauthorized access to information of other retail electricity providers such as customer data. Junji Tsuda had provided his opinions, suggestions, etc., at the Board of Directors meetings, etc., of Kyushu Electric from the perspectives of group governance, risk management, legal compliance, etc. in order to prevent violations of laws and regulations. In addition, after the incident came to light, he fulfilled his duties by making proposals at meetings of the Board of Directors, etc. regarding the importance of legal compliance, investigation of the cause, recurrence prevention, and other matters.

JTB Corporation, where Mr. Nobuhide Hayashi serves as an outside auditor, received a cease-and-desist order from the Japan Fair Trade Commission on May 2024, due to violation of the Antimonopoly Act in relation to a service contract ordered by Aomori City for the transport of patients with mild COVID-19 symptoms. Although Nobuhide Hayashi, as an outside auditor of JTB Corporation he had provided his opinions and suggestions from the perspectives of governance, risk management, legal compliance, etc. in order to prevent violations of laws and regulations. In addition, after the incident came to light, he has fulfilled his duties by making proposals regarding the importance of legal compliance, investigation of the cause, recurrence prevention, and other matters.

### 6. Number of years of the candidates for Outside Director since assuming the position as Outside Director of the Company:

The number of years in office as Outside Director of the candidates for Outside Director is the cumulative number of years since each assumed the position as Outside Director of the Company until the conclusion of this Meeting.

7. Chair of the Board of Directors  
If this proposal is approved, Kenichi Yamana is scheduled to be appointed to the chair of the Board of Directors.
8. Composition of each Committee  
If this proposal is approved at the Meeting, the following composition and Chair of each Committee is planned:

	Chair	Members
Nomination Committee	Junji Tsuda	Mikio Fujitsuka, Akitoshi Ichii
Audit Committee	Sayoko Izumoto	Akira Kashima, Ruriko Yoshida
Compensation Committee	Nobuhide Hayashi	Akira Kashima, Keita Suzuki

**<Reference>**

**Criteria for Independence of Outside Directors**

The following persons are ineligible to become Independent Director candidates of the Company.

- (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 stock 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 stock 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, certified 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 elected as Director of the Company.

These criteria meet the independence criteria set forth by the Tokyo Stock Exchange, Inc.

\* This information is also available on the Company's website.  
(<https://www.nsk.com/company/about-us/corporate-governance/#cg03>)

**Skills Matrix for the Board of Directors** (if each Director candidate is elected at this meeting)

NSK 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 the fields of expertise and business experience is considered to ensure that the Board maintains a well-balanced composition, in light of the NSK’s mid- to long-term business strategy and managerial issues. The size of the Board is also considered to enhance the effectiveness of deliberations.

In appointing individual directors, we seek candidates 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.

Based on the above policy for the nomination of director candidates, the skill matrix categorizes the knowledge, experience and expertise necessary for the Board of Directors into five items 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 director candidates.

<Skills, experience and knowledge common to Director candidates>

- 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.

<Skills, experience and expertise expected of Director candidates>

Name				Corporate Management	Finance/Accounting/ Capital Policy	Engineering/ Manufacturing	Digital	Sustainability	Expected Roles of Outside Directors
	Akitoshi Ichii	Reappointment	Director, Representative, President, CEO, Member of Nomination Committee	●		●		●	
	Keita Suzuki	Reappointment	Director, Representative, Executive Vice President, CFO, Member of Compensation Committee	●	●		●		
	Kenichi Yamana	Reappointment	Director, Chair of Board of Directors	●	●				
	Ruriko Yoshida	New appointment	Director, Member of Audit Committee		●			●	
	Junji Tsuda	Reappointment Outside Independent	Director, Chair of Nomination Committee	●		●			Management strategy
	Sayoko Izumoto	Reappointment Outside Independent	Director, Chair of Audit Committee		●			●	Finance/Accounting, Internal Control Systems
	Mikio Fujitsuka	Reappointment Outside Independent	Director, Member of Nomination Committee	●	●			●	Management strategy, Finance/Accounting
	Nobuhide Hayashi	Reappointment Outside Independent	Director, Chair of Compensation Committee	●	●			●	Management strategy, Capital Policy
	Akira Kashima	New appointment Outside Independent	Director, Member of Compensation Committee, Member of Audit Committee	●	●		●		Finance/Accounting, Internal Control Systems

<Reference>

**Cross-Shareholdings**

(1) Policy on cross-shareholding

In principle, NSK maintains no cross-shareholdings. However, in exceptional cases we hold cross-shareholdings in cases where it is deemed necessary to enhance our 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 fiscal 2024, 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.

(2) 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.

<Number and balance sheet amount of shareholdings>

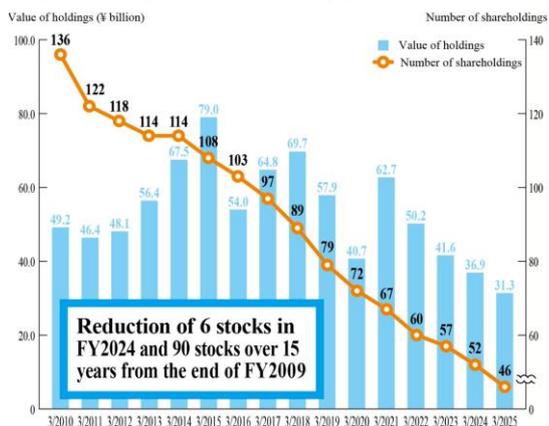
Category	End of FY 2023		End of FY 2024	
	Number of holdings (stocks)	Total amount recorded on balance sheet (millions of yen)	Number of holdings (stocks)	Total amount recorded on balance sheet (millions of yen)
Unlisted stocks	32	992	31	1,492
Stocks other than unlisted stocks	20	35,957	15	29,820
<b>Total holdings</b>	<b>52</b>	<b>36,949</b>	<b>46</b>	<b>31,313</b>
<b>Total equity</b>		<b>677,954</b>		<b>669,189</b>

<Ratio of shareholding amount to total equity>

Ratio	5.5%	4.7%
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All deemed holdings were sold in FY 2023.

**<Changes in cross-shareholdings (excluding deemed holdings)>**



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# **Business Report**

**Fiscal 2024**

**April 1, 2024 - March 31, 2025**

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**NSK Ltd.**

**Business Report**  
**(April 1, 2024 - March 31, 2025)**

## 1. Review of Group Operations

### (1) Business Developments and Corporate Results

The NSK Group aims to contribute to the development of a sustainable society and become a company that is needed, trusted, and relied upon by society through value creation by combining tribology and digital technology.

To achieve this goal, the NSK Group positions the five years from April 2022 to March 2027 as its “Mid-Term Management Plan 2026,” and is addressing the three management themes: growth with profitability, enhancement of managerial resources, and ESG management.

Looking at the global economy during the year ending March 31, 2025, the global economy continued to pick up gradually despite uncertainties such as the impact of monetary policy shifts in various countries, concerns about the future of the Chinese economy, and the policy trends in the U.S.

Looking at the Company's results by geographic breakdown, although the economy continued to gradually move toward recovery, the economy remains weak with sluggish growth in consumer expenditure and weak trends in some areas of industrial production in Japan. In the U.S., the economy remained robust, supported by a firm labor market and monetary easing. In Europe, inflation is settling down, but economic recovery slowed down due to sluggish capital investment and industrial production. In China, prolonged stagnation in the real estate market and weakened consumer spending put downward pressure on the economy, resulting in a slowdown.

In this economic environment, the NSK Group's performance of continuing operations excluding discontinued operations was affected by the depreciation of the yen, resulting in consolidated sales for the year ending March 31, 2025 totaling ¥796.7 billion, a year-on-year increase of 1.0%. Operating income was ¥28.5 billion, a year-on-year increase of 3.9%. Income before income taxes was ¥25.1 billion, a year-on-year decrease of 4.2%. Net income attributable to owners of the parent, the sum of continuing and discontinued operations was ¥10.6 billion, a year-on-year increase of 25.2%.

With respect to Rane NSK Steering Systems Private Limited (“RNSS”), an Indian subsidiary in the steering business that was classified as discontinued operations in the previous fiscal year, the Company transferred its entire ownership interest in RNSS to Rane Holdings Limited on September 19, 2024, thereby losing control of RNSS. The income (loss) related to the loss of control is included in discontinued operations.

*\* From the first quarter of fiscal 2023, the steering business has been classified as a discontinued operation. Sales, operating income, and income before income taxes are presented as amounts from continuing operations excluding discontinued operations, while net income and net income attributable to owners of the parent are presented as a combined total of continuing and discontinued operations.*

The market environment and results of the NSK Group’s respective business segments are outlined below.

#### 1. Industrial Machinery Business Segment

In addition to a gradual recovery in demand driven by capital expenditure, the effects of a weaker yen resulted in a year-on-year increase in sales and profit compared to the previous year.

Looking at the Company's results by geographic breakdown, sales in Japan increased mainly due to an increase in sales of machine tool sectors. In the Americas, sales increased due to firm demand in aftermarket and semiconductor equipment sectors. In Europe, sales decreased as demand continued to be sluggish due to deteriorating market conditions, especially in electrical and electronics accessory sectors and aftermarket. In China, sales increased due to higher sales to machine tool, electrical, and railway sectors.

As a result, sales in the industrial machinery business segment totaled ¥361.5 billion, a year-on-year increase of 4.8%, and operating income was ¥13.9 billion, a year-on-year increase of 74.1%.

#### 2. Automotive Business Segment

Global automotive production volume declined from the same period of the previous year, resulting in a year-on-year decrease in sales and profit compared to the previous year.

Looking at the Company's results by geographic breakdown, sales in Japan declined due to the suspension of

production and shipments by some automotive manufacturers. In the Americas, sales increased as automotive sales continued a recovery trend. In Europe, sales declined due to continued sluggishness of the automotive market. In China, sales declined due to a drop in demand caused by sluggish sales of Japanese cars.

As a result, sales in the automotive business segment totaled ¥401.7 billion, a year-on-year decrease of 1.7% and operating income was ¥16.1 billion, a year-on-year decrease of 13.4%.

## (2) Capital Expenditures

The Group's basic policy is to strategically invest in the sustainable growth of its business, improvement of its competitiveness, and development of new technologies. In addition, as part of our efforts toward the "Enhancement of Managerial Resources" in our Mid-Term Management Plan 2026, we aim to create a foundation for continued business transformation by utilizing digital technology. In production, we are implementing measures for the core values of "safety, quality, compliance, and the environment," ultra-stabilization of production, enhancement of global production, and production support for new products.

In the consolidated fiscal year under review, we invested 56.5 billion yen (a decrease of 1.9 billion yen compared to the previous fiscal year) in capital expenditures for productivity improvement, facility renewal, quality control enhancement, and new product development.

In the industrial machinery business, we invested 27.3 billion yen (a decrease of 3.5 billion yen compared to the previous fiscal year) in productivity improvement, facility renewal, traceability enhancement, and enhancement of overseas production capacity. In the automotive business, we invested 26.6 billion yen (an increase of 1.6 billion yen compared to the previous year) for productivity improvement and facility renewal, as well as investments to strengthen new products.

(Unit: ¥100 million)

Segment	Capital Expenditure in the Year Ended March 31, 2025
Industrial Machinery Business	273
Automotive Business	266
Other	26
Total	565

## (3) Financing Activities

Capital expenditure and operating expenses during the consolidated fiscal year under review were funded by the Group's own capital and loans from financial institutions.

The Group also issued ¥20.0 billion domestic unsecured straight bonds to fund the repayment of corporate bonds.

The balance of outstanding loans and corporate bonds at the end of the period under review was ¥306.4 billion, a year-on-year decrease of ¥12.5 billion.

#### (4) Key Tasks

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.” Under this Mission Statement, we have supported the evolution of technology and have grown along with the development of a prosperous society.

The current business environment surrounding the NSK Group is still uncertain due to the effects of additional U.S. tariffs and the economic policies of respective countries in response to these measures, as well as changes in production plans of our customers and suppliers, in addition to continued global inflation and slow economic recovery in Europe and China. Future trends in the automotive industry are also changing, including the slowing growth of battery-powered EVs and an increasing number of hybrid vehicles instead. In addition, technological innovations such as electrification, automation, and digitalization in all industries continue to drive an increasing number of challenges that companies must address. Furthermore, the importance of corporate social responsibility, such as initiatives for environmental issues, respect for human rights, and declining birthrate and aging population, is increasing, and the business environment is rapidly changing.

In this environment, in accordance with our corporate philosophy, the NSK Group will continue to use progress in technological innovation and efforts to reduce the burden on the global environment as opportunities for growth, and respond to them by offering high quality and reliability through our technologies, products, and services. In other words, the NSK Group will contribute to the development of a sustainable society by creating value through the fusion of tribology and digital technology, aiming to be a company that continues to be needed, trusted and relied upon by society.

To achieve this goal, we are strengthening our business foundation based on our Mid-term Management Plan 2026, which covers the five-year period from fiscal 2022 to 2026. Positioning NSK’s core values of safety, quality, environment, and compliance as an overriding shared value standard in management decision-making and actions, we will address the three management tasks of “Growth with Profitability,” “Enhancement of Managerial Resources,” and “ESG Management.”

The three main management tasks and details of initiatives are shown below.

1. For “Growth with Profitability,” under the concept of “Bearings & Beyond,” which means developing new business domains while growing existing businesses, we will aim to establish a business foundation for sustainable growth even in changing business conditions.
  - We will enhance the competitiveness of the Group’s mainstay products, bearings and precision machinery, transform our business portfolio through the expansion of the industrial machinery business, and maintain a high market share in automotive bearings in response to the shift to electrification of automobiles.
  - In the aftermarket business, which we aim to expand, we aim to grow our business by contributing to a recycling-oriented society through the provision of parts for repair and replacement together with services such as remaining life prediction and condition monitoring.
  - By promoting the co-creation of new technologies and developing mechanical elements (mechanical parts) and unit and system products required for the electrification of automobiles and the expanding robot industry, we will expand our business with new products by contributing to automation and a safe and secure society.
  - We will continue to improve profitability through business restructuring, including the reorganization of production sites in Europe and other regions.
  
2. For “Enhancement of Managerial Resources,” we will enhance our managerial resources through digital technology and create a foundation for continuous business transformation.
  - To further improve the level and efficiency of quality, technology, and business operations, we will invest in and actively utilize digital technologies
  - We aim to transform manufacturing by dramatically improving productivity through digital and realizing safer, more secure, and environmentally friendly plants, with a manufacturing policy of “ultra-stabilization of production”.
  - Through open innovation with universities and companies, we will work to deepen our core technologies centered on tribology and develop the human resources required to support and enhance these technologies.
  - We aim to maximize the value of our human capital by providing opportunities to diverse human resources and developing and supporting diverse career paths.

3. For “ESG Management,” we will aim to be a company that continues to be needed, trusted, and relied upon by society, by contributing to the sustainable development of society through our business.
- From the perspective of “production”, we aim to achieve carbon neutrality in terms of direct CO<sub>2</sub> emissions (Scope 1) and energy use (Scope 2) by fiscal 2035 through energy-saving initiatives, development of new technologies, and utilization of renewable energy. We will also work to reduce emissions throughout the entire supply chain (Scope 3).
  - From the perspective of “usage” of the NSK Group’s products by our customers, we will contribute to the development of a recycling-oriented society by providing low-friction technology that reduces energy loss and environmentally-friendly products and services used in wind power generation, hydrogen energy, etc.
  - We will create a fulfilling working environment through work style reforms and promoting diversity and inclusion.
  - We will strengthen group governance and deepen dialogue with stakeholders.

In addition, we have been working with our joint venture partner on the steering business to consider new alliances for the future. We are on track for the improvement measures that we have been working on since the beginning, and have achieved an improvement in our earnings structure, including returning to profitability in fiscal 2024. On the other hand, the business environment surrounding the automotive parts industry has changed dramatically in recent years, requiring a more agile response than ever before. Therefore, NSK has decided to acquire shares of NSK Steering & Control, Inc. (“NS&C”), currently an equity-method affiliate of NSK, to work on the last improvement measure, “Explore opportunities for alliances with strategic partners”. After the Transaction, NS&C will continue to be maintained a stand-alone company within the NSK Group and will work to further strengthen its corporate structure.

We will continue to “Change and Go Beyond” on the above issues and aim to be a vibrant company that continues to move forward toward future-looking and ambitious goals. Through corporate activities based on our corporate philosophy and the evolution of MOTION & CONTROL™, we will continue to contribute to the resolution of societal challenges and the sustainable development of society.

We would like to thank our shareholders for their continued understanding and cooperation.

## (5) Financial Highlights

(IFRS)

	Year ended March 31, 2022	Year ended March 31, 2023 (Note 4)	Year ended March 31, 2024 (Notes 4, 5)	Year ended March 31, 2025 (Note 6)
Net sales	¥865,166 million	¥776,762 million	¥788,867 million	¥796,667 million
Operating income	¥29,430 million	¥43,836 million	¥27,391 million	¥28,457 million
Net income attributable to owners of the Parent	¥16,587 million	¥18,412 million	¥8,502 million	¥10,647 million
Total equity	¥637,460 million	¥634,724 million	¥677,954 million	¥669,189 million
Total assets	¥1,234,551 million	¥1,233,256 million	¥1,298,077 million	¥1,219,543 million
Equity per share attributable to owners of the Parent	¥1,204.63	¥1,200.92	¥1,350.52	¥1,332.78
Basic net income per share	¥32.35	¥35.89	¥17.27	¥21.78
Equity attributable to owners of the parent Return on equity (%)	2.8%	3.0%	1.3%	1.6%

- Notes:
1. Figures listed above are rounded down to the nearest million yen.
  2. Consolidated Financial Statements are prepared in accordance with International Financial Reporting Standards (hereinafter "IFRS") pursuant to Article 120, Paragraph 1 of the Rules of Corporate Accounting.
  3. Equity per share attributable to owners of the Parent is calculated using the number of shares outstanding at the end of the period, while basic net income per share is calculated using the average number of shares outstanding during the period.
  4. From the fiscal year ended March 31, 2024, the steering business has been classified as a discontinued operation. As a result, net sales and operating profit are presented as amounts from continuing operations excluding discontinued operations, and this change is also reflected in the figures for the fiscal year ended March 31, 2023. Net income attributable to owners of the parent is presented as a combined total of continuing and discontinued operations.
  5. On August 1, 2023, the Company lost control of NSK Steering & Control, Inc. (hereinafter referred to as "NS&C"), which globally manages the Company's steering business, and from the second quarter of the consolidated fiscal year for the year ended March 31, 2024, NS&C and its subsidiaries became equity-method affiliates of the Company. The income (loss) related to the loss of control is included in discontinued operations, while the share of profit and loss of investments accounted for using the equity method is included in continuing operations.
  6. With respect to Rane NSK Steering Systems Private Limited ("RNSS"), an Indian subsidiary in the steering business that was classified as discontinued operations in the previous fiscal year, the Company transferred its entire ownership interest in RNSS to Rane Holdings Limited on September 19, 2024, thereby losing control of RNSS. The income (loss) related to the loss of control is included in discontinued operations.

**(6) Major Subsidiaries (as of March 31, 2025)**

Company Name	Capital	Holding Ratio	Business
Amatsuji Steel Ball Mfg. Co., Ltd.	JPY 2,101 million	100.0%	Manufacture and sale of steel balls
NSK Americas, Inc.	USD 195.7 million	100.0%	Management of affiliated companies in the Americas
NSK Brasil Ltda.	BRL 51.2 million	100.0%	Manufacture and sale of industrial machinery bearings, etc.
NSK Europe Ltd.	EUR 90.3 million	100.0%	Management of affiliated companies in Europe
NSK (China) Investment Co., Ltd.	CNY 1,641.3 million	100.0%	Management of affiliated companies in China, sale of bearings, etc.
Kunshan NSK Co., Ltd.	CNY 701.6 million	63.3% (85.0%) <sup>3</sup>	Manufacture of automotive bearings, etc.
Pt. NSK Bearings Manufacturing Indonesia	USD 45 million	75.0% (100.0%) <sup>4</sup>	Manufacture of industrial bearings, etc.
NSK Korea Co., Ltd.	KRW 53.8 billion	100.0%	Manufacture and sale of automotive bearings, etc.

- Notes: 1. Figures for capital are rounded down to the nearest unit value.
2. The above eight companies were selected based on their capital, total assets, net sales, and the Company's capital contribution ratio.
3. The figure in parentheses ( ) includes capital contribution ratio of Chinese affiliate NSK (China) Investment Co., Ltd. (100% owned by the Company), the controlling company of affiliated companies in China.
4. The figure in parentheses ( ) includes capital contribution ratio of NSK International (Singapore) Pte., Ltd. (100% owned by the Company), the controlling company of affiliated companies in ASEAN.

**(7) Overview of Main Businesses (as of March 31, 2025)**

The NSK Group operates two main businesses: the industrial machinery business and the automotive business. NSK's industrial machinery business manufactures and supplies a range of products including bearings for general industry, precision machinery and parts, and condition monitoring systems, etc. Meanwhile, in its automotive business the Company manufactures and supplies products such as bearings and automatic transmission components to automakers and automotive component manufacturers.

Business	Main Products
Industrial Machinery	Ball bearings, tapered roller bearings, cylindrical roller bearings, self-aligning roller bearings, precision bearings, ball screws, linear guides, XY tables, megatorque motors, condition monitoring systems, etc.
Automotive	Hub unit bearings, needle bearings, tapered roller bearings, cylindrical roller bearings, ball bearings, ball screws, automatic transmission components, etc.
Other	Steel balls, machinery, etc.

(8) Main Sites (as of March 31, 2025)

Main Sales Sites

Region	Company Name	Location	
Japan	NSK Ltd.	Tohoku Branch	Sendai, Miyagi
		Kita-Kanto Branch	Takasaki, Gunma
		Tokyo Branch	Shinagawa, Tokyo
		Nishi-Kanto Branch	Atsugi, Kanagawa
		Nagano Branch	Suwa, Nagano
		Shizuoka Branch	Shizuoka City, Shizuoka
		Nagoya Branch	Nagoya, Aichi
		Hokuriku Branch	Kanazawa, Ishikawa
		Kansai Branch	Osaka City, Osaka
		Hyogo Branch	Himeji, Hyogo
		Chugoku Branch	Hiroshima City, Hiroshima
		Kyushu Branch	Fukuoka City, Fukuoka
		Eastern Japan Automotive Department 1	Atsugi, Kanagawa
		Eastern Japan Automotive Department 2	Shinagawa, Tokyo
		Eastern Japan Automotive Department 3	Utsunomiya, Tochigi
		Mid-Japan Automotive Department	Toyota, Aichi, and Osaka City, Osaka
		Mid-Japan Hamamatsu Automotive Department	Hamamatsu, Shizuoka
Western Japan Automotive Department	Hiroshima City, Hiroshima		

Region	Company Name	Location
The Americas	NSK Corporation	Michigan, USA
	NSK Precision America, Inc.	Indiana, USA
	NSK Rodamientos Mexicana, S.A. de C.V	Silao, Guanajuato, Mexico
	NSK Brasil Ltda.	Suzano, Brazil
Europe	NSK UK Ltd.	Nottinghamshire, UK
	NSK Deutschland GmbH	Ratingen, Germany
	Brüel & Kjør Vibro GmbH	Darmstadt, Germany
	NSK France S.A.S.	Guyancourt, France
	NSK Italia S.P.A.	Milan, Italy
Asia	NSK (China) Investment Co., Ltd.	Kunshan, China
	PT. NSK Indonesia	Jakarta, Indonesia
	NSK International (Singapore) Pte. Ltd.	Singapore
	NSK Bearings Manufacturing (Thailand) Co., Ltd.	Chonburi, Thailand
	NSK Bearings (Thailand) Co., Ltd.	Bangkok, Thailand
	NSK Bearings India Private Limited	Chennai, India
	NSK Korea Co., Ltd.	Seoul, South Korea

## Main Manufacturing Sites

Region	Company Name	Location	
Japan	NSK Ltd.	Fujisawa Plant	Fujisawa, Kanagawa
		Ohtsu Plant	Ohtsu, Shiga
		Fukushima Plant	Higashi Shirakawa, Fukushima
		Ishibe Plant	Konan, Shiga
		Saitama Plant	Hanyu, Saitama
		Takasaki Plant/Haruna Plant	Takasaki, Gunma
	NSK Micro Precision Co., Ltd.	Fujisawa, Kanagawa	
	NSK Kyushu Co., Ltd.	Ukiha, Fukuoka	
	Inoue Jikuu Kogyo Co., Ltd.	Tondabayashi, Osaka	
	NSK-Warner K. K.	Fukuroi, Shizuoka	
	Amatsuji Steel Ball Mfg. Co., Ltd.	Kadoma, Osaka	
NSK Machinery Co., Ltd.	Kuki, Saitama		
The Americas	NSK Corporation	Indiana, USA	
	NSK Bearings Manufacturing, Mexico, S.A. de C.V	Silao, Guanajuato, Mexico	
	NSK Brasil Ltda.	Suzano, Brazil	
Europe	NSK Bearings Europe Ltd.	Durham, UK	
	Brüel & Kjær Vibro GmbH	Darmstadt, Germany	
	NSK Bearings Polska S.A.	Kielce, Poland	

Region	Company Name	Location
Asia	Kunshan NSK Co., Ltd.	Kunshan, China
	Hefei NSK Co., Ltd.	Hefei, China
	Changshu NSK Needle Bearing Co., Ltd.	Changshu, China
	Pt. NSK Bearings Manufacturing Indonesia	Bekasi, Indonesia
	NSK Bearings Manufacturing (Thailand) Co., Ltd.	Chonburi, Thailand
	NSK Bearings India Private Limited	Tamil Nadu, India
	NSK Korea Co., Ltd.	Changwon, South Korea

**(9) Employees (as of March 31, 2025)**

Business	Number of Employees	Year-on-Year Change
Industrial Machinery	12,354 (896)	-542 (-52)
Automotive	8,519 (1,048)	-917 (-128)
Other (Corporate)	3,184 (395)	-116 (+16)
Total	24,057 (2,339)	-1,575 (-164)

Notes: 1. Number of employees are comprised of the employees of the Company and its consolidated subsidiaries.  
2. Numbers in brackets denote the average number of temporary employees directly employed by the Company and its subsidiaries during the fiscal year.

**(10) Major Lenders (as of March 31, 2025)**

Lender	Outstanding Loan Balance
Mizuho Bank, Ltd.	¥62,596 million
MUFG Bank, Ltd.	¥45,283 million
Meiji Yasuda Life Insurance Company	¥13,500 million
Nippon Life Insurance Company	¥13,000 million
The Bank of Yokohama, Ltd.	¥8,500 million
Fukoku Mutual Life Insurance Company	¥5,500 million

Notes: 1. Outstanding loan balance includes loans from overseas subsidiaries of the lenders.  
2. Outstanding loan balances are rounded down to the nearest million yen.

## 2. Stock Information (as of March 31, 2025)

- |                                       |  |
|---------------------------------------|--|
| (1) Total number of authorized shares | 1,700,000,000 shares   |
| (2) Number of issued shares           | 496,275,936 shares<br>(excluding 3,724,064 shares of treasury stock) |
| (3) Number of shareholders            | 84,598   |
| (4) Top ten shareholders              |  |

Shareholders	Number of shares owned in thousands	Holding ratio
The Master Trust Bank of Japan, Ltd. (Trust Account)	80,351	16.19%
Custody Bank of Japan, Ltd. (Trust Account)	32,720	6.59%
Meiji Yasuda Life Insurance Company	27,626	5.56%
Fukoku Mutual Life Insurance Company	22,400	4.51%
Nippon Life Insurance Company	22,034	4.43%
Mizuho Bank, Ltd.	13,658	2.75%
NSK Customer Shareholding Association	11,074	2.23%
NSK Employee Shareholding Association	9,295	1.87%
State Street Bank and Trust Company 505001	8,584	1.72%
Custody Bank of Japan, Ltd. (Trust Account E)	6,960	1.40%

- Notes:
1. Numbers of shares are rounded down to the nearest thousand.
  2. In calculation of the shareholding ratio, the treasury shares of the Company (3,724,064 shares) are excluded from the total number of shares issued.
  3. The treasury shares do not include 6,960,380 shares of the Company held by the trust account related to the Board Benefit Trust.

- (5) Shares issued to corporate officers as compensation for the execution of their duties during the fiscal year under review

Category	No. of Shares	Issued to
Director (Internal)	-	-
Director (Outside)	7,700	1
Executive Officer	75,900	1

### 3. Stock Acquisition Rights

Outline of Stock Acquisition Rights held by Officers of the Company as of the end of the Fiscal Year

Exercise period for Stock Acquisition Rights		August 21, 2015 to July 29, 2025	
Officers issued Stock Acquisition Rights	Directors (excluding Outside Directors)	4	460 rights
	Executive Officers	3	90 rights
Type of shares to be issued upon exercise		Common stock	
Number of shares to be issued upon exercise		55,000 shares	
Issue price of Stock Acquisition Rights		Gratis	
Issue price per share		¥1,806	

- Notes:
- 1. Resolved by the Board of Directors based on the provisions of Articles 236, 238 and 240 of the Companies Act.*
  - 2. The number of target shares for each Stock Acquisition Right is 100 shares.*
  - 3. For Directors who also serve as Executive Officers, Stock Acquisition Rights provided are listed in the Directors column.*

## 4. Officers of the Company

### (1) Directors of the Company (as of March 31, 2025)

#### I. Concurrent Responsibilities, etc. of Directors

Name	Main Assignments and Responsibilities
Akitoshi Ichii	Member of the Nomination Committee
Keita Suzuki	Member of the Compensation Committee
Saimon Nogami	Chair of the Board of Directors
Kenichi Yamana	Member of the Audit Committee
Kouichi Obara	Member of the Compensation Committee, Member of the Audit Committee, Consultant of Maeda Corporation
Junji Tsuda	Chair of the Nomination Committee, Senior Advisor of Yaskawa Electric Corporation, Outside Director of TOTO LTD.,
Sayoko Izumoto	Chair of the Audit Committee, External Audit and Supervisory Board Member of Freund Corporation, Outside Director of Tokyo Keiki Inc.
Mikio Fujitsuka	Member of the Nomination Committee, Outside Director of Yamaha Corporation
Nobuhide Hayashi	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

- Notes:
- 1. Kouichi Obara, Junji Tsuda, Sayoko Izumoto, Mikio Fujitsuka and Nobuhide Hayashi are Outside Directors as defined in Article 2, Item 15 of the Companies Act of Japan.*
  - 2. Kouichi Obara, Junji Tsuda, Sayoko Izumoto, Mikio Fujitsuka and Nobuhide Hayashi have been reported as Independent Directors to the Tokyo Stock Exchange. NSK has also established its own criteria for the independence of Outside Directors. These criteria are listed in the Notice of the 164th Ordinary General Meeting of Shareholders (page 16).*
  - 3. Sayoko Izumoto, Chair of the Audit Committee, is a Certified Public Accountant and possesses considerable insight in the fields of finance and accounting.*
  - 4. The Company has assigned non-independent Director Kenichi Yamana as a full-time member of the Audit Committee in order to improve the effectiveness and efficiency of the Committee. Full-time members of the Audit Committee perform audit duties, attend key meetings, gather information from the operating organizations, monitor and direct the Internal Audit Department, and share this information with all Audit Committee members.*
  - 5. Director Mitsuhiro Nagahama retired from his position as of June 27, 2024.*

#### II. Liability Limitation Agreement

Pursuant to Article 427, Paragraph 1 of the Companies Act and Article 26 of the Articles of Incorporation of the Company, the Company has executed agreements to limit liability for damage of Directors under Article 423, Paragraph 1 of the Companies Act with all Directors (excluding executive Directors). The limits of liability for damage under the agreement are equal to the minimum amount of liability as set forth in the relevant laws and regulations.

**(2) Executive Officers of the Company (as of March 31, 2025)**

Title	Name	Main Assignments and Responsibilities
Representative, President and CEO	Akitoshi Ichii	CEO
Representative, Executive Vice President	Keita Suzuki	CFO
Executive Vice President	Tomoyuki Yoshikiyo	Head of Industrial Machinery Business Division HQ
Executive Vice President	Hideki Ochiai	Head of Automotive Business Division HQ, Head of Automotive Sales and Marketing Division HQ
Executive Vice President	Hayato Oumi	Head of Technology Development Division HQ
Senior Vice President	Kunihiko Akashi	Head of Quality Assurance Division HQ
Senior Vice President	Guoping Yu	Head of All Chinese Operations
Senior Vice President	Hikomichi Takemura	Deputy Head of Industrial Machinery Business Division HQ, Head of Industrial Machinery Technology Development Center, Industrial Machinery Business Division HQ
Senior Vice President	Tatsufumi Soda	Deputy Head of Industrial Machinery Business Division HQ, Head of Industrial Machinery Division HQ, Industrial Machinery Business Division HQ
Senior Vice President	Michio Ozaki	Deputy Head of Automotive Business Division HQ
Senior Vice President	Hidenori Oka	Head of Human Resources and General Affairs Division HQ, Head of Legal & Compliance HQ
Senior Vice President	Shinji Miyata	Deputy Head of Automotive Business Division HQ, Head of Automotive Technology Development Center, Automotive Business Division HQ
Senior Vice President	Naoki Goto	Head of Manufacturing Strategy Division HQ
Senior Vice President	Tatsuki Murata	Head of Digital Transformation Division HQ
Senior Vice President	Gen Murayama	Head of Automotive Powertrain Division HQ, Automotive Business Division HQ
Senior Vice President	Hideaki Hayami	Head of Corporate Planning Division HQ
Senior Vice President	Takeshi Kihara	Head of Business Development Division HQ
Executive Officer	Tamami Murata	Deputy Head of All Chinese Operations
Executive Officer	Ulrich Nass	Head of All European Operations
Executive Officer	Brian Parsons	Head of All American Operations

Notes: 1. Akitoshi Ichii and Keita Suzuki concurrently serve as Directors of the Company.

**For Reference**

Executive Officers from April 1 of this year are as follows.

**Executive Officers of the Company (from April 1, 2025 onwards)**

Title	Name	Main Assignments and Responsibilities
Representative, President and CEO	Akitoshi Ichii	CEO
Representative, Executive Vice President	Keita Suzuki	CFO
Executive Vice President	Hideki Ochiai	Head of Automotive Business Division HQ, Head of Automotive Sales and Marketing Division HQ
Executive Vice President	Hayato Oumi	Head of Technology Development Division HQ, Responsible for Quality Assurance
Executive Vice President	Tatsufumi Soda	Head of Industrial Machinery Business Division HQ, Head of Industrial Machinery Division HQ, Industrial Machinery Business Division HQ
Executive Vice President	Naoki Goto	Head of Manufacturing Strategy Division HQ

*Note: Akitoshi Ichii and Keita Suzuki concurrently serve as Directors of the Company.*

### **(3) Summary of Contents of Directors' and Officers' Liability Insurance Policy**

The Company has concluded directors' and officers' liability insurance agreements with insurance companies as stipulated in Article 430-3, Paragraph 1 of the Companies Act, insuring directors, executive officers and managerial employees of the Company and certain subsidiaries and affiliates, with the premiums borne entirely by the Company and certain subsidiaries and affiliates, including the special clause portion. Under the policy, the insurance company will cover damages that may arise as a result of the insured being held liable for the performance of his/her duties or being subject to litigation costs or claims for damages in connection with the pursuit of such liability. However, there is an exclusion of liability for damages caused by willful misconduct or gross negligence.

### **(4) Indemnity Agreements**

The Company has entered into indemnification agreements with all Directors and Executive Officers as stipulated in Article 430-2, Paragraph 1 of the Companies Act, under which the Company will indemnify the indemnitees to the extent provided by law for expenses stipulated in Item 1 and losses stipulated in Item 2 of the same Paragraph. However, the Company has taken measures to ensure that the appropriateness of the execution of duties by the indemnitees is not impaired by setting a ceiling on the amount of compensation, requiring the indemnitees to take measures to mitigate damages, and requiring deliberation by the Company's Advisory Committee when making compensation.

### **(5) Directors and Executive Officers' Compensation (as of March 31, 2025)**

#### **I. Policy for Determining Executive Compensation, etc.**

As a Company with Three Committees (Nomination, Audit and Compensation), NSK Ltd. makes decisions on executive compensation levels, compensation structure, 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 will not be provided for the Director position.

#### **a) 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 roughly 4:6 of fixed compensation to performance-based compensation.

##### **i. 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.

##### **ii. 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.

###### **(1) Short-term performance-based compensation**

The Short-term performance-based compensation will be determined based on metrics consistent with management goals to increase profitability, raise efficiency of shareholders' equity, and improve corporate value. Metrics include operating income margin, ROE, cash flow, and the ratio of new product sales to net sales as well as achievement targets for ESG goals such as CO<sub>2</sub> emission reductions and the improvement of safety and quality. 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.

###### **(2) 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 of shareholders, and to further reinforce the link between Executive Officer compensation and mid- to long-term stock price, 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 Company's total shareholder return (TSR) 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, NSK will compensate Executive Officers with the equivalent amount acquired by converting shares into cash.

The relative TSR for the period from April 2022 to March 2025 was 70.52%. (As this system is designed to fix points three years after they are granted, points granted in 2023 will be fixed in 2026, and those granted in 2024 will be fixed in 2027.)

#### b) Directors' Compensation

The compensation package for Directors consists of a fixed basic compensation and fluctuating stock compensation.

##### i. Basic compensation

Basic compensation is determined based on whether the Director is an Outside or Internal Director in addition to the Director's role on board committees and the Board of Directors.

##### ii. 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 Independent and Internal Directors. However, for a certain portion of the above, the Company will compensate Directors with the equivalent amount acquired by converting shares into cash.

For Directors who also serve as Executive Officers, stock-based compensation will not be provided for the Director position.

#### c) Other Matters

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.

## II. Directors/Executive Officers' Compensation

The amount of compensation for Directors and Executive Officers from April 1, 2024 to March 31, 2025 was as follows:

	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

- Notes: 1. Compensation (excluding stock compensation) for Directors (Internal) includes compensation for Directors who also serve as Executive Officers.
2. 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.
3. The amount of stock compensation is the amount recorded as expenses for the current fiscal year.
4. Figures listed above are rounded down to the nearest one million yen.

The Company's Compensation Committee determined the details and the above compensation for Executive Officers and Directors for the fiscal year under review, taking into account the advice of outside experts and

objective information regarding the levels and trends of other companies, and therefore determined that the individual compensation of Executive Officers and Directors is in line with this policy.

## (6) Outside Directors

### I. Special interests between the Company and other companies where concurrent positions are held

Significant concurrent posts held by each Outside Director are listed in “Main Assignments and Responsibilities” under “(1) Directors of the Company” on page 36 of this report. Each of the persons listed below fulfill the Company’s Criteria for Independence of Outside Directors listed on page 16 of this Notice. Furthermore, no special interest exists between the Company and other companies where each Outside Director holds concurrent positions.

### II. Main Roles and Responsibilities of Outside Directors

Name	Attendance at Board of Directors and Committee Meetings	Main Roles and Responsibilities
Kouichi Obara	Board of Directors: 100% (10 of the 10 meetings held) Audit Committee: 100% (9 of the 9 meetings held) Compensation Committee: 100% (6 of the 6 meetings held)	<p>We expect Mr. Obara to supervise management and provide advice on overall management from a fair and independent standpoint, based on his considerable experience, high ethical standards, and deep insight as a corporate executive.</p> <p>He provides proactive and appropriate guidance to the Board of the Directors, particularly in the fields of compliance and corporate governance, thereby contributing to further enhancement of the Company’s corporate value.</p> <p>As a member of the Compensation Committee, he actively voices his opinion and fulfills his expected role through discussions and deliberations on the executive compensation policy and decisions, etc., while as a member of the Audit Committee, he actively voices his opinion and fulfills his expected role through discussion and deliberation on the enhancement of the audit system and its operation at committee meetings.</p>
Junji Tsuda	Board of Directors: 100% (10 of the 10 meetings held) Nomination Committee: 100% (6 of the 6 meetings held)	<p>We expect Mr. Tsuda to supervise management and provide advice on overall management from a fair and independent standpoint, based on his considerable experience, high ethical standards, and deep insight as a corporate executive.</p> <p>He provides proactive and appropriate guidance to the Board of the Directors, particularly in the fields of compliance and corporate governance, thereby contributing to further enhancement of the Company’s corporate value.</p> <p>As Chair of the Nomination Committee, he leads the committees’ proceedings, discusses and deliberates on proposals for the election of Directors and CEO succession planning, etc., reports to the Board of Directors as appropriate, and fulfills his expected roles.</p>

Name	Attendance at Board of Directors and Committee Meetings	Main Roles and Responsibilities
Sayoko Izumoto	Board of Directors: 100% (10 of the 10 meetings held) Audit Committee: 100% (14 of the 14 meetings held)	<p>We expect Ms. Izumoto to supervise management and provide advice on overall management from a fair and independent standpoint, based on her considerable experience, high ethical standards and deep insight as a certified public accountant.</p> <p>She provides proactive and appropriate guidance to the Board of the Directors, particularly in the fields of compliance and corporate governance, thereby contributing to further enhancement of the Company's corporate value.</p> <p>As Chair of the Audit Committee, she leads the committee's proceedings, discusses and deliberates on the enhancement of the audit system and its operation at the committee meetings, reports to the Board of Directors as appropriate, and fulfills her expected roles.</p>
Mikio Fujitsuka	Board of Directors: 100% (10 of the 10 meetings held) Nomination Committee: 100% (6 of the 6 meetings held)	<p>We expect Mr. Fujitsuka to supervise management and provide advice on overall management from a fair and independent standpoint, based on his considerable experience, high ethical standards, and deep insight as a corporate executive.</p> <p>He provides proactive and appropriate guidance to the Board of the Directors, particularly in the fields of compliance and corporate governance, thereby contributing to further enhancement of the Company's corporate value.</p> <p>In addition, as a member of the Nomination Committee, he actively voices his opinion and fulfills his expected role through discussions and deliberations on proposals for the election of Directors and CEO succession planning, etc.</p>
Nobuhide Hayashi	Board of Directors: 100% (8 of the 8 meetings held) Compensation Committee: 100% (5 of the 5 meetings held)	<p>We expect Mr. Hayashi to supervise management and provide advice on overall management from a fair and independent standpoint, based on his considerable experience, high ethical standards and deep insight as a certified public accountant.</p> <p>He provides proactive and appropriate guidance to the Board of the Directors, particularly in the fields of compliance and corporate governance, thereby contributing to further enhancement of the Company's corporate value.</p> <p>As Chair of the Compensation Committee, he leads the committee's proceedings, discusses and deliberates on the enhancement of the audit system and its operation at the committee meetings, reports to the Board of Directors as appropriate, and fulfills his expected roles.</p>

*Note: Regarding attendance of meetings of the Board of Directors and Committees: The data shows each Director's attendance at Board of Directors meetings and Committee meetings held during fiscal 2024 (April 1, 2024, through March 31, 2025). On June 27, 2024 (the date of the Fiscal 2023 (163rd) Ordinary General Meeting of Shareholders), Kouichi Obara was appointed as a member of the Audit Committee, and Nobuhide Hayashi was appointed as Director and Chair of the Compensation Committee. Accordingly, their attendance is counted only during the period of their appointment.*

## 5. Status of Accounting Auditor

### (1) Name of Accounting Auditor

Ernst & Young ShinNihon LLC

### (2) Amount of remuneration, etc., of Accounting Auditor for the fiscal year under review

[1]	Amount of remuneration payable for the audit service as stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act	¥238 million
[2]	Total amount of monetary or other property benefits to be paid by the Company and its subsidiaries	¥267 million

- Notes:
1. Amounts are rounded down to the nearest million yen.
  2. In the audit agreement between the Company and the Accounting Auditor, there is no demarcation of the remuneration for audits based on the Companies Act and the remuneration for audits based on the Financial Instruments and Exchange Act, and therefore, the amount in [1] above represents the combined sum of the two.
  3. The Company pays consideration to the Accounting Auditor for its services other than those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act (non-audit services), such as the preparation of comfort letters for the issuance of corporate bonds and advisory services related to the preparation of financial statements in English.
  4. Of the Company's principal subsidiaries, seven subsidiaries including NSK Americas, Inc. and NSK Europe Ltd., are subject to audits (limited to those under the provisions of the Companies Act or the Financial Instruments and Exchange Act, or foreign laws and regulations equivalent to such laws) of financial statements of a certified public accountant or an auditing corporation other than the Company's Accounting Auditor (including those with equivalent foreign qualifications).
  5. Taking into consideration the "Practical Guidelines for Cooperation with Accounting Auditor" announced by the Japan Audit & Supervisory Board Members Association, the Audit Committee has given consent to the remuneration, etc., to be paid to the Accounting Auditor as stipulated in Article 399, Paragraph 1 of the Companies Act, as a result of confirming and examining the details of the auditing plan of the Accounting Auditor, status of execution of duties, basis for calculation of estimates of remuneration for previous fiscal years, and other matters through reports and interviews as well as necessary materials obtained from Executive Officers, relevant departments of the Company and the Accounting Auditor.

### (3) Policy on Accounting Auditor dismissal or non-reappointment decision

If judged to be necessary by the Audit Committee, for example in the event of there being obstacles to the performance of the duties of an Accounting Auditor, the Company shall propose the dismissal or non-reappointment of the Accounting Auditor to the General Meeting of Shareholders.

In the event that it is deemed that any of the reasons for dismissal prescribed in Article 340, Paragraph 1 of the Companies Act apply to the Accounting Auditor, the Audit Committee shall dismiss the Accounting Auditor, and shall report the dismissal and the reasons therefor to the first General Meeting of Shareholders convened after the dismissal.

## **6. Corporate Governance and Related Policies**

### **(1) Systems for Ensuring Compliance with Laws and Regulations and the Company's Articles of Incorporation in the Execution of Duties by Executive Officers, and Other Systems for Securing Appropriateness of Duties**

The following section outlines NSK's systems for ensuring compliance with laws and regulations and the Company's Articles of Incorporation during the execution of duties by Executive Officers, in addition to other systems for securing the appropriateness of operations, as resolved by the Board of Directors (Basic Policy), as well as the operational status of the aforementioned systems.

#### **I. Structure to ensure appropriateness of operations in the NSK Group**

##### **Basic Policy**

NSK aims to improve internal controls over the NSK Group as a whole, improve the soundness and transparency of its management, and manage its business smoothly in line with the "NSK Group Management Rules." Based on this policy, NSK aims to establish a structure that ensures the appropriateness of operations throughout the NSK Group.

In addition, NSK must receive, on a regular or continuous basis, reports from the NSK Group's respective divisions regarding relevant duties, and reports from directors of subsidiary companies or equivalent persons regarding the performance of their duties, in accordance with the NSK Group rules governing management and business procedures.

NSK shall establish a system that enables the Audit Committee to confirm regular reports from the NSK Group's divisions. The Audit Committee or the Audit Committee members may visit the NSK Group's divisions themselves or cooperate with the auditors of subsidiaries to inspect the status of operations and assets.

##### **Operational Status**

NSK's business is operated consistently across the entire Group in accordance with the basic framework for group governance stipulated in NSK Group Management Rules. Each of the Group's divisions report on key matters, including the status of business execution, in accordance with NSK Group rules governing management and business procedures. In addition, the Company is working to enhance various internal regulations and organizational structures to respond to ESG issues, legal amendments, and the NSK Group's management needs.

Based on its audit plan, the Audit Committee conducted site audits and observations of operating divisions both in and outside Japan in conjunction with the Internal Audit Department, using web conferencing and other tools in some cases, in order to investigate the progress status of key management tasks and related measures.

#### **II. Structure to ensure Executive Officers and employees of NSK and directors and employees of its subsidiaries conform to laws and regulations and the Articles of Incorporation during performance of duties**

##### **Basic Policy**

"NSK Code of Corporate Ethics," "Corporate Governance Rules", and "Compliance Rules," based on the NSK Corporate Philosophy, lay down the fundamental principles that executive officers and employees of NSK and directors and other officers/employees of subsidiaries must comply with when conducting business activities, the structure for promoting compliance, and basic operating matters (organization, structure for training, internal whistleblowing system, etc.). By fostering awareness of compliance among all officers and employees and strengthening/improving internal controls, NSK aims to prevent the violation of laws, regulations, and the Articles of Incorporation. In particular, NSK prevents violation of competition laws in Japan and abroad by ensuring adherence to "Rules for Compliance with Competition Law." The Legal & Compliance Division formulates policies to strengthen the Group's compliance system,

implements various measures based on these policies, and monitors the status of these measures. The activities of the Legal & Compliance Division are regularly reported to the Core Values Committee, which makes recommendations and monitors progress toward resolving company-wide compliance issues by sharing related risks and discussing policies to promote and strengthen compliance as one of our core values. Furthermore, the Group's Finance Division Headquarters ensures the establishment and operation of internal controls over financial reporting by the NSK Group as a whole based on the "Rules for Internal Control over Financial Reporting," while the Internal Audit Department (IAD) evaluates their implementation. This system secures a structure from which reasonable assurance of financial reporting reliability can be obtained. As a core policy, NSK takes a resolute stance against all antisocial forces that threaten the order and safety of civil society, and declines all relationships, including business relationships, with such parties. In addition, NSK will not accede to any unreasonable or illegal demands from such parties.

### **Operational Status**

NSK has established the compliance framework stipulated in internal regulations such as the "Corporate Governance Rules" and "Compliance Rules" (organization, training and education systems, whistleblowing system, etc.) established the necessary subordinate rules to effectively prevent illegal acts, and is working to promote compliance awareness and deploy related measures across the Group, both in and outside Japan.

In addition to repeatedly emphasizing the importance of pursuing the core values, being open, honest, and mutually respectful, and changing & going beyond, the NSK Group's CEO has established an annual NSK Corporate Philosophy Day (July 26th)—an occasion on which all officers and employees reaffirm their commitment to compliance. Among other activities, the heads of each organization speak directly to employees regarding compliance issues and workplace culture. In addition, we also conduct a periodic awareness survey of all officers and employees in order to gauge the level of compliance awareness within the organization as well as identify any problems occurring in the workplace or areas requiring improvement.

With regards to the reliability of our financial reporting, Finance Division HQ is responsible for developing and operating internal control processes, while the Internal Audit Department assesses and validates their soundness.

## **III. Structure for ensuring efficient performance of duties by Executive Officers of NSK and directors and other officers of subsidiaries**

### **Basic Policy**

"NSK Group Management Rules" provide the framework to ensure efficient performance of duties by executive officers of NSK and directors and other officers/employees of subsidiaries regarding principles governing group management, decision-making mechanisms, continuous monitoring of business risks, and each NSK group company's performance targets and management.

### **Operational Status**

Based on the management framework stipulated in NSK Group Management Rules, roles and responsibilities, including those of the Company's Executive Officers and the directors of its subsidiaries, are clearly defined and operations conducted in an efficient manner with no unnecessary duplication. Decision-making bodies have been designated according to level of importance of the matter at hand in order to achieve efficient business operation. The Company's management policies and objectives are outlined in its Mid-Term Management Plan.

#### **IV. Rules and other frameworks in the NSK Group for management of risk of loss**

##### **Basic Policy**

The NSK Group's Risk Management Rules stipulate the roles and responsibilities of organization in the execution system for the management of risks that could potentially result in losses, govern the Group's risks exhaustively and comprehensively, and clarify the details of the risk management system. The Internal Audit Department audits risk the management status of each division and reports results to the Audit Committee. The Committee reports this information to the Board of Directors on a regular basis.

##### **Operational Status**

NSK has established a risk management framework as stipulated in the Company's Risk Management Rules and adopted a range of measures in order to avoid or reduce risks. Risks including changes in technology, natural disasters and infectious diseases, and changes in local conditions are comprehensively identified and reported on either a periodic or immediate basis.

The Corporate Planning Division HQ, which oversees risk management, identifies and evaluates critical risks and reports on the management status of these risks to the CEO and CFO. In addition to monitoring the risk management status through risk reports from each site and site audits, for particularly critical risks the Internal Audit Department conducts interviews with the responsible departments together with management, and reports its findings to the Audit Committee. In addition, the risk management framework is subject to audit by the Internal Audit Department.

#### **V. Framework for saving and retention of information related to performance of duties by Executive Officers of NSK and directors and other officers/employees of subsidiaries**

##### **Basic Policy**

The framework for saving and retention of information regarding performance of duties by executive officers of NSK and directors and other officers of subsidiaries must follow the provisions in "NSK Group Management Rules," "NSK Group Rules on Saving and Retention of Documents", and "NSK Group Information Security Standards." Executive officers of NSK and directors and other officers/employees of subsidiaries must make information regarding the above readily available upon request by the Audit Committee.

##### **Operational Status**

NSK has established a Group-wide regulatory framework for storing information/information security, and stores and manages information in line with these internal rules during the course of its business operations.

Regarding security related to the protection of personal information and the protection of confidential information, a dedicated organization continuously enhances its measures through the establishment of an operational system that complies with laws and public standards, and educational activities.

## **VI. Matters required for the execution of Audit Committee duties**

### **Basic Policy**

#### **a) Matters concerning members of the board and employees who should support the duties of the Audit Committee**

The Internal Audit Department is appointed as the organization that supports the duties of the Audit Committee. Selected employees of the Internal Audit Department support the duties of the Audit Committee either full-time or part-time.

#### **b) Matters concerning independence from the Executive Officer in charge of the Internal Audit Department and effectiveness of directions issued to the Internal Audit Department**

The Internal Audit Department is an organization reporting directly to the CEO, independent from audit subject divisions. In order to conduct organizational audits, the Audit Committee may give direct instructions/directions to the head of the Internal Audit Department or employees belonging to the Internal Audit Department. Official notification of appointment or disciplinary disposition of the head of the Internal Audit Department or staff assigned to assist the Audit Committee in the performance of their duties (Audit Committee secretariat) on either a full time or part time basis requires the prior consent of the Audit Committee, and the Audit Committee may state opinions about the performance evaluation of the aforementioned members.

#### **c) NSK Group framework for reporting to the Audit Committee**

The NSK Group must establish a framework under which the responsible persons in business divisions and Group Companies are required to report on items deemed necessary by the Audit Committee. Any events with the potential to cause substantial detriment to the NSK Group must be reported to the Audit Committee on a regular basis. When it is judged that an event likely to cause substantial detriment to the Group has occurred, details must be reported to the Audit Committee immediately. As a means to complement reports, Audit Committee members appointed by the Audit Committee may attend important meetings of the NSK Group which the Audit Committee finds necessary, with consent of the host of the meeting. In addition, executive officers must establish an internal whistleblowing system in the NSK Group and report the operation and status of whistleblowing to the Audit Committee without delay. In addition to the content and methods of the reports stipulated above, directors, executive officers, employees, and auditors of the NSK Group, or persons receiving reports from the aforementioned parties, may report to the Audit Committee. The NSK Group prohibits unfavorable treatment of any person reporting to the Audit Committee as a result of the aforementioned or other reports, regardless of the reporting format, and ensures that this policy is understood throughout the NSK Group.

#### **d) Other structures for ensuring effective auditing by the Audit Committee**

The Audit Committee exchanges opinions with the CEO and accounting auditor on a regular basis, and, in order to ensure the effectiveness of internal audits performed by the Internal Audit Department, may recommend to executive officers changes to audit plans, the execution of additional audits, or improvements in light of the annual internal audit plan, its implementation status, and results. In addition, if necessary, during the course of their auditing duties, the Audit Committee may hire their own consulting lawyer or receive advice from specialist lawyers or accountants. NSK will process expenses incurred during the performance of Audit Committee members' duties in a prompt and appropriate manner, either via pre-payment or reimbursement, in accordance with the designated method.

## **Operational Status**

The Audit Committee creates an audit policy as well as an annual audit plan. In addition to conducting day-to-day auditing duties, the Committee also coordinates with the Internal Audit Department, which serves as its support organization, in order to audit the Group.

In addition to holding regular discussions with the Company's CEO, CFO, and accounting auditor, the Committee reviews the plans, implementation status, and results of internal audits performed by the Internal Audit Department (including appraisal of internal control over financial reporting), and directs changes or improvements where necessary.

## **(2) Basic Guidance Regarding Control of the Company**

### **I. Outline of the Basic Policy regarding Persons Controlling the Company's Decisions concerning Financial and Business Policies**

NSK is a stock company whose shares are traded on capital markets, and therefore, the Company believes that, in the case of a large-scale purchase of NSK shares, the decision whether to accept such a purchase should ultimately be left to the shareholders.

However, there is a possibility that a sudden and unsolicited large-scale purchase of shares could occur without necessary and sufficient information being disclosed and an opportunity to consider the proposal being given to the shareholders, and without the NSK's Board of Directors being provided with the information and time to express its opinion and make an alternative proposal. Such large-scale purchases of shares could damage the Company's corporate value and the common interests of its shareholders if, for instance, the purchaser does not intend to manage the Company reasonably or in good faith.

We believe that any party that makes a large-scale purchase of the Company shares that damages NSK's corporate value and the common interests of its shareholders is not an appropriate party to control decisions concerning financial and business policies.

### **II. Special Endeavors which Contribute to the Realization of the Basic Guidance**

#### **a) Endeavors to Enhance Corporate Value under the Mid-Term Management Plan**

In accordance with our corporate philosophy, the NSK Group will continue to use progress in technological innovation and efforts to reduce the burden on the global environment as opportunities for growth, and respond to them by offering high quality and reliability through our technologies, products, and services. In other words, the NSK Group will contribute to the development of a sustainable society by creating value through the fusion of tribology and digital technology, aiming to be a company that continues to be needed, trusted and relied upon by society.

To achieve this goal, we are strengthening our business foundation based on our Mid-term Management Plan 2026, which covers the five-year period from fiscal 2022 to 2026. Positioning NSK's core values of safety, quality, environment, and compliance as an overriding shared value standard in management decision-making and actions, we will address the three management tasks of "Growth with Profitability," "Enhancement of Managerial Resources," and "ESG Management."

The three main management tasks and details of initiatives are shown below.

1. For "Growth with Profitability," under the concept of "Bearings & Beyond," which means developing new business domains while growing existing businesses, we will aim to establish a business foundation for sustainable growth even in changing business conditions.
  - We will enhance the competitiveness of the Group's mainstay products, bearings and precision machinery, transform our business portfolio through the expansion of the industrial machinery business, and maintain a high market share in automotive bearings in response to the shift to electrification of automobiles.
  - In the aftermarket business, which we aim to expand, we aim to grow our business by contributing to a recycling-oriented society through the provision of parts for repair and replacement together with services such as remaining life prediction and condition monitoring.
  - By promoting the co-creation of new technologies and developing mechanical elements (mechanical parts) and unit and system products required for the electrification of automobiles and the expanding robot industry, we will expand our business with new products by contributing to automation and a safe and secure society.
  - We will continue to improve profitability through business restructuring, including the reorganization of production sites in Europe and other regions.

2. For “Enhancement of Managerial Resources,” we will enhance our managerial resources through digital technology and create a foundation for continuous business transformation.
  - To further improve the level and efficiency of quality, technology, and business operations, we will invest in and actively utilize digital technologies
  - We aim to transform manufacturing by dramatically improving productivity through digital and realizing safer, more secure, and environmentally friendly plants, with a manufacturing policy of “ultra-stabilization of production”.
  - Through open innovation with universities and companies, we will work to deepen our core technologies centered on tribology and develop the human resources required to support and enhance these technologies.
  - We aim to maximize the value of our human capital by providing opportunities to diverse human resources and developing and supporting diverse career paths.
  
3. For “ESG Management,” we will aim to be a company that continues to be needed, trusted, and relied upon by society, by contributing to the sustainable development of society through our business.
  - From the perspective of “production”, we aim to achieve carbon neutrality in terms of direct CO<sub>2</sub> emissions (Scope 1) and energy use (Scope 2) by 2035 through energy-saving initiatives, development of new technologies, and utilization of renewable energy. We will also work to reduce emissions throughout the entire supply chain (Scope 3).
  - From the perspective of “usage” of the NSK Group’s products by our customers, we will contribute to the development of a recycling-oriented society by providing low-friction technology that reduces energy loss and environmentally-friendly products and services used in wind power generation, hydrogen energy, etc.
  - We will create a fulfilling working environment through work style reforms and promoting diversity and inclusion.
  - We will strengthen group governance and deepen dialogue with stakeholders.

In addition, we have been working with our joint venture partner on the steering business to consider new alliances for the future. We are on track for the improvement measures that we have been working on since the beginning, and have achieved an improvement in our earnings structure, including returning to profitability in fiscal 2024. On the other hand, the business environment surrounding the automotive parts industry has changed dramatically in recent years, requiring a more agile response than ever before. Therefore, NSK has decided to acquire shares of NSK Steering & Control, Inc. (“NS&C”), currently an equity-method affiliate of NSK, to work on the last improvement measure, “Explore opportunities for alliances with strategic partners”. After the Transaction, NS&C will continue to be maintained a stand-alone company within the NSK Group and will work to further strengthen its corporate structure.

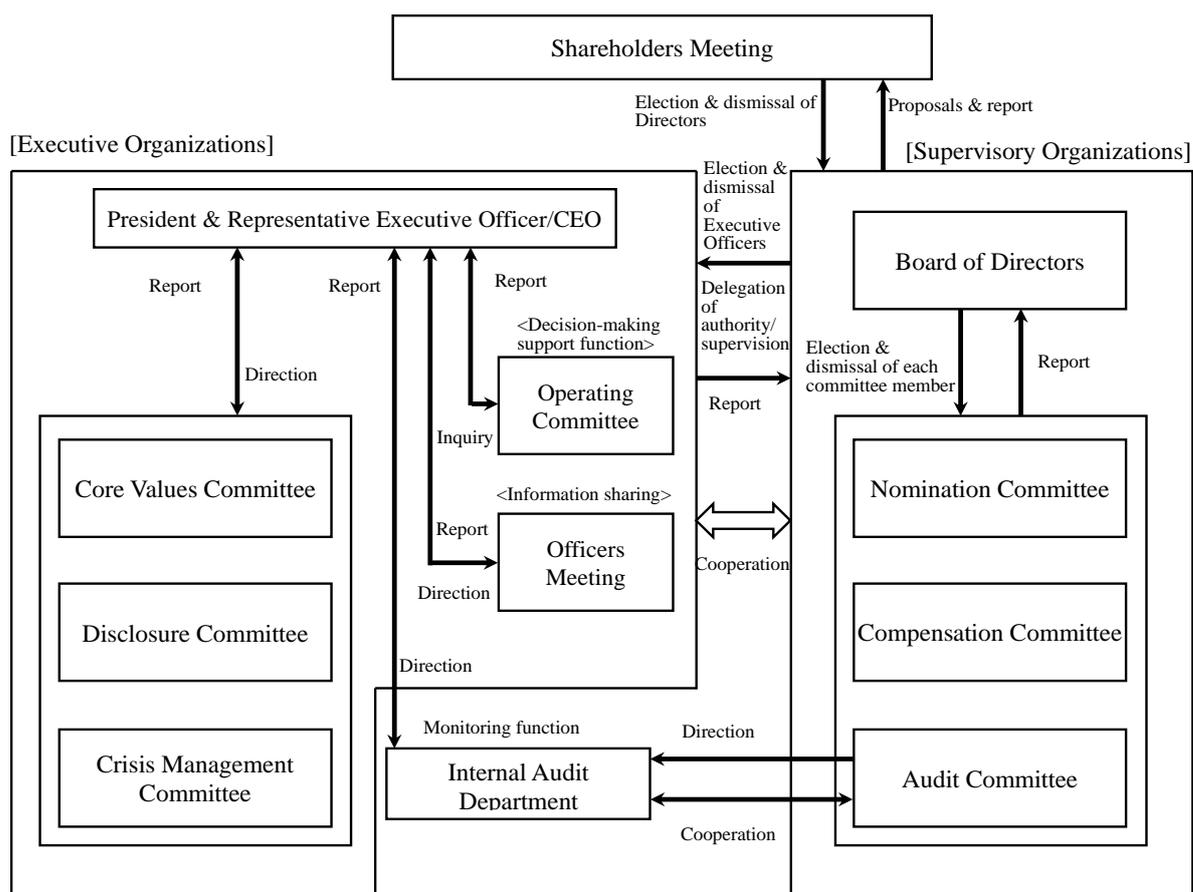
We will continue to “Change and Go Beyond” on the above issues and aim to be a vibrant company that continues to move forward toward future-looking and ambitious goals. Through corporate activities based on our corporate philosophy and the evolution of MOTION & CONTROL™, we will continue to contribute to the resolution of societal challenges and the sustainable development of society.

## **b) Endeavors to Enhance Corporate Governance**

NSK has been actively working to improve the transparency and soundness of its management-related decision-making in order to fulfill its social responsibilities as well enhance its corporate value and, by extension, the common interests of its shareholders. Even before shifting to a Company with Committees, etc. governance system in 2004, NSK worked to enhance its governance by introducing an executive officer system, inviting outside directors onto its board, and voluntarily establishing a Compensation Committee and Audit Committee. NSK is currently endeavoring to further improve its management transparency and soundness under a Company with Three Committees (Nomination, Audit and Compensation) system, with each the three committees (Nomination Committee, Audit Committee and Compensation Committee) comprised of an internal director and a majority of outside directors.

Each of the Company’s outside directors has been registered to the Tokyo Stock Exchange as an independent director.

The Company's governance and internal control systems are outlined below:



Core Values Committee: The core values of "Safety, Quality, Environment, and Compliance" are common value standards that are given the highest priority in NSK's management decisions and actions. The Core Values Committee promotes the Company's sustainability activities by discussing policies for promoting and strengthening core values and sharing related risks, establishing company-wide issues, making recommendations for their resolution, and monitoring progress.

### III. Endeavors to Prevent Decisions concerning the Company's Financial and Business Policies from Being Controlled by Inappropriate Persons in Light of the Basic Policy

NSK abolished the countermeasures against large-scale purchases of the Company's shares (takeover defense measures) introduced in June 2008 at the conclusion of the 162nd Ordinary General Meeting of Shareholders held on June 23, 2023, when the effective period expired.

NSK will continue to make efforts to enhance its corporate value and, in turn, the common interests of its shareholders and will request that any person who intends to conduct a large-scale acquisition of the Company's shares that may damage the corporate value of the Company and, in turn, the common interests of its shareholders, provide necessary and sufficient information and time for the shareholders to consider the pros and cons of such an action. In addition, we will take appropriate measures to the extent permitted by the Financial Instruments and Exchange Law, the Companies Act, and other related laws and regulations, such as disclosing the opinions of our Board of Directors and other relevant information to ensure that our shareholders have the opportunity to make an appropriate decision on the purchase.

### IV. Judgments of the Board of Directors and reasons therefor regarding the endeavors described above

The efforts described in II. above are part of NSK's basic efforts to enhance its corporate value over the mid- to long-term and are implemented for the purpose of improving the Company's corporate value and, in turn, the common interests of its shareholders.

In addition, the initiatives described in III. above are intended to secure necessary and sufficient

information, time, and opportunities for shareholders to consider the pros and cons of a large-scale purchase and are implemented for the purpose of ensuring and enhancing the Company's corporate value and, in turn, the common interests of its shareholders.

Accordingly, the efforts described in II. and III. above are in line with the basic policy described in I. above and are not detrimental to the common interests of NSK shareholders, nor are they intended to maintain the status of the Company's officers.

### **(3) Policy on the Distribution of Cash Dividends**

NSK places great importance on providing "stable shareholder returns". As part of Mid-term Management Plan 2026, in addition to setting the target of dividend payout ratio ranging from 30% to 50%, we have set DOE (Dividend on equity ratio) 2.5% as an approximate lower limit to maintain a stable dividend payout to the shareholders. Also, we regard treasury shares as an option to execute agile capital policy, which includes acquisition of treasury stock. We take into account financial conditions and stock market trends to appropriately decide on execution. Based on the policy stated above, we comprehensively took into account our business performance in this fiscal year and future business environment.

Based on the above policy and comprehensive consideration of the business results for the current fiscal year and the future business environment, the year-end dividend for the fiscal year ended March 31, 2025 will be ¥17.00 per share. The dividend for the first half of the year, paid on December 3, 2024 was ¥17.00 per share. Accordingly, the full year dividend for the fiscal year ended March 31, 2025 will be ¥34.00 per share, an increase of ¥4.00 from the previous fiscal year.

**Consolidated Statements of Financial Position**
**(Millions of yen)**

	Fiscal 2024 Year ended March 31, 2025	Fiscal 2023 (For Reference) Year ended March 31, 2024
<b>Assets</b>		
Current assets		
Cash and cash equivalents	138,253	150,583
Trade receivables and other receivables	217,360	220,248
Inventories	185,878	185,886
Other financial assets	62,792	45,076
Income tax receivables	14,882	4,988
Other current assets	17,494	18,196
Subtotal	636,662	624,979
Assets related to disposal groups classified as held for sale	—	11,643
Total current assets	636,662	636,623
Non-current assets		
Property, plant and equipment	344,906	364,947
Goodwill and intangible assets	65,317	56,548
Investments accounted for using equity method	51,540	49,605
Other financial assets	46,085	51,932
Deferred tax assets	9,039	10,309
Net defined benefit assets	58,998	121,589
Other non-current assets	6,992	6,521
Total non-current assets	582,881	661,454
Total assets	1,219,543	1,298,077
<b>Liabilities and Equity</b>		
Liabilities		
Current liabilities		
Trade payables and other payables	126,551	140,451
Other financial liabilities	120,154	128,433
Provisions	1,322	469
Income tax payable	3,506	25,835
Other current liabilities	49,755	52,583
Subtotal	301,291	347,774
Liabilities related to disposal groups classified as held for sale	—	11,370
Total current liabilities	301,291	359,145
Non-current liabilities		
Financial liabilities	203,470	214,864
Provisions	887	1,065
Deferred tax liabilities	21,403	21,890
Net defined benefit liabilities	13,806	13,582
Other non-current liabilities	9,494	9,574
Total non-current liabilities	249,062	260,977
Total liabilities	550,354	620,123
Equity		
Issued capital	67,176	67,176
Capital surplus	78,174	77,897
Retained earnings	375,003	375,402
Treasury shares	(10,310)	(10,422)
Other components of equity	141,417	150,270
Other components of equity related to disposal groups classified as held for sale	—	(345)
Total equity attributable to owners of the parent	651,462	659,979
Non-controlling interests	17,727	17,975
Total equity	669,189	677,954
Total liabilities and equity	1,219,543	1,298,077

Notes: Figures listed above are rounded down to the nearest million yen. Figures in brackets ( ) indicate negative.

**Consolidated Statements of Income**
**(Millions of yen)**

	Fiscal 2024 From April 1, 2024 to March 31, 2025	Fiscal 2023 (For Reference) From April 1, 2023 to March 31, 2024
Continuing operations		
Sales	796,667	788,867
Cost of sales	623,883	623,618
Gross profit	172,783	165,249
Selling, general and administrative expenses	144,661	140,921
Share of profits of investments accounted for using the equity method	4,901	4,377
Other operating income	1,646	—
Other operating expenses	6,213	1,313
Operating income	28,457	27,391
Financial income	3,247	3,632
Financial expenses	6,603	4,813
Income before income taxes	25,100	26,210
Income tax expense	12,031	11,955
Net income from continuing operations	13,068	14,254
Discontinued operations		
Net income (loss) from discontinued operations	(1,875)	(4,689)
Continuing operations + Discontinued operations		
Net income	11,193	9,564
Net income attributable to:		
Owners of the parent	10,647	8,502
Non-controlling interests	546	1,062

Note: Figures listed above are rounded down to the nearest million yen. Figures in brackets () indicate negative.

**(Reference) Consolidated Statements of Cash Flow**
**(Millions of yen)**

	Fiscal 2024 From April 1, 2024 to March 31, 2025	Fiscal 2023 From April 1, 2023 to March 31, 2024
Net cash provided by operating activities	82,176	99,818
Net cash used in investing activities	(58,753)	(90,814)
Net cash provided by (used in) financing activities	(33,741)	(24,780)
Effect of exchange rate changes on cash and cash equivalents	(2,017)	6,257
Net increase (decrease) in cash and cash equivalents	(12,335)	(9,519)
Cash and cash equivalents at the beginning of the period	150,583	160,109
Cash and cash equivalents included in assets of disposal groups classified as held for sale	6	(6)
Cash and cash equivalents at the end of the period	138,253	150,583

Notes: Figures listed above are rounded down to the nearest million yen. Figures in brackets () indicate negative.

**Non-Consolidated Statement of Financial Position**
**(Millions of yen)**

	Fiscal 2024 Year ended March 31, 2025	Fiscal 2023 (For Reference) Year ended March 31, 2024
<b>Assets</b>		
<b>Current assets</b>	360,504	331,099
Cash and deposit	40,318	28,254
Notes receivable	2,546	3,204
Electronically recorded receivables	21,211	21,692
Accounts receivable	67,478	69,887
Marketable securities	85,986	94,999
Finished goods	29,701	27,506
Work in progress	24,936	24,635
Raw materials and supplies	6,564	6,006
Accounts receivable	58,906	45,177
Income taxes receivable	12,831	495
Other	12,978	12,073
Allowance for doubtful accounts	(2,955)	(2,833)
<b>Non-current assets</b>	390,825	452,759
<b>Property, plant and equipment</b>	130,571	132,316
Building	39,367	39,635
Structures	1,854	2,020
Machinery and equipment	58,284	59,377
Vehicles and transportation equipment	117	166
Tools and spare parts	4,181	4,151
Land	15,782	15,873
Lease assets	2,779	2,718
Construction in progress	8,203	8,372
<b>Intangible fixed assets</b>	30,952	21,081
Lease-hold	1,462	1,462
Software	6,439	7,403
Software in progress	20,385	10,158
Other	2,665	2,057
<b>Investment and other assets</b>	229,301	299,361
Investment securities	31,453	37,025
Shares of subsidiaries	117,295	145,492
Investment in affiliated companies	40,243	40,243
Long-term loan	9,562	10,342
Long-term prepaid expenses	850	494
Prepaid pension cost	16,136	41,868
Deferred tax assets	11,965	22,093
Other	1,961	1,969
Allowance for doubtful accounts	(168)	(168)
<b>Total assets</b>	751,330	783,859

Note: Figures listed above are rounded down to the nearest million yen.

(Liabilities listed on the following page)

(Millions of yen)

	Fiscal 2024 Year ended March 31, 2025	Fiscal 2023 (For Reference) Year ended March 31, 2024
<b>Liabilities</b>		
Current liabilities	204,044	236,629
Notes payables	1,917	1,919
Electronically recorded payables	8,527	13,280
Accounts payable	67,154	76,879
Short-term borrowings	56,134	59,189
Corporate bonds	25,000	20,000
Lease liabilities	1,115	1,112
Other payables	26,134	24,184
Accrued expenses	15,982	15,154
Income taxes payable	—	23,765
Deposits	717	674
Provision for loss on business of subsidiaries and associates	1,311	—
Asset retirement obligation	16	16
Other	32	451
Non-current Liabilities	189,693	201,116
Corporate bonds	128,000	133,000
Long-term borrowings	52,500	59,500
Lease liabilities	4,649	3,803
Provision for employee stock benefits	470	363
Provision for officer stock benefits	1,671	1,514
Reserves for environmental measures	725	630
Provision for loss on business of subsidiaries and associates	223	729
Asset retirement obligation	76	—
Other	1,377	1,574
<b>Total liabilities</b>	<b>393,738</b>	<b>437,745</b>
<b>Net assets</b>		
Shareholders' equity	340,677	326,023
Share capital	67,176	67,176
Capital surplus	77,929	77,923
Legal capital surplus	77,923	77,923
Other capital surplus	5	—
Retained earnings	204,906	190,365
Legal retained earnings	10,292	10,292
Other retained earnings	194,613	180,073
Reserve for advanced depreciation of noncurrent assets	3,585	3,761
General reserve	139,766	139,766
Retained earnings brought forward	51,262	36,545
Treasury shares	(9,334)	(9,442)
Valuation and translation adjustments	16,653	19,819
Valuation difference on available-for-sale securities	16,653	19,819
Stock acquisition rights	260	269
<b>Total net assets</b>	<b>357,592</b>	<b>346,113</b>
<b>Total liabilities and net assets</b>	<b>751,330</b>	<b>783,859</b>

Note: Figures listed above are rounded down to the nearest million yen.

**Non-Consolidated Statement of Income**
**(Millions of yen)**

	Fiscal 2024 From April 1, 2024 to March 31, 2025	Fiscal 2023 (For Reference) From April 1, 2023 to March 31, 2024
Net Sales	383,802	387,079
Cost of sales	316,760	318,571
Gross profit	67,041	68,507
Selling, general and administrative expenses	64,755	65,652
Operating income	2,286	2,854
Non-operating income	37,196	42,381
Interest income and dividends	35,067	41,193
Miscellaneous income	2,128	1,188
Non-operating expenses	5,502	5,646
Interest expense	1,893	1,789
Foreign exchange loss	1,495	1,441
Provision of allowance for doubtful accounts	—	393
Miscellaneous expenses	2,113	2,021
Ordinary income	33,979	39,590
Extraordinary income	41,601	32,603
Gain on return of assets from retirement benefit trust	33,063	9,652
Gain on sale of investment securities	6,522	15,780
Gain on sale of shares of associates	1,665	7,170
Gains on extinguishment of tie-in shares	349	—
Extraordinary losses	32,367	1,294
Loss on valuation of shares of subsidiaries	28,167	119
Business restructuring related expenses	3,330	1,174
Loss on litigation	869	—
Income before income taxes	43,213	70,898
Income taxes - current	1,745	30,655
Income taxes - deferred	11,046	(23,785)
Total income taxes	12,791	6,869
Net income	30,421	64,029

Note: Figures listed above are rounded down to the nearest million yen.