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Securities Code: 6471
June 5, 2026
(Commencement date of electronic provision measures: May 29, 2026)

NOTICE OF THE FISCAL 2025 (165th) ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders with Voting Rights:

Notice is hereby given that the Fiscal 2025 (165th) 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 2025 (165th) 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 unable to attend 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 Wednesday, June 24, 2026 (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:** Thursday, June 25, 2026, 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 165th Fiscal Term (from April 1, 2025 to March 31, 2026)

   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 165th 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 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 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 18, 2026, were deliberated at the Board meeting on May 28, 2026, 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	9	Board of Directors: 100% (10/10) Nomination Committee: 100% (7/7)	0
2	Keita Suzuki	Reappointment	Director, Representative, Executive Vice President Chief Financial Officer Member of the Compensation Committee	3	Board of Directors: 100% (10/10) Compensation Committee: 100% (7/7)	0
3	Kenichi Yamana	Reappointment	Director, Chair of the Board of Directors	5	Board of Directors: 100% (10/10) Audit Committee: 100% (5/5)	0
4	Ruriko Yoshida	Reappointment	Director, Member of the Audit Committee	1	Board of Directors: 100% (8/8) Audit Committee: 100% (9/9)	0
5	Sayoko Izumoto	Reappointment Outside Director Independent Director	Director, Chair of the Audit Committee	4	Board of Directors: 100% (10/10) Audit Committee: 100% (14/14)	1
6	Mikio Fujitsuka	Reappointment Outside Director Independent Director	Director, Member of the Nomination Committee	3	Board of Directors: 100% (10/10) Nomination Committee: 100% (7/7)	0
7	Nobuhide Hayashi	Reappointment Outside Director Independent Director	Director, Chair of the Compensation Committee	2	Board of Directors: 100% (10/10) Compensation Committee: 100% (7/7)	1
8	Akira Kashima	Reappointment Outside Director Independent Director	Director, Member of the Audit Committee Member of Compensation Committee	1	Board of Directors: 100% (8/8) Audit Committee: 100% (9/9) Compensation Committee: 100% (6/6)	0
9	Noriaki Kiyota	New Appointment Outside Director Independent Director	—	—	—	1

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 2025 (April 1, 2025, through March 31, 2026). On June 25, 2025 (the date of the Fiscal 2024 (164th) Ordinary General Meeting of Shareholders), Kenichi Yamana stepped down from his position on the Audit Committee. Ruriko Yoshida was appointed to the Board of Directors and the Audit Committee. Akira Kashima was appointed to the Board of Directors, the Audit Committee, and the Compensation Committee. Accordingly, attendance is counted only during the period of appointment.
- Number of concurrent positions denoted is as expected on June 25, 2026, the date of the 165th 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.

No. 1	Akitoshi Ichii	
Reappointment		

Company Shares Owned: 91,687	Age: 63 (DoB: May 8, 1963)
Attendance: (FY25)	Board of Directors: 100% (10/10) Nomination Committee 100% (7/7)

Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:

Apr. 1986	Joined the Company
Dec. 2008	Deputy Head of Automotive Bearings Division HQ (Automotive Business Division HQ)
Jun. 2012	Head of Operations in India
Jun. 2015	Executive Officer, Deputy Head of Corporate Planning Division HQ
Jun. 2016	Head of Corporate Planning Division HQ, Responsible for Asia
Apr. 2017	Senior Vice President
Jun. 2017	Director (current)
Apr. 2019	Representative (current), Executive Vice President, President's Assistant, Responsible for Administrative Divisions, Responsible for Investor Relations Office
Jun. 2019	Member of the Compensation Committee
Apr. 2020	Responsible for Europe and the Americas
Apr. 2021	President and Chief Executive Officer (current)
Jun. 2021	Member of the Nomination Committee (current)

Reasons for nominating the candidate for Director:

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.

No. 2	Keita Suzuki	
Reappointment		

Company Shares Owned: 37,650	Age: 61 (DoB: March 11, 1965)

Attendance: (FY25)	Board of Directors: 100% (10/10) Compensation Committee: 100% (7/7)

Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:

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)
Jan. 2026	Head of Digital Transformation Division HQ (current)

Reasons for nominating the candidate for Director:

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.

No. 3	Kenichi Yamana	
Reappointment		

Company Shares Owned: 23,921	Age: 64 (DoB: January 4, 1962)

Attendance: (FY25)	Board of Directors: 100% (10/10) Audit Committee: 100% (5/5)

Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:

Apr. 1986	Joined the Company
Jun. 2013	Head of Consolidated Accounting Department (Finance Division HQ)
Jun. 2015	Executive Officer, Deputy Head of Finance Division HQ, Deputy Head of IR & CSR Offices
Jun. 2016	Deputy Head of IR Office
Apr. 2018	Senior Vice President, Responsible for ASEAN Operations
Apr. 2021	Executive Advisor
Jun. 2021	Director (current), Member of the Audit Committee
Jun. 2025	Chair of the Board of Directors (current)

Reasons for nominating the candidate for Director:

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.

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.

Significant Concurrent Positions outside the Company:

Outside Director of Toshiba Tec Corporation (scheduled to be appointed as of June 29, 2026)

No. 4	Ruriko Yoshida	
Reappointment		

Company Shares Owned: 46,802	Age: 57 (DoB: December 9, 1968)
Attendance: (FY25)	Board of Directors: 100% (8/8) Audit Committee: 100% (9/9)

Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:

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
Apr. 2025	Operating Executive (Operating Officer) (current)
Jun. 2025	Director (current), Member of the Audit Committee (current)

Reasons for nominating the candidate for Director:

Ruriko Yoshida is well-versed in the Company’s operations through her experience in supervising and managing the Company, including serving as a Director, as well as Head of the Internal Audit Department and in finance and accounting functions. She possesses a high level of integrity and extensive knowledge of corporate governance. Based on her experience and insight, the Company considers her well qualified to supervise management and believes that her appointment will contribute to the enhancement of corporate value. Accordingly, Ms. Yoshida has been nominated as a candidate for Director.

No. 5

Reappointment
Outside Director
Independent Director

Sayoko Izumoto

Company Shares Owned: 0	Age: 72 (DoB: July 8, 1953)
Attendance: (FY25)	Board of Directors: 100% (10/10) Audit Committee: 100% (14/14)

Years since assuming office as Outside Director of the Company: 4 years

Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:

Mar. 1976	Tohmatsu Awoki & Co. (currently Deloitte Touche Tohmatsu LLC) Registered as a
Mar. 1979	Certified Public Accountant
Jul. 1995	Partner, Deloitte Touche Tohmatsu LLC
Jan. 2015	Member, Information and Communications Council, Ministry of Internal Affairs and Communications
Jul. 2016	Left Deloitte Touche Tohmatsu LLC
Aug. 2016	Established Izumoto Certified Public Accountant Office (current)
Apr. 2017	Member of Information Disclosure and Personal Information Protection Review Board, Ministry of Internal Affairs and Communications
Jun. 2022	Director (current), Chair of the Audit Committee (current)

Reasons for nominating the candidate for Outside Director and overview of expected roles:

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.

Assessment of special interests and the independence of the candidate:

Sayoko Izumoto has not been engaged in the management of Deloitte Touche Tohmatsu LLC since August 2016. Although the Company has transactions with Deloitte Touche Tohmatsu LLC , the amount of such transactions is less than 0.1% of the net sales of Deloitte Touche Tohmatsu LLC , and there is no special interest between the two companies. 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.

Significant Concurrent Positions outside the Company:

Outside Director of Tokyo Keiki Inc.

No. 6	Mikio Fujitsuka	
Reappointment Outside Director Independent Director		

Company Shares Owned: 0	Age: 71 (DoB: March 13, 1955)

Attendance: (FY25)	Board of Directors: 100% (10/10) Nomination Committee: 100% (7/7)

Years since assuming office as Outside Director of the Company: 3 years

Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:

Apr. 1977	Joined Komatsu Ltd.
Jun. 2001	General Manager of Corporate Controlling Department of Komatsu Ltd.
Apr. 2005	Executive Officer of Komatsu Ltd.
Apr. 2008	Executive Officer, President of Global Retail Finance Business Division of Komatsu Ltd.
Feb. 2009	Executive Officer, General Manager of Corporate Planning Division, President of Global Retail Finance Business Division of Komatsu Ltd.
Apr. 2010	Senior Executive Officer of Komatsu Ltd.
Apr. 2011	CFO of Komatsu Ltd.
Jun. 2011	Director and Senior Executive Officer of Komatsu Ltd.
Apr. 2013	Director and Senior Executive Officer of Komatsu Ltd.
Apr. 2016	Executive Vice President and Representative Director of Komatsu Ltd.
Apr. 2019	Director of Komatsu Ltd. (stepped down June 2019)
Jun. 2023	Director (current), Member of the Nomination Committee (current)

Reasons for nominating the candidate for Outside Director and overview of expected roles:

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.

Assessment of special interests and the independence of the candidate:

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 0.2% 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.

No. 7	Nobuhide Hayashi	
Reappointment Outside Director Independent Director		

Company Shares Owned: 2,736	Age: 69 (DoB: March 27, 1957)

Attendance: (FY25)	Board of Directors: 100% (10/10) Compensation Committee: 100% (7/7)

Years since assuming office as Outside Director of the Company: 2 years

Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:

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)

Reasons for nominating the candidate for Outside Director and overview of expected roles:

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.

Assessment of special interests and the independence of the candidate:

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. (scheduled to step down as of June 30, 2026) , Outside Audit & Supervisory Board Member of Tobu Railway Co., Ltd.

No. 8	Akira Kashima	
Reappointment Outside Director Independent Director		

Company Shares Owned: 0	Age: 62 (DoB: March 2, 1964)
Attendance: (FY25)	Board of Directors: 100% (8/8) Audit Committee: 100% (9/9) Compensation Committee: 100% (6/6)

Years since assuming office as Outside Director of the Company: 1 year

Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:

Oct. 1985	Joined Asahi Shinwa & Co. (currently KPMG AZSA LLC)
Mar. 1989	Registered as a Certified public Accountant
Aug. 2002	Joined BearingPoint Co., Ltd.
Jul. 2009	Partner, PricewaterhouseCoopers Consultants Co., Ltd.
Jul. 2012	Leader of the Consulting Division, PricewaterhouseCoopers Co., Ltd.
Jul. 2015	Representative Director, PricewaterhouseCoopers Co., Ltd.
Mar. 2016	Chief Executive Officer, PwC Consulting LLC
Jul. 2016	Representative Officer and Chairman, PwC Consulting LLC
Jul. 2020	Chairman, PwC Consulting LLC (stepped down June 2024) Executive Officer, PricewaterhouseCoopers Aarata LLC (currently PricewaterhouseCoopers Japan LLC) (stepped down June 2024)
Jul. 2024	Kashima CPA Office opened (current)
Jul. 2026	Director (current), Member of the Audit Committee (current), Member of the Compensation Committee (current),

Reasons for nominating the candidate for Outside Director and overview of expected roles:

We expect Akira Kashima 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 Compensation Committee, he has played an appropriate role through discussions and deliberations on executive compensation policies and compensation decisions. Furthermore, as a member of Audit Committee, he has played an appropriate role through discussions and deliberations at committee meetings regarding the enhancement of the audit system and its operation. 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.

Assessment of special interests and the independence of the candidate:

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. There are no transactions and no special interests between the Company and PwC Consulting LLC and PwC Japan LLC.

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.

No. 9	Noriaki Kiyota	
New appointment Outside Director Independent Director		

Company Shares Owned: 0	Age: 64 (DoB: October 8, 1961)

Career Summary, Position and Area of Responsibility in the Company and Significant Concurrent Positions outside the Company:

Apr. 1984	Joined TOTO KIKI LTD. (currently TOTO LTD.)
Apr. 2010	Executive Officer General Manager, Restroom Business Group of TOTO LTD.
Apr. 2012	In charge of Restroom Business Group of TOTO LTD.
Jun. 2012	Director, Managing Executive Officer of TOTO LTD.
Apr. 2014	Director, Senior Managing Executive Officer In charge of Restroom Business Group and Faucets & Appliances Division of TOTO LTD.
Apr. 2015	In charge of System Product Group and Faucets & Appliances Division of TOTO LTD.
Apr. 2016	Representative Director, Executive Vice President In charge of Business Divisions, Faucets & Appliances Business, Internal Audit Office, and in charge of V-Plan Marketing Innovation of TOTO LTD.
Apr. 2017	In charge of Business Divisions, Faucets & Appliances Business, Human Resource, Accounting & Finance, and in charge of V-Plan Management Resource Innovation of TOTO LTD.
Apr. 2018	In charge of Business Divisions & Research & Technology, Human Resource, Purchasing, Engineering Works, and in charge of WILL2022 Management Resource Innovation of TOTO LTD.
Apr. 2020	President, Representative Director In charge of Global Business Promotion, Digital Innovation, Management Planning, and Secretary's Office of TOTO LTD.
Apr. 2021	In charge of Digital Innovation, Global Business Promotion, Management Planning, Internal Audit Office, and Secretary's Office of TOTO LTD.
Apr. 2024	In charge of Digital Innovation, Management Planning, Internal Audit Office, and Secretary's Office of TOTO LTD.
Apr. 2025	Representative Director, Chairman of the Board of TOTO LTD. (current)

Reasons for nominating the candidate for Outside Director and overview of expected roles:

We expect Noriaki Kiyota 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. Kiyota 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.

Assessment of special interests and the independence of the candidate:

Noriaki Kiyota is Representative Director, Chairman of the Board of TOTO LTD. There are no transactions and no special interests between the Company and TOTO LTD.

Mr. Kiyota 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.

Notes:

1. Liability Limitation Agreement with Directors

   The Company has entered into an agreement with each of Kenichi Yamana, Ruriko Yoshida, Sayoko Izumoto, Mikio Fujitsuka, Nobuhide Hayashi and Akira Kashima to limit liability for damages as provided 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 Noriaki Kiyota is elected as a Director, the Company plans to enter into a similar liability limitation agreement with him.

   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, Ruriko Yoshida, Sayoko Izumoto, Mikio Fujitsuka, Nobuhide Hayashi and Akira Kashima are reelected as Directors in the Proposal, the Company plans to continue a similar indemnification agreement with each of them. If Noriaki Kiyota is elected as Directors, the Company plans to enter into a similar indemnification agreement with him.

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, with all Directors insured and the Company bearing the full 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 2026 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:

   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. 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	Mikio Fujitsuka	Noriaki Kiyota, 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/jp-ja/company/about-us/corporate-governance/#cg03)

Skill 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	Reappointment	Director, Member of Audit Committee		●			●	
	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	Reappointment Outside Independent	Director, Member of Compensation Committee, Member of Audit Committee	●	●		●		Finance/Accounting, Internal Control Systems
	Noriaki Kiyota	New appointment Outside Independent	Director, Member of Nomination Committee	●		●		●	Management strategy

<Reference>

Cross-Shareholdings

(1) Policy on cross-shareholding

In principle, NSK maintains no cross-shareholdings.

Under this policy, 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 have sold any cross-shareholdings whose possession we believed could not 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 4 stocks (including 3 listed companies) in fiscal 2025, from 136 stocks (including 79 listed companies) at the end of March 2010 to 42 stocks (including 12 listed companies) at the end of March 2026, a reduction of 94 stocks (including 67 listed companies) over 16 years.

In May 2026, we announced our “Mid-Term Management Plan 2028,” under which we are aiming to reduce cross-shareholdings to zero during the plan period (fiscal years 2026 through 2028). To achieve this target, we will further accelerate efforts to reduce cross-shareholdings. However, in cases where shareholdings are deemed necessary to enhance our mid- to long-term corporate value, such as through collaboration with investee companies, we will hold shares of other companies as strategic investments.

(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 2024		End of FY 2025	
	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	31	1,492	30	1,491
Stocks other than unlisted stocks	15	29,820	12	23,022
Total holdings	46	31,313	42	24,514

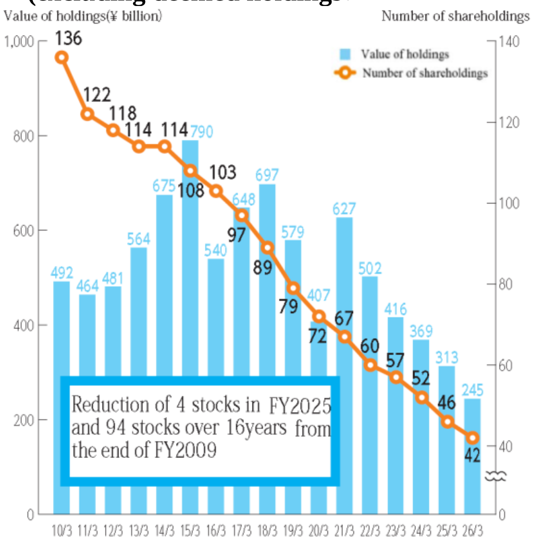
Total equity	669,189	692,135

<Ratio of shareholding amount to total equity>

Ratio	4.7%	3.5%

All deemed holdings were sold in FY 2023.

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



Business Report

Fiscal 2025
April 1, 2025 - March 31, 2026

NSK Ltd.

Attachments

Business Report
(April 1, 2025 - March 31, 2026)

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.

And the NSK Group has been addressing the three management themes: growth with profitability, enhancement of managerial resources, and ESG management.

Looking at the global economy during the year ended March 31, 2026, the global economy is showing a gradual recovery as inflation slowed. On the other hand, in addition to geopolitical risks from unstable international situations, uncertainties in U.S tariff policies, other government policies, and financial markets in various countries remain elevated, and concerns about the economic outlook are intensifying.

Looking at the Company's results by geographic breakdown, in Japan, the economy is gradually moving towards recovery as customer expenditure shows signs of improvement. In the U.S., despite the downturn of the labor market, the economy remains solid. In Europe, demand for capital investment continues to be sluggish, although inflation is settling down. In China, the economy is at a standstill as the real estate market remains sluggish, with an easing in government economic measures to increase consumption.

In this economic environment, the NSK Group's performance, resulted in consolidated sales for the year ended March 31, 2026 totaling ¥911.6 billion, a year-on-year increase of 14.4%. Operating income was ¥38.8 billion, a year-on-year increase of 36.4%. Income before income taxes was ¥38.0 billion, a year-on-year increase of 51.5%. Net income attributable to owners of the parent, was ¥22.9 billion, a year-on-year increase of 114.8%.

On September 1, 2025, NSK acquired all shares of NSK Steering & Control Inc. (hereinafter "NS&C"), an equity-method affiliate that globally oversees the steering business, from Japan Industrial Solutions III Investment Limited Partnership (hereinafter "JIS"). As NS&C and its subsidiaries have become consolidated subsidiaries of the Company, the consolidated results of the NSK Group include the sales and profits and losses of NS&C and its subsidiaries from the date of acquisition (September 1, 2025) onward. In addition, the Company completed the fair value measurement of the acquired assets and assumed liabilities, and finalized the purchase price allocation during this fiscal year. As a result, the Company recorded one-off impacts arising from this acquisition, such as a gain on bargain purchase of ¥8.5 billion under "other operating income" and a loss on step acquisition of ¥4.7 billion under "other operating expenses".

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

1. Industrial Machinery Business Segment

A gradual recovery in capital expenditure has driven year-on-year sales growth.

Looking at the Company's results by geographic breakdown, sales in Japan increased mainly due to sales increase in machine tool sectors. In the Americas, sales increased due to higher sales in aftermarket and semiconductor manufacturing equipment sectors and by reflecting tariff impacts to selling prices. In Europe, sales decreased as demand continued to be sluggish. In China, sales increased due to higher sales in machine tool sectors.

As a result, sales in the industrial machinery segment totaled ¥377.5 billion, a year-on-year increase of 4.4%, and operating income was ¥12,6 billion, a year-on-year decrease of 9.9%, impacted by one-off expenses related to the restructuring of the European business.

2. Automotive Business Segment

Although there was an impact from decreased sales in certain regions, efforts to reflect the tariff impacts to selling prices resulted in flat sales compared to the same period of the previous year.

Looking at the Company's results by geographic breakdown, sales in Japan decreased due to a sales decline of automatic transmission components. In the Americas, sales increased due to robust automotive sales and reflection of tariff impacts to selling prices. In Europe, sales declined due to continued sluggishness of the automotive demand. In China, despite sluggish sales of Japanese automotive customers, sales stayed fairly flat due to sales expansion of ball screws for electric brake systems.

As a result, sales in the automotive business segment totaled ¥403.3 billion, a year-on-year increase of 0.4% and operating income was ¥17.4 billion, a year-on-year increase of 18.0% despite one-off expenses related to the restructuring of the European business.

3. Steering Business Segment

Sales of the steering business for the year ended March 31, 2026 was ¥100.6 billion, operating income was ¥7.7 billion. The above includes sales, profit and loss of NS&C and its subsidiaries from the date of acquisition (September 1, 2025), one-off impacts arising from the acquisition of control.

(2) Capital Expenditures

Our Group's basic policy is to strategically carry out capital investments aimed at achieving sustainable business growth, enhancing competitiveness, and investing in the development of new technologies.

Under our MTP 2026, we have continuously promoted initiatives such as "production restructuring" and "ultra-stabilization" as efforts to optimize our global manufacturing capital base. Furthermore, to build new growth foundations for the future, we will accelerate new product development and production capacity through the utilization of digital technologies.

In the current consolidated fiscal year, we made capital investments totaling ¥51.9 billion (a decrease of ¥4.6 billion year-on-year), focusing on productivity improvements, equipment renewal, strengthening quality control, promoting DX (digital transformation), and expanding investments for new products.

In the Industrial Machinery Business, we invested ¥21.9 billion (down ¥5.4 billion year-on-year) in measures such as productivity improvements, equipment renewal, and enhanced traceability.

In the Automotive Business, we invested ¥22.5 billion (down ¥4.1 billion year-on-year) in productivity improvements, equipment renewal, and expansion of investments for new products.

In the Steering Business, we made investments of ¥5.2 billion, primarily for productivity improvements and equipment renewal.

(Unit: ¥100 million)

Segment	Capital Expenditure in the Year Ended March 31, 2026
Industrial Machinery Business	219
Automotive Business	225
Steering Business	52
Other	22
Total	519

(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.

We also secured a green loan to promote capital investments that contribute to environmental impact reduction, and issued ¥30.0 billion domestic unsecured straight bonds to fund the repayment of corporate bonds and loans.

The balance of outstanding loans and corporate bonds at the end of the period under review was ¥300.9 billion, a year-on-year decrease of ¥5.5 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 a combination of factors including the continued global inflationary trend, delayed economic recovery in Europe and China, additional tariff measures in the United States, China's export restrictions on rare earth elements and geopolitical developments in the Middle East. These factors, together with corresponding economic policies adopted by various countries and changes in production plans by our customers and business partners, continue to cloud the outlook. In the automotive industry, the slowdown in the growth of battery electric vehicles (BEVs) has led to significant shifts in the business strategies of automobile manufacturers. 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.

Under such circumstances, NSK Group has been implementing initiatives aligned with the "Mid-Term Management Plan 2026," which covers the five-year period from fiscal 2022 to fiscal 2026, focusing on three key management priorities: "Growth with Profitability," "Enhancement of Managerial Resources," and "ESG Management." At the same time, in light of the challenging business environment, NSK Group have pursued measures to improve profitability, including structural reforms in Europe and reflecting inflationary cost increases in our product pricing. However, compared with the business environment assumed in the Mid-Term Management Plan 2026, global automobile production volumes have declined below expectations, and the recovery in demand for production goods, such as machine tools, as well as consumer goods, including home appliances, has been delayed. As a result, the competitive environment across the entire bearings industry has become increasingly severe. Accordingly, we have determined that further improvement in our earnings structure and a transformation of our product portfolio is necessary. Based on this recognition, we accelerated the formulation of our next medium-term management plan by one year and announced the "Mid-Term Management Plan 2028" in May 2026.

In the newly announced "Mid-Term Management Plan 2028," under the concept of "Bearings & Beyond"—which signifies our commitment to generating stable profits in our existing businesses while achieving further growth in new businesses and domains—we will pursue the following initiatives to realize this vision.

As part of our "Bearings" initiatives, we aim to enhance profitability in our existing businesses by strengthening our earnings structure in ways that do not rely on volume growth, while also reinforcing our product portfolio.

- We will complete structural reforms in Europe and initiate structural reforms in Japan, accompanied by a reorganization of our global production network.
- We will pursue cost reductions through close collaboration across development, design, production, and sales functions, while also enhancing operational efficiency through the utilization of digital technologies, thereby strengthening our international competitive advantage.
- We will expand high-margin products, including those for the aftermarket, as well as differentiated products that leverage our technological strengths—such as miniaturization and weight reduction, low-friction technologies, and products designed for specialized environments—in order to improve profitability.

As part of our "Beyond" initiatives, we will reallocate resources to growth areas and establish an organizational structure designed with a view to the future, in order to cultivate new pillars of earnings.

- In response to the ongoing electrification of automobiles, we will aim for further growth while maintaining a high market share in ball screws for electric braking systems. In addition, by leveraging the technological capabilities and customer base we have built to date, we will continue to develop mechanical unit products and contribute to the realization of safe and environmentally friendly mobility.
- In addition to providing products for repair and replacement, we will also offer a combination of technical services—such as condition monitoring solutions, life prediction, and reconditioning—thereby contributing to the development of a circular economy.
- In the rapidly expanding robotics industry driven by advances in AI, we will not only supply bearings that support robot joints and linear motion products that enable arm extension and contraction, but also actively pursue external collaborations. Through these efforts, we will take on the challenge of developing unit products such as actuators and providing technical services for robot implementation, thereby helping address the challenge of labor shortages in an aging society.

By addressing the aforementioned management challenges, NSK Group will continue to implement cumulative improvements aimed at the next stage of growth, in order to transform into a vibrant company that continues to move forward toward future-oriented, ambitious goals. Going forward, we will continue to position our core values of “Safety, Quality, Environment, and Compliance” as the cornerstone of our management decision-making and actions. 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.

Furthermore, on May 12 of this year, we entered into a memorandum of understanding regarding a business integration with NTN Corporation and commenced discussions toward its realization. Details of this matter are provided below for reference.

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

＜For Reference＞

Notice Concerning Execution of Memorandum of Understanding Regarding Business Integration Through Establishment of a Joint Holding Company (Share Transfer) Between NTN Corporation

The Company and NTN Corporation (“NTN”) have reached a basic agreement to establish a joint holding company (the “Holding Company”) by way of a joint share transfer (the “Share Transfer”) and to integrate their businesses (the “Business Integration”) with an execution of a memorandum of understanding for the Business Integration (the “Memorandum of Understanding”) after passing a resolution at their respective board of directors meetings as of May 12.

Since its foundation in 1916, the Company has supported global industrial development by producing a variety of innovative products and technologies, including bearings, automotive products, and precision machine components. The Company’s mission statement is to contribute to a safer, smoother society, help protect the global environment through its innovative technology integrating Motion & Control™, and work across national boundaries to improve relationships between people throughout the world.

On the other hand, NTN has developed its business since its foundation in 1918 with bearings, drive shafts, and precision equipment as its main products, building a social reputation with its quality-first approach and its high level of technological expertise. NTN aims to achieve a “NAMERAKA (smooth) society” - a society where people can easily lead a secure and fulfilling life in harmony with nature - by practicing its corporate philosophy, “contribute to international society through creating new technologies and developing new products.”

In this way, the Companies have grown through healthy competition as Japan-origin companies centered on bearings with more than 100 years of history. However, the business environment surrounding the Companies has seen rapid changes in recent years due to the slowdown in China’s economic growth, weak conditions in the European manufacturing sector, as well as delays in market recovery and increasing uncertainty resulting from the impact of U.S. tariff policies, among other factors. The Companies are working on structural reforms, including production restructuring, to respond to these changes and achieve sustainable growth.

Under these circumstances, the Companies have reached a shared understanding that it is necessary to pursue the Business Integration in order to achieve long-term profitable growth going forward and to secure Japan’s position as an industrial base in the world. Accordingly, they have entered into the Memorandum of Understanding.

As Japan-origin companies operating global businesses in fields such as bearings and precision equipment, the Companies will, through the integration, bring together their respective strengths to build a resilient and sustainable business foundation and contribute to industry, the environment, and society through business growth and value creation, while at the same time maintaining and enhancing their international competitiveness over the long term. With these objectives in mind, the Companies will step up discussions and deliberations for achieving the Business Integration based on a spirit of equality.

Through the Business Integration, the Companies aim to (1) achieve long-term profitable growth backed by a sense of urgency, rather than mere expansion of the business scale, (2) ensure the effective succession of Japan-origin technologies, quality, and management and secure Japan’s position as an industrial base in the world, and (3) contribute to achievement of sustainable society.

For details, please refer to the entry on our company website dated May 12, 2026, titled “Notice Concerning Execution of Memorandum of Understanding Regarding Business Integration Through Establishment of a Joint Holding Company (ShareTransfer) Between NSK Ltd. and NTN Corporation”.

（https://www.nsk.com/jp-ja/company/news/2026/business-integration-20260512/)

Schedule of Business Integration

Date of resolution at board of directors meeting	May 12, 2026
Date of execution of Definitive Agreement for Business Integration (including preparation of share transfer plan)	Within around six (6) months after execution of the Memorandum of Understanding
Date of Companies' annual shareholders meetings (resolution to approve Share Transfer)	June 2027 (scheduled)
Date of establishment of Holding Company (effective date) and listing date	October 2027 (scheduled)

Note: The schedule above is the current plan and is subject to change due to future discussions between the Companies. The Companies will promptly announce if the schedule of the Business Integration changes or consideration thereof is suspended due to responses relating to U.S. securities laws, domestic and foreign competition laws necessary for implementation of the Business Integration, or other circumstances.

(5) Financial Highlights

(IFRS)

	Year ended March 31, 2023 (Note 4)	Year ended March 31, 2024 (Notes 4, 5)	Year ended March 31, 2025 (Note 6)	Year ended March 31, 2026 (Note 7)
Net sales	¥776,762 million	¥788,867 million	¥796,667 million	¥911,644 million
Operating income	¥43,836 million	¥27,391 million	¥28,457 million	¥38,812 million
Net income attributable to owners of the Parent	¥18,412 million	¥8,502 million	¥10,647 million	¥22,867 million
Total equity	¥634,724 million	¥677,954 million	¥669,189 million	¥692,135 million
Total assets	¥1,233,256 million	¥1,298,077 million	¥1,219,543 million	¥1,239,769 million
Equity per share attributable to owners of the Parent	¥1,200.92	¥1,350.52	¥1,332.78	¥1,373.28
Basic net income per share	¥35.89	¥17.27	¥21.78	¥46.75
Equity attributable to owners of the parent Return on equity (%)	3.0%	1.3%	1.6%	3.5%

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 May 12, 2023, the Company has entered into a joint venture agreement with JIS to jointly operate NS&C that globally oversees the steering business. On August 1, 2023, the Company lost control of NS&C, 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.*
6. *With respect to Rane NSK Steering Systems Private Limited ("RNSS"), an Indian subsidiary in the steering business, 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.

7. *On September 1, 2025, the Company acquired all shares of NS&C, an equity-method affiliate from JIS. As NS&C and its subsidiaries have become consolidated subsidiaries of the Company, the consolidated results of the NSK Group include the sales and profits and losses of NS&C and its subsidiaries from the date of acquisition (September 1, 2025) onward.*

(6) Major Subsidiaries (as of March 31, 2026)

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 Steering Systems Co., Ltd.	JPY 7,500 million	- (100.0%)[3]	Manufacture of steering products
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%)[4]	Manufacture of automotive bearings, etc.
Pt. NSK Bearings Manufacturing Indonesia	USD 45 million	75.0% (100.0%)[5]	Manufacture of industrial bearings, etc.
NSK Korea Co., Ltd.	KRW 53.8 billion	100.0%	Manufacture and sale of automotive and industrial bearings, etc.

Notes:
1. *Figures for capital are rounded down to the nearest unit value.*
2. *The above nine 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 NSK Steering & Control. Inc. (100% owned by the Company), the company that globally oversees the steering business.*
4. *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.*
5. *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, 2026)

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. The Steering business involves the manufacturing and sale of steering systems and related products for automobile manufacturers.

Business	Main Products
Industrial Machinery	Ball bearings, cylindrical roller bearings, tapered 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, cylindrical roller bearings, tapered roller bearings, ball bearings, ball screws, automatic transmission components, etc.
Steering	Steering systems, electric power steering, etc.
Other	Steel balls, machinery, etc.

(8) Main Sites (as of March 31, 2026)

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
		Nagoya Branch	Nagoya, Aichi
		Hokuriku Branch	Kanazawa, Ishikawa
		Kansai Branch	Osaka City, Osaka
		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
	NSK Steering & Control, Inc.		Shinagawa, Tokyo

Region	Company Name	Location
The Americas	NSK Corporation	Michigan, USA
	NSK Steering Systems America, Inc.	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 & Kjær Vibro GmbH	Darmstadt, Germany
	NSK France S.A.S.	Guyancourt, France
	NSK Steering Systems France S.A.S	Guyancourt, France
Asia	NSK (China) Investment Co., Ltd.	Kunshan, China
	NSK Automotive Components Co., Ltd.	Kunshan, China
	PT. NSK Indonesia	Jakarta, Indonesia
	NSK Bearings Manufacturing (Thailand) Co., Ltd.	Chonburi, 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 Jikuuke Kogyo Co., Ltd.		Tondabayashi, Osaka
	NSK-Warner K. K.		Fukuroi, Shizuoka
	NSK Steering Systems Co., Ltd.		Maebashi, Gunma
	Amatsuji Steel Ball Mfg. Co., Ltd.		Kadoma, Osaka
	NSK Machinery Co., Ltd.		Kuki, Saitama
The Americas	NSK Corporation		Indiana, USA
	NSK Precision America, Inc.		Indiana, USA
	NSK Steering Systems America, Inc.		Tennessee, USA
	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
	NSK Steering Systems Europe (Polska) SP.Z O.O.		Walbrzych, 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
	NSK Hangzhou Automotive Components Co., Ltd.	Hangzhou, China
	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, 2026)

Business	Number of Employees	Year-on-Year Change
Industrial Machinery	11,697 (783)	-657 (-113)
Automotive	8,035 (786)	-484 (-262)
Steering	3,430 (175)	+3,430 (+175)
Other (Corporate)	3,116 (329)	-68 (-66)
Total	26,278 (2,073)	+2,221 (-266)

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.*
3. *Due to the consolidation of the steering business as a subsidiary in September 2025, the number of employees increased by 3,430.*

(10) Major Lenders (as of March 31, 2026)

Lender	Outstanding Loan Balance
Mizuho Bank, Ltd.	¥60,162 million
MUFG Bank, Ltd.	¥37,968 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, 2026)

(1) Total number of authorized shares 1,700,000,000 shares

(2) Number of issued shares 498,666,151 shares
(excluding 1,333,849 shares of treasury stock)

(3) Number of shareholders 83,860

(4) Top ten shareholders

Shareholders	Number of shares owned in thousands	Holding ratio
The Master Trust Bank of Japan, Ltd. (Trust Account)	69,118	13.86%
Custody Bank of Japan, Ltd. (Trust Account)	28,628	5.74%
Meiji Yasuda Life Insurance Company	27,626	5.53%
Fukoku Mutual Life Insurance Company	22,400	4.49%
Nippon Life Insurance Company	22,034	4.41%
Mizuho Bank, Ltd.	13,658	2.73%
NSK Customer Shareholding Association	11,328	2.27%
State Street Bank and Trust Company 505001	11,307	2.26%
NSK Employee Shareholding Association	8,839	1.77%
Custody Bank of Japan, Ltd. (Trust Account E)	8,818	1.76%

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 (1,333,849 shares) are excluded from the total number of shares issued.*
3. *The treasury shares do not include 8,818,768 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)	13,400	1
Director (Outside)	7,800	1
Executive Officer	412,700	5

3. Stock Acquisition Rights

Not applicable.

4. Officers of the Company

(1) Directors of the Company (as of March 31, 2026)

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
Kenichi Yamana	Chair of the Board of Directors
Ruriko Yoshida	Member of the Audit Committee
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, Outside Director of Tokyo Keiki Inc.
Mikio Fujitsuka	Member of the Nomination Committee
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.
Akira Kashima	Member of the Compensation Committee, Member of the Audit Committee

Notes:

1. *Junji Tsuda, Sayoko Izumoto, Mikio Fujitsuka, Nobuhide, Hayashi and Akira Kashima are Outside Directors as defined in Article 2, Item 15 of the Companies Act of Japan.*
2. *Junji Tsuda, Sayoko Izumoto, Mikio Fujitsuka, Nobuhide Hayashi and Akira Kashima 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 165th Ordinary General Meeting of Shareholders (page 16).
3. *Sayoko Izumoto, Chair of the Audit Committee, and Akira Kashima, Member of the Audit Committee, are a Certified Public Accountant and possesses considerable insight in the fields of finance and accounting.*
4. *The Company has assigned non-independent Director Ruriko Yoshida 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 Saimon Nogami and Kouichi Obara retired from their position as of June 25, 2025.*

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, 2026)

Title	Name	Main Assignments and Responsibilities
Representative, President and CEO	Akitoshi Ichii	CEO
Representative, Executive Vice President	Keita Suzuki	CFO, Head of Digital Transformation 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, Responsible for Quality Assurance Division HQ
Executive Vice President	Tatsufumi Soda	Head of 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.

For Reference

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

Executive Officers of the Company (from April 1, 2026 onwards)

Title	Name	Main Assignments and Responsibilities
Representative, President and CEO	Akitoshi Ichii	CEO
Representative, Executive Vice President	Keita Suzuki	CFO, Head of Digital Transformation 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, Responsible for Quality Assurance Division HQ
Executive Vice President	Tatsufumi Soda	Head of 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, 2026)

I. Policy for Determining Executive Compensation, etc.

As a Company with Three Committees (Nomination, Audit and Compensation), NSK Ltd. determines matters relating to executive compensation, including compensation levels, structure, and individual compensation at a Compensation Committee chaired by an Outside Director, and taking into account advice from external consultants as well as objective information on compensation levels and trends at other companies.

The Company determines compensation for Director and Executive Officer positions separately. When a Director also serves as an Executive Officer, the total of each respective compensation amount is combined and 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 fixed compensation (basic compensation) and performance-based compensation, with a general ratio of approximately 4:6 between fixed compensation and 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 authority.

ii. Performance-based compensation

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

Short-term performance-based compensation is determined based on metrics consistent with management goals to increase profitability, improve efficiency of shareholders' equity, and increase corporate value. Metrics include operating income margin, ROE, cash flow, and the ratio of new product sales to net sales, as well as the degree of achievement targets of ESG-related targets such as CO_2 emission reductions and improvements in 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 enhance incentives for contributions to sustainable corporate value, promote alignment with the interests of shareholders, and strengthen the linkage between compensation and mid- to long-term corporate value, the Company has introduced a performance-based stock compensation program using a Board Benefit Trust system.

Through the system, points are fixed every three years based on a relative evaluation of the Company's total shareholder return (TSR) through a comparison with the TOPIX growth rate, and Company shares equivalent to such points are delivered 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.

(3) Return of Compensation (Malus/Clawback Provision)

With respect to short-term performance-based compensation and mid- to long-term performance-based stock compensation, in cases of serious compliance violations or revisions to indicators forming the basis of compensation calculations, the Company has established a mechanism whereby all or part of the performance based compensation already paid may be reclaimed based on a resolution of the Compensation Committee.

b) Directors' Compensation

The compensation package for Directors consists of fixed compensation (basic compensation) and 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 Outside 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

If a person serving as an officer of another company, such as a subsidiary or an affiliate, assumes the position of Executive Officer, their compensation will be separately determined.

The Compensation Committee has been examining a compensation framework for Directors and Executive Officers that strengthens incentives to achieve the numerical targets under the Mid-Term Management Plan and, by extension, to enhance mid- to long-term corporate value. The Committee has also sought to ensure that the interests of management are better aligned with those of shareholders.

At the same time, in light of changes in the competitive global environment and the growing importance of addressing societal issues through corporate activities, we have reviewed compensation systems and market levels among machinery manufacturers, automotive parts manufacturers, similar-sized companies, ESG-advanced companies, and overseas peer companies.

Based on this review, the Compensation Committee has resolved to revise NSK's compensation system for Directors and Executive Officers, and New Policy for Determining Executive Compensation, etc.

As a measure at the time of transition, points that are fixed to be delivered at the time of retirement under the current system will be settled at the time of the plan revision. The Company will pay out the number of shares equivalent to a portion of such points at the time of the plan revision and establish a restriction on transfer until the time of retirement of the officer. At the time of lifting the transfer restriction, the Company shares equivalent to the remaining points shall be converted into cash within the trust and a cash payment equivalent to the conversion price shall be made.

[Policy on the Determination of Executive Compensation, etc., Effective April 1, 2026]

With respect to the policy for determining the amount of compensation for officers or the method of calculating such compensation, applicable from April 1, 2026, the Compensation Committee, chaired by an outside director, of NSK, which is a company with a nominating committee, etc., has determined the policy. The basic approach and specific policies regarding the determination of compensation for officers are as follows:

Basic Approach
・Strengthen the linkage between compensation and corporate value, and ensure transparency in the compensation framework to enhance corporate value over the mid to long term.

Specific Policies
・Secure outstanding human resources
・Incentivize management to contribute to the enhancement of mid to long-term corporate value
・Align the interests of management with those of shareholders
・Ensure fair, objective, and highly transparent corporate governance

a) Compensation for Executive Officers (*shikkoyaku*) shall consist of the following:

Compensation Type		Overview
Fixed Compensation	Basic compensation	・Monetary compensation paid in accordance with each Executive Officer's role and responsibilities.
Performance-Based Compensation	Short-term performance-based compensation	・Monetary compensation determined based on annual performance results. ・Evaluation indicators will consist of single year metrics aligned with management goals such as improving profitability and enhancing corporate value, related to the Mid Term Management Plan, including operating margin, cash flow, CO_2 emission reductions, and ESG related indicators such as safety and quality improvements. ・Payment amounts will reflect the degree of achievement for each indicator. ・Individual amounts will incorporate evaluations of each Executive Officer's performance in executing duties and progress in key management initiatives.
	Mid- to long-term performance-based stock compensation	・Stock compensation based on mid to long term performance indicators. ・Evaluation indicators will include those based on the Mid Term Management Plan such as ROE, relative TSR (vs. TOPIX), and engagement scores, as well as indicators contributing to cost conscious management, alignment with shareholders' interests, and strengthening of human capital, together with ESG indicators such as inclusion in the DJBICI World / Asia Pacific index. ・After a certain period has elapsed following the granting of points under the Board Benefit Trust, the number of points will be adjusted based on designated evaluation metrics. ・Company shares equivalent to a portion of the points will be delivered during the term of office, subject to transfer restrictions until retirement. Upon lifting of the transfer restrictions, the remaining portion will be converted into cash within the trust and paid accordingly.

b) Compensation for Directors shall consist of the following:

Type of Compensation		Overview
Fixed Compensation	Basic compensation	・Monetary compensation paid according to the distinction between internal directors knowledgeable about the Company's business and outside directors who provide objective advice as effective supervision of management, as well as their roles on committees and the Board of Directors.

Performance-Based Compensation	Stock compensation	・Designed to further motivate Directors to contribute to sustainable enhancement of corporate value and align their interests with those of shareholders. In light of their supervisory role, stock compensation for Directors will not be linked to business performance. ・Points will be granted annually, with a portion of shares delivered during the term of office under transfer restrictions until retirement. Upon lifting of the transfer restrictions, shares corresponding to the remaining points will be converted into cash within the trust and paid accordingly.

c) Return of Compensation (Malus/Clawback Provision)

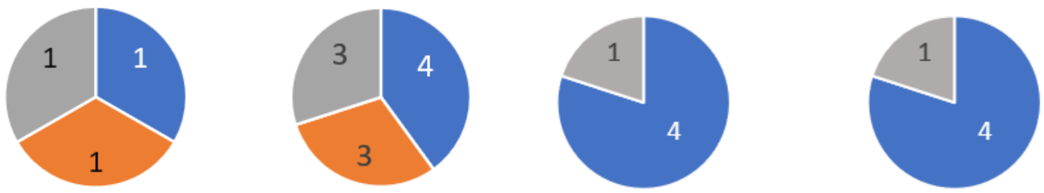
For short term performance-based compensation and mid to long term performance based stock compensation, in cases of serious compliance violations or revisions to indicators forming the basis of compensation calculations, the Company has established a mechanism whereby all or part of the performance based compensation already paid may be reclaimed based on a resolution of the Compensation Committee.

d) Compensation Structure and Method of Setting Compensation Levels

In setting the compensation structure and levels, NSK has established a peer group consisting of machinery manufacturers, auto parts manufacturers, similarly sized manufacturers, ESG advanced companies, and overseas peer companies, and has utilized the advice of outside experts to set competitive compensation structures and levels.

The compensation structure for the President・CEO, Executive Officers (Executive Vice Presidents), and Directors is set according to specified ratios (assuming achievement of performance targets).

<President・CEO> <Executive Officers> <Non-Executive Directors> <Outside Directors>



Note: Compensation for the President・CEO includes compensation as a Director.

Basic compensation　Short-term performance-linked compensation

Stock-based compensation

e) Other

Compensation for officers is determined separately as "basic compensation as an Executive Officer" and "basic compensation as a Director." In cases where a Director concurrently serves as an Executive Officer, the respective amounts are combined and paid.

Directors who concurrently serve as Executive Officers are not granted stock compensation as Directors.

II. Directors/Executive Officers' Compensation

The amount of compensation for Directors and Executive Officers from April 1, 2025 to March 31, 2026 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)	¥104 million	5	¥89 million	—	—	3	¥14 million
Directors (Outside)	¥90 million	6	¥69 million	—	—	6	¥20 million
Executive Officers	¥696 million	6	¥215 million	6	¥145 million	11	¥334 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 compensation is the planned amount to be paid on July 1, 2026 based on the results for the year ended March 31, 2026. Short-term performance-based remuneration for the current fiscal year was calculated in accordance with the policy described in a)(ii)(1) above. Among the indicators, the results of operating margin, ROE, and cash flow for the current fiscal year are as shown in the consolidated financial statements and other information in this report, and the evaluation reflected the results confirmed by the Compensation Committee as internal management indicators for the ratio of new product sales and the degree of achievement of ESG-related targets.*
3. *The amount of stock compensation is the amount recorded as expenses for the current fiscal year. Since the number of points for mid- to long-term performance-based stock compensation for Executive Officers for the fiscal year under review will be varied using the relative TSR for the fiscal year ending March 31, 2029 as an indicator in accordance with the policy described in a)(ii)(2) above, the actual results for this indicator have not yet been determined. The actual relative TSR for the current fiscal year applicable to the stock compensation of the Executive Officers for the fiscal year 2023 was 94.03%. In addition, the stock compensation for Directors for the fiscal year under review is based on the number of points granted in advance in accordance with the policy described in (b)ii above, but its economic value fluctuates according to market prices on the Tokyo Stock Exchange.*
4. *Figures listed above are rounded down to the nearest one million yen.*
5. *As a results of the change in the executive structure from FY2025, the number of Executive Officers is six.*

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 determined that the individual compensation of Executive Officers and Directors is consistent 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 35 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
Junji Tsuda	Board of Directors: 100% (10 of the 10 meetings held) Nomination Committee: 100% (7 of the 7 meetings held)	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. He provides proactive and appropriate guidance to the Board of Directors, particularly in the fields of compliance and corporate governance, thereby contributing to further enhancement of the Company’s corporate value. 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.
Sayoko Izumoto	Board of Directors: 100% (10 of the 10 meetings held) Audit Committee: 100% (14 of the 14 meetings held)	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. She provides proactive and appropriate guidance to the Board of Directors, particularly in the fields of compliance and corporate governance, thereby contributing to further enhancement of the Company’s corporate value. 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.
Mikio Fujitsuka	Board of Directors: 100% (10 of the 10 meetings held) Nomination Committee: 100% (7 of the 7 meetings held)	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. He provides proactive and appropriate guidance to the Board of Directors, particularly in the fields of compliance and corporate governance, thereby contributing to further enhancement of the Company’s corporate value. 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.
Nobuhide Hayashi	Board of Directors: 100% (10 of the 10 meetings held) Compensation Committee: 100% (7 of the 7 meetings held)	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 corporate executive. He provides proactive and appropriate guidance to the Board of Directors, particularly in the fields of compliance and corporate governance, thereby contributing to further enhancement of the Company’s corporate value. As Chair of the Compensation Committee, he leads the committee’s proceedings, discusses and deliberates on the executive compensation policy and decisions, etc., and reports to the Board of Directors as appropriate, and fulfills his expected roles.

Name	Attendance at Board of Directors and Committee Meetings	Main Roles and Responsibilities
Akira Kashima	Board of Directors: 100% (8 of the 8 meetings held) Audit Committee: 100% (9 of the 9 meetings held) Compensation Committee: 100% (6 of the 6 meetings held)	We expect Mr. Kashima 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. He provides proactive and appropriate guidance to the Board of Directors, particularly in the fields of compliance and corporate governance, thereby contributing to further enhancement of the Company's corporate value. 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.

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 2025 (April 1, 2025, through March 31, 2026). On June 25, 2025 (the date of the Fiscal 2024 (164th) Ordinary General Meeting of Shareholders), Akira Kashima was appointed as Director and a member of both the Audit and Compensation Committee. Accordingly, his attendance is counted only during the period of his 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	¥267 million
[2]	Total amount of monetary or other property benefits to be paid by the Company and its subsidiaries	¥329 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.

When deemed necessary by the Audit Committee, it may have the Internal Audit Department conduct such activities under the direction of the Audit Committee members.

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 HQ 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 HQ are regularly reported to the Sustainability & 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.

*Renamed from the “Core Values Committee” to the “Sustainability & Core Values Committee” effective April 1, 2026

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 every year*)—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.

*As July 26, 2025 fell on a non-business day for the Company, the Corporate Philosophy Day event was held on July 25

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. Under this structure, Decision-making bodies are designated according to the importance of each matter, leading to the smooth execution of business operations. Furthermore, by establishing management policies and objectives in the Mid-Term Management Plan, communicating them to all executives and employees, and regularly monitoring and managing their progress and achievement status, we strive to improve the effectiveness of our business operations.

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

Based on the risk management framework established in the Risk Management Rules, we comprehensively identify risks arising from external factors—such as changes in technology, natural disasters, infectious disease outbreaks, changes in regional conditions and cyberattacks — as well as internal factors—such as quality or accounting misconduct, information leakage, and insider trading—and have established and operate a system to manage these risks according to their significance. Under this framework, the Corporate Planning Division HQ, which overseas risk management, reports to the CEO and CFO on the status of management regarding significant risks and incidents.

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" and "NSK Group Rules on Saving and Retention of Documents."

Operational Status

NSK has established a Group-wide regulatory framework for storing information and retention, and stores and manages information in accordance with these internal rules, including information related to decision-making at key meetings such as the Board of Directors and Operating Committees, as well as information concerning the execution of duties by NSK's executive officers and the directors of its subsidiaries.

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.

To achieve this goal, NSK Group has been implementing initiatives aligned with the "Mid-Term Management Plan 2026," which covers the five-year period from fiscal 2022 to fiscal 2026, focusing on three key management priorities: "Growth with Profitability," "Enhancement of Managerial Resources," and "ESG Management." At the same time, in light of the challenging business environment, NSK Group have pursued measures to improve profitability, including structural reforms in Europe and the pass-through of inflationary cost increases to product pricing. However, compared with the business environment assumed in the Mid-Term Management Plan 2026, global automobile production volumes have declined below expectations, and the recovery in demand for production goods, such as machine tools, as well as consumer goods, including home appliances, has been delayed. As a result, the competitive environment across the entire bearings industry has become increasingly severe. Accordingly, we have determined that further improvement in our earnings structure and a transformation of our product portfolio are necessary. Based on this recognition, we accelerated the formulation of our next Mid-Term management plan by one year and announced the "Mid-Term Management Plan 2028" in May 2026.

In the newly announced "Mid-Term Management Plan 2028," under the concept of "Bearings & Beyond"—which signifies our commitment to generating stable profits in our existing businesses while achieving further growth in new businesses and new domains—we will pursue the following initiatives to realize this vision.

As part of our "Bearings" initiatives, we aim to enhance profitability in our existing businesses by strengthening our earnings structure in ways that do not rely on volume growth, while also reinforcing our product portfolio.

- We will complete structural reforms in Europe and initiate structural reforms in Japan, accompanied by a reorganization of our global production structure.
- We will pursue cost reductions through close collaboration across development, design, production, and sales functions, while also enhancing operational efficiency through the utilization of digital

technologies, thereby strengthening our international competitive advantage.

- We will expand high-margin products, including those for the aftermarket, as well as differentiated products that leverage our technological strengths—such as miniaturization and weight reduction, low-friction technologies, and products designed for specialized environments—in order to improve profitability.

As part of our “Beyond” initiatives, we will reallocate resources to growth areas and establish an organizational structure designed with a view to the future, in order to cultivate new pillars of earnings.

- In response to the ongoing electrification of automobiles, we will aim for further growth while maintaining a high market share in ball screws for electric braking systems. In addition, by leveraging the technological capabilities and customer base we have built to date, we will continue to develop mechanical unit products and contribute to the realization of safe and environmentally friendly mobility.
- Beyond the provision of products for repair and replacement, we will also offer a combination of technical services—such as condition monitoring solutions, life prediction, and reconditioning—thereby contributing to the development of a circular economy.
- In the rapidly expanding robotics industry driven by advances in AI, we will not only supply bearings that support robot joints and linear motion products that enable arm extension and contraction, but also actively pursue external collaborations. Through these efforts, we will take on the challenge of developing unit products such as actuators and providing technical services for robot implementation, thereby contributing to addressing labor shortages in an aging society.

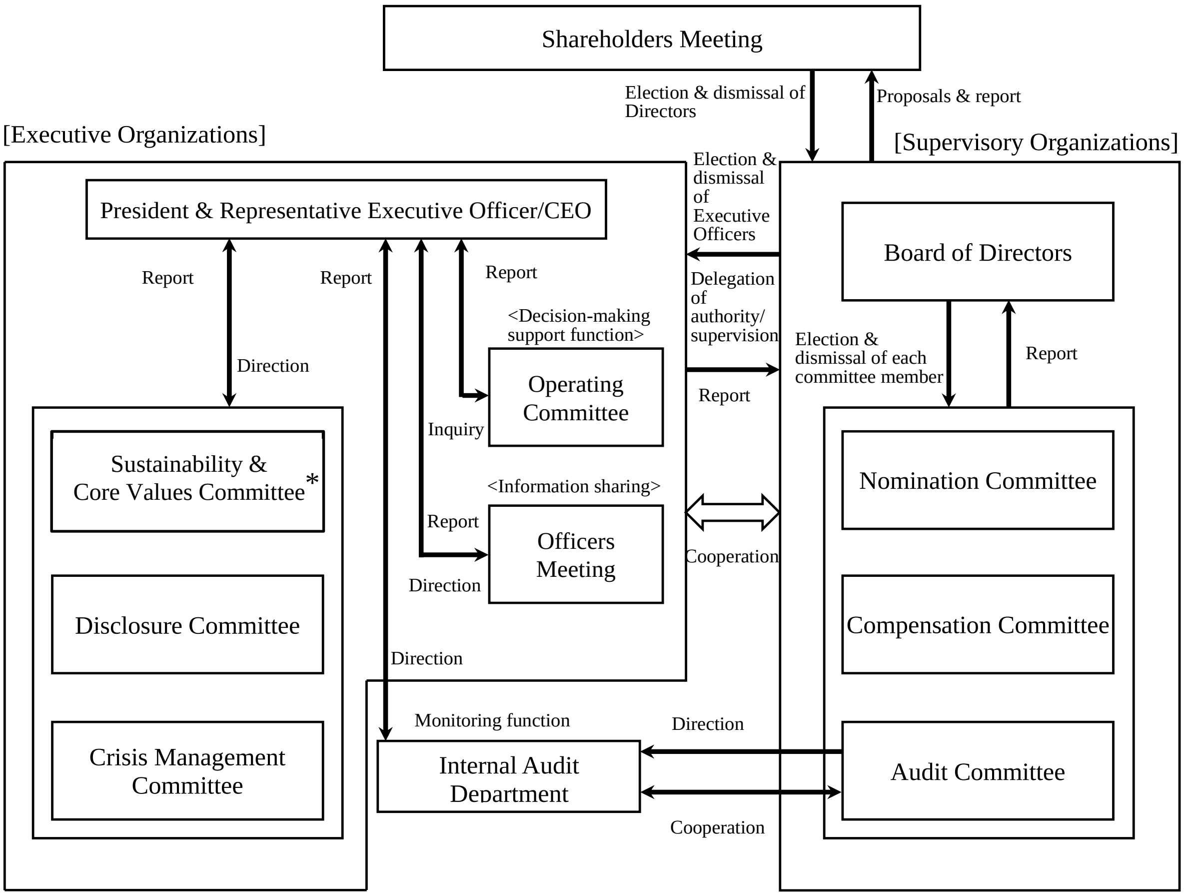
By addressing the aforementioned management challenges, NSK Group will continue to accumulate improvements and to take on the challenge of advancing to the next stage, with the aim to be a vibrant company that continues to move forward toward future-looking and ambitious goals. We position our core values of “Safety, Quality, Environment, and Compliance” as an overriding shared value standard in management decision-making and actions. 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. 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:



*Renamed from the “Core Values Committee” to the “Sustainability & Core Values Committee” effective April 1, 2026

Sustainability & 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, 2026 will be ¥17.00 per share. The dividend for the first half of the year, paid on December 4, 2025 was ¥17.00 per share. Accordingly, the full year dividend for the fiscal year ended March 31, 2026 will be ¥34.00 per share, the same amount as the previous fiscal year.

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

	Fiscal 2025 Year ended March 31, 2026	Fiscal 2024 (For Reference) Year ended March 31, 2025
Assets		
Current assets		
Cash and cash equivalents	142,123	138,253
Trade receivables and other receivables	210,950	217,360
Inventories	216,209	185,878
Other financial assets	57,575	62,792
Income tax receivables	2,128	14,882
Other current assets	22,816	17,494
Total current assets	651,805	636,662
Non-current assets		
Property, plant and equipment	382,474	344,906
Goodwill and intangible assets	75,875	65,317
Investments accounted for using equity method	38,810	51,540
Other financial assets	42,431	46,085
Deferred tax assets	11,843	9,039
Net defined benefit assets	29,504	58,998
Other non-current assets	7,024	6,992
Total non-current assets	587,964	582,881
Total assets	1,239,769	1,219,543
Liabilities and Equity		
Liabilities		
Current liabilities		
Trade payables and other payables	108,708	126,551
Other financial liabilities	100,976	120,154
Provisions	5,677	1,322
Income tax payable	5,628	3,506
Other current liabilities	62,496	49,755
Total current liabilities	283,477	301,291
Non-current liabilities		
Financial liabilities	219,108	203,470
Provisions	2,159	887
Deferred tax liabilities	14,795	21,403
Net defined benefit liabilities	17,294	13,806
Other non-current liabilities	10,797	9,494
Total non-current liabilities	264,155	249,062
Total liabilities	547,633	550,354
Equity		
Issued capital	67,176	67,176
Capital surplus	77,700	78,174
Retained earnings	391,988	375,003
Treasury shares	(9,820)	(10,310)
Other components of equity	144,929	141,417
Total equity attributable to owners of the parent	671,975	651,462
Non-controlling interests	20,160	17,727
Total equity	692,135	669,189
Total liabilities and equity	1,239,769	1,219,543

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

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

	Fiscal 2025 From April 1, 2025 to March 31, 2026	Fiscal 2024 (For Reference) From April 1, 2024 to March 31, 2025
Continuing operations		
Sales	911,644	796,667
Cost of sales	720,353	623,883
Gross profit	191,291	172,783
Selling, general and administrative expenses	160,886	144,661
Share of profits of investments accounted for using the equity method	3,261	4,901
Other operating income	10,065	1,646
Other operating expenses	4,919	6,213
Operating income	38,812	28,457
Financial income	4,011	3,247
Financial expenses	4,784	6,603
Income before income taxes	38,039	25,100
Income tax expense	13,730	12,031
Net income from continuing operations	24,308	13,068
Discontinued operations		
Net income (loss) from discontinued operations	—	(1,875)
Continuing operations + Discontinued operations		
Net income	24,308	11,193
Net income attributable to:		
Owners of the parent	22,867	10,647
Non-controlling interests	1,440	546

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 2025 From April 1, 2025 to March 31, 2026	Fiscal 2024 From April 1, 2024 to March 31, 2025
Net cash provided by operating activities	97,806	82,176
Net cash used in investing activities	(64,751)	(58,753)
Net cash provided by (used in) financing activities	(37,790)	(33,741)
Effect of exchange rate changes on cash and cash equivalents	8,605	(2,017)
Net increase (decrease) in cash and cash equivalents	3,869	(12,335)
Cash and cash equivalents at the beginning of the period	138,253	150,583
Cash and cash equivalents included in assets of disposal groups classified as held for sale	—	6
Cash and cash equivalents at the end of the period	142,123	138,253

Note: 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 2025 Year ended March 31, 2026	Fiscal 2024 (For Reference) Year ended March 31, 2025
Assets		
Current assets	304,379	360,504
Cash and deposit	46,696	40,318
Notes receivable	1,011	2,546
Electronically recorded receivables	18,903	21,211
Accounts receivable - trade	66,295	67,478
Marketable securities	42,966	85,986
Finished goods	30,000	29,701
Work in progress	24,001	24,936
Raw materials and supplies	7,158	6,564
Accounts receivable - other	27,147	58,906
Income taxes receivable	—	12,831
Short-term loan	45,511	10,655
Other	2,635	2,323
Allowance for doubtful accounts	(7,950)	(2,955)
Non-current assets	405,414	390,825
Property, plant and equipment	129,848	130,571
Building	39,557	39,367
Structures	1,696	1,854
Machinery and equipment	56,227	58,284
Vehicles and transportation equipment	90	117
Tools and spare parts	3,973	4,181
Land	15,782	15,782
Lease assets	2,794	2,779
Construction in progress	9,726	8,203
Intangible fixed assets	37,715	30,952
Lease-hold	1,462	1,462
Software	6,557	6,439
Software in progress	25,732	20,385
Other	3,962	2,665
Investment and other assets	237,851	229,301
Investment securities	24,643	31,453
Shares of subsidiaries	127,435	117,295
Investment in affiliated companies	40,243	40,243
Long-term loan	8,171	9,562
Long-term prepaid expenses	578	850
Prepaid pension cost	23,696	16,136
Deferred tax assets	11,299	11,965
Other	1,945	1,961
Allowance for doubtful accounts	(163)	(168)
Total assets	709,793	751,330

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

(Liabilities listed on the following page)

(Millions of yen)

	Fiscal 2025 Year ended March 31, 2026	Fiscal 2024 (For Reference) Year ended March 31, 2025
Liabilities		
Current liabilities	156,490	204,044
Notes payables	1,497	1,917
Electronically recorded payables	4,936	8,527
Accounts payable	51,760	67,154
Short-term borrowings	44,421	56,134
Corporate bonds	20,000	25,000
Lease liabilities	1,122	1,115
Other payables	13,086	26,134
Accrued expenses	17,056	15,982
Income taxes payable	1,503	—
Deposits	756	717
Provision for loss on business of subsidiaries and associates	—	1,311
Asset retirement obligation	—	16
Other	348	32
Non-current Liabilities	204,918	189,693
Corporate bonds	138,000	128,000
Long-term borrowings	51,500	52,500
Lease liabilities	5,844	4,649
Provision for employee stock benefits	520	470
Provision for officer stock benefits	1,748	1,671
Reserves for environmental measures	1,931	725
Provision for loss on business of subsidiaries and associates	4,091	223
Asset retirement obligation	143	76
Other	1,138	1,377
Total liabilities	361,409	393,738
Net assets		
Shareholders’ equity	335,488	340,677
Share capital	67,176	67,176
Capital surplus	77,923	77,929
Legal capital surplus	77,923	77,923
Other capital surplus	—	5
Retained earnings	198,745	204,906
Legal retained earnings	10,292	10,292
Other retained earnings	188,452	194,613
Reserve for advanced depreciation of noncurrent assets	3,465	3,585
General reserve	159,766	139,766
Retained earnings brought forward	25,221	51,262
Treasury shares	(8,357)	(9,334)
Valuation and translation adjustments	12,895	16,653
Valuation difference on available-for-sale securities	12,895	16,653
Stock acquisition rights	—	260
Total net assets	348,384	357,592
Total liabilities and net assets	709,793	751,330

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

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

	Fiscal 2025 From April 1, 2025 to March 31, 2026	Fiscal 2024 (For Reference) From April 1, 2024 to March 31, 2025
Net Sales	392,054	383,802
Cost of sales	320,911	316,760
Gross profit	71,142	67,041
Selling, general and administrative expenses	74,274	64,755
Operating income (loss)	(3,132)	2,286
Non-operating income	35,424	37,196
Interest income and dividends	33,145	35,067
Miscellaneous income	2,279	2,128
Non-operating expenses	8,886	5,502
Provision for loss on business of subsidiaries and associates	3,867	805
Interest expense	2,366	1,893
Foreign exchange loss	711	1,495
Provision of allowance for doubtful accounts	561	—
Miscellaneous expenses	1,378	1,308
Ordinary income	23,406	33,979
Extraordinary income	13,068	41,601
Gain on sale of investment securities	13,068	6,522
Gain on return of assets from retirement benefit trust	—	33,063
Gain on sale of shares of associates	—	1,665
Gains on extinguishment of tie-in shares	—	349
Extraordinary losses	18,982	32,367
Loss on valuation of shares of subsidiaries	17,458	28,167
Impairment loss	1,463	—
Business restructuring related expenses	59	3,330
Loss on litigation	—	869
Income before income taxes	17,492	43,213
Income taxes - current	3,924	1,745
Income taxes - deferred	2,338	11,046
Total income taxes	6,262	12,791
Net income	11,229	30,421

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