Cross-Shareholdings

Policy on Cross-Shareholdings

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

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

Criteria for the Exercise of Voting Rights Concerning Cross-Shareholdings

NSK has defined specific criteria for the 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 we support proposals.

Number and Balance Sheet Amount of Shareholdings

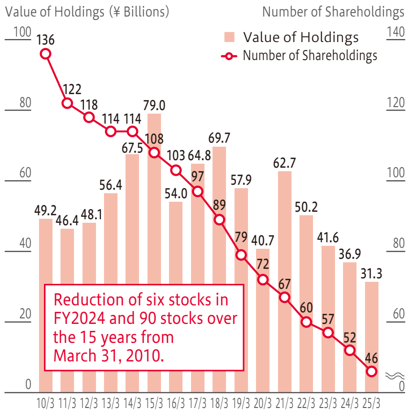
Category	As of March 31, 2024		As of March 31, 2025	
	Number of Holdings (Stocks)	Total Amount Recorded on the Balance Sheet (¥ Millions)	Number of Holdings (Stocks)	Total Amount Recorded on the Balance Sheet (¥ Millions)
Unlisted stocks	32	992	31	1,492
Stocks other than unlisted stocks	20	35,957	15	29,820
Total holdings	52	36,949	46	31,313
Total equity	677,954		669,189	

Ratio of Cross-Shareholding Amount in Total Equity

Ratio	5.5%	4.7%

All holdings in NSK's retirement benefit trust were sold in FY2023.

Trend in Cross-Shareholdings (Excluding Retirement Benefit Trust)



Dialogue with Shareholders and Investors

NSK recognizes that dialogue with its shareholders and investors is one of the most important initiatives for the Company to achieve sustainable growth and enhance its corporate value over the mid to long term. To this end, top management holds direct dialogue with shareholders and investors at financial results briefings for institutional investors and analysts and engages in constructive dialogue (engagement) on management strategies and ESG issues every year.

Please see our website for more information. ▶

Dialogue in FY2024

Represented by the CEO, CFO, and the Head of the Corporate Planning Division HQ, NSK engaged in dialogue with shareholders and investors in FY2024. Questions and opinions received from shareholders and investors are reported to the Board of Directors and management, which in turn helps to improve future management and IR activities, as well as enhance disclosure.

Main Themes

Business	● Current performance and future outlook ● Feasibility of achieving MTP2026 ● Mid-term measures aimed at improving ROE and PBR ● Approach toward industry restructuring and M&As ● Long-term vision and future prospects
Finance	● Balance sheet management and the optimal structure of capital ● Allocation of cash
ESG	● Skill matrix for Board of Directors ● Status of deliberations by the Board of Directors (e.g., opinions of outside directors) ● Evaluations of the current CEO and management, CEO succession plan ● Initiatives aimed at reducing CO_2 emissions ● Disclosure of employee engagement survey details
Other	● Direction for revising institutional investors' voting criteria

Dialogue between Outside Directors and Institutional Investors

In May 2025, we held a small meeting with seven representatives from seven institutional investors at NSK's headquarters, attended by outside director Junji Tsuda. Constructive discussions were held regarding how outside directors view NSK's current status and situation and what opinions and advice they offer at Board meetings.

Main Themes

- Assessment of the Company's current performance by the Board of Directors
- Initiatives and measures aimed at improving performance
- Status of deliberations by the Nomination Committee

Summary of Dialogue Q&A (Japanese only) ▶