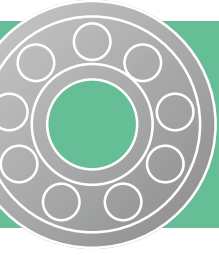


# NSK ESG DATABOOK

# 2024



# Environment

## Environmental Management



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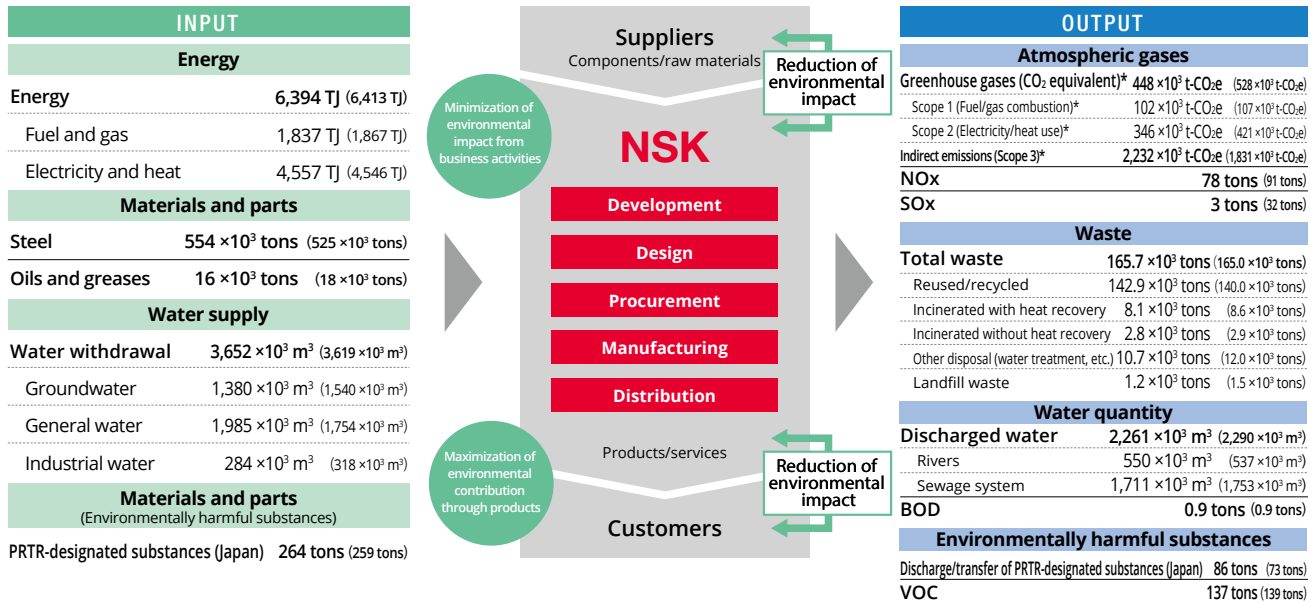
Websites Sustainability [► Environmental Management](#)

Category		Scope of coverage	Unit	FY2017	FY2019	FY2020	FY2021	FY2022	FY2023
Environmental management system	Coverage of ISO 14001 certified sites <sup>*1</sup>	NSK Group	%	<b>95% or more</b>	<b>95% or more</b>	<b>95% or more</b>	<b>95% or more</b>	<b>95% or more</b>	<b>95% or more</b>
Compliance with environmental laws	Number of serious violations of environmental regulations	NSK Group	Incidents	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0<sup>*2</sup></b>	<b>0<sup>*2</sup></b>
Environmental accidents	Number of serious incidents of environmental pollution	NSK Group	Incidents	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0<sup>*2</sup></b>	<b>0<sup>*2</sup></b>
Provision for environmental measures	Provision for environmental measures (balance at the end of fiscal year)	NSK Group	Millions of yen	<b>1,989</b>	<b>1,093</b>	<b>1,077</b>	<b>1,252</b>	<b>1,314<sup>*2</sup></b>	<b>839<sup>*2</sup></b>
Environmental education and training	Number of environmental education and training sessions and number of participants (total)	Group in Japan	Sessions	<b>583</b>	<b>393</b>	<b>388</b>	<b>366</b>	<b>446<sup>*2</sup></b>	<b>788<sup>*2</sup></b>
			Persons	<b>10,236</b>	<b>17,444</b>	<b>57,173<sup>*3</sup></b>	<b>27,313</b>	<b>28,879<sup>*2</sup></b>	<b>30,541<sup>*2</sup></b>
	Compliance with environmental laws and regulations, reduction of environmental risks		Sessions	175	108	97	82	191 <sup>*2</sup>	251 <sup>*2</sup>
			Persons	2,402	1,653	1,270	1,507	3,584 <sup>*2</sup>	4,770 <sup>*2</sup>
	Efforts to raise environmental awareness		Sessions	315	226	230	241	199 <sup>*2</sup>	497 <sup>*2</sup>
			Persons	6,242	14,807	53,913 <sup>*3</sup>	23,805	24,172 <sup>*2</sup>	24,869 <sup>*2</sup>
	Acquisition of environmental qualifications		Sessions	51	36	29	21	31 <sup>*2</sup>	29 <sup>*2</sup>
			Persons	259	147	191	142	256 <sup>*2</sup>	197 <sup>*2</sup>
Environmentally friendly design, green procurement	Sessions	42	23	32	22	25 <sup>*2</sup>	11 <sup>*2</sup>		
	Persons	1,333	837	1,799	1,859	867 <sup>*2</sup>	705 <sup>*2</sup>		
Environmental accounting <sup>*4</sup>	Environmental conservation cost: investment	Group in Japan	Millions of yen	<b>3,730</b>	<b>3,522</b>	<b>2,961</b>	<b>2,443</b>	<b>2,783<sup>*2</sup></b>	<b>1,522<sup>*2</sup></b>
	Business area costs		Millions of yen	2,185	2,328	1,794	1,315	1,424 <sup>*2</sup>	783 <sup>*2</sup>
	Pollution prevention costs		Millions of yen	476	164	187	341	97 <sup>*2</sup>	139 <sup>*2</sup>
	Global environment conservation costs		Millions of yen	1,283	1,450	1,020	793	1,108 <sup>*2</sup>	469 <sup>*2</sup>
	Resource circulation costs		Millions of yen	426	714	588	181	219 <sup>*2</sup>	175 <sup>*2</sup>
	Upstream and downstream costs		Millions of yen	0	7	0	0	0 <sup>*2</sup>	2 <sup>*2</sup>
	Administration costs		Millions of yen	17	2	4	14	1 <sup>*2</sup>	3 <sup>*2</sup>
	Research and development costs		Millions of yen	1,528	1,180	1,157	1,098	1,353 <sup>*2</sup>	726 <sup>*2</sup>
	Social activity costs		Millions of yen	0	0	0	0	0 <sup>*2</sup>	0 <sup>*2</sup>
	Environmental remediation costs		Millions of yen	0	5	5	16	5 <sup>*2</sup>	8 <sup>*2</sup>
	Environmental conservation cost: cost		Millions of yen	<b>15,092</b>	<b>13,515</b>	<b>12,214</b>	<b>12,459</b>	<b>11,431<sup>*2</sup></b>	<b>9,604<sup>*2</sup></b>
	Business area costs		Millions of yen	2,767	2,924	3,309	3,288	2,987 <sup>*2</sup>	2,694 <sup>*2</sup>
	Pollution prevention costs		Millions of yen	574	533	594	654	440 <sup>*2</sup>	481 <sup>*2</sup>
	Global environment conservation costs		Millions of yen	1,180	1,432	1,301	1,242	1,343 <sup>*2</sup>	1,147 <sup>*2</sup>
	Resource circulation costs		Millions of yen	1,012	960	1,414	1,392	1,204 <sup>*2</sup>	1,066 <sup>*2</sup>
	Upstream and downstream costs		Millions of yen	524	255	248	285	323 <sup>*2</sup>	325 <sup>*2</sup>
	Administration costs		Millions of yen	544	603	553	561	652 <sup>*2</sup>	687 <sup>*2</sup>
Research and development costs	Millions of yen	11,179	9,669	8,037	8,252	7,403 <sup>*2</sup>	5,836 <sup>*2</sup>		
Social activity costs	Millions of yen	49	45	49	47	46 <sup>*2</sup>	46 <sup>*2</sup>		
Environmental remediation costs	Millions of yen	29	17	17	27	20 <sup>*2</sup>	16 <sup>*2</sup>		
Economic benefits associated with environmental conservation activities	Millions of yen	<b>1,998</b>	<b>1,579</b>	<b>1,847</b>	<b>3,643</b>	<b>3,382<sup>*2</sup></b>	<b>3,548<sup>*2</sup></b>		
Reductions in energy costs through energy conservation activities	Millions of yen	536	607	899	1,156	1,314 <sup>*2</sup>	1,529 <sup>*2</sup>		
Reductions in waste disposal costs through waste reduction activities	Millions of yen	40	25	21	19	31 <sup>*2</sup>	6 <sup>*2</sup>		
Sales of recyclable waste material	Millions of yen	1,421	948	927	2,468	2,037 <sup>*2</sup>	2,013 <sup>*2</sup>		

\*1 Percentage of environmental impact for ISO 14001 certified sites compared to the total environmental impact of the entire NSK Group, including greenhouse gas and waste emissions.  
 \*2 Effective the first quarter of the fiscal year ended March 31, 2024, the steering business has been classified as discontinued operations. The data exclude the discontinued operations.  
 \*3 The number of participants increased thanks to the provision of e-learning modules for raising employee awareness.  
 \*4 Environmental investments and costs are determined in accord with the Environmental Accounting Guidelines 2005 issued by the Ministry of the Environment in Japan.  
 Depreciation is entered as a cost using the 5-year straight-line depreciation method. Compound costs are divided in proportion to the relevant environmental objective. Costs incurred through green procurement are entered as full amounts and not as differential amounts.

# Material and Energy Balance

Figures within parentheses indicate fiscal 2022 data. The data exclude discontinued operations (steering business).



\* Total greenhouse gas emissions (CO<sub>2</sub> equivalent) are obtained by multiplying each type of gas by its global warming coefficient. Emission factors for electricity are variable market standards. These emission factors, which change every year, are published by power companies with which we have contracts, or are given in the International Energy Agency's CO<sub>2</sub> Emissions from Fuel Combustion. The amount of greenhouse gas emissions for Scope 1 to 3 are calculated based on GHG Protocol calculation standards.

# Creating Environmentally Friendly Products



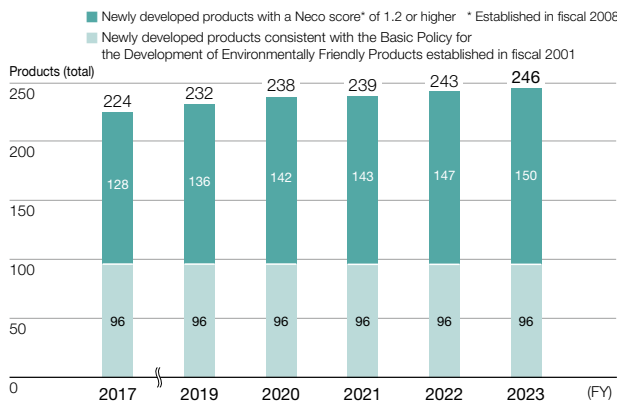
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Websites Sustainability ▶ Environmental Management ▶ [Environmentally Friendly Products](#)

Category	Scope of coverage	Unit	FY2017	FY2019	FY2020	FY2021	FY2022	FY2023
Environmentally friendly products* <sup>1</sup>	NSK Group	Products	224	232	238	239	243	246
Products that help reduce CO <sub>2</sub> emissions* <sup>3</sup>	NSK Group	CO <sub>2</sub> emissions avoided (total)	1,230	1,456	2,252	2,288	2,296	2,435
		Direct contributions* <sup>4</sup>	595	754	1,247	1,575	1,516	1,760
		Indirect contributions* <sup>5</sup>	635	702	1,005	713	780	675

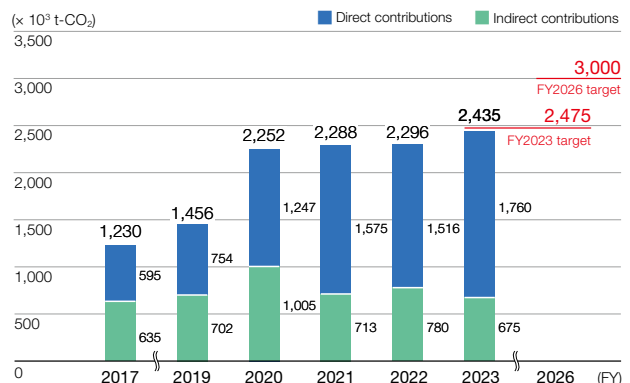
\*<sup>1</sup> Total of environmentally friendly products with a Neco score of 1.2 or higher. Includes 96 products developed in or before fiscal 2007 that were consistent with the Basic Policy for the Development of Environmentally Friendly Products. Effective the first quarter of the fiscal year ended March 31, 2024, the steering business has been classified as discontinued operations. As a result, steering business products have been excluded from figures for the number of newly developed products (cumulative) since fiscal 2022.  
\*<sup>2</sup> Effective the first quarter of the fiscal year ended March 31, 2024, the steering business has been classified as discontinued operations. The data exclude the discontinued operations.  
\*<sup>3</sup> CO<sub>2</sub> emissions avoided for past fiscal years have been recalculated based on IEA emission factors (2023 edition).  
\*<sup>4</sup> Direct contributions to CO<sub>2</sub> emission reduction through individual NSK product performance  
\*<sup>5</sup> Indirect contributions through CO<sub>2</sub> emissions avoided by installing NSK products into customer equipment and facilities

Number of Environmentally Friendly Products Developed



In fiscal 2023, we developed 3 environmentally friendly products with a Neco score of 1.2 or higher, bringing the total up to 246 products.

CO<sub>2</sub> Emissions Avoided through Products



In fiscal 2023, the indirect contributions from bearings for wind turbines was 675 thousand t-CO<sub>2</sub>e, an decrease of 105 thousand t-CO<sub>2</sub>e from fiscal 2022, while the direct contribution from low torque bearings increased by 244 thousand t-CO<sub>2</sub>e from fiscal 2022, resulting in a total of 2,435 thousand t-CO<sub>2</sub>e.

## Climate Change Measures



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Websites [Sustainability](#) ▶ [Environmental Management](#) ▶ [Climate Change Measures](#)

[Sustainability](#) ▶ [Environmental Management](#) ▶ [Information Disclosure Based on TCFD Recommendations](#)

Category		Scope of coverage	Unit	FY2017	FY2019	FY2020	FY2021	FY2022	FY2023
Energy	Total energy usage	NSK Group	TJ	7,864	7,330	6,845	7,524	6,413 <sup>*1</sup>	6,394 <sup>*1*2</sup>
	Fuel and gas		TJ	2,425	2,295	2,079	2,229	1,867 <sup>*1</sup>	1,837 <sup>*1*2</sup>
	Electricity and heat		TJ	5,439	5,035	4,767	5,295	4,546 <sup>*1</sup>	4,557 <sup>*1*2</sup>
	Renewable energy use		TJ	19	163	456	626	1,379 <sup>*1</sup>	2,205 <sup>*1</sup>
	Rate of renewable energy use <sup>*3</sup>		%	0.2	2.2	6.7	8.3	21.5 <sup>*1</sup>	34.5 <sup>*1</sup>
	Rate of change in energy usage per unit of sales <sup>*4*5</sup>		%	0 (base year)	—	—	—	-17.9 <sup>*1</sup>	-19.4 <sup>*1</sup>
Greenhouse gas	GHG emissions (Total for Scope 1 and Scope 2)	NSK Group	× 10 <sup>3</sup> t-CO <sub>2</sub> e	1,019	839	701	763	528 <sup>*1</sup>	448 <sup>*1*2</sup>
	Scope 1		× 10 <sup>3</sup> t-CO <sub>2</sub> e	143	132	120	127	107 <sup>*1</sup>	102 <sup>*1*2</sup>
	Scope 2 market-based		× 10 <sup>3</sup> t-CO <sub>2</sub> e	876	708	581	636	421 <sup>*1</sup>	346 <sup>*1*2</sup>
	(Reference) Scope 2 location-based		× 10 <sup>3</sup> t-CO <sub>2</sub> e	—	—	—	—	620 <sup>*1</sup>	618 <sup>*1</sup>
	Rate of change in emissions		%	0 (base year)	-17.6	-31.2	-25.0	-43.0 <sup>*1</sup>	-51.7 <sup>*1</sup>
	Rate of change in emissions per unit of sales <sup>*4*6</sup>		%	0 (base year)	—	—	—	-46.8 <sup>*1</sup>	-55.6 <sup>*1</sup>
	Scope 3		× 10 <sup>3</sup> t-CO <sub>2</sub> e	2,039	2,194	1,928	2,199	1,831 <sup>*1</sup>	2,232 <sup>*1*2</sup>
	1. Purchased goods and services		× 10 <sup>3</sup> t-CO <sub>2</sub> e	1,397	1,629	1,452	1,643	1,365 <sup>*1</sup>	1,795 <sup>*1*2*7</sup>
	2. Capital goods		× 10 <sup>3</sup> t-CO <sub>2</sub> e	220	177	119	167	165 <sup>*1</sup>	187 <sup>*1*2</sup>
	3. Fuel- and energy-related activities (Not included in Scope 1 and 2)		× 10 <sup>3</sup> t-CO <sub>2</sub> e	216	198	179	190	148 <sup>*1</sup>	71 <sup>*1*2</sup>
	4. Upstream transportation and distribution		× 10 <sup>3</sup> t-CO <sub>2</sub> e	101	118	113	133	107 <sup>*1</sup>	130 <sup>*1*2</sup>
	5. Waste generated in operations		× 10 <sup>3</sup> t-CO <sub>2</sub> e	54	19	15	19	17 <sup>*1</sup>	15 <sup>*1*2</sup>
	6. Business travel		× 10 <sup>3</sup> t-CO <sub>2</sub> e	5	4	4	4	4 <sup>*1</sup>	4 <sup>*1*2</sup>
	7. Employee commuting		× 10 <sup>3</sup> t-CO <sub>2</sub> e	17	16	15	16	11 <sup>*1</sup>	13 <sup>*1*2</sup>
	8. Upstream leased assets		× 10 <sup>3</sup> t-CO <sub>2</sub> e	0	0	0	0	0 <sup>*1</sup>	0 <sup>*1*2</sup>
	9. Downstream transportation and distribution		× 10 <sup>3</sup> t-CO <sub>2</sub> e	—	—	—	—	—	—
	10. Processing of sold products		× 10 <sup>3</sup> t-CO <sub>2</sub> e	—	—	—	—	—	—
11. Use of sold products	× 10 <sup>3</sup> t-CO <sub>2</sub> e	—	—	—	—	—	—		
12. End-of-life treatment of sold products	× 10 <sup>3</sup> t-CO <sub>2</sub> e	14	9	9	9	6 <sup>*1</sup>	7 <sup>*1*2</sup>		
13. Downstream leased assets	× 10 <sup>3</sup> t-CO <sub>2</sub> e	0	1	1	1	1 <sup>*1</sup>	1 <sup>*1*2</sup>		
14. Franchises	× 10 <sup>3</sup> t-CO <sub>2</sub> e	0	0	0	0	0 <sup>*1</sup>	0 <sup>*1*2</sup>		
15. Investments	× 10 <sup>3</sup> t-CO <sub>2</sub> e	15	23	21	17	8 <sup>*1</sup>	9 <sup>*1*2</sup>		
16. Upstream other	× 10 <sup>3</sup> t-CO <sub>2</sub> e	—	—	—	—	—	—		
17. Downstream other	× 10 <sup>3</sup> t-CO <sub>2</sub> e	—	—	—	—	—	—		

\*1 Effective the first quarter of the fiscal year ended March 31, 2024, the steering business has been classified as discontinued operations. The data exclude the discontinued operations.

\*2 Verified by a third-party. See the Independent Verification Report on pp.15-16 for details.

\*3 Rate of renewable energy use = Energy use from renewable sources / energy use

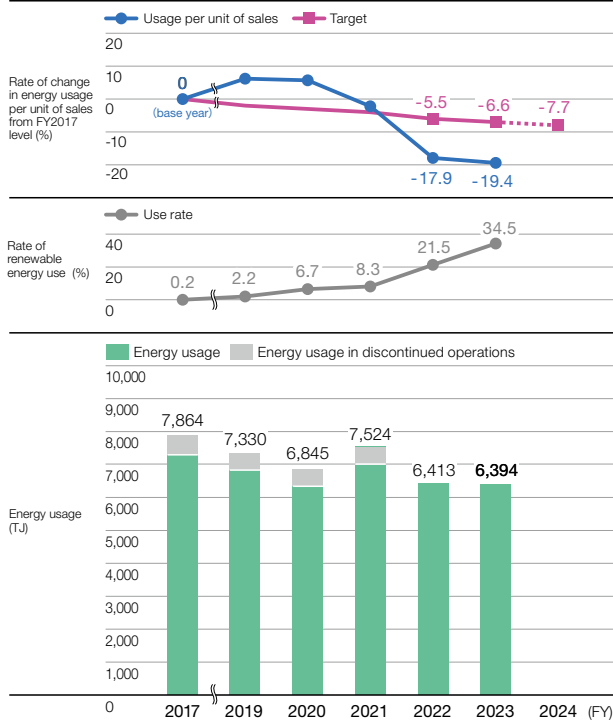
\*4 The rate of change from the fiscal 2017 level has been recalculated to exclude discontinued operations.

\*5 Energy usage per unit of sales = Energy usage / sales

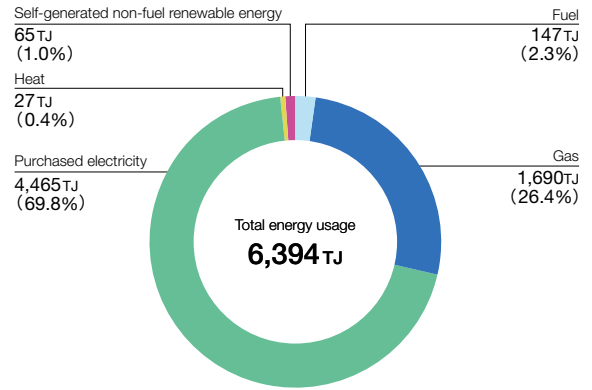
\*6 Emissions per unit of sales = Greenhouse gas emissions / sales

\*7 Calculation criteria was changed in fiscal 2023.

Energy Usage



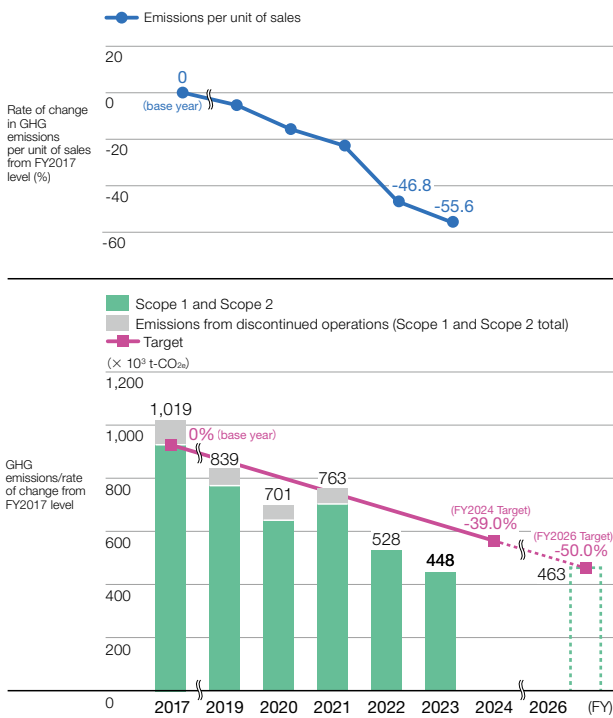
Energy Usage by Type (NSK Group)



The rate of change in energy usage per unit of sales from fiscal 2017 (base year) has been recalculated to exclude discontinued operations (steering business). Note that the energy usage per unit of sales for fiscal 2019 - 2021 in the graph is plotted based on estimate values. Data for fiscal 2022 - 2023 renewable energy use rates and energy usage exclude the discontinued operations.

We are taking through steps to reduce energy usage, for instance, improving the insulation of plant buildings, improving air conditioning equipment efficiency, implementing energy conservation measures on production equipment. We are also switching the purchase of electricity to power derived from renewable energy sources.

GHG Emissions and Emissions per Unit of Sales



The rate of change in GHG emissions per unit of sales from fiscal 2017 (base year) has been recalculated to exclude discontinued operations (steering business). Note that GHG emissions per unit of sales for fiscal 2019 - 2021 in the graph are plotted based on estimated values. Data for fiscal 2022 - 2023 GHG emissions exclude the discontinued operations. GHG emissions in fiscal 2023 were -51.7% of the fiscal 2017 level due to energy conservation measures and the switch to renewable energy sources. NSK aims to achieve carbon neutrality in Scope 1 and Scope 2 by fiscal 2035.

## Resource Conservation and Recycling Measures



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Websites Sustainability ▶ Environmental Management ▶ Resource Conservation and Recycling Measures

Category		Scope of coverage	Unit	FY2017	FY2019	FY2020	FY2021	FY2022	FY2023
Materials and parts	Steel consumption	NSK Group (procurement volume from main suppliers)	× 10 <sup>3</sup> t	756	618	562	655	525 <sup>1</sup>	554 <sup>1</sup>
	(Reference) Steel consumption	Group in Japan (procurement volume from main suppliers)	× 10 <sup>3</sup> t	—	—	—	—	—	295 <sup>1</sup>
	(Reference) Percentage of recycled steel used <sup>2</sup>		%	—	—	—	—	—	41.8 <sup>1</sup>
	Plastic (thermoplastic) used in products	NSK Group (procurement volume from main suppliers)	t	—	—	—	—	—	848 <sup>1</sup>
	Oils and greases	NSK Group (procurement volume from main suppliers)	× 10 <sup>3</sup> t	21	20	19	21	18 <sup>1</sup>	16 <sup>1</sup>
	Recycled plastic raw material use for distribution (returnable plastic containers)	Group in Japan	t	210	148	144	156	144	203
Water	Total water withdrawal	NSK Group	× 10 <sup>3</sup> m <sup>3</sup>	4,713	4,308	3,977	4,169	3,619 <sup>1</sup>	3,652 <sup>1,3</sup>
	Groundwater		× 10 <sup>3</sup> m <sup>3</sup>	1,869	1,789	1,659	1,826	1,540 <sup>1</sup>	1,380 <sup>1,3</sup>
	General water		× 10 <sup>3</sup> m <sup>3</sup>	2,325	2,028	1,922	1,978	1,754 <sup>1</sup>	1,985 <sup>1,3</sup>
	Industrial water		× 10 <sup>3</sup> m <sup>3</sup>	519	490	396	357	318 <sup>1</sup>	284 <sup>1,3</sup>
	Rainwater and reused water		× 10 <sup>3</sup> m <sup>3</sup>	—	—	—	8	7 <sup>1</sup>	3 <sup>1,3</sup>
	Amount of water withdrawal in water-stressed areas (included in total water withdrawal) <sup>4</sup>		× 10 <sup>3</sup> m <sup>3</sup>	159	19	13	17	15 <sup>1</sup>	14 <sup>1</sup>
	Groundwater		× 10 <sup>3</sup> m <sup>3</sup>	—	—	—	—	0 <sup>1</sup>	0 <sup>1</sup>
	General water		× 10 <sup>3</sup> m <sup>3</sup>	—	—	—	—	15 <sup>1</sup>	14 <sup>1</sup>
	Industrial water		× 10 <sup>3</sup> m <sup>3</sup>	—	—	—	—	0 <sup>1</sup>	0 <sup>1</sup>
	Rainwater and reused water		× 10 <sup>3</sup> m <sup>3</sup>	—	—	—	—	0 <sup>1</sup>	0 <sup>1</sup>
Rate of change in water withdrawal per unit of sales <sup>5,6</sup>		%	0 (base year)	—	—	—	-19.0 <sup>1</sup>	-19.5 <sup>1</sup>	
Waste and valuables	Total waste and valuables	NSK Group	× 10 <sup>3</sup> t	225.5 <sup>7</sup>	201.8	181.9	203.1	165.0 <sup>1</sup>	165.7 <sup>1,3</sup>
	Valuables		× 10 <sup>3</sup> t	157.1	137.4	126.1	140.2	109.5 <sup>1</sup>	113.5 <sup>1</sup>
	Waste		× 10 <sup>3</sup> t	68.4	64.4	55.8	62.9	55.4 <sup>1</sup>	52.2 <sup>1</sup>
	Reused/recycled		× 10 <sup>3</sup> t	192.2	171.8	156.3	174.7	140.0 <sup>1</sup>	142.9 <sup>1</sup>
	Incinerated with heat recovery		× 10 <sup>3</sup> t	13.3	11.8	10.3	10.7	8.6 <sup>1</sup>	8.1 <sup>1</sup>
	Incinerated without heat recovery		× 10 <sup>3</sup> t	5.0	4.0	3.3	3.9	2.9 <sup>1</sup>	2.8 <sup>1</sup>
	Other disposal (water treatment, etc.)		× 10 <sup>3</sup> t	11.7	11.3	9.9	11.4	12.0 <sup>1</sup>	10.7 <sup>1</sup>
	Landfilled		× 10 <sup>3</sup> t	3.3	2.9	2.1	2.4	1.5 <sup>1</sup>	1.2 <sup>1</sup>
	Rate of change in industrial waste per unit of sales <sup>5,8</sup>		%	0 (base year)	—	—	—	-13.6 <sup>1</sup>	-19.8 <sup>1</sup>
	Recycling rate for waste <sup>9</sup>		%	98.6 <sup>7</sup>	98.6 <sup>7</sup>	98.9 <sup>7</sup>	98.8 <sup>7</sup>	99.0 <sup>1</sup>	99.2 <sup>1</sup>
	Total hazardous waste (included in overall waste)		× 10 <sup>3</sup> t	18.6	17.0	16.3	18.0	26.3 <sup>1</sup>	26.4 <sup>1,3</sup>
	Reused/recycled		× 10 <sup>3</sup> t	6.2	5.5	6.4	7.2	16.8 <sup>1</sup>	17.6 <sup>1</sup>
	Incinerated with heat recovery		× 10 <sup>3</sup> t	4.6	3.7	3.1	3.1	2.5 <sup>1</sup>	2.2 <sup>1</sup>
	Incinerated without heat recovery		× 10 <sup>3</sup> t	2.2	1.9	2.6	3.1	2.7 <sup>1</sup>	2.3 <sup>1</sup>
	Other disposal (water treatment, etc.)		× 10 <sup>3</sup> t	4.4	4.8	3.7	3.8	3.6 <sup>1</sup>	4.0 <sup>1</sup>
	Landfilled		× 10 <sup>3</sup> t	1.2	1.1	0.5	0.8	0.6 <sup>1</sup>	0.3 <sup>1</sup>
Waste plastic (excluding valuables)	Group in Japan	× 10 <sup>3</sup> t	—	—	—	—	1.2 <sup>1</sup>	1.2 <sup>1</sup>	
Rate of change in waste plastic per unit of sales <sup>10</sup>	%	—	—	—	—	0 (base year)	0 <sup>1</sup>		
Packaging waste	Amount of packaging waste	NSK Group	t	174 <sup>11</sup>	211 <sup>11</sup>	169 <sup>11</sup>	662	657	514
	Rate of change in packaging waste per unit of sales <sup>12</sup>		%	—	—	—	0 (base year)	-8.5	-23.3

\*1 Effective the first quarter of the fiscal year ended March 31, 2024, the steering business has been classified as discontinued operations. The data exclude the discontinued operations.

\*2 Estimated by NSK, taking into account suppliers' production methods.

\*3 Verified by a third-party. See the Independent Verification Report on pp.15-16 for details.

\*4 Refers to water withdrawal at a plant in India that is determined to be located in a high water-risk area based on assessments by WWF Water Risk Filter and WRI Aqueduct. Based on local assessments, NSK has determined that current risk is low.

\*5 The rate of change from the fiscal 2017 level has been recalculated to exclude discontinued operations.

\*6 Water withdrawal per unit of sales = Water withdrawal / sales

\*7 At production sites.

\*8 Industrial waste per unit of sales = Total waste and valuables / sales

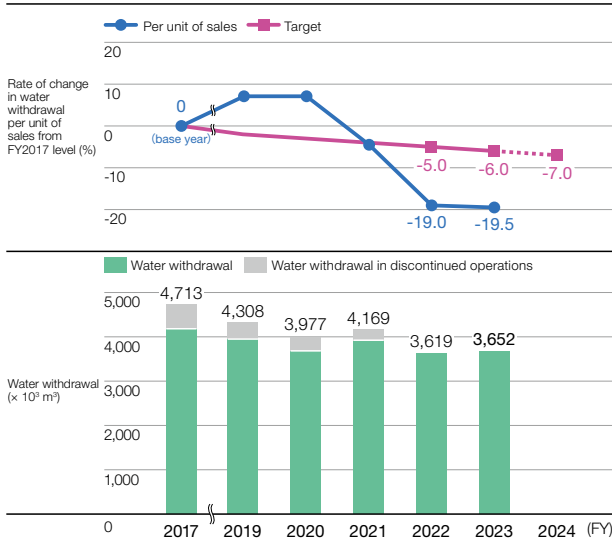
\*9 Recycling rate = (Reused/recycled + incinerated with heat recovery) / (total waste and valuables - incinerated without heat recovery - other disposal [water treatment, etc.])

\*10 Waste plastic per unit of sales = Waste plastic (excluding valuables) / sales in the NSK Group in Japan

\*11 At NSK Logistics Co., Ltd. (present day SBS NSK Logistics Co., Ltd.) and major product shipping contractors.

\*12 Packaging waste per unit of sales = Amount of packaging waste / sales

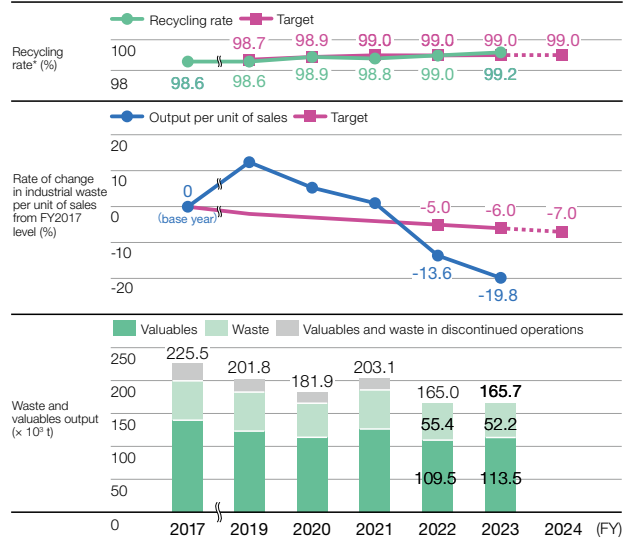
**Water Withdrawal and Withdrawal per Unit of Sales**



The rate of change in water withdrawal per unit of sales from fiscal 2017 (base year) has been recalculated to exclude discontinued operations (steering business). Note that water withdrawal per unit of sales for fiscal 2019 – 2021 in the graph is plotted based on estimated values. Data for fiscal 2022 – 2023 water withdrawal exclude the discontinued operations.

We are focused on reducing water consumption by promoting measures such as improving water use management and converting water-cooled cooling equipment to air-cooled cooling equipment. We were able to achieve our water withdrawal per unit of sales target for fiscal 2023.

**Industrial Waste and Valuables Output, Output per Unit of Sales, and Recycling Rate**



\* Recycling rates for fiscal 2017 – 2021 cover production sites.

Data for fiscal 2022 – 2023 recycling rates and waste and valuables output exclude discontinued operations (steering business). The rate of change in waste per unit of sales from fiscal 2017 (base year) has been recalculated to exclude the discontinued operations. Note that waste per unit of sales for fiscal 2019 – 2021 in the graph is plotted based on estimated values.

We strive to make effective use of resources such as water, steel, and resin by promoting the 3Rs (Reduce, Reuse, Recycle). The recycling rate in fiscal 2023 was 99.2%, up 0.2 percentage points year on year, surpassing our target of 99.0% and improving in terms of unit of sales.

# Reducing Use of Environmentally Harmful Substances



Websites

Sustainability ▶ Environmental Management ▶ [Reducing Use of Environmentally Harmful Substances](#)

Category		Scope of coverage	Unit	FY2017	FY2019	FY2020	FY2021	FY2022	FY2023
Green procurement	Rate of supplier consent to NSK Group Green Procurement Standards obtained	NSK Group	%	97.4	99.1	99.1	77.6 <sup>*1</sup>	80.0 <sup>*2</sup>	80.3 <sup>*2</sup>
	Number of suppliers audited by NSK Group companies		Companies	183	124	158	200	211 <sup>*2</sup>	227 <sup>*2</sup>
Reducing use of environmentally harmful substances	Number of suppliers at which the NSK Survey of Environmentally Harmful Substance Inclusion was conducted	NSK Group	Companies	468	478	467	898	1,083 <sup>*2</sup>	917 <sup>*2</sup>
	Handling of PRTR-designated substances (materials and parts)	Group in Japan	t	490	395	316	326	259 <sup>*2</sup>	264 <sup>*2</sup>
	Discharge/transfer of PRTR-designated substances		t	105	78	73	86	73 <sup>*2</sup>	86 <sup>*2</sup>
	Rate of change in handling of PRTR-designated substances per unit of sales <sup>*3</sup>	NSK Group	%	—	—	—	—	0 <sup>*2</sup> (base year)	0.4 <sup>*2</sup>
	Emissions of VOCs		t	154	145	141	165	139 <sup>*2</sup>	137 <sup>*2,4</sup>
Rate of change in emissions of VOCs per unit of sales <sup>*5</sup>	%		—	—	—	—	0 <sup>*2</sup> (base year)	-3.0 <sup>*2</sup>	
Protecting air quality	Emissions of NOx	NSK Group	t	132	119	106	113	91 <sup>*2</sup>	78 <sup>*2</sup>
	Emissions of SOx		t	50	38	39	33	32 <sup>*2</sup>	3 <sup>*2</sup>
Protecting water quality	Total discharged water	NSK Group	× 10 <sup>3</sup> m <sup>3</sup>	3,040	2,847	2,519	2,757	2,290 <sup>*2</sup>	2,261 <sup>*2</sup>
	Rivers		× 10 <sup>3</sup> m <sup>3</sup>	453	591	575	646	537 <sup>*2</sup>	550 <sup>*2</sup>
	Sewage system		× 10 <sup>3</sup> m <sup>3</sup>	2,587	2,256	1,944	2,110	1,753 <sup>*2</sup>	1,711 <sup>*2</sup>
	Amount of discharged water in water-stressed areas (included in total discharged water)		× 10 <sup>3</sup> m <sup>3</sup>	—	—	—	—	9 <sup>*2</sup>	9 <sup>*2</sup>
	Rivers		× 10 <sup>3</sup> m <sup>3</sup>	—	—	—	—	9 <sup>*2</sup>	9 <sup>*2</sup>
	Sewage system		× 10 <sup>3</sup> m <sup>3</sup>	—	—	—	—	0 <sup>*2</sup>	0 <sup>*2</sup>
BOD (biochemical oxygen demand)	t	1.3	1.2	1.2	1.5	0.9 <sup>*2</sup>	0.9 <sup>*2</sup>		

\*1 Supplier consent to NSK Group Green Procurement Standards expanded in fiscal 2021.

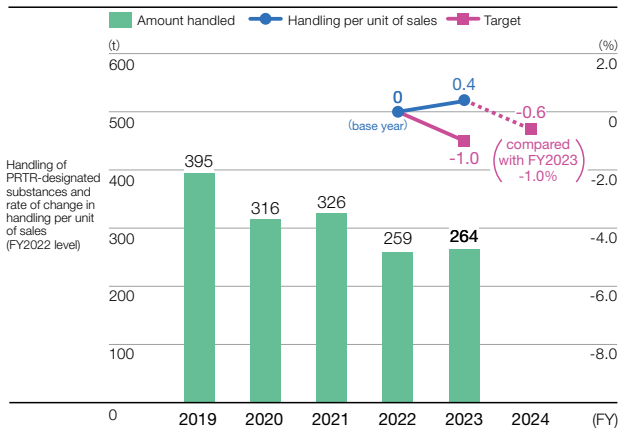
\*2 Effective the first quarter of the fiscal year ended March 31, 2024, the steering business has been classified as discontinued operations. The data exclude the discontinued operations.

\*3 Handling of PRTR-designated substances per unit of sales = Handling of PRTR-designated substances / sales in the NSK Group in Japan

\*4 Verified by a third-party. See the Independent Verification Report on pp.15-16 for details.

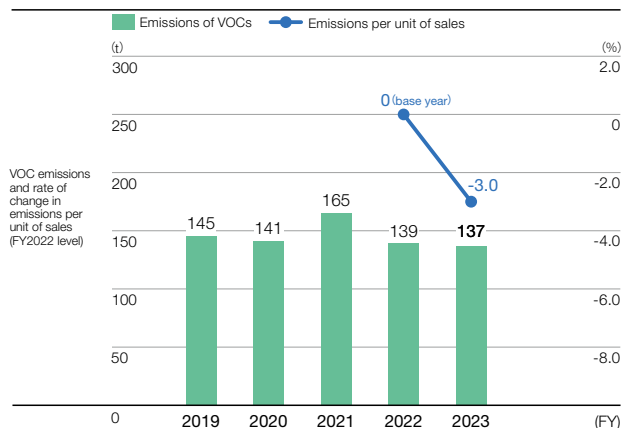
\*5 Emissions of VOCs per unit of sales = Emissions of VOCs / sales

Handling of PRTR-Designated Substances and Handling per Unit of Sales



We have made steady progress in reducing the use of fuels containing PRTR-designated substances by switching energy sources for air conditioning and other equipment. Handling of PRTR-designated substances per unit of sales was 0.4% in fiscal 2023.

Emissions of VOCs and Emissions per Unit of Sales



## NSK Group's Main Initiatives to Reduce Environmentally Harmful Substances

FY	Action
1994	Completely eliminated CFCs for cleaning
	Completely eliminated trichloroethylene
1999	Phased out in-house incinerators (a measure against dioxins)
2003	Completely eliminated chlorinated organic solvents

FY	Action
2006	Came into full compliance with the EU RoHS Directive <sup>*1</sup> and ELV Directive <sup>*2</sup> Reinforced chemical management system for compliance with the EU REACH regulation
2015	Phased out machining oil with chlorine-based extreme pressure additives (a measure against dioxins)
2020	Fully responded to the 10 EU RoHS2 Directive <sup>*3</sup> substances

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

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

\*3 RoHS2 Directive: The revised RoHS Directive issued in 2014, now including phthalates and other substances added in 2019, restricts the use of 10 substances.



# Biodiversity Conservation



**Websites**

Sustainability ▶ Environmental Management ▶ [Biodiversity Conservation](#)

Sustainability ▶ Environmental Management ▶ Biodiversity Conservation

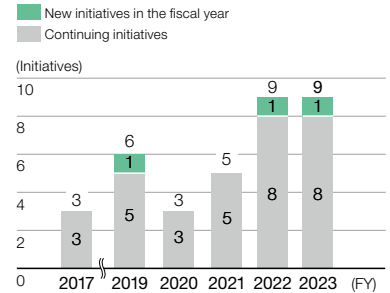
▶ [Expanding Social Contribution Activities Related to Biodiversity Conservation](#)

**Number of Initiatives (Japan)**

Category		Scope of coverage	Unit	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Biodiversity conservation initiatives	Initiatives implemented (total)	Group in Japan	Initiatives	6	3	5	9	9
	Continuing initiatives*		Initiatives	5	3	5	8	8
	New initiatives in the fiscal year		Initiatives	1	0	0	1	1
Target: 1 new initiative/year	Donation		Millions of yen	1.7	1.9	2.5	1.8	1.7

\* Indicates the number of initiatives started prior to the previous fiscal year and continued in the current fiscal year. Varies depending on the fiscal year, as some could not be implemented in the applicable fiscal year due to bad weather or other reasons.

**Number of Biodiversity Conservation Initiatives (Japan)**



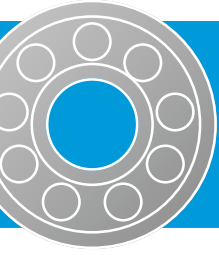
**Biodiversity Conservation Initiatives: New Initiatives by Fiscal Year and Results in FY2023 (Japan)**

First year	Site (Pref.)	Category	Overview	FY2023	
				Month(s) held	Participants*
2015	Gunma	Preservation of <i>satoyama</i> forest areas	NSK Gunma Future Forest activities	October	30
2015	Kanagawa	Preservation of <i>satoyama</i> forest areas and nature observation workshops	Leaf removal, grass cutting, nature observation, etc., under the guidance of an NPO in green zones in Fujisawa City, Kanagawa Prefecture	May, November	100
2016	Saitama	Removal of specific invasive species and nature observation workshops	Activities to protect the native habitat of the waterwheel plant ( <i>Aldrovanda vesiculosa</i> ), a protected species, in Houzoji Marsh	July	40
2018	Fukushima	Preservation of <i>satoyama</i> forest areas	Forest preservation activities in Tanagura Town	December	20
2018	Shiga	Preservation of <i>satoyama</i> forest areas	Tree planting, grass cutting, etc., under the guidance of a local forestry cooperative based on a Shiga Prefecture Lake Biwa Forestation Partner Agreement	June, March	30
2019	Shizuoka	Marine conservation activities	Shoreline cleanup (reducing marine plastics) and preservation activities of sea turtles	September	100
2020	Kanagawa	Beach cleanup activities	Cleanup at Katase Nishihama in Enoshima	May	60
2022	Shizuoka	Preservation of <i>satoyama</i> forest areas	Forest preservation events in Fukuroi City (FY2022) and Kakegawa City (FY2023)	November	60
2023	Nagano	River cleanup activities	Cleanup along the Tenryu River in Nagano Prefecture	May	80

\* Including participants from outside the company (personnel of NPOs, forest cooperatives, local governments, and local residents)

**Biodiversity Impact Analysis and Initiatives**

Action agenda classification	Research and development	Procurement and purchasing	Manufacturing and logistics	Plant and office grounds	Social contribution activities	Communication	
Promotion of positive impacts	<ul style="list-style-type: none"> <li>Making products lighter (manufactured with minimal materials)</li> <li>Developing more fuel-efficient products</li> <li>Developing longer-lasting products</li> <li>Developing products that are easy to recycle after use</li> <li>Revising manufacturing processes</li> </ul>	<ul style="list-style-type: none"> <li>Using environmentally friendly materials and products</li> <li>Reducing environmental impact in parts and raw material production through supplier selection</li> </ul>	<ul style="list-style-type: none"> <li>Utilizing renewable energy</li> <li>Promoting energy- and resource-saving activities</li> <li>Saving energy by using milk runs and empty trucks on outbound and return journeys</li> </ul>	<ul style="list-style-type: none"> <li>Conducting environmental risk assessments</li> <li>Protecting important species</li> </ul>	<ul style="list-style-type: none"> <li>Creating and managing habitats through employee volunteer activities</li> <li>Reducing marine plastic (cleanups)</li> <li>Donating to various organizations</li> </ul>	<ul style="list-style-type: none"> <li>Promoting employee education</li> <li>Promoting activities in the NSK Group</li> <li>Promoting activities based on local characteristics</li> <li>Favorable reputation in the community</li> </ul>	
Control of negative impacts	<ul style="list-style-type: none"> <li>Reducing resource waste</li> </ul>	<ul style="list-style-type: none"> <li>Reducing environmental impact in parts and raw material production by suppliers through supplier selection</li> <li>Reducing overexploitation and habitat loss by reducing surplus purchasing</li> </ul>	<ul style="list-style-type: none"> <li>Reducing use of raw materials, water, and energy</li> <li>Reducing GHG emissions from production and transport</li> <li>Reducing the creation of landfills by reducing landfill disposal of waste</li> <li>Reducing modification of plant premises</li> </ul>	<ul style="list-style-type: none"> <li>Reducing deterioration of energy efficiency dependent on buildings</li> <li>Reducing habitat modification</li> </ul>	<ul style="list-style-type: none"> <li>Reducing the lack of employee education</li> <li>Reducing biodiversity loss</li> </ul>	<ul style="list-style-type: none"> <li>Reducing the lack of recognition of local characteristics</li> </ul>	
NSK's initiatives on impacts	<ul style="list-style-type: none"> <li>Developing environmentally friendly products</li> <li>Revising manufacturing processes</li> <li>Improving yield</li> </ul>	<ul style="list-style-type: none"> <li>Green purchasing and green procurement</li> <li>Reducing waste plastic</li> </ul>	<p><b>Reducing emissions of harmful substances</b></p> <ul style="list-style-type: none"> <li>Energy- and resource-saving activities</li> <li>Energy conversion</li> <li>Reducing overproduction</li> <li>Proper inventory control</li> <li>Milk runs and modal shift</li> <li>Using low-emission vehicles</li> </ul>	<p><b>Reducing pollution of air, water, soil, etc.</b></p>	<p><b>Reducing emissions of harmful substances</b></p> <ul style="list-style-type: none"> <li>Conducting environmental impact assessments before construction of new plants, before plant site modification, and before construction</li> <li>Improving insulation performance of buildings</li> <li>Protecting important species</li> <li>Conducting environmental risk assessments (IBAT, ENCORE analysis)</li> </ul>	<ul style="list-style-type: none"> <li>Preservation of <i>satoyama</i> forest areas</li> <li>Tree planting</li> <li>Reducing marine plastic (cleanups)</li> <li>Removing specified invasive species</li> <li>Donating to various organizations</li> </ul>	<ul style="list-style-type: none"> <li>Cooperation with NPOs, local governments, and local residents and organizations</li> <li>Internal and external public relations</li> </ul>
Employee education							



# Social

## Research and Development



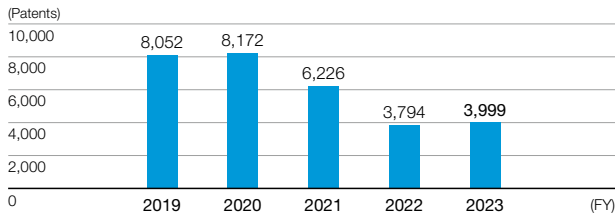
NSK Report 2024 [Pp.30-31 Strengthening Internal Capital: Intellectual Capital -Strengthening Technological Capabilities-](#)

Websites [Tools & Resources](#) ▶ [Research & Development](#)

Category		Scope of coverage	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
R&D expenses	R&D expenses (on a statutory basis)	NSK Group	Billions of yen	18.3	16.8	19.2	15.4*	15.6*
	(Reference) R&D expenses (on a managerial basis)		Billions of yen	31.4	28.6	30.8	25.9*	27.4*
Number of patents held	Number of patents held	NSK Group	Patents	8,052	8,172	6,226	3,794*	3,999*

\* Effective the first quarter of the fiscal year ended March 31, 2024, the steering business has been classified as discontinued operations. The data exclude the discontinued operations.

### Number of Patents Held



NSK strongly emphasizes research and development, maintaining R&D expenses (on a managerial basis) at 3-4% of sales in order to achieve sustainable growth. NSK continuously applies for patents on its technological achievements to achieve differentiation from competitors and increase the competitiveness of its products and services. In fiscal 2021, the number of patents held decreased, as we did not apply for renewal of patents that are unlikely to be used in the future.

Fiscal 2022 and fiscal 2023 data figures exclude discontinued operations (steering business). The number of patents held including the discontinued operations was 6,306 in fiscal 2022 and 6,696 in fiscal 2023.

# Occupational Health and Safety

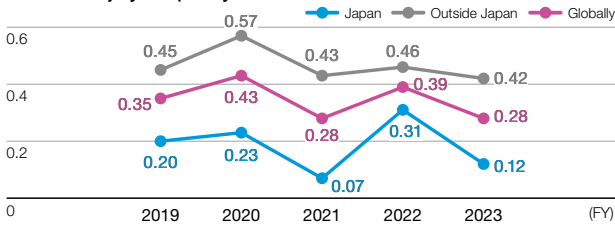


NSK Report 2024 [P.39 Safety Management](#)

Websites Sustainability ▶ [Safety Management](#)

Category		Scope of coverage	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Lost time injury frequency rate <sup>1</sup>	Globally	NSK Group	—	0.35	0.43	0.28	0.39 <sup>2</sup>	0.28 <sup>2*3</sup>
	Japan	Group in Japan	—	0.20	0.23	0.07	0.31 <sup>2</sup>	0.12 <sup>2*3</sup>
	Outside Japan	NSK Group (outside Japan)	—	0.45	0.57	0.43	0.46 <sup>2</sup>	0.42 <sup>2*3</sup>
Fatal accidents	Globally	NSK Group	Number of accidents	0	0	0	0 <sup>2</sup>	0 <sup>2</sup>
	Japan	Group in Japan	Number of accidents	0	0	0	0 <sup>2</sup>	0 <sup>2</sup>
	Outside Japan	NSK Group (outside Japan)	Number of accidents	0	0	0	0 <sup>2</sup>	0 <sup>2</sup>

Lost Time Injury Frequency Rate



We are strengthening our occupational safety initiatives throughout the entire NSK Group. Fiscal 2022 and fiscal 2023 data figures exclude discontinued operations (steering business). The global lost time injury frequency rate including the discontinued operations was 0.38 in fiscal 2022 and 0.24 in fiscal 2023.

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

<sup>2</sup> Effective the first quarter of the fiscal year ended March 31, 2024, the steering business has been classified as discontinued operations. The data exclude the discontinued operations.

<sup>3</sup> Verified by a third-party. See p.17 for details.

# Health and Wellness



NSK Report 2024 [Pp.34-37 Strengthening Internal Capital: Human Capital](#)

Websites Sustainability ▶ [Human Resource Management](#)  
▶ [Safe and Healthy Workplaces and Work-Style Reforms: Building More Engaging Workplaces](#)

Category		Scope of coverage	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Health and wellness initiatives indicators	Percentage of employees participating in the Specific Health Guidance program <sup>1</sup>	NSK <sup>2</sup>	%	25.1	27.3	27.2	26.3	24.3
	Percentage of employees receiving stress checks <sup>1</sup>			94.9	95.9	97.9	98.7	99.2
	Percentage of employees who smoke <sup>1</sup>			36.6	33.8	31.9	31.6	31.1
Indicators on the status of health investment measures	Percentage of employees receiving regular health checkups	NSK <sup>2</sup>	%	—	—	100.0	100.0	100.0
	Health education participation rate			—	—	—	96.2	96.6
	Satisfaction with health education			—	—	—	96.2	98.0
	Completion rate of the Specific Health Guidance program			—	—	40.9	49.7	59.1
	Percentage of employees receiving breast cancer screening			—	—	—	54.0	55.0
Indicators on changes in employee awareness and behavior	Serious illness prevention project participation rate	NSK <sup>2</sup>	%	—	—	—	10.0	11.1
	Percentage of employees who recalled the "Change & Go Beyond" health initiatives slogan			—	—	—	93.4	94.6
	Percentage of employees with a high level of stress <sup>3</sup>			—	—	11.5	10.3	11.1
Final health-related target indicators	Percentage of employees completing follow-up examinations <sup>4</sup>	NSK <sup>2</sup>	%	—	—	—	28.7	50.4
	Presenteeism (percentage of loss, based on the WHO-HPQ method) <sup>3</sup>			—	—	38.9	38.5	38.2
	Absenteeism (percentage of long absences due to illness) <sup>5</sup>			—	—	0.7	0.7	1.0

<sup>1</sup> FY2026 targets: 22% or fewer employees participating in the Specific Health Guidance program (industry average for insured persons); 100% of employees receiving stress checks; and 20% or fewer employees who smoke (NSK target calculated based on data on adult smoking rates in Japan).

<sup>2</sup> The scope of coverage was changed to NSK Ltd. from FY2023; the scope up to FY2022 included NSK Ltd. and major NSK group companies in Japan.

<sup>3</sup> Checked for all employees when stress check conducted. 7,954 employees checked; 99.2% response rate.

<sup>4</sup> Percentage of employees whose regular health check-up indicated the need for a follow-up examination underwent the follow-up

<sup>5</sup> Percentage of employees on sick leave or long-term absence from work as of end of fiscal year (end of March).

# Human Resources



NSK Report 2024 Pp.34-37 Strengthening Internal Capital: Human Capital

Websites Sustainability ► [Human Resource Management](#)

Category		Scope of coverage	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Number of employees	Total	NSK Group	Persons	<b>30,747</b>	<b>30,378</b>	<b>30,577</b>	<b>29,882</b>	<b>25,632<sup>*1</sup></b>
	Japan	Group in Japan	Persons (%)	11,803 (38.4)	11,774 (38.8)	11,853 (38.8)	11,728 (39.2)	10,474 (40.9)
	The Americas	Group in the Americas	Persons (%)	2,804 (9.1)	2,617 (8.6)	2,696 (8.8)	2,622 (8.8)	2,130 (8.3)
	Europe	Group in Europe	Persons (%)	4,206 (13.7)	4,333 (14.3)	4,312 (14.1)	4,070 (13.6)	3,338 (13.0)
	Asia	Group in Asia (excluding Japan)	Persons (%)	11,934 (38.8)	11,654 (38.4)	11,716 (38.3)	11,462 (38.4)	9,690 (37.8)
Employee composition by gender	Men	NSK Group	%	<b>81.0</b>	<b>81.7</b>	<b>81.9</b>	<b>81.6</b>	<b>80.9<sup>*1</sup></b>
	Women		%	<b>19.0</b>	<b>18.3</b>	<b>18.1</b>	<b>18.4</b>	<b>19.1<sup>*1</sup></b>
Managers percentage of men and women	Total <sup>*2</sup>	Men	%	<b>91</b>	<b>90.6</b>	<b>89.2</b>	<b>88.0</b>	<b>86.5<sup>*1</sup></b>
		Women	%	<b>9</b>	<b>9.4</b>	<b>10.8</b>	<b>12.0</b>	<b>13.5<sup>*1</sup></b>
	Executive management positions	Men	%	—	94.5	92.8	93.7	94.0 <sup>*1</sup>
		Women	%	—	5.5	7.2	6.3	6.0 <sup>*1</sup>
	Middle management positions	Men	%	—	90.5	90.3	87.5	86.1 <sup>*1</sup>
		Women	%	—	9.5	9.7	12.5	13.9 <sup>*1</sup>
Average years of employment (average age)	Total	Group in Japan <sup>*3</sup>	Years (Age)	<b>17 (42)</b>	<b>17 (42)</b>	<b>17 (43)</b>	<b>17 (42)</b>	<b>17 (42)<sup>*1</sup></b>
	Men		Years (Age)	17 (42)	18 (43)	17 (43)	18 (42)	17 (42) <sup>*1</sup>
	Women		Years (Age)	12 (37)	12 (38)	12 (38)	13 (38)	14 (38) <sup>*1</sup>
Number of new graduates hired	Total	Group in Japan <sup>*4</sup>	Persons	<b>93</b>	<b>107</b>	<b>93</b>	<b>81</b>	<b>67<sup>*1</sup></b>
	Men		Persons (%)	67 (72.0)	87 (81.3)	78 (83.9)	68 (84.0)	52 (77.6)
	Women		Persons (%)	26 (28.0)	20 (18.7)	15 (16.1)	13 (16.0)	15 (22.4)

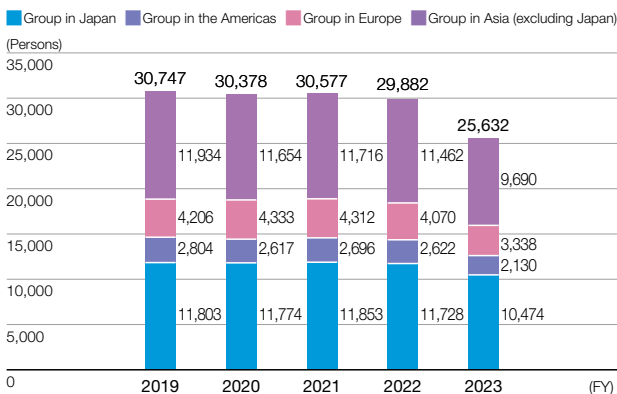
\*1 Effective the first quarter of the fiscal year ended March 31, 2024, the steering business has been classified as discontinued operations. The data exclude the discontinued operations.

\*2 Includes some entry-level managers, department and section managers, and executives.

\*3 NSK Ltd. and major NSK Group companies in Japan.

\*4 NSK Ltd. and major NSK Group companies in Japan (career-track positions only).

## Number of Employees



Fiscal 2023 data figures exclude discontinued operations (steering business).

Category		Scope of coverage	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Employee diversity ratio (gender, nationality, mid-career hires)		NSK <sup>*1</sup>	%	—	—	28	29	29
Localization rate for key global posts		NSK Group	%	—	—	—	73	72
Turnover rate	Turnover rate (voluntary)	Group in Japan <sup>*2</sup>	%	1.0	0.7	1.2	2.1	2.2
Number of rehired senior employees <sup>*3</sup>	Total	Group in Japan <sup>*2</sup>	Persons	625	627	608	668	764 <sup>*4</sup>
	Senior employee rehiring system		Persons	555	569	560	621	715 <sup>*4</sup>
	Other (fixed-term contract, etc.)		Persons	70	58	48	47	49 <sup>*4</sup>
Employment rate of people with disabilities	Employment rate of people with disabilities	Group in Japan <sup>*2</sup>	%	2.24	2.45	2.56	2.48	2.62
	(Reference) Legally mandated employment rate in Japan	—	%	2.20	2.30	2.30	2.30	2.30 <sup>*5</sup>
Percentage of employees taking childcare leave (NSK criteria)	Men	NSK	%	—	50.3	56.5	72.6	83.3
	Women		%	—	100.0	100.0	100.0	100.0
Number of employees taking nursing care leave	Total	Group in Japan <sup>*2</sup>	Persons	11	15	12	8	4 <sup>*4</sup>
	Men		Persons	6	10	10	6	3 <sup>*4</sup>
	Women		Persons	5	5	2	2	1 <sup>*4</sup>
Human resource development programs	Number of participants in Japan/Global Management College	NSK Group	Persons	22	10	10	22	9 <sup>*4</sup>
	Ratio of Japan/Global Management College graduates among executives	NSK	%	—	—	75	71	65
	Number of participants in NSK Institute of Technology	NSK Group	Persons	527	518	493	495	539
	Number of training hours per employee	NSK Group	Hours	—	21	19	21	23 <sup>*4</sup>
Rate of labor union participation	Non-management employees	Group in Japan <sup>*2</sup>	%	100	100	100	100	100 <sup>*4</sup>
	All employees including management		%	83	83	84	84	86 <sup>*4</sup>
Labor-management consultations	Number of labor-management consultations <sup>*6</sup>	Group in Japan <sup>*2</sup>	Times	7	5	7	7	7 <sup>*4</sup>
Employee engagement survey	Number of participants (officers and employees)	NSK Group	Persons	14,964 (Outside Japan)	16,985 (Worldwide)	5,976 <sup>*7</sup> (Outside Japan)	20,611 (Worldwide)	6,397 (Outside Japan)
	Engagement Score <sup>*8</sup>		—	65	67	67	68	69

\*1 Diversity is emphasized at the decision-making level. The ratio is the percentage of diversity at the management and staff levels (equivalent to career-track positions).

\*2 NSK Ltd. and major NSK Group companies in Japan

\*3 Number of employees aged 60 and over

\*4 Effective the first quarter of the fiscal year ended March 31, 2024, the steering business has been classified as discontinued operations. The data exclude the discontinued operations.

\*5 As of March 2024

\*6 Number of times Central Labor-Management Conference meetings held

\*7 Some surveys were postponed due to the COVID-19 pandemic.

\*8 The survey is conducted every two years in each geographical region, and the countries surveyed differ each year. The score is a moving average calculated as a weighted average of the survey results for the relevant and previous fiscal years.

# Governance

## Corporate Governance



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### Composition of the Board of Directors and Nomination/Audit/Compensation Committees

As of June 30th of each fiscal year

Category		Unit	June 2020	June 2021	June 2022	June 2023	June 2024
Board of Directors	Chair of the Board of Directors	—	President and CEO	Chairman and Director	Chairman and Director	Non-Executive Director	Non-Executive Director
	Number of directors	Persons	9	9	9	9	9
	Men (percentage)	Persons (%)	8 (88.9)	8 (88.9)	8 (88.9)	8 (88.9)	8 (88.9)
	Women (percentage)	Persons (%)	1 (11.1)	1 (11.1)	1 (11.1)	1 (11.1)	1 (11.1)
	Number of internal directors (who also serve as executive officers)	Persons	3	2	2	2	2
	Men	Persons	3	2	2	2	2
	Women	Persons	0	0	0	0	0
	Number of internal directors (who do not serve as executive officers)	Persons	1	2	2	2	2
	Number of independent outside directors (total)	Persons	5	5	5	5	5
	Men	Persons	4	4	4	4	4
	Women	Persons	1	1	1	1	1
	Percentage of internal directors (who also serve as executive officers)	%	33.3	22.2	22.2	22.2	22.2
	Percentage of independent outside directors	%	55.6	55.6	55.6	55.6	55.6
	Number of independent outside directors with four or more important concurrent posts	Persons	0	0	0	0	0
Term of directors	Years	1	1	1	1	1	
Nomination Committee	Committee chair	—	Independent outside director	Independent outside director	Independent outside director	Independent outside director	Independent outside director
	Number of members	Persons	3	3	3	3	3
	Internal directors	Persons	1	1	1	1	1
	Independent outside directors	Persons	2	2	2	2	2
Audit Committee	Committee chair	—	Independent outside director	Independent outside director	Independent outside director	Independent outside director	Independent outside director
	Number of members	Persons	4	4	4	3	3
	Internal directors	Persons	1	1	1	1	1
	Independent outside directors	Persons	3	3	3	2	2
Compensation Committee	Committee chair	—	Independent outside director	Independent outside director	Independent outside director	Independent outside director	Independent outside director
	Number of members	Persons	3	3	3	3	3
	Internal directors	Persons	1	1	1	1	1
	Independent outside directors	Persons	2	2	2	2	2

## Number of Times the Board of Directors and Nomination/Audit/Compensation Committees Convened and Their Attendance Rates

Category		Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Board of Directors	Number of times convened	Meetings	10	10	10	10	10
	Attendance rate	%	99	98	100	98	99
	Attendance rate of independent outside directors	%	98	98	100	96	98
Nomination Committee	Number of times convened	Meetings	8	5	7	6	6
	Attendance rate	%	100	100	100	100	100
	Attendance rate of independent outside directors	%	100	100	100	100	100
Audit Committee	Number of times convened	Meetings	15	16	14	14	14
	Attendance rate	%	100	100	100	100	100
	Attendance rate of independent outside directors	%	100	100	100	100	100
Compensation Committee	Number of times convened	Meetings	5	4	5	4	4
	Attendance rate	%	100	100	100	100	92
	Attendance rate of independent outside directors	%	100	100	100	100	88

## Executive Officers, Group Officers

As of April 1st of each fiscal year

Category		Unit	April 2020	April 2021	April 2022	April 2023	April 2024
Executive officers	Total	Persons	34	32	21	21	20
	Men (percentage)	Persons (%)	33 (97.1)	30 (93.7)	20 (95.2)	20 (95.2)	19 (95.0)
	Women (percentage)	Persons (%)	1 (2.9)	2 (6.3)	1 (4.8)	1 (4.8)	1 (5.0)
Group officers	Total	Persons	3	4	4	4	4
	Men (percentage)	Persons (%)	3 (100)	4 (100)	4 (100)	4 (100)	4 (100)
	Women (percentage)	Persons (%)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)

## Compensation of the President and CEO

Category	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Total consolidated compensation, etc., of the President and CEO	Millions of yen	Less than 100	157	102	117	126 <sup>*1</sup>
Average annual salary of employees (NSK Ltd.)	Millions of yen	7.47	6.85	7.12	7.19	7.41 <sup>*2</sup>
Ratio of total consolidated compensation, etc., of the President and CEO to average annual salary of employees	—	Less than 13.4	22.9	14.3	16.3	17.0

\*1 Disclosed in the Status of Corporate Governance section in the Consolidated Financial Statement FY2023 (Japanese).

\*2 Disclosed in the Overview of Company section in the Consolidated Financial Statement FY2023 (Japanese).

## Political Donations

Category	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Political donations	Millions of yen	4.05	2.05	4.05	4.05	2.00

## Compliance

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Category	Scope of coverage	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Compliance hotline: Number of consultations and reports	NSK Group	Incidents	175	178	168	147 <sup>*1*</sup>	131 <sup>*1</sup>
Number of serious legal violations, incidents/accidents	NSK Group	Incidents	0	0	0	0 <sup>*1</sup>	0 <sup>*1</sup>
Number of penalties for corruption/bribery	NSK Group	Incidents	0	0	0	0 <sup>*1</sup>	0 <sup>*1</sup>
Number of violations of competition law	NSK Group	Incidents	0	0	0	0 <sup>*1</sup>	0 <sup>*1</sup>
Number of violations of insider trading	NSK Group	Incidents	0	0	0	0 <sup>*1</sup>	0 <sup>*1</sup>
Competition law training	Number of participants <sup>*3</sup>	Persons	2,867	5,481	7,588	12,486	9,446
	Average training time	Hours/person	1.0	1.0	0.6	0.9	0.6
Compliance training (topics related to NSK Code of Corporate Ethics)	Number of participants	Persons	—	—	—	16,545	16,877
	Average training time	Hours/person	—	—	—	0.9	1.1
Employee engagement survey	Compliance awareness score <sup>*4</sup>	NSK Group	58.7	63.2	63.3	69.8	71.9

\*1 Effective the first quarter of the fiscal year ended March 31, 2024, the steering business has been classified as discontinued operations. The data exclude the discontinued operations.

\*2 The data has been updated retrospectively.

\*3 Includes e-learning participants, since fiscal 2020.

\*4 The survey is conducted every two years in each geographical region, and the countries surveyed differ each year. The score is a moving average calculated as a weighted average of the survey results for the relevant and previous fiscal years.



No.1811004893

## Independent Verification Report

To: NSK Ltd.

### 1. Objective and Scope

Japan Quality Assurance Organization (hereafter “JQA”) was engaged by NSK Ltd. (hereafter “the Company”) to provide an independent verification on “FY2023\* NSK Group GHG emissions (Scope 1 and 2) calculation report”, “FY2023 NSK Group GHG emissions (Scope 3) calculation report”, “FY2023 NSK Group Water withdrawal calculation report”, “FY2023 NSK Group Waste, valuable resources, and Hazardous waste calculation report” and “FY2023 NSK Group VOC emissions calculation report” (hereafter “the Reports”). The content of our verification was to express our conclusion, based on our verification procedures, on whether the statement of information regarding GHG emissions, Energy Use, Water withdrawal, Industrial waste and valuable resources, VOC emissions, and Hazardous waste in the Reports was correctly measured and calculated, in accordance with the “NSK Group GHG emissions calculation standard (Scope 1 and 2) (Ver. 03-01)”, “NSK Group GHG emissions calculation standard (Scope 3) (Ver. 01-09)”, “NSK Group Water withdrawal calculation standard (Ver. 01-06)”, “NSK Group Total waste of industrial waste and valuables, Recycling rate and Hazardous waste, calculation standard (Ver. 02-03)”, “NSK Group PRTR emissions calculation standard (Ver.01-06)” and “NSK Group VOC emissions calculation standard (Ver. 01-07)” (hereafter “the Rules”). The purpose of the verification is to evaluate the Reports objectively and to enhance the credibility of the Reports.

\* The fiscal year 2023 of the Company ended on March 31, 2024.

### 2. Procedures Performed

JQA conducted verification in accordance with “ISO 14064-3” for GHG emissions and Energy use, and with “ISAE3000” for Water withdrawal, Industrial waste and valuable resources, VOC emissions, and Hazardous waste, respectively. The scope of this verification assignment covers Scope 1 (Energy-derived CO<sub>2</sub>, non-energy-derived CO<sub>2</sub> associated with the use of acetylene, CH<sub>4</sub> and N<sub>2</sub>O), Scope 2 and Scope 3 (All 15 categories) as GHG emissions, Energy Use, Water withdrawal\*<sup>1</sup>, Industrial waste and valuable resources\*<sup>2</sup>, VOC emissions\*<sup>3</sup>, and Hazardous waste\*<sup>4</sup>. The verification was conducted to a limited level of assurance and quantitative materiality was set at 5 percent each of the total emissions and total amount in the Reports. The organizational boundaries of this verification cover all NSK Group sites in Japan and outside Japan, including production sites, technology centers and non-production sites of NSK Ltd., NSK equity affiliates\*<sup>5</sup> and NSK brand producing companies.

\*<sup>1</sup> Water withdrawal is comprised of tap water, industrial water, groundwater, recycled water and rainwater, used by business activities.

\*<sup>2</sup> Industrial waste and valuable resources are solid or liquid waste discharged by business activities.

\*<sup>3</sup> VOC emissions are substances specified by the Rules, among the VOC emitted from business activities.

\*<sup>4</sup> Hazardous waste is "specially controlled industrial waste" stipulated by the "Waste Management and Public Cleaning Act" among the amount of Industrial waste and valuable resources.

\*<sup>5</sup> NSK equity affiliates which 50 percent or more of the voting stock is owned by NSK.

Our verification procedures included:

- For on-site verification except for Scope 3, visiting four sampling sites in Japan: NSK Ltd. Fukushima Plant, NSK Ltd. Nagoya Branch, NSK MACHINERY Co., Ltd., Inoue Jikuuke Kogyo Co., Ltd. Mihara Plant, selected by the Company.
- On-site assessment to check the report boundaries; monitoring points of activity data; monitoring and calculation system; and the activity data.
- Confirmation of the Rule and verification of Scope 3. Checking calculation scenario and allocation method for Scope 3; monitoring and calculation system; and emission data.

\*Please refer to the next page.





No.1811004893

### 3. Conclusion

Based on the procedures described above, nothing has come to our attention that has caused us to believe that the statement of the information regarding the Company's FY2023 GHG emissions, Energy Use, Water withdrawal, Industrial waste and valuable resources, VOC emissions, and Hazardous waste in the Reports is not materially correct, or has not been prepared in accordance with the Rules.

### 4. Consideration

The Company was responsible for preparing the Reports, and JQA's responsibility was to conduct verification of GHG emissions, Energy Use, Water withdrawal, Industrial waste and valuable resources, VOC emissions, and Hazardous waste in the Reports only. There is no conflict of interest between the Company and JQA.

A handwritten signature in black ink, appearing to read 'Sumio Asada', is written over a horizontal line.

Sumio Asada, Board Director  
For and on behalf of Japan Quality Assurance Organization  
1-25, Kandasudacho, Chiyoda-ku, Tokyo, Japan  
July 16, 2024

\*Please refer to the previous page.



## Independent Assurance Statement

August 8, 2024

Mr. Akitoshi Ichii  
President & CEO  
NSK Ltd.

### 1. Purpose

We, Sustainability Accounting Co., Ltd., have been engaged by NSK Ltd. (“the Company”) to provide limited assurance on the Company’s Lost time injury frequency rates for the fiscal year ended March 2024; 0.28 globally, 0.12 in Japan, and 0.42 outside Japan accounting for continuing operations excluding the steering business which has been classified as discontinued operations; and 0.24 globally accounting for continuing operations and discontinued operations (“the performance data”). The purpose of this process is to express our conclusion on whether the performance data were calculated in accordance with the Company’s standards. The Company’s management is responsible for calculating the performance data. Our responsibility is to independently carry out a limited assurance engagement and to express our assurance conclusion.

### 2. Procedures Performed

Our assurance engagement has been planned and performed in accordance with International Standard on Assurance Engagement 3000 (ISAE3000).

The key procedures we carried out included:

- Interviewing the Company’s responsible personnel to understand the Company’s standards
- Reviewing the Company’s standards
- Performing cross-checks on a sample basis and performing a recalculation to determine whether the performance data were calculated in accordance with the Company’s standards.

### 3. Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the performance data have not been calculated, in all material respects, in accordance with the Company’s standards.

We have no conflict of interest relationships with the Company.

A handwritten signature in black ink, appearing to be "Takashi Fukushima", written over a horizontal line.

Takashi Fukushima  
Representative Director  
Sustainability Accounting Co., Ltd.

