

NSK's Collaborative Value Creation Process

Together with NSK Corporate Philosophy – Our History –

In 1916, NSK was established as Japan's first manufacturer of bearings in Osaki-cho, Ebara-gun, Tokyo (the site of its current headquarters: Osaki, Shinagawa-ku, Tokyo). With a history that spans more than 100 years, the Company has developed an array of innovative technologies and contributed to the reduction of energy loss through all of its products including bearings.

In 1991, on the occasion of the 75th anniversary of its founding, NSK formulated its Corporate Philosophy, which defines the "spirit," "direction," and "ideal image" of NSK in the 21st century.



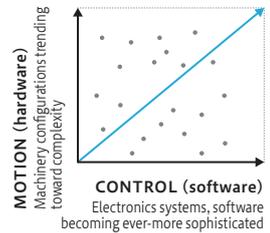
NSK headquarters and factory (circa 1930)

NSK Corporate Philosophy – What Is the Purpose of NSK's Existence?

The NSK Corporate Philosophy comprises four parts—the Mission Statement, Management Principles, Corporate Message, and Action Guidelines. It is based on creating the collaborative value on which all NSK Group employees rely. Taking the view that NSK works diligently to support a variety of industries and to expand its business overseas, while further developing as a company that contributes to society through our technologies and the quality of our products, the Mission Statement sets the guidelines for what is needed and how to communicate so that NSK becomes a company that is needed by society, and as policy sets forth the following four concepts.

1 Motion & Control™

Each of these terms represents our business fields. Specifically, "Motion" symbolizes our complex hardware, machinery, and systems, whereas "Control" refers to our sophisticated software and electronics systems. NSK will foster this Motion & Control™ as its key value and asset, and strive to be a company that constantly works to fulfill society's needs.



▶ PP. 24–27 Contributing to Technological Innovation –Aiming for Sustainable Growth–
▶ P. 35 New Initiatives Targeting Growth

Mission Statement

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.

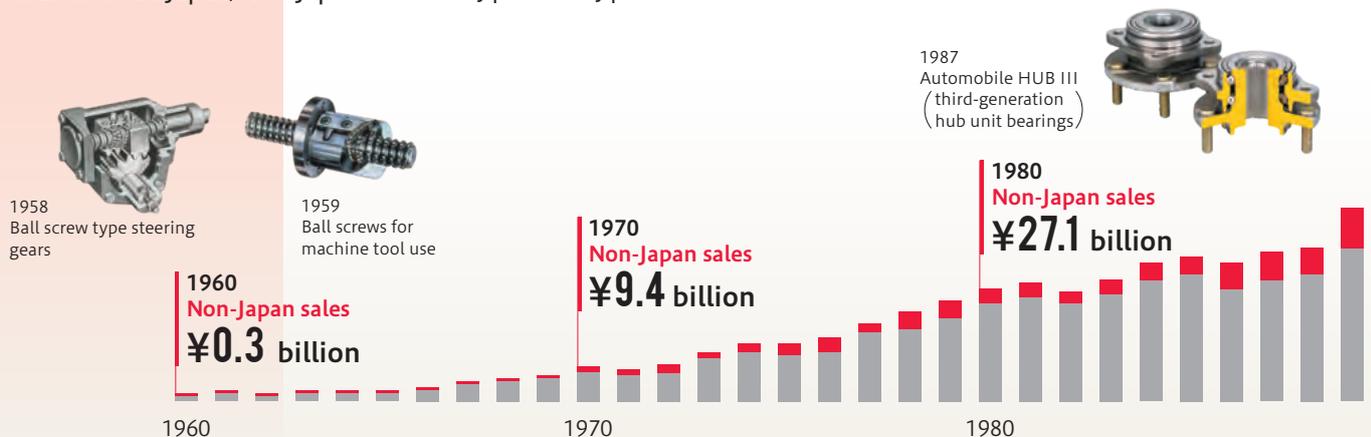
2 Contribute to a Safer, Smoother Society

The social role played by NSK is to ensure that moving objects such as automobiles, industrial machinery, and precision machinery operate properly and can accomplish whatever task they are designed for. This, in turn, supports a range of industries and makes society as a whole run smoother and safer.

▶ PP. 6–7 NSK Supporting Society, P. 39 Quality Management

NSK's History

■ Trends in NSK's Japan/Non-Japan Sales ■ Japan ■ Non-Japan



NSK's History

1958–1972 Business diversification and strengthening of the management structure

1973–1983 Full-fledged start of globalization

1984–1993 Tackling the challenges of Motion & Control™ and deepening globalization

World Trend

1960s A period of intense economic growth for Japan

1970s Two oil crises

Latter 1980s Trade friction

► For more information on NSK's history, please refer to the following.

- NSK Report 2020 PP. 2-3 NSK's History: Foundation for Collaborative Value Creation https://www.nsk.com/investors/library/pdf/nsk_report/ir202003e.pdf
- NSK Report 2019 PP. 4-5 History of NSK's Overseas Expansion https://www.nsk.com/investors/library/pdf/nsk_report/ir201903e.pdf
- NSK Report 2018 PP. 2-3 NSK's History of Creating Value https://www.nsk.com/investors/library/pdf/nsk_report/ir201803e.pdf
- NSK Report 2017 PP. 2-3 The Pioneering Spirit that Has Endured Throughout the 100 Years of NSK https://www.nsk.com/investors/library/pdf/nsk_report/ir201703e.pdf
- NSK Report 2016 PP. 2-3 NSK's Business Development History: 100 Years of NSK https://www.nsk.com/investors/library/pdf/nsk_report/ir201603e.pdf

Through NSK Corporate Philosophy

The NSK "spirit" and "direction" espoused in our Corporate Philosophy continues to be the starting point of NSK's efforts at sustainability. Prior to the era of the terms "CSR" and "ESG," NSK clearly stated its engagement with society and efforts to protect the environment within its Corporate Philosophy as it carried out its corporate activities.

So that each NSK Group employee will reflect on our Corporate Philosophy and make it his/her own code of conduct, July 26 of every year has been designated as "NSK Corporate Philosophy Day" (see P. 55). NSK aims to balance its contribution to the resolution of social issues with sustainable growth as a company that is needed and trusted in the world based on its corporate philosophy.

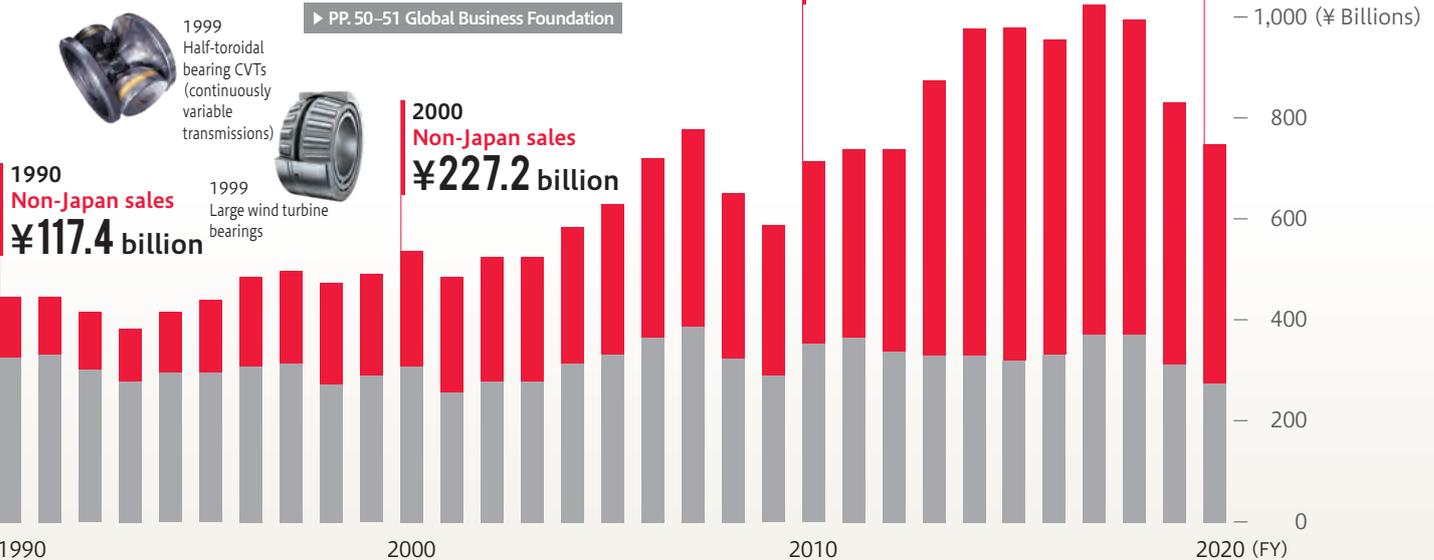
3 Help Protect the Global Environment

NSK envisions itself as contributing to the protection of the global environment. To this end, NSK strives to develop products that contribute to the environment by enabling a longer service life span, that are more compact, and that reduce friction. We seek to maximize our environmental contribution by conserving energy and resources at the customer usage stage by promoting products. In addition, we promote energy and resource conservation, as well as the reduction of environmentally harmful substances in our own company, and strive to minimize the environmental burden.

► PP. 21-23 NSK's Environmental Contributions, P. 37 Environmental Management, PP. 52-53 Climate Change-related Risks and Opportunities: Addressing the TCFD Recommendations

4 Work Across National Boundaries to Improve Relationships between People throughout the World

NSK has long been promoting globalization. We create management, R&D, production, and sales systems that can fully utilize the characteristics of each region and make the most of human resources across countries. All of this has been done while also contributing to the vitalization and development of each local community.



1994-2008
Promoting reform of the business structure and NSK transition

2009-2015
Looking toward NSK's 100th anniversary

2016-
Embarking on a new chapter of evolution toward the next 100 years

First half of 1990s
Burst of economic bubble

2000s
Economic growth in emerging countries

2007-2008
Financial crisis

2011
Great East Japan Earthquake

2020
COVID-19 pandemic