

ESG Management

Promote Carbon Neutrality

Carbon neutrality initiatives are essential for achieving a sustainable society.

NSK's products are "utilized" in automobiles and industrial machinery to control friction and reduce energy consumption, thus all NSK products contribute to global environmental protection.

On the other hand, it is also a fact that a significant amount of energy is consumed and CO₂ is emitted to "create" these products. For this reason, NSK raised the

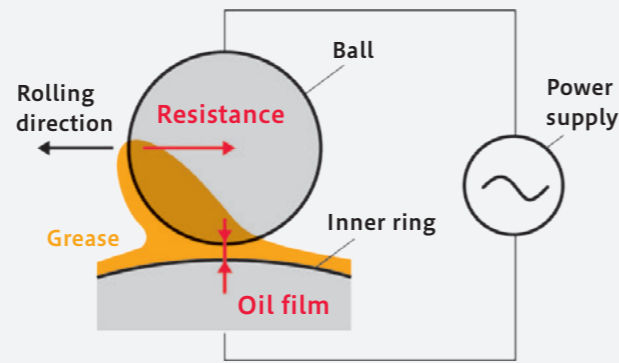
goal of halving emissions by FY2026 (compared with FY2017) and achieving carbon neutrality by FY2035 as targets for Scope 1 + 2 CO₂ emission reductions and will therefore accelerate initiatives under MTP2026.

As the responsibility of a manufacturing company, NSK is genuinely working to reduce CO₂ emissions. And using environmentally friendly technologies as a strength, NSK will contribute to realizing a sustainable society in aims of becoming a company that is trusted and needed by society.

Environmental contribution by using "tribology"

As the science of friction, tribology is a core technology used to develop bearings and many other NSK products. The Company engages in research and development from the various perspectives of bearing shape, materials, and types of grease to help conserve energy in accordance with the bearing application.

Above all, controlling the oil film at the nanometer scale is important, which is why NSK developed a technology to measure the condition of oil films based on an electrical circuit. Using this technology, the Company aims for a greater level of balance between reliability and energy conservation.



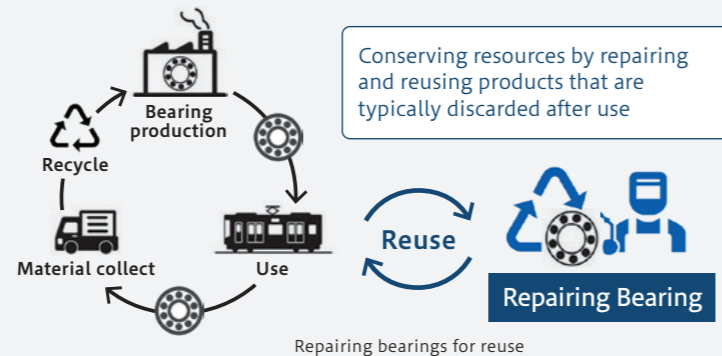
Environmental contribution by utilizing CMS/Reconditioning

NSK has gone beyond simply contributing to the environment through our products and has now begun to do so through our services.

For example, monitoring the movement of machinery and equipment using CMS maintains stable operating conditions, thereby helping to achieve efficient manufacturing activities. Moreover, the Company is promoting new initiatives, including offering services that repair lightly damaged bearings to restore their function.



Wireless vibration monitoring machine



Repairing bearings for reuse

Build a carbon-neutral society through the "Create and Utilize" approach

New target:

Achieve Scope 1 + 2 CO₂ reduction of 50% compared with FY2017 by FY2026
Achieve Scope 1 + 2 carbon neutrality by FY2035

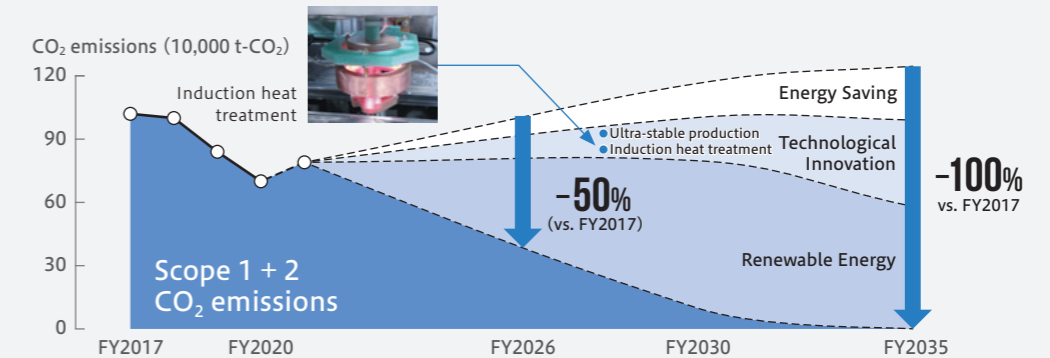
- Scope 1 Greenhouse gas emissions directly emitted by NSK through the combustion of fuels, etc.
- Scope 2 Indirect emissions associated with the use of electricity, heat, or steam supplied by other companies



Reduce CO₂ emissions from business activities

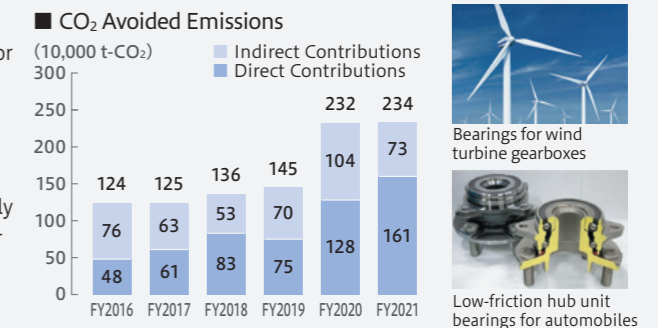
NSK is working to reduce CO₂ emissions from our business activities to realize a sustainable society.

Several specific initiatives for achieving carbon neutrality include introducing renewable energy, reducing the amount of energy used through energy conservation and technological innovation, and pursuing highly efficient manufacturing.



Benefit the environment through our products

NSK products contribute to energy conservation. As the benchmark indicator for our environmental contribution activities, NSK has tallied the degree to which our environmentally friendly products have contributed to reducing CO₂ emissions since FY2016. As of FY2020, the Company had successfully doubled this contribution compared to the initial calculations. Under MTP2026, NSK will contribute to carbon neutrality for society as a whole by aiming to reduce 3 million tons of emissions.



Direct Contributions Direct contributions to CO₂ emission reduction through individual NSK product performance (e.g., Low-friction hub unit bearings for automobiles)

Indirect Contributions Indirect contributions through CO₂ emissions avoided by installing NSK products into customer equipment and facilities (e.g., wind turbine bearings)

*Contribution calculation formula: CO₂ emissions avoided per unit × rate of contribution of NSK products × sales volume × years of operation

*The method for calculating contributions to reductions (direct contributions) follows the "Guidelines for Quantifying CO₂ Emissions Avoided by Use of Bearings" published by the Japan Bearing Industry Association.