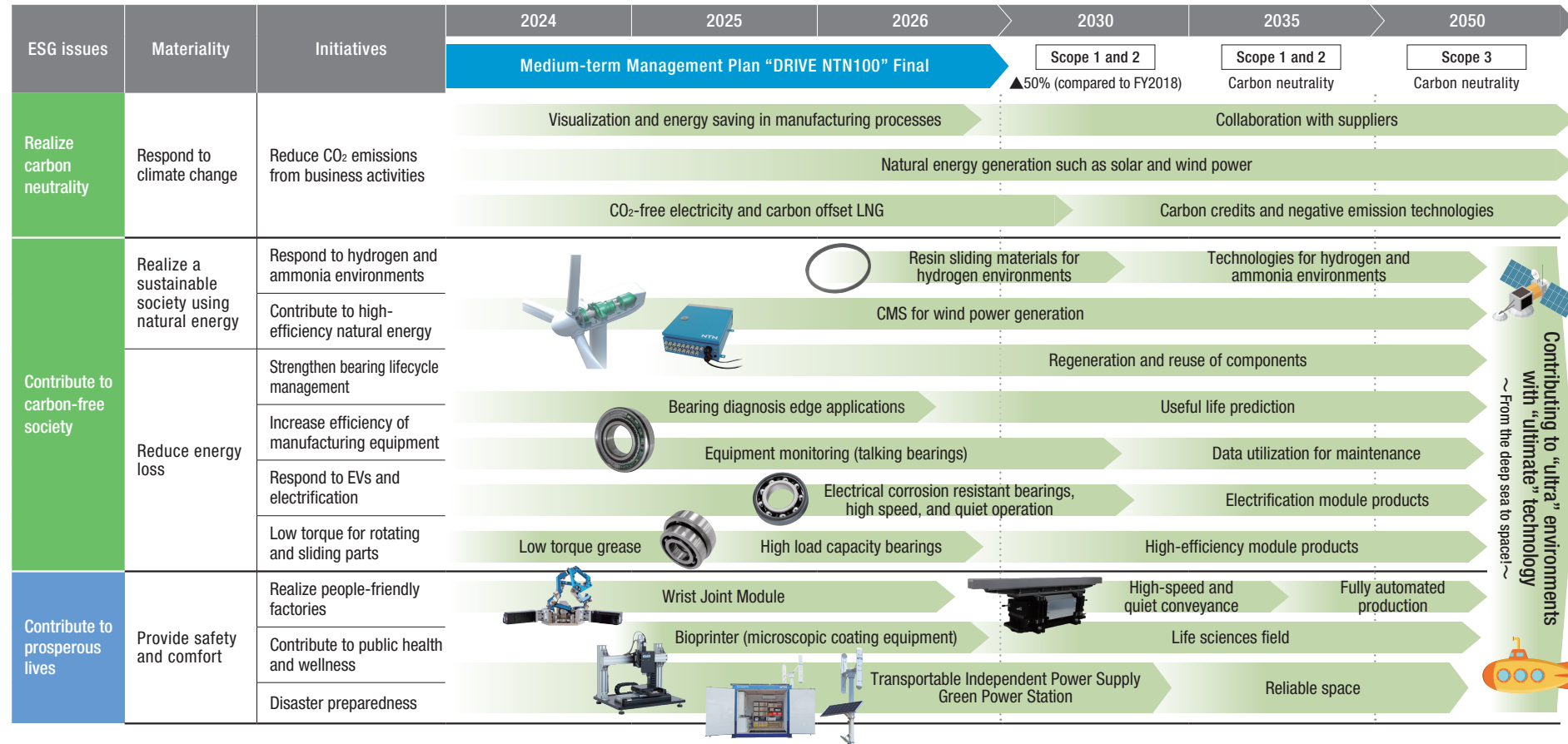


Roadmap for Realizing a “NAMERAKA Society”

We have updated the roadmap for realizing a “NAMERAKA Society,” which represents the overall management picture for our Group to continue growing as a company that contributes to society. The new roadmap shows our initiatives to address materiality and the direction of product and technology development for the future.

Contribution to solving social issues toward the future we aim for



Foundation to support ESG management

ESG Issues	Environment / Environmental protection	Social / Sustainable supply chain	Social / Prosperous human development		Governance
Materiality	Resource recycling and pollution prevention	Improve the reliability of products and services (Quality assurance and stable supply)	Promote safety and health	Human resource development	Thorough compliance
		Procurement activities with an emphasis on environment and society	Respect for human rights	Promote diversity	Strengthen governance

Realization of a “NAMERAKA Society”

NTN's Goal of a Carbon-neutral Society

Environment-contributing product

Development of environment-contributing product

"We shall contribute to international society through creating new technologies and developing new products." Under this corporate philosophy, we are committed to environmentally-friendly manufacturing. We are especially focused on developing technologies that help to prevent global warming.

The components we manufacture, such as bearings and driveshafts, contribute to reducing environmental impact by improving the energy efficiency of vehicles and machinery. All of these are known as "environment-contributing products." Among them are products that are already widely used, as well as new products that achieve even better environmental performance as a result of our technologies.

NTN is also developing products that utilize renewable energy such as solar and wind power, helping to drive down CO₂ emissions.

We quantify the degree of environmental contribution of such products using our own standards. NTN will continue its pursuit of its corporate philosophy by developing and supplying higher-contributing products.

Evaluation of environment-contributing products

NTN compares and evaluates the environmental performance of current products using the performance levels of 1997 as a baseline. Environment-contributing products are classified into five grades from "S-eco" to "D-eco" according to their degree of environmental contribution, based on standards established for each product.

Classification	Grade	Definition
Environment-contributing product	● S-eco (Super eco)*	Products classified according to environmental factor standards specified for different products in line with global technology standards
	● A-eco (Advanced eco)	
	● B-eco (Brilliant eco)	
	● C-eco (Creative eco)	
	● D-eco (Diffused eco)	Products that help to reduce energy loss in finished products at the same performance level as that of around 1997

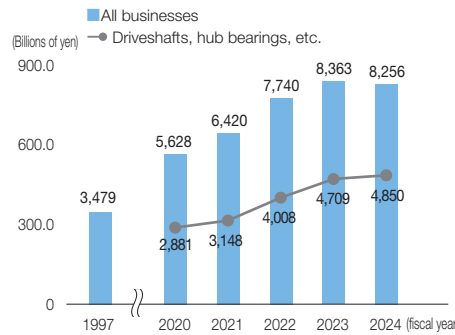
*Green energy products are S-eco grade

Achievements

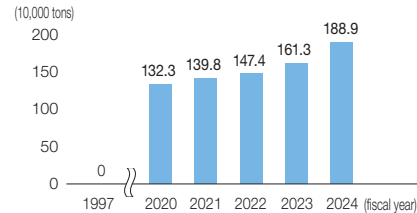
In fiscal year 2024, our flagship products including driveshafts (CVJs) and hub bearings, as well as green energy products, contributed to reducing approximately 1.89 million tons of CO₂. This demonstrates that the development of our environment-contributing products is achieving results.

Sales of products making a high environmental contribution in the S-eco to B-eco range grew to account for approximately 53.9% of total sales in FY2024.

Net sales

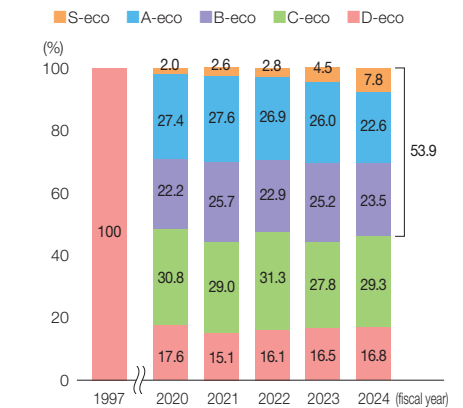


Contribution to CO₂ reduction*



Calculation Standard
Japan Auto Parts Industries Association (JAPIA) Life Cycle Inventory (LCI) calculation guideline (Consumer-use phase LCI calculation tool)
*Applicable to S to C-eco products

Trends in composition of environment-contributing products by grade (driveshafts, hub bearings, etc.)



NTN's Goal of a Carbon-neutral Society

Carbon neutrality

Response to climate change

The NTN Group is promoting carbon neutrality activities in response to climate change and has set the targets for reducing Scope 1 and 2 emissions by fiscal year 2030 and fiscal year 2035. To that end, we are promoting CO₂ emission reductions in our business activities. To advance CO₂ reduction in the supply chain (Scope 3), we established a new working group in fiscal year 2024 to first formulate and promote reduction measures domestically. We will strengthen collaboration with suppliers to promote activities toward "Achieving carbon neutrality by fiscal year 2050."

*Note: The Company calculates and reports only energy-derived carbon dioxide (CO₂) emissions among GHG emissions.

NTN's carbon neutrality targets

CO₂ emission reduction targets (Scope 1, 2)

- 50% reduction by FY2030 (compared to FY2018)
- Achieve carbon neutrality by FY2035

CO₂ emission reduction targets (Scope 3)

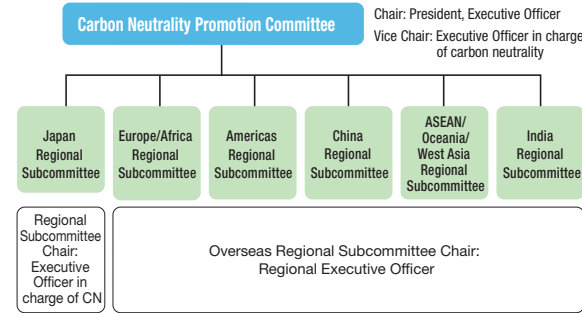
- Achieve carbon neutrality by FY2050

Governance structure for promoting carbon neutrality initiatives

To promote carbon neutrality activities throughout the NTN Group, we established the Carbon Neutrality Strategy Promotion Department in April 2023, and in July of the same year, we established a company-wide Carbon Neutrality Promotion Committee as well as regional subcommittees to create a global promotion structure. The Committee Chair is the Representative Executive Officer, and by holding committee meetings twice a year, connecting headquarters and locations worldwide online, we share best practices, deploy them globally, and promote mutual inspiration.

The regional subcommittees are chaired by the Executive Officers responsible for each region, and by holding regional subcommittee meetings four times a year, they examine measures and initiatives suited to the actual conditions of each region and report the results to the Carbon Neutrality Promotion Committee.

Carbon neutrality promotion system



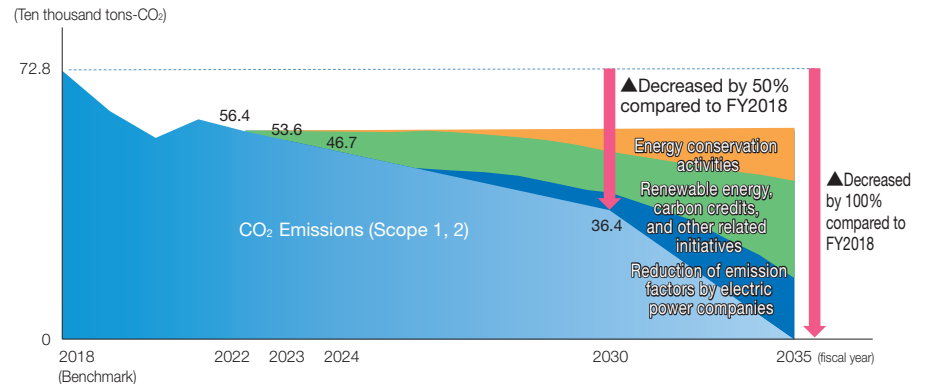
Carbon neutrality promotion committee



Progress management based on the carbon neutrality roadmap

The NTN Group has created carbon neutrality roadmaps as indicators for effectively advancing carbon neutrality activities. Based on these roadmaps, we closely follow the status of activities at each stage and manage progress toward our targets. The roadmaps are created by each region and each business site, showing specific measures and timelines in detail, and we are promoting initiatives toward achieving carbon neutrality with the entire company working as one.

NTN Global CO₂ emission reduction roadmap (By reduction activity)

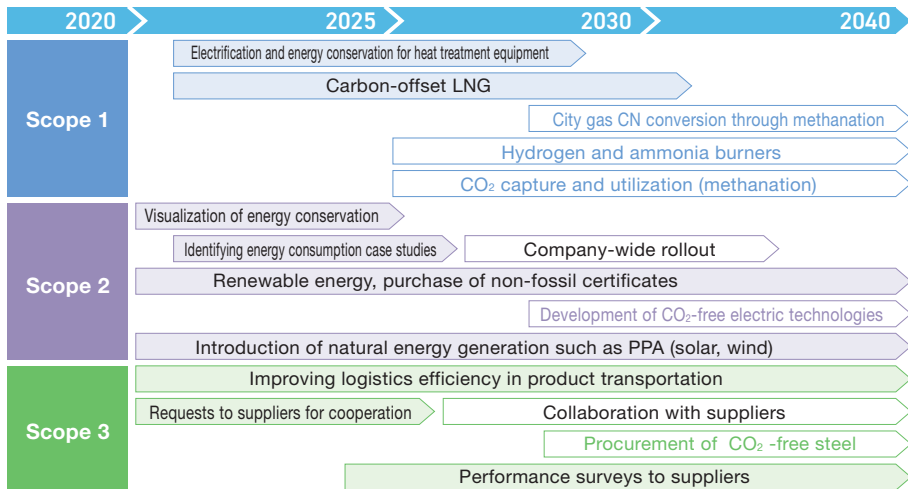


NTN's Goal of a Carbon-neutral Society

Reduction measures for each scope

This shows the overall picture of initiatives in each scope. We are promoting CO₂ emission reduction improvements within the company, such as electrification, energy conservation, and the introduction of renewable energy generation, while also working with external partners to accelerate these initiatives.

Promoting in-house initiatives while accelerating activities through collaboration with external parties



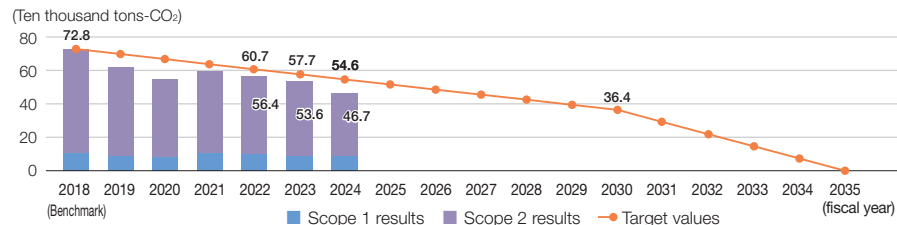
*Shaded items are in progress, and items shown in colored fonts are initiatives by external organizations

CO₂ emission results

The fiscal year 2024 results were Scope 1: 82,669 tons (domestic: 45,596 tons, overseas: 37,073 tons), Scope 2: 384,158 tons (domestic: 180,974 tons, overseas: 203,184 tons).

For Scope 2, domestic business sites are calculated using market-based emission factors, while overseas business sites are calculated using location-based emission factors.

CO₂ Emissions (Scope 1, Scope 2)

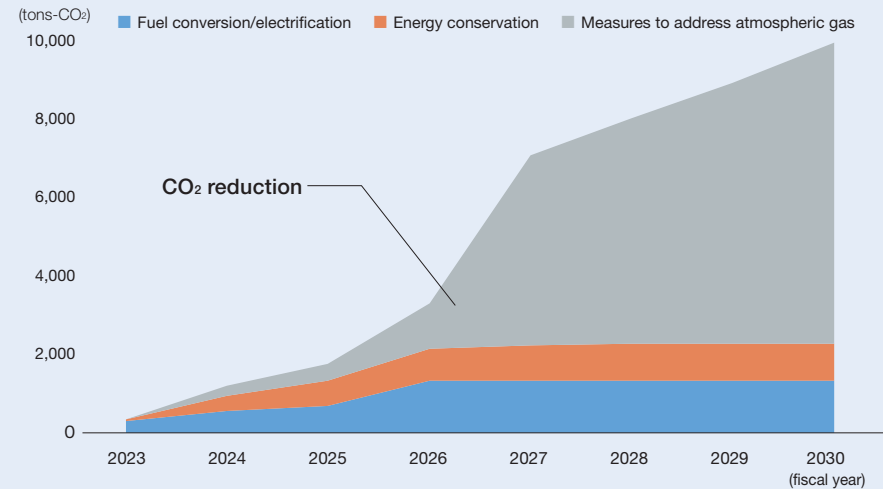


Scope 1

Energy-saving measures for heat treatment equipment

To reduce CO₂ emissions from heat treatment facilities, we are promoting three measures: fuel conversion and electrification, energy conservation, and atmospheric gas control. All newly introduced heat treatment furnaces since 2017 are electric furnaces. Additionally, high-efficiency insulation materials have been introduced to minimize heat loss from the outer walls of the heat treatment furnaces, thereby reducing fuel consumption. Furthermore, we are reducing CO₂ emissions through atmospheric gas countermeasures in furnaces dedicated to ordinary quenching.

Overall picture of initiatives for heat treatment equipment (Domestic)



In fiscal year 2024, we reduced 676 tons of CO₂ through energy conservation measures for heat treatment equipment. This corresponds to approximately 14% of the domestic Scope 1 reduction amount for fiscal year 2024.

NTN's Goal of a Carbon-neutral Society

Scope 2

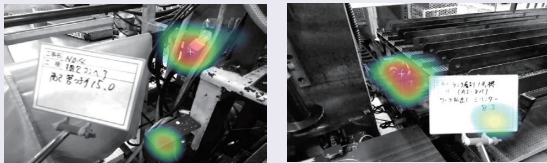
Energy reduction at production sites

To reduce CO₂ emissions within our company, we are advancing waste visualization and energy use reduction.

The results of energy-saving measures at domestic business sites are compiled into a database, and best practices are also deployed and shared with overseas business sites. Going forward, we will enable overseas business sites to also register in the database, promoting bidirectional information sharing.

Additionally, since fiscal year 2023, we have introduced internal carbon pricing as an investment decision indicator for new capital investments, promoting low-carbon management.

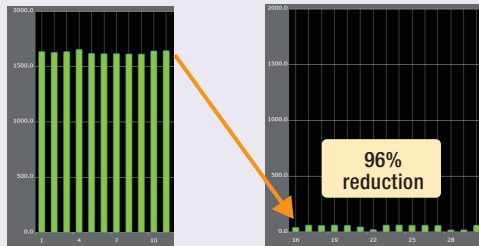
Energy reduction measures



CO₂ reduction amount
17tons-CO₂/year
(Implementation targets:
275 locations)

A case where diagnostic equipment capable of visually detecting air leak locations was used to identify and repair the affected areas (Iwata)

Air consumption before replacement Air consumption after replacement



96%
reduction

CO₂ eduction amount
27tons-CO₂/year

Booster tank before replacement



Booster tank after replacement



Example of installing air flow meters to visualize air usage by process, which revealed air leaks in pressurization tanks and enabled countermeasures to be taken (Kuwana)

Scope 3

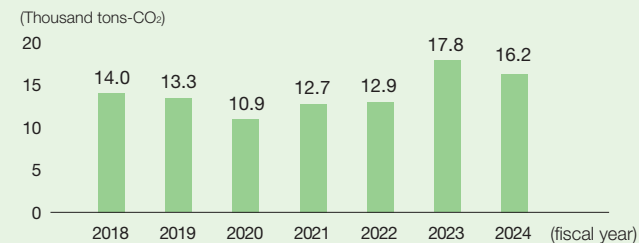
Initiatives to improve calculation accuracy

The NTN Group aims to achieve carbon neutrality, including supply chain emissions (Scope 3), by fiscal year 2050. To promote CO₂ reduction across the supply chain, we have newly established a working group responsible for planning and implementing reduction measures, and are actively advancing related initiatives. Among all Scope 3 categories, Category 1: "Purchased goods and services" accounts for the largest share of emissions. The majority of these emissions stem from the procurement of raw materials such as steel, and semi-finished products including forgings and machined components. Therefore, we first conducted an emission survey targeting steel manufacturers, taking into account differences in production methods. Moving forward, we will carry out similar surveys for suppliers of semi-finished products, revise the emission factors used, and globally promote activities aimed at accurately assessing and reducing emissions based on actual conditions.

Specific initiatives for collaboration with suppliers and logistics optimization

- **Procurement of CO₂-free steel materials**
 - Gathering information and promoting reviews
- **Requesting suppliers to work toward carbon neutrality**
 - Sharing the background behind our efforts to achieve carbon neutrality as well as our targets
 - Introducing examples of energy conservation practices
 - Planned regular surveys on CO₂ emissions data and the status of energy conservation initiatives
- **Enhancing efficiency during product transportation**
 - Reducing transportation distances by optimizing distribution routes
 - Enhancing loading efficiency by expanding the use of modular packaging
 - Reducing the number of containers by increasing loading ratio on export containers
 - Reuse and recycling (repair) of wooden pallets

CO₂ emissions in logistics (Domestic)



NTN's Goal of a Carbon-neutral Society

Topics; Bearings made with light and wind

Bearings made with light and wind is a product concept proposed in "A Proposal of Technology and Commodities which NTN Should Introduce to Preserve the Environment," which won the President Award in the 88th Anniversary Prize Essay contest with the theme of "The Environment" that was internally solicited in 2006. The concept states that "the electricity used in manufacturing these bearings will be supplied by natural energy such as wind power generation and solar power generation."

At that time, although it was a period when international interest in climate change issues were beginning to rise, with the Kyoto Protocol adopted in 1997 taking effect in 2005 and the movie "An Inconvenient Truth" being released in 2006, social awareness and demands for carbon neutrality were far lower than today. This advanced concept, advocated and evaluated within the company during such an era, has taken the form of our Group's carbon neutrality targets and continues to flow at the foundation of our activities today.

Specifically, we cover approximately 20% of all electricity purchased by domestic manufacturing sites (with some sites like the Wakayama Works at 100%) through electric companies' CO₂-free menus, while actively promoting the introduction of natural energy. In particular, we have begun direct purchasing of environmental value from wind power generation operators who have adopted our bearings and condition monitoring systems, bringing us one step closer to bearings made with light and wind.

Solar power

We are expanding on-site solar power generation within our own premises at domestic and overseas business sites, which also contributes to reducing electricity costs.

In Japan, we utilize PPA (third-party ownership model), and in fiscal year 2024, we installed a total of approximately 3,400kW of solar panels on factory rooftops at Wakayama Works, Kuwana Works, Iwata Works, and Engineering Plastics Works.

Overseas, we select installation methods according to the circumstances of each country, and in fiscal year 2024, we introduced approximately 7,200kW of equipment in Thailand using a self-ownership model utilizing tax incentives.

Going forward, we will also consider utilizing off-site PPA while monitoring trends in new technologies such as perovskite solar cells.

On-site solar PPA (Wakayama Works)



Wakayama Works (October 2024~)

Self-investment utilizing tax incentives



Solar panel system installation ceremony at Thai manufacturing site (August 2024)

Wind power

On May 7, 2025, our company signed its first wind power virtual PPA (a contract to directly purchase only the environmental value based on the amount of electricity generated) with Cosmo Eco Power Co., Ltd.

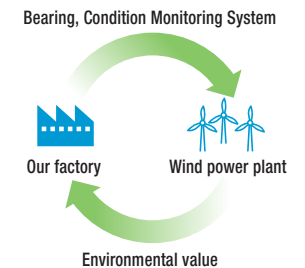
Through this PPA, we will receive approximately 10 million kWh worth of environmental value (non-fossil certificates) annually over the next 16 years, which is expected to reduce CO₂ emissions by approximately 4,200 tons per year.

The wind turbines at the Chuki Wind Farm, which are covered by this agreement, are equipped with our bearings as well as our CMS (Condition Monitoring System) "Wind Doctor," which is used for monitoring operational status and conducting preventive inspections. The environmental value generated at this site will be utilized in the manufacturing and service operations of these products, forming a cycle in which the benefits are ultimately delivered to our customers.

Wind virtual PPA (Chuki Wind Farm)



Wind value cycle



Please see the NTN Group sustainability website for information aligned with the TCFD (Task Force on Climate-related Financial Disclosures).

<https://www.ntnglobal.com/en/csr/tcfd.html>



Please see the NTN Group sustainability website for specific initiatives related to our response to climate change.

<https://www.ntnglobal.com/en/csr/idea/carbon-neutrality.html>

Other Environmental Initiatives

Water resource management

Basic approach

The NTN Group recognizes water resource conservation as an important issue and aims for sustainable water resource management. We have introduced the latest water-saving technologies and strive for efficient water use. We also strictly manage the quality of wastewater to minimize environmental impact. We promote water resource conservation activities in cooperation with local communities and prevent wasteful use by properly managing water intake volumes. Furthermore, we are advancing the efficiency of wastewater treatment facilities, reducing wastewater discharge, and actively utilizing reusable water resources to reduce overall water consumption. Through these initiatives, we will realize sustainable water resource management and contribute to environmental conservation.

Water stress analysis and Sustainable water resource management

The NTN Group conducts water stress analysis using the Aqueduct, a tool provided by the World Resources Institute (WRI), and utilizes it for managing water risks such as water resource depletion. Through this approach, we understand future water stress conditions and promote sustainable water resource management. We also regularly evaluate water stress conditions to identify high-risk business sites.

We recognize India as a region with high water risk, and are implementing the following specific actions:

- Introducing efficient water utilization technologies and establishing recycling systems to reduce water consumption.
- Cooperating with local communities to jointly implement water resource protection activities.
- Regularly monitoring water stress conditions and reviewing countermeasures, as necessary.

We will continue to predict and evaluate water risks and work to reduce business continuity risks.



Dual-layer filtration water treatment facility tank and reverse osmosis (RO) water treatment facility (NNMI, India)

Preserving biodiversity

Basic approach

The NTN Group regards biodiversity conservation as an important issue. We are working in cooperation with local residents and NPOs (Non-Profit Organizations) to advance initiatives toward realizing a sustainable society. Specifically, we conduct forest conservation activities such as thinning and planting. We are also working actively on activities to preserve biodiversity, including protecting endangered species in the vicinity of each business site, and maintaining natural parks. Through these activities, we contribute to local communities and environmental conservation.

Impact of business activities on biodiversity

The NTN Group has established a foundation for assessing the impact on biodiversity and implementing appropriate conservation measures. We used the WWF (World Wildlife Fund) Biodiversity Risk Filter to evaluate the impact of our domestic and overseas production sites. As a result, we confirmed that there are indicators evaluated as “very high risk” among Physical Risks (risks caused by changes in the natural environment, such as ecosystem degradation and species decline). Specifically, 24 business sites fall under “pollution,” 1 business site falls under “water availability.” On the other hand, regarding Reputational Risks (risks that activities that adversely affect biodiversity pose to corporate reputation), and there were no indicators evaluated as “very high risk.”

Based on these evaluation results, we are implementing measures such as forest management, habitat conservation, air emissions/wastewater/waste management, and species protection, but many challenges still remain. Going forward, based on the clarified risk situation, we will formulate specific response plans according to anticipated risks and opportunities, and gradually strengthen our initiatives.



Planting Mangroves in Thailand (NMT)

Related information on the website

For detailed information on our initiatives, please refer to our sustainability website. We provide information including specific examples and data.

Resource Recycling and Pollution Prevention



Preserving Biodiversity



Message from Executive Officer in Charge of Human Resources

Striving to secure and develop human resources and foster organizational culture based on the NTN SPIRIT

Executive Officer

Yasuhiro Kawabata



Through the practice of human capital management, our Group believes that fostering an organizational culture that works to resolve various societal issues, boost economic value as well as environmental and social value, and developing a diverse and motivated workforce, will lead to “Prosperous human development.” This is also positioned as a key measure of ESG management in the Medium-term Management Plan “DRIVE NTN100” Final, focusing on two pillars: “securing and developing human resources” and “fostering organizational culture.”

Securing and developing human resources through two-way communication

Our main measures for securing and developing human resource are “achieving independent growth and career autonomy” and “enhancing the technical capabilities required to achieve the management strategy.”

Each employee identifies their own abilities and experience and proactively envisions their future. At the same time, the company clearly defines the human resources required by each business and team and through continuous two-way communication, accurately understands the intentions of employees and provides opportunities and resources that can encourage challenge

and autonomy while maximizing their individuality and personal strengths. Employees will harness these opportunities to grow further. We believe this cycle is vital.

For example, the personnel system for managers has been changed from a conventional system based on “human” criteria to one based on “work” criteria. We have also introduced expert courses to improve specialized capabilities and programs that empower employees to vie for positions such as Director and Manager, which promotes proactive behavior from employees, increases motivation, and promotes organizational vibrancy. While we have received positive feedback from employees, we will continue to flexibly incorporate a range of views to encourage challenge and autonomy.

In graduate recruitment, we are promoting measures such as enriching opportunities to interact with students through internships and work experience, and partially introducing a scheme that conduct matching and guaranteeing of initial assignment job categories at the time of hiring selection. In recent years, there has been a trend through the media of students showing high interest in corporate human resources systems and studying this area deeply. Based on this premise, our recruitment staff continue their sincere and careful work while remaining open to a range of views. Listening to our new hires and prospective employees many have clear reasons for

choosing our company, and we believe it is most important to continue to carefully engage with those who have knocked on our door.

Toward an organizational culture that sees challenges through and transforms mindsets

Our specific measures for “fostering organizational culture” are “transformation to a workplace of daring and mission” and “mindset transformation based on the NTN SPIRIT.”

While having a foundation that encourages initiative and the presence of colleagues who boldly take on challenges is one of our company’s strong suits, we believe that an attitude of following through any challenges to the end and mindset transformation based on the NTN SPIRIT are further required.

For example, under the personnel system for managers, we are increasing the dialogue between managers and their team members regarding the setting of challenge goals, progress toward goals, and evaluation, while establishing a system that links company performance with individual performance evaluation and a remuneration system linked to company performance.

We also utilize the results of employee engagement surveys to conduct voluntary improvement activities at each workplace and share successful examples. Through these steady daily efforts, we strive to improve engagement.

Aiming to be a corporate group where diverse employees can “grow” and “work enthusiastically” through our business activities

NTN Group has established in its long-term vision toward FY2035 of “enhancing our corporate value by working together with all stakeholders to increase our economic, environmental, and social value, aiming to be a company that is trusted and needed.”

For this purpose, we believe it is important that diverse employees can “grow” and “work enthusiastically” through our business activities, inspiring those around them in their own way and triggering positive chemical reactions. We will continue to accelerate our efforts to achieve our vision as soon as possible.

NTN's Human Resources Strategy

NTN Group has established "Prosperous human development" as an ESG issue. We will cultivate a corporate culture that enables our employees to "grow" and "work enthusiastically" through our business activities, and we will sustainably increase our corporate value by developing our personnel systems and working environments to maximize and grow the value of our human capital. This is the practice of "human capital management," through which we intend to achieve "Prosperous human development" by fostering an organizational culture that works to resolve various societal issues and improve our economic, environmental and social value, as well as by nurturing a diverse workforce that is motivated and satisfied by their work.

The strategy for achieving "Prosperous human development" consists of five pillars: "Securing human resources who will lead the next generation to take on the challenge of transformation," "Creating a rewarding environment that respects the diversity of employees," "Fostering a culture of learning and development in the workplace," "Realizing a workplace where employees can work safely and healthily in an environment enabling innovative thinking" and "Respect for human rights."

As specific actions, we will support the change as intended by the "accelerated transformation to the business structure" policy under the Medium-term Management Plan. In order to achieve the optimal vision of the Group, the priorities of the human resources strategy have been developed from either the perspective of "Securing and developing human resources" or "Fostering organizational culture." The priorities are "Enhancing the technical capabilities required to achieve the management strategy," "Developing management talent to lead the Group," "Achieving independent growth and career autonomy," "Diversity, equity and inclusion," "Transformation to a workplace of daring and mission" and "Mindset transformation based on the NTN SPIRIT," and we are progressing work on each priority.

Priority actions

The priorities for action to achieve the Medium-term Management Plan, based on the five pillars of the human resources strategy, are as follows.

Securing and developing human resources

Enhancing the technical capabilities required to achieve the management strategy

To transform our business structure (business portfolio transformation), drastic and proactive initiatives are vital, as are bold moves into new markets, so the organizational capabilities and human resources required to achieve the strategy are also changing. If we are to fulfil the Medium-term Management Plan policy of transforming the business structure and the strategy to achieve this, it is important to secure the necessary organizational capabilities. This is ongoing, with capacity building, assigning the right people to the right posts, and strengthening the recruiting structure, combined with securing more diverse external personnel.

Developing management talent to lead the Group

In order to achieve our management plan in such uncertain times, it is vital that NTN Group methodically develop managers who can lead us forward. In addition to forming a talent pool of leadership candidates who can achieve results, with the top executive and the Personnel Department joining forces to develop these leaders, we are pursuing manager development from a long-term perspective by running a managerial development program for managers, including young business leaders.

Achieving independent growth and career autonomy

Through growth based on independent career plans and career development, and by supporting employees to fulfil their career plans, we can achieve sustained growth of both our employees and the organization.

Fostering organizational culture

Diversity, equity and inclusion

We are working toward "creating a rewarding environment that respects the diversity of employees" in which every individual can express their talents to the greatest extent possible. This is because our organization is made up people with diverse technical specialties and experience and by turning those differences into a strength, taking on diverse perspectives and theories, we can realize innovation and new value creation on a daily basis.

Transformation to a workplace of daring and mission

Under difficult conditions, maintaining or improving our competitive advantage requires the creation of even more unique value. Rather than resting on the laurels of past successes or relying on precedent, we believe it is vital to create a workplace culture that empowers a brave attitude informed by constant new ideas.

Mindset transformation based on the NTN SPIRIT

To achieve the long-term strategy, we have to lure exceptional talent and for this, fostering a company culture of strong engagement is very important. By sharing "the NTN SPIRIT" with all employees that clearly states the mindset and actions to be pursued, the vision for the company, what it exists for, employees can find more meaning in their work. This increases the number of employees thinking for themselves and taking the initiative. Creating serious attempts for transformation in this way will not only lead to increased corporate value, but also the growth of employees, a sense of unity in the organization and lead to increased engagement.



Please see the NTN Group sustainability website for specific initiatives related to our human resources strategy.

<https://www.ntnglobal.com/en/csr/sc/human-resources-strategy.html>

NTN's Human Resources Strategy

Indicators and targets

The indicators and targets related to the priority actions under the Medium-term Management Plan are as follows.

Priority actions under the Medium-term Management Plan		Indicator	FY2021	FY2022	FY2023	FY2024	Target	Indicator and reason selected	
Securing and developing human resources	Enhancing the technical capabilities required to achieve the management strategy	Expert course participants (expert: high-level technical expert) (NTN only) *2		—	6	8	As the measure has only just been adopted, targets are yet to be established	As an indicator to measure the improvement of technical skills, we use the status of expert development	
	Developing management talent to lead the Group	No. of succession plan candidates		19	24	25	30 FY2026	Used as an indicator to measure the status of leadership talent development	
	Achieving independent growth and career autonomy	Training hours per employee (NTN only)		16.2 hours	11.9 hours	21.0 hours	Year-on-year growth	Used as indicator of track record of education and training to support employee autonomous growth	
		Training expenditure per employee (NTN only) *3		—	19,180 yen	32,671 yen			
Fostering organizational culture	Diversity, equity and inclusion	Percentage of female managers (NTN only)		4.4%	4.5%	4.2%	5% FY2026	Used as indicator of a rewarding working environment for men and women equally	
		Childcare leave acquisition rate for male employee (NTN only)		37.2%	62.8%	73.0%	100% FY2026		
		Percentage of mid-career hires (NTN only)		19.0%	21.3%	17.3%	30% FY2026	Used as an indicator of career and recruitment systems and workplace environments accommodating to diverse talent	
		Employment of persons with disabilities (NTN only)		2.57% (statutory employment rate: 2.3%)	2.57% (statutory employment rate: 2.3%)	2.50% (statutory employment rate: 2.5%)	Equal to or above the statutory employment rate at that time		
	Transformation to a workplace of daring and mission	Scores related to "challenge" and "transformation" in employee engagement surveys (NTN only) *4	Organization allows for learning from failures	58% of responses positive	—	50% of responses positive	—	80% of responses positive FY2026	Used as an indicator of attitudes to daring and transformation
			The workplace environment encourages new proposal methods	45% of responses positive	—	42% of responses positive	—		
	I try to perform beyond expectations		76% of responses positive	—	65% of responses positive	—			
	Mindset transformation based on the NTN SPIRIT	Scores related to "corporate philosophy" and "collaboration" in employee engagement surveys (NTN only) *4	The NTN SPIRIT is practiced	62% of responses positive	—	51% of responses positive	—	80% of responses positive FY2026	Used as an indicator of the promotion of fostering unity through embedding of the corporate philosophy throughout the organization
I know the meaning of my work			74% of responses positive	—	55% of responses positive	—			
There is mutual respect and collaboration among departments			32% of responses positive	—	29% of responses positive	—			
Human rights		No. of participants in human rights education (total number) (NTN only)		1,354	1,443	1,812	Year-on-year growth	Used as an indicator of solid knowledge and understanding of human rights through human rights education	
Investment for Health		Percentage of people in the healthy weight range (BMI between 18.5 and 25) (NTN only)		65.4%	66.0%	65.5%	70.0% FY2026	Used as an indicator of employees safely and healthily working continuously over a long period	
		Percentage of high-stress employees (NTN only)		8.6%	9.0%	8.7%	7.0% FY2026		
		No. of occupational accidents (resulting in lost work time) (NTN only) *5		4	2	0	0		

*1 The above indicators cover NTN Group and its subsidiaries unless otherwise specified.

*2 As the expert course was only started in FY2023, there were no subjects prior to that. The number of persons represents those who are designated and scheduled to be appointed to the expert course.

*3 The survey tracking spending on training started in FY2023.

*4 The employee engagement survey is conducted every two years, so no survey was conducted in FY2022 and FY2024. The next survey is scheduled to be conducted in FY2025. The employee engagement surveys conducted in FY2021 and FY2023 were conducted only on some employees.

*5 Regarding the number of occupational accidents (resulting in lost work time), the period covered by the statistics for FY2024 was the financial year from December 16, 2023 to December 15, 2024, as were the previous periods (FY2023 and earlier).

NTN's Human Resources Strategy

Topics | 1

Mechanisms supporting career independence



At our company, we are working to create an environment where each employee can think autonomously about their career and take on challenges. By providing diverse career paths and opportunities for challenges, as well as supporting self-understanding and skill development, we help employees to proactively envision their future and “work enthusiastically.”

Post Challenge Program

Since April 2024, we have implemented the “Post Challenge Program” which recruits employees to challenge themselves for positions such as section manager and department manager. This system aims to provide employees with opportunities to choose their desired career and workplace, enhance employee motivation, and promote organizational revitalization. In fiscal year 2024, five employees have used this system to take on new career challenges.

Career plan training

To provide employees with opportunities to independently consider medium- to long-term careers, we have established a career development and support system. “Career Plan (CP) Training” is implemented across a wide range of age groups from young to middle-aged employees to help them consider their own careers. This in turn promotes employee engagement and motivation improvement leading to organizational revitalization, personnel retention, performance improvement, and other aspects of sustainable corporate growth. Additionally, we conduct career interviews to support Career Plan training and provide career support education not only for employees themselves but also for their supervisors who are managers, leading to improved relationships between subordinates and supervisors, improved approaches to subordinates' current job categories, and future-oriented JR (job rotation).



Career plan training scenes

Topics | 2

Initiatives for securing diverse human resources



To secure diverse human resources and promote their active participation, our company is implementing various initiatives in response to changes in the recruitment environment.

Initial Assignment Placement Guaranteed Hiring

The new graduate recruitment environment, against the backdrop of intensifying competition for talent acquisition among companies and diversification of students' career awareness, has seen attention shift from traditional batch recruitment of new graduates and general position recruitment to methods that place greater emphasis on specialization and respond to individual aptitudes and orientations. Our company has newly introduced “Initial Assignment Placement Guaranteed Hiring” scheme for some job categories, matching and guaranteeing initial assignment job categories at the time of recruitment selection. Through this, we believe that not only will students' motivation to join the company and satisfaction with assigned job categories improve, but career formation after joining will become clearer. Additionally, this enables appropriate placement of highly specialized human resources, which we expect will lead to improved engagement and suppression of early turnover.

Target Job Categories

Administrative recruitment: Finance and Accounting positions, IT Planning positions
 Technical recruitment: Research and Development positions, Design and Development positions, Production Engineering positions, Quality Assurance positions, Information Systems positions

Internship and work experience

Our company provides students with practical internship and work experience programs. These are programs where students can learn about working in manufacturing through practical experience in each department, such as bearing design and development, and sales positions. For technical positions, students experience research and development, design and development, quality assurance work for new bearing and products for automotive and industrial machinery, etc. For administrative positions, they experience mock sales negotiations for sales positions, marketing strategy planning for sales planning positions, and process schedule planning for production management positions, etc. With support from senior employees, students can get a sense of working at NTN and the workplace atmosphere in addition to experience the difficulty of achieving results as a team.

Additionally, through feedback from instructors and self-analysis, students can learn about their strengths and areas for improvement, clarify their career vision. Furthermore, it is expected that they will take ownership in their career choices and achieve career autonomy. Through these initiatives, our company also aims to incorporate students' fresh perspectives into our business activities and grow together.



Internship scenes

Respect for Human Rights

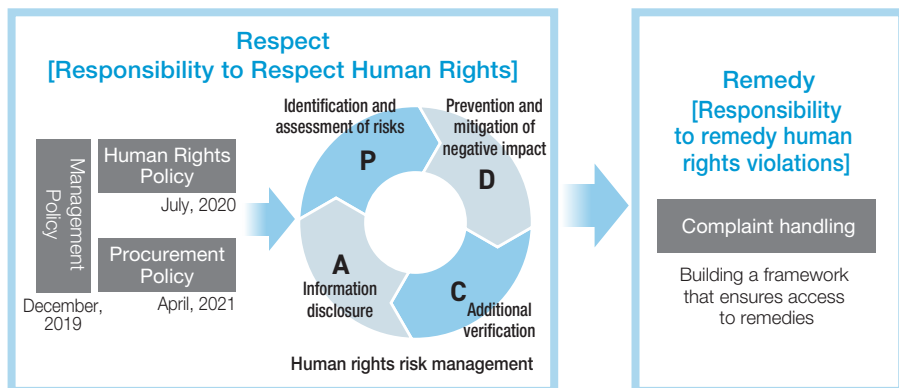
Basic approach to human rights

The Group believes that in order to contribute to a sustainable society and continue to be a “company needed by society,” it is essential to fulfill our corporate responsibilities relating to respect for human rights and to earn the trust of society. Accordingly, we have included “respect for human rights” in our Management Policy. In addition, we have established a Human Rights Policy, which stipulates that we will not violate any form of human rights. We are also committed to awareness-raising activities related to respect for human rights and work environment development so that varied employees of the Group can all work safely and comfortably.

Human rights due diligence

Based on the two perspectives of “respect” and “remedy” set forth in the United Nations Guiding Principles on Business and Human Rights, The NTN Group prioritizes “responding to human rights risks in employees,” “responding to human rights risks in the supply chain,” and “building a framework that ensures access to remedies,” which is considered to have a particularly high severity among the human rights risks in the NTN Group. In order to ascertain the actual situation about negative human rights impacts, such as forced labor, child labor and abuse of employees’ freedom and rights, in our business activities, we conducted a human rights questionnaire for our 44 overseas affiliates and received answers from all of them. As a result of the questionnaire analysis in FY 2024, we conclude that the possibility of risk occurrence is low, as most of the overseas affiliates have the policy and framework for protecting human rights and non-occurrence of incidents related to human rights violation was answered. On the contrary, several companies have received complaints from employees but have already taken the appropriate and necessary actions in accordance with their internal policies. We will continue to engage in human rights due diligence by conducting periodic questionnaire to identify and resolve issues, while evaluating the effectiveness of our initiatives.

United Nations Guiding Principles on Business and Human Rights



Human Rights Policy

In order to further promote human rights initiatives, a Human Rights Policy was established by resolution of the Board of Directors. It is a common set of values related to human rights shared by all Group employees that serves as the touchstone for day-to-day behaviors and business activities, as we seek to ensure that human rights are respected.

Based on the Human Rights Policy, we will take action on human rights issues – action that is becoming increasingly standardized globally as exemplified by the Sustainable Development Goals (SDGs) and the UK’s Modern Slavery Act - and fulfill our corporate responsibility for respecting human rights.

Respond to human rights risks in employees

Sound workplace relations based on labor-management discussions

Establishing a forum where labor and management can share information with each other, NTN Group strives to share the content of each measure. Quarterly “Labor-Management Roundtable Meetings” are held in which executives provide thorough explanations about business operations and strategies, the business environment and other topics to the labor union and listen to the views of labor. In addition, labor-management committee meetings are held whenever appropriate regarding actions leading to improved employee motivation and ease of work. In very intense exchanges of opinion, the committee decides on ways to improve working conditions so that NTN Group remains an attractive place to work.

Survey of foreign workers

Given the vulnerable position of foreign workers in Japan, we proactively address the foreign workers’ human rights. Specifically, we investigate the working condition of foreign workers in our Group and have a system in place to enable quick response as necessary.

Respond to human rights risks in the supply chain

Conflict mineral surveys

Incomes from the mining of tin, tantalum, tungsten and gold (3TG) in the conflict areas of the Democratic Republic of the Congo (DRC) and neighboring countries could be a source of capital for armed forces, which could lead to human rights infringement, illicit mining and smuggling. We continuously monitor whether the mineral resources contained in materials and components used in our products are mined from conflict and high-risk areas. In FY 2024, we traced back through our supply chain of 244 business partners to identify the material smelters, and about 96% of such partners reported that they do not use any conflict minerals. We will continue to conduct this survey periodically.

Companies listed on U.S. Stock Exchanges are required to disclose any use of conflict minerals under the U.S. Dodd-Frank Act. Based on the results of the above survey, we respond to inquiries from our customers regarding conflict minerals, even though we are not subject to this Act.

Stakeholder Dialogue

11th Stakeholder Dialogue

Through dialogue with various stakeholders, we are working to sustainably enhance corporate value.

Themes of the dialogue

- Disseminating sustainability information
- Prosperous human development - NTN's human capital



Facilitator

Eriko Nashioka

Representative Director,
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NTN

- Koji Takahashi** Executive Officer, Deputy Corporate General Manager, Group Management Headquarters/Corporate Communications Department/ICT Strategy Department
- Yasuhiro Kawabata** Executive Officer, Deputy Corporate General Manager, Group Management Headquarters/Human Resources Strategy Department/Personnel Department/General Affairs Department/Legal Department
- Tsuyoshi Kikuta** Executive Officer, Deputy Corporate General Manager, Group Management Headquarters/ Financial Strategy Department/ESG Promotion Department/Accounting Department/Internal Control Department

- Takashi Nishigaito** Manager, Corporate Strategy Department, Group Management Headquarters
- Tatsuo Nagao** Manager, Corporate Communications Department, Group Management Headquarters
- Tomohito Hayashi** Manager, Human Resources Strategy Department, Group Management Headquarters
- Shigeyuki Hayashi** Manager, ESG Promotion Department, Group Management Headquarters
- Hiroaki Suzuki** Manager, Personnel Department
- Tomoko Tanaka** Manager, Internal Control Department

*The affiliation and titles of the attendees were current at the time of Dialogue.

Recommendations from Experts

Substantial activities with impact in mind

"Impact" and "Stakeholders" are the key points for identifying materiality. I would like to see these two aspects thoroughly implemented to substantiate sustainability activities. For this purpose, it would be effective to examine what value NTN creates for each item. Current sustainability information disclosure standards do not sufficiently reflect investors' decision-making, so companies must make efforts to disclose meaningful information.

The most important information regarding human capital is information about how much companies invest in employees, such as personnel costs and education expenses. However, Japanese companies are weakest in this area, so improvement is urgently needed. Career autonomy is also an important issue, but for this, each employee needs to seriously consider their purpose (what they want to do) at this company.

Importance of sustainability activities based on original purpose

Our company has not established a Sustainability Committee, but instead uses a monitoring system through the Board of Directors. From an operational perspective, we recognize the importance of committees, but we believe it is necessary to carefully consider whether committees can truly be effective and how to structure committee members.

On the other hand, there is a tendency to be evaluated as "conducting sustainability activities properly" when responding to various disclosure requirements including legal regulations. However, without keeping the original purpose of activities in mind, this will result in wasting resources such as labor and costs. Through this dialogue, we learned very important things, including how to proceed with sustainability activities.



Katsuhiko Kokubu

Professor, Graduate School of Business
Administration, Kobe University

Strengthening monitoring systems and responding to EU regulations

NTN is a Company with Nominating Committee, etc., where Outside Directors serve as the chairperson of the Board of Directors and heads of the three committees, and I believe the separation of execution and supervision is progressing. Taking this one step further, by establishing a sustainability committee as an advisory body under the Board of Directors, with an Outside Director serving as Chairperson and including Outside Directors as members, the system for monitoring activities can be strengthened.

On the other hand, regarding responses to European regulations, NTN is expected to be subject to CSRD* as a non-EU company. By FY2029, consolidated sustainability reports (for FY2028) must be filed through French subsidiaries, but first, consideration should be given to reporting double materiality assessments using both SSBJ standards and GRI universal standards.

*CSRD (Corporate Sustainability Reporting Directive): EU directive on corporate sustainability information disclosure currently under revision.



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NTN




Implementing improvements toward "substantiation" of sustainability activities

This time, Professors Kokubu and Kozuma provided us with many eye-opening insights along with various key words such as "practice of corporate philosophy," "substantiation," "value creation," and "career autonomy." We were made aware that there are areas in our daily activities that we have been unconsciously putting off. We reflect that we have been reactive, responding because it was legally required or because customers demanded it. We want to improve these aspects.

Additionally, hearing from Sysmex, we learned that they have similar concerns to ours. We would like to exchange opinions again if there is an opportunity to do so.

Stakeholder Dialogue

Communication with Stakeholders

Stakeholders	Stance to Stakeholders	Main Activities
 <p>Employees</p>	<p>NTN Group respects diversity, individuality and a safe and healthy workplace environment where employees can work successfully.</p>	<p>“NTN PROUD AWARD” as ESG Corporate Award “NTN PROUD AWARD” is a system that encourages employees’ sustainability activities and commends outstanding initiatives linked to 13 items of materiality responding to sustainability activities identified by the Group. The system aims to promote understanding and awareness of sustainability activities among employees and fosters their motivation and engagement.</p> <p>Employee engagement survey Based on the survey result, we conduct activities to improve workplace issues, activate workplace communication and work to develop an environment in which each employee has a good reliable relationship with each other.</p> <p>Global QC Circle Convention We strive to improve safety, quality, and productivity on a global basis, and with the convention as a forum for international exchange, we exchange information on a variety of activities.</p>
 <p>Customers</p>	<p>NTN Group seeks to maximize customer satisfaction and trust by providing products and services of superior quality, safety and reliability.</p>	<p>Nationwide Distributors’ Meeting We invite distributors from across Japan to briefing sessions on account settlement overview and aftermarket business measures to strengthen our bond with distributors.</p> <p>Technical service units We run completely-tailored, multi-functional technical service units worldwide, equipped with teaching materials and exhibits to introduce our products, and hold bearing technical seminars for our customers.</p>
 <p>Business partners</p>	<p>NTN Group, in a fair and free environment, builds good partnership with its business partners and works together for mutual growth and development.</p>	<p>Briefing for suppliers We share information on our globalization initiatives and the business environment surrounding our company with our business partners and have seminars in collaboration with external specialized institutions.</p> <p>Promotion of sustainable procurement Through sustainable questionnaires based on the Sustainable Procurement Guidelines, we promote activities with our business partners to help them understand the importance of sustainable procurement.</p>

Stakeholders	Stance to Stakeholders	Main Activities
 <p>Local communities</p>	<p>NTN Group respects cultures and customs in the local communities and builds long-term trust relationships by meeting their expectations through its business activities.</p>	<p>Activities that contribute to the local community (family tours, summer festivals, etc.) We hold family tours and summer festivals at each business site as an opportunity to interact with employees’ families and neighboring residents.</p> <p>NTN Rotating School As an environmental education program for children who will lead the next generation, mobile-type schools have been opened in various places to deepen friendships with the local community.</p> <p>Conservation of biodiversity In cooperation with local residents and NPOs, we are working to protect the environment of Satoyama (village forest) areas around our business sites and to protect endangered species.</p>
 <p>Shareholders</p>	<p>NTN Group focuses on return for shareholders by sustainable profitable growth and builds long-term trust relationships with shareholders through active communications.</p>	<p>Shareholders’ Meeting The Shareholders’ Meeting is a forum for communication to build long-term relationships of trust with shareholders.</p> <p>ESG briefing In addition to holding results briefings for investors, we also hold ESG briefings to promote understanding of our ESG initiatives. The opinions we receive at the briefings are used to strengthen our activities and information disclosure.</p>
 <p>Environment</p>	<p>NTN Group harmonizes its business activities with nature and contributes to preserve the global environment by providing its technologies, products and services.</p>	<p>Reducing environmental impact in business activities We are working to minimize harmful environmental impacts by monitoring and reducing emissions of CO₂ and regulated chemicals in our business activities.</p> <p>Sustainable use of resources We are striving for sustainable resource utilization by reducing the use of resources such as raw materials and water, and by thoroughly implementing the 3Rs (reduce, reuse, and recycle) of waste.</p> <p>Developing environment-contributing product We are contributing to the realization of a carbon-free society by developing products that help reduce energy loss in finished products and natural energy-related products.</p>