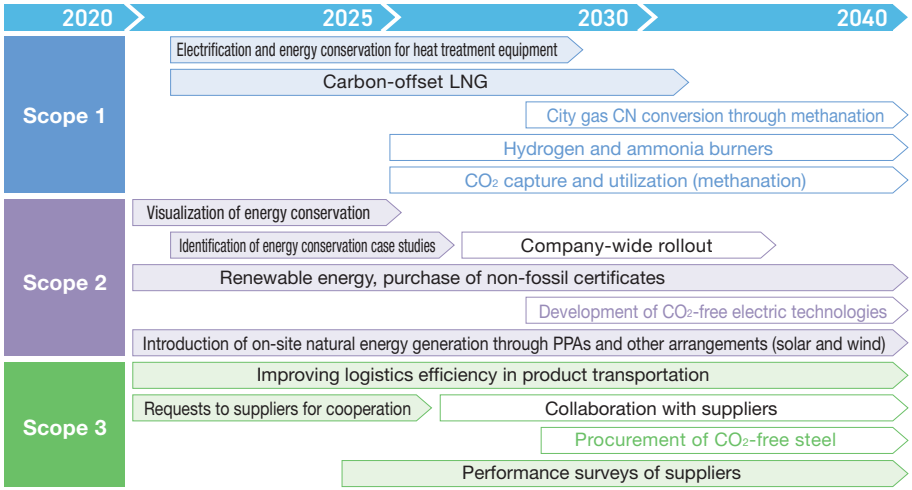
NTN's Goal of a Carbon-neutral Society

Reduction measures for each scope

This shows the overall picture of initiatives in each scope. We are promoting internal initiatives to reduce CO_2 emissions, including electrification, energy conservation, and the introduction of natural energy generation, while collaborating with external organizations to accelerate these efforts.

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



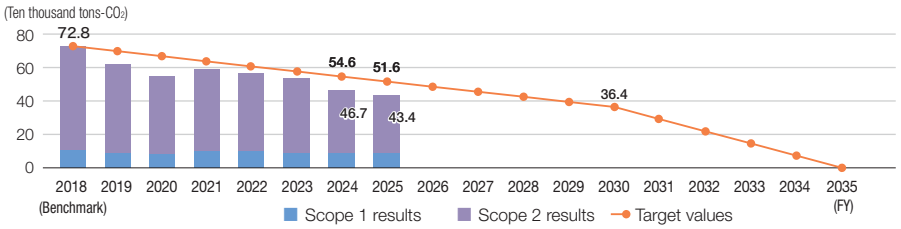
*Shaded items are in progress, and items shown in colored fonts are initiatives by external organizations

CO_2 emission results

The FY2025 results were Scope 1: 77,935 tons (domestic: 43,749 tons, overseas: 34,186 tons), Scope 2: 355,850 tons (domestic: 167,447 tons, overseas: 188,403 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.

CO_2 Emissions (Scope 1 and 2)

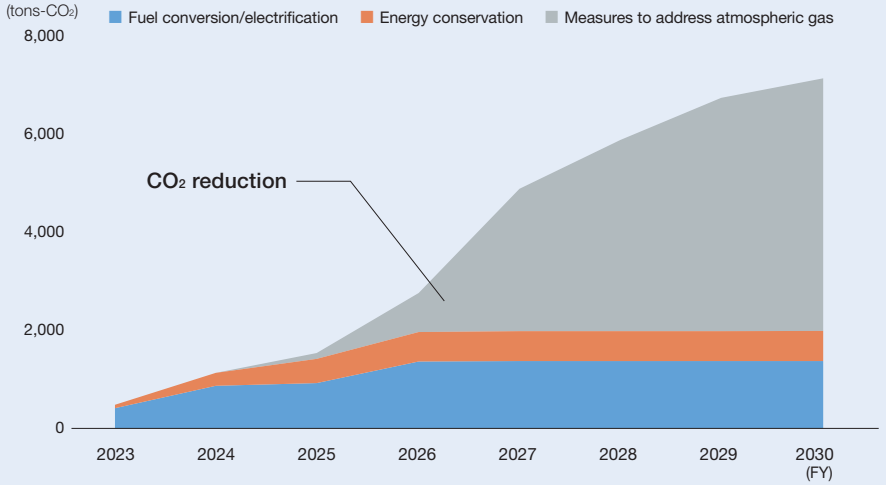


Scope 1

Energy-saving measures for heat treatment equipment

To reduce CO_2 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. We are also reducing CO_2 emissions by implementing measures to control furnace atmospheres in furnaces dedicated to conventional quenching.

Overall picture of initiatives for heat treatment equipment (domestic)



In FY2025, energy-saving measures for heat treatment equipment reduced CO_2 emissions by 405 tons, bringing the cumulative reduction since FY2023 to 1,537 tons.

Domestic Scope 1 emissions decreased by 1,847 tons, from 45,596 tons in FY2024 to 43,749 tons in FY2025. The reduction of 405 tons achieved through energy-saving measures for heat treatment equipment was equivalent to approximately 22% of this year-on-year decrease.

It should be noted that changes in domestic Scope 1 emissions are affected by multiple factors, including production volume, equipment operating conditions, and various emission reduction measures.