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

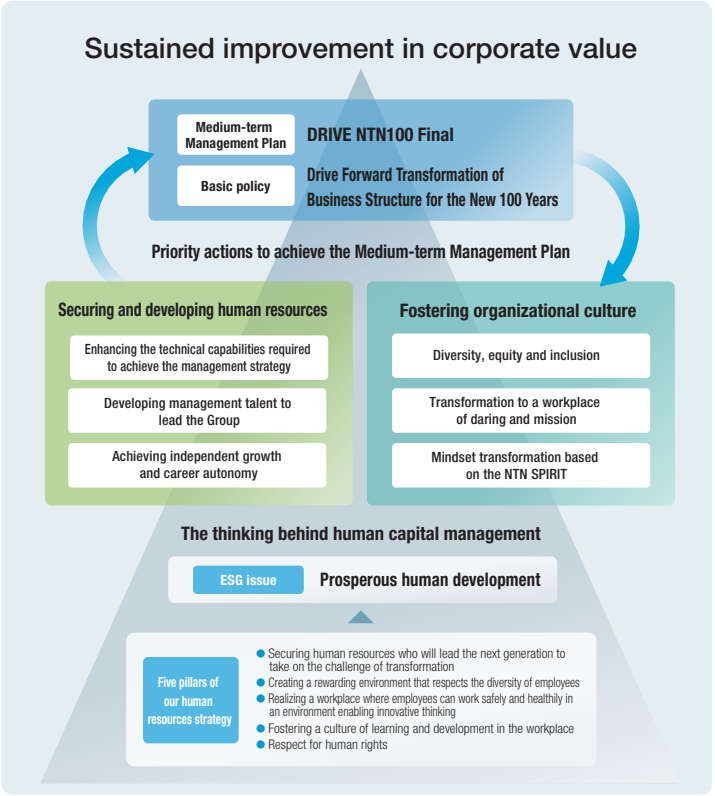
We are working toward "creating a rewarding environment that respects the diversity of employees" in which every individual can express their talents to the greatest extent possible. This is because our organization is made up people with diverse technical specialties and experience and by turning those 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

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		FY2023	FY2024	FY2025	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	12	15 FY2026	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		24	25	29	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)		11.9 hours	21.0 hours	24.1 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)		19,180 yen	32,671 yen	33,108 yen		
Fostering organizational culture	Diversity, equity and inclusion	Percentage of female managers (NTN only)		4.5%	4.2%	4.9%	5% FY2026	Used as indicator of a rewarding working environment for men and women equally
		Childcare leave acquisition rate for male employee (NTN only)		62.8%	73.0%	89.6%	100% FY2026	
		Percentage of mid-career hires (NTN only)		21.3%	17.3%	19.4%	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%)	2.50% (statutory employment rate:2.5%)	2.64% (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) *3	Organization allows for learning from failures	50% of responses positive	—	56% 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	42% of responses positive	—	47% of responses positive		
			I try to perform beyond expectations	65% of responses positive	—	67% of responses positive		
	Mindset transformation based on the NTN SPIRIT	Scores related to "corporate philosophy" and "collaboration" in employee engagement surveys (NTN only) *3	The NTN SPIRIT is practiced	51% 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	55% of responses positive	—	56% of responses positive		
			There is mutual respect and collaboration among departments	29% of responses positive	—	32% of responses positive		
Human rights		No. of participants in human rights education (estimate) (NTN only)		1,443	1,812	2,673	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)		66.0%	65.5%	65.4%	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)		9.0%	8.7%	8.9%	7.0% FY2026	
		No. of occupational accidents (resulting in lost work time) (NTN only) *4		2	0	7	0	

*1 The above indicators cover NTN Group and its subsidiaries unless otherwise specified. *2 The figure represents the number of individuals certified for the Expert Course and scheduled to assume the role.
*3 The employee engagement survey is conducted every other year; accordingly, no survey was conducted in FY2024. The employee engagement surveys conducted in FY2023 and FY2025 covered a select portion of employees.
*4 Regarding the number of occupational accidents (resulting in lost work time), the aggregation period for FY2025 covers December 16, 2024 to December 15, 2025. The aggregation periods for FY2024 and prior fiscal years are determined in accordance with the same methodology.