Governance Structure

1 Board of Directors

The Board of Directors decides on the basic management policies and supervises the execution of duties of Directors and Executive Officers. Apart from matters stipulated by laws and regulations or the Articles of Incorporation to be resolved by the Board of Directors, the Board delegates substantial authority to Executive Officers with the aim of strengthening the supervision of management and speeding up decision-making.

The Articles of Incorporation stipulate that the term of office of a Director shall be one year, and the number of Directors shall be 15 or fewer. The Board of Directors convenes once a month in principle, but also meets flexibly as needed.

As of June 24, 2026, there are 12 Directors, of which six are Outside Directors. The Board is chaired by an Outside Director.

2 Nominating Committee

The Nominating Committee decides on the content of the proposal regarding appointment or removal of Directors, which is submitted to the General Meeting of Shareholders. Five members sit on the committee as of June 24, 2026, three of whom are Outside Directors. The committee is chaired by an Outside Director.

3 Compensation Committee

The Compensation Committee decides on the policy for determining the compensation of Directors and Executive Officers, and determines compensation for individuals. Six members sit on the committee as of June 24, 2026, four of whom are Outside Directors. The committee is chaired by an Outside Director.

4 Audit Committee

The Audit Committee audits the execution of duties of Directors and Executive Officers, and decides on the content of a proposal regarding appointment/removal of the accounting auditor, which is submitted to the General Meeting of Shareholders. The duties of the Audit Committee are supported by the Internal Audit Department, and its concurrently assigned staff members serve as the Audit Committee secretariat and other functions. These staff members, who have the requisite skills and experience to support the Audit Committee, are appointed by the manager of the Internal Audit Department with the approval of the Audit Committee. Decisions on matters related to transfer, disciplinary action or evaluation of these staff members require the approval of the Audit Committee. The committee has five members as of June 24, 2026, four of whom are Outside Directors. The committee is chaired by an Outside Director.

5 Management Meeting

The Management Meeting discusses important matters relating to operational execution, as the supporting body for decision-making by the President, Executive Officer. The meeting is composed of the President, Executive Officer and other Executive Officers as designated by him and held twice a month in principle.

6 Executive Officers Meeting

The Executive Officers Meeting is convened by the President, Executive Officer and is composed of all Executive Officers. Resolutions passed by the Board of Directors are communicated and Executive Officers report about the status of operational execution. This meeting is held once a month in principle, sharing information among Executive Officers to make operational execution more efficient and effective.

Governance structure timeline

2006	● CSR Committee is established
2008	● Risk Management Committee is established ● An Outside Director is appointed for the first time
2011	● The number of Outside Directors increases (from 1 to 2)
2012	● Fair Trade Monitoring Committee is established
2015	● Compliance Committee is established ● The effectiveness of the Board of Directors is assessed
2016	● Compensation Advisory Committee is established
2018	● New corporate philosophy system is established
2019	● Transition to Company with Nominating Committee etc. ● The number of Outside Directors increases (from 2 to 5) ● Sustainability Committee is established
2020	● First woman appointed as a Director (Outside)
2021	● Executive Officer hierarchy flattened
2022	● ESG incorporated in the Executive Officer evaluation system ● Female Outside Director appointed as the chair of the Board of Directors
2023	● Important meeting briefing held for Outside Directors ● Carbon Neutrality Promotion Committee is established
2024	● Change to the performance-linked compensation ratio for Executive Officers (increased from 40% to 50% of total compensation)
2025	● The number of female Outside Directors increases (from 1 to 2)

Board of Directors

Activities of the Board

In FY2025, NTN's Board of Directors met 15 times. The main agenda items are shown in the table below.

The Board, which consists of both Inside and Outside Directors, is selected from a wide range of fields with consideration for diversity and balance. As of June 24, 2026, there are two female Directors (Outside Directors) on the Board, and the Board is chaired by an Outside Director. Through the oversight of management by the Directors, diverse values are integrated in our efforts to achieve sustained enhancement of corporate value.

Note: In addition to the above number of Board of Directors meetings, there was one written resolution deemed to be a resolution of the Board of Directors.

Board of Directors (from April 1, 2025 to March 31, 2026)

Category	Main Content	Remarks
Business plans and status of each business and region	・Plan at the start of the fiscal year ・Progress of business structure reform under the Medium-term Management Plan ・Status of each business and each region	The plan at the start of the fiscal year is followed up on a monthly basis through monthly reports. Regarding the Medium-term Management Plan, in addition to overall progress, the individual status of each business and each overseas region was also reported on a regular basis, and confirmed and discussed.
Compliance-related matters	・Status of compliance ・Status of Helpline operations	Regarding the status of the Helpline (whistle-blower system), the number of consultations by type and an overview of consultations (within a scope that does not identify individuals), as well as the operational status, were confirmed and discussed.
Risk management and sustainability	・Status of risk management ・Status of safety and health activities ・Progress of information security enhancement measures ・Progress of sustainability activities ・Strengthening of internal control systems in overseas regions	Regarding the status of safety and health activities, the occurrence of occupational accidents and cause analysis, among other matters, were confirmed and discussed. Regarding progress in strengthening information security measures, recent cyberattacks and their characteristics, the status of defense against cyberattacks on the Company, and the status of promotion of information security measures were each confirmed and discussed.
Other	・Status of capital expenditure ・Analysis of voting results at the General Meeting of Shareholders	Regarding the status of capital expenditure, follow-up on investment performance, among other matters, was confirmed. Regarding the analysis of voting results at the General Meeting of Shareholders, detailed approval/disapproval results by candidate, among other matters, were confirmed and discussed.

Assessing the effectiveness of the Board

To improve the effectiveness of the Board of Directors, we conduct an annual assessment of the Board's effectiveness through self-evaluation by each Director using a questionnaire, and report the results to the Board of Directors.

Overview of the FY2025 Assessment

Period : February 2 – February 20, 2026

Respondents : All Directors

Method : Anonymous

Items : Role, composition, and operation of the Board of Directors, and operation of committees

Evaluation : Four-point scale

Results Reporting : Board of Directors meeting held on May 21, 2026

Regarding FY2025, the overall effectiveness of the Board of Directors was rated generally high, and also showed an improving trend compared to the previous fiscal year. In FY2026, in order to secure more time for discussion toward further enhancing effectiveness, we have implemented and begun operating further improvements to the method by which Executive Officers report on the status of their execution of duties (including the format of materials, the manner of explanation, and the time allotted for explanation), and we will continue to thoroughly ensure compliance with and firmly establish these rules. Going forward, we will continue to regularly analyze and evaluate the effectiveness of the Board of Directors and work to make improvements.

About Outside Directors

As of June 24, 2026, the Board of Directors consists of 12 members, including six Inside Directors and six Outside Directors, a ratio of Outside Directors of 50%. We will continue to strengthen the supervision of management and improve transparency and fairness. In order to ensure appropriate corporate governance, we have also established our own standards regarding the independence of Outside Directors, stipulating qualification and independence standards for their appointment. All Outside Directors are designated as Independent Directors as defined by the rules of the Tokyo Stock Exchange, and are reported to the Exchange as such.

In order to ensure a Board environment of vibrant discussion, we have established in principle monthly seminars for Outside Directors on the content of discussions in key meetings of executive departments. Moreover, we continuously provide the information necessary for Outside Directors to effectively fulfill their roles and responsibilities by creating opportunities to deepen their understanding of our business through in-person inspection of business sites and other means.

