Compensation Committee

Deliberations of the Compensation Committee

The Compensation Committee held six meetings from April 2025 to March 2026.
With the aim of strengthening the fairness, transparency, and objectivity of the procedures for determining the compensation of Directors and Executive Officers, and enhancing corporate governance, the Committee resolved matters relating to officer compensation, including individual compensation.

Period: from April 1, 2025 to March 31, 2026

1st meeting	・2025 bonus for Executive Officers ・Points granted by BIP Trust for compensation of Officers
2nd meeting	・Decision on the order of replacement in the event of the Chairperson being unable to serve ・Director compensation ・Annual activity plan
3rd meeting	・Method for evaluating the performance of the President, Executive Officer, and method for determining compensation
4th meeting	・Verification of officer compensation levels and compensation structure ・Interim performance evaluation of the President, Executive Officer
5th meeting	・Officer compensation
6th meeting	・Executive Officer compensation

Basic policy for determining compensation

The Compensation Committee, chaired by an Outside Director, shall determine the system and level of compensation for Officers and individual compensation with reference to objective data on compensation levels and trends at other companies.

Executive Officers' and Directors' compensation shall be determined separately, and if a Director also serves as an Executive Officer, those compensations shall be combined.

In addition, the Compensation Committee Regulations stipulate that a majority of the members shall be composed of Independent Outside Directors, and that any member with a special interest may not participate in the resolution.

Compensation for Directors

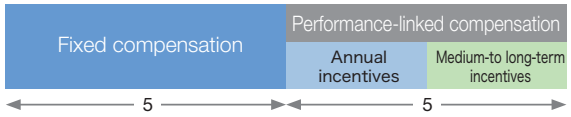
Compensation for Directors consists only of fixed compensation.

Fixed compensation shall be calculated by adding a supplement to basic compensation (which is determined based on any concurrent duties as an Executive Officer and whether the work is full-time or part-time), taking into account the committee(s) to which Directors belong and their role on the committee(s).

Compensation for Executive Officers

The compensation for Executive Officers consists of fixed compensation and performance-linked compensation, which varies based on performance. The standard ratio of fixed to performance-linked compensation is approximately 5:5.

Going forward, we will also consider reviewing the overall design of the compensation system.



Fixed compensation

Fixed compensation consists of basic compensation, compensation by responsibility, and compensation by representative authority.

Performance-linked compensation

Annual incentives

For Executive Officers, the Group determines whether to provide monetary compensation reflecting performance over a single fiscal year, and, if so, the total amount to be paid. This decision is based on the business plan at the beginning of the relevant fiscal year and the consolidated performance indicators from the previous fiscal year. Whether or not to pay an annual incentive to an Executive Officer, and in the case of payment, the amount, is determined (within the total amount of provision) with reference to the Executive Officer's progress on priority target measures. The indicator related to the calculation of bonuses is based on the consolidated Return on Invested Capital (ROIC), from the perspective of focus on the achievement of growth that takes capital efficiency into account. The provision is made once a year in June as determined by the Compensation Committee.

Medium- to long-term incentives

NTN Group shares shall be issued based on the achievement of key targets in the Medium-term Management Plan (money equivalent to the converted amount of shares shall be paid for a certain portion) as an incentive to achieve those targets and to contribute to raising shareholder value, as well as to promote the holding of NTN Group shares. With respect to the grant of such shares, claw-back and malus provisions have been incorporated into the rules governing the incentive plan. Medium- to long-term performance targets include key performance indicators (consolidated operating margin, consolidated sales, etc.), taking into account the Company's management policies.