

## **Modern Slavery and Human Trafficking Statement for the Fiscal Year 2022**

### **1. Introduction**

This statement has been published by NTN Corporation (hereinafter called “NTN”) pursuant to reporting requirements in accordance with Section 54 of the UK’s Modern Slavery Act 2015, and discloses the steps or policies taken in order to prevent modern slavery and human trafficking in the NTN Group and its supply chain.

### **2. About NTN Group**

NTN is a precision machinery manufacturer that researches, develops, manufactures, and sells bearings and driveshafts (CVJs). In 2018, NTN celebrated its 100th anniversary.

Our main products, bearings are essential and precision components that support rotation of machinery. They are used in various types of machinery including automobiles, wind turbines, rolling stocks, and others to support the lives of people around the world.

NTN aims to contribute to solving social issues around the world and realize a “NAMERAKA Society” where people can easily lead a secure and fulfilling life in harmony with nature.

The NTN Group has 212 bases in 34 countries around the world. (118 sales bases, 72 manufacturing bases, 15 R&D bases, and 7 other bases as of the end of March 2023) The number of employees around the world exceeds more than 20,000 employees.

Click here for details of our business Groups and their activities:

<https://www.ntnglobal.com/en/corporate/index.html>

### **3. Our policies in relation to slavery and human trafficking**

We endorsed the United Nations Global Compact (an international initiative for developing a global framework for sustainable worldwide growth) in 2015. Under the UN Global Compact, we support ten principles in the four areas of human rights, labor, environment, and anti-corruption.

In the following policies, etc., the NTN Group states that the NTN Group will prevent any slavery and human trafficking in any part of our own business and in any of our supply chains, and we fulfill our corporate responsibility to respect for human rights.

#### **▪ Corporate Philosophy**

The NTN Group’s corporate philosophy states, “We shall contribute to international society through creating new technologies and developing new products” and we aim to realize a “NAMERAKA Society” where people can easily lead a secure and fulfilling life in harmony with nature through practicing its corporate philosophy.

#### **▪ NTN SPIRIT**

The Founders’ Spirit that NTN has embraced since its founding in 1918 are the Frontier Spirit, which encourages us to keep challenging, and the Coexistence and Co-prosperity Spirit, which encourages us to develop together with society. The Founders’ Spirits was incorporated into the corporate philosophy as NTN’s DNA, and has been passed down to the employees for over 100 years.

In order to put the corporate philosophy into practice, the NTN Group employees use the NTN SPIRIT, the mindset and actions they are to aim for, as a cornerstone of their own work.

By putting our corporate philosophy into practice, we aim to help solve global social issues through our technical expertise and services, and achieve a sustainable “NAMERAKA Society.”

Corporate Philosophy and NTN SPIRIT:

[https://www.ntnglobal.com/en/corporate/idea/corporate\\_philosophy.html](https://www.ntnglobal.com/en/corporate/idea/corporate_philosophy.html)

#### ▪ **Management Policy**

This policy represents the NTN Group's management philosophy and stance, and is based on the Founders' Spirit consisting of the “Frontier Spirit” and “Coexistence and Co-prosperity Spirit” and on our corporate philosophy that incorporates these spirits. In addition, the NTN Group has clearly stated its stance towards all stakeholders involved in the NTN Group.

The NTN 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.

Management Policy:

[https://www.ntnglobal.com/en/corporate/idea/management\\_policy.html#anchor01](https://www.ntnglobal.com/en/corporate/idea/management_policy.html#anchor01)

#### ▪ **Human Rights Policy**

In order to further promote human rights initiatives, we have formulated a Human Rights Policy in which all Group employees share common sense of values related to human rights and which serves as the basis for their day-to-day activities and business activities. In doing so, we are making efforts to ensure that human rights are respected. Based on the Human Rights Policy, we will address human rights issues which are gaining more and more global attention, and fulfill our corporate responsibility to respect for human rights.

Outline of the Human Rights Policy

1. NTN will respect internationally-recognized human rights.
2. NTN will not violate the human rights of others.
3. NTN will respond appropriately to any negative impacts its business activities may have on human rights.

Human Rights Policy:

[https://www.ntnglobal.com/en/corporate/idea/management\\_policy.html#anchor04](https://www.ntnglobal.com/en/corporate/idea/management_policy.html#anchor04)

This Human Rights Policy is based on the NTN Group's Management Policy and clarifies responsibility to respect for human rights.

#### ▪ **Procurement Policy**

We formulated a Procurement Policy. Based on the perspectives of “Fairness/Impartiality,” “Compliance with Laws and Regulations,” “Green Procurement,” and “Coexistence and Co-prosperity,” purchasing departments at our head office play a central role in building a relationship of trust with business partners,

and promote procurement that takes into consideration the reduction of environmental impact from suppliers that committed to respect for human rights, worker safety, protection of confidential information, and comply with environmental laws and regulations. Under our Procurement Policy, we have also established the "NTN CSR Procurement Guidelines" and request our suppliers to actively promote CSR activities.

Procurement Policy:

[https://www.ntnglobal.com/en/corporate/idea/management\\_policy.html#anchor06](https://www.ntnglobal.com/en/corporate/idea/management_policy.html#anchor06)

NTN CSR Procurement Guidelines

[https://www.ntnglobal.com/en/csr/pdf/csr\\_guideline.pdf](https://www.ntnglobal.com/en/csr/pdf/csr_guideline.pdf)

#### **4. Respond to human rights risks**

- **The process of due diligence and continued initiatives**

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.” In order to ascertain the actual situation about negative human rights impacts in our business activities, we conducted a human rights questionnaire for our overseas affiliates.

- **Respond to human rights risks in employees**

**<Dialogues with labor unions and employees>**

In accordance with applicable laws and regulations and labor agreements in Japan, we hold labor-management consultations with labor unions on a case-by-case basis, respecting each other's position, and listen to the opinions of our employees. In addition, we conduct human rights due diligence globally by holding dialogues with labor unions and employees in accordance with the labor situation in each country.

**<Foreign workers' human rights>**

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 supply chain**

**<Correspond to forced labor and child labor (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 the fiscal year ended March 2023, we traced back through our supply chain of 245 business partners to identify the material smelters, and more than 97% 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.

- **Build a framework that ensures access to remedies**

**<Helpline (whistle-blower system) and educational activities>**

In NTN, the whistle-blower system called Helpline has been established within and outside the Company and has been operated as a contact point for providing consultation regarding violations of laws, Business Code of Conduct, and in-house regulations. Helpline provides consultation for cases such as suspected violations of labor-related laws, including harassment, as well as violations of in-house regulations, and conducts investigation in accordance with Helpline Management Rules that stipulate ensuring the confidentiality and prohibition of detrimental treatment against the whistle-blower and collaborators of the investigation. Through provision of information in various compliance training sessions and in the Code of Conduct Guidebook, we have established a structure where all employees can utilize Helpline, not only as a tool to report misconduct, but also as a means of raising questions and expressing opinions and complaints regarding the Business Code of Conduct, and maintaining satisfactory relationships between the company, officers, employees, and business partners. Whistle-blower systems are being progressively created and operated also in overseas regions, where they are tailored to local needs and circumstances.



**5. Training and Education**

NTN implements training and makes management and employees well known about harassment and diversity.

This statement was approved and signed, on October 11, 2023, by the Representative Executive Officer, President and CEO delegated with the authority to do so by NTN's Board of Directors, after deliberation by Management Meeting on the same date.

Signed by

Eiichi Ukai  
 Representative Executive Officer, President and CEO  
 NTN Corporation  
 October 11, 2023