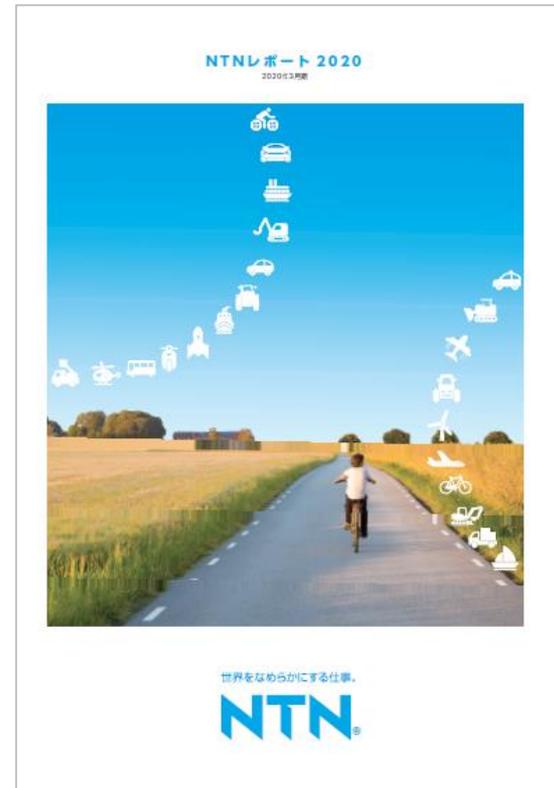


NTN CORPORATION ESG Meeting



Make the world **NAMERAKA**



December 1, 2020
NTN CORPORATION

Introduction of Today's Participants



- Director, Representative Executive Officer, President
Hiroshi Ohkubo
- Corporate Value Promotion Dept. Manager, CSR Headquarters
Kouhei Iguchi
- EHS (Environment, Health and Safety) Integrated Management
Department Manager
Masayuki Yamazaki
- Corporate Communications Dept. Manager, Corporate Strategy
Headquarters
Youichiro Mochida

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3. Q&A session

Objectives of ESG Meeting

In addition to gaining an understanding of our ESG initiatives and progress, we will use this dialog to improve our future activities.

[Our Challenges in the Previous Meeting in 2019]

- 1) Setting Medium-to Long-Term Targets for Environment
- 2) Strengthening Human Rights Efforts

Social issues anticipated in future

Climate change

Environmental
Pollution

Growth of
Emerging Countries

Technological Innovation
and Changes in
Industrial Structure

Rising Human
Rights Awareness

Changes in
Demographics

Trade issues

SUSTAINABLE DEVELOPMENT GOALS



GiFT supports SDGs.

Items expected to be improved by NTN's ESG initiatives

- ✓ Investor confidence is likely to increase as compensation becomes more transparent, including long-term and short-term weighting and KPIs.
- ✓ Diversity of Board of Directors.

Desired topics and other comments for the next ESG Meeting

- ✓ I would like to hear more specific details on governance initiatives.
- ✓ Explanation including progress on issues (setting medium-to long-term targets for environment and strengthening human rights initiatives).
- ✓ Some SCOPE3 based stories in environment.
- ✓ In society, human rights initiatives and the overall picture of the supply chain.
- ✓ Are the contents of the NTN PROUD AWARD contributing to corporate value?

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Toward the Realization of "NAMERAKA Society"

NTN aims to realize a "NAMERAKA Society"

NAMERAKA Society = A society where people can easily lead a secure and fulfilling life in harmony with nature.



Make the world **NAMERAKA**

By solving social issues through creating new technologies and developing new products,

we will contribute to the development of a sustainable society.

NTN's purpose of existence

In our Corporate Philosophy, **the Founders' Spirit** has been passed down from founders Noboru Niwa and Jiro Nishizono who achieved domestic production of bearings.



Noboru Niwa

" Frontier Spirit "
" Coexistence and
Co-prosperity Spirit "



Jiro Nishizono

Corporate Philosophy:

We shall contribute to international society through creating new technologies and developing new products.

NTN's purpose of existence

In December 2019, we established the NTN Group's Management Policy to present our management philosophy and stance to put into practice the corporate philosophy embodied in our founders' beliefs.

The NTN Group aims to realize a "NAMERAKA Society" through practicing its corporate philosophy. As a company that is trusted and needed by communities, including stakeholders, we engage in business activities with an emphasis on respect for human rights and compliance.

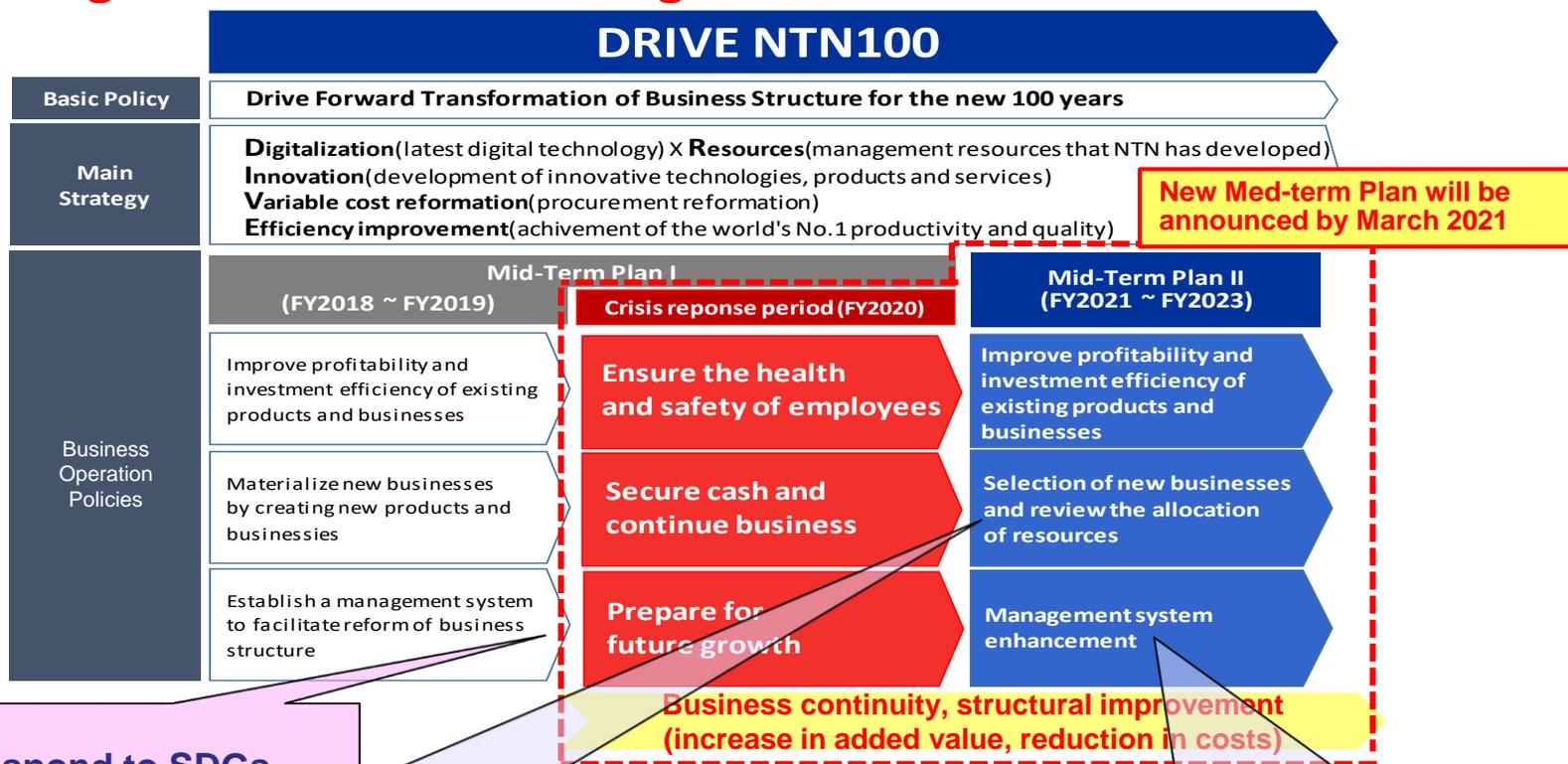
■ Stance to Stakeholders

Employees		We will respect diversity and individuality, and strive to create a workplace environment where employees can work safely and healthily.
Customers		We will pursue customer satisfaction by responding sincerely to customers and providing safe, reliable products and services.
Business partners		We will build good partnerships based on mutual trust with customer and work together to grow and develop under a fair and free environment.
Local communities		We will respect the culture and customs of local communities in which we operate, and through our business activities, we will respond to the expectations of local communities and build long-term relationships of trust.
Shareholders and investors		We will strive to return profits to shareholders through the creation of sustainable profits and build long-term relationships of trust through active communication.
Environment		We will contribute to the global environment through the provision of technologies, products, and services that contribute to the reduction of environmental impact in harmony with the natural environment in our business activities.

Positioning of ESG Initiatives

In FY2020 as “Crisis response period” and FY2021-FY2023 as “Mid-term Plan II”

Strengthening ESG Initiatives through Business Activities



Respond to SDGs

Work on natural energy product business that contribute to environmentally friendly society

Have awareness of Sustainable Development Goals (SDGs) and contribute to solve social issues as a global Company

Identification of Materiality

Identify fields in which NTN can specifically leverage its strengths and fields in which it can fulfill its social responsibilities in solving social issues through its business activities

※ A several examples are shown below from materiality idea

★ Strengthening Positive Impact

Creating Value by Leveraging NTN's Strengths

Leveraging our uniqueness to create environment-contributing products and create new businesses based on social issues

E Environ- ment	Reducing energy loss
	Sustainable society using natural energy
S Society	Safety and comfort

★ Minimizing negative impact

Pursuing Our Social Responsibility to Global Issues

Minimize negative impacts on humans and the planet (Environment issues, human rights issues, etc.)

E Environ- ment	Responding to Climate Change
S Society	Respect for human rights
	Human Resource Development
G Gover- nance	Strengthening Governance

★ Strengthening Positive Impact

Aftermarket business

Our Vision

Transformation from a "Manufacturing Company" into a "Company that Delivers Values to Customers through Products and Services"

Industrial machinery Business

Our Vision

NTN will become a company that customers in the industrial machinery market rely on most for its exceptional technological competence

Automotive Business

Our Vision

As an indispensable presence for the automotive market, NTN will become a company that offers products and services for vehicles all over the world

Green Energy Products Business

Our Vision

From "BtoB" to "BtoC,"
Build sales and service network for green energy products

Values offered to society

Reducing energy loss



Contributing to reduction of energy consumption by reducing torque, more compact and light weight

Sustainable society using natural energy



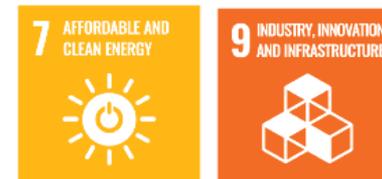
Contributing to the realization of a low-carbon society through the creation of renewable energy for local production and local consumption

Safety and comfort



Supporting People's lives through high quality and reliability

SDGs



Development of "Low Friction Hub Bearing III" Reducing rotational friction by 62%

Improved fuel efficiency of automotive and tightened CO2 emission standards



On hub bearings that support wheel rotation are required to further reduce rotational friction

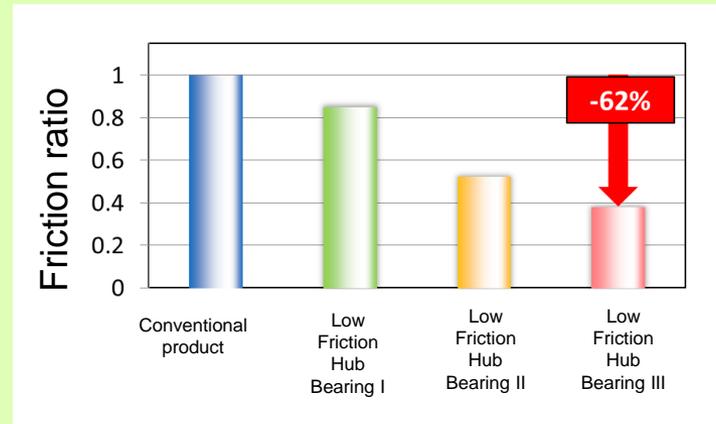


Development of low friction grease
Employing a seals structure with labyrinth



Rotational friction reduced by 62% compared to conventional products

Improved fuel efficiency by approximately 0.53%
Increased operating life and resistance to fretting



Contributing to low fuel consumption of automotive and Improving environment performance



Implementation of Long Distance Wireless Transmission Experiments between Bases for building disaster mitigation and surveillance systems using renewable energy and IT

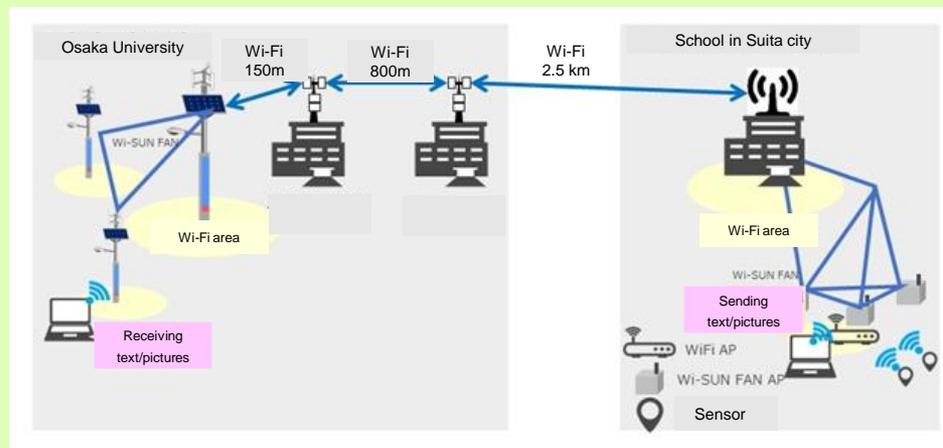
The occurrence of a situation where power outages or telecommunications shutdowns due to a natural disaster make it difficult to understand the situation of the disaster and conduct relief activities



Through three independent power supply units, NTN Green Power Station, information on an assumed disaster situation were transmitted and received using long-distance wireless system to



Send a message to a location 2.5 kilometers away to check the damage caused by camera images



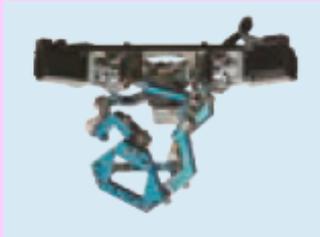
Contribute to the safety and security of local communities by building disaster mitigation and surveillance system



Sophistication and utilization of control technology to realize labor saving

Begin mass production of i-WRIST for use in appearance inspection

The module products can replace inspection tasks done by people, contributing to labor-saving and automation at manufacturing sites



Wrist Joint Module "i-WRIST"

Utilizing microscopic coating technology in the regenerative medicine field

iPS-derived cells formed as artificial three-dimensional structure by proprietary microscopic coating technology

Supporting regenerative medicine and drug discovery that will lead to early detection and treatment



Applied our precision positioning technology and the microscopic coating technology cultivated through repair devices

Providing products and services that contribute to disaster mitigation and disaster prevention

Development of N³ (N-Cube), a Container Type Transportable Independent Power Supply that generates power with natural energy: wind, water, and solar light

Provided as a useful power generation solution in the event of a disaster



"N3 (N-cube)" supported the disaster area of Typhoon No.15 in 2019

By providing products and services with original technologies, Supporting Safe and Secure Living

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History of Corporate Governance

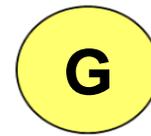


Strengthening and enhancing corporate governance is one of our top management priorities

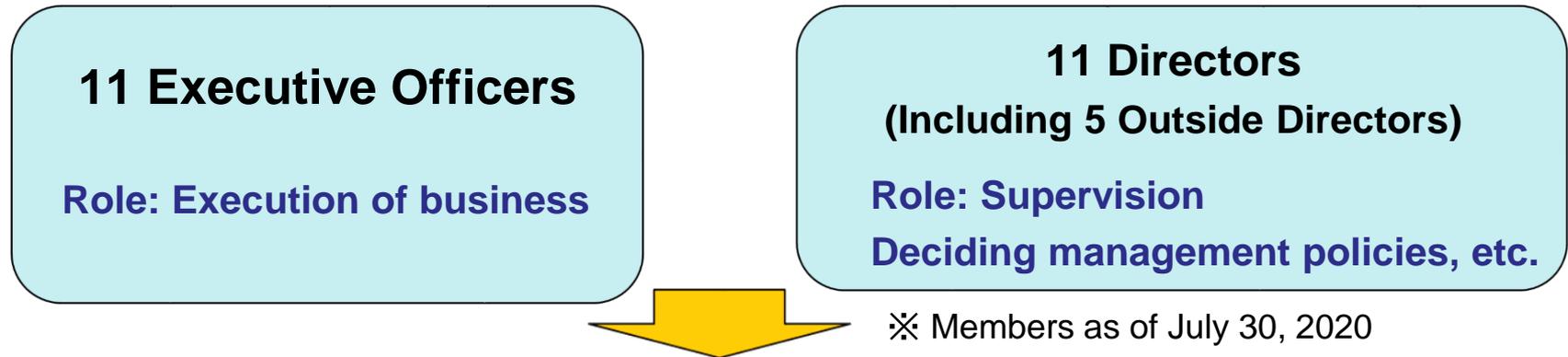
- To make management more efficient and robust
 - Prompt and accurate information disclosure
- ⇒ **Increasing Management Transparency**

	From 2000	From 2010	From 2020
Organization design	Company with Board of Company Auditor In 2004 Start of Operating Officer System		In 2019 Company with Nominating Committee, etc.
Outside Director	In 2008 An Outside Director is appointed	In 2011 Increased to 2 members	In 2019 5 members In 2020 Woman Appointed
Board of Directors		In 2015 The effectiveness is assessed	In 2020 Enhancing Diversity
Compliance		In 2015 Establishment of a Compliance Committee	
Internal Control		In 2008 Establishment of Internal Audit Dept.	In 2014 Establishment of Fair Trade Promoting Department
Risk Management		In 2008 Establishment of Risk Management Committee	
Sustainability	In 2006 Establishment of CSR Committee		In 2019 Sustainability Committee
Corporate Philosophy	In 1990 Adoption of Corporate Philosophy		In 2018 New corporate philosophy system In 2020 Management Policy

Management structure



Establishing a prompt decision-making structure and operational execution organization
Improving management transparency and fairness



[Results of transition to a Company with Nominating Committee, etc.]

- Executive Officers are responsible for business execution and Directors are dedicated to supervise
- Decrease in the number of meetings held
- To accelerate and improve the efficiency of decision-making
- Activation of discussions by Executive Officers

Director Diversification and Balancing

In July 2020, a female Director (Outside Director) was appointed for the first time. By integrating diverse value, we will achieve sustainable improvement of corporate value.

Name	Main areas of experience required of Directors								
	Corporate management	Manufacturing	Technology and R&D	Marketing	Corporate and business planning	Finance and administration	Legal affairs, internal controls, compliance	Global experience	Experience of other industries, diversity
Hiroshi Ohkubo	●				●	●	●	●	
Hideaki Miyazawa	●	●		●	●			●	
Eiichi Ukai	●	●		●				●	
Toshinori Shiratori	●			●	●	●	●	●	
Masaki Egami			●						
Keiji Ohashi	●					●	●		
Noboru Tsuda	●				●	●	●		●
Kouji Kawahara				●		●	●		●
Ryo Kawakami							●		●
Tomonori Nishimura	●		●	●					●
Yuriya Komatsu					●	●	●	●	●

Activity overview of Board of Directors and Committees



	Function	Number of meetings	Major Discussions
		(April 2,019 to March 2020)	
Board of Directors	<ul style="list-style-type: none"> Decide the basic management policy Supervise the execution of duties of Director and Executive Officers 	14 times	<ul style="list-style-type: none"> Future action regarding a succession plan of top management (CEO)
Nominating Committee	<ul style="list-style-type: none"> Decide candidates for Directors, which is proposed to the General Meeting of Shareholders 	5 times	<ul style="list-style-type: none"> Standards for selection of Directors Skill matrix Standards regarding the independence of Outside Directors
Compensation Committee	<ul style="list-style-type: none"> Decide on the policy for compensation for Directors and Executive Officers, and details of compensation for individual persons 	4 times	<ul style="list-style-type: none"> Reduction of compensation for Directors and Executive Officers Performance target of BIP Trust for compensation for Officers
Audit Committee	<ul style="list-style-type: none"> Audit the execution of duties of Directors and Executive Officers Decide on the content of a proposal regarding appointment/removal of the accounting audit, which is submitted to the General Meeting of Shareholders 	10 times	<ul style="list-style-type: none"> Formulation of the Audit Committee's auditing standards Formulation of auditing policies and auditing plans Assessment of the selection of independent auditors

※ From April to June 2019: Meeting as Compensation Advisory Committee and Board of Corporate Auditors

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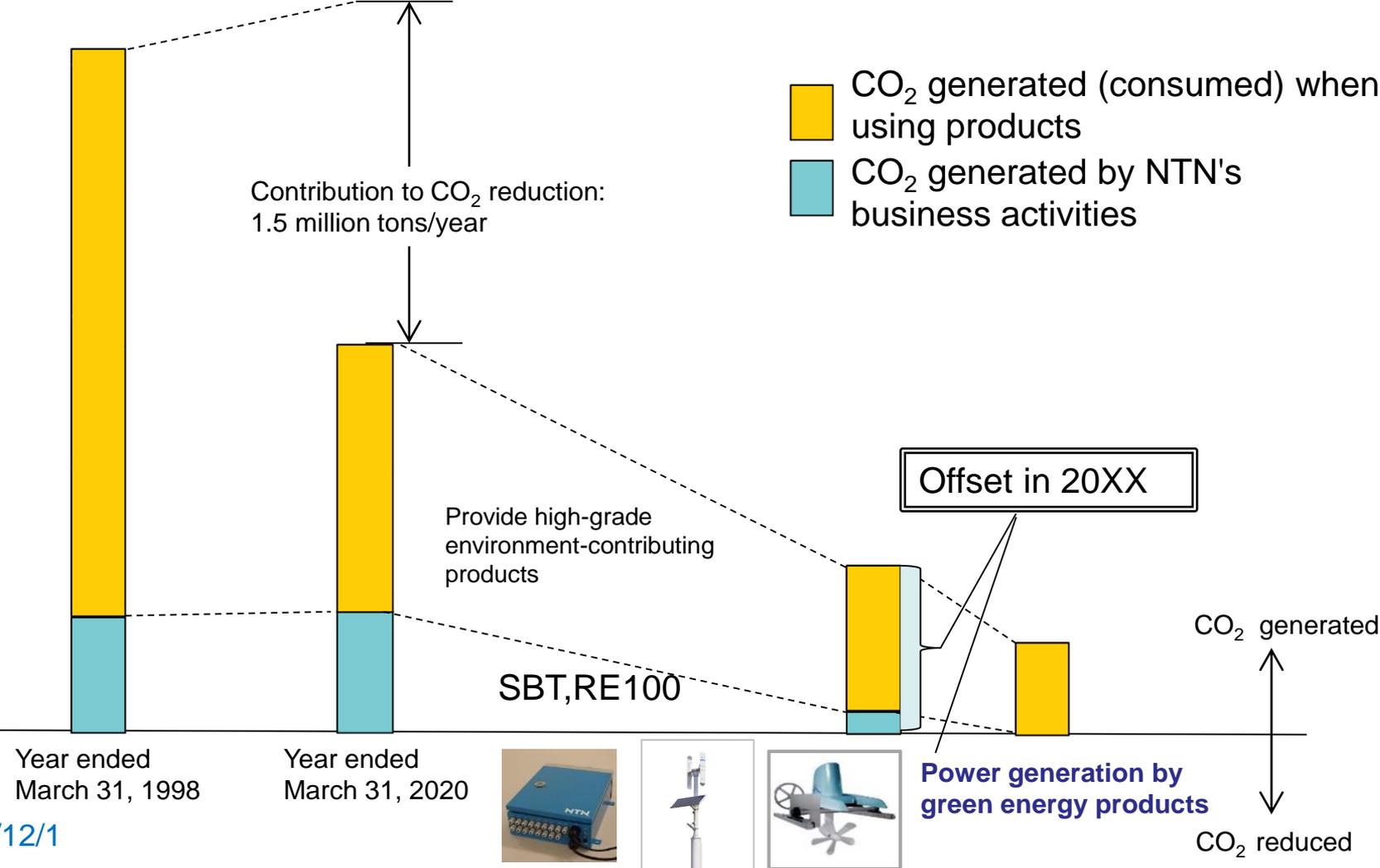
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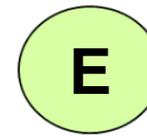
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Measures against climate change

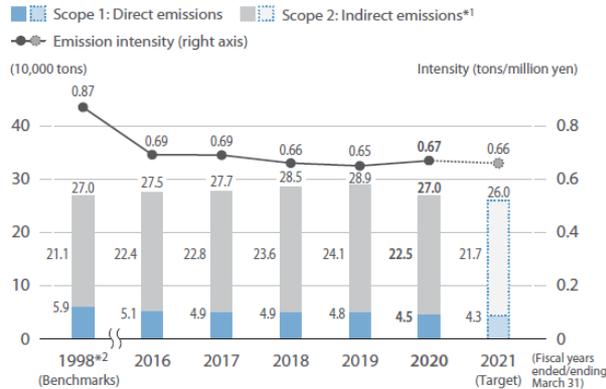
In the future, CO₂ emissions generated by business activities will be close to zero. At the same time, we will reduce CO₂ generated (consumed) when using products due to advancements in the company's technology.



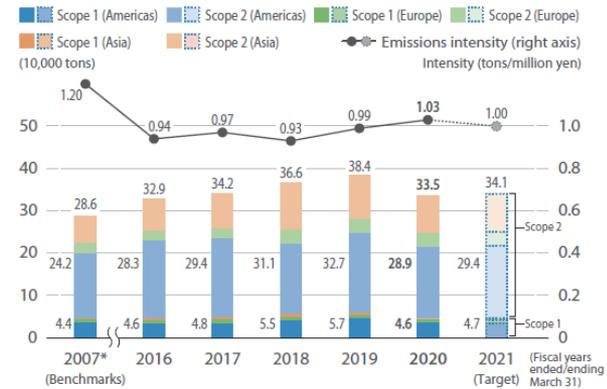


Reducing CO₂ emissions and emissions intensity throughout business activities

CO₂ Emissions/Emissions Intensities [Japan]

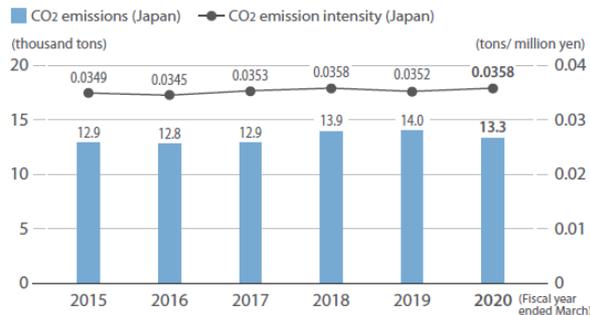


CO₂ Emissions/Emissions Intensities [Overseas]



※ Supply Chain Emissions (Scope 3) for the Fiscal Year Ended March 31, 2020 are disclosed on the Company's website

CO₂ Emissions and Emissions Intensity in Logistics



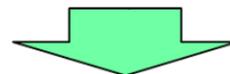
Use of Renewable Energy



NTN-AT (Germany) switched to renewable energy-derived electricity in total

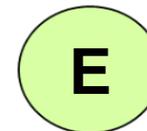


Nanjin NTN Corp. (China) installed 14,000 solar panels



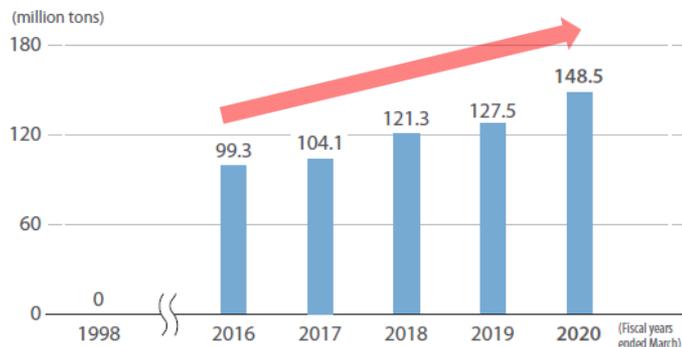
Contribute to measures against climate change in business activities

Reducing CO₂ Emissions When Using Products



Accelerate reduction of energy losses through visualization of contribution to CO₂ reduction from our main products, driveshafts and hub bearings, and green energy products, and advancement of technological and development capabilities

Contribution to CO₂ reduction from driveshafts and hub bearings



Develop natural energy products



N³ (N-Cube)
at Kyonan-machi, Chiba



NTN Green Power
Station

Reducing energy loss through pursuit of tribological technologies



Awarded the Mobility Components Award of "CHO"
MONODZUKURI Innovative Parts and Components Award



Development of "Low Friction Hub Bearing III" that reduces rotational friction by 62%



Orders received for mass production of Ultra-low Friction Sealed Ball Bearing for EV and HEV transmissions



Mass production of Wrist Joint Module "i-WRIST" that contributes to automation and labor saving at production sites



Pursuit of Circular Economy (Recycle-Oriented Economy) through Product Recycling

Refurbish business launched for large-size industrial bearings

Bearings are collected and delivered as refurbished products after repair or replacement

Regarding large bearings with bore diameters of one meter, customer needs to use them for long periods of time, such as by replacing or repairing parts, rather than replacing the entire bearing both in Japan and abroad



Focus on expanding refurbish businesses as pursuit of the circular economy



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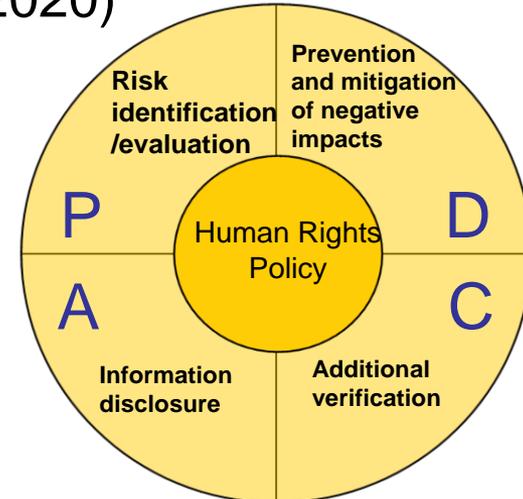
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<p>Respect for human rights</p>	<p>Respect the dignity and rights of all people in our business activities, and call on our business partners and other parties not to infringe upon the dignity and rights of people or discriminate unjustly.</p>	
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Established the [Human Rights Policy](#) to further strengthen and promote the NTN Group's human rights initiatives.(July 2020)

Outline of Human Rights Policy
 Based on the following three basic principles, we have formulated the Human Rights Policy pursuant to our Management 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.



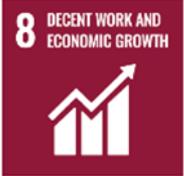
Establishment of a mechanism for human rights due diligence

<Ensuring the Safety of Employees>

Established [Safety and Health Basic Policy](#) to create a workplace environment where everyone in the NTN Group can work actively, safely and healthy (July 2020)
 ⇒ Compatible with Crisis Response Period's priority measure “Ensure the health and safety of employees”

Human Resource Development (Practicing the Corporate Philosophy Globally)



Human Resource Development	Promote equal opportunities in capacity building, promotion, and deployment to contribute to a sustainable society and increase the potential of all employees	
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“Corporate Philosophy Dialog”

A workshop in which employees share experiences related to the corporate philosophy and deepen understanding and empathy of the corporate philosophy

⇒ **Approximately 250 employees/year participated in the event in Japan, and expansion to overseas bases**



In the first overseas dialog in Thailand, employees talks in home language and made presentation online to the head office (October, 2020)

“NTN PROUD AWARD”

System to recognize the practice of the corporate philosophy for all employees in NTN Group (established in 2018)

⇒ **In the second time in 2019, 76 teams participated from around the world**



8 of the awarded teams participated in the award ceremony for the second time, and China received President Award for its efforts to transform sales activities localized to the Chinese marketplace (December, 2019)

Ideas for practicing Corporate Philosophy → Response to Social Issues → Social Significance/Motivation

<Example of the 1st Award Theme>
Initiatives for inspection robots to replace human eyes

- ✓ Expanded application of "parallel link high speed angle control equipment" developed by New Product Development R&D Center.
- ✓ Focus on the "eye inspection" that is struggling in the Japanese Monozukuri.
- ✓ Attach a camera at the edge of a parallel link and made trial "appearance inspection equipment."

Parallel link high speed angle control equipment
 Camera for inspection
 Inspection Objects

↓

- New inquiry
To automatize visual inspection process of palm-sized parts for car air conditioners
- Project launched
R1 Project launched to establish mass production system

<Members>
 New Product Development R&D Center: project manager 1 person, regular employee 1 person
 R1 Project: project manager 1 person, regular employee 2 persons
 Industrial Machinery Sales Engineering Department: project manager 1 person

<Examples of the Second Award Theme>
"Ultra-low Friction Seal" Initiatives

- ✓ Two types of transmission bearings are available: with seals or special heat treatment
- ✓ None of them does not fulfill operating life, torque, and cost at the same time
- ✓ Pursuing compatibility between low friction and long operating life
- ✓ Breaking fixed concepts and using creative ideas, ultra-low friction seal has been developed

Ball bearing with ultra-low friction seal

↓

- Prototype order received for Company A
- Response to study associations, academic societies, exhibitions, technical presentations and technical papers
- Setting life factor for the first time for seals

<Members>
 Advanced Technology R&D Center: regular employee 1 person, Application Engineering Dept.: project manager 1 person, Utsunomiya Automotive Sales Office: regular employee 1 person, Automotive Testing Dept.: regular employee 1 person, Automotive Bearing Engineering Dept.: regular employee 4 persons

Response to Social Issues

- Response to the decline in the working population by decreasing birthrate and aging population
- Technological innovation

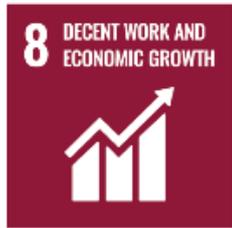
Safety and comfort

Supporting People's lives through high quality and reliability

- Contribution to reducing CO2 emissions
- Technological Innovation

Reducing energy loss

SDGs



Toward the Future

New Medium-term Management Plan (April 2021 to March 2024) will further accelerate its efforts to realize a sustainable society.

[Challenges we will tackle in the future]

- 1) Identification of Materiality/Target Setting
- 2) Drop into business strategy

Contributing to the achievement of SDGs

SUSTAINABLE DEVELOPMENT GOALS

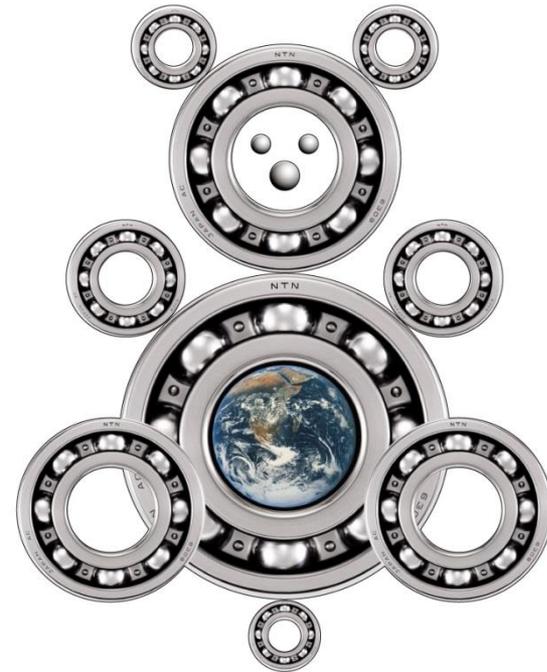


GFT supports SDGs.

Achieving a Smooth Society

NTN

Make the world **NAMERAKA**



Digitalization, **R**esources, **I**nnovation, **V**ariable cost reformation, **E**fficiency improvement
NTN Transformation for **N**ew **100**years