



Make the world **NAMERAKA**

# STATEMENT OF EXTRA-FINANCIAL PERFORMANCE 2022



Make the world **NAMERAKA**



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Corporate Social Responsibility is a foundation of NTN Europe's governance.

To guarantee the longevity of our Company and the sustainability of our activities, we must meet the expectations of our shareholder, but also those of all of our stakeholders, namely our employees, our customers, our suppliers and local communities.

We also have a responsibility in the face of societal challenges, contributing to the fight against global warming, preserving all natural resources, promoting diversity and inclusion, ensuring respect for human rights throughout our supply chain.

We have made this responsibility a reality by displaying our company purpose: "We make the world Nameraka", the term Nameraka echoing our belonging to a Japanese group, NTN Corporation.

It signifies the absence of friction between mechanical components and characterises the primary objective of our products, namely to transmit movement with precision, reliability, fluidity and efficiency and thereby contribute to combatting climate change through their energy efficiency.

More broadly, it also signifies the absence of friction in society and evokes our vision of the world, of our Company and of our relations with our stakeholders, around harmony, fluidity and respect.

"We make the world Nameraka" defines what NTN Europe positively brings to the world while limiting its negative impact: the fluidity of movement for a sustainable and harmonious world.

This is our company purpose, what unites us, what gives meaning to our work: to contribute to a more fluid, more mobile, more harmonious society, based on more efficient use of energy.

**Dominique Lavilla**  
**CEO NTN Europe**

# NTN's vision

I make the  
world  
NAMERAKA



# BRAND MANIFESTO

NTN'S VISION

## **FOR MORE THAN 100 YEARS, NTN HAS HELPED THE WORLD TO MOVE AND GROW.**

With a strong presence in many sectors (industry, aerospace, automotive), we have always needed to adapt in order to meet our customers' expectations and provide them with the best technical innovations.

This is why at NTN, **innovation is at the heart of our concerns.**

Today, more than ever, we are convinced that our role consists of **being an instrument of change.**

It is our duty to accompany our partners towards **a future that is more fluid, more mobile, more harmonious** and based on better energy efficiency. NTN in Europe is proud to be at the service of movement.

## **WE ARE WORLD LEADERS IN HIGH-PRECISION PRODUCTS FOR MOVEMENT.**

And our expertise in mechatronics and our engineering know-how enable us to offer premium high-tech solutions tailored to the needs of the market. In the face of global changes and challenges, we are fully committed to energy efficiency and the reduction of friction.

## **OUR STANDARDS HAVE NO LIMITS.**

Our customers are business partners whose needs we embrace. We cultivate balanced relationships with them based on proximity and trust. Whether in the design, development or supply of motion solutions, we innovate at their side.

## **OUR WILL TO COOPERATE IS BOUNDLESS.**

Guided by our combined European and Japanese identity and our pioneering spirit, we are constantly seeking solutions for progress, combining rigor and creativity and by mixing cultures and skills.

## **WE ARE FULLY COMMITTED.**

We want to be co-developers of safer, more sustainable and more efficient mobility.

## **POSITIVE MOBILITY.**

We want to contribute to a more fluid, more mobile, more harmonious society, based on better energy efficiency.

**Together, let's continue to make the world Nameraka**

# OUR COMMITMENTS

NTN Europe's identity has been built over the past 100 years around our stakeholder's expectations. They are at the heart of our concerns and our Corporate Social Responsibility strategy (CSR).

In line with the NTN Group's philosophy and to make the world smooth (Nameraka), we commit to listening to our stakeholders, ensuring the performance of our Company, managing our risks and taking our opportunities, according to the following drivers:



## Safety is more than a priority. It is a fundamental value.

We want everyone to go home safe and **healthy** after work.

To make this possible, our actions are driven by safety on a daily basis, with the objective of **controlling risks** better.

We commit to providing safe working conditions for our employees and contractors.

We share this value with all players within the Company.

**Safety is everyone's responsibility!**



## The satisfaction of our customers and stakeholders ensures our sustainability.

**Satisfaction of all interested stakeholders** is our purpose. We manage this by providing conform products, by managing risks and opportunities, to meet customers, legal and regulatory requirements.

We develop Customer focus within our company. We have an **acute awareness of quality** to meet their expectations.

Our objective is to ensure product integrity: product **conformity and safety**, at any time during our activity.

We aim to « **get it right first time** ».

We commit to developing fair and sustainable relationships with our suppliers through a collaborative approach.

**Quality is our future - Everybody, Everyday, Everywhere.**





## Environmental protection and impact control are at the heart of our action.

Each day, we improve our **environmental impact**, reducing our resource consumption, our discharge, our waste and our energy consumption.

We aim to contribute to **ecological mobility** by improving the energetic performance of our products.

**Our procurement and design activities** take into consideration the energy and environmental performance and contribute to its improvement.

We choose to put **reduction of Greenhouse Gas Emission** at the centre of our organisations to reach carbon neutrality.



## We are committed to high ethical standards.

We are committed to conducting our business with **integrity and fairness**, respecting the rules and regulations which apply to us.

We **reject all forms of corruption** and any attempt to **circumvent the rules of fair** and open competition.

We work to ensure the **accuracy of the financial information** we disclose.

We make every effort to protect the data and the knowhow in our possession.

We **fight discrimination**, from hiring and throughout the career path of our employees. We promote equal rights for women and men. We commit to respecting working regulations concerning trade-union freedom and the ban of forced and child labour. We condemn all types of harassment and all types of behaviour which are contrary to **human dignity**.

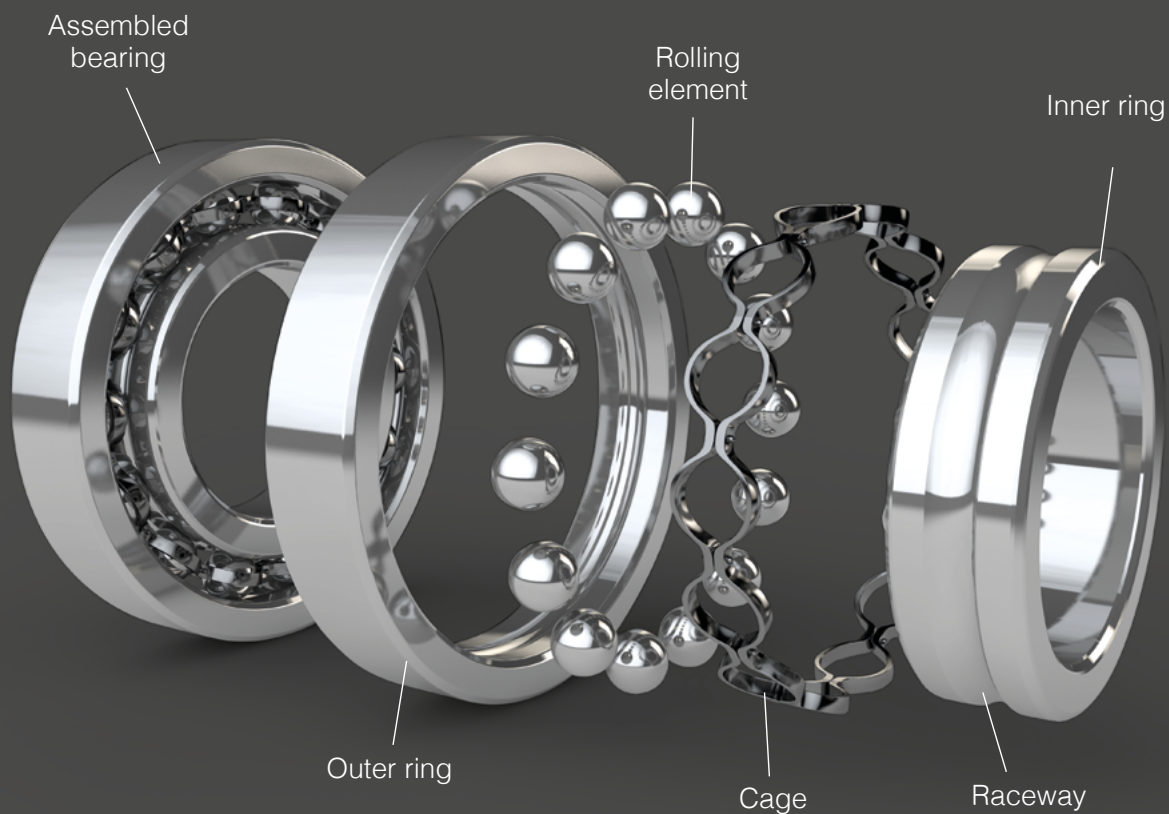


**Dominique Lavilla**

Deputy General Manager of NTN Europe & Africa Region.  
CEO of NTN Europe

## WHAT IS A BEARING?

A bearing is a basic element that ensures a mobile link between two elements of a mechanism rotating in relation to each other. Its function is to enable the relative rotation of these elements, under load, with precision and minimal friction.



As vehicles and equipment continue to improve, becoming lighter and more economical, our bearings must follow the same evolution: increasing duration life and accuracy, reducing friction and cutting costs. Invisible and often forgotten, bearings are present everywhere in our daily life: household appliances, transport, leisure, office automation, industry, etc. They are also present in high-tech industries, aeronautics and space, railways, etc.

**The design of our bearings and the choice of certain markets are part of an environmental approach to improve energy efficiency.**



# WHAT DO WE DO?

We **\*design**  
precision engineering.

We develop, industrialize and offer **high precision** application solutions and products. Reducing friction is part of our mission. **Perfect movement** is our obsession. **Innovation** is at the heart of our concerns. Today we develop and supply for all our customers the **solutions of tomorrow** in terms of products, **digitalization** and **services**.

***Our standards  
have no limits.***

1916

Creation of **SRO** in Annecy.  
France

1918

Creation of **NTN** in Osaka.  
Japan

1946

Purchase of **SRO** by Renault.  
Creation of « Société  
Nouvelle de Roulements »  
(**SNR**).

## OUTLINE OF OUR HISTORY



France



Japan

2007

**NTN** becomes a shareholder of **SNR Roulements**.

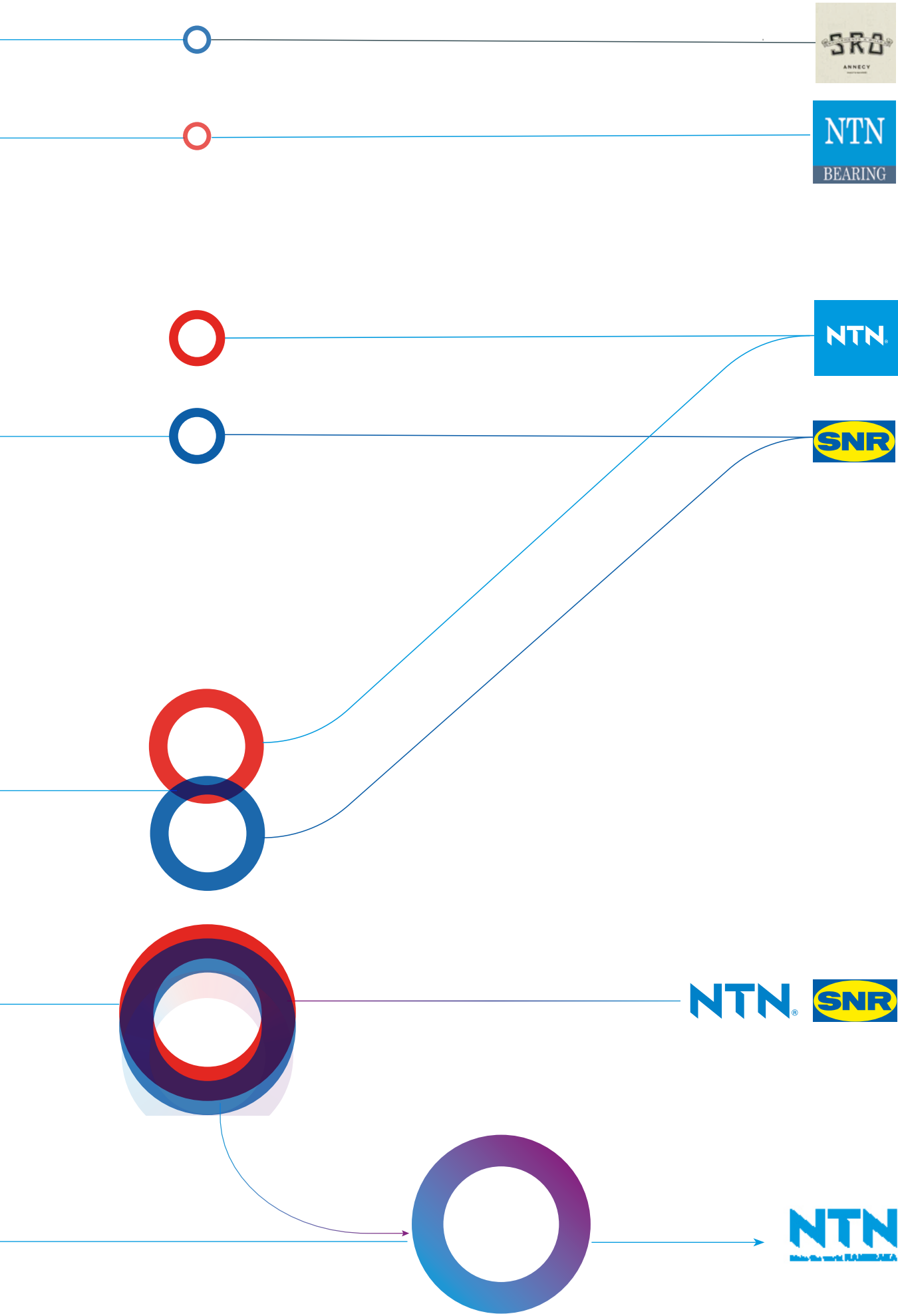
2010

**NTN France** merged into **SNR Roulements**  
Creation of **NTN-SNR**.

NTN-SNR Roulements becomes NTN Europe

2023

**NTN Europe** affirms its company purpose:  
**Make the world NAMERAKA.**



# NTN GROUP AROUND THE WORLD



**Company name**

NTN Corporation  
(NTN : New Technology  
Network)

**Founded in**  
**President**  
**Head office**

March 1918  
Eiichi Ukai  
Osaka in Japan



Eiichi UKAI



Satoshi UEDA

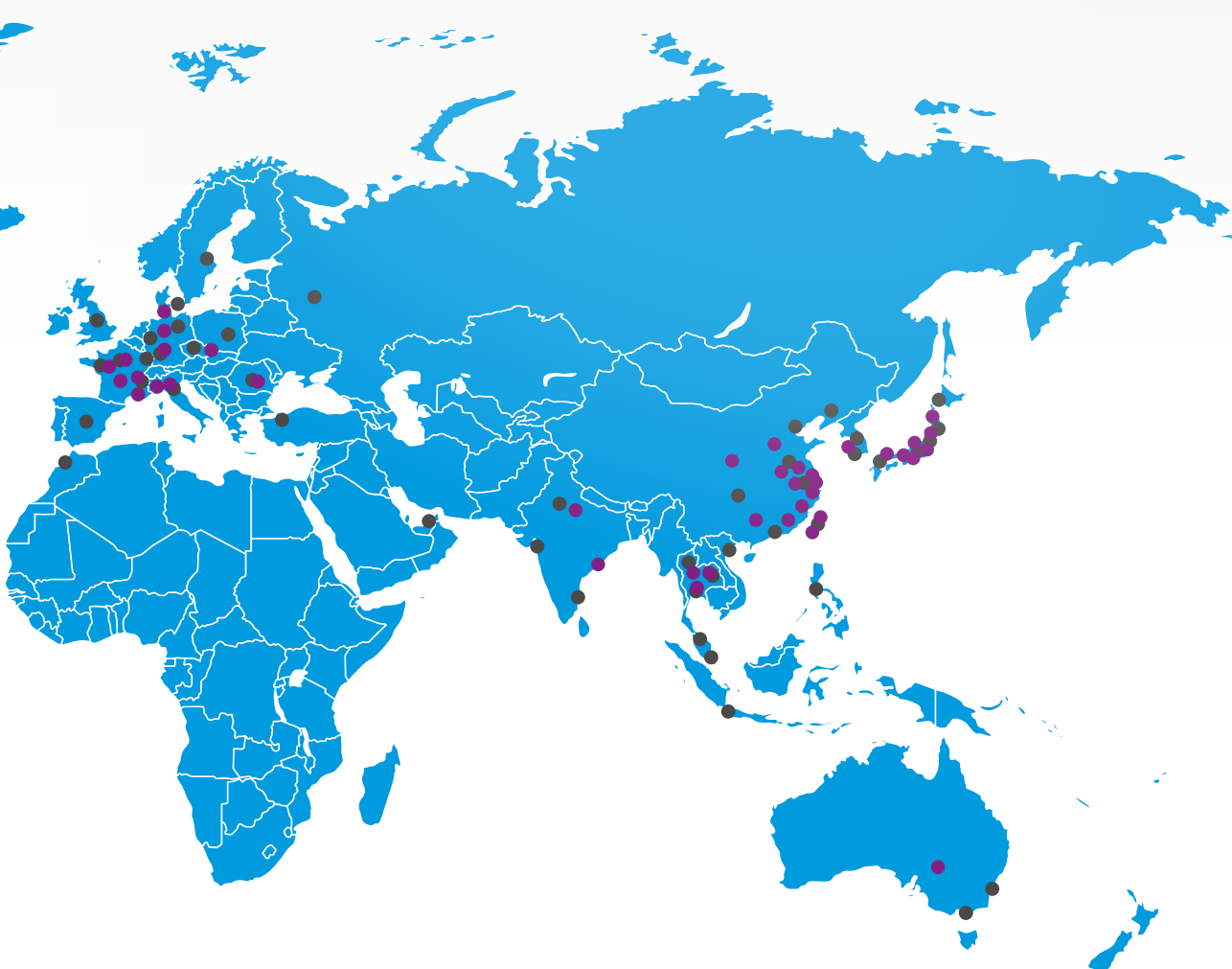
### NTN Europe and Africa

**European branch of the NTN Corporation**  
headed by Satoshi UEDA, manages and develops  
all the activities of  
the NTN group in Europe, Brazil, Africa  
and the Middle East.



The NTN Group designs and manufactures high quality products.

They are marketed under the trademarks:



**OUR KEY MARKETS**

**Automotive**

- Wheel bearings
- Gearbox bearings
- Suspension thrust bearings
  - Clutch release bearings
  - Transmission joints
  - Tensioners

**Aeronautics**

- Aircraft engines
- Helicopter rotors and transmissions
- Special products and equipment
- Aerospace

**Industry**

- Agricultural equipment
- Construction machinery
  - Machine tools
  - Railway
  - Wind turbine
- Mines and quarries
- Steel industry



**+ de 23.000**  
EMPLOYEES



**73** production  
SITES



**15** RESEARCH  
CENTRES



**118** COMMERCIAL  
SUBSIDIARIES



# NTN Corporation

To understand the scope of action of NTN in Europe and Africa and to gauge where we stand in relation to the NTN Group

## NTN Europe and Africa

Management of NTN subsidiaries in Europe

### NTN Europe and its subsidiaries

**DMF**  
(Germany)

**NTN AT**  
(Germany)

**NTE**  
(Allonnes & Crézancy in France)

**NTN Europe**  
and its subsidiaries

**NTN EUROPE**

**ICSA**  
(Italy)

**NTN Bearings**  
(UK)

**NTN-SNR  
Rulmenti**  
(Romania)

**NTN-SNR  
Iberica**  
(Spain)

**NTN Rolamentos  
do Brasil**  
(Brazil)

**NTN-SNR  
Italia**  
(Italy)

**SNR Cévennes**  
(Alès, France)

**NTN-SNR  
Morocco**  
(Morocco)

**SNR Wälzlager**  
(Germany)

**NTN-SNR  
Polska**  
(Poland)

**NTN Wälzlager**  
(Germany)

**NTN-SNR Rus**  
(Russia)

**NTN EUROPE**

**Annecy**

**Argonay**

**Cran-Gevrier**

**Vaise / Lyon**

**Meythet**


**Seynod**

**Montrouge / Paris**

# DRIVE NTN100<sup>Phase 2</sup>

## THE NTN STRATEGY

strategy



### DIGITALISATION

Latest digital technologies

D

### RESOURCES

NTN's resources and skills management

R

### INNOVATION

Development of innovative technologies products and services

I

### VARIABLE COST REFORMATION

Productivity (internal costs and procurement)

V

### EFFICIENCY IMPROVEMENT

Be world's N°1 in performance and quality

E



# OUR MAIN NTN EUROPE STRATEGIES



**EXPLORE**  
NEW HORIZON



**TRANSFORM**  
OUR ORGANIZATION



**DEVELOP**  
AFTERMARKET



**CAPTURE**  
NEW BUSINESS



**CONSOLIDATE**  
OUR OEM BUSINESS

## TO BE REMEMBERED

- ↳ **Reaching a critical size in the Aftermarket**
- ↳ **Strengthening our competitiveness**
- ↳ **Capturing new business in the field of electric vehicles with cutting-edge technology**
- ↳ **Successfully diversifying our products and services**
- ↳ **Making our Company a pleasant and environmentally friendly place to work**

# NTN EUROPE'S 4 MAJOR CHALLENGES



Adapting to the European market characteristics in the next 3 years



Becoming part of the European Green Pact



Supporting electric vehicle share increase



Intensifying the digitalisation that will profoundly change markets



# 3 sectors of activity

Industry



Aerospace

Automotive



# BUSINESS MODEL

## RESOURCES



### HUMAN CAPITAL

4,125 employees  
Strong ties with local authorities Training: 4.5% of the wage bill



### INTELLECTUAL CAPITAL

1 R&D centre in Europe–Annecy  
400 employees  
4 local expertise services in Europe  
A CREA LAB Innovation organisation  
4 trademarks



### FINANCIAL CAPITAL

Sole Japanese shareholder since 2013  
FY2022 Investments = €28.7 million



### INDUSTRIAL CAPITAL

10 production sites in 5 countries



### ENVIRONMENTAL CAPITAL

ISO 14001 certification  
ISO 50001 certification

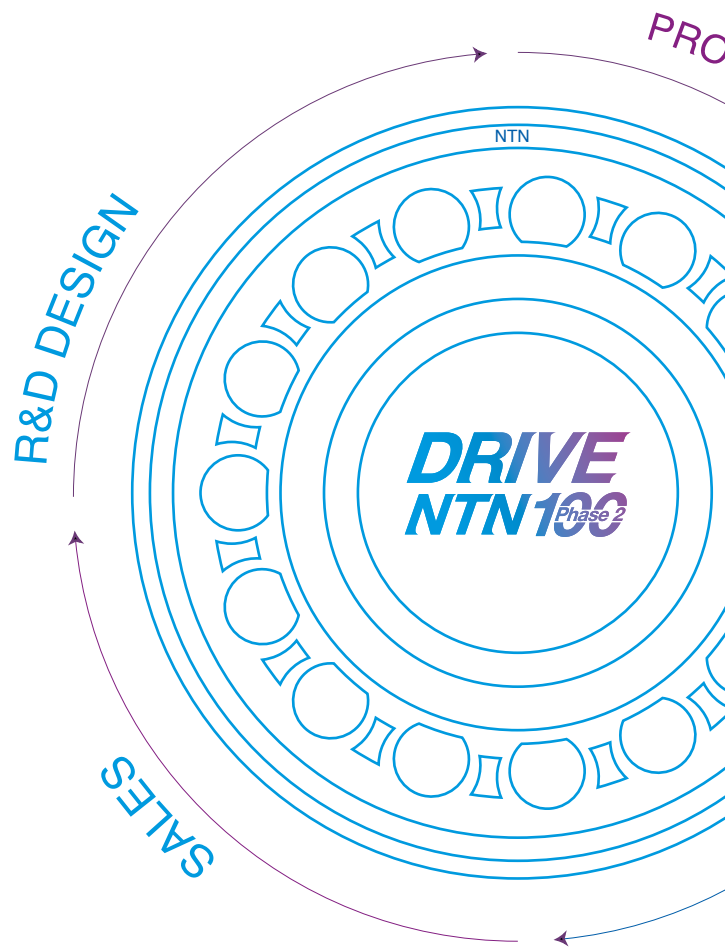


### PARTNER CAPITAL

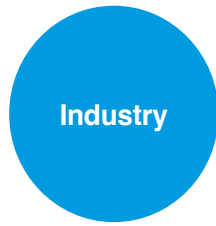
Over 2,000 suppliers  
A network of partners

## Value creation

As part of the NTN Group, a world leader in its business sectors (no. 3 bearings manufacturer globally, world no. 1 in automotive wheel bearings and world no. 2 in CV joints), we create products by applying the resources we have built up in the 100 years since our Company was established, employing a value creation process that incorporates R&D, design, procurement, manufacturing and sales.



### 3 business areas



#### DEVELOPMENT

##### BUSINESS

Expanding our expertise into the markets of the future in a bid to make current and future changes in society more harmonious.

##### INNOVATION

Challenging the way we do things and our new projects, thanks to our ecosystem of partners, in order to continue growing and innovating

##### FY2022 REVENUE

€1.05 million

##### FUTURE HEADQUARTERS

New headquarters and European R&D centre in Annecy

#### SUSTAINABILITY

##### SOCIAL

Attracting and retaining a variety of talented staff to ensure the development of NTN-SNR by drawing on a strong employer brand.

##### ENVIRONMENT

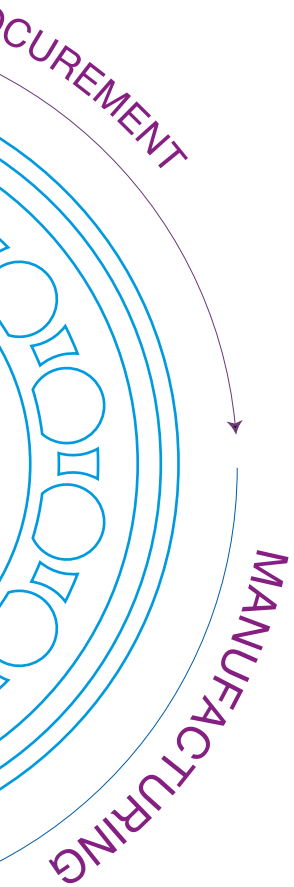
Develop products and services and manage our activities from an environmentally responsible perspective.

##### ETHICS

Setting an example in our business practices.

##### ECOVADIS RATING

77%, platinum level



Make the world **NAMERAKA**

### Our commitments

- Safety is more than a priority. It is a fundamental value.
- Environmental protection and impact control are at the heart of our actions.
- Satisfaction of our customers and stakeholders ensures our sustainability.
- We are committed to high ethical standards.

# O Methodology and scope

# OUR CSR APPROACH IS BASED ON FIVE FUNDAMENTALS

## 1. Respond to societal, environmental and social stakes:

Six out of nine planetary boundaries have been exceeded. Climate change, biodiversity erosion, the consumption of fresh water, introduction of new substances, disruption of nitrogen and phosphorus cycles and the change in land use.

Our Company has a role to play in combatting these planetary disturbances. We do this by relying on our 5 strategic Environment/Energy objectives. Reduce our greenhouse gas emissions, our water consumption, our energy consumption, our atmospheric emissions, reduce and recover our waste.

Our society also needs social foundations guaranteeing a dignified and fulfilled life, such as income from work, health, gender equality, inclusion, respect for human rights.

We contribute to guaranteeing these foundations throughout our Company by ensuring training, health and safety, more broadly a quality of life at work, inclusion, non-discrimination, respect for human rights throughout our supply chain.

**We ensure the sustainability of our activities by responding to societal stakes.**

## 2. Meet the needs of our stakeholders:

To guarantee the sustainability of our Company in a world in perpetual transformation, we must of course meet the expectations of our shareholder, but also those of all of our stakeholders: our employees, our customers, our suppliers, our work-study students, our partners, local communities, etc. Listening to our customers and their next strategic shifts ensures the sustainability of our activities, listening to our employees ensures their empowerment and loyalty, listening to our suppliers ensures a long-term relationship, listening to local communities helps attract our future talent.

**We ensure our sustainability by meeting the expectations of our stakeholders.**

## 3. We make the world Nameraka, our company purpose:

The Japanese term “Nameraka” echoes our belonging to the NTN Corporation. It means the absence of friction between mechanical parts and characterises our identity: bearing designers, producers, sellers, etc., whose primary objective is to transmit movement with precision, reliability, fluidity and efficiency and thereby contribute to combatting climate change through their energy efficiency.

More broadly, it also signifies the absence of friction in society and evokes our vision of the world, of our Company and of our relations with our stakeholders, around harmony, fluidity and respect. “We make the world Nameraka” defines what NTN Europe brings to the world, its positive externalities, while limiting its impact, its negative externalities. The fluidity of movement for a sustainable and harmonious world.

This is our company purpose, what unites us, what we bring to the world and what gives meaning to our work: to contribute to a more fluid, more mobile, more harmonious society, based on more efficient use of energy.

It's no longer about being the best company in the world, but a better company for the world.

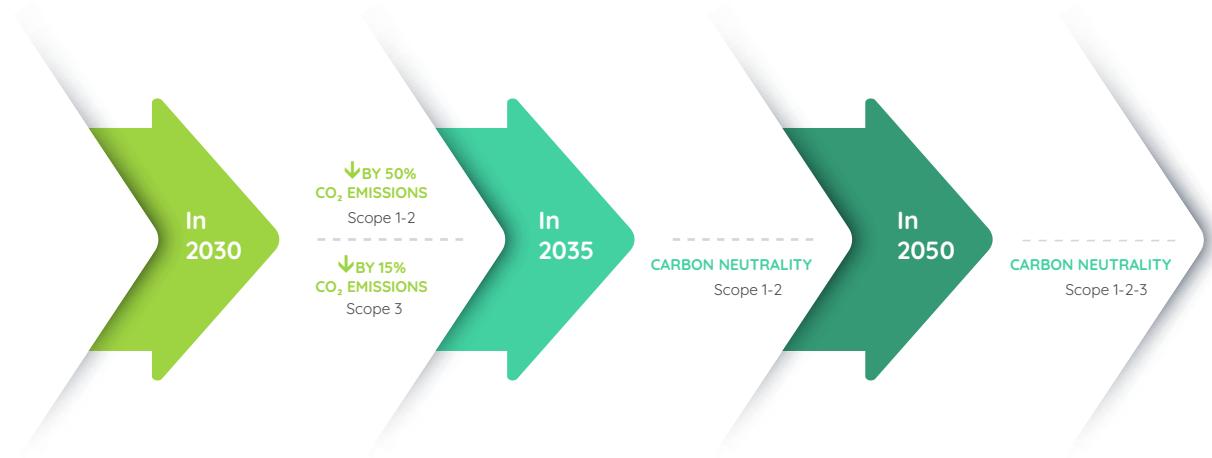
**We ensure our attractiveness by our company purpose: “We make the world Nameraka”**

### 4. Respect our carbon neutrality objectives:

As bearing designers, producers, sellers, etc., we are helping to combat climate change through their energy efficiency.

We are also working on this by displaying our carbon neutrality objectives

#### Objectives of NTN Europe and its subsidiaries In reducing its CO<sub>2</sub> emissions



Through these objectives, we contribute to respecting the Paris Agreement on climate change, namely "to contain the rise in the average temperature of the planet well below 2°C compared to pre-industrial levels and to pursue the action taken to limit the rise in temperature to 1.5°C."

**We ensure our credibility by making every effort to meet our carbon neutrality objectives.**

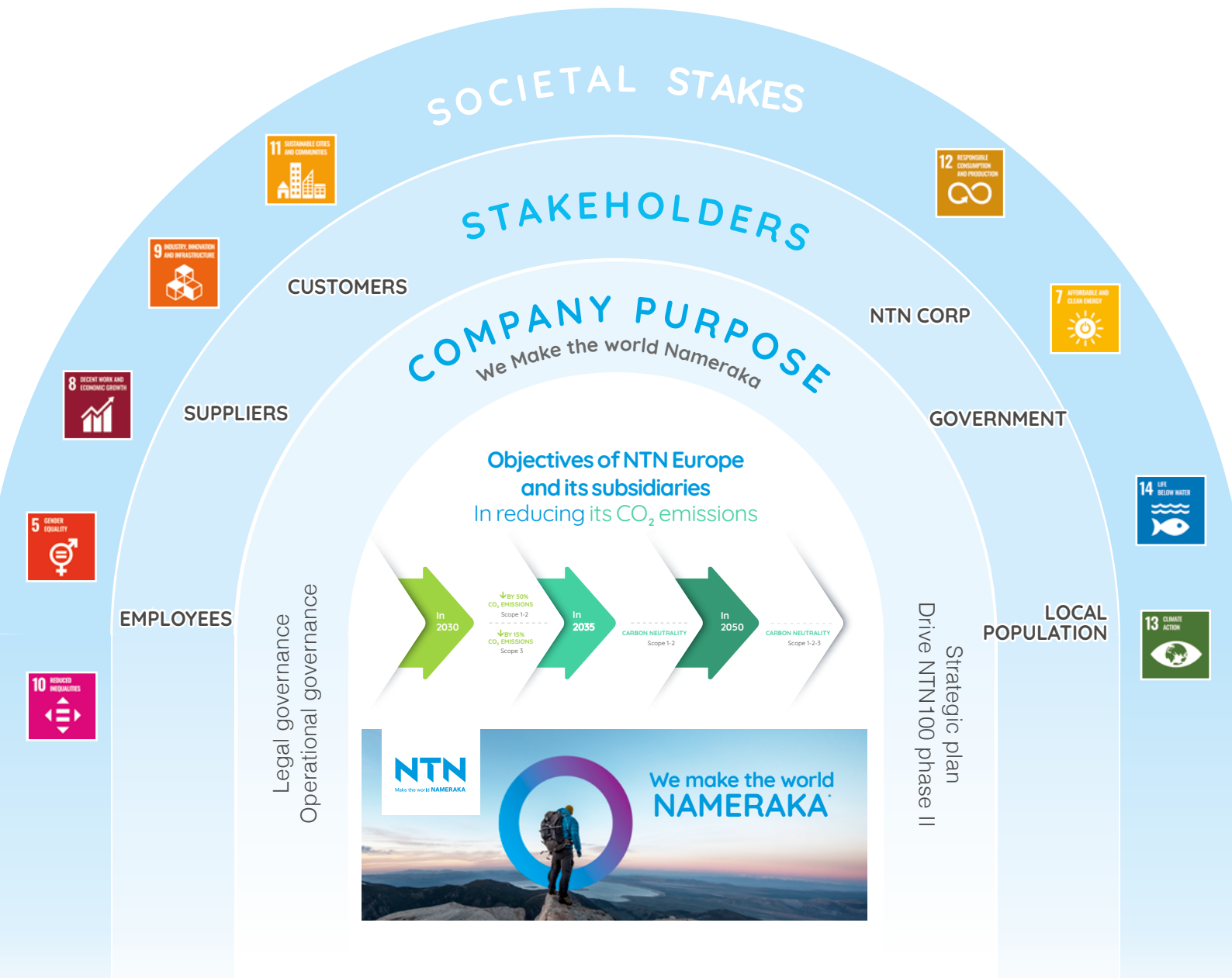
### 5. A CSR approach rooted in corporate governance

Our "Defining and deploying the strategy" and "CSR approach" processes have merged to become the "Governance & corporate strategy" process.

We ensure the robustness of our CSR approach by integrating it into corporate governance.

On the strength of this CSR approach and these five fundamentals, we are optimising our competitive position in a world where competitiveness remains economic but also, and increasingly, social and environmental.



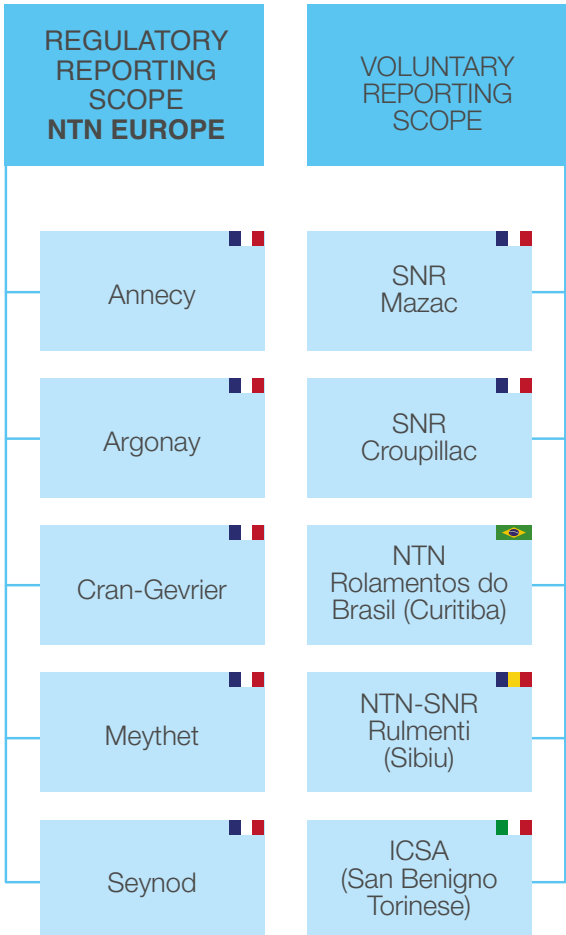


## Reporting scope

This report gathers information on the company NTN Europe and its subsidiaries in order to follow the dynamics of the Group. No changes were observed this year in comparison to the previous financial year.

The sales offices in Lyon and Paris are included in all social data, but are excluded from other sections (environment in particular) because their business has very little impact given the nature of our production activities. The voluntary reporting scope of each KPI (Key Performance Indicator) is once again specified in the report on page 31. This report covers 90% of the employees of the NTN Europe and its subsidiaries. 100% of the regulatory reporting scope is covered.

In this report, KPIs are presented for two reporting scopes: NTN Europe, legal entity (regulatory reporting scope), requiring the validation of the Board of Directors, as well as NTN Europe and its subsidiaries (voluntary reporting scope for certain indicators).



## Reporting period

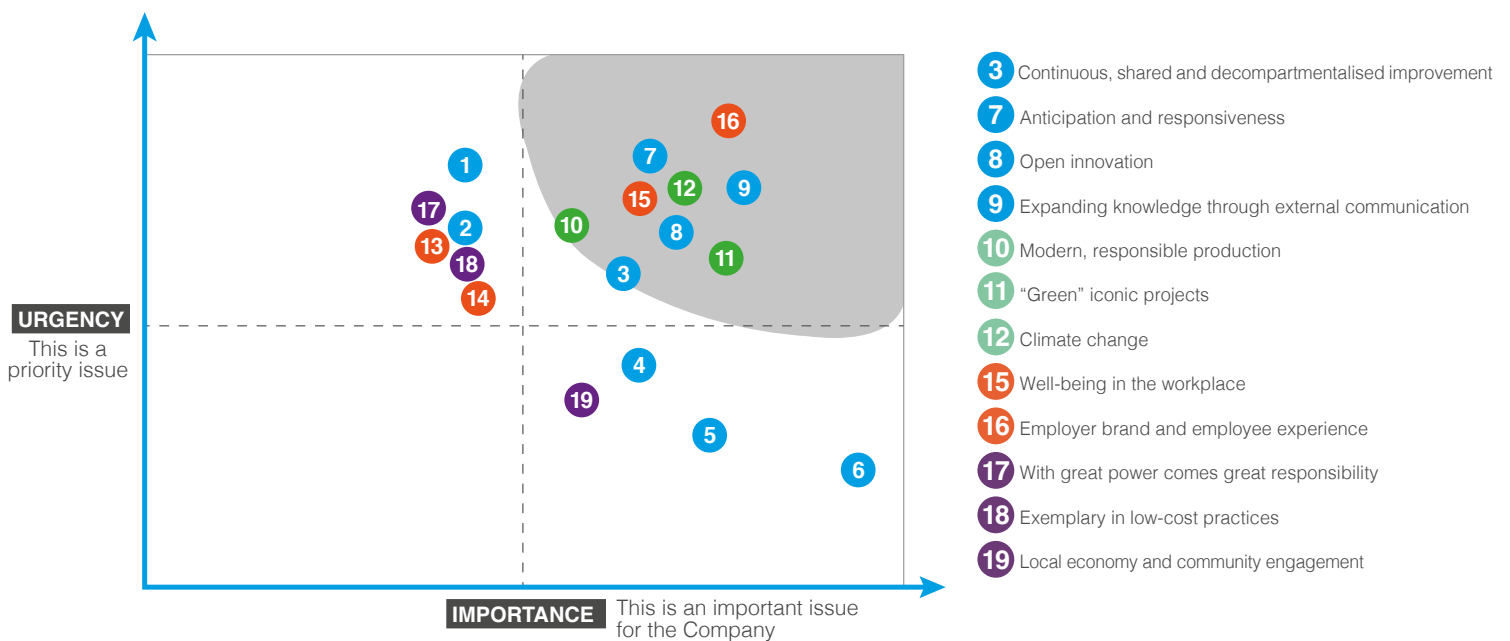
This report presents data obtained during the financial year ended 31 March 2023, i.e. the period from 01/04/2022 to 31/03/2023 (fiscal year 2022).

# STAKEHOLDER CONSULTATION

NTN Europe organised a consultation with its stakeholders in February and March 2019 in order to best determine their expectations. Almost 400 people expressed their expectations over the course of the 6-week consultation. As a result, NTN Europe was able to pinpoint the issues viewed as a priority by its stakeholders.

The consultation enabled us to create a materiality matrix. This analysis that assigns a weighting and classification to the various CSR issues. The NTN Europe stakeholders highlighted 19 key issues.

NTN Europe began by identifying its stakeholders with a view to establishing lasting relationships of trust. Our 6 top-tier stakeholders are our NTN shareholder, our customers, our employees, local communities, government authorities and our suppliers.



The matrix highlights 9 priority issues (shown in grey area) perceived by stakeholders as important for the Company and needing to be addressed promptly. These cover social and environmental topics and also business challenges, which are a specific aspect of our business.

Ethical issues did not emerge among the priority expectations of our stakeholders. Our determination to set the example in our business practices naturally inspires us to continue improving in this area and to establish ethics as one of the priority topics in our strategic objectives.

## Stakeholder consultation

Listening to the expectations of our stakeholders ensures the sustainability and longevity of our activities, the empowerment and loyalty of our employees and our attractiveness. We conduct this monitoring continuously. As an example for 2022, we conducted a survey of our employees on the prevention of psychosocial risks.

Following round-table discussions, a situational analysis was established. A working group was then
















formed to propose actions that led the executive management to adopt 3 priority areas of work:

- Develop a closer and empowering management
- Restore a vision of the future and increase confidence
- Boost motivation and pride of belonging

# NTN CORPORATION MATERIALITY MATRIX

Over the course of 2020, the NTN Group in Japan surveyed its companies and regions of operation to get an idea of the different objectives and expectations for the purpose of structuring the CSR strategy for the Group as a whole. NTN Europe took part in the survey.

The NTN Group, a member of the UN Global Compact since 2015, reaffirmed its commitment to building a more harmonious world by basing its CSR strategy on certain UN Sustainable Development Goals (SDGs). NTN Europe's strategic objectives are fully aligned with the following materiality targets set by NTN:

<b>ENVIRONMENT</b>	Contribute to carbon-free society	1. Reduce energy losses		
		2. Realize a sustainable society using natural energy		
	Achieve carbon neutrality	3. Respond to climate change		
	Environmental protection	4. Recycling resources and preventing pollution		
<b>SOCIETY</b>	Contribute to prosperity	5. Provide safety and comfort		
		6. Improve the reliability of products and services		
	Sustainable purchases	7. Conduct procurement activities with a focus on the environment and society		
		8. Respect for human rights		
	Human development	9. Promote safety and health		
		10. Develop human resources		
11. Promote diversity				
<b>GOVERNANCE</b>	12. Observe strict compliance			
	13. Strengthen governance			







# Strategic objectives & KPIs

## 9 PRIORITY ISSUES DIVIDED INTO 5 STRATEGIC CSR LINES

**Measuring our progress and the effectiveness of the work carried out on these 5 strategic lines, the KPIs** presented later in the report are calculated on the basis of the NTN Europe regulatory scope. These indicators have been audited for FY22. Certain indicators are also presented on a scope extending to the subsidiaries of NTN Europe.

## STRATEGIC OBJECTIVES

Lines	Indicators	Unit	Scope	Financial year	2020	2021	2022	Calculation method
Business	Percentage of new customer references	%	NTN Europe and its subsidiaries	Tax	10,7 %	11.9%	<b>12.7%</b>	% new references / total references
	Aftermarket share	%	NTN Europe and its subsidiaries	Tax	35 %	38%	<b>38%</b>	% of aftermarket turnover / total turnover
Innovation	New relations added to our network	Unitary	NTN Europe and its subsidiaries	Tax	27	31	<b>34</b>	Number of new confidentiality agreements signed during the year
	Number of partners	Unitary	NTN Europe and its subsidiaries	Tax	13	14	<b>17</b>	Number of committed partnerships at the end of the financial year
	Number of patents	Unitary	NTN Europe and its subsidiaries	Tax	20	11	<b>28</b>	Number of patents during the year
	Percentage of R&D hours dedicated to the energy performance of our products	%	NTN Europe and its subsidiaries	Tax	29 %	31%	<b>29%</b>	% of R&D hours eligible for research tax credit
Social	Frequency rate of reported workplace accidents (FR1)	Ratio	NTN Europe	Tax	13,2	11.5	<b>13</b>	Number of reported workplace accidents x 1,000,000/Number of hours worked
	Frequency rate of reported lost-time accidents at work (FR2)	Ratio	NTN Europe	Tax	11,9	8.4	<b>10.7</b>	Number of lost-time workplace accidents x 1,000,000 / Number of hours worked
	Severity rate of workplace accidents (SR)	Ratio	NTN Europe	Tax	0,62	0.73	<b>0.45</b>	Number of days lost due to workplace accidents x 1,000 / Number of hours worked
	Turnover rate	%	NTN Europe	Tax	6,5 %	11.8%	<b>13%</b>	Number of CDI hires+Number of CDI departures/2x initial CDI staff
	Professional equality index	%	NTN Europe	Civil	87 %	84%	<b>89%</b>	According to the method of calculation specified by the French Labour Code (Article D1142-4 et seq.)
	Number of followers on LinkedIn	Unitary	NTN Europe and its subsidiaries	Tax	20296	23,318	<b>25,865</b>	Number of followers at the end of the financial year
	Number of people joining our internal LEARN training school	Unitary	NTN Europe	Tax	N/A	33	<b>60</b>	Number of people included in the LEARN immersion periods for the financial year
	Integration rate for persons with disabilities	%	NTN Europe	Tax	5,4 %	5.7%	<b>7.3%</b>	Rate calculated by the Agefiph simulator based on our data sent to URSSAF
ENVIRONMENT	Percentage of waste recovered	%	NTN Europe	Tax	97 %	97%	<b>97%</b>	% of waste recovered / total waste
	Water consumption related to activity	m3/€AV thousand	NTN Europe	Tax	0,66	0.60	<b>0.64</b>	Water consumption in volume per € thousand of added value
	Evolution of the energy intensity of our resources (a negative value reflects an improvement in energy performance)	%	NTN Europe	Tax	7,7 %	-2.2%	<b>-8.7%</b>	Energy intensity for the financial year compared to reference period FY18-19-20
	Atmospheric emissions	kg/h	NTN Europe	Tax	10,7	10.2	<b>9.8</b>	VOC, NOx, dust and oil mist emissions for a commitment of 100% of our production capacities
	Carbon footprint scopes 1 and 2	tCO2e	NTN Europe	Tax	7148	7,638	<b>5,186</b>	Greenhouse gas emissions scopes 1 and 2
Ethics	Percentage of our technicians, managers and executive staff trained in the code of ethics	%	NTN Europe	Civil	93 %	96%	<b>97%</b>	Number of technicians, managers and executive staff trained / Non-executive and executive staff total
	Percentage of purchasing turnover covered by the Sustainable Purchasing Charter	%	NTN Europe	Tax	N/A	73%	<b>82%</b>	Purchasing turnover with signature of the charter / Total purchasing revenue, scope of all business units



**12,7%**

NEW CUSTOMER  
REFERENCES

**38,2%**

AFTERMARKET  
SHARE



## BUSINESS

### Expanding our expertise into the markets of the future in a bid to make current and future changes in society more harmonious.

New forms of mobility have imposed themselves and, with them, a profound transformation of the means of transport, be it in automotives, aeronautics, railways or the development of soft modes. Travel practices are changing and aim to be more energy efficient, less polluting and more focused on the freedom of use and autonomy of vehicles. Owning your own means of transport becomes less important than using one or more, self-service or shared.

These developments create new challenges and opportunities for NTN - a historic player in mobility. Meeting the challenges of this mobility of the future means reinventing ourselves and offering our customers new products, new solutions and new services. To do this, new skills and new approaches to development and customer relations are needed.

### ORIGINAL AUTOMOTIVE EQUIPMENT

Guaranteeing mobility that respects the environment thanks to energy efficiency and contributing to the development of electric vehicles

The European regulatory context is changing, with, in particular:

- in 2050: European objective of carbon neutrality
- in 2035: ban on the sale of new thermal vehicles (private individuals, light commercial vehicles)

The strategy of car manufacturers in Europe is therefore mainly oriented towards a 100% electric offer for all of their ranges.

#### Electrification

The architecture of a battery-powered electric vehicle is very different to that of thermal vehicles, namely at the level of the traction chain, with the disappearance of the combustion engine and the gearbox in favour of an electric powertrain. The latter is called the e-Axle or Electric Drive Module and includes the electric motor, power electronics and transmission. This is a good opportunity for NTN, since an e-Axle contains as many or even more bearings than a conventional powertrain. This electrification is accompanied by new technical requirements, which have an impact on the design of the bearings (high speed, high temperature, greater range of dimensions, resistance to the passage of electric current, etc.). So we evolve our offer and our

production lines to meet these new needs. NTN Europe has turned the corner by starting to produce bearings for several e-Axles at the Sibiu plant. Our strategy aims to increase sales of bearings for electric motors and transmissions. It includes 4 main objectives:

- Strengthening our presence with strategic customers
- The development of our skills and innovations in electrical applications
- Upgrading our production lines, with a significant investment plan for our Sibiu plant
- The diversification of our supplier panel to ensure the competitiveness of our products

Beyond the electrification of vehicles alone, we are committed to meeting environmental challenges by offering efficient solutions that consume fewer resources. For example, we are developing products that use more recycled or bio-sourced, more easily recyclable, materials for suspension thrust bearings. We will generalise to the third-generation wheel bearings with evermore optimised friction torque to reduce energy losses.

We are also making our contribution to the move towards autonomous vehicles, which will also accompany new shared mobility, by providing mechatronic solutions including magnetic sensors and encoders for systems such as LIDAR (sensors allowing the detection of objects or people in a vehicle environment).

### AUTOMOTIVE AFTERMARKET

Become a global player in the automotive aftermarket by offering a wide range of products, responding to the electrification of the fleet and mobility issues, and a set of services lasting the relationship with our customers and engaging in a more responsible progress approach to the sector

The European fleet, faced with the economic context, has a tendency to age, with an average of more than 10 years. Our role is to ensure the availability of spare parts to keep the fleet in good working order and to allow an ecological transition towards new mobility: to allow everyone to perpetuate their vehicles in good working order, not to destroy large numbers of vehicles and develop an offer to also repair new-generation vehicles (electric cars, hybrids, VAE, electric scooters, etc.).

This year we launched a range of electric water pumps, a range necessary for hybrid and electric vehicles, which will be further expanded in 2023, representing 40 references.

At the end of 2023, we will launch a range of refurbished transmission seals and thus integrate the recovery of used materials and their refurbishment into our plans. This is only the first step into the circular economy!

As part of the Innovations Awards at Automechanika, NTN was nominated for its eco-responsible and recyclable aluminium thrust bearing. While manufacturers traditionally use plastic to offer lighter and more flexible parts, NTN takes the opposite view and develops a suspension thrust bearing with an aluminium spring support, which is more rigid and easily recyclable.

### ORIGINAL EQUIPMENT AND DISTRIBUTION INDUSTRY

Stepping up operations in the European industrial market by drawing on our technical expertise and a range of competitive solutions, serving the most demanding applications in the fields of mobile equipment, industrial processes and renewable energy, targeting buoyant markets in various geographic regions, supporting major distributors and further digitising our business.

### E-Bike, seize the opportunities related to this fast-growing market

The numbers for the global e-bike market keep growing. Evaluated at 16 billion euros in 2020, it is estimated to rise to 31 billion euros in 2026. NTN has been supplying bearings to major players in the cycle industry for many years and also develops sensors and magnetic targets adapted to this market. Thus, the Group equips electric motors, wheel hubs, bottom brackets, derailleurs and electric shifters as well as headsets. At present, NTN supports the surge in motorisation in the cycle sector, which will be a major contributor to soft mobility in the cities of tomorrow.

### Industrial pumps, fostering collaborations with manufacturers in the sector

Pumps are at the heart of most industrial processes. With more than 750,000 bearings sold per year, NTN develops solutions for sectors as varied as water and sanitation, agriculture, petrochemicals, food processing, pharmaceuticals and semiconductors. The pump market can be segmented into two technologies: centrifugal pumps and positive displacement pumps. In both cases, the market is dynamic and allows us to support our customers with products that meet their technological requirements.

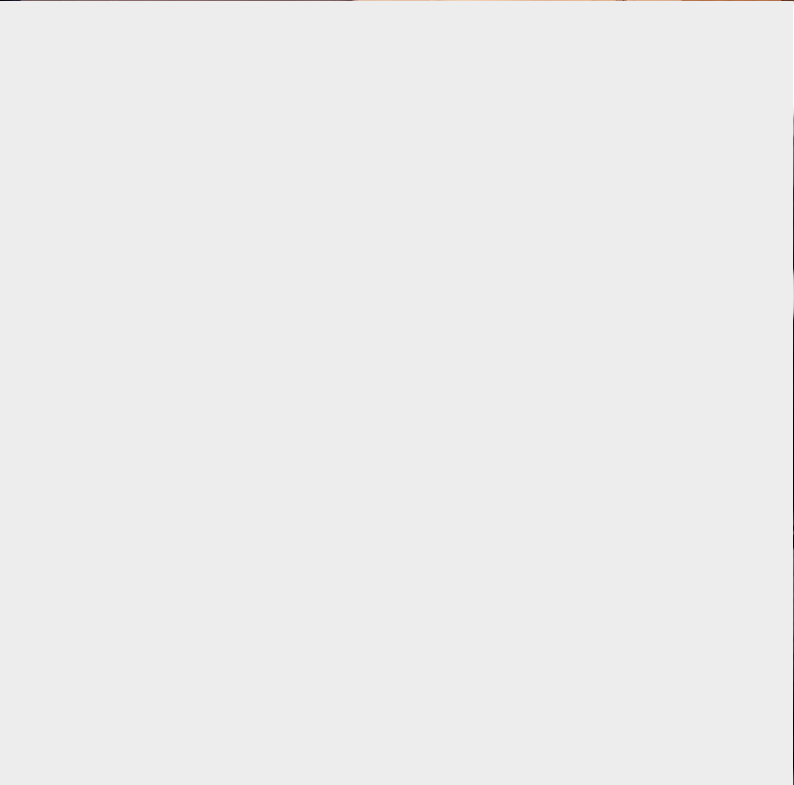
### SENTINEL™ SERIES: bearing solutions to cater to the food industry market

In September 2021, NTN unveiled its latest solution of "SENTINEL™ SERIES" bearings with solid lubrication. This eco-responsible innovation, which has had great success across the Atlantic since 2016, was designed to improve production safety and efficiency for food manufacturers.

As a reminder, the SENTINEL SERIES™ and its all-stainless steel design can withstand corrosion and is currently applied to two types of products: insert ball bearings with stainless steel or thermoplastic bearing units and standard 6000 and 6200 series ball bearings.



## STRATEGIC OBJECTIVES



## STRATEGIC OBJECTIVES

SENTINEL SERIES™ bearings are commonly used in food-processing for conveying, filling machines and brushing machines. But they can be used on all applications exposed to corrosion, high-pressure washing or where a high level of cleanliness is required. Thanks to the use of solid lubrication, grease leakage is limited.

### A positive environmental impact

This range is also part of a 100% eco-responsible approach fighting against waste and the concept of “wear” parts. By reducing bearing waste, grease consumption and maintenance interventions, it enables players in the food-processing sector to be perfectly in line with their ISO 14001 certification and/or any CSR approach.

## AERONAUTICS

[Ensuring sustainable development by improving customer satisfaction and seizing new opportunities arising from technological changes in the sector.](#)

**AeroGreen:** an active contribution to the decarbonisation of aviation

**The business** unit Aerospace participates in the aviation decarbonisation project (Net Zero Aviation by 2050 - ATAG) by being part of both the continuity of NTN's historical activity and by investing in breakthrough technologies.

Since 1968, NTN has always worked closely with its customers, supporting, in particular, the successes of Airbus and Safran. The proximity of our design office to the customer technical teams allows us to cooperate on the introduction of processes and materials of the

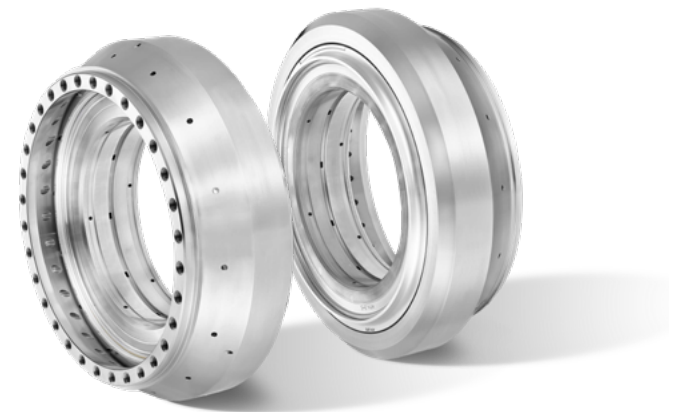
future (ceramics, new alloys, plastics processing). To cite just one example: our latest prototypes delivered to Rolls Royce for their Ultrafan demonstrator, which allow fuel consumption reductions of around 25% compared to the latest generation of reactors.

NTN also contributes to the decarbonisation of aviation through its industrial footprint and its products. Indeed, with the entire Made in France production being concentrated on the single site of Argonay, we considerably reduce intra- and extra-muros logistics flows.

### MRO activity: giving a second life to our bearings

Since 1993, NTN has been involved in the maintenance, repair and overhaul (MRO) of SNR bearings in CFM56 engines, of which we have contributed to making reliable. Our bearing and gearbox bearing maintenance know-how is recognised by all aircraft engine maintenance providers. Today, we have more than 70 customers across all continents and repair an annual volume of 1,200 bearings.

Beyond the irreproachable quality of the maintenance, the repair time is a key factor in satisfaction. In addition, restoring a bearing to new condition by restoring its performance is ecological and economical for our customers.



**34**

NEW  
RELATIONS ADDED  
TO OUR NETWORK

**17**

PARTNERSHIPS

**28**

PATENTS

**29.4%**

R&D HOURS  
DEDICATED TO THE  
CO<sub>2</sub> PERFORMANCE  
OF BEARINGS

# INNOVATION

**Our open innovation policy revisited in recent years is bearing fruit and nearly 50% of our research and innovation projects are conducted in partnerships, private/public and private/private, which accelerate our ability to learn and put forward innovative offers.**

The electrification and digitisation of automotive, aeronautical and industrial mechanical functions, the modification of energy and climate policies, the necessary management of resources, new forms of mobility, all of these topics are now firmly rooted in our societies. The world is speeding up and opening up at the same time. And the transformation of our markets and business models is no longer questionable.

It is increasingly true that, today, it is no longer possible to claim to know everything, to master everything within the Company.

The technical maturity of electric vehicles, for example, is radically different to that of just 5 years ago and goes hand in hand with the increase in sales of vehicles of this type. Our customers are now curious about specific designs that are lighter, more efficient, compact, reliable, necessarily economical and clearly equipped with a high level of engineering. Which is good for us. But also requires us to transform our research and advanced studies into our products and our productions more quickly.

As expected, we are now seeing a proliferation of new bearing applications with profound changes in the specifications, with temperature, rotation speed, lubricants, residual torque, parasitic electrical phenomena which evolve, for example. This is true for automotive transmissions in particular.

It is also confirmation that our mechatronics technological offer also represents an opportunity, which is why we created a new dedicated "Business Unit" less than 2 years ago, which has opened up promising partnerships and markets.

We are faced with new entrants in an already weakly concentrated market, both competitors (threat) and new potential customers (opportunity). Note here the success of the programmes supported by the State within the framework of the France Relance and France 2030 programmes which have been tremendous catalysts for innovation and investment projects.

And finally, if price competition is no longer enough, and if we also need to be able to provide new technologies and services, we launched an original acceleration programme 2 years ago, without taking capital, and which comes to support young companies with a product close to production and in the redesign-to-cost phase. We are currently accelerating 4 French companies, with good potential markets. Unless it is these start-ups that are speeding us up?

## Research & Networks

**In this context and to support the Company's global strategic plan, the mission of the Research & Networks department is clearly to facilitate the opening of our Research and Innovation teams to external collaborations.**

### RESEARCH

Creating the "technological building blocks" that will make the Company stand out. Rooted in our DNA, our

areas of expertise revolve around materials, lubricants, the science of contact and of course bearings and their applications.

### NETWORKING AND RESOURCING

To move fast and access the right skills, the "building blocks" will have to be co-produced by different Company teams, but with the help of partners outside of the Group. This work can be done under straightforward partnership agreements between two companies or through a consortium of different public and private-sector partners

## STRATEGIC OBJECTIVES

(funded or unfunded). For technological building blocks that already exist, the terms and conditions for accessing these building blocks will need to be negotiated.

The prerequisite for establishing such partnerships is quite clearly our ability to build a network of potential partners in alignment with the topics we want to address and our ability to update it.

### INNOVATION

Innovation is at the heart of the DRIVE NTN 100 Phase 2 business plan. 10% of Company revenue in 2027 will be based on innovative products. With that in mind, we need to define our areas of focus in line with market expectations both present and future, starting now.

**The Innovation Department is working on 4 market objectives:**

- ▶ Mobility
- ▶ Industry and Services
- ▶ Digitalisation and Services
- ▶ Green Business

These objectives show that we are taking the needs and expectations of our customers into account, as well as our changing environment and our social responsibility.

Our portfolio of Innovation projects is composed of incremental projects and disruptive projects, and projects allowing us to operate our current manufacturing facilities and to create new industrial blueprints. The challenge is to balance all of our activities through collective and efficient leadership, within and outside the Company, to build the world of tomorrow.

### Networks

Networking is the creation, development and renewal of a Company ecosystem. It is made up of universities, research laboratories and businesses (from start-ups to very large corporates) and must be perfectly aligned with the topics the Company aims to address and capable of offering added value to the search for partners. Accelerating our partnerships means taking a structured approach to our network in order to guarantee that we can rapidly identify the right partner(s).

The indicator we used to measure the effectiveness of our networking approach is the number of new relations created over the course of the year and formalised in a confidentiality agreement.

In 2021, we continued to grow our network, going from 31 to 34 new relations added to our innovation ecosystem.

### Partnerships

A partnership is defined as an active collaboration between various members of the public or private sphere, businesses or research bodies which, while maintaining their independence, agree to pool their efforts with a view to achieving a common objective associated with a problem or a clearly identified need and in which, in accordance with their respective aims, they have a vested interest, responsibility, motivation or obligation.

The aim of the collaboration can vary, ranging from access to new knowledge and new technology to access to new markets or businesses. These partnerships may also receive public or private-sector funding depending on their content.

A company that systematically operates through partnerships is a network company.

In 2022, we have gone from 14 to 17 partnerships, demonstrating a very strong dynamic around partnership creation and renewal, 50% of our major Research & Innovation projects now being carried out in collaboration.

### Patents

The number of patents is not an objective in itself, but rather an outcome. It is a measure of our creativity and inventiveness. Patents also protect our inventions. A patent is in equal parts an offensive and a defensive weapon and ultimately serves as a negotiating instrument.

In order to boost our inventiveness and avoid seeing it focused too predominantly in the innovation or engineering teams, NTN Europe created a Fab-Lab (Créa'lab) whose objectives are:

- To create a community to guide anyone in the Company with an idea, helping them transform that idea into a Proof of Concept (POC) in a short period of time (3 months maximum) by providing them with the appropriate skills, methods and tools
- To promote innovation within the Company and thereby encourage as many initiatives as possible

After a sharp reduction in inventive activity linked to the drop in activity associated with the health crisis of 2020, the 2022 indicator has returned to a satisfactory level with 28 patent filings, thanks to a very good dynamic established around creativity procedures.



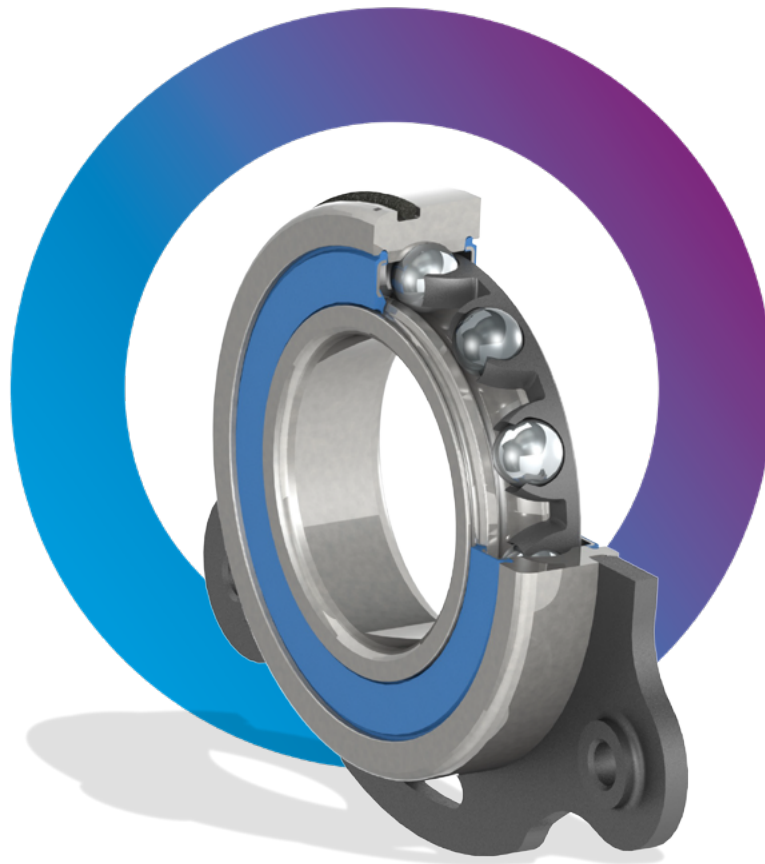
**The RID Department's Innovation team develops solutions in response to vehicle electrification.**

The shift in the automotive market towards electrification is a great opportunity to provide new and differentiating solutions on which the Innovation teams are working, in particular, to provide:

- Effective responses to the issues relating to the passage of electric currents through bearings: new means of characterisation and test benches, technical solutions for reliability (work on lubrication, materials, design, etc.)
- Bearing designs adapted to new high-speed and high-temperature operating conditions, in particular, by developing new thermochemical treatments to reinforce the active surfaces of our bearings.

This also requires a better understanding of failure phenomena, but also by surrounding oneself with the right partners (private and academic) to market products with the right level of performance and reliability. The fundamental understanding of the phenomena is also based on the establishment of doctoral research contracts.

The creativity of us all is also an opportunity to find THE solution that our competitors haven't thought of and that will make the difference. The bearing of tomorrow's electric vehicle is a component that incorporates the best technologies to enable us to remain a major player on the market.



# ENERGY PERFORMANCE BEARINGS

## Challenges of man-made GHG emissions

The Intergovernmental Panel on Climate Change (IPCC) has confirmed mankind's influence on the climate. Furthermore, current man-made GHG emissions are the highest ever observed. The induced warming will have direct or indirect consequences on human and animal health, economic activities, biodiversity, etc. Reducing GHG emissions is therefore a necessity to limit climate change and its consequences.

## Regulatory implementation for the automotive industry

The automotive industry is participating in this effort through commitments by geographic region. For example, in Europe, under the Clean Air For Europe (CAFE) 2021 programme, some manufacturers who did not meet their target of contributing to the 95 g/km CO<sub>2</sub> average were financially penalised. Efforts will continue, in particular, with the extension of the carbon footprint to the entire "well-to-wheel" life cycle by 2025. In addition, a target of zero "tank-to-wheel" emissions by 2035 has been announced.

## As applied to bearings

NTN is indirectly though significantly affected through its customers and its environmental responsibility. Bearing technology is used to smooth the rotation of parts in all types of machines. With more precise bearing technology, the shafts can rotate more smoothly, minimising energy loss. This technology is gradually changing the future of electric vehicles, robots and even society, thanks to renewable energies.

The improvement in energy performance produced represents a clear and unifying objective for NTN Europe. It is also a means to generate innovation, competitiveness and customer value. It is a sustainable and structurally effective direction for automotive R&D activities.

## Focus on automotive bearing technologies

At the heart of NTN Europe's business, wheel bearings boast real potential to reduce CO<sub>2</sub> emissions. This bearing is equipped with the latest in low-friction



technologies aimed at significantly improving performance.

Moreover, in the context of the development of electric vehicles, autonomy is a key performance factor. However, efficient wheel bearings can also provide a substantial gain in this criterion with limited additional costs. For electric vehicle motors and the associated transmissions, we develop solutions to meet the particular demands of these bearings: high rotation speeds, resistance to current flow. The control of lubrication conditions is also the key to energy-efficient operation.

The automotive technologies already mass-deployed by the NTN Group enable the reduction of CO2 emissions by several thousand tonnes every day.

**The top resources and tools**

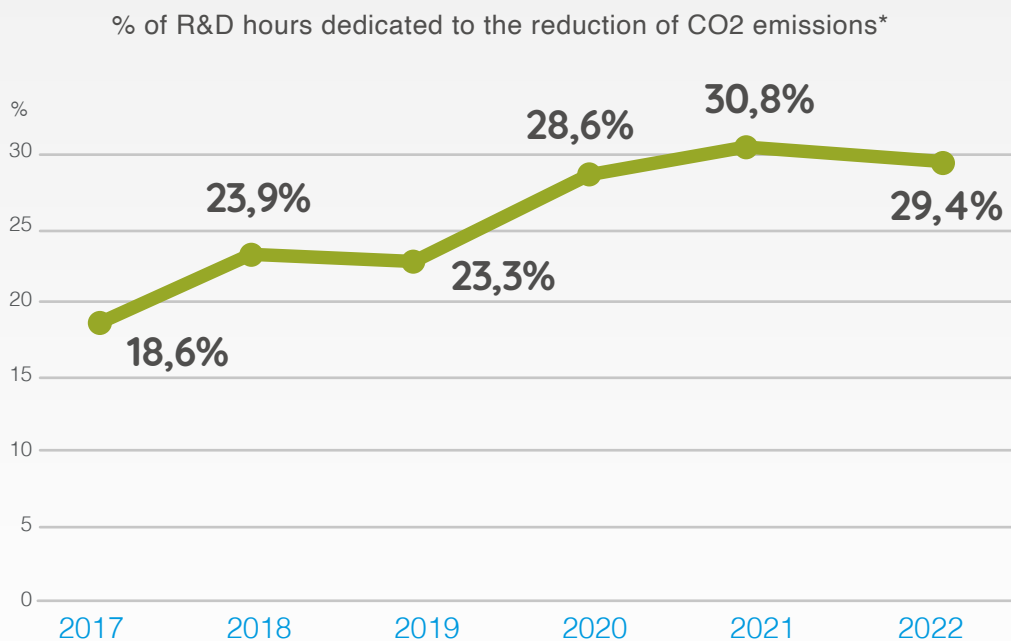
NTN Europe is rolling out new resources to further improve the energy efficiency of its products. For example, a new test bench to characterise the frictional torque of wheel bearings entered into service in 2023.

The result of 3 years of development and substantial investment, this resource will make it possible to characterise friction under all of the varied conditions of speed, load and temperature required by our customers. It is thus able to operate between -7°C and +40°C, or to follow the speed profile of the WLTC standard. The level of precision is the highest level in the world, with the ambition to turn this into a means of associated methodologies of standards in the automotive industry



**2022 KPIs:**

The chosen KPI is defined as the percentage of R&D hours dedicated to the reduction of CO2 emissions. It is based on the total hours eligible for research tax credits.





**13%**

OF TURNOVER

**25.865**

FOLLOWERS ON 

**60**

PEOPLE WHO HAVE  
JOINED LEARN

**89%**

PROFESSIONAL  
EQUALITY INDEX

**7.3%**

EMPLOYMENT RATE  
OF WORKERS WITH  
DISABILITIES

# HUMAN RESOURCES

**Attracting and retaining a variety of talented staff to ensure the development of NTN Europe by drawing on a strong employer brand.**

## THE CHALLENGES

Work on the employer brand is a high-stakes objective. This carries our social DNA and is responsible for conveying our HR ambitions, values, culture and differentiating factors. The targets are unlimited: current and future employees, customers, suppliers, partners and institutions. We want our DNA to be perceived consistently and authentically both inside and outside the Company. We ultimately aim to achieve multiple goals: attract people with the skills to consolidate and develop our businesses and retain our employees and, in so doing, our stakeholders.

## OUR AMBITIONS

Based on the aforementioned strategic objectives, and in keeping with our values, we are investing substantial human and financial resources in order to enhance our appeal as an employer and build the loyalty of our talented staff. We have built and implemented a comprehensive strategy centred on promising objectives:

- The integration and support of trainees and work-study apprentices (in initial or ongoing training)
- An HR policy focused on the needs of the workforce (internal mobility, co-opting, orientation process, etc.)
- Communication in line with our DNA, to promote our activities and our professions
- A comprehensive training programme for all employees to continue expanding their skill set

We are currently continuing to conduct concrete initiatives to cultivate our employer brand every day, internally as well as externally.

## OUR ACTIONS

**An HR policy focused on the workforce.**

We want to enable everyone to progress and develop their skills. We therefore attach special importance to promoting internal mobility within the group. During 2022, we opened 156 positions internally, and 75 of them were filled through mobility within the Group, be this in France or in Europe.

**Hosting young people as interns and in work-study programmes**

Today's juniors may well turn out to be tomorrow's talent! The development of work-study programmes and internships is a powerful driver for recruitment. Depending on each person's skills and the needs of the Company, trainees and work-study apprentices at the Company are the primary job applicants of the future. We strive to offer rich and varied subjects, where everyone can express their potential, and learn alongside us. The care we provide with this support has resulted in the HappyIndex@Trainees recertification by Choose My Company. In 2022, we welcomed nearly 200 young people in training, and the collaboration continues, with work-study contracts for our trainees, and a permanent contract for future graduates.

## Development of the LEARN device

The Ecole des Applications du Roulement NTN (LEARN) school, started in 2019, expanded in 2022.

We implemented a pre-qualifying course, open and unconditional on diploma, qualification or experience, 3 times in 2022.

We are duplicating the system for the Large Series sectors, with the platform located on the Seynod site.

We offer a new specialisation of Mechanical Systems Assembler for new employees trained and recruited with LEARN, and for workers already employed, for the aeronautical sectors. Two promotions of this qualifying

## STRATEGIC OBJECTIVES

course (CQPM) were started in 2022, ending at the very beginning of 2023.

We also offer a Conduite d'Equipements Industriels (Industrial Equipment Operation) course for new employees trained and recruited with LEARN, and for workers already present, in the Automotive or Industry sectors. Three promotions of this qualifying course (CQPM) were started in 2022, ending in 2022 and 2023.

We lead partnerships with Pôle Emploi and other institutional structures or employment, integration and disability partners.

In particular, we have:

- Organised and led 6 system steering committees, bringing together internal and external players.
- Formalised with Pôle Emploi an agreement allowing temporary workers to take the MRS Simulation Recruitment Method tests.
- Received 8 partners with a disability and carried out with them 24 actions, ranging from the discovery of LEARN, preparation for collective information, discovery of positions, discovery of training, participation in structure workshops, monitoring of learners and employees in situations of disability.
- Received 6 integration partners (Local Missions, associations), and carried out 11 actions with them, ranging from intervention on their premises, LEARN visits and follow-up meetings with learners and employees.

LEARN benefits from the financial support of the Ministry of Labour, Employment and Economic Inclusion, operated by the Banque des Territoires and the Caisse des Dépôts, through the "100% Inclusion, la Fabrique de la remobilisation" programme of the PIC Plan d'Investissement dans les Compétences (skills investment plan).

During the follow-up visit on 30 January 2023, the representatives of the State (DGEFP and DDETS) recognised the quality and effectiveness of the support, and congratulated the project leader for their particularly high rate of return to work.

Furthermore, the LEARN integration process is based on recruitment without a CV. To support this specificity, the managers and HR actors of NTN Europe follow a training course "Recruiting without CVs"

In the field of accessibility to computer applications for all, we can note that we organised ourselves in 2022 to systematise the opening of a computer account for all of our employees, which is a novelty for a large share of our workers. It remains to improve the handover by the manager and the support of employees, to facilitate access to training modules in e-Learning format.

We have also signed an inclusive partnership agreement with the Haute-Savoie department, for the period 2022-2024.

### ICSA,, our Italian plant, has launched NTN PROFTEC

In response to the widespread difficulty in finding technical skills in the manufacturing sector, ICSA has launched PROFTEC: an integrated approach that helps identify and develop the technical resources needed to meet our future challenges.

With PROFTEC - PROgramma per la Formazione di Tecnici del Cuscinetto" NTN - and thanks to the integrated collaboration of the CNOS FAP and its deep and consolidated experience in training, especially in technical professional orientation, ICSA is changing the traditional recruitment model by designing a tool that supports the creation of the skills and competencies actually needed to match the major technological development currently being implemented in the Piedmont plant.

The objective is to bridge the gap between the world of education and the demands of the labour market, providing the opportunity to develop training courses in an Industry 4.0 environment and showing the new generation the modern manufacturing environment. The modern mechanical industry of today, which presents itself as a cleaner, more orderly and safer plant, still needs new human resources, qualified human resources ready to "make the future".

### "What if we changed our view of disability?"

We have continued our desire to integrate disability into the Company's overall HR strategy and thus clarify everyone's roles and missions surrounding this subject.

A disability agreement was signed with the trade unions in November 2021 with the aim of including and maintaining our employees with disabilities and

raising awareness and communicating regularly on these subjects.

The 2022 European Disability Employment Week was an opportunity to deploy and make visible our Company policy, to deconstruct prejudices.

During this week, we started training with our managers in order to give them the necessary tools to integrate employees with disabilities and keep our employees affected by these issues in employment (75% of our managers have been trained in this).

It was also an opportunity to reaffirm our commitment by organising a new Duoday event. We were able to welcome 7 people with disabilities during the day to discover our professions with volunteer employees. Beyond the importance of the day's achievements, this immersion resulted in a permanent contract hire on one of our sites.

All of these actions during the year 2022 have enabled everyone to open up to difference and to be enriched by it.

This has allowed a real consideration of the issue of disability in our daily practices.

Awareness-raising and various communications have reassured employees that the Company is handling these issues and have developed our employer brand and sense of belonging.



Thanks to the mobilisation and support of everyone, we were able to reach and exceed the legal obligation of 6% by counting 7.3% of workers with disabilities in 2022.

As a reminder, our 2021 figure was 5.7%, an increase of 1.6 points in 1 year..

### An example of the inclusion of people with disabilities, the floor at SNR Cévennes

«Our factory, having been designed by and for the women and men who work there, it has naturally adapted to our employees who have a physical disability.

In this context, we started with the ESAT des Gardons to subcontract some of our activities to their workshops such as the cleaning of the spacers, and the reconditioning.

In 2020, when one of our automotive customers expressed to us a specific need to deliver bearings in non-standard packaging, we then imagined being able to push the integration of disability even further into our "factory of the future" on the Croupillac site.

With the support of the management of the ESAT, we have trained teams of two people with disabilities who come to our site every other week, in turn, to carry out the reconditioning activity.

We then trained an ESAT employee on a tour de reprise machine. This person is now autonomous for the production and series changes on this machine.

We have also integrated ESAT employees for the reconditioning activity as well as those trained on the tour de reprise as manufacturing agents on a production line in our "factory of the future".

To date, he is in training with a tutor to independently oversee a 3rd generation bearing production module!"

### Occupational health and safety

Safety is a fundamental Group value, part of the Company policy and the commitments made by our management. Accordingly, our managers take all necessary measures to protect the health and safety of our employees, and in general of anyone who works for or visits the Company. They are supported by:

- A central HSE department, which proposes safety, ergonomics and fire improvement plans, and supports operational deployment,
- HSE relays on the sites,

# STRATEGIC OBJECTIVES

- And an internal medical service, which actively participates in the prevention process.

The Company is thus committed to making occupational health and safety a permanent priority, with the aim of improving results and building a robust and sustainable culture of safety. The workplace accident and illness prevention programme is currently based on an internal Safety Management System.

The year 2022 is marked by a slight deterioration in our accident frequency rates and, on the other hand, a significant improvement in our severity rate.

	FR1	FR2	SR
NTN Europe	13	10.7	0.45
NTN Europe and its subsidiaries	10	7.7	0.32

**FR1** = Number of reported workplace accidents x 1,000,000 / Number of hours worked

**FR2** = Number of lost-time workplace accidents x 1,000,000 / Number of hours worked

**SR** = Number of days lost due to workplace accidents x 1,000 / Number of hours worked

NTN Europe maintains its strong ambition for the future, with a 30% reduction in the number of lost-time accidents by the end of 2023 compared to the average reference value over the 2018-2020 period. To achieve this goal, a 2020-2023 safety improvement plan was launched in 2020.

The idea is to bolster the level of safety requirements, so as to boost improvement momentum through “TOB” (technique, organisation and behaviour) initiatives.

The areas of focus for 2020-2023 are:

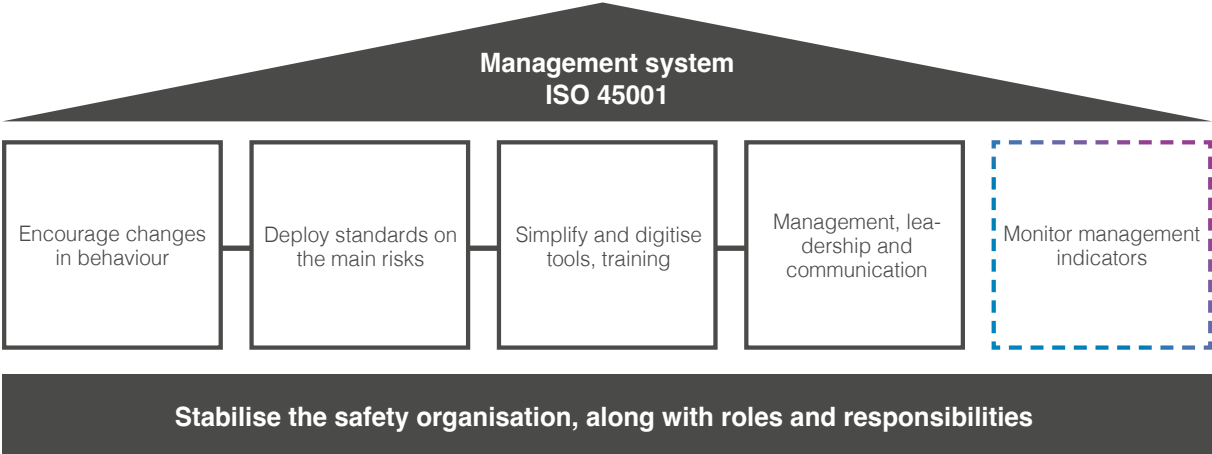
- Encouraging changes in behaviour
- Deploying standards on primary risks (e.g. working in high places, moving around, etc.)
- Simplifying and digitising tools and training
- Expanding safety leadership (management) and communication
- Monitoring management indicators

- Changing the management system, aiming for ISO 45001 health and safety certification

This improvement plan is implemented through concrete initiatives on all of our sites and is followed up on a quarterly basis. In FY2022, in particular, we validated 3 safety standards (fire, machine safety, pedestrian movement of machinery), developed a new calendar for monthly communication on safety in a structured way, reinforced our VRS (checking compliance with standards) safety approach - participatory safety visit to the workstation to involve employees in thinking about risks, held safety days on all of our sites and implemented an action plan to prepare for ISO 45001 certification.







**Ergonomics**

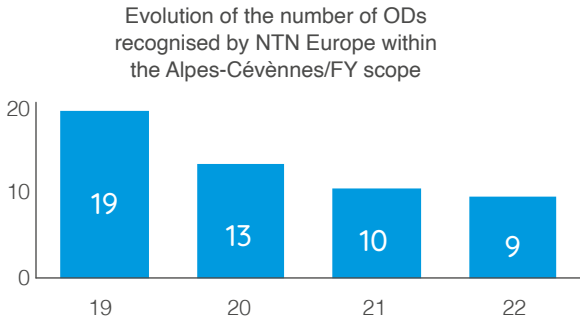
In line with the Group's health and safety directives, ergonomics is a major focus, at the heart of the strategy, with people at the centre of discussions to improve working conditions and optimise the performance criteria of facilities.

In this context, since FY2019 (launch of the first Ergonomics roadmap), and the subsequent performance of 3 pain monitoring studies among the operator population, we have built up a solid knowledge base of risky work situations, for which targeted corrective and preventive actions are carried out in 5 areas of work:



# STRATEGIC OBJECTIVES

Between FY2019 and FY2022, we studied more than 400 workstations, questioned more than 96% of operators about their pain (objective achieved), and divided by more than 2 the number of occupational diseases recognised in all of our French establishments.



At the same time, we seized the opportunity to conduct the CARSAT TMS-Pros programme on the Seynod site, which helps companies reduce the impact of MSD and develop performance. This enabled the site, and more particularly the site's new HSE department, to embark on a structured and unifying approach for all employees, resulting in:

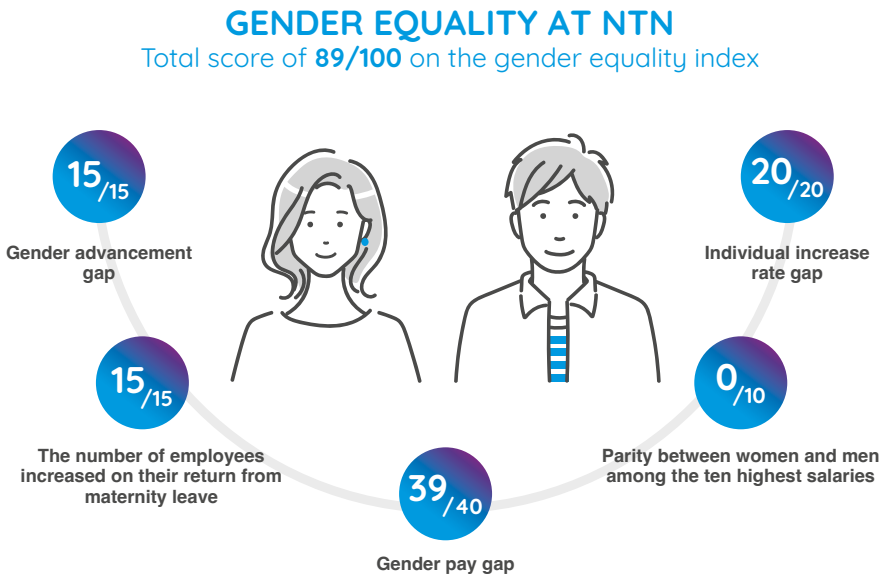
- Awareness-raising among top management
- Renewing the commitment of the management
- Training and dedicating a resource to the profession of facilitator of the MSD prevention approach
- More generally, strengthening communication around ergonomics.

On the strength of this human, organisational and economic investment, the Seynod site now has a sustainable prevention method that makes it possible to contribute to the issues related to the improvement of working conditions, well-being at work, loyalty and job attractiveness.

In keeping with these two significant successful experiences, we have the ambition to deploy this TMS-Pros method throughout the Group. In addition, for FY2023 we have decided to strengthen the alignment of our risk prevention approaches in safety & ergonomics with the aim of achieving the ISO 45001 certification objective.

## Professional equality index

On the occasion of International Women's Day, NTN published its 2022 Gender Equality Index. **The Company achieved a result of 89 points out of 100 (+5 points/2021)**, which reflects the efforts made in favour of professional equality.



## Other initiatives

### NTN Europe and AfB France, a partnership

By entrusting its computer equipment, NTN Europe contributes to the long-term employment of people with disabilities while giving its computer equipment a new life. Indeed, AfB is an association which has 200 employees in France, 2/3 of whom are disabled and who hold all types of positions within the Company. 1,089 computers have been donated since the start of the partnership in 2020.

### Temporary accommodation for homeless people

NTN Europe was approached in 2022 by the DDETS (Departmental Directorate of Employment, Labour and Solidarity), looking for land to strengthen the supply of emergency housing for the winter in the lake in Annecy and its surroundings.

An agreement was reached with the Economic and Social Committee (ESC) for the provision of the DDETS, 2,500 m<sup>2</sup> of land, located near the premises of the ESC in Seynod. The objective was to create an emergency overnight accommodation centre with 40 places, which could be dismantled.

The French Red Cross was in charge of setting up and managing this centre, in conjunction with the SIAO, which directs homeless people to available places.

An agreement to this effect was signed for 7 months between the 4 parties, the Prefecture (DDETS), the Red Cross, NTN and the ESC. The centre opened in January 2023 and closed on 31 March 2023 in its form "emergency overnight accommodation, for homeless adults, during the winter period".

Since 02/05/2023, it has been welcoming families for a maximum period that can currently extend to 30/06/2023 and with a maximum of 40 places occupied. The centre is therefore open 24 hours a day, 7 days a week.

[Sibiu International Marathon](#) is the biggest annual fundraising event in Romania and also one of the biggest marathons in the country, which combines the joy of running with the joy of giving.

It provides a fundraising platform for informal Group initiatives and NGO projects and brings together citizens, businesses and public authorities in a community celebration.

On 4 and 5 June 2022, 25 NTN runners took part in all of the races (42 km, 10 km, 5 km, children's races) to support two traditional partners: the Emergency Cell for the acquisition of medical equipment and the Storytelling Association for child development programmes.

[As part of Safety Day 2022](#), the ICSA plant in Italy organised a workplace safety event for students from a vocational school offering programmes for plumbers, electricians, masons and mechanics.

During this event, which was attended by around 150 students divided into several groups, external representatives of ANMIL, the Italian association of injured workers, came to tell the students their story, and to explain the context of their accident at their workplace.

It was about making people think and understand that appropriate behaviour in the workplace is the basis of occupational safety.

### NTN supported 2 crews during the 26th 4L Trophy event in February 2023

- ▶ The Polycrew: Dorian Caullireau and Clément Massit, two students from Polytech Annecy-Chambéry.
- ▶ Ride4Human: Florian Gros, work-study student at NTN, and his teammate Robin Berthet, another student.

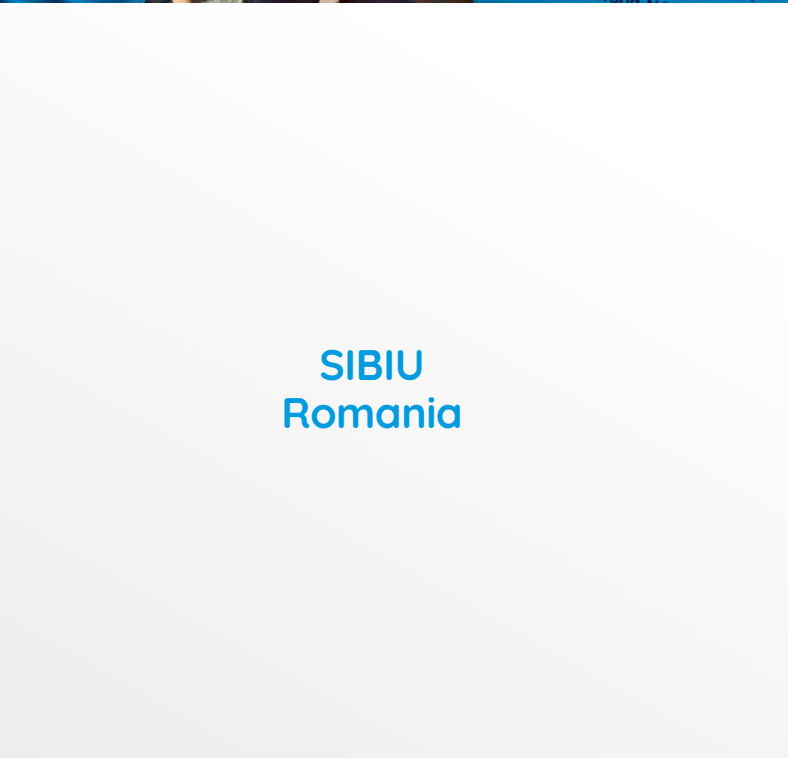
It is the largest European charity rally race dedicated to 18-28 year old.

The objective is to provide school and sports supplies to the most disadvantaged children in Morocco, in partnership with the association Enfants du Désert.

NTN provided them with bearings and parts to outfit their 4L, and NTN employees volunteered to gather school supplies. 45 kg were thus donated to the association.



SIBIU  
Romania



SIBIU  
Romania



ANNECY  
France



**97%**  
OF WASTE  
RECOVERED ON  
SITES

**8.7%**  
GAIN IN ENERGY  
PERFORMANCE ON  
SITES

**5.186**  
TCO<sub>2</sub> EQ EMITTED  
SCOPES 1 AND 2

# ENVIRONMENT & ENERGY






## Building a sustainable business together

### Our ambitions in terms of the Environment and Energy

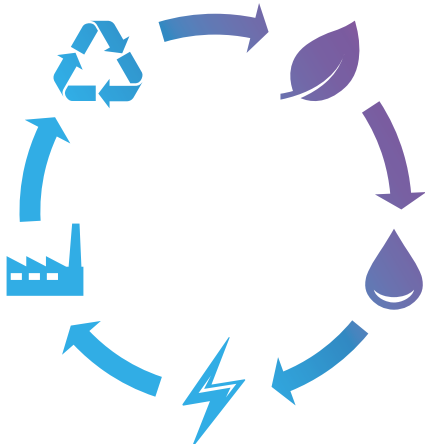
Overall, mindful of today's major environmental and energy issues, NTN Europe's management has made the following commitments:

- We are working to reduce our impact on the environment, in particular, our consumption of resources, our emissions and our waste and our energy consumption
- We aim to contribute to more environmentally friendly mobility by improving the energy performance of our products
- We choose to place the reduction of greenhouse gas (GHG) emissions at the centre of our organisations in order to achieve carbon neutrality.

In line with the Management Commitments, NTN Europe's Environment & Energy Strategic Objectives were redefined in 2022:

-  **AS-CO: Greenhouse gas**
-  **AS-H2O: Water**
-  **AS-NR : Energy**
-  **AS-AIR: Atmospheric emissions**
-  **AS-WST: Waste**

### Our strategic objectives

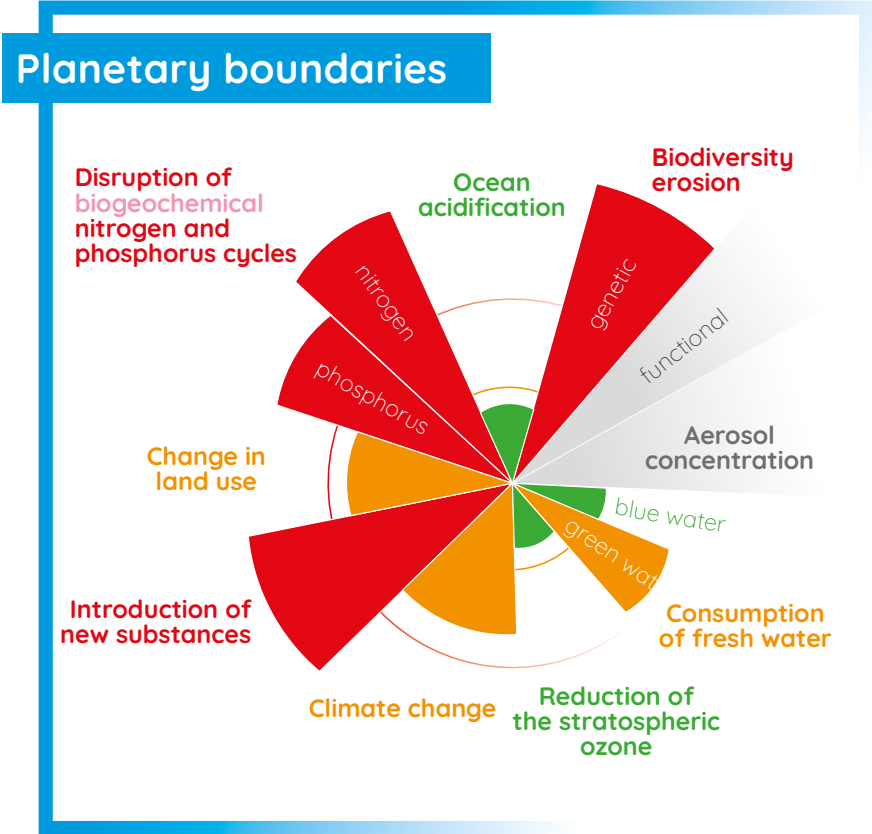


 Greenhouse Gases: towards carbon neutrality



We are experiencing a “great acceleration”. By way of example, for 60 years, in other words a fraction of a second on the scale of humanity, the world’s population has been multiplied by 2.7, energy production by 4.2, steel production by 5.5.

This great acceleration has led us to exceed six of the nine planetary boundaries. Climate change of course, but also biodiversity erosion, the consumption of fresh water, introduction of new substances, the disruption of nitrogen and phosphorus cycles and the change in land use.

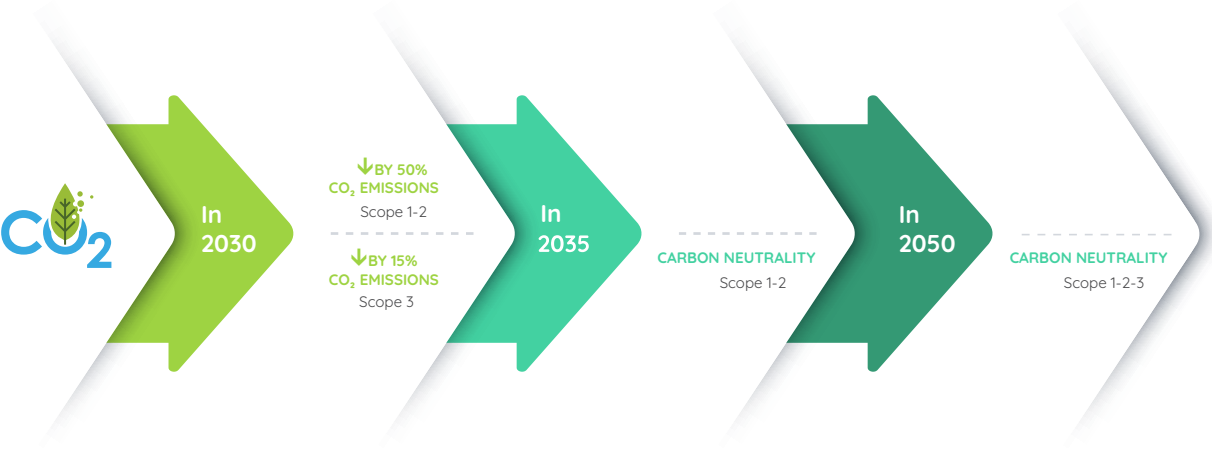


STRATEGIC OBJECTIVES

As bearing designers, producers, sellers, etc., we are helping to combat climate change through their energy efficiency.

We are also working on this by displaying our carbon neutrality objectives.

**NTN EUROPE'S OBJECTIVES AND ITS SUBSIDIARIES**  
IN REDUCING ITS CO<sub>2</sub> EMISSIONS



Through these objectives, we contribute to respecting the Paris Agreement on climate change, namely "to contain the rise in the average temperature of the planet well below 2°C compared to pre-industrial levels and to pursue the action taken to limit the rise in temperature to 1.5°C."

These carbon neutrality objectives mean reducing our carbon emissions by around 90%.





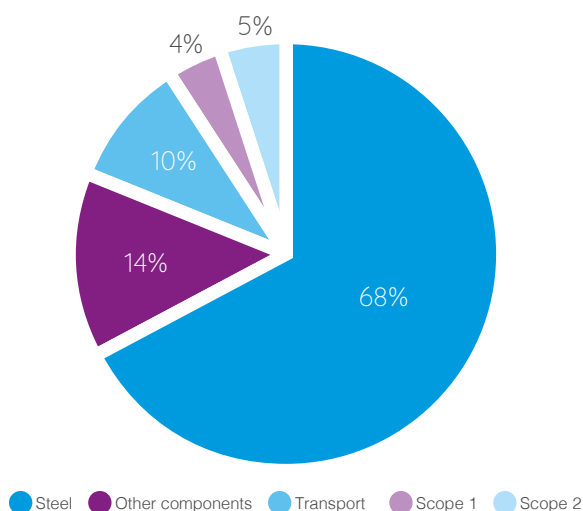
In order to achieve our carbon neutrality goals, we must start by measuring.

This is what we did in 2021 for the 2019 fiscal year, the last representative fiscal year, before COVID-19. This assessment carried out on NTN Europe and its subsidiaries, on scopes 1, 2 and 3, with the exception of the use and end of life of our products, revealed the following ratios:

- Scope 1: 1%
- Scope 2: 3%
- Scope 3 : 96% with a majority share in the purchase of products and, in particular, the purchase of steel.

A subsequent carbon assessment will be carried out in 2024 for the 2023 fiscal year in order to visualise our results and ensure that we are on track with our carbon neutrality objectives.

In addition, we are increasingly asked by our customers to calculate the carbon footprint for the reference provided during the consultation process.



Example for a third generation wheel bearing

The ratios are more or less of the same order. These results become actionable data for our customers in their act of nominating the supplier of bearings. This is an opportunity for us to optimise our competitive position in a world where competitiveness remains economic but also, and increasingly, social and environmental.

A final calculation methodology, the life-cycle analysis, makes it possible to measure the impact of the product on climate change but also on other environmental impacts. Our Research, Innovation and Development department has adopted this methodology in order to guide our technological choices for our future developments.

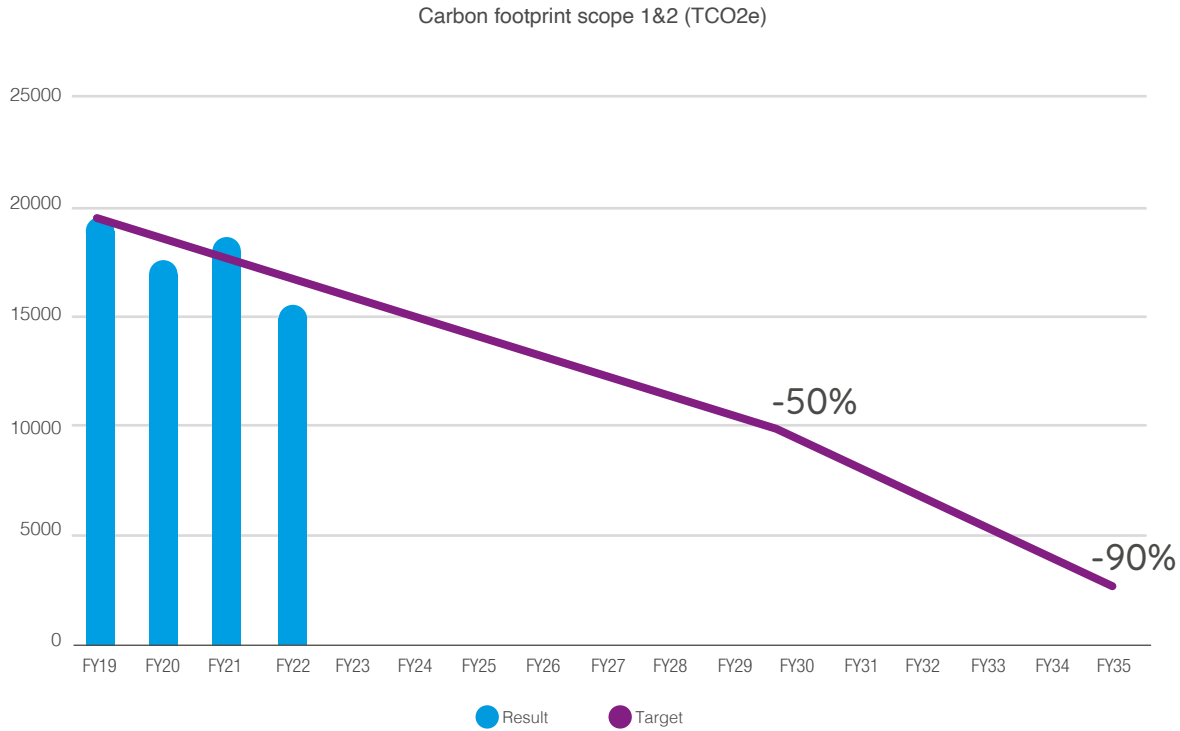
The Technical and Manufacturing Resources department, in close collaboration with all of the Group's sites, coordinates our roadmap for scopes 1 and 2.

Backed by the robustness of our environmental (ISO 14001) and energy (ISO 50001) procedures and certifications in force on our sites for many years, our actions revolve around:

- The appointment of an "Energy Specialist" per site
- The development of an energy efficiency policy
- Setting quantifiable targets for implementation
- A statement and analysis of initial data (in particular, energy consumption)
- Programming and carrying out the necessary works and adaptations
- Measuring results and pursuing continuous improvement

# STRATEGIC OBJECTIVES

Scope 1 and 2 carbon neutrality indicator for NTN Europe and its subsidiaries



The scope 1 + 2 carbon intensity of NTN Europe and its subsidiaries sees an overall improvement over the year FY22, explained by:

A significant drop in gas consumption (-33% in FY22 vs FY21), mainly due to heat recovery installations and also to the management of installations and temperatures by the technical teams, relayed by managers and all staff.

A drop in electricity consumption (-5% in FY22 vs FY21), the result of the Management of Start and Stop modes (MMA) of resources by the production teams.

We are on track to meet our targets to reduce scope 1 and 2 carbon emissions by 50% in 2030 and 90% in 2035.

Within NTN Europe, our carbon emissions fell from 7,638 tCO2e in FY21 to 5,186 tCO2e in FY22, which corresponds to a reduction of almost a third, for FY22 activity of our plants substantially identical to that of FY21. For scope 3, we are in contact with our suppliers to fully understand their carbon emissions. The carbon emission

factors (weight of carbon emissions per weight of material manufactured) vary considerably depending on the process, electric arc versus blast furnaces for steelworks, rate of recycled material for plastics, etc., as well as depending on their location, electricity being more or less carbon-intensive in the country of production. Lastly, the location of these suppliers has an impact on the carbon emissions from product transport.

In order to achieve our objectives of reducing scope 3 carbon emissions by 15% in 2035 and 90% in 2050, we will be required to integrate criteria on carbon emissions into our supplier selection processes, in line with what our customers do.

This is what we are doing now when selecting our suppliers of means of production.

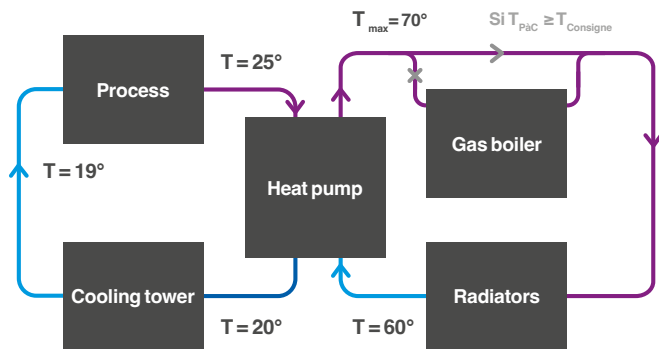
It is an alignment of society, regulations, our customers and our suppliers that will allow us, individually and collectively, to meet our carbon neutrality objectives.

**Meythet: good for the planet... and budget**

In order to recover the residual heat from the means of production, the Meythet site has installed a heat pump. Key savings!

This device reuses the heat from the cooling water of the machines to heat the premises. The calories are thus recovered and reinjected into the heating circuit. This technology makes it possible to save energy and thus reduce the carbon footprint and the energy bill.

Over the first 25 weeks of operation, the installation of the heat pump generated energy savings representing €17,000, or -55%. It also allowed a reduction of the carbon footprint of 143 teqCO<sub>2</sub>, or -90%. Initially the heat pump was to be profitable in 3 and a half years... but with the increase in the price of gas, the return on investment will be much faster.



Difference of 5°C from recycled water + Electrical energy input = **+10°C on the heating network**



# STRATEGIC OBJECTIVES

## Water: towards best practices

The year 2022 was marked by a historic drought in terms of its duration and intensity. This episode of drought led to a review of the Company's strategy regarding the management of this resource. In 2022, water therefore became one of the Group's five Environment & Energy Strategic Objectives. Two lines of work, aiming to move towards best practices in water management, have been identified:

- Anticipation of crisis situations (drought alert levels)

- Reduction of our water consumption through technological progress, management and operational control of our facilities

In 2022, a new indicator associated with this strategic objective was introduced: water consumption by NTN Europe sites (in m3) related to activity (added value in € thousand). In FY22, NTN Europe's sites consumed 0,64 m3 of water/€AV thousand.

Within NTN Europe and its subsidiaries, our consumption went from 0.697 m3 of water/€AV thousand in FY21 to 0.682 m3 of water/€AV thousand in FY22, which corresponds to a reduction of 2.2%.

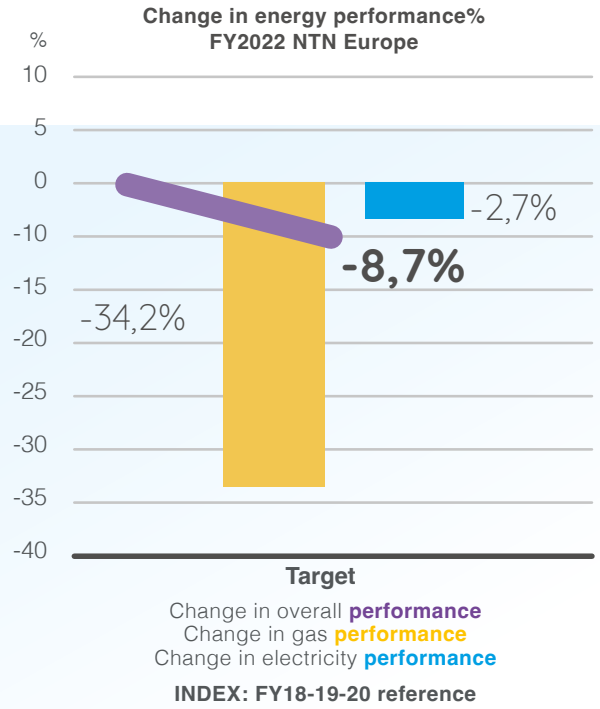
## Energy: towards sustainable energy consumption

Our energy performance is a priority issue: we must intensify our efforts to improve it and deal with the continuous increases in the cost of raw materials and energy, supply difficulties and issues related to greenhouse gas emissions. The achievement of our objectives is based on 4 pillars:

- Reduction of our energy consumption through technological progress
- Digitalisation: recording, analysis and management of our energy consumption in real time, thanks, in particular, to the deployment of the CACTUS software on our sites in 2022
- Reduction of our energy bottom cap through the management and operational control of our facilities: Management of Start and Stop modes (MMA)
- Purchase and design of low-consumption products, installations and processes

We follow the evolution of the energy intensity compared to a reference period (FY18-19-20) and to a consumption model related to our activity and to the climatic rigour. Electric and gas energy resources are taken into account for the construction of this indicator.

**Note:** : a negative value reflects an improvement in energy performance.



In FY22, the evolution of the energy intensity (gas + electricity) of NTN Europe is -8.7%. This marked improvement is due to:

- A significant drop in gas consumption in FY22 explained by the installation of facilities to recover residual heat from processes (Meythet site) and by the management of facilities and temperatures by the technical teams, relayed by the managers and all staff.
- A drop in electricity consumption, the result of the Management of Start and Stop modes (MMA) of resources by the production teams and the deindustrialisation of the Annecy site.

### Atmospheric emissions: towards zero emissions

In 2019, NTN Europe initiated a process to reduce its atmospheric emissions of four pollutants representative of our activities. The main targets of this approach are VOCs (Volatile Organic Compounds), pollutants mainly emitted by our facilities. The various studies and developments have resulted in major modifications to certain installations and the substitution of some of these products. This enabled us to reduce our consumption of VOC solvents in 2022.

Although our efforts are focused on VOCs, our R&D departments are studying several areas of work simultaneously:

- Substitution of VOC-emitting products
- Reduction of our solvent and natural gas consumption
- Collection, suctioning and filtration of our emissions
- Development of zero emission processes
- Modernisation/replacement of our heating systems

In 2022\*, the NTN Europe sites emitted 9.8 kg/h of VOCs, NOx, dust and oil mist\*\*. This value represents a decrease of 3.9% compared to the 2021\* value for all measured parameters.

Our guideline for the year 2023 remains unchanged, the objective being to continue the actions undertaken on VOCs, to work on ways to reduce NOx emissions (2nd pollutant), in particular, through the modernisation of our heating systems and the reduction of our gas consumption (optimisation of the conduction of installations, heat recovery, etc.).

(\*) rolling average for the last 3 years

(\*\*) value for a commitment of 100% of our production capacity

STRATEGIC OBJECTIVES



**Waste: towards reducing our waste and improving its recovery**

NTN Europe is now asserting itself as a player in the circular economy and environmental services. We are supported by players specialising in waste management in order to optimise recycling with high added value and the energy recovery of our waste streams. These actions contribute to minimising our carbon footprint.

In the interest of demonstrating our commitment and upholding our extended producer responsibility (EPR), we are continuing our regulatory and technological monitoring efforts. The latter allows us to take appropriate action under government procedures such as the dematerialisation of the traceability of our waste. Membership of eco-organisations allows us to improve the management of our products placed on the market in their end-of-life phase.

This year, we have again achieved our recovery target by remaining above 95%: 97%\* of NTN Europe's waste was recovered in the fiscal year 2022.

It is by relying on our strong experience in controlling our waste that we will continue to explore sustainable channels that will allow us to maintain our ambitions to:

- Reduce our waste production through technological progress
- Maximise the sorting and recovery of our waste
- Purchase and design products, installations and processes limiting the production of waste or allowing its recovery

\* Some of the quantities taken into account in calculating the rate of recovered waste are based on estimated values



**97%**

OF OUR  
TECHNICIANS,  
MANAGERS AND  
EXECUTIVES HAVE  
BEEN TRAINED  
IN THE CODE OF  
ETHICS

**82%**

OF PURCHASING  
TURNOVER  
COVERED BY THE  
SUSTAINABLE  
PROCUREMENT

# ETHICS

## Setting an example in our business practices

In a world of ever-important and constantly changing requirements, rising risks and partners with more demanding expectations, maintaining their trust and our reputation is only possible through exemplary and responsible professional behaviour.

During the challenges created by the 2022 health crisis, we focused on keeping our ethical commitments at the forefront of our efforts.

### Our commitment is to ethics

We are committed to conducting our business with integrity and fairness, in accordance with applicable compliance regulations and obligations.

We reject all forms of corruption and any attempt to circumvent the rules of fair and open competition.

We work to ensure the accuracy of the financial information we disclose.

We make every effort to protect the data and the know-how in our possession.

### Our Code of Ethics

Our Code of Ethics was created in 2010. It describes our fundamental ethical principles and the way we wish to conduct our operations within the Group, on our markets and in our environment.

This code is implemented in the interest of continuous improvement and, accordingly, we published a new, more comprehensive version in early 2020 with more examples.

The main topics addressed by our Code of Ethics include the protection of individuals, Group assets, the environment, legal and regulatory compliance, relations with partners and the prevention of fraud and corruption.

Each year we endeavour to continue to increase the level of training of our employees in our Code of Ethics, notably by means of a remote learning module.

### Protection of individuals

Above and beyond the physical protection addressed by our safety policy, the protection of individuals also covers:

- ▶ the prevention of discrimination in any form whatsoever, from recruitment and throughout the entire professional career
- ▶ gender equality
- ▶ the rejection of harassment in any form, as well as any conduct that fails to respect human dignity

- ▶ the observation of national and international regulations: trade union freedom, prohibition of forced labour and child labour

- ▶ the protection of personal data belonging to employees and our partners (customers, suppliers, etc.)

### Prevention of external fraud and cybercrime

The world is embracing telework on a massive scale. The rise in telework has forced employers and employees alike to adapt and work differently. On the downside, this new means of operation represents an opportunity for fraudsters to put new fraud practices into circulation.

That is why we stepped up communications with our employees, calling for vigilance during remote interactions. We are continuing to roll out our cybersecurity e-Learning module launched in 2020 to teams, as well as communications aimed at raising awareness of the dangers of digital fraud.

Through regular awareness-raising and team training initiatives, we plan to strengthen our vigilance and adopt the right reflexes to protect our employees and assets, and thus limit our exposure to cyber risks.

### Observation of competition law

A “compliance with competition law” programme has been in place since 2014.

We are continuing our efforts to train and raise awareness among our employees, namely with the competition law e-Learning module launched in 2019, which, to date, has been taken by almost 900 individuals within the Group.

### Anti-corruption compliance

A programme and action plan have been rolled out under the Sapin II Law for several years.

In addition to continuing training on our Code of Ethics and updating our corruption risk map, this year we focused our efforts on:

- ▶ The continued roll-out of an ongoing integrity evaluation process targeting our partners.
- ▶ The deployment of our gifts and invitations policy
- ▶ The redefinition and deployment of our conflict of interest management notice
- ▶ The design of an e-Learning module on the prevention of corruption
- ▶ The review of our accounting inspections and the implementation of audits.



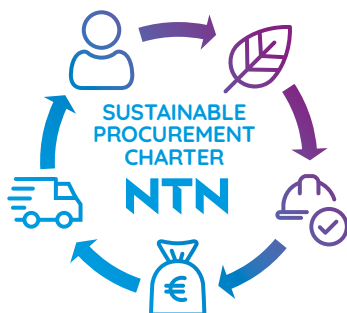
## SUSTAINABLE PROCUREMENT

Company purchases are centralised for the most part for Europe and based in Annecy. The plants themselves manage operational procurement and some production procurement in accordance with delegated authorisations. NTN Europe incorporates the principles of collaborative and sustainable procurement into its relations with suppliers. For this reason, since 2016 the Company has used a Collaborative and Sustainable Procurement Charter to reiterate its commitments in the field of business relations, ethics and the environment and to specify its requirements towards its suppliers. In 2022, in a progress-making approach, NTN Europe rolled out a new Sustainable Procurement Charter to cover new topics on CSR aspects such as:

- ▶ Working conditions and Human Rights: wages and employee benefits, working conditions, harassment.
- ▶ Health and safety: Emergency preparedness, workplace ergonomics, chemical handling, fire protection.
- ▶ Business ethics: Privacy, financial accountability (accurate records), responsible information management, anti-competitive practices and anti-trust, prevention of corruption, conflicts of interest, counterfeit goods, export controls and economic sanctions, whistleblowing and protection against retaliation.
- ▶ The environment: Greenhouse gas emissions, Water quality and consumption, Air quality, Biodiversity, Consumer safety.

We add evaluation, control and verification methods:

“Compliance with this charter is essentially based on the trust we place in our suppliers. NTN may also use additional methods, such as audits, self-assessments or regular requests for information, to assess supplier performance in the areas listed above.



NTN Europe reserves the right to terminate the commercial relationship if the supplier fails to comply with the terms of the document. ”

### Observing human rights guidelines

NTN Europe expects each of its suppliers and their own suppliers, regardless of their country of establishment, to implement the principles of the International Labour Organization: elimination of all forms of forced or compulsory labour, effective abolition of child labour, elimination of discrimination in respect of employment and occupation, freedom of association and the right of collective bargaining.

### Level of dependence of local suppliers on the Company

In order to limit the risk of dependence on the part of our suppliers, we consider the proportion of their activity that we account for when awarding contracts. We are careful to remain under the established thresholds for dependency

### Sustainable development criteria

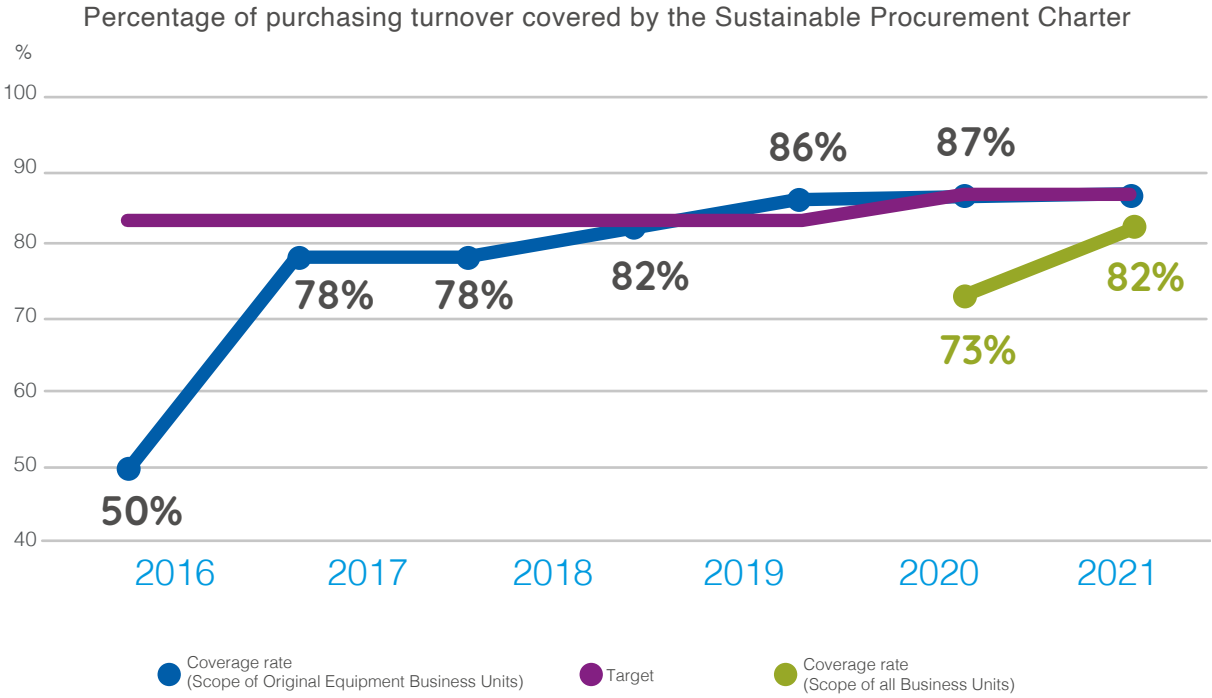
CSR/Carbon/Purchasing roadmap with 6 axes:

- ▶ Implement a “Sustainable Procurement” plan.
- ▶ Deployment of the Sustainable Procurement Charter across all Business Units.
- ▶ Assessment of suppliers with a CSR/carbon impact, verification of their involvement and incentives: selection of the NQC Supplier Assurance solution.
- ▶ Integration of CSR/Carbon criteria into our Supplier Panels strategies (including for transport).
- ▶ Tracking the percentage of recycled material in purchased bearing products (steel/plastic) and associated weights.
- ▶ Sustainable management of packaging and recycling.
- ▶ Analysis of the purchase of carbon-free energy.

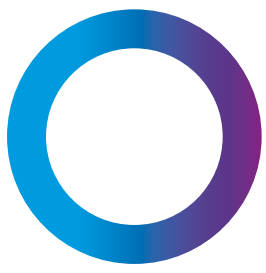
STRATEGIC OBJECTIVES

**NTN EUROPE CARES ABOUT THE QUALITY OF ITS COLLABORATIVE RELATIONSHIPS WITH ITS SUPPLIERS**

NTN Europe is committed to maintaining a sustainable and balanced relationship with its suppliers as a pledge of sustainable performance. Any new supplier that joins our pool of suppliers is asked to sign the Sustainable Procurement Charter.







**ECOVADIS**

**assessment**





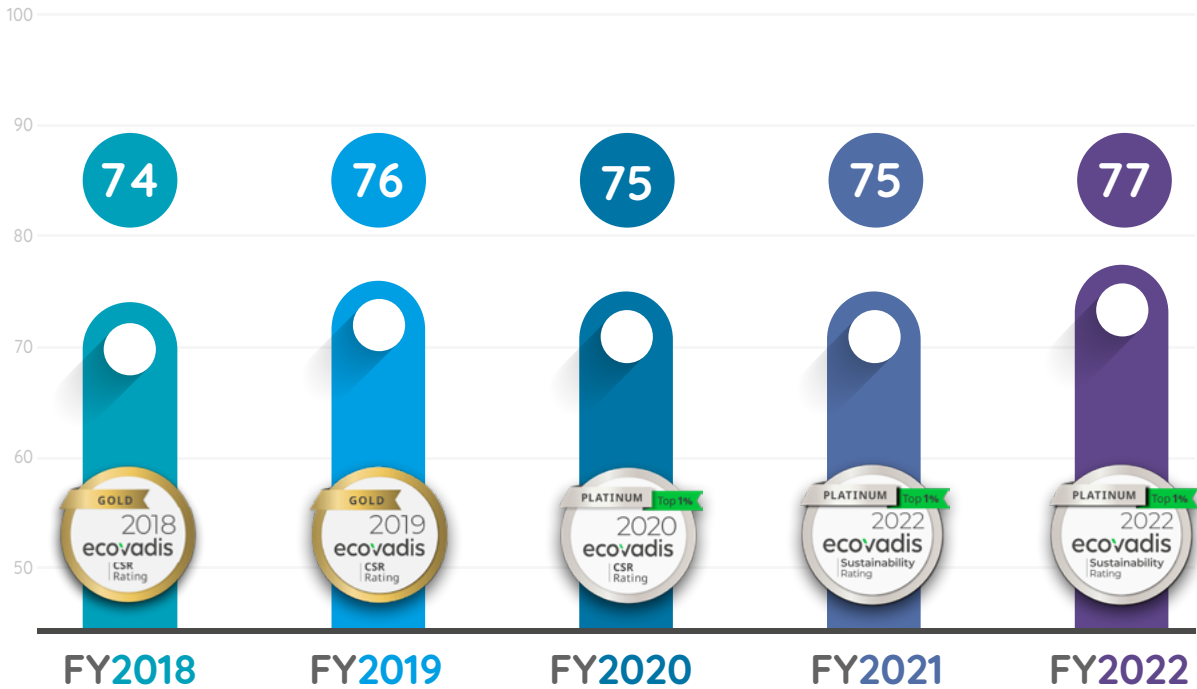
# ECOVADIS ASSESSMENT

In order to assess our CSR performance as objectively as possible, we work closely with the online discussion and assessment platform EcoVadis. This online platform is an interface between customers and companies for sharing and circulating information on social responsibility. The EcoVadis assessment helps us identify areas in which we can further improve our performance, capitalise on our approach and gauge where we stand in relation to other companies in our sector.

For instance, we complete an annual questionnaire to assess our CSR performance.

Our latest assessment, obtained in October 2022, was 77/100, which places us in the top 1% of the companies assessed in our business sector. With its Platinum level of commitment, NTN Europe remains listed as an “advanced” supplier in terms of CSR.

We are increasingly being asked by our customers, partners and suppliers to access this platform in order to know our results and our actions.



Based on our results

**77/100**  
TOP 1% OF  
ASSESSED  
COMPANIES

# O Green taxonomy



# GREEN TAXONOMY

**Let's objectively identify our sustainable activities in order to give ourselves the means to ensure our environmental transition while respecting social guarantees**

The European Green Deal regulation, or classification of the sustainability of activities and investments based on environmental and social criteria, requires us to publish our turnover, capital expenditure and operating expenses for our activities considered sustainable according to these criteria.

Initiated in 2021, it concerns the activities of some of our suppliers (e.g. steel and plastics manufacturers), and some of our customers (manufacturers and operators of renewable energy, manufacturers and operators of 100% electric means of transport). We have taken over the technical criteria for these activities in order to contribute to our purchasing and turnover strategy to support the transition to a more sustainable economy.

Our activity of development, manufacturing and marketing of bearings relates to NACE code 28.15, manufacture of bearings, gears, gearing and driving elements. This activity is not currently subject to technical criteria.

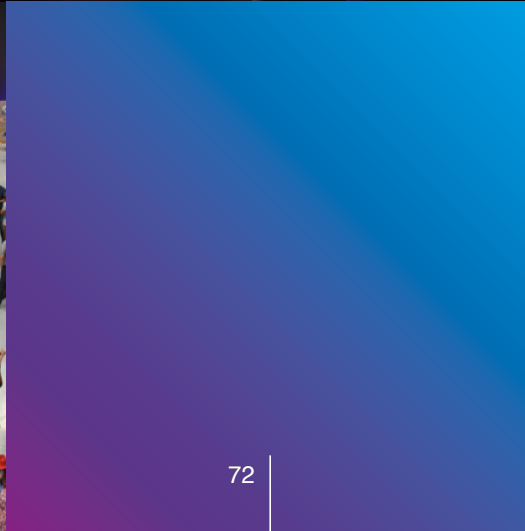
We are nevertheless preparing to be able to publish our turnover, our capital expenditure and operating expenses as soon as criteria are established and communicated.

# PROUD AWARD

For several years now the NTN Corporation has been launching a challenge every year for around the world. The objective is to reward projects that meet criteria pre-defined by Japan. All employees, sectors are invited to participate.

The 2022/2023 round was launched with the theme of Corporate Social Responsibility. Twenty-three teams applied for NTN Europe and its subsidiaries out of a total of seventy-three teams worldwide. Three teams from NTN Europe were selected to compete for the PRESIDENT AWARD out of a total of twelve teams worldwide.

The NTN Europe team who presented our activities to support Ukrainians, both in terms of material aid and integration of refugees into our sites, received the PRESIDENT SPECIAL AWARD!









**Our Statement of Extra-Financial Performance is available online  
at [ntn-snr.com](https://ntn-snr.com) under CSR.**

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