

Materiality **Human resource development**

Basic approach to human resource development

We are working on specific initiatives to realize two out of the five pillars of our human resources strategy, namely, “securing human resources who will lead the next generation to take on the challenge of transformation” and “fostering a culture of learning and development in the workplace.” As our basic policy for human resource development to enable “prosperous human development” toward realizing a “NAMERAKA Society” stipulated in the Medium-term Management Plan, we aim to foster three types of human resources: (1) human resources who are competent in the international community, (2) human resources who are independent as individuals, and (3) human resource with creativity. Our human resource development is based on individual self-development and on-the-job training (OJT). In addition to providing opportunities and various support systems to promote this, we provide various types of rank-based, specialty-based, and issue-based training as Off-JT*, if necessary, with a long-term perspective in a systematic, planned and organized manner, with adaptation to meet the needs of the times.

*Off-JT is education and training outside the workplace.

NTN's human resource development system

To foster a culture of learning and development in the workplace, we deploy programs to develop human resources who “can think and act by themselves” for

all ranks. To expand our businesses for the next 100 years, it is indispensable for us to develop human resources who can work successfully not only in Japan but also overseas. As programs to enhance employees' aspiration and develop internationally-minded persons, NTN provides English-only training (global business skill training) for young employees and put in place an overseas education and tuition reimbursement system as well. We also strive to increase the awareness, knowledge, and competence of all employees by enriching the content of corporate and technical knowledge seminars through in-house e-learning and have introduced programs for improving business skills in which younger employees can voluntarily take part. On the systemic side, we have implemented an in-house recruitment system to promote employees' career ownership and been engaged in autonomous competence development according to the skills and career plan of each employee. Meanwhile, we offer AI and data literacy courses for promoting utilization of data and digital technologies, solving business issues, and leading to organizational innovation, in order to increase the number and level of users of digital literacy, such as AI literacy and data analysis. For managers, we provide training not only for new ones but also for those with certain years of experience (performance evaluator training for existing managers) to improve their ability of evaluating performance and providing guidance for subordinates. We also offer seminars (NTN Next Leader Program) to find and develop the new generation of management executives.

Manager personnel development

In addition to conventional training for managers, we offer an “NTN Next Leader Program (basic course/intermediate course)” for young managers with the aim of developing the number of candidates for next-generation management, who can make decisions on management issues on long-term perspective.

The curriculum is designed to acquire viewpoints and knowledge required for management in a systematic way, with focuses on “reviewing from the managerial viewpoint and taking a larger view” selectively in the basic source and “developing the ability for strategic planning and organizational reform in the long term” in the intermediate course. We have also introduced a succession plan through selection of executive officer candidates. These measures enable us to find management candidates at an early stage and develop them in a planned manner.

Create a workplace to enhance employee engagement

Fair evaluation and treatment

NTN has introduced a personnel evaluation system to further vitalize our employees and improve the management efficiency by evaluating the achievement of business targets, the contribution in businesses, and the performance of jobs in a certain period, reflecting them properly in salary increase, bonus, promotion/experience-based promotion, education, training, etc., implementing a fair personnel management, and raising the job performance of evaluatees to promote our businesses.

To ensure a proper operation of this system, we provide evaluator training every year. We also make sure that the system for reflecting the results of personnel evaluation in employees' treatment is well known and that evaluation will lead to human resource development.

Realize a variety of work styles

We have maintained an environment in which diverse employees can work successfully by introducing a teleworking system and a flextime system and enhancing the flexibility of when and where to work. Also for managers, we provide job ranks to balance work and life so that they can fulfill both child or other family care and managerial jobs and apply for a reduced work schedule or a flextime system, which ensures that child or other family care would not hinder career advancement.

In addition to these programs for current employees, we have also introduced a job return system that enables former employees who have left the company due to marriage, child birth, fertility treatment, family care, career advancement, etc. to come back to the company, and have maintained an environment in which they can utilize their experience, knowledge, and know-how accumulated while working in the company or after leaving the company.

We will continue to develop a work environment where many employees can work sufficiently successfully to realize a variety of work styles.

Promote RPA use

In a Japanese society where the decreasing labor force is unavoidable due to the declining birthrate and aging population, enhancement of productivity per person is becoming a major issue.

To achieve a sustainable growth under such circumstances, we are required to further improve the productivity and promote work style reforms to generate higher business outcomes.

With the aims of responding to computerization being promoted inside and outside the company and improving the efficiency through automation of routine jobs, we have continuously utilized various digital tools such as RPA (Robotic Process Automation), while promoting business reforms, combined with standardization of work processes, for back-office jobs such as payroll calculation and slip processing.

In the future, we will develop an environment that will enable us to respond flexibly to changes in the environment surrounding us, which will lead to a higher competitiveness and realization of work style reforms, by promoting further paperless business information and automation of routine jobs and reviewing the business operation system at the company-wide level, in order to promote proposal and materialization of new work styles, based on the assumption of teleworking.

Implement employee engagement survey

To achieve sustainable enhancement of corporate competitiveness, we believe that it is important to create an open workplace in which each employee's abilities are utilized and treated fairly, as well as a good relationship of trust and communication between supervisors, subordinates, and employees. We are working to improve employee engagement.

In order to enhance the effectiveness of our initiatives, we conduct an engagement survey to gauge the thoughts and feelings of our employees and their expectations for the company. Based on the survey result, we also conduct activities to improve workplace issues in department units, activate workplace communication through one-on-one meetings, and work to develop an environment in which each employee has a good reliable relationship with each other.

Through the development of personnel measures to improve employee engagement (such as revision of the managerial personnel system), implementation of workplace improvement activities, measures to reform working styles, and initiatives linked to the promotion of health and productivity management, we will realize the “good working environment” and “motivation” of each and every employee.

Please refer to our website for other initiatives related to “Human resource development.”
<https://www.ntnglobal.com/en/csr/sc/employee.html>

