

Compliance Management System

NTN has the Compliance Subcommittee as an advisory body under the CSR Committee. This subcommittee is charged with comprehensively promoting and managing compliance initiatives for the entire Group.

Promotion of Compliance Education

NTN has appointed CSR managers and persons in charge of CSR in each department. CSR managers implement compliance education programs in each department that are prepared with the support of the CSR Dept.

Furthermore, as part of personnel training and development, compliance training is given to new employees and people promoted to managerial positions.

In the fiscal year ended March 31, 2010, NTN worked to strengthen compliance by offering new managers textbook-based self-learning as well as testing compliance awareness through an online e-learning* course.

*e-learning: Learning using a personal computer.

Help Line Management

NTN has established help lines (internal reporting system) as part of its compliance framework. All officers and employees of the NTN Group can use the help lines to report, ask questions and get advice directly from help desks inside and outside the organization without going through organizational channels if they discover or foresee any actions that contravene or may contravene the law, the Business Code of Conduct, or our internal rules. We also take the utmost care to protect user confidentiality and to ensure that users are not penalized. These help lines have been opened to our suppliers.

Risk Management System

NTN has formulated a "Risk Management Policy" and "Risk Management rule" for proper management to prevent risks and to quickly deal with them should they materialize. Risk is managed in an integrated manner with coordination by the Risk Management Committee.

Dealing With a New Influenza Strain

NTN quickly established a central task force in May 2009 following the worldwide outbreak in April 2009 of a new strain of influenza.

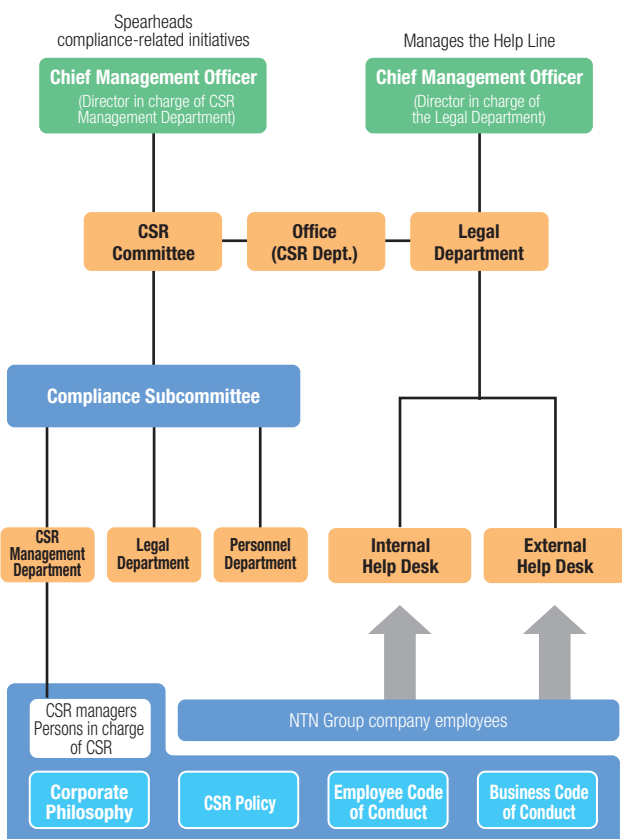
We also set up a database of measures to combat the new influenza strain on our intranet and integrated management of information about contagion at each of our bases. Other countermeasures we implemented in a timely manner included providing information on methods to prevent the spread of the disease and imposing restrictions of coming to work if infected. In addition, at 20 locations, including employees' entrances and reception areas, we installed thermographic equipment to detect visitors and employees with temperatures as a means of preventing the spread of the disease within the company.

In another initiative, we put in place a system to enable managers and other employees to work from home in the event that the spread of a virulent form of the disease made it difficult to come to the office.

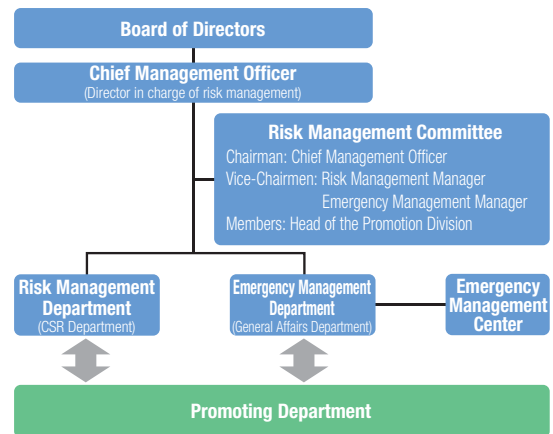


This thermographic measuring device was part of our efforts to combat the new strain of influenza.

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Risk Management System



Risk Management Approach

