

Value Creation Model

Corporate Philosophy

Seek to contribute to the happiness of people and the abundance of society through product manufacturing that wins the trust of society.

JTEKT GROUP VISION

Shaping a Better Future through the Spirit of **No. 1 & Only One**

Social Issues

Politics

- Carbon neutrality and the realization of a decarbonized society
- U.S.-China hegemony struggle
- Weakening of the EU
- Rise of protectionism
- Retreat of democracy

Economy

- Expanding and deepening economic cooperation
- Rise of emerging economies
- Japan's low growth becoming normal
- Green Deal
- ESG investment

Society

- Population growth, resource depletion, food shortages
- Low birthrate, aging population, demand for healthy longevity
- Increasing inequality
- Changing lifestyles and values in response to the COVID-19 pandemic, such as non-contact and decentralization

Technology

- Advent of a digitalized society
- Labor substitution by AI and robots
- Rapid advance of EVs, software-first
- Fusion of the real and the virtual
- Evolution of non-contact technologies such as unmanned services

INPUT



Financial capital

Total assets: ¥1,291.3 billion  
Net interest-bearing debt: ¥167.5 billion



Manufactured capital

Number of overseas base countries and regions: 30 countries  
Capital expenditures: ¥50.7 billion



Intellectual capital

R&D expenses: ¥52.1 billion  
Number of patent applications: 498



Human capital

Number of consolidated employees: 48,332



Social and relationship capital

Consolidated subsidiaries: 154



Natural capital

Total energy input: 16,570,397 GJ  
Water consumption: 4,814 thousand m<sup>3</sup>



Building Value



Building Professionals

JTEKT's Strengths

Precision processing/Materials/Tribology<sup>\*1</sup>/Control/Measurement  
Core technologies

New technologies

Acceleration of new product development



Building Excellent Products

OUTPUT

Revenue: **¥1,246.2 billion**

Operating profit: **¥12.9 billion**

Cash flows from operating activities: **¥91.7 billion**

**323** patents acquired

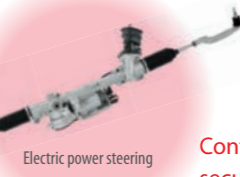
A total of **3,744** JTEKT Academy graduates

Female employee ratio: **10.59%**

Ratio of foreigners in important posts overseas: **75.8%**

CO<sub>2</sub> emissions: **681 thousand tons**

OUTCOMES



Electric power steering

Contributing to safe, secure, and comfortable lives for all people



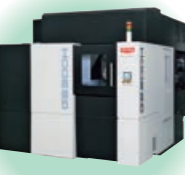
TORSSEN Type-D

Protecting a rich Earth for future generations



Robot bearings

Providing new value in manufacturing



Gear skiving center

Developing organizations and people that are trusted by society and contribute to society



Capacitor

SUSTAINABLE DEVELOPMENT GOALS



In September 2015, 17 Sustainable Development Goals (SDGs) and 169 targets were adopted at the UN Sustainable Development Summit. The JTEKT Group is doing its part to achieve the SDGs as a member of the international community.

Reinvestment to provide ongoing value

\*1 The science and technology of all phenomena occurring between two surfaces in relative motion that affect each other, including lubrication, friction, wear, seizure, and bearing design.