

Society

## **Contribution to Society**

Under our Fundamental CSR Policy, we work on improvements in information and communications technology (ICT) and on ensuring information security, while providing stable, highly reliable information and telecommunications services worldwide. Furthermore, through the provision of new business models, we contribute to the creation of a society in which all kinds of people can participate. Specifically, having defined three priority activities—the development of ubiquitous network infrastructure, the ensuring of highly stable and reliable mission-critical infrastructure, and engagement in social contribution activities—we have set targets in each priority activity, which form the main pillars of our initiatives, and are devising ongoing initiatives and improvements as CSR Indexes.

### **Activity Achievements in Line with CSR Indexes**

With regard to two of the priority activities, namely the development of ubiquitous network infrastructure and the ensuring of highly stable and reliable mission-critical infrastructure, we were able to "achieve" and "almost achieve" the targets we had set. In contrast, our engagement in social contribution activities was not always adequate and it cannot be said that we achieved our targets, so further improvements in awareness and enforcement activities are necessary at all workplaces. From fiscal 2015 onward, we will conduct a re-examination that takes into account social and our own circumstances.

#### **Fiscal 2014 Activity Achievements**

	Measure	Fiscal 2014 Targets		Fiscal 2014 Achievements		
Priority Activity		Qualitative Target(s)	Quantitative Target	Status of Specific Activities	Quantitative Result	Self- Assessments toward Target Achievement
Developed ubiquitous network infrastructure	Provide Arcstar Universal One	We will add functions that will realize global-seamless and cloud-seamless operations as we strive to enhance user-friendliness.	_	In addition to pursuing Carrier Cloud, which enables provision, operation and maintenance of cloud networks in integrated manner, installed factory models and swiftly promoted increases in functionality and expansion in area of advanced services to unified global quality. In fiscal 2014, utilizing network functions visualization (NFV) technologies, launched a number of new functions that virtualize devices, including wide area network (WAN) performance acceleration and firewalls, and world-first services that quickly and cost-effectively achieve network virtualization on existing WANs	Seven functions	***
	Provide reliable and secure hosting services	Provide infrastructure services centered on Biz Hosting in order to realize environment in which devices of all kinds can be reliably, securely and easily connected. Strive to further upgrade and extend our range of services in an effort to boost user-friendliness	_	In our Biz Hosting Enterprise Cloud private cloud service and Biz Hosting Cloud" public cloud services, worked to improve service and user-friendliness by revising rates and enhancing performance Earned high ratings in third-party evaluations in Japan and overseas. At Telecom Asia Awards 2014, won Best Cloud-Based Service award, and in cloud service (laaS) evaluation report produced by HfS Research Limited in United States NTT Group received highest-ranked Winner's Circle evaluation	_	***
	Provide Biz Mail cloud computing email service to corporate customers	In light of diversification of working styles and surge in global business, provide value to overseas bases of Japanese customers and to overseas customers by continuing to develop overseas business. Continue to expand functionality	APAC area: July target North America: October target	In APAC region, constructed new platform in Singapore (July) to realize secure and convenient services and sequentially deployed sales services, following on from Taiwan	_	<b>☆★★</b>
	Provide highly stable and reliable data centers	While implementing quality control by means of unified global standard, work toward disaster-resilient data center operations and plan further developments and expansion	_	Started to provide Malaysia Cyberjaya 4 and Shanghai Pudong data centers to be able to respond to demand for next-generation data center services that combine high quality, low cost and flexibility. While also commencing construction of India Mumbai 5 and Osaka 5 data centers, expanded our data center services on global scale—for example by acquiring stake in e-shelter, the top operator of data center services in Germany—introduced more sophisticated levels of service, and implemented improvements in quality Earning high ratings in third-party evaluations in Japan and overseas, named Data Center Service Provider of the Year in 2014 Frost & Sullivan Asia Pacific ICT Awards	_	***

		Fiscal 2014 Targets		Fiscal 2014 Achievements			
Priority Activity	Measure		Quantitative Target	Status of Specific Activities	Quantitative Result	Self- Assessments toward Target Achievement	
	Provide mobile phone safety confirmation/ notification service	In response to changing usage scenarios, improve value derived from smartphone use. Also, given the increasing importance of responding to a range of potential risks from natural disasters, work to improve functionality to provide variety of disaster information	Release of smartphone app: May target	Started to provide smartphone app (August) that improves certainty of safety confirmations by acquiring location information via GPS and other functions and enhances user-friendliness by means of push notification function and display that supports English and Japanese	_	☆★★	
Developed ubiquitous network infrastructure	Provide reliable and secure OCN services	Constantly strive to upgrade and expand services so that all customers, irrespective of age group, can reliably access Internet environment. Reinforce security risk management, such as by utilizing MSS for global IP address retention systems, compliance with service interruption procedure manuals when software vulnerabilities detected, and updates of registration content	_	Strengthened functionality of OCN mobile ONE service, for example by starting to provide voice SIM and communications capacity forwarding services as well as commencing free supply trial of Wi-Fi spots. Also focused on high-value-added, including installation of prepaid SIM card vending machines for foreign visitors to Japan that features an opening function, the first in world. Having had this kind of initiative evaluated, gained MM Research Institute's No. 1 share for budget SIM cards continuously from end of fiscal 2013 to end of September 2014. Also gained top overall position in Fiscal 2015 Oricon Customer Satisfaction Ranking in Mobile Virtual Network Operator (MVNO) budget SIM card category	Eight functions	***	
Ensured highly stable and reliable mission-critical infrastructure	Develop disaster- resilient networks	Continue to maintain disaster- resilient infrastructure facilities that can improve reliability of relay routes in response to latest hazard updates and official announcements, and quickly restore services in affected areas	-	Solved problems relating to global domestic backhauls     Surveyed fiber routes, checked problematic equipment, implemented fiber maintenance processes for high-risk zones     At time of Great East Japan Earthquake, printed circuit assembly board fell at NTT East Japan Building, checks were made for signs of deterioration of Company's buildings and reinforcement program implemented for high-risk buildings	_	***	
	Measures to address major natural disasters and similar events (zero incidents)	Assuming a hypothetical earthquake in Nankai Trough, directly under Tokyo metropolitan area, perform checks of necessary activities for emergency recovery, improve content of charts outlining recovery measures, and conduct disaster-response drills for restoration cases and in response to planned electrical outages. Also, augment and establish crisis management processes for liaising with government and municipal bodies. Enhance liaison within NTT Communications Group	Annual drills	On October 21, conducted companywide disaster drill involving disaster response personnel, based on hypothetical earthquake with epicenter in Nankai Trough Performed checks of necessary activities for emergency recovery and improved content of charts outlining recovery measures, conducted disaster-response drills on assumption of restoration cases and planned electrical outages. Enhanced cooperation within NTT Communications Group	Conduct drills once a year	***	
	Implement network surveillance 24 hours a day, 365 days a year	Constantly monitor customer services (networks, Internet, cloud, hosting, voice services, etc.) to promote global-seamless operations	Reduction in number of long-term malfunctions · Networks in Japan: 140/ year · Overseas networks: 500/year	As a result of having constantly monitored customer services, performance of networks in Japan was lower than previous fiscal year. Moreover, overseas networks reviewed by local affiliates during course of fiscal year did not achieve their targets. The number of malfunctions greatly exceeded the target due to various modifications including the expansion of certain services	Number of cases resulting in long-term malfunctions • Networks in Japan: 142 network cases/year • Overseas networks: 597 cases/ year • Other (more than one hour): 82 cases/year	☆★★	
	24-hour, year-round monitoring to ensure reliability and security of corporate information systems (Security Operations Center [SOC])	Enhance and strengthen services that contribute to safe and secure corporate information systems in response to security threats that are becoming more sophisticated and growing in number on a daily basis	_	Strengthened and expanded environments capable of contributing to reliability and safety of corporate information systems by enhancing quality and functions of WideAngle service and deploying global-seamless services Continued to develop innovative MSS infrastructure and deployed Global Risk Operations Center with view to cost-effective and stable provision of abovementioned services on global basis In addition to day-to-day monitoring and issuing of reports on service operation trends on a weekly and monthly basis to achieve quality targets, made public NTT Communications' own security reports and NTT Group integrated security threat information reports. Also embarked on low-cost service development that utilizes security geared toward the endpoint and Sandbox technologies.	_	<b>☆★★</b>	
Engaged in social contribution activities	Promote Ecocap activities	Engage in promotion of Ecocap as part of concerted initiative throughout NTT Group	1,490,000 caps	Continued NTT Group-wide Ecocap activities	620,031 caps	☆☆★	
	Encourage community beautification programs and other social contribution activities	Implement various clean-up programs and other activities, aim to achieve them in tandem with NTT Group Green with Team NTT (GTN) initiatives	1,980 participants	Participated in simultaneous cleanup of areas in Chiyoda Ward (once in the year): total of 212 people Organized cleanup of buildings in the area by rugby team (monthly) 55 people x 12 months = 660 people	872 participants	ជ±★	

Achievement Levels Self-Assessment Set at Four Levels

☆☆★: Target only partially achieved ☆★★: Target almost achieved ★★★: Target achieved

# **Development of Ubiquitous Network Infrastructure**

At a time when information and communications technology (ICT) is becoming part of the fabric of society at an accelerating pace, the content involved in the priority activity of developing a ubiquitous network currently covers a wide range. Moreover, due to the prominence of aspects concerning the creation of value for society through products and services, the main activities also extend across a wide range of departments. Sharing the perspective of "developing products and services that will contribute to the creation of a better society," we are working to improve Group-wide synergies.

Amid the general utilization of cloud services, from everyday lifestyles to business, the development of all types of cloud services and the advances being made in data center service networks have become a major thread in the contributions we have made through our businesses over the past few years. With the Internet of Things (IoT) also having rapidly gained attention in recent years, we are actively facing the challenges of developing innovative ICT services to provide secure and convenient everyday lifestyles to people in all walks of society. Having drawn up CSR Indexes in keeping with these developments, we are seeking to contribute by bringing to fruition innovative products and services.

Main Achievements in Fiscal 2014 and the Coming Years

Centered on the CSR Committee, reviews that activities are in line with CSR Indexes, the verification of achievements, and initiatives toward making further improvements in activities are carried out in conjunction with the department charged with implementing each initiative. In fiscal 2014, achievements were made by bringing to fruition and improving on a range of products and services.

Firstly, in cloud services based on the Arcstar Universal One service brand, we devised enhancements for a variety of menus that enable the benefits of the cloud to be flexibly enjoyed in every business scenario. At the same time, we proposed our Global Cloud Vision to promote a customer shift to the utilization of cloud-based ICT environments and data centers. Promoting the development and expansion of data center networks as service infrastructure to underpin that shift in Japan and overseas, we improved the quality of global-seamless services.

Meanwhile, in the development of ICT services to provide secure and convenient day-to-day lifestyles, we are implementing ongoing service improvements. These improvements include all types of monitoring services of the kind that utilize smartphones to provide safety confirmations or enable all customers, irrespective of their age group, to reliably and securely access an Internet environment.

With respect to the activities defined under the CSR Indexes, results were achieved and self-assessed as "target achieved" or "target almost achieved."

In fiscal 2015, we will continue to promote activities set as ongoing targets.

Providing Services That Help Realize Evolution of Ubiquitous Society

#### **Providing Arcstar Universal One**

Cloud services are becoming indispensable in the growth strategies of companies. Turning to network services, the role of cloud services in the building of reliable and secure outsourcing environments that are compatible with a full-scale cloud era are also attracting significant attention and heightening expectations. NTT Communications began operations for Arcstar Universal One, its high-quality, highly reliable cloud-based optimized network service, in May 2011 and subsequently rolled out the service seamlessly in Japan and overseas. With the addition to NTT Communications' global IP backbones of the high-capacity Asia Submarine-cable Express undersea optic cable, which came online in August 2012, successful steps have been taken to expand the Company's highly reliable international network services.

In January 2014, we acquired Virtela Technology Services Incorporated, a leading US network carrier. Combining our two companies' network services expanded our area of operation to 196 countries and regions. In addition, leveraging Virtela's strength in the Network Functions Virtualization (NFV) of LAN equipment, we are promoting the provision of highly reliable networks with superior user-friendliness in terms of their operation and management.

In May 2014, we also began providing Arcstar Universal One Virtual, an optional service for Arcstar Universal One that makes use of network virtualization technologies, and in the process becoming the first telecommunications carrier to utilize such technology. Involving the creation of a new overlay network to be used for existing corporate networks and Internet environments, this technology has improved flexibility in response to base and network changes.

Looking ahead, as a global ICT partner NTT Communications will continue to offer customers advanced services that address their business needs, which continue to gather pace on a global scale, and to help swiftly realize seamless business growth and development in Japan and overseas.

### **Rollout of Global Cloud Vision**

To define what NTT Communications' Global Cloud Vision means, we view the shift in customers' ICT environments to a cloud computing environment and data centers as an opportunity to provide optimal configurations of services to achieve globally consistent quality. We can contribute to customers' management innovations by providing seamless ICT solutions that we, as a telecommunications carrier, are in a unique position to offer.

In recent years, against the backdrop of more widespread cloud services, the development of high-speed networks on a global scale and other factors, the concept of ICT innovation as a management resource that can make businesses more efficient is rapidly making progress. In the context of customer corporation needs, the Global Cloud Vision, which we launched in October 2011, remains an industry-leading, enterprising measure.

Based on this Vision, NTT Communications provides value by contributing to customer management innovations through seamless ICT solutions. Specifically, this involves the provision of faster, on-demand ICT environments at lower cost by three initiatives: (1) taking advantage of our unique position as a telecommunications provider to reinforce links between networks and the cloud; (2) accelerating virtualization through SDN/NFV and the like; and (3) promoting automation, such as through enhancements of API functionality.

→ Please click here for details regarding the Company's Global Cloud Vision.

# **Ensuring Stable and Reliable Services as Mission-Critical Infrastructure**

Coming hand in hand with the evolution of the ubiquitous society, the economic and social damage arising from factors that interrupt or bring to a halt information communication networks in emergencies remains unquantifiable. As we are entrusted with managing networks and vital data associated with the globalization of many companies, we are in intense demand to maintain networks and in particular for our responsibilities in continuing network connections at all times.

As a company that provides telecommunications services both in Japan and globally by utilizing the network technologies that underpin advanced ICT societies and maintenance systems, we have set "the ensuring of highly stable and reliable mission-critical infrastructure" as a key initiative for the essential CSR theme of "contribution to society." We ensure network reliability even during disasters and other emergencies. Specifically, we ensure telecommunications reliability and provide stable services by increasing capacity and enhancing the reliability of our communication routes, through redundant and decentralized equipment and facilities and with year-round, 24-hour monitoring throughout the entire network.

### Main Achievements in Fiscal 2014 and the Coming Years

All CSR activities based on the priority activities are divided into one of two categories: those relating to the making of information infrastructure more disaster-resilient, including "the development of disaster-resilient networks" and "measures to address major natural disasters and similar events," and those relating to the tightening of network security, including "implementing network surveillance 24 hours a day, 365 days a year" and "defending customer company information systems." Given that, no matter what the issue, the expectations from society grow deeper day by day, we implement reviews and set CSR indexes on the basis of internal and external circumstances, while cooperating with each department in charge, centered on the CSR Committee, that implements each activity.

In fiscal 2014, we devised ongoing improvements in line with each index. In the case of making information infrastructure more disaster-resilient, we firstly implemented the multi-routing and toughening of transmission lines as well as disaster preparedness drills that simulated emergency conditions. Under the tightening of network security we also reduced long-term malfunctions by improving the monitoring accuracy of services for customers and implemented further strengthening of unauthorized access detection. We were able to record "achieved" or "almost achieved" for each initial target.

In fiscal 2015, we will continue to promote activities set as ongoing targets.

### **Developing Disaster-Resilient Networks**

### **Keeping Networks Reliable Following Disasters**

NTT Communications has adopted a set of three Disaster Policy Fundamentals to address disasters. Based on these policy

fundamentals, we work to maintain mission-critical communications and swiftly restore disrupted communication services. For some time, we have also conducted annual training exercises aimed at allowing a swift response to disasters.

In April 2013, we gathered disaster information on the theme of a Nankai Trough earthquake and planned emergency recovery methods. In October 2014, we conducted a training exercise jointly with NTT Communications Group companies, the exercise relating to restoration measures on the theme of an earthquake striking directly beneath the Tokyo Metropolitan Area.

We also conduct annual disaster response exercises for employees and employees of partner companies. The training made use of "Safety Confirmation/Notification," one of the services offered by NTT Communications.

By continuing to conduct regular training exercises that simulate large-scale natural disasters in these ways, we are helping to raise awareness about disasters throughout the Company.

### **Providing Services That Underpin Business Continuity**

Offering a range of high-quality services for such crises as major earthquakes and pandemics, NTT Communications supports the continuity of its customers' businesses. To give a typical example, earthquake early-warning information is a service that delivers earthquake information, including seismic intensity and arrival time, before tremors are actually felt. Enabling initial damage prevention and ensuring safety, this is said to be an effective service in formulating a business continuity plan (BCP), since business restoration can be expected soon after an earthquake. A service that simultaneously reports safety confirmations both verifies and gathers information on the safety of employees during times of natural disaster, including outbreaks of new-strain influenza and earthquakes. Available on a routine basis via communications networks, this service is also effective in confirming the safety of school contact networks and elderly persons, as well as in simultaneously contacting employees who are visiting clients.

Expanding services to 14 bases in 11 countries worldwide, Enterprise Cloud is a global cloud service for companies that leverage outstanding technological capabilities as telecommunications carriers and consists of robust data centers that are also resilient to disasters. This service provides BCP solutions that ensure the timely backup of data at remote locations between Japan and overseas bases.

Cloud<sup>n</sup> provides an environment that enables flexible changes of resources even during periods of rapidly increasing levels of access at the time of a disaster. This service has a variety of applications, including as a safety confirmation system.

24-Hour, Year-round Efforts to Protect Customers' ICT Systems

### **Monitoring Enterprise Network Security**

With the continued globalization of business activities, we are witnessing growing calls for a uniform global approach toward risk management by the corporate sector. Meanwhile, the dramatic rise in such security risks as cyber attacks, including unauthorized access, computer viruses, and the leakage of data in recent years, has reached a point where the massive losses incurred by companies are threatening their very existence.

Under these circumstances, NTT Communications established the Security Operation Center (SOC) in 2003 and began offering corporate security management services. To that end we brought a company that specialized in overseas security into the Group. In June 2013, in collaboration with NTT Secure Perspective Laboratories we launched WideAngle, a service which provides

comprehensive research and monitoring of security risks as well as providing remedies, and we began offering the service globally. Leveraging a base of security consulting expertise that includes some 8,000 companies, in November 2013 we put together a package that offered this expertise in Japan as well. Also, in May 2014 we significantly increased our detection rate for security threats through the development of an additional operational backbone engine for our management security service. In 2015, we strengthened protection against unknown threats at the endpoint.

Drawing on our extensive expertise in security operations and proven strength in technological development, we work diligently to establish safe and secure information system environments for as many companies as possible, both in Japan and overseas.

### Providing Stable Enterprise System Network Monitoring/ Operating Services

NTT Com Solutions has been operating its Sapporo Business Continuity Center, a Sapporo City-based operations center that constantly monitors and stably operates information and communications technology (ICT) system networks, since June 2008. In addition to monitoring and operating customer ICT systems 24 hours a day, 365 days a year, the Center is responsible for customer inquiries, malfunction rectifications, and business continuity planning (BCP) management support.

In recent years, ICT systems and the operation centers needed for their stable operation have become essential for company business continuity, and high reliability is being demanded from operation centers, as they form the infrastructure that protects customer ICT systems. Characteristically, Sapporo is an area that suffers relatively few lightning strikes or large-scale natural disasters, such as earthquakes and typhoons, and is some distance from Tokyo. Therefore, the operation center itself is unlikely to be affected by any widespread major disasters or pandemics, which would allow the facility to function as a backup for the operation centers in the Tokyo area.

The Center has introduced and firmly established an IT Service Management System (ITSMS). The aim of the system, which is based on ITIL® \*, is to enhance service quality, increase value for customers, and boost customer satisfaction levels while improving efficiency and productivity. As a result, the Center acquired ISO 20000 certification, the international standard for ITSMSs, in December 2009.

Being configured to utilize services that include the cloud, customer systems are also undergoing major changes in terms of their technologies and content. The Sapporo Business Continuity Center will continue working to enable it to keep pace with these changes and to effectively deliver ongoing operational support services which offer high quality at a low cost as part of its drive to increase customer satisfaction.

\* ITIL®: Systematic guidelines covering the operation and management of computer systems formulated by the UK government. The guidelines are compiled in several volumes of books. ITIL® (IT Infrastructure Library) is a registered trademark of the Office of Government Commerce (OGC) of the UK government.

### **Participation in External Groups**

Toward the creation of a better society, companies are expected to be actively involved in progressive initiatives for the public and private sectors and in industry-wide initiatives. We collaborate with a variety of organizations and address the measures that will lead the industry.

### **Assisting in Internet Crime Prevention**

### The ACTIVE Project to Support Malware Countermeasures through Collaboration between Public and Private Sectors

NTT Communications and NTT Resonant are participating in the Advanced Cyber Threats response InitiatiVE (ACTIVE), a collaborative public-private project to support private-sector malware countermeasures that was launched in November 2013 by Japan's Ministry of Internal Affairs and Communications. As a specific measure to prevent malware infection, the "OCN Toolbar" and "goo Stick" products of our companies will access an ACTIVE-compiled list and launch popup windows in the browsers of customers who are about to enter those sites, cautioning them. This approach is designed to lessen our customers' risk of being infected by malware simply by browsing infected sites.

Following the announcement of the implementation of a strategy to neutralize Internet banking viruses by the Tokyo Metropolitan Police Department (TMPD) on April 10, 2015, there was a request from the Ministry for Internal Affairs and Communications for cooperation in conducting a campaign, using ACTIVE, to draw public attention to people whose computers had been infected with malware. Cooperating on the strategy, OCN implemented proactive alerts and individual contacts based on malware infection information provided by the TMPD. These efforts having been highly commended, OCN was presented with a letter of appreciation from the TMPD. In the years to come, we will promote measures against malicious sites and assist in keeping Internet crime in check.

### **Helping Healthy Child Development**

### Industrywide Efforts toward Child Pornography Countermeasures

Blocking child pornography on the Internet is an important issue that must be addressed in order to protect the rights of children and ensure the provision of a safe Internet environment. Taking in particular the opportunity presented by the Japanese government's release of its policy on a national campaign against child pornography in 2010, the setting up of an active system—including the voluntary blocking of access to child pornography websites by Internet service providers (ISPs)—is continuing with support from the public and private sectors. In 2011, the NTT Communications Group joined other ISPs, search engine service providers, filtering service providers, and related businesses to form the Internet Content Safety Association (ICSA). In April 2011, members of the ICSA began to share information on the websites they will block to prevent access to child pornography images by providing other member providers with child pornography website address lists.

Specifically, the NTT Communications Group's "goo," "plala," and "OCN" services have access restrictions based on child pornography website address lists provided by the ICSA. In line with the child pornography website address lists provided by the ICSA, steps were also taken to block child pornographic images by each of the ISP providers in 2011, NTT Resonant is responding by modifying the various search services that it operates. Continuing to work closely with the ICSA, we will work to prevent the distribution and proliferation of child pornography.

# Faithfully Serving Our Customers

Our business covers the full gamut, from the building of global telecommunications networks to the provision of Internet service provider operations. The customers with whom we are in contact through business, ranging from corporations to individuals, are thus likewise varied.

Listening with a finely tuned ear to feedback from such a varied customer base, while developing and enhancing the mechanisms to flexibly utilize that feedback, represent challenges that are becoming essential for us to continue to grow as a leading global ICT company in partnership with society. Taking this stance, we are committed to taking customer satisfaction (CS) surveys on a regular basis and proactively utilizing points of contact with our customers.

Centered on the CSR Committee, these initiatives are carried out in conjunction with the department charged with implementing each initiative.

### **Ongoing Customer Satisfaction Surveys**

### **Efforts That Utilize Feedback from Customers at Affiliates**

Aiming to remain the service provider of choice for customers around the world, we are making every effort to understand customers' needs and work on a daily basis to improve our services to meet their demands. These initiatives help us develop innovative services to satisfy our customers, which in turn brings us the satisfaction of helping them.

One of the initiatives we implement is an annual VOC (Voice of the Customer) survey on customer satisfaction. The feedback we receive shows us the results of our steady, ongoing efforts. Customer feedback topics vary broadly, ranging from corporate customers' comments on the use of ICT backbones in their global strategies to input by consumers about their personal communications habits.

The majority of feedback from corporate customers is in the form of requests relating to quality and reliability. Requests such as these—involving network quality, cloud reliability, security initiatives and the like—are essential to our business. There has also been an increasing demand for applications that help companies change the way their employees work. Some of the comments we receive pose challenges to us, such as asking us to ensure seamless domestic and overseas operations or enable integrated management with other companies' services. Responding to such requests is one of our everyday tasks.

The content of requests and feedback from individual consumers also varies, but regardless of the nature of the feedback we make every effort to address the gist of their needs. We have created a host of initiatives that aim to make our services more convenient to use. On our website, we describe initiatives addressing this type of customer feedback.

Looking forward, we will continue to pay close attention to feedback from our customers as we strive to make permanent improvements that will increase customer satisfaction.

### Initiatives That Utilize Feedback from Individual Customers

As one of our service improvement initiatives for our OCN service, which is aimed at individual consumers, we have set up a dedicated OCN Customer Feedback website.

We receive numerous comments and requests from customers concerning OCN services. On our website, we provide case studies of improvements based on this feedback.

Feedback sometimes takes the form of either praise or complaints, and this type of interaction is very important to our everyday efforts to enhance service quality.

We will naturally continue to reflect OCN Customer Feedback with improvements in our services, incorporating enhancements leading to more convenient Internet access for our customers.

### ■Site Providing Overviews of Initiatives Designed to Deliver Even Higher Level of Customer Satisfaction



# Our Relationship with Suppliers

In recent years, there have been calls for companies to implement CSR activities along entire supply chains. Those demands have naturally necessitated not only Groupwide CSR activities but also the building of honest, sustainable relationships with suppliers. Accordingly, we are focusing on strengthening collaboration with our partners and on the implementation of CSR and green procurement as responsibilities of a global ICT company.

Maintaining a focus on value creation through business, we have a particular need to procure high-quality services and products in an economical and timely manner. On the basis of the three procurement policy items listed below, NTT Communications therefore engages in fair and competitive procurement activities within the global market, conducting its procurement activities from the perspective of the broad global marketplace and in an effort to make Group management more competitive.

#### **■**Procurement Policy

- We provide a broad range of suppliers in Japan and overseas with opportunities for fair competition and strive to foster a sense of mutual understanding and trust-based relationships.
- We procure competitive products and services to meet our business needs on an economically rational basis, making comprehensive assessments covering quality, price, delivery period and supply stability.
- In addition to complying with laws, regulations and social norms, we conduct our procurement activities with consideration for the environment and for human rights, in an effort to help contribute to society.

**Strengthening Relationships with Our Partners** 

### **Development of ACF Partner Forum Designed to Enhance Ongoing Collaboration**

The Arcstar Carrier Forum (ACF) is an international conference we have sponsored since 2000 that invites partner carriers from around the world to Japan for the purpose of improving quality in the operation and delivery of international network services. Held on a regular basis every year, the focus at the ACF has been on expanding discussions of initiatives aimed at improving the quality of essential infrastructure, such as ways to deal with malfunctions and construction issues, infrastructure design and construction processes to prevent issues from arising, and operational support systems that enable rapid issue analyses and resolutions.

Bearing the slogan "Empowered Collaboration," which carried the meaning that more cooperation and collaboration are required, the fiscal 2015 ACF was held in Tokyo in June 2015. To improve the value of customer experience, the indications are that it is essential to maintain the quality of all the elements that together make up a service (areas of responsibility for all carriers). It was recognized by all carriers that the points of contact with customers, covering entire processes from construction to maintenance, serve as elements that either raise or lower customer satisfaction.

Through initiatives such as the ACF, we will improve operations and quality in international network services, while also building extensive operational know-how.

#### ■ Arcstar Carrier Forum



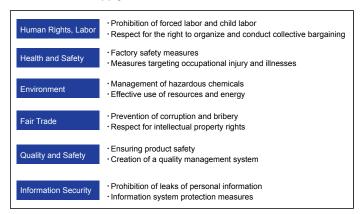
### **CSR and Green Procurement**

#### **Promoting CSR Procurement**

We have formulated supply chain CSR promotion guidelines that encourage procurement policies that respect human rights and protect the environment, ensure the quality and safety of products and services, and recognize the overall needs of society.

Based on the above guidelines, which were formulated in December 2013, we have asked our principal suppliers for their cooperation in completing questionnaires on the status of their initiatives with the aim of promoting CSR activities.

#### **■**Content of Supply Chain CSR Promotion Guideline



→ Please click here for details about the supply chain CSR promotion guidelines.

For green procurement, please refer to the Protecting the Environment section of the report.

### **Avoiding Conflict Minerals**

NTT Communications and NTT Communications Group companies conduct procurement activities in accordance with the NTT Group's Approach to Conflict Minerals.

### **Engagement in Social Contribution Activities**

NTT Communications encourages engagement in social contribution activities in a number of fields. We intend to continue contributing to the realization of an affluent society through activities that cover a wide range of fields that include: international cooperation; environmental conservation; health, medical and welfare fields; and regional development. In addition, at a time when efforts toward recovery are under way in the regions affected in the aftermath of the Great East Japan Earthquake, we will continue our support efforts to reconnect the social bonds in those regions and do all we can to be of assistance in rebuilding lives there.

### ■Social Action Principles

Sustainability We conduct lean but lasting activities over the

long term.

**Efficiency** We engage in cost-effective activities for ease

of continuity.

**Due Diligence** We carefully assess whether prospective

donations will truly benefit society.

Global Perspective We contribute both to Japan and to the

international community.

Skills We utilize services developed for and employee

abilities gained in information distribution

markets for the benefit of society.

### Serving Local and International Communities

### **Ecocap Movement and NTT Green Team**

We have conducted Ecocap activities since February 2007.

This activity donates the proceeds derived from separating and collecting as a resource PET bottle caps. This movement helps reduce  $\text{CO}_2$  emissions (800 caps is the equivalent of 6,300g of  $\text{CO}_2$  at the time of incineration as waste). In addition to contributing to society, this initiative also helps protect the environment.

In cooperation with the NTT Communications Shining Arcs rugby team, we also collected used PET bottle tops at rugby games.

As a result, in fiscal 2014 we collected 620,031 caps and thereby succeeded in reducing our amount of CO2 emissions by approximately five tons.

### **Cleanup Activities**

NTT Communications has participated in cleanup campaigns in Tokyo's Chiyoda Ward since 2008. On November 6, 2014, 212 people conducted cleanup activities around Hibiya Park.

In addition, players from the Shining Arcs rugby team conduct cleanup activities in the area every month.

### **Providing ICT Support Personnel for Education Frontline**

Amid the growing digitization within schools and classrooms, the need for teachers to take greater initiative in the use of ICT and the need for increased support for ICT applications continue to mount. In an effort to address these needs and issues. NTT Com CHEO is nurturing ICT supporters and providing human resources to promote the use of ICT during lessons taught at school.

Expertise in ICT is not the only skill required of ICT supporters. Of equal importance are communication skills when dealing with children and teachers. ICT supporters must be able to provide instructions and impart information in an accurate and easy-tounderstand manner. Given the multitude of skills required to engage in school education, developing the right human resources over a short period can be difficult.

NTT Com CHEO is fostering ICT support personnel, who can have an immediate impact in schools and classrooms, and providing them to the education frontline through a proprietary school education program. This program was created by NTT Com CHEO staff with considerable communication and instruction skills as well as know-how developed through the ICT skills and customer support operations that underpin ".com Master" (Dot Com Master) Internet certification.

We are helping to cultivate ICT support personnel through training in communications skills, which commenced in July 2013. This training involves speaking in front of others as well as explaining and responding to questions, all of which are communications skills important to ICT support personnel. Covering the skills that are required in Section B of the ICT Support Personnel Proficiency Qualification Test (a test of communications and explanatory skills), the training is subject to certification by an educational information coordinator certification

In the future, the goal is to contribute to the development of children and students through support aimed at promoting ICT use in schools.

### ■ICT support personnel are participating actively on the education frontline.



### **Environmental Contribution Activities at Group Companies in Japan**

For some time, we have been advocating that each Group company independently perform its own social contribution activities. As a result, gatherings of employee volunteers that perform environmental conservation activities, including natural woodland preservation, have formed at each company and are continuing their enterprising activities. The main activities are listed below. As a corporate citizen, we will continue to encourage the conducting of low-profile though meaningful activities that help local communities.

### ■Examples of Environmental Contribution Activities at Group Companies in Fiscal 2014

Environmental Program	Main Content	Number of times Performed	Number of Participants (Total)	Implementing Company
Mature forest environment conservation, Higashi-Ome, Tokyo	Tree thinning and tree planting conducted as an environmental conservation activity in collaboration with NPOs such as the Environmental Learning Research Society, designed for employees who have newly joined the company	2	20	NTT PC Communications
Natural woodland preservation activities in Shiroi City, Chiba Prefecture, and the town of Kanan, Osaka Prefecture	Encouraging understanding of natural environment conservation activities through such tasks as rice planting and harvesting as well as festivals	7	141	NTT PC Communications NTT ComMarketing NTT Com Solutions
Autumn environmental protection activities environmental protection activities	Encouraging understanding of environmental protection activities through such tasks as harvest festivals, forest maintenance and digging up potatoes	1	23	NTT Com Solutions

### **Examples of Environmental Contribution Activities at Overseas Group Companies**

In collaboration with the Heads, Hearts and Hands Program run by the Dimension Data company, employees at NTT America's Virginia office participated in a Day of Giving event held on June 12, 2014. One of the AmeriCorps program of events (a corporate citizen activity being carried out by public-private partnerships in the United States), as the Heads, Hearts and Hands Program event was held as part of efforts in support of underprivileged children, NTT America undertook the activities listed below at the Clearview Elementary School in the state of Virginia.

- Created Hope Hallway, the surfaces of the walls in the elementary school's hallway decorated with works that conveyed children's hopes and dreams
- · Bench and picnic table woodwork made by event participants
- Gardens and paths landscaped with a variety of plants native to Virginia

Range of Social Contribution Activities
Performed by Corporate Rugby Team

Having the goal of helping children live healthier lives and interact more closely with their communities through sports, NTT Communication's rugby team, the Shining Arcs, holds tag rugby—a combination of a game of tag and rugby—and rugby tuition in conjunction with bodies such as the Ichikawa City Board of Education.

By cherishing its ties to the local community, such as through the neighborhoods cleaned up by its players, the team plans to continue to use rugby as a way to help as many people as possible to realize their dreams and learn the importance of perseverance and taking on challenges.

### ■Tag rugby class





### **Shining Arcs Cup Held**

As there are currently no elementary school rugby tournaments or other initiatives that provide for rankings, the first Shining Arcs Cup comprising 10 teams from local rugby schools in Chiba Prefecture, Tokyo and other areas was held in an effort to boost children's desire to improve their game, their competitive spirit and level of competition. Through this kind of activity, aside from undertaking training we will improve the level of competition and secure future TOP League players and players capable of competing on the world stage.

#### ■The first Shining Arcs Cup





### Initiatives Supporting Recovery from the Great East Japan Earthquake

For the people affected by the Great East Japan Earthquake of March 11, 2011, NTT Communications wondered whether lasting memories could be brought about through rugby. By collecting donations from all the Shining Arcs players and staff at games depending on the points scored (10 yen per point), we supported recovery in the disaster-affected regions through rugby. In the most recent 2013–2014 season, all the TOP League teams agreed to the Shining Arcs activity and were able to greatly expand its scale.

#### ■ Rugby TOP League Fundraising Featuring Shining Arcs

	2011-2012 Season	2012-2013 Season	2013-2014 Season	
Participating Team(s)	NTT Com only	NTT Com only	All TOP League teams	
Money donated	366,525 yen	404,800 yen	Approx. 2 million yen	
Use of funds raised	Donated to Japanese Red Cross Society	Donated to Miyagi Rugby Football Union	Invited children from disaster- affected regions to a Japanese national rugby team game held in June 2014	

■ General views of the children from the disaster-affected regions who were invited to watch a Japanese national team rugby game held in June 2014.



