Human Resources

Undertaking Business with Respect to Employees While Enabling Them to Succeed

The source of competitiveness of NTT Communications is the power of its people. Employees drive the operations of the Company as partners who grow with it as they pursue their own happiness and personal development. Management that draws strength from diversity has recently been gaining attention around the world. In this context, the NTT Communications Group aspires to grow with its employees by implementing advanced initiatives for human resource development to ensure their well-being.

By emphasizing actions for turning diversity into a competitive edge, we have taken on the challenges of multifaceted programs that promote human resource development and workstyle reform as well as the expansion of diverse forms of employment. We want to develop a sustainable society by actively applying the knowledge and skills accumulated in the course of our efforts as our contribution to society.

Targeted SDGs

- 079 Human Capital
- 083 Development of Human Resources
- 091 Promotion of Diversity and Inclusion
- 102 Respect for Human Rights

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Human Capital

People are the driving force for creating value in the world and realizing a sustainable society. Here we introduce the NTT Communications Group’s stance and initiatives on human capital.

Governance

To create businesses with mid- to long-term competitive advantages for sustainable business growth and enhanced corporate value, it is essential to formulate and implement integrated strategies and investments for human capital as the source of competitiveness. We established the Human Resource Strategy Committee from this perspective to discuss, examine, and promote the formulation and execution of human resource strategies and development policies linked to our management strategies. Through the committee, we have developed a management governance structure that includes the formulation of mid- to long-term strategies and implementation management based on KPIs under major HR management themes, such as human resource portfolio management, strategic allocation of human resources for strengthening businesses, and resource management policies based on labor productivity indicators.

The committee also collaborates and deliberates with the Sustainability Management Committee on key human resource issues and periodically reports to the Board of Directors.

We have also established the Sustainable Growth Cycle (SGC), which combines growth in human resources, value provided, and business, as well as Sustainable Growth Metrics (SGMs) to promote management for sustainable business growth by visualizing progress to achieve change based on periodic and quantitative monitoring.

The SGM for growth in human resources includes important items for driving growth, such as the fill ratio of key personnel required by each category of business promotion, diversity indicators, status of resource shift, and engagement scores. A monitoring cycle is set up to account for the level of change in each item, and the results are reported to the Human Resource Strategy Committee and others for discussion of issues and solutions.

Risk Management

We have established the Risk Management Rules to achieve sustainable corporate growth by anticipating and preventing the occurrence of potential risks that exist in and around our business and by minimizing any loss in the event they materialize. Risk management is conducted by the Business Risk Management Committee, chaired by the senior executive president, and we consider human risk as a Companywide concern. With regard to human resources, we assume the following as major risk items and examine the scenarios and the scope of impact while also establishing monitoring methods to conduct periodic risk management.

Geopolitical risk
- Rise in political, social, and military tensions in certain geographic locations makes it difficult to ensure the employee safety

Resilience-related risk associated with natural disasters
- Natural disasters such as typhoons, floods, earthquakes, and volcanic eruptions result in employee casualties

Pandemic risk
- Outbreak of an infectious disease pandemic results in employees becoming infected

Risk related to response to human rights issues
- Incidents of harassment and inappropriate corporate response
Risk related to corporate governance
- Insufficient control over Group companies and lack of coordination

Risk related to human resources (recruitment, training, and workstyles)
- Inability to recruit and train necessary human resources
- Decline in employee motivation leading to resignations
- Increased dissatisfaction related to promotions, transfers, evaluations, and growth opportunities
- Stagnation of personnel assignments, aging workforce, and increase in retirements
- Outdated programs for human resource development
- Occurrence of mental and physical illness among employees

Conduct risk to stakeholders
- Unreasonable treatment or refusal to hire or promote minority employees due to failure to recognize value of diversity
- Concentration of workload on specific employees and lack of improvement in work efficiency resulting in long working hours and accumulated physical and mental stress as well as a delay in understanding the situation and inappropriate corporate response due to insufficient communication with relevant employees

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We intend to achieve a state in which employees have confidence in management by transparently and honestly disclosing information, providing opportunities for employee dialogue and continuously investing in human resources.

Increased Employee Engagement and Personal Growth

We want to develop a state in which employee self-fulfillment and personal growth are aligned with the Company’s vision and purpose.

Career Autonomy

Based on our vision of supporting lifelong career development for self-fulfillment, we will establish an environment and structures that enable employees to independently learn and grow toward achieving career autonomy. In addition, the Career Design Office was established in 2020 to support employees as an organization specializing in career consulting, and the Motivating and Stance Theory, which summarizes the wisdom and expertise accumulated in the Career Design Office, is available to all managers for improving supervisor career support and interviewing skills.

By encouraging employees to think, decide, and act on their own, we hope to improve job satisfaction, link value creation and enhanced productivity to business growth, and increase engagement through a cycle of growth for both employees and the business.

Growth Opportunities

As a leading DX company, we support autonomous upskilling for the sake of having all employees select and participate in in-house learning and educational content in the areas of data utilization, business/design, and engineering so that they can acquire new knowledge and skills that will contribute to DX and be applied to decision-making and work. We are fostering a culture in which individual employees can learn autonomously, openly learn from each other, and improve their personal skills together.

We also provide an online platform with options and information on learning and work and have created an environment in which employees can realize their careers through daily operations, thereby encouraging personal growth with a rich diversity of skills and experience. Options include an internal recruitment system that enables them to apply for positions required by the organization, an internal scouting system in which the organization offers positions to employees who have applied, and a dual work system in which staff can participate in work that is different from their main duties.

Well-being and Diversity

We are striving to create an environment in which everyone works with vigor and a sense of fulfillment.

Employment, Training, and Promotion of Diverse Human Resources

We are developing an environment in which members from various backgrounds respect each other, with the goal of realizing the well-being of each individual and creating new innovations. Specifically, we have continuously implemented measures such as supporting the career
development of female managers, assisting employees who are facing major life events, and employing people with disabilities in consideration of their aptitudes so that each employee can maximize their abilities.

Hybrid Workstyle
We are working to build a strong team by developing a working environment that enables employees to choose a highly flexible workstyle and workplace that combines face-to-face and remote operations according to the characteristics of their responsibilities and by increasing activities that generate more collaborative opportunities that also emphasize face-to-face communication. In July 2022, we introduced a system that allows employees to choose not only where to work but also where to live, allowing them to choose a workstyle that does not involve only relocation or moving to a new location exclusively (approximately 170 employees were using this system by the end of September 2023). We will further promote “work-in-life” (work as an important part of life) by creating a flexible environment in which each employee can freely design their own workstyle.

Team Collaboration
In addition to widely establishing and improving the quality of one-on-one meetings as a means of interactive communication for supporting members’ growth, and cultivating a culture of mutual praise and recognition, we have also launched an organizational development initiative to promote collaboration and co-creation based on dialogue. We intend to create a workplace in which diverse personalities are respected and recognized and employees can learn from experience through repeated trials to create new value. This is premised on ensuring a sense of security for employees by creating an environment where they can freely communicate and collaborate across organizations and teams.

Health and CSV Management

Health Management
We promote health management for maintaining and promoting the physical and mental health of employees and their families, as the most fundamental initiative of our business operations.

CSV Management
We promote eco-friendly initiatives through activities such as having all employees understand how much carbon dioxide is emitted in their daily lives, and we are working to reduce these emissions through eco-action, as well as by preserving Satoyama. We also provide our employees with a wide range of opportunities for participating in social contribution activities such as pro bono activities in which they volunteer the skills and techniques developed through their work, as well as various fundraising activities to create a corporate culture in which our employees can be proud of these activities.

Indicators and Targets
In accordance with our Sustainability Policy, we have established main initiatives and related indicators for each of our priority activities for implementing human resource management.

<table>
<thead>
<tr>
<th>Priority Activity (Materiality)</th>
<th>Main Initiatives</th>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development of human resources</td>
<td>Promote measures that enable employees to learn and grow autonomously to realize their careers (a growth cycle in which employees and the business grow together)</td>
<td>Training costs per person: 220,000 yen per year</td>
</tr>
<tr>
<td>CSV Management</td>
<td></td>
<td>DIX human resources fill ratio (by end of FY2023): 100%</td>
</tr>
<tr>
<td>Promotion of diversity and inclusion</td>
<td>Promote hiring, development, assignment, and equal opportunities for diverse human resources</td>
<td>Percentage of female employees in managerial positions: 15% in FY2025</td>
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<tr>
<td></td>
<td></td>
<td>Percentage of female employees appointed as new managers: 30%</td>
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<tr>
<td></td>
<td></td>
<td>Percentage of employees with disabilities: 2.3%</td>
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<tr>
<td></td>
<td></td>
<td>Hiring of external human resources: 30%</td>
</tr>
<tr>
<td>Health and CSV Management</td>
<td>Promote work-life balance</td>
<td>Year-on-year improvement in engagement score (mid-term target: 65%)</td>
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<tr>
<td></td>
<td></td>
<td>Percentage of remote work implemented: 65%</td>
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<td></td>
<td></td>
<td>Organizations where remote work is the standard: 65%</td>
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<tr>
<td></td>
<td></td>
<td>Organizations where employees work in offices: 40%</td>
</tr>
<tr>
<td></td>
<td>Throughly implement occupational safety and health management for employees</td>
<td>Zero operational accidents</td>
</tr>
<tr>
<td>Respect for human rights</td>
<td>Proactively promote activities for human rights education</td>
<td>Attendance of human rights training: 100%</td>
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<td></td>
<td></td>
<td>Human rights due diligence: more than once a year</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Human rights violations: 0 incidents</td>
</tr>
</tbody>
</table>

These are the representative initiatives and indicators for fiscal 2023.
Our basic policy is to promote human resource development from the perspective of achieving growth for both employees and the business, thereby creating a virtuous cycle of mutual growth. We are particularly preparing for intensified competition following the acceleration of digital transformation (DX), by establishing an autonomous learning environment for employees that encourages proactive self-investment, and by promoting measures that emphasize the development of personnel capable of driving DX, such as the ODYSSEY human resource development program, to strengthen sustainable, mutually beneficial relationships with employees.

**Approach to Human Resource Development**

**Three Concepts**

1. **Talent**
   - By visualizing the skills of employees and the image of human resources needed in each business field through common indicators (talent profiles and skills), employees can set clear goals for improving their skills, and the Company can efficiently take action with limited resources.

2. **Open**
   - By disclosing the skills and past experiences of other individuals, employees can discover role models and peers, while a culture of mutual learning is fostered by showing and visualizing the learning process.

3. **Active**
   - By providing information and options for finding a path to self-fulfillment through policies and systems, employees are encouraged to grow on their own through self-reflection while gaining opportunities to take on challenges and achieve growth based on their results.

**Virtuous Cycle (Engagement) in which Employees (Individuals) and Business Grow Together**

- Improve job satisfaction
- Value Creation and Enhanced Productivity
- Expected Benefits from the Employee's Perspective
  - Develop human resources who can keep up with and adapt to changes in the business environment and contribute to the business
- Expected Benefits from the Company's Perspective
  - Value Creation and Enhanced Productivity
  - Developing human resources who can keep up with and adapt to changes in the business environment and contribute to the business
In today's world, where the creativity of each individual is increasingly tested, we must embrace a paradigm shift from the uniform management of the former era of mass production and consumption to employee-centered HRM*. In this era of change and diversity, we are promoting efforts to offer more choices for each employee journey as part of our HRM focused on the power of the individual.

Each employee should be able to choose a workstyle that matches his or her personal lifestyle and career plan, and should think, decide, and act for themselves toward self-realization. At the same time, we must create an environment in which employees can take on challenges and foster an organizational culture that encourages these efforts. We believe this will improve job satisfaction while also leading to business growth by creating value and enhancing productivity, making it possible to enhance engagement in a virtuous cycle of employee (individual) growth and business growth.

The power of human resources can change the future precisely because we are living in the digital age. Through employee-centered HRM, we will create a cycle in which employees and the business grow together toward a state in which employee work values, personal growth, and self-fulfillment are in harmony with the Company's philosophy and purpose.

As we believe that the Group's sustainable growth depends on providing workplaces that increase every employee's motivation, we support self-driven career development over the lifetime of each of them and for maintaining and improving employability.

Our employee development program, ODYSSEY, sets a Talent Profile that defines who would be able to execute our business strategies in a changing business environment. Employees are supported in their efforts to meet the criteria for the designated levels of skills. We have also enhanced our initiatives for employees seeking to raise their level of expertise under the Career Development Plan (CDP). A skill check is implemented as needed to select the right training from a broad range of options.

As we restructure our business strategies and business models to respond to changes in the internal and external environment, we have positioned areas with particularly large human resource gaps as opportunities for enhancement and formulated a plan to strategically fill human resource gaps through training (skill shifting), from a medium- to long-term perspective. Under this plan for developing human resources that require enhancement across the Group, we also expanded measures for developing human resources in specialized areas within Center of Excellence (CoE) organizations.

*Human resource management
Main Achievements in Fiscal 2022 and Goals for the Coming Years

(1) Internal On-the-Job Training

- Support for employee growth through technical assistance and mentoring
  - Strategic projects and operations within divisions
  - Practical experience at CoE organizations
  - Return to former position
  - Assignment to key projects in the division
  - Each organization
  - Core human resources
  - Training target

(2) Support for Human Resource Development by CoE Organizations

- Design CoE (Design studio KOEL)
  - Visioning
  - Business development
  - Business improvement
  - Communication design
  - Organizational design
  - Human resource development

- Data Scientist CoE (Digital Transformation Division)

- Security CoE (Information Security Division, N.F. Laboratories)

(3) Support for Human Resource Development by Technical Advisors

Areas of expertise

- Service development skills
- Engineering skills
- Consulting
- Incubation and design
- Engineering (agile/software)
- Data application
- Security

Target categories for human resource enhancement

- Service development
- Mentoring
- Support for human resource development
- Seminars and study groups
- One-on-one, and consultations on ideas in development

For more information on Design CoE, see: https://www.ntt.com/lp/koel#solution
For more information on Design CoE, see: https://www.ntt.com/shines/posts/b-t_20200625.html (in Japanese only)
For more information on N.F. Laboratories, see: https://nflabs.jp/business/ (in Japanese only)
We provide a range of training programs designed to support employee skill development and encourage appropriate career path choices.

The new training program covers not only NTT Communications Group strategies and systems but also business conduct and attitudes. This helps to deepen employee understanding of the value and importance of always seeing and acting from the customer’s perspective. To form the foundation for improving the basic skills of our employees and for autonomy in their careers, we also have learning management systems and provide practical training through experience-based learning cycles that improve self-management.

All employees gain hands-on experience in accordance with the career development plans they formulated and choose suitable training courses in consultation with their supervisors. We are creating a system that will enable employees to become aware of and improve their employability by applying a plan-do-check-act cycle in their daily work, as well as by disclosing their skills and collaborating with each other through mutual learning. To reinforce our software development capabilities and firmly establish modern product development methods, we invited three external technical advisors to speak in the autumn of 2019 and have been developing our skills through appropriate career path choices.

In fiscal 2022 so that all employees could add new knowledge and skills that contribute to DX (customers, society, industry DX, service development DX, and internal operation DX) and apply them to their decision-making and business operations. We are working to foster a culture in which all employees, including executives, are learning autonomously, and employees are openly engaged in mutual learning and enhancement.

We want employees to be chosen by society based on their own value, and not their company affiliation, so that they become individuals with unique personalities who can make their mark both within the Company and in the world. To this end, we will continue to invest in human resources by setting the goal of turning all employees as DX human resources, with half of them core DX personnel, that will also serve as a milestone when considering their careers.

In fiscal 2022, the average training cost was 205,000 yen for an average of 22 hours per employee. In the current era of VUCA (volatility, uncertainty, complexity, and ambiguity), the required technical and professional skills are becoming increasingly diverse, deeper, and shorter-lived amidst intense environmental change. To address these developments and cope with the disruptive change associated with remote workstyles, we believe...
Support for Career Design

Every employee must achieve career autonomy to think about their own careers and remain motivated to continue working.

We established the Career Design Office in 2020, which has interviewed approximately 3,000 employees to date in its responsibility to support career autonomy. Achieving career autonomy, however, depends upon recognizing the urgency to improve career interview skills for dedicated career support staff as well as supervisors who deal with their subordinates on a daily basis. The Motivating Stance Theory is a 500-page handbook that compiles the wisdom and expertise accumulated by NTT Communications’ Career Design Office for improving the career interviewing skills of supervisors. We made the theory available to all managers and are also holding individual study sessions for each organization to improve the career interview skills of managers.

As an ideal way to achieve career autonomy, we believe it is important to maximize the overlap between employee aspirations and desires and the Company’s vision and mission. Our goal is to create a virtuous cycle in which employees achieve growth through career autonomy, resulting in growth for the Company as well, which in turn leads to new growth opportunities for employees.

In fiscal 2023, we will further enhance the opportunities and environments we provide for employees to think autonomously about their future careers while strengthening support for employee growth, including helping supervisors develop their career support capabilities.

We received two awards for our Motivating Stance Theory handbook, the HR Award and the Good Career Company Award. This is the first time that a company has received both awards in the same fiscal year.

HR Award
The HR Awards are presented to initiatives that promote the growth of people and organizations based on voting by 240,000 HR professionals nationwide. In fiscal 2022, 13 companies out of 388 entries received awards. NTT Communications received the Excellence Award in the planning and human resources category.

Good Career Company Award
The Good Career Company Awards are presented by the Ministry of Health, Labor and Welfare to companies that are committed to the autonomous career development of their employees. In fiscal 2022, 16 companies received awards out of 89 entries, with NTT Communications winning the Innovation Award.

It is necessary to emphasize employee-driven learning and career development that is more autonomous than Company-led training and personnel transfers. In addition to providing employee training required for carrying out jobs and developing careers, we enhanced courses that are highly needed by each organization and expanded online programs affected by the COVID-19 pandemic. In fiscal 2022, we also began offering Sharing Everyone’s Learning Experience (support for studying based on books) to encourage employees to voluntarily choose to learn together.

Looking ahead, we plan to further strengthen online platforms that encourage autonomous career development and measures that contribute to open learning among employees.

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[ HR Award Recipient Interview ]
https://jinjibu.jp/article/detl/tonari/3031/
[in Japanese only]

[ Good Career Company Award 2022 Recipients ]
https://www.mhlw.go.jp/stf/newpage_30059.html
[in Japanese only]
Global Human Resource Development Program

As markets and user needs become increasingly diverse and complex due to rapid changes in social structures and technological trends, NTT Communications is also committed to developing global human resources who can demonstrate leadership and show results in a highly diverse environment, based on communication skills and specialized skills that meet international standards. Under the Global Challenging Program (GCP), an entry-level measure for global human resource development, we sought applications and dispatched 24 employees to our overseas offices in fiscal 2022.

Internal Job Posting System

We have implemented an internal job posting system to expand the possibility of transfers from the employee’s standpoint and to provide personnel with a wide range of challenging opportunities. The system is extensively used by employees of all ages, with job postings from within the NTT Communications Group and NTT Group. In parallel with the internal job posting systems of the NTT Group as a whole, we developed JobBoard and FreeAgent within the NTT Communications Group, which are unique recruitment systems based on the employee’s standpoint. JobBoard is an internal system that allows employees to voluntarily apply for positions required by the organization (employee-oriented approach), while FreeAgent is an internal scouting system through which employees who apply to the program are offered positions by the organization (organization-oriented approach). We are developing measures based on this two-way approach to offer more employees opportunities to move into the positions of their choice.

In fiscal 2022, approximately 90 employees were assigned to departments of their choice within the NTT Communications Group and NTT Group. We will continue to use the internal job posting system actively in order to facilitate career advancement and revitalize the organization while also creating job postings in specific focus areas associated with achieving our business vision.

Focus Areas for Human Resource Development
- Business for small and medium-sized enterprises
- Global business
- Security-related services
- Upper layer services
- New areas including design, data science, and business creation
- Human resources capable of bolstering Group companies toward the maximization of total Group power

Personnel Evaluation

In April 2023, the NTT Group introduced new promotion and compensation systems based on expertise for developing mechanisms that enable each employee to acquire and demonstrate ever higher levels of expertise and skills and to create high added value while allowing diverse personnel to autonomously build diverse careers in various fields.

In the environment surrounding the NTT Communications Group, the accelerating pace of digitization and rapid technological innovation have made it possible to create and provide new value across a broad range of business fields, while at the same time market competition is intensifying across industries and other boundaries. Under these circumstances, the new NTT Communications Group is striving to become a leading company that supports DX in society and industry through advanced mobile-first and cloud-first solutions. Achieving sustainable growth and development, however, requires creating new value by advancing business transformation and expanding into new business domains. To that end, we have revised the systems in which evaluations, salaries, and personnel transfers are determined based on expertise, rather than on years of service, age, or years in the position, so that employees can realize their career visions while maintaining their motivation to acquire higher levels of expertise.

Specifically, we established grade standards to clarify the required level of expertise and behavior for each of the 18 newly created specialized fields and established a system in which employees are promoted and paid according to the degree to which they acquire and demonstrate expertise. In addition, we will strengthen support for autonomous career development by shifting to personnel assignments that enable employees to improve their expertise and by enhancing training.

Through these efforts, we will realize a system that allows diverse employees to autonomously build and grow diverse careers while realizing different workstyles, thereby improving EX (Employee Experience) and creating new added value for our customers.
| Employee Data |

We have been conducting employee satisfaction surveys since fiscal 2011 and addressing issues identified in the results to improve employee job satisfaction and productivity. In fiscal 2021, we revised the process as an Employee Engagement Survey to compare results on common questions asked by the NTT Group and against average national and international results. In fiscal 2022, the second year of the survey, results for all items exceeded the previous year, particularly with regard to “customer orientation,” “acceptance of diversity,” “performance management,” “corporate culture and climate,” and “career,” despite the high correlation with engagement, indicating that there is still room for improvement.

As we work toward attaining an average positive response rate of 65% for the four employee engagement questions, which we call the Engagement 4KPIs, we began using them in fiscal 2023 as indicators of executive compensation and also started incorporating them into plans specific to each organization to encourage improvements. For fiscal 2022, the Engagement 4KPIs were 61%.

| [Employee Data] |

## Ongoing Employee Satisfaction Surveys

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### Period: December 2022

Survey targets: NTT Communications Group employees, contract workers, etc., in Japan

Number of respondents: 18,555 (response rate: 85.0%)
To expand its future horizons, the DOCOMO Group implements various measures for inviting new ideas from employees and developing them into new businesses and services. As part of this effort, NTT Communications launched the DigiCom contest for new business creation in 2016 to develop future core businesses. In fiscal 2022, DigiCom was integrated with the new business creation programs of other DOCOMO Group companies and was relaunched under a new name, “docomo STARTUP.” The new program consists of “COLLEGE,” in which participants learn new business skills and mindsets, “CHALLENGE,” a contest in which participants submit new business ideas, and “GROWTH,” for nurturing ideas with potential for commercialization. We will create businesses based on employee ideas using the lean startup methodology in areas of high uncertainty. As a result of past efforts, several projects have progressed to demonstration experiments with local governments and partner companies, and some projects have been launched as a service for customers.

docomo STARTUP personifies the DOCOMO Group’s new action principles of “Ask why,” “Take the first step,” and “Mix it up,” which encourage employees to go beyond the boundaries of their normal duties and create new businesses based on their own ideas. As the scope of participation was expanded to include the entire DOCOMO Group, cross-Company teams were formed, resulting in the creation of a wide variety of ideas. By taking the initiative to create new businesses, we are fostering a culture of challenge and opening up opportunities for discovering and developing human resources. We will continue to deliver new value through the creation of new businesses that change society.

**Labor-management Relations**

We value active dialogue based upon independent and responsible labor-management relations. Any issues related to employment, working conditions, or other operational management matters are vigorously discussed toward reaching mutual understanding before taking any action toward remediation.
Under our Promotion of Diversity Fundamental Policy, NTT Communications is committed to creating workplaces and implementing hiring activities that allow personnel with diverse backgrounds to work to the best of their ability, regardless of gender, sexual orientation or sexual identity, age, birthplace, nationality, or disability. To stimulate new innovation and respond to diversifying customer needs, as well as to help employees realize their well-being, we are creating a working environment that encourages employees with different personalities and backgrounds to work together with mutual respect and maximize their strengths in their own way.

With the firm belief that promoting diversity is essential for the sustainable development of our business, we are promoting diversity and inclusion through our medium-term vision, which upholds goals such as creating working environments that make it easier for employees to design their life plans; fostering a corporate culture that encourages both men and women to take childcare leave; developing systems that enable employees to work with vigor, regardless of where they work, while boosting motivation and vitality; and thoroughly implementing occupational safety and health as well as employee health management.
Main Achievements in Fiscal 2022 and Goals for the Coming Years

In fiscal 2022, we further promoted the Hybrid Workstyle, which is not restricted by the place or time of work, to establish an environment in which diverse personnel can demonstrate their unique talents. We also provided opportunities and fostered a corporate culture to develop diverse managers who succeed in their careers by balancing life and work. As a result of these efforts, the ratio of female managers rose to 9.5% in fiscal 2022, and we achieved our 100% target for the percentage of men taking childcare leave.

Going forward, we will promote a variety of efforts, including initiatives and individual follow-ups, to achieve the targets for the percentage of newly appointed female managers as a key indicator of the NTT Group Global Sustainability Charter, and the percentage of men taking maternity leave, a social concern.

We are also making progress in controlling the number of working hours per employee, reducing the total to 1,956 hours in fiscal 2021 from the previous year while achieving a further reduction to 1,948 hours in fiscal 2022. However, since the total number of working hours per employee remains high, we will re-examine the ideal workstyles and find ways to continue to bring this number down.

In addition, we have focused on reducing the number of workplace accidents as a key measure in pursuing thorough implementation of occupational safety and health. We endeavored to raise awareness of workplace accidents and promoted preventive measures, resulting in zero incidents. Combined with a health checkup rate of 99.0%, we have more or less met our goal for this year. Going forward, we will continue our efforts to maintain and improve employee health across all our workplaces.

July 2022 to allow employees to live anywhere in Japan. In principle, transfers and assignments away from family have been eliminated, giving employees greater freedom in terms of where they live.

Looking ahead, we will promote the highly flexible, hybrid workstyle, in which employees autonomously combine face-to-face and remote communication according to the nature of their work and needs of the team.

[Review of Remote Work System]

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<thead>
<tr>
<th>Definition</th>
<th>Past</th>
<th>July 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work is basically performed at the business site</td>
<td>Work is basically performed through remote work</td>
<td></td>
</tr>
</tbody>
</table>

| Work location | Business site | Home |
| --- | --- |

| Procedures for implementing remote work | Required an application by the employee and approval by a supervisor | Does not require application by the employee Application and approval are required when working in a location other than home |

<table>
<thead>
<tr>
<th>Total Number of Working Hours</th>
<th>FY2018</th>
<th>FY2019</th>
<th>FY2020</th>
<th>FY2021</th>
<th>FY2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of working hours</td>
<td>1,904</td>
<td>1,885</td>
<td>1,980</td>
<td>1,956</td>
<td>1,948</td>
</tr>
</tbody>
</table>
Promoting Women’s Participation and Advancement

In line with the NTT Group’s declaration to double the number of female managers in its organization, the NTT Communications Group supports employees at various stages of their career development to increase opportunities for engaging diverse human resources.

In 2016, we received the highest order of certification for Eruboshi from the Minister of Health, Labour and Welfare based on the Act of Promotion of Women’s Participation and Advancement in the Workplace. Since then, we have continued to provide support for career development that leads to more women in managerial positions and measures for employees facing major life events, in accordance with their needs. We have formulated an action plan through fiscal 2025, based on the Act of Promotion of Women’s Participation and Advancement in the Workplace, and achieved a female manager ratio of 9.5% in fiscal 2022 (female executives ratio: 7.1%). Such progress can be attributed to the fact that many employees, regardless of gender, have begun to pursue autonomous career development as we presented images of diverse managers and their workstyles, implemented leadership training, and offered opportunities for employees to take on new career challenges of their own choice.

To help employees visualize their career options as managers at an early stage, the senior vice president of Human Resources disseminates information internally and externally, and we present role models in our internal newsletters and on the diversity website and conduct interviews and hearings of pre-leadership level employees by in-house career consultants. Through these measures, we hope to change the mentality of our employees and foster their mindsets. We will continue to promote women’s careers toward our goal of raising the ratio of female managers to 15% by 2025.

In light of the rapidly decreasing population and anticipated labor shortages, this act was established to promote women’s participation in the workplace. It is intended to create an environment in which women can choose how they work, demonstrate their abilities, and succeed in their professional lives. From April 1, 2022, companies with over 100 employees are obligated to draw up action plans to encourage the active participation of female employees.

Employing Persons with Disabilities

Under the concept of normalization, when employing persons with disabilities NTT Communications confirms their desires in relation to type of work and working environment so that everyone can make the most of their skills. It also gives due consideration to their suitability in certain roles and when determining their job descriptions.

Employees are positioned and actively contributing in various parts of our organization including sales and engineering. As of June 1, 2023, NTT Communications' rate of employees with disabilities is 4.54%, while the rate is 2.49% for the DOCOMO Group as a whole.

Comeback Re-employment

We are actively engaged in “Comeback” hiring, through which people who have left NTT Communications and gained experience in various businesses and industries return to the Company. Comeback re-employment allows us to hire employees who have a deep understanding of our business and also bring a perspective from outside our group, and we expect it will expand the scope of our business.
We are actively raising awareness of LGBTQ and other sexual minorities across our organization and implementing policies to support them. To create an inclusive working environment based on an accurate understanding of those who identify as LGBTQ, we have included these topics in our standard human rights training curriculum, which targets all full-time and temporary employees. We also took part in the RAINBOW CROSSING TOKYO career development forum, which focuses on diversity including LGBTQ concerns, and organized a get-together for those who have declared themselves as allies across the NTT Group.

While face-to-face interaction among employees is decreasing due to the pandemic, we have been developing an environment in which LGBTQ employees can engage in their work with a sense of security, by distributing a virtual background to allies to show their support publicly during remote meetings. We also set up a helpdesk where employees can discuss their sexual orientation, sexual identity, and other related matters. Furthermore, most of our life-event-related benefits, such as special leave, condolence, and congratulation money, are also applied to same-sex partners.

These efforts have been recognized by the nonprofit organization “work with Pride,” which evaluates corporate efforts to foster inclusiveness. Since fiscal 2016, we have continuously been awarded the Gold rating, the highest in its PRIDE Index, and were rated Gold again in fiscal 2022.

Alternative Career Designs

NTT Communications offers a variety of employment options to meet the career aspirations of its employees, including those who wish to pursue careers in a wide range of fields and those who wish to make use of their specialized skills.

We provide a form of employment for those who wish to gain work experience and improve their expertise in a wide range of business fields and job categories, and it is based on a conventional, Japanese-style lifetime employment. In addition, we have established the Specialist Employee System for those who wish to focus mainly on increasing their expertise in a specific field. We are actively recruiting Specialist Employees, with plans to nearly double their number in fiscal 2023 compared to the previous year.

We have introduced a continued employment system that allows employees reaching the mandatory retirement age of 60 to continue working, if they wish, until they reach 65. Our employment system is designed to meet the needs of each workstyle, including work arrangements that allow employees to make the most of the skills they have cultivated prior to retirement to achieve the same high level of performance as before, alternative work days, and short working hours.

On top of that, we introduced a system that allows employees to continue to work beyond the age of 65 and up to the age of 70, as long as their work is required by the Company. In addition to supporting the career aspirations of the working-age population, by providing seasoned employees with opportunities to play active roles, we expect the system to enhance their willingness to take on challenges and continue demonstrating high levels of performance. We promote initiatives to develop career designs that keep them motivated regardless of age.

Initiatives for LGBTQ Issues

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To enable employees to balance work with childcare, nursing care, illness, and other life events, NTT Communications promotes flexible and diverse workstyles that are not restricted by time or location, provides information to employees, and conducts career interviews. We also implement measures to increase understanding of supervisors and team members. We will continue to create a work-in-life environment in which employees can work with vigor.

In 2017, we obtained the Platinum Kurumin certification from the Ministry of Health, Labour and Welfare for formulating and actively promoting the Fifth Action Plan under the Act on Advancement of Measures to Support Raising Next-Generation Children*¹. In our seminars for employees who were about to give birth or return to work after childbirth, and employees on childcare leave, we offer a curriculum that incorporates a variety of information, roundtable discussions by experienced participants, and career development programs. These seminars are open to participants regardless of gender or position, including not only mothers but their partners as well, and they have led to fostering a corporate culture that supports balancing life and work. In fiscal 2022, we encouraged male employees in particular to participate in childcare by delivering messages from the senior vice president of Human Resources and presenting “Ikupapa Leave” (a pattern of male childcare leave) to establish an environment in which male employees can easily apply for leave with the support of their supervisors. As a result, the percentage of male employees taking leave for childcare reached 132.8%*². We have also started creating a supportive community for employees during childcare leave and have established a system that provides total care from before childbirth to after they return to work.

To balance work with fertility treatment, employees must obtain information at an early stage and gain understanding and support in the workplace. To that end, we held a seminar on how to balance work and fertility treatment to provide correct information, and we presented a panel discussion by experienced participants. The seminar not only provided information to those engaged in or considering such treatments but also deepened understanding among those in the workplace and ideal forms of support. Assuming that even more employees will be involved in nursing care in the future, we have implemented measures for balancing work and nursing care, provided information, and fostered relationships between relevant employees. We encourage employees to prepare for the possibility of balancing work and nursing care at an early stage in order to prevent them from having to take long-term leaves of absence or leave their jobs altogether due to nursing care. We will continue to provide support by disseminating information on our internal website and offering follow-ups through our consultation service to foster a culture in which everyone can continue to work in their own way.

*¹ This act was established to encourage actions to support raising the next generation of children. Its initiatives are not completely led by the government; companies with over 100 employees are obligated to draw up action plans that support employees who are raising young children.

*² Denominator: male employee whose partner gave birth during the fiscal year, numerator: male employee with a pre-elementary school child who took childcare leave, etc. (including the Company’s unique leave system for childcare) during the fiscal year.
### Changes in the Number of Employees Who Took Maternity, Childcare, or Nursing-care Leave in Fiscal 2022

<table>
<thead>
<tr>
<th></th>
<th>FY2018</th>
<th>FY2019</th>
<th>FY2020</th>
<th>FY2021</th>
<th>FY2022</th>
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</thead>
<tbody>
<tr>
<td><strong>Maternity leave</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(persons)</td>
<td></td>
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<tr>
<td>Male</td>
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<tr>
<td>Female</td>
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<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Childcare leave</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(persons)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td></td>
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<tr>
<td>Female</td>
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<td></td>
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<tr>
<td>Total</td>
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</tr>
<tr>
<td><strong>Percentage of male employees taking leave for childcare</strong></td>
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<td></td>
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</tr>
<tr>
<td><strong>Total number of reinstated employees from childcare leave</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Female)</td>
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<td></td>
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<tr>
<td>(Male)</td>
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<tr>
<td>Total</td>
<td></td>
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</tr>
<tr>
<td><strong>Number of employees who were still with the Company 12 months after reinstatement from childcare leave</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Female)</td>
<td>68</td>
<td>59</td>
<td>58</td>
<td>54</td>
<td>43</td>
</tr>
<tr>
<td>(Male)</td>
<td>10</td>
<td>8</td>
<td>16</td>
<td>16</td>
<td>28</td>
</tr>
<tr>
<td>Total</td>
<td>78</td>
<td>67</td>
<td>74</td>
<td>70</td>
<td>71</td>
</tr>
<tr>
<td><strong>Reinstatement rate and retention rate of employees after childcare leave</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reinstatement rate</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Female)</td>
<td>96.0</td>
<td>96.8</td>
<td>96.8</td>
<td>100.0%</td>
<td>97.3%</td>
</tr>
<tr>
<td>(Male)</td>
<td>90.9</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Retention rate</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Female)</td>
<td>94.4%</td>
<td>96.7%</td>
<td>96.7%</td>
<td>90.0%</td>
<td>89.0%</td>
</tr>
<tr>
<td>(Male)</td>
<td>100.0%</td>
<td>88.9%</td>
<td>94.1%</td>
<td>94.1%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Number of employees using the shorter working hour system for childcare</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of employees taking nursing care leave</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Female)</td>
<td>3</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>(Male)</td>
<td>1</td>
<td>3</td>
<td>4</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Number of employees registered for re-employment*6 (Number of employees re-employed for reasons related to childcare, transfer, or nursing care)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average number of paid leave days taken</td>
<td>17.7</td>
<td>16.2</td>
<td>14.0</td>
<td>16.4</td>
<td>17.9</td>
</tr>
<tr>
<td>Average paid leave acquisition rate</td>
<td>89</td>
<td>81</td>
<td>78</td>
<td>82</td>
<td>90</td>
</tr>
<tr>
<td>Number of employees who resigned without becoming reinstated</td>
<td>4</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>(Female)</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>(Male)</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

1. Denominator: male employees whose partner gave birth during the fiscal year, numerator: male employees with a pre-elementary school child who took childcare leave, etc. (Including the Company’s unique leave system for childcare) during the fiscal year.
2. Number of reinstated employees after childcare leave in each fiscal year who were still with the Company 12 months later.
3. Number of reinstated employees in each fiscal year = Number of reinstated employees who resigned after reinstatement from childcare leave in each fiscal year.
4. Number of employees who were still with the Company 12 months after reinstatement from childcare leave in each fiscal year = Number of reinstated employees from childcare leave in each fiscal year.
5. As of March 31 for each fiscal year.
Promotion of Workstyle Reform

In line with our principles of taking the initiative in taking actions, mutual enhancement, and meeting the needs of society, NTT Communications has been organizing and promoting workstyle reform focused on three areas: policies and rules, environment and tools, and awareness and culture.

Since the pilot introduction of remote work in 2002, we have promoted reform using ICT and data, as evidenced by the participation of 6,350 employees in Telework Days from 2018 to 2019. As the pandemic started to accelerate in February 2020, we were quick to make the decision to shift to Companywide remote work. From that year to the present, we have maintained a remote work rate of above 70%.

Through our transition to remote work, we have reaffirmed our goal of offering each and every employee the opportunity to choose a workstyle that allows them to fully demonstrate their capabilities and continued our reform to address issues and situations that have newly emerged amidst the accelerating pace of changes.

• Policies and Rules
We are working to introduce flexible systems that cater to individual circumstances and operations. These include the abolition of rules limiting eligibility for working from home, which is intended to support balancing work and family needs, and remote working, which allows for a more effective use of time. We also share examples of employees using these and the flextime system.

Through these efforts, we have created an environment in which employees facing a variety of challenges, including childcare and nursing care, can continue to play active roles. As a result, the percentage of employees working shorter hours has declined from 2.4% in fiscal 2019 to 1.7% in fiscal 2020, 1.3% in fiscal 2021, and 1.2% in fiscal 2022, thus remaining consistently low and significantly raising the number of employees returning to full-time work.

We will continue to support our employees facing the difficulty of balancing childcare and work by helping them to make better use of the systems and reduce commuting time through remote work.

[ Percentage of Employees Working Shorter Hours ]

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2019</td>
<td>2.4</td>
</tr>
<tr>
<td>FY2020</td>
<td>1.7</td>
</tr>
<tr>
<td>FY2021</td>
<td>1.3</td>
</tr>
<tr>
<td>FY2022</td>
<td>1.2</td>
</tr>
</tbody>
</table>

*Specialized terminals without storage media that are used in virtual desktop environments

• Environment and Tools
Although we asked all of our employees to work from home during the pandemic as a general rule, there were still certain situations that required them to come to the office, such as to fill out paper applications, sign contracts, and check the mail. This was an issue that needed to be addressed in order to promote a new way of working. To create a new workstyle tailored to hybrid working arrangements, we reviewed our entire business process, including digitization and moving online.

In addition, we replaced the previously introduced thin client PCs* with fat terminals that are unaffected by the network environment, rolling out these secured PCs throughout the Company to realize office ICT, which frees people from limitations of time and place and allows anyone to create a workplace anytime, anywhere.

We are promoting home delivery and collection for replacements in the event of failure and automatic setup under the Internet environment, minimization of on-premise environments and review of perimeter defense, and zero-trust security systems. In our annual internal IT Environment Satisfaction Survey, 80% of employees expressed positive opinions about Secured PCs. We use daily communication data obtained from the cloud to visualize how the organization works. We have also taken on new challenges, including data utilization such as by providing awareness of the state of the organization and our own workstyles, based on graphs that display engagement scores and communication data. We will continue to explore new workstyles through automation and higher efficiency by capitalizing on DX.
Now that we are a member of the DOCOMO Group, we are endorsing a hybrid workstyle, which incorporates a certain level of face-to-face communication from the perspective of integrating ideas among employees.

Under this hybrid working environment, we also conducted one-on-one meetings between supervisors and subordinates to prevent any inconsistencies in information sharing or communication within the team of employees and make sure they were on the same page. At the same time, we supported employee growth and provided physical and mental health care to foster a sense of trust between the Company and employees. Furthermore, a Companywide “Thanks” tool has been introduced to foster a culture of appreciation and praise with the aim of revitalizing communication among employees, increasing motivation, building trust, and fostering a sense of unity in the organization through the open sharing of gratitude. In addition, we launched the “Go Together” project to create a sense of unity as the new NTT Communications Group under the DOCOMO business brand. We have fostered a culture of mutual support by verbalizing, communicating, and sharing each individual’s ideas and challenges for the Company’s next stage of growth.

As a result of these efforts, and despite the general tendency to feel alienated and anxious when working in a remote working environment, the percentage of employees who responded positively in the employee engagement survey in fiscal 2022 to questions in the “cooperative structure” and “communication” categories was over 70%, and improved by more than one point year-on-year. We will continue our efforts to further implement these initiatives.

Cafeteria Plan

NTT Communications offers various benefits to its employees at different points of their careers, based on their needs and lifestyles. Specifically, we have implemented the Cafeteria Plan system, which allows employees to choose from 18 wide-ranging benefit options that match their respective lifestyles within the limit of points assigned to them in advance. And we provide 23 benefits that can be chosen regardless of points. We offer a wide-ranging lineup that includes a package of general benefits that also apply to employees’ families in areas such as healthcare, childcare, and nursing care, as well as an option that enables employees to choose from four major physical fitness clubs and use the facilities for 500 yen (plus tax) per session.

In the last few years, we have been reviewing the options to focus on health maintenance and promotion, and we offer health activity promotion options through the dHealthcare smartphone application, which can be used freely at any time.

We plan to offer more options in future so as to provide a system that overall is even more beneficial to employees.
Support for Employee Leave

Main Support

- Support for maternity and childcare
  - Maternity leave (6 weeks before and 8 weeks after the date of birth)
  - Childcare leave (until the child turns 3)
  - Shorter working hours for childcare (choose from 4, 5, or 6 hours per day until the child reaches the third grade of elementary school)
  - Restrictions on overtime and late-night work
  - Issuance of discount coupons for childcare services

- Support for nursing care
  - Short-term leave system for nursing care
  - Nursing care leave (up to 1 year and 6 months)
  - Shorter working hours for nursing care (choose from 4, 5, or 6 hours per day)
  - Restrictions on overtime and late-night work
  - Issuance of discount coupons for nursing care services

Support for continued employment

- We have established a system that allows employees forced to resign due to their partner's transfer or to focus on childcare or nursing care to be rehired within 6 years of resignation (3 years for childcare or nursing care reasons) under certain requirements.
- We have also introduced a continuous employment system that allows those who wish to continue working until the age of 65 (or 70 if necessary) after reaching the mandatory retirement age of 60.

Support for balancing work and family life in case of illness

- Employees are entitled to a certain period of leave when they are injured or become ill.
- They can also take sick leave after the period of sick leave has elapsed, depending on their condition and based on the approval of their medical doctor (maximum period of sick leave: 3 years).

Support for LGBTQ and other sexual minority employees

- Some of the systems related to life events (special leave, congratulatory and condolence payments, etc.) are available to same-sex partners.

Others

- We offer leave systems to meet a variety of needs, including volunteer activities and recurrent learning.
- Life plan leave (5 days granted for every 5 years of service, which can be set aside as part of annual leave).

Encouraging Employees to Take Various Leaves

As part of our work-life balance initiatives, we encourage employees to take their entitled leaves. We strive to establish working environments that support them by raising awareness of entitled leaves and encouraging them to schedule their leaves to coincide with long national holidays. In fiscal 2022, 17.9 paid leave days were used per person, on average.

We are also promoting the use of our Life Plan Leave system, which entitles employees to a certain number of leave days for the purpose of lifecycle-related downtime, nursing of family members, volunteer activities, recurrent training, and childcare.
Thorough Occupational Safety and Health Management

NTT Communications has a safety and health management system in place at each of its business sites. A safety manager, safety manager, and industrial physician are assigned to offices that have 50 or more workers on a regular basis, and a general health and safety supervisor is assigned additionally to offices that have 100 or more workers on a regular basis.

At offices that usually have 50 or more workers, we have set up a Health and Safety Committee. The committee strives to achieve a 100% health checkup implementation rate and implements measures to ensure a healthier workplace environment, prevent occupational accidents, and reduce long working hours. Stress checks are conducted each year in the autumn and in collaboration with the staff in charge at each office (fiscal 2022 response rate: 91.2%).

Also, we are promoting and deploying safety measures aimed at eliminating personal injury accidents so that employees engaged in network facility construction work can perform their duties safely. We hold safety meetings to discuss safety measures on a regular basis, share cautionary points for different situations, and distribute safety video content to improve safety management and safety awareness among construction workers, including those at our suppliers.

For staff in their first to third years, we offer one-on-one counseling on an ongoing basis as well as other types of support (528 participants in fiscal 2022). Other measures for further expanding our support include conducting a monthly pulse survey for self-care and line care, setting up consultation desks, both in and outside the organization, and developing counseling programs for employees being sent on overseas assignments.

These efforts resulted in our being recognized in March 2023 as an outstanding enterprise under the White 500 Recognition for Excellence in Health and Productivity Management by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi. We will continue to implement measures across all Group companies in Japan toward maintaining healthy and comfortable working environments and further strengthening the capability of those providing mental health care at each workplace.
We have established several consultation services both in and outside the Company to help employees with various types of mental health issues. Employees seeking advice on mental and physical health can consult with their organization’s physician or public health nurse, while those who wish to seek advice on a wide range of matters, including private issues such as childcare and nursing care, can contact the Mental Condition Support Desk, staffed by clinical psychologists and other specialists.

In addition, we conduct group analysis of the results of the annual stress check for each workplace and hold three-way discussions among labor (union), management (Company), and health (health management center) on issues and future measures that can be applied to improve the workplace.

In fiscal 2022, we conducted the mental keeper training course for 200 employees (total number of certified employees: 3,447) to further enhance line care in the workplace. We also conducted team management training for 151 supervisors of employees with mental illnesses (NTT Communications: 72; affiliates: 79). Participants learned how to provide support by involving team members in creating a support system and environment. They also learned how to prevent the recurrence of mental and physical illnesses. In addition, we organized self-care seminars for 730 employees who had undergone changes in their working conditions, such as personnel transfers, which are considered to have high potential risk for mental health problems. The seminar included content useful for everyday self-care, and in a post-seminar questionnaire, 97.9% of employees said it was either “very good” or “good.”

At the same time, we conducted a pulse survey every month to ensure that we are not missing any signs of changes in employees even in a remote working environment and to facilitate smooth communication between superiors and subordinates, leading to appropriate line care and other support.

### Measures for Mental Health

As for measures undertaken by the NTT Group, the NTT Health Insurance Union offers outpatient checkups for dependent spouses and voluntarily insured persons for the early detection and treatment of illnesses and health management.

For more information on the NTT Health Insurance Union’s outpatient checkups, see: https://www.nttkenpo.jp/member/health/dock.html (In Japanese only)

### Types of Consultation Services

<table>
<thead>
<tr>
<th>Types of Consultation Services</th>
<th>Work-related concerns, communication issues with superiors, colleagues, etc.</th>
<th>Personal issues, health problems, marriage, childbirth, childcare, education, second career, nursing care, etc.</th>
<th>Human rights and harassment</th>
</tr>
</thead>
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<tr>
<td>Line care: Supervisors (senior managers and directors), trainers, and organizational managers</td>
<td>○</td>
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<tr>
<td>Care by health staff</td>
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<tr>
<td>Mental Condition Support Desk (EAP)</td>
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<td>Face-to-face counseling by professional counselors</td>
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<tr>
<td>M3PSP* (AskDoctors option)</td>
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<tr>
<td>Human Rights Office</td>
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<tr>
<td>Harassment Hotline</td>
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* A service providing medical information to employees using AskDoctors, one of the largest physician consultation sites in Japan
Our Approach

To enrich corporate culture founded on respect for human rights, NTT Communications has been promoting human rights education by establishing a Basic Policy on Human Rights Education.

Given the broad recognition of the importance of addressing human rights risks that arise across the value chain, companies have recently been subject to growing public demand for establishing human rights protection frameworks that are closely aligned with the nature of each business and addressing diverse human rights risks. There is also the risk that failure or any delays to properly address human rights issues may result in the loss of trust in the Company and its reputation in society, as well as the risk that it may ultimately lose business. In response, NTT Communications has been working to ensure respect for human rights by establishing the Rules for Preventing Harassment under its Basic Policy on Human Rights Education.

To raise human rights awareness, we also conduct training for all full-time and temporary employees, disclose case studies, publish messages from top management regarding human rights education, distribute e-mails to employees, and widely disseminate information on internal and external contact points for human rights. NTT Communications also conducts human rights due diligence and other measures to address human rights risks in the value chain. By pursuing these proactive human rights education activities and promoting human rights due diligence initiatives to enhance human rights management, we intend to establish a corporate constitution that does not tolerate any form of discrimination, create bright and vibrant workplaces, and realize a value chain that respects human rights.

We are proactively promoting human rights awareness activities by increasing the rate of participation in human rights training and conducting human rights due diligence. In fiscal 2022, we were able to maintain attendance in human rights training at roughly the same level as the previous year at 25,233 (participation rate: 96.1%), down 0.2 points. We will continue our efforts in fiscal 2023 toward the goal of raising participation to 100%. For new employees of NTT Communications, we conducted startup training and other programs to provide opportunities for staff to think for themselves about topics such as preventing all forms of discrimination and harassment, business and human rights, the SDGs, and LGBTQ issues.

In addition to our various training programs, we invite entries on human rights and compliance slogans as an opportunity for each employee to consider the importance of human rights. In fiscal 2022, we received 6,161 entries from 3,611 people, comprising full-time and temporary employees at all Group companies, and their family members.

On the other hand, we were unable to meet our goal of zero cases of human rights violations. Looking ahead, we will continue strengthening our initiatives for raising human rights awareness.
Promoting Human Rights Education

The NTT Group recognizes that respect for human rights is an important corporate social responsibility and strives to correctly understand and acknowledge the laws and regulations of each country and region and their cultures, religions, and values. We aim to realize a safe, secure, and prosperous, sustainable society by fulfilling this responsibility. To that end, we have established the new NTT Group Human Rights Policy by incorporating our existing Human Rights Charter into the NTT Group Global Sustainability Charter.

Under the policy, we respect the Universal Declaration of Human Rights and other internationally recognized human rights in all our corporate activities. We strive to ensure that we are not directly or indirectly involved in discrimination or other human rights violations. In the unlikely event of any negative impact on human rights, we take appropriate action.

When negative impacts on human rights by business partners are directly related to the NTT Group’s relationships, products or services, the NTT Group requires these partners to respect human rights and not violate them. To fulfill this responsibility, we respect all stakeholders’ human rights. We review and improve business operations and other aspects as necessary from the perspective of respecting human rights and reflect this in our business activities to establish a corporate structure that respects human rights.

NTT Communications has been promoting human rights education by establishing its own Basic Policy on Human Rights Education in accordance with the principles of the NTT Group Policy so as to create a rich corporate culture founded on respect for human rights and resolve human rights issues.

NTT Group Global Human Rights Policy

(1) Addressing to International Norms
The NTT Group discloses its global human rights policies both internally and externally, in addition to meeting the requirements* of international laws and evaluation organizations.

*International laws: International conventions and treaties adopted from a global perspective, including the "Universal Declaration of Human Rights"

(2) Addressing Critically Important Human Rights Issues
The NTT Group will identify critically important human rights issues and take action on these priority themes through the following:
1. Promotion of "Diversity & Inclusion" (prohibition of discrimination, respect for freedom and rights, fairness in the workplace, economic disparities and poverty)
2. Promotion of "Healthy in Daily Life (Health Management)" (diverse work styles, prohibition of forced labor and child labor, workplace safety, freedom of association and the right to organize, living wage, enhanced benefits)
3. Promotion of "Innovative Work in Daily Life (Health Management)" (diverse work styles, prohibition of forced labor and child labor, workplace safety, freedom of association and the right to organize, living wage, enhanced benefits)
4. Promotion of "equal opportunities, speech, and other presentations" with consideration for human rights (freedom of expression and respect for human rights in advertising and other presentations)

(3) Scope of application
This policy applies to all employees and officers of the NTT Group. We also ask our suppliers and business partners to support this policy and strive to respect human rights.

(4) Due Diligence
Based on the UN Guiding Principles of Business and Human Rights, we will use the human rights due diligence process to identify, prevent, mitigate, and correct human rights issues globally. And we will strive to improve human rights awareness and human rights management throughout the NTT Group.

In addition, due diligence will be conducted among the stakeholders in the entire business value chain, and a direct dialogue will be the basis of our efforts, especially with major suppliers. The status will be disclosed on our website, in our Sustainability Report, and in our Human Rights Report to evaluate and improve the process continuously.

(5) Accusation and Remedy
The NTT Group has established internal and external contact points for whistle-blowing at each Group company to prevent human rights violations. We promise to protect whistle-blowers from unfair personnel actions (e.g., dismissal, demotion) or other disadvantages resulting from their reporting. In addition, consultations and reports received at the contact points will be reported to the Board of Directors appropriately to ensure transparency. We will take sincere measures to resolve problems.

For more information on the NTT Group Human Rights Policy, see: https://group.ntt/en/newsrelease/2021/11/18/211118c.html
Corporate Constitution that Respects Human Rights

Placing the utmost importance on human rights, we seek to establish a corporate constitution that does not tolerate any form of discrimination and is intended to establish bright and vibrant workplaces.

Specifically, we set up the Human Rights Education Promotion Committee, which reports on human rights enlightenment activities and considers measures for promoting human rights education. We have also implemented measures for preventing workplace harassment based on the Rules for Preventing Harassment, established in May 2020 and in accordance with the NTT Communications Group’s Basic Policy on Human Rights Education.

Human Rights Due Diligence

The importance of addressing human rights risks that occur in the value chain is increasingly being recognized, and there are growing calls for companies to respond. Failure or delays in responding to such issues could lead to a deterioration in the corporate image and a loss of trust in a company and its public reputation. Furthermore, if such a situation cannot be remedied appropriately, customers may no longer do business with that company, which may affect its short-term as well as medium- to long-term business performance and financial position.

In response to these risks, we will implement the aforementioned initiatives while identifying, preventing, mitigating, and correcting human rights issues on a global scale by applying the human rights due diligence process in accordance with the United Nations Guiding Principles on Business and Human Rights, and strive to raise awareness of human rights and improve human rights management throughout the Group. In fiscal 2022, assessments were conducted for specific situations in which human rights issues were a concern. In addition, as a member of the NTT Group, we will conduct due diligence throughout the entire value chain and require that our suppliers make an effort to comply with the separately established NTT Group Guidelines for Sustainability in Supply Chain. Direct dialogue will be the basis of our efforts, especially with important suppliers. Through these efforts, we hope to establish a rich corporate culture founded on respect for human rights and to become a corporate group that is always trusted and chosen, which are prerequisites for maintaining and expanding business opportunities.

Human Rights Education Training

Companies have recently been subject to growing public demand for establishing human rights protection frameworks closely aligned with the nature of each business.

A diverse array of full-time and temporary employees participates in NTT Communications’ business operations. Accordingly, we promote respect for human rights with due consideration for diversity. Every year, we organize Human Rights Education Training sessions for all full-time and temporary employees of the NTT Communications Group with the aim of preventing all forms of discrimination by fostering a heightened sense of awareness in each and every employee. In fiscal 2022, we sought to develop a broad understanding of harassment, the diverse nature of human rights, and the relationship between corporate activity and human rights. We also seek to raise awareness and deepen understanding of human rights among employees and others by encouraging them to frequently study the NTT Group’s Basic Policy on Human Rights and the NTT Communications Group’s Human Rights Policy established in November 2021. We also encourage them to study the NTT Group Guidelines for Sustainability in Supply Chain. Direct dialogue will be the basis of our efforts, especially with important suppliers. Through these efforts, we hope to establish a rich corporate culture founded on respect for human rights and to become a corporate group that is always trusted and chosen, which are prerequisites for maintaining and expanding business opportunities.
NTT Communications has set up internal and external contact points for all full-time and temporary employees as well as the staff of business partners to consult on issues and concerns related to human rights and harassment. The Human Rights Education Department and counseling system for workplace issues serve as internal contact points, and we provide external contact points through a law firm and the Consultation Hotline. The contact points are absolutely committed to confidentiality and protecting the rights of individuals who seek consultation.

These contact points appropriately respond for the purpose of resolving issues and alleviating concerns while taking due care to protect the privacy of individuals seeking consultation and the interests of the whistleblower.

In particular, the external contact points offer consultation with counselors at specialized institutions outside the Company.

Looking ahead, we will continue to engage in various educational measures and foster respect for diversity and acceptance of differences toward creating brighter, more vibrant workplaces.

### Contact Points for Human Rights Issues

NTT Communications has set up internal and external contact points for all full-time and temporary employees as well as the staff of business partners to consult on issues and concerns related to human rights and harassment. The Human Rights Education Department and counseling system for workplace issues serve as internal contact points, and we provide external contact points through a law firm and the Consultation Hotline. The contact points are absolutely committed to confidentiality and protecting the rights of individuals who seek consultation.

These contact points appropriately respond for the purpose of resolving issues and alleviating concerns while taking due care to protect the privacy of individuals seeking consultation and the interests of the whistleblower. In particular, the external contact points offer consultation with counselors at specialized institutions outside the Company.

### Human Rights and Compliance Slogans

In addition to our various training programs, we invite entries on human rights and compliance slogans as an opportunity for each employee to consider the importance of this public concern. In fiscal 2022, we received 6,161 entries from 3,691 people, comprising full-time and temporary employees at all Group companies. The best slogans were chosen by online voting across the Group. The grand prize and special prize from the chairperson of the Human Rights Education Promotion Committee were presented, and the results announced, on the Group portal site.

### Examples of Best Slogans for FY2022

**Human Rights Category**

- **Grand Prize**: It’s all in the way you say it
- **Special prize from the chairperson of the Human Rights Education Promotion Committee**: Differences of opinion, once accepted, become common ground for agreement

**Compliance Category**

- **Grand Prize**: Trust is built upon sincere responses
- **Special Prize from the chairperson of the Compliance Committee**: As we continue, the circle of sincerity will continue to expand