



People

# Respect for Human Resources

## Priority Activities

- Human Resource Development
- Respect for Diversity, Equal Opportunities and Other Objectives
- Maintaining and Improving Employee Health

## SDGs



## Our Goals: “Workplaces with high professional awareness” and “fair workplaces in which personnel maintain a mutual respect for diversity”



In accordance with its Fundamental CSR Policy, the NTT Communications Group respects employee diversity and works to create workplace environments that champion self-fulfillment.

Realizing “workplaces with high professional awareness” and “fair workplaces in which personnel maintain a mutual respect for diversity” naturally requires education on the independence of mind for employees and the building of the mechanisms to make that possible. Based on these ideas, we have positioned the Groupwide initiatives to be addressed as core measures and are promoting ongoing improvements. These include the fair treatment of personnel and the development of training systems, the creation of workplaces where diversity is respected, and the upgrading of measures designed to maintain and enhance the health of employees.

In view of the trend toward borderless economies in recent years, we are following our customers’ lead and continuing to conduct business globally in a seamless manner. As an ITC professional capable of providing services around the world, we fulfill our social responsibilities by maintaining high ethical standards in our corporate activities.

## Personnel Data

### Total Number of Employees and Breakdown of New Employee Numbers by Gender

		Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016
Number of employees		6,850	6,850	6,500	6,450	6,350
	Male	5,900	5,900	5,550	5,500	5,350
	Female	950	950	950	950	1,000
New employees (of which non-Japanese nationals)		212 (36)	223 (29)	219 (36)	195 (22)	201 (34)
	Male	148 (23)	167 (18)	149 (19)	148 (8)	128 (14)
	Female	64 (13)	56 (11)	70 (17)	47 (14)	73 (20)

(Scope: NTT Communications [non-consolidated], excluding seconded employees)



## Respect for Human Resources

### Activity Achievements in Line with CSR Indexes



From fiscal 2015 to fiscal 2016, upon a reexamination of the importance, or materiality, of “Respect for Human Resources” that included external opinions, we expanded the range of priority activities to be taken to accomplish this important area. Particularly in recent years, spurred on by global initiatives such as the United Nations’ SDGs and GRI Guidelines, and in light of topics about which society has increasingly high expectations, such as building mutually beneficial relationships with human resources and having a commitment to “decent work” (satisfying work with human dignity), we expanded the priority activities for this area. By newly adding “Human Resource Development” and “Maintaining and Improving Employee Health,” we established a more diverse set of medium-term objectives.

In fiscal 2016, the first year to conduct activities in accordance with these new objectives, we were able to record “achieved” or “almost achieved” for the targets we had set. In fiscal 2017, in light of the results of respective activities, we intend to take further action as a corporate group that pursues ever-greater emphasis on respect for diversity and the vitality of human resources.

### Fiscal 2016 Activity Achievements and Fiscal 2017 Targets

Priority Activities	Activity Measures	Medium-Term Targets (Form We Want to Take in Five Years’ Time)	Fiscal 2016 Targets	Fiscal 2016 Activity Results			Fiscal 2017 Targets	Boundaries	
				Details of Specific Activities (Qualitative Results)	Quantitative Results	Self-Assessment		Scope of Activities (Within/Outside Organization)	Scope
Human Resource Development	Maintenance and improvement of motivation	To help maintain and improve motivation among NTT Communications Group employees	<ul style="list-style-type: none"> <li>Implementation of measures designed to assist managers in maintaining and improving employee motivation</li> <li>Expand implementation of employee awareness surveys across the Group, including overseas Group companies</li> </ul>	<ul style="list-style-type: none"> <li>Conducted organization-independent training to enhance communication between supervisors and their staff, team building, etc.</li> <li>Undertook a trial study to implement employee awareness surveys across the Group, including overseas affiliates</li> </ul>	Based on a survey of all employees, the evaluation for “Discussions of career goals with your boss,” saw a positive response ratio increase of 4.1 points from 61.4 to 65.5 points in percentage terms.	★★☆	<ul style="list-style-type: none"> <li>Implement measures to continuously maintain and improve employee motivation through surveys to all employees</li> <li>Expand implementation of employee awareness surveys across the Group, including overseas affiliates</li> </ul>	Within	Group Companies in Japan and overseas
	Building of a career development program	Enhancements in the environment for improving Company-wide skills in new business fields	Training time per person 15 hours	Add data science and intellectual property as new specialty fields (subcategories), work to raise skill levels Companywide	Training time per person 19 hours	★★★	Training time per person: 19 hours or more	Within	Group Companies in Japan
Respect for Diversity, Equal Opportunities and Other Objectives	Employment and promotion of diverse human resources	<ul style="list-style-type: none"> <li>Foster female employees and promote support measures to improve the ratio of women in management positions</li> <li>Promote the hiring of more people with disabilities</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing implementation of measures designed to achieve 8.9% as ratio of women in management positions in fiscal 2020</li> <li>Promotion of the hiring of people with disabilities across the NTT Communications Group</li> </ul>	Not limited to only NTT Communications, we will expand the number of domestic affiliates that undertake proprietary measures (such as discussions with women in management positions, etc.) to promote diversity, and increase activities throughout the NTT Communications Group.	<ul style="list-style-type: none"> <li>Annually, a total of 300 employees participate in each organization’s initiatives</li> <li>Received the highest (Class 3) certification for “Eruboshi” based on the Act of Promotion of Women’s Participation and Advancement in the Workplace</li> <li>On a non-consolidated basis, NTT Communications’ 2016 statutory employment rate was 2.0% (as of June 1). The Company expects to receive compensation from the national government for the hiring of people with disabilities, for the second consecutive year.</li> </ul>	★★★	Continue independent organization and domestic Group company activities through discussions with female managers, and conduct ongoing efforts for improvements in employee career-mindedness	Within	Group Companies in Japan
	Training of global personnel	In every country/at every level provide flexible, appealing workplaces based on business demands	Implement at level of 70 NTT Communications employees seconded overseas for training, 20 accepted from overseas	As a destination for secondment, create more posts that lead to greater software development skills and technical capabilities, which will be critical to business going forward. In addition, take in a greater number of human resources (six of 22 people) from acquired companies, not only locally established affiliates.	There are 68 seconded employees. The Company has taken in 22 seconded employees.	★★★	Together with seconding employees to new companies and taking employees in, make the target of seconding 50 employees, and taking in 20 employees	Within	Group Companies in Japan and overseas

Achievement Levels Self-Assessment Set at Three Levels ★★★: Target achieved ★★☆: Target almost achieved ★☆☆: Target only partially achieved



Respect for Human Resources

Priority Activities	Activity Measures	Medium-Term Targets (Form We Want to Take in Five Years' Time)	Fiscal 2016 Targets	Fiscal 2016 Activity Results			Fiscal 2017 Targets	Boundaries	
				Details of Specific Activities (Qualitative Results)	Quantitative Results	Self-Assessment		Scope of Activities (Within/Outside Organization)	Scope
Maintaining and Improving Employee Health	Respect for work-life balance	Creation of more satisfying workplaces and improvements in employee work-life balance	The Companywide Work-Life Committee implements a range of measures aimed at decreasing annual total work time and devises ways to improve employee work-life balance. <ul style="list-style-type: none"> <li>Implementation of months for leaving work at regular times (August, November)</li> <li>Implementation of measures toward execution of operations that recognize finishing times</li> <li>Delivery of internal newsletter with the aim of increasing productivity/stimulating communication, etc.</li> <li>Creation of an environment that facilitates the taking of vacations, such as promotion of bridge vacations, "plus one day off" holidays, etc.</li> <li>Reduction of employees working excessive overtime (many employees working overtime, employees who take few annual leave days)</li> </ul>	<ul style="list-style-type: none"> <li>"Additional settings for self-restraint day" and "setting for upper limit of overtime hours" at each work site</li> <li>Visualization of working hours (overtime and on leave) for each individual</li> <li>Proper work management through the creation of a thin client discrepancy list</li> <li>Creation of a handbook to educate on proper work duties</li> <li>Distribute WL news on all pay days (December)</li> <li>Months for leaving work at regular times (August, November)</li> </ul>	<ul style="list-style-type: none"> <li>Annual total work time (1,909h, -16h), overtime (268h, -18h), both representing a reduction from the previous year</li> <li>Months for leaving work at regular times (year-on-year) August: -0.2h, November: -5.1h</li> <li>The results of the employee satisfaction survey showed a decline in negative responses to "A workplace environment where it is easy to take time off." (7.4% to 4.5%)</li> </ul>	★★★★	Accelerating working style reform <ul style="list-style-type: none"> <li>Promotion of working no later than 20:00 for all employees (late night work is as a general rule not permitted)</li> <li>Implementation of months for leaving work at regular times (August, November)</li> <li>Promotion of remote working (expand working from home to all employees, provide a secure work space)</li> <li>Consider and implement systems for flex/shift working/modified working styles</li> <li>Reform from the level of management (work inventory, clearance of unnecessary tasks)</li> </ul>	Within	Group Companies in Japan
	Thorough implementation of occupational safety and health	Maintenance of healthy and comfortable workplace environments	<ul style="list-style-type: none"> <li>Health checkup rate 100%</li> <li>Implementation of workplace inspections</li> </ul>	<ul style="list-style-type: none"> <li>Recommend checkups for those affiliated with each organization who have yet to get checkups</li> </ul>	<ul style="list-style-type: none"> <li>99.82%</li> </ul>	★★★☆☆	<ul style="list-style-type: none"> <li>Health checkup rate 100%</li> </ul>	Within	Group Companies in Japan

Achievement Levels Self-Assessment Set at Three Levels ★★★★★: Target achieved ★★★☆☆: Target almost achieved ★☆☆☆☆: Target only partially achieved



## Human Resource Development

### Our Approach

It is said that a company backing human resource development and realizing a reasonably mutual beneficial relationship with its employees is the foundation toward achieving UN Sustainable Development Goal No. 8 “Decent Work and Economic Growth.” We have taken a close-up look at this as an important management issue at Group companies both in and outside of Japan. The NTT Communications Group has a Professional Human Resource Development Program in place as the main pillar of its human resource development policy and encourages the running of the program on a Groupwide basis. Under the program, we first define the ideal employees and visualize their desired skills. We then assess individual skills and identify current gaps. Finally, we consider how to effectively assign job duties to close any skill gaps and devise continuous improvement through a human resource development cycle by which we review training measures. The implementation rate for our Professional Human Resource Development Program reached virtually 100% in fiscal 2010 and remains steady. We believe that we have gained a significant level of results in raising employee skills and increasing their numbers to top ranks.

In aiming to bolster corporate competitiveness through accelerated globalization, we are currently promoting measures that place an emphasis on the “cultivation of global human resources.” While continuing with our thinking that practical experience is the most effective, we will work on human resource development that in particular helps strengthen specialist expertise with a view to cultivating human resources in line with our medium-term growth strategies.

### Measures, Policies, and Promotional Framework Professional Human Resource Development Program

Given the changes in the operating environment and customer needs—including the growing diversity, sophistication, and complexity of customer needs, the increased pace of transition to new business and consumption models as well as globalization — NTT Communications is enhancing its frontline professional human resource development to make them capable of being active and accepted on the world stage. Specifically, we have classified our professional human resources into nine specialized categories. For each, we have identified necessary skill levels from both internal and external perspectives, including applied expertise, experience, skills, ability to communicate with employees on-site, and specialization. In this manner, we support the development of professional skills for each employee in every area of specialization. We flexibly revise these specialist categories and skills standards on an ongoing basis, taking into account changes in the market and evolving operational strategies.

### Main Achievements in Fiscal 2016 and Goals for the Coming Years

We have also expanded opportunities to enhance specialized skills, based on the career development plan (CDP) that is in line with professional human resource training programs. Specifically, while conducting annual skill level checks of all employees, we encourage people to acquire public certifications and offer an extensive range of training menus for employees to choose from, their choices forming the basis for training.

As of April 2016, NTT Communications has offered 736 skills enhancement courses, 192 skills enhancement support courses (such as distance learning) and 101 personal development support courses. In the years to come, in light of business globalization, we plan to carry out further improvements in the career development menus.

### ■ Nine Ideal Employees

[Main Categories] Units monitoring employee's CDP	[Subcategories] Units ascertaining employee skills		
① Sales	• Corporate sales	• Partner sales	• Consumer & SME sales
② Service planning/Marketing	• Colocation • Networks • Cloud	• Applications • Voice • Security	• Managed ICT
③ Operational planning	• Charges	• SO/Delivery	• Maintenance
④ Engineering	• Software development • Applications • IP networks • Servers & storage	• Data centers • Infrastructure networks • Voice	• Security • Intellectual property • Data science
⑤ Service management/Project management			
⑥ ICT consulting			
⑦ Finance			
⑧ Legal affairs			
⑨ Staff	• Management strategies • Business planning • Labor and welfare	• Personnel • Publicity • General affairs	• Procurement



## Systems for Human Resource Development and Evaluation

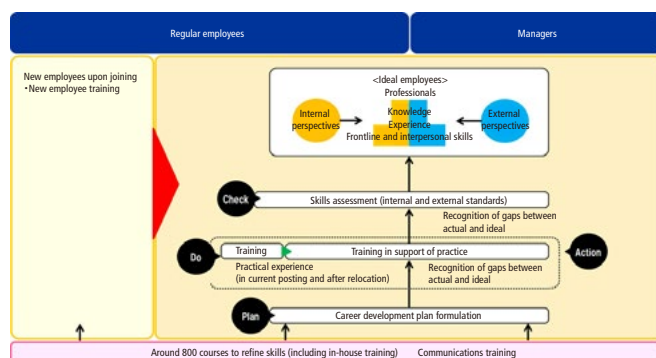
### Education/Training Systems

We provide a range of training programs designed to improve employees' skills and to encourage the following of appropriate career paths.

New employees, together with gaining an understanding of the strategy and systems of the NTT Communications Group, learn the "basic actions and attitude" that underpins our business. They deepen their understanding of the value and importance of always carrying out tasks from a customer perspective.

While formulating their career development plans (CDPs) and gaining real on-site experience, all employees select and decide on training courses after consultation with their superiors. With regard to the training menus, we review more practical and appropriate training content and take into consideration the results of employee surveys, while constantly devising structured training programs.

### ■ System of Human Resource Development Measures



### Extension of Young Employee Development Program

Implementing an overseas secondment program with the aim of cultivating the human resources capable of excelling on the world stage, NTT Communications expanded those eligible to include young employees in fiscal 2011. Under this program, employees are sent overseas for one year to undergo OJT, acquiring global communications skills through first-hand experience. In fiscal 2016, we sent 68 employees overseas through this program.

### Internal Job Posting System

We use an internal job posting system that provides motivated employees with challenging opportunities to maximize their potential in a wide range of fields. The system is being used extensively by employees of all ages, with job postings conducted within the NTT Communications Group and the NTT Group.

#### ■ Primary Posts

- Global business
- Cloud-related services
- Security-related services
- Upper layer-type services
- Human resources capable of bolstering Group companies toward the maximization of total Group power

In fiscal 2016, approximately 70 employees were assigned to departments of their choice within the NTT Communications Group and the NTT Group. Looking ahead, we will continue to actively use the internal job posting system to help employees advance their careers and to revitalize the organization. At the same time, we plan to

promote job postings in domains that exhibit growing strength with the aim of attaining our business vision.

### Personnel Evaluations

NTT Communications aims to improve its employees' desire to confront challenges and motivate them to perform to the best of their abilities. While as ever emphasizing fairness and transparency in this regard, we worked on revisions to our personnel and remuneration systems to put greater emphasis on results and performance. Accurately assessing employees' performance against their goals is a crucial aspect of this system. Under this system, we recognize the importance of employees who act with an increased sense of speed and are prepared to boldly address change, without the fear of failure, while positioning the needs of customers as their first priority. At the same time, we are cognizant of the need to accurately grasp and evaluate the results of efforts to overcome certain challenges and reach specific results. In this context, we encourage employees to reflect on their voluntarily set goals and endeavor to operate a highly convincing, appropriate system, for example by providing them with the opportunity to participate in performance review meetings with their supervisors at least twice a year.



## Respect for Human Resources

### Maintaining and Improving Motivation

#### Ongoing Employee Satisfaction Surveys

Having conducted employee satisfaction surveys since fiscal 2011, we aim to improve employee job satisfaction and productivity by setting agendas and implementing measures in light of the survey results. Since fiscal 2014, we have been working to further improve employee job satisfaction by objectively pinpointing NTT Communications' strengths and weaknesses. To serve as benchmarks indicating job satisfaction we have thus newly adopted the Great Place To Work\* numerical indexes that are used in research and analyses relating to job satisfaction.

\* Conducting research and analyses relating to job satisfaction, Great Place to Work® is a specialized agency active in more than 40 countries that implements activities, announced in the leading media, covering the companies and organizations that are recognized as having attained a certain level.

#### [Outline of Survey]

- Period conducted: January to February 2016
- Survey targets: NTT Communications Group employees/contract workers, etc., in Japan
- Number of respondents: 12,819

#### Incorporating Employee Feedback

We emphasize communications with employees to build a corporate culture in which employees are motivated and from which they can derive pleasure. Our goal is to create open environments where the ideas of our employees are rapidly reflected in our management and business processes by having employees feel that they are free to send proposals directly to us.

As part of that commitment, we launched the KAIZEN (Continuous Improvement) initiative (now the Digital KAIZEN Design Office) in July 2006. We also instituted a Direct Line program to deal with constructive proposals from employees beyond organizational and supervisory boundaries. In May 2011, we made it easier to submit proposals

through a change in the submission format that now requires only the identification of a problem within a business process, without necessarily requiring an improvement plan. We also changed the name to KAIZEN Support Line.

The proposals and the status of related solutions can be viewed through the KAIZEN Portal on the intranet. In fiscal 2008, we instituted the KAIZEN awards system to encourage more proposals and to recognize both those who submit outstanding proposals and those who implement them. We have seen a number of increases in process efficiency as a result of this initiative.

We had received around 1,079 proposals through August 31, 2016. We will continue to ensure an environment that increases opportunities for employees to voice their concerns, and in which a wide variety of ideas are reflected in business process improvements in a timely manner.

#### IoT Contest to Raise Employee Motivation

As an initiative aimed at expanding the horizons and opening up the future of the NTT Communications Group, we have long called for the submission of new ideas in a wide range of areas, and we are implementing a raft of measures that will contribute to the development of services. One such measure is the "IoT Contest," newly launched in fiscal 2016, which has as its focus IoT. In February 2017, there were 37 teams that took part in this contest held with the goal of being "Fun to Work," and being interorganizational in its promotion of digitalization. Over two days, together with the roughly 900 visitors, the teams had the opportunity of an enjoyable challenge in putting IoT to use. In this recent contest, "Know Log," who serves as the captain of NTT Com Engineering, took the top prize. Specifically, by measuring brain waves it was possible to read a person's mood. It will be possible to apply this technology to a variety of fields.

Going forward, not only will we endeavor to raise employee motivation, but we will promote initiatives toward the discovery of new services.

#### IoT Contest



#### Labor-Management Relations

NTT Communications maintains a policy of labor-management equality. Based on this, we prioritize dialog that emphasizes labor-management relations characterized by independence and responsibility. In addition to employment and working conditions, we seek to foster mutual understanding of issues related to operations management.



## Respect for Diversity, Equal Opportunities and Other Objectives

### Our Approach

The NTT Communications Group works to create workplaces that allow personnel with diverse backgrounds to work to the best of their ability, regardless of their gender, sexual orientation or sexual identity, age, birthplace, nationality, or whether they are people with disabilities. Having established the Diversity Promotion Office in April 2008 to utilize the diversity of its human resources and achieve targets stated in management strategies, we implement activities that center on working style reform, including meeting reforms, and the securing of diversity. Among these is the promotion of active roles for women. In Japan this means promoting the advance of measures in public-private partnerships based on the Act of Promotion of Women's Participation and Advancement in the Workplace. Moreover, in worldwide terms as well, global corporations are expected to lead by example and in line with UN Sustainable Development Goal No. 5 "Gender Equality." In light of ever-increasing expectations from society such as these, we are also moving forward to further advance cutting-edge initiatives. Our business activities having undergone globalization in recent years, we are also advancing diversity in terms of nationality. In response, we have been working to expand the reach of global human resource management (GHRM) measures centered on our human resource departments since 2010.

Diversity promotion is thus positioned as being essential for the sustainable development of business by the creation of new value that leverages diversity, and messages from senior management are transmitted and disseminated both inside and outside the Group.

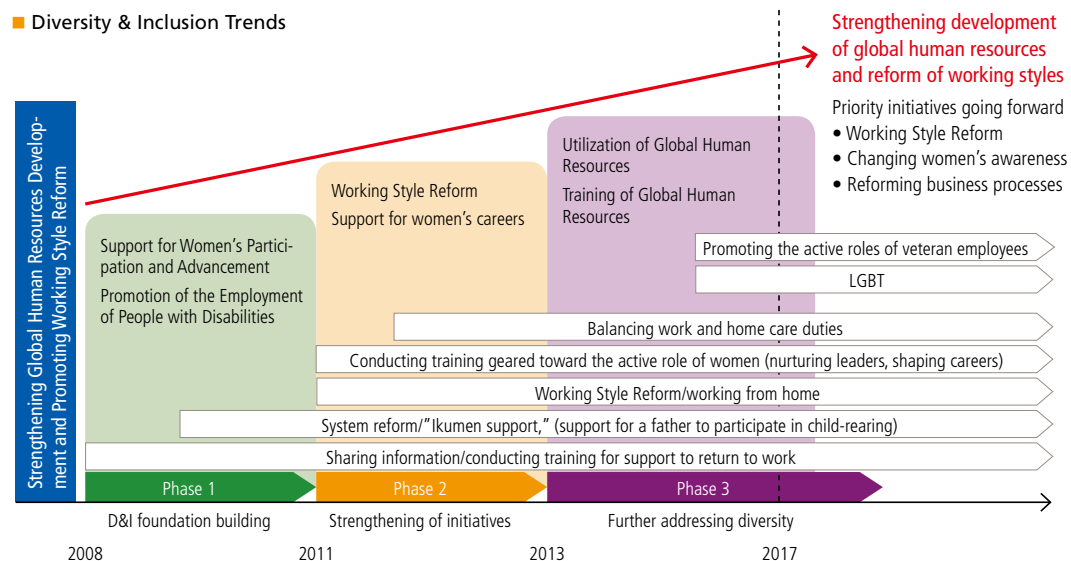
### Measures, Policies, and Promotional Framework Diversity Promotion

To meet the needs of its diversifying customers, NTT Communications Group members who have varied personalities and backgrounds respect each other as they trade a range of values and thoroughly display the capabilities that each company possesses. Promoting the creation of environments that give rise to new ideas and businesses, the Group is steadily addressing diversity.

#### ■ Promotion of Diversity Fundamental Policy

- Foster a corporate culture that leverages employee diversity to achieve targets stated in management strategies
- Continue to create environments that enable employees to show their full potential to produce human resources who further their own transformation and creativity

#### ■ Diversity & Inclusion Trends



### Main Fiscal 2016 Initiatives and Goals for the Coming Years

In fiscal 2016, beyond just making efforts to boost the ratio of female employees in management positions, given a veteran tier of employees that will be becoming increasingly top-heavy over the next few years, the Company is anticipating other ways of working following retirement age rehiring, based on the recognition of the need in the years ahead to face up to reforms of existing businesses and to the challenge of new growth fields. We have been backing efforts to build tailor-made careers for employees in their 50s that will enable veterans to improve their willingness to take up challenges, display ongoing high levels of performance, and enable them to continue working with motivation.

Carrying on from fiscal 2011, we continued to advance working style reform. In specific terms, we put in place a smart device environment to realize working styles that help increase the efficiency and

Principal external evaluations

Fiscal 2015

Fiscal 2016



## Respect for Human Resources

autonomy of work as well as productivity regardless of time and place. Making full use of this environment, we initiated efforts aimed at engaging in working styles that place a premium on efficiency while promoting paperless meetings. As a result of these initiatives, we were certified by The Ministry of Internal Affairs and Communications' newly established program, "top hundred telework pioneers." In order to enhance productivity, we hope to introduce ways of better balancing the work and home lives of employees who are talented people. Accordingly, we will continue to implement this project in an effort to foster a corporate culture that places the utmost emphasis on employee health and the opportunity to further improve skills and capabilities. In addition, with regard to encouraging the diversification of our global human resources, we are continuing to hire students from overseas and conducting human resource exchanges and other programs with overseas Group companies.

### Employment, Training and Promotion of Diverse Human Resources

#### Promoting Women's Participation and Advancement

NTT Communications provides career development support at various stages as part of its effort to increase opportunities for diverse human resources to engage in work in a lively and vibrant manner. In fiscal 2016, in line with the NTT Group's stated "plan to double the ratio of female managers," and looking to the goal pertaining to the ratio of female managers, the Company continues to aid in developing careers that will lead to women in management positions, and we also actively pursued the hiring of female employees. As a result of these initiatives, we achieved the highest order of certification for "Eruboshi" in May 2016 by the Minister of Health, Labour and Welfare based on the Act of Promotion of Women's Participation and Advancement in the Workplace.

#### Employing People with Disabilities

Based on the concept of normalization, when employing people with disabilities NTT Communications verifies their desires with regard to the

type of work and working environment, so that all can make the most of their skills, gives due consideration to their suitability and decides on their job descriptions.

As of March 1, 2017, 191 people with disabilities were employed in a broad range of fields, including sales and engineering, across the NTT Communications Group. Implementing recruitment drives for potential new graduate hires and, through employment agencies, for mid-career hires as well as regular support initiatives, we achieved a rate of employment of people with disabilities of 2.05%.

#### Varied Career Designs

NTT Communications has in place a continued employment system that allows employees reaching the mandatory retirement age of 60 to continue working, if they wish, until they reach 65.

Based on the recognition of the need in the years ahead to face up to the reforms of existing businesses and to the challenges of new growth fields, we have been backing efforts to build tailor-made careers for employees in their 50s. While anticipating other ways of working following retirement age rehiring, these efforts will enable veterans to improve their willingness to take up challenges, display ongoing high levels of performance, and also enable them to continue working with motivation.

#### ■ Number of Rehired Employees

Fiscal 2014	Fiscal 2015	Fiscal 2016
54	50	43

(Scope: NTT Communications [non-consolidated], excluding staff on temporary assignment)

#### Home-Based Call Center Operations, Home Visit Support Operations Provide Employment Opportunities for Human Resources Nationwide

At NTT Com CHEO, staff working from home are contracted and perform as individual business operators to provide contact center

operations or home visit support operations to various companies, using their homes, nationwide, as a base of operations. In order to provide employment opportunities to human resources across Japan, we are active in advancing digitalization in training for growth and task management processes, and in building systems and task flows that can complete all processes, from selection to training and the start of work, via the Internet. In addition, as the day and time to perform tasks can be a matter of personal preference, there is no condition for "full time work within commuting distance of home." This enables flexible working styles that can adapt to lifestyle changes, such as moving a residence or child birth, child care or home care.

Given such results achieved over many years, the contributions made to support the roles of women, regional vitalization, aiding career growth, and other benefits, we were recognized and honored with the top prize at the Japan Institute of Information Technology (JIIT)'s Third Service & Hospitality Award (September 2016).

In addition, in fiscal 2017, on July 24 we participated in "Telework Day" as a special cooperating organization, which has over 100 people for a large-scale telework program. This activity marked the lead up to the Tokyo 2020 Olympic and Paralympic Games, and was held amidst the drive for work style transformation being sponsored by the government (Ministry of Internal Affairs and Communications, Ministry of Health, Labour and Welfare, Ministry of Economy, Trade and Industry, Ministry of Land, Infrastructure, Transport and Tourism, Cabinet Secretariat, and Cabinet Office), in tandem with the Tokyo government and economic leaders. On Telework Day, we had 303 staff conducting contact center operations from their homes.

Moving forward, we will continue to work to advance initiatives that lead to the further adoption and prevalence of teleworking. In this way, we will seek to realize a wide range of working styles for diverse human resources.





## Respect for Human Resources

### Promotion and Training of Global Human Resources Global Human Resource Management (GHRM) Initiatives

Diversity management is attracting attention as a way of utilizing various concepts of values from a diverse workforce. We will have all Group companies work on GHRM as a unit with “Global One Team” as our key message to promote global activities by human resources.

In the long-term temporary assignment program that started in fiscal 2009, a total of 22 locally hired overseas employees have been seconded to the head office and are promoting global business in Japan. In fiscal 2004, we introduced a system for bringing mid-career employees of overseas subsidiaries to work at headquarters for six months. Through these programs, they succeeded in utilizing the skills they had learned and expertise they had acquired overseas at headquarters, and the resulting communication culminated in the “Global One Team” Promotion.

In fiscal 2016, NTT Communications expanded its reciprocal human resource exchanges with overseas subsidiaries. At the same time, we continued our initiatives of the previous fiscal year in areas such as global communications and pre-assignment training for NTT Communications and overseas subsidiaries. Since July 2011, eligibility for the overseas assignment program has been extended to young employees. This move develops employees who can succeed globally as soon as possible by dispatching new employees who have less than five years’ experience in the Company to on-site locations overseas.

In the years to come, we will continue to aim for further expansion of GHRM initiatives through the development and assignment of managers at overseas subsidiaries, who will lead global business for the entire Group, as well as through the promotion of global human resource exchanges.

### Recruiting Global Human Resources

Taking into consideration the rapid and dynamic changes in its operating environment, the NTT Communications Group established Vision 2020, a medium-term policy that emphasizes the need to further increase the pace

of business development. From the perspective of its human resources, the Group is strengthening its personnel perspective in an effort to achieve this vision. This entails actively recruiting a wide variety of employees who are capable of bolstering competitiveness while taking the lead in the Group’s globalization endeavors. As a specific example of our efforts, we are not confining ourselves to the domestic employment market, but are stepping up our recruiting activities at overseas subsidiaries to uncover and hire the highest caliber personnel from outside Japan. In this manner, we are successfully welcoming to the Group outstanding personnel, particularly engineers. In addition to hiring overseas students and Japanese nationals who have graduated from universities outside Japan, we are currently conducting job fairs throughout the world as well as recruiting on the campuses of overseas universities. In fiscal 2016, the countries in which we undertook local recruiting activities included India and Singapore.

### Initiatives for LGBT Issues

As initiatives related to LGBT and other sexual minority issues, we have started to apply benefits associated with same sex partners (such as special leave and condolence and congratulation money) that pertain to parts of the system for life events, and since November 2016, we have worked to promote understanding of LGBT issues through regularly held human rights educational training and other activities. As a result of our efforts to promote the creation of a work place environment where people would have a proper understanding of the concerns facing many in the LGBT community, we were certified by the non-profit organization “work with Pride” for its highest ranking of Gold in its PRIDE Index which evaluates corporate efforts to foster inclusiveness.

#### ■ PRIDE Index





## Maintaining and Improving Employee Health

### Our Approach

The concept behind “decent work,” as declared by the International Labour Organization (ILO) at the 1999 International Labour Conference, is to make widespread the type of work that is satisfying and that offers human dignity. This has become highly regarded as a core concept of human resources and occupational safety and health initiatives of many global corporations. In addition, in recent years, as spurred on by UN Sustainable Development Goal No. 8 “Decent Work and Economic Growth,” society is placing great expectations on the importance of the global realization of a framework in which people can work with health and vitality.

We have of course been long committed to occupational safety and health. With regard to maintaining and improving environments, at all workplaces, in which employees can engage in their duties in a lively and vibrant manner, the basis can be said to be the creation of workplaces in which professional personnel are able to display their full potential. From this kind of perspective, we regard respect for work-life balance and the thorough implementation of occupational health and safety practices as two sides of the same coin. We therefore promote all kinds of measures designed to maintain and improve employee health.

### Measures, Policies, and Promotional Framework Work-Life Committee

The Work-Life Committee at NTT Communications, established to create more satisfying workplaces and help employees improve the balance between their professional and private lives, is the core organization that advances Groupwide initiatives in this area. The committee comprises management and employee representatives, who make a continual effort to implement a range of measures aimed at realizing working styles that help increase the efficiency and productivity of work, and ensuring that duties are carried out appropriately and thoroughly.

In fiscal 2016, in addition to working to promote awareness with respect to when to finish work for the day (such as the designation of promotional months for leaving work at regular times), the committee enhanced its edification activities. These included regularly distributing, by e-mail magazine to all employees, workplace activities designed to lead to improvements in business efficiency and to elicit communication. We also introduced a new labor system (split shifts), made systems more flexible, used logs to visualize work results and took other actions in our serious pursuit of more appropriate working hours.

### Thorough implementation of occupational safety and health

A Health and Safety Committee is organized at each building to ensure the thorough implementation of occupational health and safety practices, and has served to continuously conduct initiatives across the entire NTT Communications Group. It has a variety of duties, with main topics for discussion being improvement to the health environment of work sites and the prevention of occupational accidents, as well as the implementation of measures that reduce long working hours, among others.

In fiscal 2016 as well, at each building we continued to work based on these topics, with our efforts including work site inspections, and to have 100% of people get their health checkups.

### Main Achievements in Fiscal 2016 and Goals for the Coming Years

In fiscal 2016, we worked on the measure of respecting work-life balance and aimed at realizing working styles that help increase the efficiency and productivity of work. As a result, with regard to goals for annual total work time and overtime work volume, both improved year on year, and we were able to state “achieved” for our initial goals.

For our measure of “occupational safety,” we positioned the mitigation of occupational accidents as a priority issue, and as a result of education and strict enforcement, we recorded an improvement from the previous year, from 13 incidents to nine. The health checkup rate was 99.82%, which was “almost achieved” from our initial goal. We thoroughly implement initiatives via each workplace on an ongoing basis to maintain and improve employee health.

#### ■ Work-Related Accidents (Accidents while Working or Commuting)

Fiscal 2014	Fiscal 2015	Fiscal 2016
11 (working 2/ commuting 9)	13 (working 6/ commuting 7)	9 (working 3/ commuting 6)

\* Excluding corporate rugby team activities  
(Scope: NTT Communications [non-consolidated])

#### ■ Number of People on Childcare/Nursing Care Leave in Fiscal 2016

	Women	Men
Childcare leave	141	11
Nursing care leave	2	1
Maternity/paternity leave	74	—



## Work-life balance

### Supporting Balance between Career and Child Raising/ Nursing Care

NTT Communication promotes Measures to Support Next-Generation Childcare, which emphasize the importance of the healthy upbringing of the children who will lead the next generation. We have formulated a General Business Action Plan to help provide an environment with a greater variety of working conditions, both to encourage a balance between employees' work and childcare and to address the needs of employees who are not raising children. We are working on an ongoing basis to reach the targets outlined in this plan.

Based on the Act on Advancement of Measures to Support Raising Next-Generation Children\*1, we proactively engaged in action plans that led to us being designated as a certified business operator by the Tokyo Bureau of the Ministry of Health, Labour and Welfare for fiscal years 2008, 2011, and 2015. We are currently formulating our Fifth Action Plan (April 1, 2017 through March 31, 2022) to enable each and every employee to work in a lively and vibrant manner and are continuing to encourage the creation of workplace environments where diverse working styles are mutually accepted and understood.

In May 2016, NTT Communications received the highest (Class 3) certification among the certifications bestowed by the Minister of Health, Labour and Welfare based on the Act of Promotion of Women's Participation and Advancement in the Workplace (hereinafter the Women's Participation Promotion Act\*2). Recognizing companies that have put in place the best measures for promoting the advancement of women, the evaluation of a number of our initiatives led to the certification. These initiatives include the maintenance of a system covering women continuing to work after childbirth, the promotion of measures supporting a work-life balance and career paths for women, in addition to an improvement in the ratio of women employees, the introduction of various career path options, and the results of the active promotion of women to management positions. Certified companies are allowed to use the Eruboshi certification mark.

\*1 Act on Advancement of Measures to Support Raising Next-Generation Children: This act was formulated to promote measures to support raising the next generation of children by creating an environment conducive to the healthy birth and upbringing of the children who will lead the next generation. Rather than relying on plans by national or regional public-sector organizations, this act calls upon companies with 101 or more employees to formulate General Business Action Plans.

\*2 Act of Promotion of Women's Participation and Advancement in the Workplace: Faced with a future rapid decline in population, and given concerns with regard to approaching labor shortages, advancing women's roles has become an important topic. In light of this, this act was formulated to create an environment in which women could have work lifestyles with vitality and in which they could sufficiently realize their potential according to their own hopes. This act calls upon companies with 301 or more employees to formulate General Business Action Plans.

#### ■ New Kurumin logo



#### ■ Eruboshi logo



### Promotion of Working Style Reform

Having respect for diverse individual values and lifestyles, we believe that a satisfying "lifestyle" is connected to satisfying "work." Based on this concept, we are working to realize employee happiness and growth, and as a company, raise productivity and creativity, while expanding upon the value we provide to customers. To that end, we are engaged in various initiatives for working reform, taking a three-pronged approach of "systems and rules," "environment and tools," and "consciousness and climate."

Under "systems and rules," we are advancing remote working that enables working from home and the effective use of time for the goal of aiding the balance between work and home life. We are striving to

introduce a flexible system of working that realizes work styles that fit an individual's circumstances and actual working conditions.

With regard to "environment and tools," together with introducing thin clients and BYOD plans, we are working on initiatives such as automation and streamlining through the use of digitalization.

"Consciousness and climate" is where we provide information to all employees that introduces the promotion of taking time off work and best practices, and employees then proactively advocate "employee participation-type measures."

In addition, management is taking the lead with initiatives such as reviewing processes and other issues, to inventory existing tasks, improve them, or eliminate them if they are unnecessary.

### Cafeteria Plan

To cater to their varying lifestyles and needs, NTT Communications offers various benefits to all its employees equally throughout their time in our organization. Specifically, we have introduced a "Cafeteria Plan" system, which allows employees to choose from a wealth of benefit options (a total of 44 options in fiscal 2016) that suit individual employee lifestyles. In order to provide employees with life design support, we also set up a life design consultation office, which was used by 99 employees in fiscal 2016. We also offer life design training to 30-year-old employees and second-life seminars for those aged 59. In fiscal 2016, 162 employees participated in the former, while 137 employees attended the latter.

We will continue enhancing our programs and menus to make them more employee-friendly.



## Respect for Human Resources

### Encouraging the Planned Taking of Various Types of Leave

Working toward improvements in the work-life balance of its employees, NTT Communications is encouraging the taking of leave. Specifically, we increase awareness about the taking of leave to coincide with long national holidays, such as during Golden Week and over the New Year period, and endeavor to create working environments that facilitate the taking of leave. In fiscal 2016, the average number of paid leave days taken was 17. There is also a life plan holiday system that enables the taking of leave for a certain period of time, for employees who want to take a break, for nursing family members, volunteer activities, recurrent training and child care. In fiscal 2016, 847 people took advantage of this system.

### Occupational Safety and Health Management Mental Healthcare

We are implementing various measures to secure occupational safety based on the creation of work environments that ensure the health and comfort of our employees.

With regard to measures taken in mental health, 164 employees took the “mental health keeper” training course designed to further enhance on-the-job mental health care for employees, bringing the total number of those certified to 2,829 in fiscal 2016.

In addition, we offer various other services on a continual basis, including counseling for high-risk employees based on reports issued by Japan’s Ministry of Health, Labour and Welfare (a total of 588 participants in fiscal 2016). In putting in place a comprehensive support structure, we also provide employee consultation desks both inside and outside the organization as well as a counseling environment geared toward employees being sent on overseas assignment.

In the years to come, we will continue to implement various measures that include Group companies in Japan to ensure healthy and comfortable work environments. We will also work to further strengthen line care.