How to Use this Report

1. When you click the MENU button, a pull-down menu will appear.

2. When you click one of the categories, you will go to the top page of each category.

3. When you click on the header part, it works as described below.

4. Click the external link buttons to move to their respective pages.
We will continue to contribute on a global basis toward the resolution of social problems and the realization of sustainable development.
Bridging the World

NTT Communications delivers end-to-end, one-stop cloud services that only a telecommunications carrier can offer, ranging from our core strengths — Networks and Data Centers — to servers and applications. We aim to meet our customers' needs for cost reduction and speedy, globalized operations.

Global ICT Partner

The NTT Communications Group’s Growth Strategy: Vision 2015 highlights its commitment to innovative, reliable and seamless ICT services.
The NTT Communications Group provide one-stop ICT services.

The NTT Communications Group consistently provides the underlying support that allows people to lead prosperous lives through a global operating network, diverse human resources, and sound business platform.

Global Service

Global IP Network
With our high-quality global IP network we are one of the world’s leading Global Tier I Providers.

Data Center Service
Over 140 bases worldwide
Over 180,000 square meters of server room space (including planned space as of March 2013)

Operations Service
We provide operation services 24 hours a day, 365 days of the year at network operation centers in three global regions.

ICT Environment Services from Construction to Operation
We provide construction and operation services for ICT environments in 87 cities in 31 countries and regions outside Japan.
Striving to achieve the right balance as a Global ICT Partner

As a Member of the NTT Group
The NTT Communication Group continues to establish specific goals as a part of efforts to carry out its CSR policy. In addition, the Group has put in place a separate environmental vision while implementing other wide-ranging measures in keeping with its distinctive business activities.

Basic CSR Policy
Our CSR activities aim to contribute to community prosperity and sustainability worldwide by creating new value and resolving problems through the information and communications services we provide as a Global ICT Partner.

Priority Activity Policy
The NTT Communications Group continues to establish specific goals as a part of efforts to carry out its CSR policy. In addition, the Group has put in place a separate environmental vision while implementing other wide-ranging measures in keeping with its distinctive business activities.

For Customers
1. From a customer-first perspective, we will provide solutions and services that offer true value.
2. We will act responsibly and with pride as a member of the NTT Communications Group in responding quickly, flexibly, and with integrity to our customers.
3. We will establish enduring relationships of trust with our customers.

For Business Partners
1. We will maximize our cooperation with partners in order to offer the best possible value for our customers.

For Shareholders
1. We will disclose information concerning our business performance in a fair, accurate, and timely manner.
2. We will achieve sustainable growth as a company and seek higher benefits for our shareholders.

For Society
1. By providing more secure and innovative Internet services, we will contribute to the sound growth of the Internet society.
2. As part of our strong connection with society, we will contribute to global environmental protection.
3. We will understand and respect the cultures and customs of different nations.

For Competitors
1. We will abide by rules and compete fairly.

For Employees and the Workplace
1. We will recognize individuality and diversity, and mutually protect human rights.
2. We will trust and respect each other and create an environment that is conducive to personal development and fulfillment of our goals.
3. As an ICT company, we will make a maximum effort to protect security.
The NTT Communications Group designed and constructed the Hong Kong FDC, a large data center servicing the financial industry, which began operations in May 2013.

Providing top-level security and reliability to the growing Asian financial market

The NTT Communications Group kicked off operations at the Hong Kong FDC in May 2013 to serve our valued financial-institution clients in Hong Kong, the center of the growing Asian financial market. With floor space of around 70,000 square meters, it is the largest such facility in Hong Kong, achieving top-ranked security and reliability according to international standards for data centers.

Low-Latency Connections thanks to the Asia Submarine-cable Express (ASE)

In an environment of ever-more-rapid financial transactions, we provide affordable low-latency connections by housing and utilizing the landing station of the “Asia Submarine-cable Express (ASE).” This high-capacity optical submarine cable directly connects the crucial Asian financial hubs of Tokyo and Singapore to the Hong Kong FDC, which is located near the Hong Kong Stock Exchange.
A strong, highly reliable data center supporting customer business continuity plans (BCPs)

Data centers provide crucial infrastructure in support of customer BCPs. With this in mind, we design all our NTT Communications data centers based on the “Tier” international data-center reliability standards. Among these, our Hong Kong FDC meets the highest quality level, “Tier IV.” Housed in a solidly earthquake-resistant building located in a region safe from tsunami and floods, it relies on a totally failsafe backup system, with standby equipment that’s kept in continuous operation, in anticipation of malfunctions and maintenance operations of electrical, air-conditioning, and telecommunications systems.

Stringent security measures contribute to safe and incident-free operations for financial businesses

To assure the reliability of our data centers, we implement a stringent set of security measures. Customer systems are thoroughly protected with eight levels of security measures, including biometric identification, between the entrance of the building and the server room racks. We also use the most up-to-date security surveillance technology, including IP-based surveillance cameras. The FDC meets “ISO27001”1 and “ISAE3402”2 standards for security management.

1 International standards for information security management
2 International standards for internal control assurance at companies conducting consigned business

Comments from key persons

Implementing security measures to enhance customer convenience

The Hong Kong FDC incorporates the highest level of security measures, including eight security checkpoints and biometric access cards. Our access control system provides web-based advanced entry reservation functions, electronic access procedures and other functions, with paperless operations and other features to enhance customer convenience.

Eric Chan
Senior Manager, Data Centre Business
Environmental Contributions

Helping customers achieve energy-reduction targets with high-efficiency air-conditioning and electrical equipment

The Hong Kong FDC building uses state-of-the-art environmental technologies and provides high-efficiency operations. It was designed in accordance with the Gold Certification of the LEED, or Leadership in Energy & Environmental Design, standards of the U.S. Green Building Council. Data centers are particularly prone to shifts in environmental performance, influenced by the cooling efficiency of their equipment and devices. In response, we have adopted inverter control fans in air-conditioning units and cold-aisle containment to separate cold air from air-conditioning units. We have also adopted double-floor, double-ceiling air-conditioning chambers to ensure sufficient space to control fan power. The operations-center power source is a fuel cell-based UPS (Uninterruptable Power Supply) which realized an adoption of environmentally friendly renewable energy, helping our customers achieve their green initiative targets.

Unifying energy-saving measurement standards and enhancing the environmental efficiency throughout the data center

The Hong Kong FDC incorporates environmentally friendly facilities throughout its premises. These include solar-based water heating and rainwater drainage systems as well as motion-sensor light controls. These features are highly praised by customers when they visit the FDC on tours. To further enhance the data center’s overall environmental efficiency, its energy saving performance measurement standards are matched with the PUE (Power Usage Effectiveness) energy guidelines for data centers and servers. We are also promoting energy efficiency policies through the PDCA cycle.

Comments from key persons

Providing a top-level, environmentally friendly service both now and in the future

This data center is not only certified as “Tier IV,” the highest rank for electrical and machinery reliability indicators, but it also offers low-latency connections to major Asian financial hubs thanks to the high-capacity optical submarine cable landing station that is housed right in our center. In an effort to further solidify our leading position within Hong Kong’s data center market, we will focus our efforts on providing top-level, environmentally friendly services both now and in the future.

Ken Suzuki
Hong Kong Branch
NTT Worldwide Telecommunications
Sharing the latest operating technologies and know-how with existing data center equipment and other devices

The Hong Kong FDC provides education and training to share the latest data center operation technologies and know-how with locally based employees. The center has an employee training room equipped with the same devices as those actually in use, and this facility doubles as a customer demonstration room. We use an e-Learning platform to provide homogeneous training to each employee at his or her own individual pace.

Mutual technology sharing and discussions between Japanese and local staffs, and between data centers in Japan and overseas

In order to provide higher-quality data center services, the Hong Kong FDC proactively encourages information sharing and provides a forum to discuss the latest trends in data center-related technologies, both for Japanese employees dispatched onsite and locally hired employees. One example is the Technology Exchange Seminars, held jointly by Japanese and foreign data center hubs both to share technology and know-how and to spur motivation and create other synergic effects.

Aiming to provide the highest-quality data center services

The Hong Kong FDC is now formulating a unique training system to hone the specialized skills of our managers. Improving our training capabilities is an important factor in enhancing the competitiveness of our services and in attracting talented individuals to work for us. Looking to the future, our partnerships with other Asian hubs will include joint training and data center management systems to ensure the provision of the highest-quality data center services in the world.

Taylor Man
EVP, Cloud Business
### CSR Priority Areas

Main activities in fiscal 2012 aligned to the Group’s CSR priority areas

<table>
<thead>
<tr>
<th>Areas of Particular Focus</th>
<th>Key Social Issues</th>
<th>Main Activities in fiscal 2012</th>
</tr>
</thead>
</table>
| **Contributing to Society** | • Develop ubiquitous network infrastructure  
• Ensure highly stable and reliable mission-critical infrastructure  
• Engage in social contribution activities | • Consumers  
• Community participation |
| **Protecting the Global Environment** | • Prevent global warming  
• Reduce waste  
• Reduce paper consumption  
• Preserve biodiversity | • Operating an energy-efficient data center in the U.K  
• Bringing the Tokyo No. 6 Data Center online |
| **Respecting Our Employees** | • Respect diversity and take steps to promote equal opportunity and other objectives | • Developing professional human resources  
• Global Human Resource Management (GHRM) initiatives  
• Increasing employment of foreign-national students  
• Supporting career development for a diverse workforce |
| **Governance** | • Ensure information security  
• Organizational governance  
• Fair business practices | • Bolster vulnerability analyses of information systems  
• Implement information security surveys at Group companies and overseas subsidiaries |

**Other activities**

[Link](http://www.ntt.com/csr_e/report2013/data/st_index.html)


[Link](http://www.ntt.com/csr_e/report2013/data/of_index.html)

[Link](http://www.ntt.com/csr_e/report2013/data/management.html)
Activity Highlights

Area 1: Contributing to Society

Global rollout of security operations

Against a backdrop of continued business globalization as well as increased security threats in recent years, companies are seeking globally unified security measures. Within this context, NTT Communications began a global rollout of the WideAngle service in June 2013. WideAngle provides comprehensive security risk surveys, monitoring and security enhancements, building on the corporate security operation services provided by our Security Operation Center (SOC), which was established in 2003.

Leveraging the skills and technology of the NTT Group, we provide an array of operation levels to choose from, with diverse security measures and advanced security-threat detection, in order to provide our customers with a secure and reliable information-systems environment.

Implementing joint field trials for the Health Enhancement Assist Service

In 2011, NTT Communications, NTT Resonant Inc. and foo.log Inc. carried out a field trial of the jointly developed Health Enhancement Assist Service for smartphones and personal computers. Some 60,000 trial users participated, and the success of the trial led to NTT Resonant adding the Health Enhancement Assist Service to its “goo karadalog” health management service in August 2012.

One feature of the service automatically estimates calorie consumption based on photos of meals, which is a world first. Another feature estimates how many calories are burned based on the distance walked each day, using GPS location and acceleration sensors in the user’s smartphone. The data can be easily applied to help maintain health and to support dieting.

Security Operation Center

Sample screen from “goo karadalog” Health Assist

Other activities http://www.ntt.com/csr_e/report2013/data/st_index.html
Since 2000, each year NTT Communications has hosted the Arcstar Carrier Forum (ACF), an international conference that invites partner carriers from around the world to Japan. The purpose of the conference is to improve the operation and delivery of international network services and to discuss responses to potential service failures and problems related to service construction.

The ACF held in February 2013 in Chiba, Japan, saw discussions about improving customer satisfaction and increasing quality through the design, construction, operation and maintenance of the Arcstar Global Network Service (the international network service offered by NTT Communications). The Forum agreed to focus its efforts on five priority tasks; these included improvements in on-time delivery and meeting customer-requested deadlines as well as real-time, across-the-board reports to customers on progress in restoring services in the event of a disruption.

Working within the CSR of NTT Communications group, in the second quarter of the fiscal year NTT America continued to pursue social contribution activities through the Corporate Social Responsibility Program. As part of NTT Communications’ regional beautification efforts, NTT America supported work in June 2012 to plant a garden and build a play space in the courtyard of P.S.161 Pedro Ablizu Campos, a public school in New York City. Work was carried out in collaboration with Dimension Data, a partner company of NTT, and Blue Coat Systems Inc., a company that is both an NTT customer and a vendor company. The project was organized by the charity City Year New York, an organization dedicated to improving school campus environments.

In addition to this project, NTT America contributes to charities focused on the health and social welfare of children and youth, and in fiscal 2012 supported four such charity events, including a golf tournament supporting a local children’s hospital.
The demand for global ICT services is increasing along with the acceleration of overseas corporate ventures by Japanese companies. In addition to building data centers that are integrated with telecommunications networks around the globe, NTT Communications is working to reduce the ever-increasing demand for energy that comes with growing data processing volume.

As a core cloud service hub in Europe, we acquired the British company Gyron Internet Ltd. in June 2012, launching services with them while adopting cutting-edge environmental technologies to reduce energy usage.

One example of these efforts is the Indirect Outdoor Air Cooling system, which takes advantage of naturally lower outdoor temperatures in winter. This system channels outdoor air through the Center's air-conditioning system to cool server and network equipment, and it boasts both high reliability and world-class energy efficiency. A second measure is a system that supplies cool air from the walls using airflow control optimization technology. Compared to conventional methods that circulate cool air from the floor, this system produces fewer areas of temperature variance, for much greater efficiency.

NTT Communications continues to expand its use of natural energy and its adoption of high-efficiency systems to promote energy conservation at its growing data centers.

If 22ºC air is emitted, with a ΔT = 8ºC, it is possible to use outdoor air that is below the 30ºC hot aisle temperature. However, intake will be regulated in order to avoid going beyond upper and lower concentration limits.

Use of a cooling tower allows the generation of cold water at or below 17.5ºC; outdoor air of 15ºC or below (wet bulb temperature) can be used.
NTT Communications completed construction of its Tokyo No. 6 Data Center in Tokyo’s Kita Ward, and the facility came online on April 23, 2013.

The largest data center in the city, the Tokyo No. 6 Data Center provides up-to-date disaster-resistant, environmentally friendly facilities designed to be reliable, easily expandable and user friendly. The data center achieves the highest green performance in Japan thanks to its highly efficient electrical and ventilation equipment.

The center uses highly energy-efficient water-cooled air conditioning equipment as well as a rotary Uninterruptible Power Supply (UPS) with low power loss; the UPS eliminates the need for the periodic disposal of batteries containing environmentally harmful materials. The cooling system runs on outdoor air and utilizes evaporative heat such as that created by spraying water on the outdoor AC units. We have also implemented airflow management to separate cool air in the server room from heat emitted by the equipment. Through these and other measures we have achieved an impressive power usage efficiency (PUE) score of 1.2, the best performance among domestic data centers.

In the area of disaster resistance, the building is supported by solid bedrock with no risk of liquefaction, while the server wing’s anti-earthquake construction is designed to reduce earthquake vibrations by up to 80%.

NTT Communications has established data centers in over 140 hubs across the globe. In tandem with the opening of the Tokyo No. 6 Data Center, we have inaugurated Nexcenter™ as the new brand for our global data center service. We will continue to raise the level of environmental performance of our facilities while simultaneously improving the quality of our services.
At NTT Communications, we define professional human resources as employees with both practical knowledge and skills underpinned by experience, with currency in the real world. We are working to cultivate a workforce that is responsive to our changing business climate, which is characterized by accelerating globalization and more complex and diverse customer needs.

In fiscal 2012 we reclassified our existing seven categories of personnel into fifteen new fields, in the process redefining the ideals that our professional human resources should aim for in more specific terms. We have identified the necessary skill levels and capabilities required within each of the fifteen specialized fields, and we are working to support all our personnel in their individual professional development.

At NTT Communications, “Global One Team” is a slogan that represents our goal of enabling our personnel to perform together as one united global group.

In support of this goal, we carry out training programs in global communications and joint management with our overseas subsidiaries, and in fiscal 2012 we expanded reciprocal human-resource exchanges (such as trainee programs) between NTT Communications and our overseas subsidiaries. As part of a management training program that began in fiscal 2009, seventeen locally hired overseas employees were temporarily assigned to the head office and are currently participating directly in our business in Japan. In fiscal 2012 we also began an overseas assignment program for young employees that sends first- and second-year employees to overseas sites to help foster their global abilities at an early stage.
Activity Highlights

Area 3: Respect for Our Employees

Increasing employment of foreign-national students

Part of our medium-term policy “Vision 2015” is the recruitment and employment of a diverse workforce who can contribute to our globalization and bolster our competitive standing. To this end we are actively recruiting employees who are both practically competent and adept in matters concerning globalization, with a particular emphasis on students of foreign nationalities.

Currently we are expanding our recruiting activities at overseas universities and job fairs held primarily in Asia, as we seek to discover and employ a diverse group of outstanding engineers and other personnel from around the globe. In fiscal 2012 we undertook local recruiting activities in South Korea, China, the U.S. and India.

Supporting career development for a diverse workforce

To support different stages of career development for employees from a variety of backgrounds, we are implementing support initiatives that include facilitating the mutual exchange of ideas and world views among employees.

One of these initiatives in fiscal 2012 focused on increasing the ranks of women working successfully on the front lines of business, as career-development support and changing awareness among female employees is one of our priority areas. To this end we implemented various role model initiatives, actively promoting mentoring programs by female managers and helping to create a network among female employees in management positions.
About the CSR Report

Editorial Policy

As a Global ICT Partner, the NTT Communications Group conducts CSR activities with the aim of contributing to community prosperity and sustainability worldwide by creating new value and resolving problems through the provision of telecommunications services. We have issued this report to clearly convey our CSR approach and activities to our stakeholders.

We are also dedicated to improving accuracy and thus use “we” when reporting on the entire NTT Communications Group, and use company names when reporting on NTT Communications or Group companies. The information provided in this report has been assigned a Self-Declared B Application Level under the GRI’s Sustainability Reporting Guidelines. Going forward, we intend to continue enhancing the report’s content.

Report Profile

- **Reference Guidelines**
  - GRI (Global Reporting Initiative)
    - Version 3.0 of the GRI’s Sustainability Reporting Guidelines
    - Japan’s Ministry of the Environment’s Environmental Reporting Guidelines (Fiscal Year 2012 Version)
    - Japan’s Ministry of the Environment’s Environmental Accounting Guidelines 2005
    - ISO 26000: 2010, Guidance for social responsibility
  - *Report compliance with the GRI’s Sustainability Reporting Guideline and Environmental Reporting Guidelines is disclosed in the online version.
- **Third-Party Opinion**
  - Each year, we have an independent expert provide an opinion to help us improve our CSR activities.
- **Report Scope**
  - This report covers organizations important to reporting on CSR activities, namely NTT Communications and Group companies, based on the Group’s Basic CSR Policy. However, any reporting outside this scope is indicated separately.
- **Period Covered**
  - Fiscal 2012: April 1, 2012 to March 31, 2013
  - (some content may fall outside this timeframe)
- **Issue Dates**
  - This report: October 2013
  - (Previous edition: October 2012; Next report: Scheduled for October 2014)

Selection of Material Issues and Other Items for Disclosure

We used the two-stage selection process described to the right to provide a well-balanced presentation of material issues and other items, in terms of their importance to the Group, as well as requests from society and the need for disclosure from all stakeholders. In the process, we referred to the materiality requirements of Version 3 of the Global Reporting Initiative’s Sustainability Reporting Guidelines and other publications.

We present information with a high degree of materiality in the booklet and all other information in the online version of the report, according to the results of the selection process. In this manner, the printed and online versions of the report are differentiated to make the most of the features of these media.

In response to the issuance of the ISO 26000 standard, we have sought to improve how we explain our contribution to society as a global corporate group and the penetration of CSR within our organization in the 2013 version of the report. Another priority was to actively disclose information about our response to the Great East Japan Earthquake.

**Two-Stage Selection Process**

**Stage 1: Determine issues and other items that should be considered for disclosure from the following:**
- Traditional disclosure items reflecting GRI’s Sustainability Reporting Guidelines
- Issues disclosed by peer companies, and various companies in peripheral business sectors
- Issues attracting growing interest following the issuance of ISO 26000

**Stage 2: Select disclosure items from the following six perspectives**
- Issues relating to ongoing CSR impacts, risks, and opportunities identified through surveys by expert individuals and organizations specializing in CSR
- CSR issues of significant social interest that the media frequently covers
- Issues that interest stakeholders (in employee and customer surveys and through other initiatives)
- Key organizational issues, notably those relating to our management philosophy, Basic CSR Policy, and Our Business Principles
- Regulatory and voluntary agreement issues covering our organization and operations, notably the Telecommunication Business Law and the rules of the Telecommunications Carriers Association
- Important issues relating to other companies, particularly competitors and companies with outstanding CSR programs
About the Reporting Medium

**CSR Website**


The CSR website is updated regularly to provide information on the latest CSR activities of NTT Group companies.

**CSR Report Website**


This website presents the content of the NTT Communications Group CSR Report 2013. This report comprises both an abridged version and a detailed version, addressing the audiences for each version appropriately. NTT Communications’ CSR Report has been provided in electronic format since 2012.

The abridged version presents the NTT Communications Group’s most important CSR activities in a clear, straightforward manner for the general public.

The detailed version presents numerous specific examples of our CSR activities, with a comprehensive look at concrete CSR activities and detailed data.

Corporate Information

<table>
<thead>
<tr>
<th>Name</th>
<th>NTT Communications Corporation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
<td>1-1-6 Uchisaiwaicho, Chiyoda-ku, Tokyo, Japan 100-8019</td>
</tr>
<tr>
<td>Date established</td>
<td>July 1, 1999</td>
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<tr>
<td>Paid-in capital</td>
<td>211.7 billion yen</td>
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<tr>
<td>Number of employees</td>
<td>6,850 (as of March 31, 2013)</td>
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<tr>
<td>Business</td>
<td>Domestic and international telecommunications services</td>
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<tr>
<td>Major organizations of which NTT Communications is a member</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Telecommunications Carriers Association (Director)</td>
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<tr>
<td></td>
<td>Japan Network Information Center (JPNIC) (Trustee)</td>
</tr>
<tr>
<td></td>
<td>Japan Telecommunications Engineering and Consulting Service (Board Member)</td>
</tr>
<tr>
<td></td>
<td>The Association for Promotion of Public Local Information and Communication (Board Member)</td>
</tr>
<tr>
<td></td>
<td>IPv6 Promotion Council (Board Member)</td>
</tr>
</tbody>
</table>

Global Awards and Recognition

NTT Communications has received the Gold Award in the British survey company Telemark Services’ customer satisfaction survey.

*Source: Telemark Services “Global dataVPN NTT Com Highlights (February 2012)”*