



NTT Communications Group
CSR Report
2014

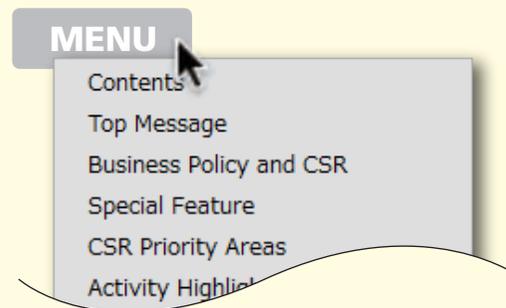


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How to Use this Report

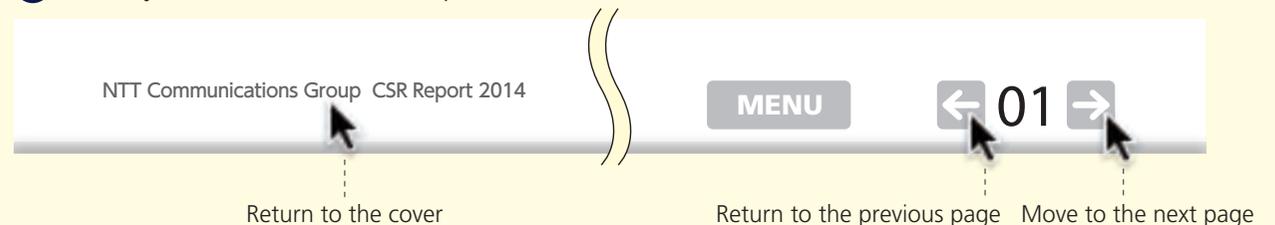
1 When you click the MENU button, a pull-down menu will appear.



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.



Stakeholders and CSR Policy

Striving to achieve the right balance as a Global ICT Partner

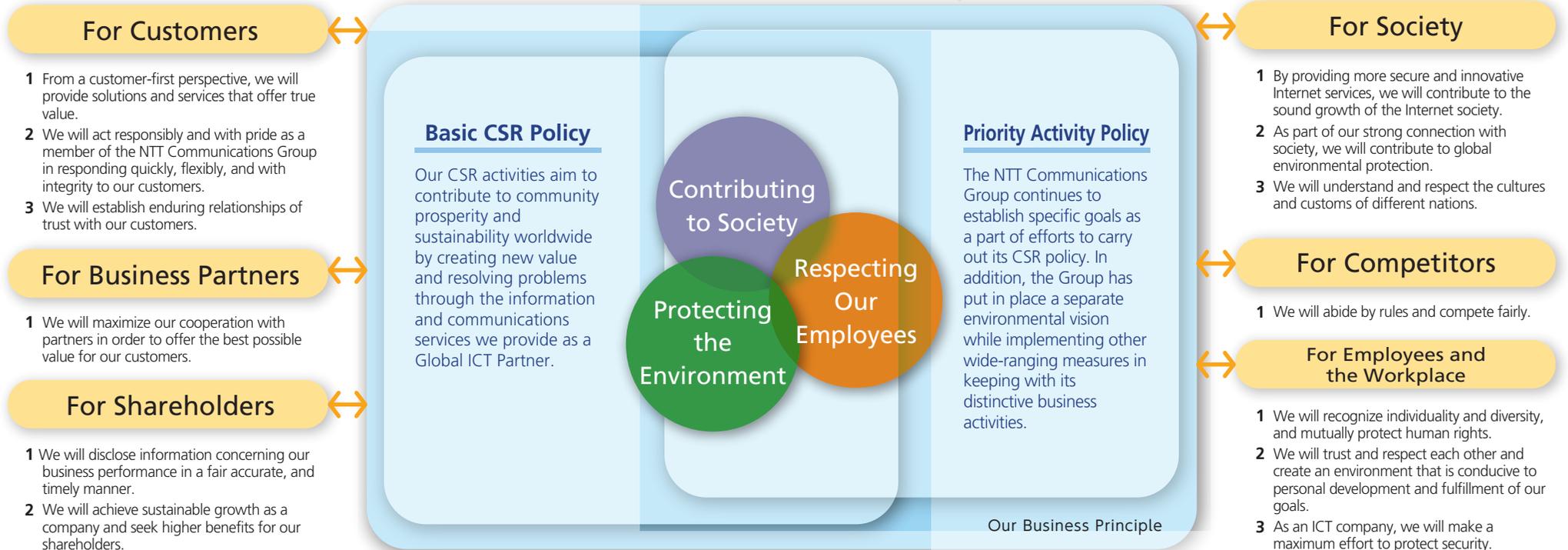
As a Member of the NTT Group

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.

NTT Group CSR Charter



CSR of NTT Communications Group



Top Message

Our aim is to make a global contribution to society and help achieve sustainable development.



Akira Arima
President and CEO
NTT Communications Corporation

A handwritten signature in black ink that reads "Akira Arima". The signature is written in a cursive, flowing style.

The global economy was characterized by solid improvements in the United States, while the European economy showed signs of a rebound. However, overall growth was modest in emerging markets and other economic areas. The Japanese economy is in the process of gradually recovering, boosted by government policies.

Against this economic backdrop, many of the world's companies pursued proactive management initiatives, seeking to further shore up competitiveness by entering new markets and investing in new growth fields. As flexible and robust ICT infrastructures support such management efforts, we believe that ICT will remain essential to Japan's growth strategy.

The NTT Communications Group is working to create a global, seamless management structure appropriate to this dynamic business environment. The ultimate goal of

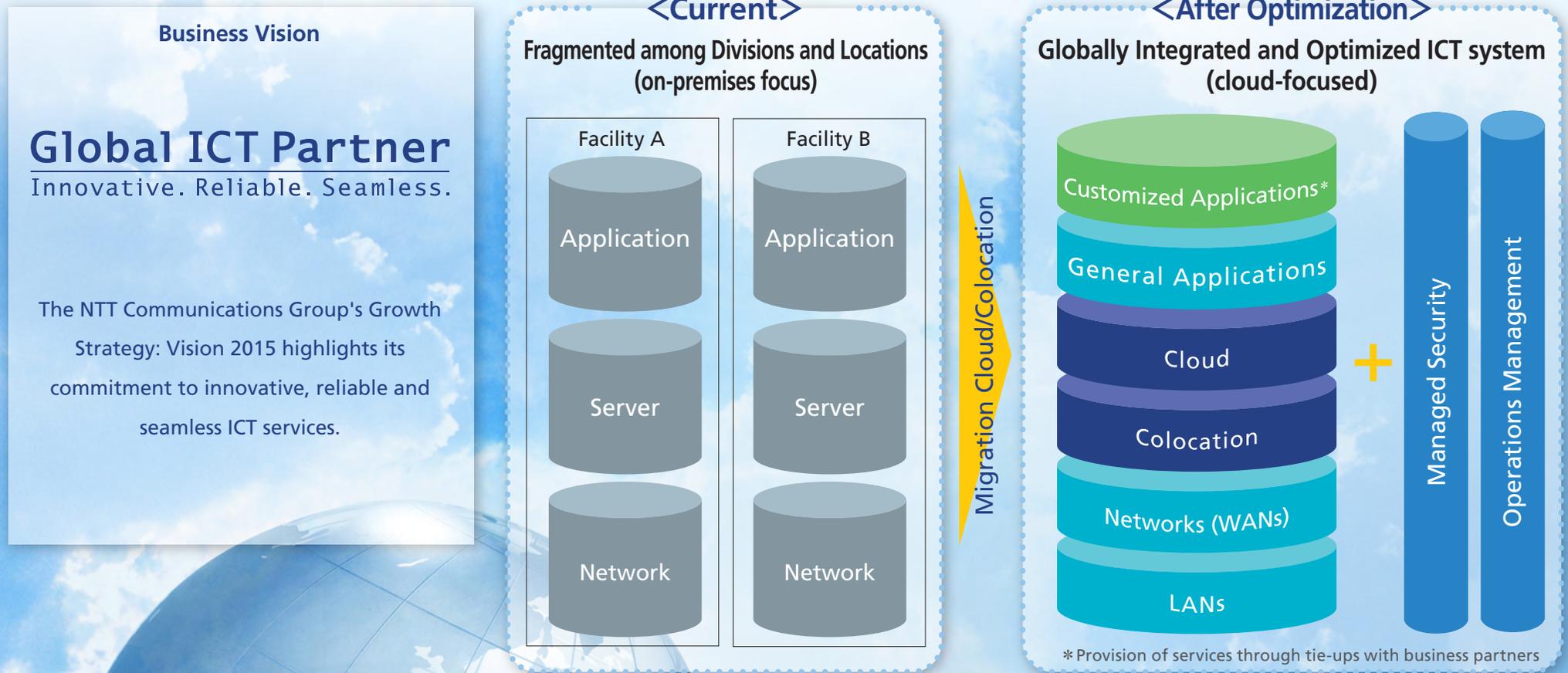
our Vision 2015 growth strategy is to establish ourselves as the optimal "Global ICT Partner" for customers everywhere in the world.

Moving toward our Vision 2015 objectives, we have positioned fiscal 2013 as the time to accelerate the transformation of our business structure and growth, based on our "Global Cloud Vision." Aiming to firmly align ourselves along the growth trajectory of global cloud businesses, we have worked to develop global, seamless services and enhance our service lineup.

The NTT Communications Group is in business not only because of its valued customers throughout the world, but also thanks to its stakeholders. Looking forward, we intend to continue working to help improve society and achieve sustainable development, by initiating CSR activities worthy of a Global ICT Partner.

Our mission is to "Bridge the World" as Global ICT Partner

As companies around the world continue the trend of migration to ICT environments based on cloud computing and data centers, NTT Communications is treating this as an opportunity to leverage our unique position as a cloud and telecommunication service provider to offer bundled corporate services. This approach allows us to combine a wealth of services with globally consistent quality, helping to optimize each customer's ICT environment while aiding management transformation.





We work as a global ICT partner for our customers, providing them with high-quality ICT environments to give them peace of mind as they forge ahead with their business, regardless of where in the world they are located.

Europe

Japan

America

Asia



Hong Kong Financial Data Center



Japan Tokyo No. 6 Data Center



United States California Sacramento 1 (CA1) Data Center



United Kingdom Slough 2 Data Center

Nexcenter

130 locations worldwide
Total server floor space 251,000m²
(As of June 2014, including locations in the planning stage)

*Design certified at the Tier IV data center quality evaluation standard, the highest grade



One-stop ICT solution

By providing facilities with the highest level of quality in the industry, and performance that is consistent throughout the world, we aim to be the partner of choice for customers everywhere, providing seamless global services that include colocation, hosting, network, and security.

Working in tandem with help services at overseas locations, we are constantly monitoring networks to minimize the impact to our customers' businesses in the unlikely event of a service interruption.

We handle total operations for entire an ICT environment (including services provided by other companies) that are compliant with ITIL*, an international standard that covers surveillance, recovery, cause investigation, countermeasure planning and change management.
* Information Technology Infrastructure Library, a set of best practices and expertise covering ICT service operation and management that is recognized as an industry standard.

We provide next-generation global data center services with facilities that are highly disaster-resistant. Our facilities also reduce environmental impact through the use of high-quality equipment with advanced energy-saving functionality.



One-stop solutions optimized on both system and network fronts.

We provide a safe and secure global ICT environment at our customers' overseas facilities, with services ranging from network, LAN, and server design and configuration to the provision of applications and threat-response measures.

We act as our customers' ICT personnel, configuring high-quality, safe, secure and simple ICT systems to match their needs and size of operation as well as offering operations management and security measures.

From design to installation to operation, our security consultants and engineers draw on their extensive expertise to provide highly specialized security services.

Special Feature

Becoming a True Global ICT Partner of Choice around the World



Feature 1 → P08

One-Stop ICT Environments with Globally Consistent Management Services

Our facilities throughout the world support the ICT environments of customers as they develop their global operations.



Feature 2 → P10

Acquiring LEED, the Global Environmental Evaluation Standard, at Data Centers around the World

We promote the "greening" of data centers throughout the world with a range of measures to reduce their environmental impact.



Feature 3 → P12

Expanding Personnel Interchange on a Global Scale

We encourage human-resource exchanges in different countries to help increase the potential for the creation of new services.



Global ICT Partner



One-Stop ICT Environments with Globally Consistent Management Services

In support of our "Global Cloud Vision," NTT Communications launched an ICT management service called "Global Management One" in November 2013. Operating across the entire ICT environment for companies developing global operations, "Global Management One" supports globally consistent services, quality and prices, while substantially reducing the burden on corporate systems departments and the costs associated with ICT management operations.



Societal Perspective

Globalization Increasing the Burden of Operating Internal Company Systems

As companies expand their operations globally, increasing the number of their facilities and conducting M&A activities, corporate systems departments are faced with the challenge of covering an increasing scope of operations, with ICT management operations becoming a growing burden. Often these departments must configure and operate unique systems for different lines of business, countries, regions or facilities. In addition, internationally the turnover of ICT personnel and operations that depend on individual skills and expertise present growing security risks. These burdens and risks make it difficult for ICT personnel to carry out operations in a strategic manner. This situation presents an opportunity for total operation services that incorporate security measures.

Global Management One

Global Management One Characteristics

- Providing a one-stop service that spans the entire ICT environment**
 Engineers at NTT Communications draw on their wealth of experience in operations management to provide one-stop support across the entire ICT environment - from applications to clouds and networks - for customers whose operations span the globe. We also tailor the service to match a company's particular ICT environments and applications, minimizing their operational costs when they adopt the system.
- Automating operational processes and accelerating activity from system failure detection through recovery**
 Automation reduces human error and substantially speeds up response to system failure. By taking advantage of the service's automation platform, operational processes from failure detection through recovery are efficiently automated, allowing a reduction of up to 60% in trouble tickets*.
- Providing service through multiple operation centers spread around the world**
 We use operation centers around the world to provide broad-ranging services in multiple languages, around the clock and throughout the year.

* An overview and structure of failure information management systems used with large-scale system maintenance management and for customer service, in which various failure information management data (tickets) are recorded to determine process status.



One-Stop ICT Environments with Globally Consistent Management Services

CASE STUDY

Total ICT Environment Support for Company A, Which Is Developing Its Global Business at 400 Locations Worldwide

Company A wanted to increase the efficiency of their global ICT operations. By providing this company with total ICT environment support, NTT Communications' Global Management One reduced the cost of setting up their global ICT environment.

Customer Requests

“To Drastically Reducing the Number of Management Issues Accompanying Globalization”

M&A activity resulted in an increased number of worldwide bases for Company A, which conducts operations at 400 locations around the world. However, the ICT environments produced by these M&A activities varied widely, differing by business division and location. Also, the existence of different security environments in different countries and regions led to various issues as the number of locations increased.

To address this situation, Company A needed to integrate and optimize its global ICT environment and introduce a system of ICT governance based on consistent security policies. At the same time, the company could benefit from a one-stop service that was able to respond flexibly to differing needs at individual facilities.

Solution

Integrating ICT Environments and Resolving Operational Issues in Individual Countries and Regions

Global Management One allows for the modularization of individual services, enabling the customer to choose the particular services necessary to manage and operate ICT environments based on individual site needs. Also, since this service is compliant with the international ITIL standard, Company A was able to take advantage of seamless and high-quality global services at a low cost. Using operation centers across the world to provide a multilingual helpdesk, we were able to offer the company's employees support for their needs in their native language, providing safety and security as they carried out their regular operations.

Background Commentary

One of the strengths of this project was its broad range, from data center configuration to the provision of network, cloud and security services. As our customer had facilities located around the world, staff from various departments at NTT Communications' global bases (in Asia, the Americas and Europe) took part.

The involvement of numerous staff members and the provision of wide-ranging services on a global scale posed a number of issues, but we addressed these challenges and resolved problems through discussion and communications that extended beyond individual locations.



Masahiro Yoshida
Group 7, Sales Division 4

Protecting the Environment

Acquiring LEED, the Global Environmental Evaluation Standard, at Data Centers in Various Countries

As part of its efforts to reduce the environmental impact of the data centers it operates in countries throughout the world, NTT Communications promotes the acquisition of LEED*1, a global standard for green building certification.

*1 An acronym for Leadership in Energy and Environmental Design, LEED is a certification system for entire buildings promoted by the US Green Building Council.

Nexcenter



Societal Issues

Making High Environmental Performance a Data Center Selection Standard

As customers throughout the world demonstrate their understanding of environmental impact reduction and as they introduce initiatives to achieve this objective, they are increasingly looking at strong environmental performance as well as reliability as a crucial factor in their choice of data centers, which consume large amounts of energy. One selection criterion is LEED*1, a global standard for green building certification. In its efforts to reduce the environmental impact of its data centers around the world, NTT Communications is promoting the acquisition of LEED certification. We are also targeting "green ICT," which is linked to customer satisfaction as well as cost reduction.

Solutions

Adopting Leading-Edge Environmental Impact-Reduction Technologies

Air Conditioning

We are working to visibly display the temperature inside server rooms. We are also introducing measures to reduce the amount of energy used in cooling, promoting measures such as SmartDASH*2, which automatically controls temperatures; Aisle Capping*3, which improves cooling efficiency by dispersing waste heat from air conditioning and ICT equipment; and outdoor air cooling, which uses cold air from outdoors to efficiently cool ICT equipment.

*2 SmartDASH is a registered trademark of Vigilant Corporation of the United States.

*3 Aisle Capping is a registered trademark of NTT Facilities, Inc.

Lighting

We are reducing the amount of energy used for lighting by employing LEDs and motion sensors.

Other measures

We are encouraging the use of solar power, wind power and other forms of natural energy. To decrease AC/DC conversion loss, we are adopting high-voltage direct current (HVDC) to more efficiently supply power to ICT equipment, and we are using rotary uninterruptible power supplies (UPSs) with low power loss.



Acquiring LEED, the Global Environmental Evaluation Standard, at Data Centers in Various Countries

CASE STUDY

Environmental Impact Reduction Measures and Promotion of the Greening of Data Centers

We are adopting a wide range of new mechanisms and systems at data centers around the world, reducing the amount of energy used in facility operations, conserving resources and increasing the planting of greenery – all with the aim of reducing our environmental impact.

Basic Certification-Standard Categories

Reducing the Environmental Impact of Buildings and Facilities

Greening Rooftops

Planting greenery on rooftops helps to insulate buildings from the sun's heat, reducing the amount of energy needed for cooling.



Providing Green Spaces

In addition to preserving greenery and natural ecosystems, the transpiration effect of plant life helps to curtail rising temperatures.



Promoting the Use of Bicycles, Electric Vehicles and Public Transportation Systems

By providing bicycle parking spaces and installing electric vehicle charging spaces in parking lots, we are promoting the use of vehicles that reduce environmental impact.



Basic Certification-Standard Categories

Efficient Use of Water Resources

Water-Permeable Paved Surfaces

Enabling rainwater to pass into the ground facilitates its flow back into groundwater.



Using Well Water and Rainwater to Conserve Water Resources

We use well water and recycled water for cooling in our air conditioning systems. Rainwater is used to water plants.

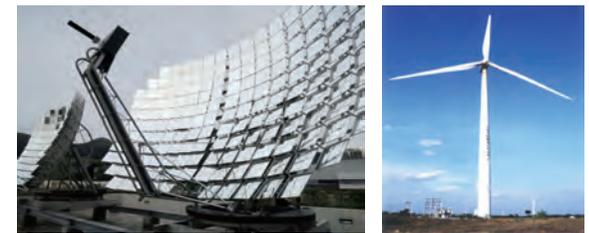


Basic Certification-Standard Categories

Energy

Promoting the Use of Renewable Energy

We promote the use of solar power generation, solar heating and wind power generation.



Basic Certification-Standard Categories

Raw Materials and Resources

Environmental Responsiveness of Buildings

We use recycled materials inside buildings and in office interiors. We recycle wood and other materials used in the transport of materials and equipment.





Respecting Our Employees

Expanding Personnel Interchange on a Global Scale

With the 2011 launch of Vision 2015, our new business plan, it became even more essential for the NTT Communications Group to cultivate and promote a global human-resource policy to help develop seamless operations in Japan and overseas.

By pursuing initiatives such as hiring non-Japanese students at overseas facilities, accepting secondments to Japan, and conducting overseas training programs, we have increased the level of employee interaction on a global scale. These moves have been part of diversity management efforts to ensure corporate management that leverages the skills, individual strengths and values of a diverse set of employees.




Societal Perspective

Drawing on Diverse Values and Capabilities in Corporate Management

We feel that being able to draw on a strong cadre of global personnel is vital to our ability to sustain growth and respond flexibly to a business environment that is undergoing rapid and dynamic change.

However, as Japan experiences a falling birthrate, the working population will inevitably shrink. At the same time, an increasingly global society and economy require Japanese society and Japanese companies to adopt flexible strategies that are in harmony with the rest of the world and ensure their survival. For various reasons, we are compelled to change.

In order to become a truly global ICT partner of choice, meeting the needs of customers developing businesses on a worldwide scale, we need to foster a corporate culture embracing the values and capabilities that only a diverse personnel body can offer.

Our Response

“Global One Team” is Our Key Message in Utilizing Global Personnel

We have adopted the slogan “Global One Team” to represent our efforts to promote global human-resource management. The slogan embodies our goal of going beyond the point of view of individual countries and regions to more fully understand international differences in values and perspectives and ensure corporate management that utilizes diverse human resources. We are looking beyond the Japanese labor market as we conduct recruiting efforts aimed at hiring diverse, well-qualified personnel from around the world. In addition to foreign exchange students studying at Japanese universities and Japanese people who have graduated from universities abroad, we target potential employees in the growing markets of Asia by taking part in local job fairs and university recruiting drives. We are also expanding our exchange program, hosting employees of overseas subsidiaries for secondment to Japan for six-month or two-year stays, and sending employees from Japan to overseas subsidiaries for business training. Through efforts such as these, we are encouraging deeper interaction among Company personnel. We have dispatched young employees to work overseas since July 2011 as part of a program to cultivate personnel who are comfortable in a global setting.



Expanding Personnel Interchange on a Global Scale

CASE STUDY

Encouraging Development of New Services through Interaction among Personnel from Different Countries

By using global human resource management to promote greater interaction among personnel, we are giving our employees opportunities to come in contact with new cultures and values. We believe that encouraging these experiences in diverse settings contributes to our overall mission of helping to create an abundant society that delivers peace of mind through internationally seamless ICT activities.



Comment from an Employee with Overseas Training Experience

During my fifth year working at the Company I was dispatched as a trainee to a subsidiary in Thailand, where I was involved in the establishment of branches in neighboring countries. I had looked forward to opportunities for overseas training since I first joined NTT Communications, and when I actually had the experience of working with the NTT Group, which is on the front lines of overseas business it made me realize that I wanted to be part of the drive for international business at the NTT Group. One of the most positive aspects of the experience was how it fostered an understanding of the local market, making me feel that I could help augment value-added services and develop my knowledge at headquarters. Since returning to Japan I have mainly focused on launching cloud services in Europe and the United States. If I hadn't had this overseas experience, I would probably have been restricted to a more limited Japanese perspective concerning these services. I hope to have the chance to go overseas again and work with people in different parts of the world in developing and deploying services.



Mei Sakurai
Joined the Company in 2007



Comment from an Employee from Outside Japan

I had an interest in the telecommunications industry, and when NTT Communications came to South Korea to recruit I decided to join the company, with the plan of learning Japanese after I started. I had wanted to take part in work that had a global dimension, and through my involvement in corporate sales I had the opportunity to introduce the Company's business to customers when they came to Japan. My current work is a fairly good match to my original goals. There are no barriers to internal communications, and my fellow workers talk to me freely. In the future I would like to help the Company expand its overseas business by getting involved in work for companies based in other countries, not just Japan.



Hyunjae So
Joined the Company in 2013



Comment from an Employee at an Overseas Subsidiary

A friend of mine who worked at NTT Communications in Vietnam told me that this was a vibrant company where you could expand your skills—a place where you had the chance to make something of yourself. After working for seven years as an engineer, I asked to be transferred to sales so that I could help further contribute to the company's success. With the aim of broadening my experience, I took advantage of the short-term secondment program, which provided an opportunity to work at headquarters for half a year. My experience in Japan was unexpected, but in a good way. Many of my Japanese team members were able to communicate in English, and I was surprised to learn about programs for hiring people from other countries and about the number of women in management positions. I think there are strong possibilities to further increase this level of diversity and human resource interaction. If we do, I think we will be better able to offer new services from a global perspective that more closely meet local needs.



Quang Tran
Joined the Company in 2006

CSR Priority Areas

Main activities in fiscal 2013 aligned to the Group's CSR priority areas

Kiyoshi Mori
Executive Vice President
Chairperson of the CSR Committee



		Areas of Particular Focus	Key Social Issues	Main activities for fiscal 2013
<p>Contributing to Society</p> <p>We will consistently engage in activities that garner the trust of society.</p>	<ul style="list-style-type: none"> • Develop ubiquitous network infrastructure • Ensure highly stable and reliable mission-critical infrastructure • Engage in social contribution activities 	<ul style="list-style-type: none"> • Security management • Consumers • Labor practices • Community participation 	<ul style="list-style-type: none"> • Global rollout of security operations • Quality Improvement Forum with overseas partner carriers • NTT America's social contribution activities <p>Other initiatives ▶</p> <p>http://www.ntt.com/csr_e/report2014/data/st_index.html</p>	
<p>Protecting the Global Environment</p> <p>We are working to protect the continued beauty of the planet while supporting the harmonious coexistence of all living things.</p>	<ul style="list-style-type: none"> • Prevent global warming • Reduce waste • Reduce paper consumption • Preserve biodiversity 	<ul style="list-style-type: none"> • The environment 	<ul style="list-style-type: none"> • Acquiring LEED, the global standard environmental certification, at data centers around the world • Bringing the Tokyo No. 6 Data Center online • Efforts to preserve marine ecosystems <p>Other initiatives ▶</p> <p>http://www.ntt.com/csr_e/report2014/data/en_index.html</p>	
<p>Respecting Our Employees</p> <p>We take great pains to nurture strong ties of mutual trust based on a deep respect for our employees and make every effort to put in place workplace environments that allow employees to fully express their individuality and fulfill their inherent potential.</p>	<ul style="list-style-type: none"> • Respect diversity and take steps to promote equal opportunity and other objectives 	<ul style="list-style-type: none"> • Human rights issues • Measures to counteract a falling birthrate 	<ul style="list-style-type: none"> • Develop professional human resources • Global Human Resource Management (GHRM) initiatives • Increasing employment of foreign-national students • Supporting career development for a diverse workforce <p>Other initiatives ▶</p> <p>http://www.ntt.com/csr_e/report2014/data/of_index.html</p>	
<p>Governance</p> <p>We have positioned transparent and sound management as a key priority.</p>	<ul style="list-style-type: none"> • Ensure information security 	<ul style="list-style-type: none"> • Cyber attacks • Organizational government 	<ul style="list-style-type: none"> • Bolster vulnerability analyses of information systems • Implement information security surveys at Group companies and overseas subsidiaries <p>Other initiatives ▶</p> <p>http://www.ntt.com/csr_e/report2014/data/management.html</p>	

Activity Highlights

Area 1

Contributing to Society



Promoting CSR Procurement

We have formulated supply-chain CSR promotion guidelines that encourage procurement policies that respect human rights and protect the environment, ensure the quality and safety of products and services, and recognize the overall needs of society. Based on the above guidelines, which were formulated in December 2013, we have asked our principal suppliers for their cooperation in completing

*The contents of supply-chain CSR promotion guidelines

Human Rights, Labo	<ul style="list-style-type: none"> Prohibition of forced labor and child labor Respect for the right to organize and conduct collective bargaining
Fair Trade	<ul style="list-style-type: none"> Prevention of corruption and bribery Respect for intellectual property rights
Health and Safety	<ul style="list-style-type: none"> Factory safety measures Measures targeting occupational injury and illnesses
Quality and Safety	<ul style="list-style-type: none"> Ensuring product safety Creation of a quality management system
Environment	<ul style="list-style-type: none"> Management of hazardous chemicals Effective use of resources and energy
Information Security	<ul style="list-style-type: none"> Prohibition of leaks of personal information Information system protection measures

questionnaires on the status of their initiatives with the aim of promoting CSR activities.

NTT America's social contribution activities
Our Community Service Day,
Held with City Year New York

Working within the CSR of NTT Communications Group, NTT America pursues social contribution activities through the Corporate Social Responsibility Program. As part of a regional beautification campaign we engage in with Dimension Data, an NTT Group company, each year we offer support to the "City Year New York" NGO to create play areas for students in public schools. In May 2013 we supported the activities of "Harlem



Community service day

Grown," an NPO selected by City Year New York, through a joint community service day. The aim of these activities was to create and maintain new community gardens that would benefit local communities in the Harlem area of New York City.

NTT America's social contribution activities
Contributions to the American Red Cross to
Provide Relief from a Devastating Tornado
in Moore, Oklahoma

A tornado that devastated the town of Moore, Oklahoma, left many of its citizens with shattered lives and a sense of despair. To help the town rebuild in the aftermath of the tornado, NTT America's employees took the lead in making donations to the American Red Cross. For the past several years, NTT America has been one of the leading organizational donors to the American Red Cross. In addition to aiding disaster-response efforts in Moore, NTT America has made donations in the aftermath of Hurricane Sandy along with other charitable contributions.

Activity
HighlightsArea
2

Protecting the Environment

**Preservation of Marine Ecosystems
through Management of Ballast Water**

When they are not carrying cargo, ocean-going vessels often take on ballast water for stability when they leave a port. This seawater, which is stored in a ship's hold, is then discharged when the ship takes on cargo at another port. Unfortunately this practice can introduce unfamiliar aquatic organisms and microorganisms that have been transported from distant areas, with potential negative effects on marine ecosystems. When introduced into new waters, alien species can propagate rapidly, harming local organisms and devastating their ecosystems, which can also have a deleterious effect on local economies. Japan's fisheries, for example, have been affected by such alien species as red-tide plankton and Chinese mitten crabs. In addition to polluting seacoasts, this phenomenon can have serious direct impact on humans; for example the transmission of cholera bacteria in South America in 1991 was attributed to this process. For these reasons, in 2004 the International Maritime Organization (IMO) adopted a treaty* on the management of ballast water, introducing limitations on ships that travel international waters.

In January 2014 NTT World Engineering Marine Inc. (NTT-WE Marine), which owns the *Subaru* undersea cable-laying ship, introduced ballast water processing equipment that meets IMO standards. With this mechanism,

radicals* that are generated when a titanium dioxide catalyzer is exposed to ultraviolet light are used to kill microorganisms. As no chemical substances are used, this approach minimizes environmental impact. By sterilizing ballast water when it is taken on and discharged, the process eliminates negative impact on the ecosystem. Looking forward, NTT-WE Marine will continue to carry out proactive initiatives to protect marine ecosystems.

- * **Treaty:** International treaty on restrictions and the management of ballast water and sediment
- * **Radical:** An unpaired ion that can eradicate microorganisms by destroying their cellular membranes. Also used in the walls of high-rise buildings and automobiles. The effective life of a radical is short, at only a few milliseconds, so no harmful residue remains.

**An Observatory for Migratory Birds on
Amami Oshima**

Beginning in September 2012, each year NTT Communications has hosted a migratory bird tour at its wireless station in the city of Amami in Kagoshima Prefecture. Conducted by the Amami Ornithologists' Club, a local NPO, this tour focuses on a type of hawk known as the Chinese sparrowhawk. Entry to wireless stations, which house important communications infrastructure, is generally prohibited. However, we have permitted special access to this facility for groups accompanied by employees, in response to a request explaining that the station was an ideal observation point.

A small species of hawk, the Chinese sparrowhawk breeds on the Korean Peninsula and the Chinese mainland. In autumn, it can be observed near Kyushu as it migrates to its winter home in Southeast Asia. The Amami Ornithologists' Club has held tours at the station three times, with one tour observing a flock of more than 2,000 birds.

Hawks, which sit near the top of the food chain, are considered an index organism useful for evaluating the condition of the overall ecosystem, and changes in the number of migrating birds can provide important information about the ecosystem as a whole. In the future we hope to continue our support of various activities that can help preserve the environment.



Migration of the Chinese sparrowhawk

Activity Highlights

Area 3

Respecting Our Employees

Supporting Women's Career Development

NTT Communications provides career development support at various stages as part of our effort to increase opportunities for diverse human resources to engage in work in a lively and vibrant manner. In fiscal 2013, energies were channeled toward helping our female employees develop their careers.

NTT Communications undertook the following three key initiatives in an effort to help develop the careers of its female employees.

1. To enable the Company's female managers to engage in the exchange of opinions. This measure strives to encourage our female managers to actively become role models for junior employees and to further bolster relationships and networks
2. To launch mentoring activities as a means to resolve career development concerns and issues and to help plot a medium- to long-term career path at an early stage in each employee's career
3. To establish an open café that allows female employees



Open Café



Career design seminar

to speak directly to female managers as part of our efforts to build a career pool and better visualize the future.

Employees participating in these initiatives commented that they felt encouraged to pursue their careers. Each measure was an important point of reference when looking to the future, taking into consideration the varied and diverse types of female managers and their multi-faceted sense of values. Buoyed by these comments, we will continue to reenergize our female employees, focusing on women in management positions going forward.

Supporting a Balance between Work and Childcare or 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 also 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*, we formulated a First Action Plan (April 1, 2005 through March 31, 2008) and a Second Action Plan (April 1, 2008 through March 31, 2011).

These plans received strongly positive evaluations, and we were designated by the Tokyo Bureau of the Ministry of Health, Labour and Welfare as a certified business operator for fiscal years 2008 and 2011.

Our current formulation, the Third Action Plan (April 1, 2011 through March 31, 2015), is designed to create a workplace atmosphere based on an understanding of diverse working styles to meet employees' needs, where each employee can work enthusiastically

* Act on Advancement of Measures to Support Raising Next-Generation Children: This act promotes 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 and promptly submit General Business Action Plans. Companies with 100 employees or fewer are encouraged to make efforts on this front as well



Career continuation program (Day care center support)



Seminar for employees on childcare leave with people in other fields



Training for people working shorter hours

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.

Report Profile

• Reference Guidelines

GRI (Global Reporting Initiative)
Versions 3.0 and 4.0 of the GRI's Sustainability Reporting Guidelines
Japan's Ministry of the Environment's Environmental Reporting Guidelines (Fiscal Year 2012 Version, from the website)
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 2013: April 1, 2013 to March 31, 2014 (some content may fall outside this timeframe)

• Issue Dates

This report: December 2014
(Previous edition: October 2013; Next report: Scheduled for October 2015)

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 2014 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

http://www.ntt.com/csr_e/index.html

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

CSR Report Website

http://www.ntt.com/csr_e/report2014

This website provides a comprehensive presentation of the content of the NTT Communications Group CSR Report 2014. This report comprises two parts: an abridged version; and detailed version. We aim to provide information effectively by taking into consideration those readers envisioned for each medium. As can be expected of a company that provides ICT services, an electronic format of NTT Communications' CSR Report has been provided from 2012. The abridged version presents the NTT Communications Group's more important CSR activities in a clear, straightforward manner to the general public. The detailed version presents numerous specific examples of the NTT Communications Group's CSR activities, through a comprehensive look at concrete CSR activities and detailed data.

Corporate Information

Name

NTT Communications Corporation

Address

1-1-6 Uchisaiwai-cho, Chiyoda-ku, Tokyo, Japan 100-8019

Date established

July 1, 1999

Paid-in capital

211.7 billion yen

Number of employees

6,850 (as of March 31, 2014)

Business

Domestic and international telecommunications services

Global Awards and Recognition

■ Designated a "Leader" in Report by International Data Corporation Evaluating Cloud and DC Services in the Asia-Pacific Region

■ Rated "Leader" in Report by Gartner, Inc. in the US Evaluating Global Telecommunications Carriers

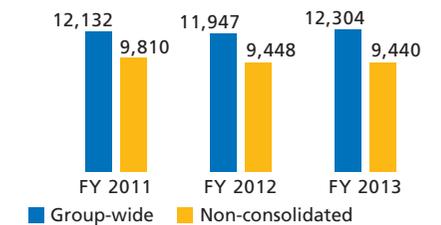
■ Evaluated as "World Class" in Global Customer Satisfaction Survey for International Data Communications Services by Ocean82, Ltd. in the UK, Receiving Gold Awards in 15 Areas of Measurement



"World Class" logo

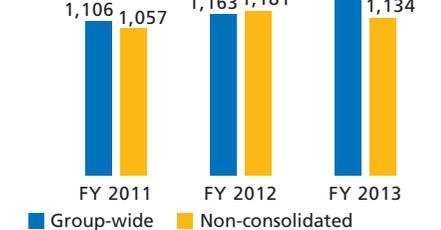
Operating Revenues

(billion yen)



Operating Income

(billion yen)



Number of Employees

