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People

## Respect for Employees

# Undertaking business with respect to employees while enabling them to succeed



Employees drive the operations of a company as partners who grow with it as they pursue their own happiness and personal development. To grow with its employees, the NTT Communications Group has been implementing advanced initiatives for human resource development, which correspond to the globalization of its businesses.

Management that draws strength from diversity has recently been gaining attention around the world. In this context, we have sought to go beyond maintaining employee wellbeing to emphasize actions for turning diversity into a competitive edge. And we have taken on the challenges of multifaceted programs that promote women's careers and workstyle reforms as well as the global exchange of personnel.

### CSR Priority Activities

- ◆ Human Resource Development
- ◆ Respect for Diversity and Equal Opportunities
- ◆ Maintaining and Improving Employee Health

Targeted  
SDGs



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## Fiscal 2019 Activity Results and Fiscal 2020 Targets

### Actions Implemented in Line with CSR KPIs

In fiscal 2019, we almost achieved the targets for the priority areas of human resource development, respect for diversity and equal opportunities, and maintaining and improving employee health. The favorable assessments were particularly due to innovative initiatives focused on diversity, which included maintaining and enhancing career development, implementing measures that led to an improvement in the employee satisfaction survey results, supporting the development of women's careers, and organizing various seminars for employees.

In fiscal 2020, we will seek to create work styles geared to the "new normal" lifestyle while also taking on the challenge of becoming a corporate group that respects diversity and enables employees to grow alongside the Company by launching a new program for human resource development.

#### ◆ Fiscal 2019 Activity Results and Fiscal 2020 Targets

Initiatives	Medium-term Targets (Form We Want to Take in Five Years)	Fiscal 2019 Activity Results				Fiscal 2020 Targets	Boundary	
		Targets	Specific Activities	Quantitative Results	Assessment		Within the Organization	Outside the Organization

### CSR Priority Activities | Human Resource Development

Relevant SDGs ▶

5 8

Maintenance and improvement of motivation	To consistently maintain and improve motivation among NTT Communications Group employees	<ul style="list-style-type: none"><li>Construct a mechanism for identifying and analyzing issues over a shorter timespan to provide even greater motivation for diverse employees</li><li>Pursue measures for revitalizing the organization</li></ul>	<ul style="list-style-type: none"><li>Conducted an employee satisfaction survey targeting employees and contract workers of the NTT Communications Group</li><li>Implemented action plans to continuously maintain and improve employee motivation based on the results of the employee satisfaction survey</li></ul>	<ul style="list-style-type: none"><li>Action plans led to an improvement in the responses to employee satisfaction survey (positive responses: 60.0%, up 1.4 points year on year)</li></ul>	★★★	Review and analyze employee satisfaction survey responses to identify issues and develop and implement action plans to continuously maintain and improve employee motivation	●
Building a career development program	Environmental enhancements for improving Company-wide skills in new business fields	Training time per person: more than 19 hours	Reinforced efforts for increasing the number of talented employees capable of major contributions, such as setting up new communities and organizing lectures and workshops by top engineers in the industry and conducted OJT by dispatching outside for talented employees.	Training time per person: more than 18 hours	★★	Training time per person: more than 18 hours	●



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## Respect for Employees | Fiscal 2019 Activity Results and Fiscal 2020 Targets

Initiatives	Medium-term Targets (Form We Want to Take in Five Years)	Fiscal 2019 Activity Results				Fiscal 2020 Targets	Boundary	
		Targets	Specific Activities	Quantitative Results	Assessment		Within the Organization	Outside the Organization

## CSR Priority Activities | Respect for Diversity and Equal Opportunities Relevant SDGs ▶ 5 8

<b>Employment and promotion of diverse human resources</b>	<ul style="list-style-type: none"><li>Foster female employees and support measures to improve the percentage of women in managerial positions</li><li>Further promotion of hiring persons with disabilities</li></ul>	<ul style="list-style-type: none"><li>Continue to enhance career development for diverse employees by offering support for building networks among female employees, developing careers, and balancing childcare and nursing duties with work</li><li>As part of promoting diverse human resources and to raise the percentage of employees with disabilities to 2.3% by the end of fiscal 2020, promote the hiring of people with disabilities; maintain the ratio at 2.2% or higher</li></ul>	<ul style="list-style-type: none"><li>Each organization took the initiative to offer opportunities for presenting role models for new female employees through panel discussions involving senior female employees and group discussions</li><li>Held seminars on the desirable qualities and skills of a leader for female employees one step away from managerial positions, with the aim of improving the percentage of women in these positions</li><li>Held a dialogue between personnel managers of other companies and the head of NTT Communications' Human Resources Department to offer advice on designing careers and communicating with supervisors for employees aspiring to become managers and those returning to work from childcare leave</li><li>RAINBOW CROSSING: Introduced NTT Communications' initiatives on women's career development, hiring of people with disabilities, and LGBT issues at a diversity hiring event</li><li>Held seminars for employees returning from childcare leave to support balancing child raising and careers</li><li>Held seminars for employees providing nursing care to support balancing nursing care and careers</li><li>Opened a helpdesk in collaboration with clinical psychologists for persons with mental disabilities</li><li>Offered opportunities for practical training prior to employment for persons with disabilities</li></ul>	<ul style="list-style-type: none"><li>Seminars on developing women's careers and exchanges with other companies held by each organization</li><li>Raised the percentage of women in managerial positions from 6.1% to 6.7% through measures for career enhancement for female employees</li><li>The dialogue with the head of human resources was published on the corporate website, where employees, both female and male, posted comments such as "given responsible tasks raises motivation," "this was a good opportunity to reflect on how to communicate with subordinates," and "it was gratifying to see that attention was being given to the feelings of employees returning from maternity leave"</li><li>NTT Communications' RAINBOW CROSSING exhibit attracted twice the number of students compared to the previous year; one student expressed the hope of joining the Company</li><li>Over 90% of employees who participated in seminars aimed at balancing child raising and careers found them "helpful" or "useful"</li><li>NTT Communications hired 28 persons with mental disabilities in the past 3 years and achieved the statutory requirement on a nonconsolidated basis</li></ul>	★★★	<ul style="list-style-type: none"><li>Continue to enhance career development for diverse employees by offering support for building networks among female employees, developing careers, and balancing childcare and nursing duties with work</li><li>Consistently implement activities by organizations and Group companies in Japan while also seeking broader exchanges outside the Company to expand initiatives not only for developing women's careers but also for promoting diversity in general</li><li>As part of promoting diverse human resources and to raise the percentage of employees with disabilities to 2.3%, promote the hiring of people with disabilities; maintain the ratio at 2.2% or higher</li></ul>	●	
<b>Training global personnel</b>	<b>In every country and at every level, provide flexible and appealing workplaces based on business demands</b>	We will strive to second 30 employees. As for accepting employees, we will continue to give consideration in view of the ongoing reorganization of the NTT Communications Group for achieving further growth in global operations.	As destinations for secondment, created more posts that contribute to developing human resources in areas essential to future business, such as managed services and security. As for accepting employees, we will continue to give consideration in view of the ongoing reorganization of the NTT Communications Group for achieving further growth in global operations.	Seconded 32 employees on a nonconsolidated basis	★★★	We will strive to second 30 employees. As for accepting employees, we will continue to give consideration in view of the ongoing reorganization of the NTT Communications Group for achieving further growth in global operations. The timing of dispatches will be determined as we observe the COVID-19 situation.	●	

## CSR Priority Activities | Maintaining and Improving Employee Health Relevant SDGs ▶ 5 8

<b>Respect for work-life balance</b>	<b>Creation of more satisfying workplaces and improvements in employee work-life balance</b>	Further improve productivity, including the promotion of digital transformation (DX), by accelerating work style reform based on the integration of systems, tools, and awareness	<b>Systems and Rules</b> <ul style="list-style-type: none"><li>Created systems for new work styles to address the "new normal"</li><li>Legal compliance (observed mandatory 5-day annual leave for employees)</li></ul> <b>Environment and Tools</b> <ul style="list-style-type: none"><li>Continued holding DX liaison meetings</li><li>Expanded the use of smart devices and chatbots</li></ul> <b>Awareness</b> <ul style="list-style-type: none"><li>Promoted work styles with an emphasis on working from home</li><li>Conducted employee pulse surveys and held a DX Summit</li></ul>	<ul style="list-style-type: none"><li>Reduced annual total work hours by 19 hours year on year</li><li>Due in part to measures for preventing COVID-19 infections, over 80% of employees were engaged in remote work on a daily basis as of March 2020; about 150,000 remote conferences took place monthly, which is 10 times more than in past years</li></ul>	★★★	<ul style="list-style-type: none"><li>Further improve productivity, including the promotion of DX, by accelerating work style reform based on the integration of systems, tools, and awareness</li><li>Explore new work styles in the wake of COVID-19 by drawing on the experience of handling the pandemic</li></ul>	●	
<b>Thorough implementation of occupational safety and health</b>	<b>Maintenance of healthy and comfortable workplace environments</b>	Health checkup rate: 100%	Mandated health checkups for employees and thoroughly promoted attendance	Health checkup rate: 99.7%	★★★	Health checkup rate: 100%	●	

Achievement levels based on self-assessment ★★★: Target achieved ★★: Target almost achieved ★: Target only partially achieved





# Human Resource Development

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### Our Approach

A company that invests in human resource development and building sustainable, mutually beneficial relationships with its employees is the foundation for achieving SDG 8 “Decent Work and Economic Growth.” These are important management issues. Our goal is to develop our employees so that they become capable of independently operating our businesses. To that end, we have positioned our Professional Human Resource Development Program as the main pillar of our human resource development policy and encourage all Group companies to take advantage of it. Under the program, we first define the ideal employees and visualize the required skillsets. We then assess each individual’s skills and identify current gaps. Finally, we take these into consideration when assigning duties and reviewing training needs. This virtuous cycle supports continuous growth, and the implementation rate for our Professional Human Resource Development Program reached virtually 100% in fiscal 2010 and remains steady.

To boost competitiveness by accelerating digital transformation, we are currently promoting measures to develop personnel capable of driving digital transformation. Firm in our belief that practical experience is the most effective kind, we will also focus on cultivating specialists that align with our medium-term growth strategies.

### Primary Concept

In view of the rapidly changing business environment and customer needs, NTT Communications has defined its ideal employees as professionals with practical technical abilities and skills for their respective responsibilities backed by their pride and experience. They are also capable of making decisions independently and taking action as members of the team that maximizes added value. We have launched a Professional Human Resource Development Program from the perspective of actively developing professionals with qualities such as competence and interpersonal skills, in addition to extensive knowledge and experience in their areas of expertise. Our multiple revisions for raising the program effectiveness have given us a satisfactory result, with more than 70% of employees obtaining certification above the milestone level.

However, in the midst of dramatic changes in the business environment and markets, additional considerations have become clear. First, we need a mechanism for ensuring that our categories and definitions for specialized fields consistently correspond with our business strategy and the market. Second, we need a curriculum for producing results that are directly linked to our businesses. We will therefore transform our human resource development program to continuously generate the personnel required for our business strategies, with closer links to our operations and clearly defined responsibilities for nurturing human resources, so that both the company and its employees can continue to grow.

### Main Achievements in Fiscal 2019 and Goals for the Coming Years

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

The “ODYSSEY” new employee development program, launched in April 2020, sets a Talent Profile that defines who would be able to execute our business strategies in a changing business environment. Employees are supported in their efforts to meet the criteria for the designated levels of skills. We have also enhanced our initiatives for employees seeking to raise their level of expertise under the Career Development Plan (CDP). A skill check is implemented as needed to select the right training from a broad range of options. As of April 2019, we provide approximately 1,300 courses for skills enhancement, skills enhancement support, and personal development support. In the coming years, we plan to offer more options to address the digitization of our operations.

#### Talent Profile of Ideal Employees

Solutions, Services	<ul style="list-style-type: none"><li>• Intellectual property specialists</li><li>• Facility engineers</li><li>• IT infrastructure engineer for site reliability engineering (SRE)</li><li>• Front-end engineers</li><li>• Field service engineers</li><li>• Service managers</li><li>• Delivery managers</li><li>• Data analysts</li><li>• Business translators</li><li>• IT architects</li><li>• Billing managers</li><li>• Business planners</li><li>• Marketing researchers</li><li>• Sales enablers</li><li>• Consulting sales specialists</li></ul>	<ul style="list-style-type: none"><li>• Information security specialists</li><li>• Network infrastructure engineers</li><li>• Server-side engineers</li><li>• Operation managers</li><li>• Quality managers</li><li>• Project managers</li><li>• Data scientists</li><li>• Data engineers</li><li>• CX designers</li><li>• Solution architects</li><li>• Service planners</li><li>• Business producers</li><li>• CISO advisors</li><li>• Inside sales specialists</li><li>• IoT engineers</li></ul>
Corporate	<ul style="list-style-type: none"><li>• Corporate planning</li><li>• Auditing</li><li>• Publicity</li><li>• Procurement</li><li>• Finance</li></ul>	

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## Systems for Human Resource Development and Evaluation

### > Education and Training Systems

We provide a range of training programs designed to improve employee skills and encourage appropriate career paths.

The new employee training program covers not only NTT Communications Group strategies and systems but also business conduct and attitudes. This helps to deepen employee understanding of the value and importance of always seeing and acting from the customer's perspective. All employees gain hands-on experience in accordance with the career development plans they formulated and choose suitable training courses in consultation with their supervisors.

In addition, to reinforce our software development capabilities and firmly establish modern product development methods, we invited three external technical advisors to speak

in fall 2019. We have been developing our skills through wide-ranging support, from regular study groups to technical assistance for individual projects and support for organizational reform. Each advisor offers superior technical guidance and advice backed by ample knowledge and experience, providing valuable, useful input for employees. In fiscal 2019, the average training cost was 120,000 yen for an average of 18 hours per employee.

### > Global Human Resource Development Program

NTT Communications has implemented an overseas secondment program to develop globally competitive human resources. The program's scope was expanded in fiscal 2011 to include younger employees. Under the program, employees are sent overseas for one year to undergo on-the-job training and acquire global communications skills through first-hand experience. In fiscal 2019, we sent 32 employees overseas through the program.

### > Internal Job Posting System

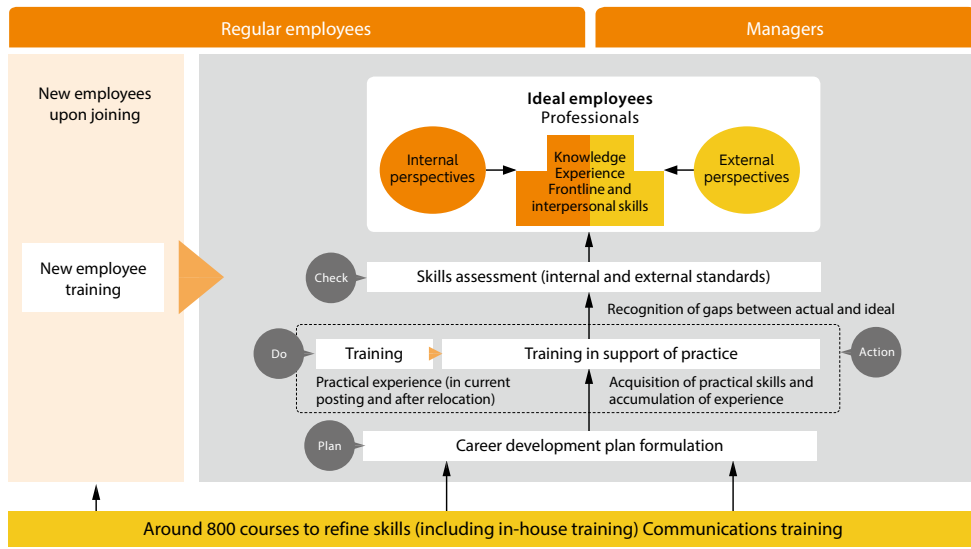
We have implemented an internal job posting system to expand the possibility of transfers from the employee's standpoint and to provide personnel with a wide range of challenging opportunities. The system is extensively used by employees of all ages, with job postings from within the NTT Communications Group and NTT Group.

#### Focus for Human Resource Development

- 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 2019, approximately 125 employees were assigned to departments of their choice within the NTT Communications Group and NTT Group. We will continue to use the internal job posting system actively in order to facilitate career advancement and revitalize the organization while also creating job postings in specific focus areas associated with achieving our business vision.

#### ◆ System of Human Resource Development Measures





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## > Personnel Evaluation

NTT Communications intends to motivate employees to take on new challenges and perform at their highest level. While we value fairness and transparency, we have also implemented promotion and compensation systems based on results and performance. These systems vitally depend on the accurate assessment of the employee's willingness and courage to engage in rapid transformation with top priority on the customer's perspective as well as their level of

performance against their goals. We therefore pay attention to the execution of tasks and take action to maintain rational processes. For example, we encourage each employee to take ownership of creating their own goals and reviewing progress against these goals, and we also create opportunities for employees to discuss their performance with their superiors at least twice a year. In addition, to increase the fairness of evaluation for employees in managerial positions, we conduct 360-degree feedback, in which their supervisors, colleagues, and subordinates all provide feedback.

### ◆ Employee Data

		FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Number of employees*1	Non-consolidated	6,450	6,350	6,250	6,150	5,500
	Male	5,500	5,350	5,250	5,150	4,600
	Female	950	1,000	1,000	1,000	900
	Consolidated	21,650	21,550	22,050	23,300	11,500
Percentage of women in managerial positions (%)**2		4.7	4.8	5.4	6.1	6.7
Turnover rate (%)**3		2.7	3.4	3.2	4.1	3.6
New employees (foreign nationals)*4		195(22)	201(34)	203(16)	237(10)	203(7)
	Male	148(8)	128(14)	136(9)	163(7)	137(4)
	Female	47(14)	73(20)	67(7)	74(3)	66(3)
Rehiring rate (%)**4		50	43	45	57	57
Ratio of employees with disabilities (%)**5	Non-consolidated	2.0	2.1	2.2	2.2	2.4
	Non-consolidated and domestic Group companies*6	1.9	2.0	2.2	2.1	2.3

\*1 As of March 31 for each fiscal year.

\*2 As of March 31 for each fiscal year. Scope: NTT Communications Corporation, including seconded employees.

\*3 As of March 31 for each fiscal year. Scope: NTT Communications Corporation, excluding seconded employees.

\*4 As of April 1 for each fiscal year. Scope: NTT Communications Corporation.

\*5 As of June 1 of the following year for each fiscal year.

\*6 NTT Communications Corporation and 9 domestic Group companies.

## Maintaining and Improving Motivation

### > Ongoing Employee Satisfaction Surveys

We have been conducting employee satisfaction surveys since fiscal 2011 and implementing measures to address issues identified in the results to improve employee job satisfaction and productivity. In fiscal 2014, we started using the Great Place To Work®\*\* Institute's indexes as benchmarks, which help us to recognize our strengths and weakness objectively as we seek to improve employee satisfaction.

\*A specialized institution in research and analysis relating to job satisfaction that is active in more than 60 countries. It publishes a list of companies and organizations recognized as having attained a certain level using influential media.

### ◆ Outline of Survey

- Period conducted: November to December 2019
- Survey targets: NTT Communications Group employees, contract workers, etc., in Japan
- Number of respondents: 14,206 (response rate: 83%)

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## > Enhancing Employee Motivation through the New Business Creation Contest (DigiCom)

To expand its future horizons, the NTT Communications Group actively invites employees to submit ideas for new businesses and services. As part of this effort, the DigiCom contest for new business creation was launched in 2016 to develop new ideas for the next pillar of NTT Com's business. The sixth DigiCom contest was held in 2020.

In fiscal 2020, 383 employees from 80 teams entered the contest, and 72 teams took part in an online presentation of ideas for new businesses during the three-day qualifying round in July. The top 13 teams offered a broad range of ideas, from a business for locating lost cats to a space business using satellite data. From here on, we will conduct user interviews to hone these ideas toward commercialization.

All educational programs and events related to DigiCom were held online in fiscal 2020 due to the COVID-19 pandemic. This, however, did not hinder active discussions using online conferencing and live chat tools.

The contest represents an opportunity to nurture a

challenging mindset and corporate culture as well for discovering and developing talent. We will continue pursuing initiatives that go beyond developing new businesses and services to include maintaining and raising employee motivation.

## > Labor-management Relations

We value active dialogue based upon independent and responsible labor-management relations. Any issues related to employment, working conditions, or other operational management matters are vigorously discussed toward reaching mutual understanding before taking any action toward remediation.

### ◆ DigiCom



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## Respect for Diversity and Equal Opportunities

### Our Approach

The NTT Communications Group focuses on creating workplaces that allow personnel with diverse backgrounds to work to the best of their ability, regardless of gender, sexual orientation or sexual identity, age, birthplace, nationality, or disability. We established the Diversity Promotion Office in April 2008, and our diversity-related initiatives have mainly focused on supporting career development for women and hiring people with disabilities as well as work style reforms and establishing a shared understanding of diversity in the workplace. The general public has demonstrated particular interest in promoting active roles for women. For example, in Japan more advanced measures are being implemented through public-private partnerships based on the Act of Promotion of Women's Participation and Advancement in the Workplace. On a global scale, corporations are expected to lead by example to achieve SDG 5 "Gender Equality." To this end, we are taking steps to advance in this area as well.

Diversity promotion is thus positioned as being essential for the sustainable development of business. In order for diversity to take root, top management shares diversity messages in and outside of the Group.

### Primary Concept

To respond to diversifying customer needs, the NTT Communications Group is striving to create a work environment that encourages employees with different personalities and backgrounds to work together. This maximizes their abilities as they deliberate over values and generate ideas that open up new business opportunities. Therefore, we are actively promoting and disseminating diversity across the organization.

### Diversity Promotion

#### Promotion of Diversity Fundamental Policy

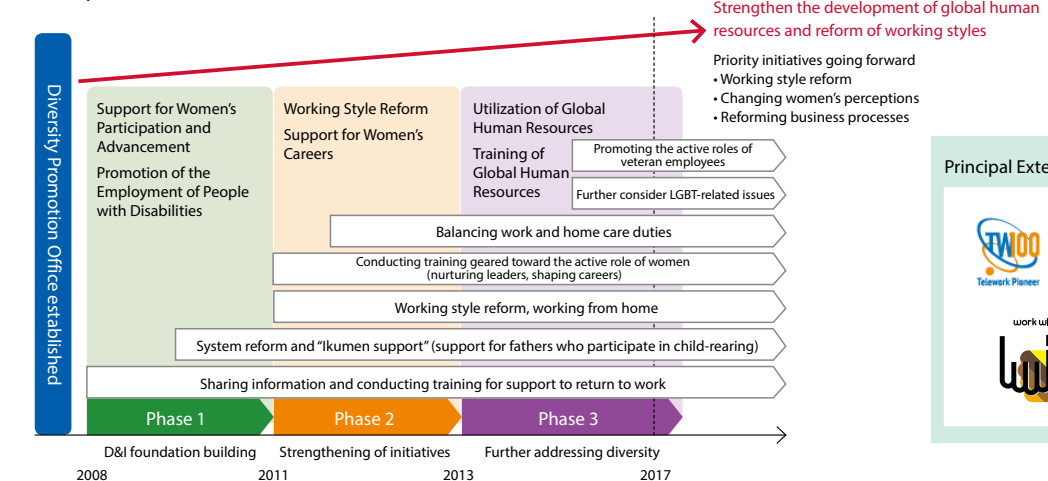
- Foster a corporate culture that leverages employee diversity to achieve targets stated in management strategies
- Continue to create environments that allow employees to perform at their full potential to develop human resources who further their own transformation and creativity

### Main Achievements in Fiscal 2019 and Goals for the Coming Years

In fiscal 2019, we did not limit ourselves simply to boosting the percentage of women in managerial positions. We recognize that in a few years the employee population at the veteran tier will increase. In addition, we need to face up to the reforms of businesses and the challenge of new growth fields in the next few years. We also need a new work style suitable for employees who are rehired after retirement age. To address all these challenges, we have been building tailor-made careers for veteran employees to provide new challenges and opportunities for fully exercising their expertise, allowing them to keep working at a high level of motivation.

In addition, to further promote the diversification of our global human resources, we are continuing to hire students from overseas and conducting employee exchanges with overseas Group companies.

### Diversity and Inclusion Trends



### Principal External Evaluations





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

### > Promoting Women's Participation and Advancement

To increase opportunities for engaging diverse human resources, the NTT Communications Group supports employees at various stages of their career development. In line with the NTT Group's declaration to double the number of female managers in its organization, the Company also has set a goal of increasing its percentage of women in managerial positions to 7.0% by the end of fiscal 2020 (compared to 6.7% at the end of fiscal 2019). To achieve this, it is actively hiring female employees. As a result of supporting career development efforts that lead to more women in managerial positions and continuously implementing policies and measures that support female employees with young children, we received the highest order of certification for "Eruboshi" in May 2016 from the Minister of Health, Labour and Welfare based on the Act of Promotion of Women's Participation and Advancement in the Workplace\*<sup>1</sup> as well as Platinum Kurumin certification in October 2017 based on the Act on Advancement of Measures to Support Raising Next-Generation Children\*<sup>2</sup>.

In fiscal 2019, we sought to support women's career development by organizing seminars and training on the promotion of women's participation and advancement. We also convened a dialogue between the head of the Human Resources Department and human resource managers of other companies and then conveyed their insights internally and externally.

\*<sup>1</sup> In light of the rapidly decreasing population and anticipated labor shortages, this act was established to promote women's participation in the workplace. It is intended to create an environment in which women can choose how they work, demonstrate their abilities, and succeed in their professional lives. Large companies with more than 300 employees are obligated to draw up action plans to encourage the active participation of female employees.

\*<sup>2</sup> This act was established to drive measures to support raising the next generation of children. Its initiatives are not all government led, and large companies with more than 100 employees are obligated to draw up action plans to support employees raising young children.

### > Employing Persons with Disabilities

Under the concept of normalization, when employing persons with disabilities NTT Communications confirms their desires in relation to type of work and working environment so that everyone can make the most of their skills. It also gives due consideration to their suitability in certain roles and when determining their job descriptions. Moreover, the Company hires persons with mental disabilities by leveraging a trial program for hiring people with disabilities. As of June 1, 2020, the NTT Communication Group's rate of employees with disabilities is 2.27% at the Group level. We also hire at the new graduate level as well as mid-career level through employment agencies. In addition, we have retention programs to ensure these employees stay with the Company. Employees are positioned and actively contributing in various parts of our organization including sales and engineering.

### > Alternative Career Designs

NTT Communications has established a continued employment system that allows employees reaching the mandatory retirement age of 60 to continue working, if they wish, until they reach 65. We recognize that in the next few years we will need to address reforms in our businesses and take on challenges in new growth fields. In addition, we will need a new work style suitable for employees who have been rehired after their mandatory retirement age. Therefore, we are building tailor-made careers for seasoned employees to provide them with new challenges and opportunities toward fully exercising their expertise and thereby allowing them to keep working with a high level of motivation.

### > Home-based Contact Center Operations and Home Visit Support Operations Provide Employment Opportunities for Human Resources Nationwide

NTT Com CHEO provides contact center and home visit support operations for corporate customers by employing independent contractors around Japan who handle these operations by teleworking from their homes. In order to provide employment opportunities across Japan, we are actively pursuing the digital transformation of training and task management. We are building systems and operational flows in which the entire onboarding cycle, from new applications to the selection process, training, and ultimately starting the job, can take place over the Internet. By offering positions that can be handled from home, the Company is providing flexible work styles and opportunities for those who cannot commit to working full time due to transfers, childbirth, childcare, nursing care, and other reasons.

NTT Com CHEO's home-based contact center operates at a very high standard in terms of service level, service quality, and customer satisfaction. It has passed the audit for the COPC® Customer Experience Standard certification, an international standard for contact center operations, and became the first work-from-home contact center in the Asia-Pacific region to obtain certification.

Moving forward, we will continue to focus on initiatives that encourage the adoption of teleworking and in turn create a society in which everyone with motivation and the ability to work is able to do so.

 > For more information on NTT Com CHEO's initiatives on telework, see: <https://www.nttcheo.com/corporate/telework/> (Japanese Only)

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### Initiatives for LGBT Issues

We are actively raising awareness of LGBT and other sexual minorities across our organization and implementing policies to support them. To create an inclusive working environment based on an accurate understanding of those who identify as LGBT, we have included these topics in our standard human rights training curriculum, which targets all full-time and temporary employees. In fiscal 2019, we participated as a member of the NTT Group in Tokyo Rainbow Pride 2019, which aims to educate the public on protecting the human rights and other rights of people who identify as LGBT and raising their status in society. We also took part in the RAINBOW CROSSING TOKYO career development forum, which focuses on diversity including LGBT concerns, and organized a get-together for those who have declared themselves as allies across the NTT Group.

Since fiscal 2018, we have been developing an environment in which individuals who identify as LGBT can engage in their work with a sense of security, through measures such as distributing stickers to those who declare themselves as allies to confirm their support publicly. We also set up a helpdesk where employees can discuss their sexual orientation, sexual identity, and other related matters. Furthermore, life-event-related benefits, such as special leave, condolence, and congratulation money are applied to same-sex partners. These efforts have been recognized by the nonprofit organization “work with Pride,” which evaluates corporate efforts to foster inclusiveness. In fiscal 2019, we were awarded the Gold rating, the highest in its PRIDE Index, for the fourth consecutive year since receiving the rating for the first time in fiscal 2016.

#### ◆ PRIDE Index





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## Maintaining and Improving Employee Health

### Our Approach

The concept of “decent work” as declared by the International Labour Organization (ILO) at the 1999 International Labour Conference has been widely adopted by many global corporations, with the goal of implementing human resources and occupational safety and health initiatives to ensure that employees find satisfaction and human dignity in their work. In addition, spurred on by SDG 8 “Decent Work and Economic Growth,” there has been a greater public expectation for building a framework in which people can lead healthy, satisfying lives that include working. Thoroughly implementing occupational safety and health policies is clearly a key to establishing work environments in which employees can perform to the best of their abilities. However, we have always believed that another factor is just as important: ensuring that the work environment is and remains a place that allows employees to lead healthy and satisfying working lives. We therefore value both respect for work-life balance and the thorough implementation of occupational health and safety practices. These provide the pillars for our actions directed toward maintaining and improving employee wellbeing.

### Primary Concept

The Work-Life Committee at NTT Communications, established to create more satisfying workplaces and help employees improve their work-life balance, is the core organization for advancing Groupwide initiatives in this area. The committee, comprised of management and employee representatives, continually strives to implement a range of measures for realizing work styles that are more efficient and productive while also ensuring that duties are carried out effectively and thoroughly.

In fiscal 2019, we sought to promote and establish our remote working systems, including flextime and teleworking, which had been introduced across the Group in fiscal 2017. With particular respect to remote working, we accelerated the pace of employee use of the system by actively participating in the Telework Days national campaign, spearheaded by Japan’s Ministry of Internal Affairs and Communication to promote teleworking as part of the government’s work style reforms. We also developed initiatives to raise awareness of efforts to encourage leaving work at standard times by such measures as designating promotional months, early planning of annual leaves, and periodic distribution of e-mail newsletters that highlight efforts for improving work efficiency and communications.

### Main Achievements in Fiscal 2019 and Goals for the Coming Years

Due primarily to the efforts of the Work-Life Committee, we achieved some success in fiscal 2019, including a reduction in the total annual work hours per employee, from 1,904 to 1,885, year on year.

As for our “thorough implementation of occupational safety and health” pillar, we focused on reducing the number of workplace accidents and promoted preventive measures. The four workplace accidents reported this year were essentially at the same level as last year (five incidents). Combined with a health checkup rate of 99.7%, we can report having come close to meeting our goal for this year. Going forward, we will continue with our efforts to maintain and improve employee health across all our workplaces.

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## Work-life Balance

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

NTT Communications is committed to implementing the Measures to Support Next-Generation Childcare, which emphasize the importance of the healthy upbringing of children, who will lead the next generation. We have formulated a General Business Action Plan to strengthen an overall environment that offers a variety of working arrangements to all employees, including those not raising children. We are steadfastly making progress toward achieving the targets outlined in this plan.

We are engaged in action plans based on the Act on Advancement of Measures to Support Raising Next-Generation Children\*, and as a result we were designated as a certified business operator by the Tokyo Bureau of the Ministry of Health, Labour and Welfare in fiscal 2008, 2011, 2015, and 2017. We are currently working on our Fifth Action Plan (April 1, 2017 through March 31, 2022) and enhancing our work environments so they become places where every employee can excel with a sense of personal satisfaction and diverse work styles are mutually accepted and understood. These efforts have been externally recognized, and as a result we received Platinum Kurumin certification in October 2017.

In May 2016, NTT Communications received the Class 3 (highest class until the regulatory revision in 2019) certification among the certifications granted by the Minister of Health, Labour and Welfare and based on the Act of Promotion of Women's Participation and Advancement in the Workplace\*. This certification is granted to corporations that demonstrate outstanding efforts in promoting women's participation in the workplace. We received it due to a variety of efforts and achievements, including the implementation of policies that enable women to continue working after childbirth, initiatives

supporting a sound work-life balance, career development support for women, a high female hiring rate, an extensive range of career path options, and the active promotion of women into managerial positions.

\*1 This act was established to encourage actions to support raising the next generation of children. Its initiatives are not completely led by the government; companies with more than 100 employees are obligated to draw up action plans that support employees who are raising young children. Certified companies are entitled to use the Kurumin and Platinum Kurumin logos.

\*2 In light of a rapidly decreasing population and anticipated shortages in the working population, this act was established to promote women's participation in the workplace. It is intended to create an environment in which women can choose how they work, demonstrate their abilities, and succeed in their working lives. Companies with more than 100 employees are obligated to draw up action plans that promote the active participation of their female employees. Certified companies are entitled to use the Eruboshi logo.

#### ◆ New Kurumin logo



#### ◆ Eruboshi logo



#### ◆ Number of Employees Who Took Maternity, Childcare, or Nursing-care Leave in Fiscal 2019

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Maternity Leave	76	74	84	63	55
Childcare Leave	154	152	89	173	122
Female	150	141	84	161	111
Male	4	11	5	12	11
Nursing-care Leave	5	3	4	4	8
Female	2	2	2	3	5
Male	3	1	2	1	3

Scope: NTT Communications Corporation

### > Promotion of Work Style Reform

We respect the diverse values and lifestyles of individuals and believe that having a lifestyle that produces a sense of satisfaction will also lead to feeling satisfied at work. Therefore, we are driving our work style reform to support employee satisfaction and growth, boost the productivity and creativity of our company, and provide greater value to our customers, with a focus on three areas: policies and rules, environment and tools, and awareness and culture.

For policies and rules, we sought to introduce flexible systems that cater to individual circumstances and operations. These include the abolition of rules limiting eligibility for teleworking, which is intended to support balancing work and family needs, and remote working, which enables the effective use of time. We also shared examples of employees using these and the flextime system.

In the environment and tools area, we rolled out secure computers throughout the Company in addition to thin clients and BYOD (bring your own device)\* that had been introduced in fiscal 2018 to enable speedy startup of computers and realize a working environment using fat terminals that are unaffected by the network environment. Looking ahead, we will continue to pursue automation and higher efficiency based on digital transformation (DX).

For the area of awareness and culture, we are disseminating information intended to encourage employees to take long annual leaves and days off in between holidays and also sharing best practices with all staff. Moreover, in an effort to raise awareness and reform our corporate culture, we encourage management level reforms in which managers lead in taking inventory of operations toward improving or eliminating specific steps.

\*A policy under which employees are permitted to use their personal mobile devices at work.



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## > Promotion of Diverse Work Styles and Increasing Productivity

We have been focusing on work style reforms since fiscal 2011, including the establishment of smart device environments that support an efficient and productive work style unrestricted by time or space. We leverage these environments to promote greater efficiency as well as paperless meetings. As a result, we obtained certification under the Top Hundred Telework Pioneers, established in April 2016 by the Ministry of Internal Affairs and Communications. In 2017, the number of employees working from home surged as we relaxed rules that had limited eligibility to employees involved in childcare or nursing care to now include all employees, thus spreading flexible work styles. Also, the abolition of limited reasons for applying for teleworking and promotion of remote offices led to a decrease in total work hours. In recognition of our overall efforts, we received the award of excellence in the practical application category of the Telework Promotion Awards in February 2019.

Increasing the productivity of our business operations will lead to improving the balance between work and life for our employees, and we want to cultivate a work culture in which they can perform and maintain their health. We have been driving our work style reform toward that goal. In diversifying our global workforce, we are continuing to recruit foreign national students and conduct resource exchange programs with our overseas Group companies as well as similar activities. In July 2019, we participated as a special supporting corporation for Telework Day, a campaign led by local businesses and government bodies such as the Ministry of Health, Labour and Welfare, the Ministry of Land, Infrastructure and Transport, and the Cabinet Office. This activity was part of a social movement related to work style reform, with the intention of alleviating commuter traffic congestion. Altogether, about 6,350 employees worked from home during the event.

## > Cafeteria Plan

NTT Communications offers various benefits to its employees at different points of their careers, based on their needs and lifestyles. Specifically, we have implemented the Cafeteria Plan system, which allows employees to choose from 15 wide-ranging benefit options that match their respective lifestyles within the limit of points assigned to them in advance. And we provide 21 benefits that can be chosen regardless of points. These include a package of general benefits that also apply to employees' families in areas such as healthcare, childcare, and nursing care. For example, employees can choose from four major physical fitness clubs and use the facilities for 500 yen (plus tax) per session.

Over the past few years, we revised the options to emphasize maintaining and improving health. In fiscal 2019, we extended the age-based options for when employees are eligible for a complete medical checkup from age 40 only to every five years from ages 30 to 60. We also created a new program of complete medical checkups for senior employees at ages 62 and 64 and added options such as a brain scan. We plan to offer more options in future so as to provide a system that overall is even more beneficial to employees.

## > Encouraging Employees to Take Various Leaves

As part of its work-life balance initiatives, NTT Communications encourages employees to take their entitled leaves. We strive to establish work environments that support them by raising awareness of entitled leaves and encouraging them to schedule their leaves to coincide with long national holidays. In fiscal 2019, 16.3 paid leave days were used per person, on average. We are also promoting the use of our Life Plan Leave system, which entitles employees to a certain number of leave days for the purpose of lifecycle-related downtime, nursing of family members, volunteer activities, recurrent training, and childcare.

## Thorough Occupational Safety and Health Management

Safety and Health Committees, established for each of the buildings in which we operate, take the lead in implementing Groupwide safety and health measures. We are focused on a wide range of issues, including workplace hygiene, prevention of workplace accidents, and reduction of long working hours.

In fiscal 2019, we undertook a number of activities based on those issues, including on-site workplace inspections and campaigns for a 100% health checkup rate, both of which were executed at each building.

### ◆ Number of Workplace Accidents (Occupational Accidents)

FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
6	3	4	5	4

Scope: NTT Communications on a non-consolidated basis (excluding a rugby team of the Symbol Team activities)

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## Health Management

### > Improving Employee Health

As well as ensuring the safety of our work environments, we are committed to creating places where employees can lead healthy and fulfilling work lives. A number of actions have been implemented to achieve that goal.

Recently we have emphasized certain measures for maintaining physical health. In fiscal 2019, we sought to raise employee awareness and improve lifestyle habits by organizing the Com-Walk campaign to encourage walking and offering weight loss seminars by personal fitness trainers. With regard to managing mental health in each workplace, 95 employees took the “mental health keeper” training course, bringing the total number of those certified to 3,129 in fiscal 2019.

For staff in their first to third years, we offer one-on-one counseling on an ongoing basis as well as other types of support. (403 participants in fiscal 2019) Other measures for further expanding our support include setting up consultation desks, both inside and outside the organization, and counseling programs for employees being sent on overseas assignments.

These efforts resulted in our being recognized in March 2020 for the second consecutive year as an outstanding enterprise under the “White 500” Recognition for Excellence in Health and Productivity Management by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi. We will continue to implement measures across all Group companies in Japan toward maintaining healthy and comfortable work environments and further strengthening the capability of those providing mental health care at each workplace.

### ◆ Health and Productivity Management Certification logo

