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NIPPON TELEGRAPH AND TELEPHONE CORPORATION

(Code No.: 9432)

## THE 39TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

# NOTICE OF CONVOCAATION

**Date and Time:** Thursday, June 20, 2024  
**10:00 a.m. (JST)**  
(Reception desk will be open at 9:00 a.m.)

**Venue:** International Convention Center PAMIR  
Grand Prince Hotel Shin Takanawa  
13-1, Takanawa 3-chome, Minato-ku, Tokyo

The Ordinary General Meeting of Shareholders **will be streamed in real time over the Internet**, and questions will be accepted prior to the meeting, so we ask that you please submit questions and make use of the live streaming.  
(Please see the back cover of this Notice of Convocation for details.)

**\* Please note in advance that we do not distribute any gifts at the meeting.**

We request that you exercise your voting rights prior to the meeting via the Internet or mail.

**Deadline for advance voting:**  
**Wednesday, June 19, 2024 5:30 p.m. (JST)**

By using your smartphone, etc. to scan the QR code on the bottom-right side of the enclosed voting rights exercise form, you can exercise the voting rights.  
(For detailed steps, see page 3 of this booklet.)



### NTT's Response to the Introduction of a System for Providing Informational Materials for the Ordinary General Meeting of Shareholders in Electronic Format

Due to amendments to the Companies Act, all listed companies are now mandated to provide Informational Materials for their Ordinary General Meetings of Shareholders over the Internet. This booklet is being sent to you together with reference information for exercising voting rights, such as resolutions and financial results highlights.

# Notice of Convocation of the 39th Ordinary General Meeting of Shareholders

## To All Shareholders

I would like to take this opportunity to thank all of NTT's shareholders for your continued support.

I send my sincere condolences to everyone affected by the 2024 Noto Peninsula Earthquake that struck in January of this year and pray for the quick recovery of the area afflicted by the disaster.

We hereby present this Notice of Convocation of the 39th Ordinary General Meeting of Shareholders to be held on Thursday, June 20, 2024.

In addition to offering our sincere apologies to our shareholders, our customers and all other affected parties for the concern and inconvenience caused by the recent unauthorized leak of customer information at one of our Group companies, we are further strengthening our countermeasures and working to prevent this from reoccurring in the future.

The 39th fiscal year (from April 1, 2023 to March 31, 2024) marks the final fiscal year of the Medium-Term Management Strategy announced in November 2018, and we were able to exceed the target of ¥14.8 for earnings per share (EPS) with an actual EPS of more than ¥15. In May 2023, we announced our new Medium-Term Management Strategy "New Value Creation & Sustainability 2027 Powered by IOWN," under which we will provide new value to customers and society, and by shifting our business activities themselves toward the achievement of a sustainable society, we will promote measures to make our existence a supporter of global sustainability.

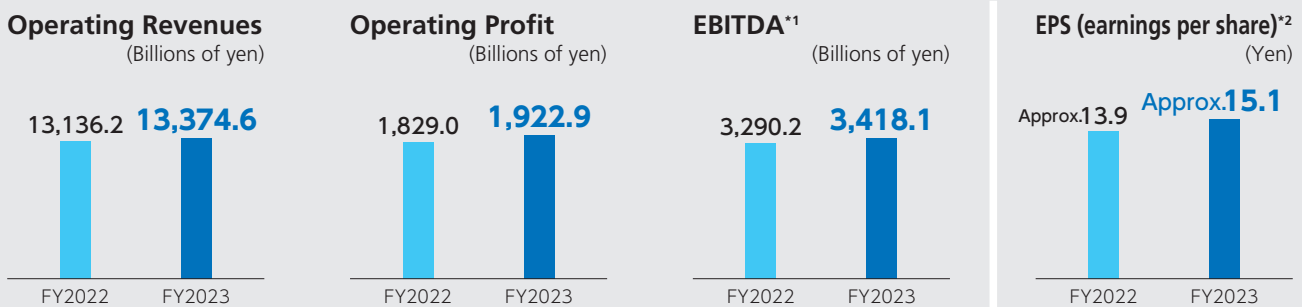
I would like to conclude this message by thanking our shareholders in advance for their continued understanding and support.



島田 明

Akira Shimada  
President and Chief Executive Officer  
Representative Member of the Board  
NIPPON TELEGRAPH AND TELEPHONE CORPORATION

## Reference Consolidated Financial Results Highlights for the 39th Fiscal Year (IFRS)



Notes: 1. EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) indicates just how much cash flow is generated from the core business.

2. NTT implemented a 25-for-1 stock split of common stock with an effective date of July 1, 2023. The figures for EPS have been adjusted to reflect the stock split.

<b>1 Date and Time:</b>	Thursday, June 20, 2024 10:00 a.m. (JST)											
<b>2 Venue:</b>	International Convention Center PAMIR Grand Prince Hotel Shin Takanawa 13-1, Takanawa 3-chome, Minato-ku, Tokyo		* Please note in advance that we do not distribute any gifts at the meeting.									
<b>3 Purpose of the Meeting:</b>	<p><b>Matters to be reported</b></p> <ol style="list-style-type: none"> <li>1 Report on the Business Report, Consolidated Financial Statements and audit results of independent auditors and Audit &amp; Supervisory Board for the 39th fiscal year (from April 1, 2023 to March 31, 2024)</li> <li>2 Report on the Non-consolidated Financial Statements for the 39th fiscal year (from April 1, 2023 to March 31, 2024)</li> </ol> <p><b>Matters to be resolved</b></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 30%;">[Company Proposals]</td> <td style="width: 20%;">First Item</td> <td style="width: 50%;">Distribution of Earned Surplus</td> </tr> <tr> <td></td> <td>Second Item</td> <td>Election of Ten (10) Members of the Board</td> </tr> <tr> <td>[Shareholder Proposal]</td> <td>Third Item</td> <td>Election of One (1) Member of the Board</td> </tr> </table>			[Company Proposals]	First Item	Distribution of Earned Surplus		Second Item	Election of Ten (10) Members of the Board	[Shareholder Proposal]	Third Item	Election of One (1) Member of the Board
[Company Proposals]	First Item	Distribution of Earned Surplus										
	Second Item	Election of Ten (10) Members of the Board										
[Shareholder Proposal]	Third Item	Election of One (1) Member of the Board										

When convening this Ordinary General Meeting of Shareholders, the Company takes measures for providing information in electronic format and posts the matters subject to measures for electronic provision on the following websites. Please access the websites using the Internet addresses shown below to review the matters.



**The Company's website:**  
[https://group.ntt/en/ir/shares/shareholders\\_meeting/](https://group.ntt/en/ir/shares/shareholders_meeting/) (in English)



**The website of Tokyo Stock Exchange, Inc. (TSE) (Listed Company Search):**  
<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show> (in English)  
 Enter the Company name or securities code (9432), and click "Search," and then click "Basic information" and select "Documents for public inspection/PR information."

If revisions to the Notice of Convocation and the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the Company's aforementioned website and the TSE website.

Among the matters subject to measures for electronic provision, in accordance with the provisions of laws and regulations and the Articles of Incorporation of the Company, the following matters are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents. The Audit & Supervisory Board Members and independent auditors have audited the documents that are subject to audits, including the following matters.

- Business Report (Outline of the Business of NTT Group (Main Businesses, Main Locations, etc., Employment, Changes in Consolidated Assets and Consolidated Profit or Loss of NTT Group, Changes in Non-consolidated Assets and Non-consolidated Income of NTT), Matters Regarding Corporate Officers (Agreements Limiting Liability), Matters Regarding Independent Auditors, Content of Resolutions Concerning the Design of Systems to Ensure the Propriety of NTT's Business\*, Outline of Operations of the Systems to Ensure the Propriety of NTT's Business)
- Consolidated Financial Statements (Consolidated Statement of Changes in Equity, Notes to Consolidated Financial Statements)
- Non-consolidated Financial Statements (Non-consolidated Statement of Changes in Shareholders' Equity and Other Net Assets, Notes to Non-consolidated Financial Statements)

\* Because the Company revised the Basic Policy on the Design of Internal Control Systems as of April 1, 2024, the new policy is described in the paper-based documents delivered to shareholders.

# Exercising Your Voting Rights

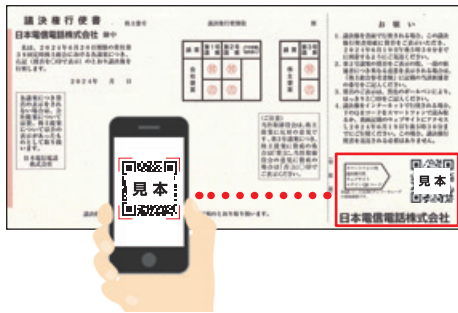
## A Voting via the Internet\*

### INTERNET DEADLINE

Wednesday, June 19, 2024 5:30 p.m. (JST)

#### “Smart Vote®” method

- 1 By scanning the QR code located on the bottom right of the voting rights exercise form, you can simply exercise your voting rights without entering your voting code and password.



#### Caution


If you need to make a correction to the content of your vote after you have exercised your voting rights, please log in by entering your voting code and password for the PC site to make the correction.

- 2 Please input “For” or “Against” following the instructions displayed on the screen.



If you have questions about the use of a PC, smartphone or mobile phone for exercising your vote via the Internet, please contact:

#### “Voting Code/Password Input” method

- 1 Exercise your voting rights via the Internet by accessing the designated website for shareholder voting (<https://www.web54.net>) (in Japanese) from any one of PCs, smartphones and mobile phones. 
- 2 Please enter the “Voting Code” given on the voting rights exercise form on the login screen.
- 3 Please enter the “Password” given on the voting rights exercise form.
- 4 Next, indicate your approval or disapproval of the resolutions by following the instructions on the screen.

#### When indicating approval of the Company’s proposals/Board of Directors opinions

This is the opinion of the Board of Directors of the Company

会社提案	議案に対する賛否
第1号議案 剰余金の配当の件	*賛 ○否
第2号議案 取締役10名選任の件	*賛 ○否 (無効不記録)
株主提案	
第3号議案 取締役1名選任の件	○賛 *否

#### When indicating disapproval of the Company’s proposals/Board of Directors opinions

会社提案	議案に対する賛否
第1号議案 剰余金の配当の件	○賛 *否
第2号議案 取締役10名選任の件	○賛 *否 (無効不記録)
株主提案	
第3号議案 取締役1名選任の件	*賛 ○否

Sumitomo Mitsui Trust, Securities Agent  
Web Support Hotline  
**0120-652-031** (Toll Free)  
(9:00 to 21:00)

\* Institutional investors can utilize the electronic voting platform operated by ICJ, Inc.

\* QR code is a trademark of DENSO WAVE INCORPORATED.

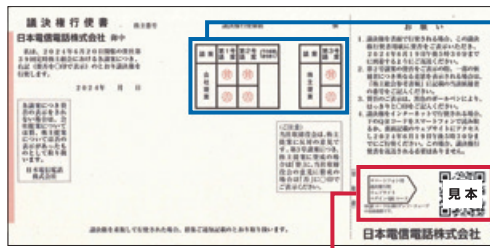
## B Voting via mail

### MAIL DEADLINE

Wednesday, June 19, 2024 5:30 p.m. (JST)

Please indicate your approval or disapproval of the resolutions on the enclosed voting rights exercise form and return it to the Company by mail so that it arrives before the deadline.

### How to fill out your voting rights exercise form



You will need the "QR code" given on the enclosed voting rights exercise form in order to vote via the Internet.

Please indicate whether you approve or disapprove of each proposal.

#### First Item:

- If you approve, put a circle in the box marked 賛 [Approve].
- If you disapprove, put a circle in the box marked 否 [Disapprove].

#### Second Item:

- If you approve all candidates, put a circle in the box marked 賛 [Approve].
- If you disapprove all candidates, put a circle in the box marked 否 [Disapprove].
- If you disapprove certain candidates, put a circle in the box marked 賛 [Approve] and write the number of the candidate(s) you wish to disapprove.

#### Third Item:

- If you approve, put a circle in the box marked 賛 [Approve].
- If you disapprove, put a circle in the box marked 否 [Disapprove].

When indicating approval of the Company's proposals/Board of Directors opinions

議案	第1号議案	第2号議案 (下の候補者)	議案	第3号議案
会社提案	賛	賛	株主提案	賛
	否	否		否

Important points

1. If approving the shareholder's proposal, circle 賛 [Approve].
2. If disapproving the shareholder's proposal, circle 否 [Disapprove].

The opinion of the Board of Directors of the Company is to disapprove the shareholder's proposal.

This is the opinion of the Board of Directors of the Company

When indicating disapproval of the Company's proposals/Board of Directors opinions

議案	第1号議案	第2号議案 (下の候補者)	議案	第3号議案
会社提案	賛	賛	株主提案	賛
	否	否		否

Important points

1. If approving the shareholder's proposal, circle 賛 [Approve].
2. If disapproving the shareholder's proposal, circle 否 [Disapprove].

The opinion of the Board of Directors of the Company is to disapprove the shareholder's proposal.

## C Voting by attending the shareholders' meeting in person

### SCHEDULED START

Thursday, June 20, 2024 10:00 a.m. (JST)

Please submit the enclosed voting rights exercise form to the reception desk at the meeting site.

- 1 Duplicate voting via mail or online will be handled as follows:
  - ① In the case of duplicate voting online, the last vote placed will be considered valid.
  - ② In the case of duplicate voting via mail, the votes on the last voting rights exercise form received will be considered valid.
  - ③ In the case of duplicate voting done via both online and mail, the vote received last will be considered valid. If both votes are received on the same day, the votes placed online will be considered valid.
- 2 If no approval or disapproval is expressed for the respective proposals, it will be treated as an approval vote for the Company's proposals and a disapproval vote for the shareholder's proposal.
- 3 If you wish to make a diverse exercise of your voting rights, please advise us in writing or by electromagnetic means three days prior to the Ordinary General Meeting of Shareholders, stating your reasons therefor.

END

# Reference Materials for the Ordinary General Meeting of Shareholders (Summary)

▶ For the complete Informational Materials for the Ordinary General Meeting of Shareholders, please refer to the matters subject to measures for electronic provision.



## Resolutions and matters for reference (Summary)

	Item	Resolution	Content (Overview)
Company Proposals	First	Distribution of Earned Surplus	¥2.60 per share of common stock
	Second	Election of Ten (10) Members of the Board	Election accompanying the expiration of the terms of office of Members of the Board
Shareholder Proposal	Third	Election of One (1) Member of the Board	—

\* The Company refrains from summarizing the shareholder proposal. (The Board of Directors of the Company is against the shareholder proposal.)

### First Item Distribution of Earned Surplus

- 1 **Matters relating to allotment of dividends and total amount of dividends to be distributed:** Per share of common stock: ¥2.60  
Total amount of dividends: ¥218,672,611,438

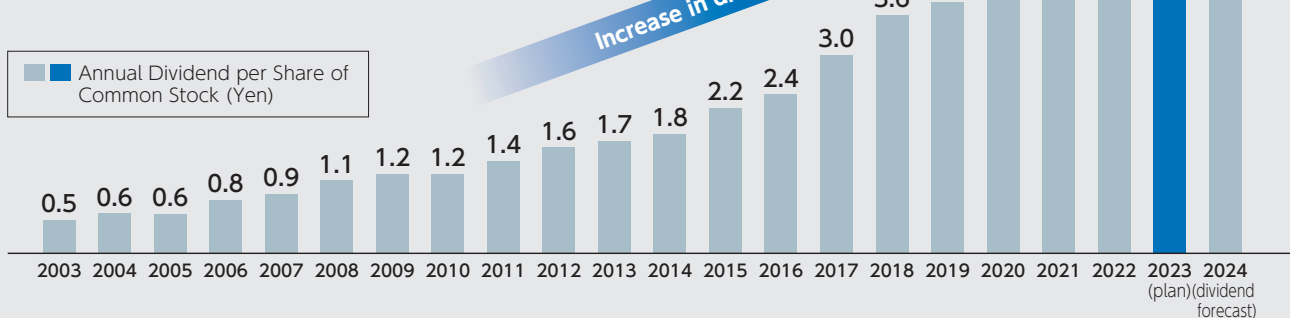
As the Company has already distributed an interim dividend of ¥2.50 per share of common stock, the annual dividend for the fiscal year will be ¥5.10 per one share of common stock.

- 2 **Date on which the dividend becomes effective:** June 21, 2024

### Reference Changes in Dividends per Share

We have set the maximization of corporate value over the medium to long term as an important management challenge, and identified the return of profits to shareholders as an important management goal.











Taking into account the forecast of the annual dividend per share for FY2024 (total of ¥5.2 for the year), which was announced in the Financial Results Release for FY2023 on May 10, 2024, dividends will have increased for the 14th consecutive fiscal year.



Note: NTT has implemented a 100-for-1 stock split of common stock with an effective date of January 4, 2009, a 2-for-1 stock split of common stock with an effective date of July 1, 2015, a 2-for-1 stock split of common stock with an effective date of January 1, 2020, and a 25-for-1 stock split of common stock with an effective date of July 1, 2023. Figures for annual dividend per share of common stock are stated, taking these stock splits into consideration.

## Second Item Election of Ten (10) Members of the Board

If the candidate has served as a Member of the Board in the past, then the “Years served as Member of the Board” shows the total number of years of service, including the previous appointment.

1	 <p><b>Jun Sawada</b> 68 years old, Male, Years served as Member of the Board: 10 years</p> <p>Possesses a wealth of management experience, including strengthening the Company's governance and promoting activities in the business world in Japan and overseas.</p>	Reelection	6	 <p><b>Ken Sakamura</b> 72 years old, Male, Years served as Member of the Board: 5 years</p> <p>Possesses a wealth of experience as an operational director of research institutions, including universities.</p>	Reelection Outside Independent
2	 <p><b>Akira Shimada</b> 66 years old, Male, Years served as Member of the Board: 12 years</p> <p>Possesses a wealth of management experience, including formulating and leading the Group's new Medium-Term Management Strategy.</p>	Reelection	7	 <p><b>Yukako Uchinaga</b> 77 years old, Female, Years served as Member of the Board: 2 years</p> <p>Possesses a wealth of experience in global corporate management and diversity promotion.</p>	Reelection Outside Independent
3	 <p><b>Katsuhiko Kawazoe</b> 62 years old, Male, Years served as Member of the Board: 4 years</p> <p>Possesses a wealth of management experience as the person responsible for the technology strategy and research and development strategy at the Group.</p>	Reelection	8	 <p><b>Koichiro Watanabe</b> 71 years old, Male, Years served as Member of the Board: 2 years</p> <p>Possesses a wealth of experience as a corporate manager.</p>	Reelection Outside Independent
4	 <p><b>Takashi Hiroi</b> 61 years old, Male, Years served as Member of the Board: 7 years</p> <p>Possesses a wealth of management experience as the person responsible for business strategy and finance at the Group.</p>	Reelection	9	 <p><b>Noriko Endo</b> 56 years old, Female, Years served as Member of the Board: 2 years</p> <p>Possesses a wealth of experience, including interviewing activities as the editor of a financial magazine, conducting research on public policy, and serving as an outside director of corporations.</p> <p><small>* The surname of Noriko Endo is Tsujihiro in the family register.</small></p>	Reelection Outside Independent
5	 <p><b>Sachiko Oonishi</b> 57 years old, Female</p> <p>Possesses a wealth of experience, including formulating and implementing strategy for new business creation at the Company and Group companies.</p> <p><small>* The surname of Sachiko Oonishi is Iijima in the family register.</small></p>	New election	10	 <p><b>Natsuko Takei</b> 63 years old, Female</p> <p>Possesses a wealth of experience as the person responsible for corporate legal affairs and compliance.</p>	New election Outside Independent

Individual descriptions will be given for each candidate on the subsequent pages.

<Reference: Corporate Governance Related to Members of the Board>

- Term of office for Members of the Board: The term of office for Members of the Board is set at **two years**, which is considered an appropriate length of time to allow Members of the Board to take a medium- to long-term perspective and engage in their work with a sense of responsibility, while also responding flexibly to changes in the external environment.
- Percentage of independent Members of the Board: **50%**  
Although outside independent Members of the Board do not make up a majority of the Members of the Board, we ensure objectivity and transparency through the election of five outside independent Members of the Board. In addition, with respect to decisions concerning the appointment and compensation of officers, the Company has voluntarily established a Nomination Committee and Compensation Committee in which a majority are made up of outside independent Members of the Board, thereby increasing the effectiveness of governance.
- Significant concurrent positions of outside independent Members of the Board  
Although some of the outside independent Members of the Board concurrently hold positions at other companies, etc., we believe that they are fully capable of performing their duties as Members of the Board of the Company, even when taking into consideration the workload at the other companies where they hold concurrent positions. The candidates being reappointed have attended all meetings of the Board of Directors, Nomination Committee\* and Compensation Committee\* in FY2023, playing important roles at all of the meetings.

\*Outside independent Members of the Board who are committee members: Mr. Ken Sakamura, Ms. Yukako Uchinaga, Mr. Koichiro Watanabe

## 1 Jun Sawada

Male, 68 years old  
(July 30, 1955)

Reelection

Number of shares of the Company held: 1,123,500 shares



Years served as  
Member of the Board  
10 years

Number of Board of  
Directors Meetings  
attended (Percent)  
12/12 (100%)

### Career summary, position, responsibilities and description of significant concurrent positions

April 1978:	Joined Nippon Telegraph and Telephone Public Corporation
June 2008:	Senior Vice President Executive Manager of the Corporate Strategy Planning Department Member of the Board of NTT Communications Corporation
June 2011:	Executive Vice President Executive Manager of the Corporate Strategy Planning Department Member of the Board of NTT Communications Corporation
June 2012:	Senior Executive Vice President Executive Manager of the Corporate Strategy Planning Department Representative Member of the Board of NTT Communications Corporation
June 2013:	Senior Executive Vice President Representative Member of the Board of NTT Communications Corporation
June 2014:	Senior Executive Vice President Representative Member of the Board of the Company
June 2018:	President and Chief Executive Officer Representative Member of the Board of the Company
June 2020:	President and Chief Executive Officer Representative Member of the Board of the Company
June 2022:	Chairman and Representative Member of the Board of the Company (present post)

### Reasons for reelection as a Member of the Board

Mr. Jun Sawada has been involved in the global business and corporate planning operations of the Group in Japan and overseas for many years. He has broad insight and a wealth of experience in global business and business management.

In recent years, Mr. Sawada has promoted the strengthening of governance as Chairman of the Board. He has also promoted the independent development of both the Company and the Japanese economy and the strengthening of economic relations with other countries through his energetic activities in the business world.

The Company has determined that his wealth of experience, deep insight, and high level of integrity will contribute to the further sustainable growth of the Group, and has therefore nominated him once again as a candidate for Member of the Board.

## 2 Akira Shimada

Male, 66 years old  
(December 18, 1957)

Reelection

Number of shares of the Company held: 772,600 shares



Years served as  
Member of the Board  
12 years

Number of Board of  
Directors Meetings  
attended (Percent)  
12/12 (100%)

### Career summary, position, responsibilities and description of significant concurrent positions

April 1981:	Joined Nippon Telegraph and Telephone Public Corporation
June 2007:	Vice President of Corporate Strategy Planning of the Company
July 2007:	General Manager of the Accounts and Finance Department of Nippon Telegraph and Telephone West Corporation
July 2009:	General Manager of the General Affairs and Personnel Department of Nippon Telegraph and Telephone East Corporation
June 2011:	Senior Vice President General Manager of the General Affairs and Personnel Department Member of the Board of Nippon Telegraph and Telephone East Corporation
June 2012:	Senior Vice President Head of General Affairs Member of the Board of the Company
June 2015:	Executive Vice President Head of General Affairs Member of the Board of the Company
June 2018:	Senior Executive Vice President Representative Member of the Board of the Company
June 2020:	Senior Executive Vice President Representative Member of the Board of the Company
June 2022:	President and Chief Executive Officer Representative Member of the Board of the Company (present post)

### Reasons for reelection as a Member of the Board

Mr. Akira Shimada has broad insight and a wealth of experience, having been involved in the Group's business strategy and business operations relating to human resources, finance, and legal affairs of the entire Group in Japan and overseas for many years.

In recent years, Mr. Shimada has led the reform of a new personnel system and the realignment of overseas business to expand global business as a top executive. He has also led the management of the Group, including formulating (May 2023) and implementing the new Medium-Term Management Strategy.

The Company has determined that his wealth of experience, deep insight, and high level of integrity will contribute to the further sustainable growth of the Group, and has therefore nominated him once again as a candidate for Member of the Board.



3

**Katsuhiko Kawazoe**Male, 62 years old  
(September 5, 1961)

Reelection

Number of shares of the Company held: 409,300 shares

**Career summary, position, responsibilities and description of significant concurrent positions**

April 1987:	Joined the Company
August 2003:	Senior Research Engineer of the Cyberspace Laboratories of the Cyber Communications Laboratory Group of the Company
October 2007:	Senior Research Engineer of the Cyber Solutions Laboratories of the Cyber Communications Laboratory Group of the Company
July 2008:	Vice President of Research and Development Planning of the Company
July 2014:	Head of the Service Evolution Laboratories of the Service Innovation Laboratory Group of the Company
July 2016:	Head of the Service Innovation Laboratory Group of the Company
June 2018:	Senior Vice President Head of Research and Development Planning Member of the Board of the Company
June 2020:	Executive Vice President Head of Research and Development Planning of the Company
June 2022:	Senior Executive Vice President Representative Member of the Board of the Company (present post)

Total number of years including the number of years in office as a Member of the Board in the past  
4 years

Number of Board of Directors Meetings attended (Percent)  
12/12 (100%)

**Reasons for reelection as a Member of the Board**

Mr. Katsuhiko Kawazoe has broad insight and a wealth of experience in the research and development and global fields, including many years of work related to formulating and implementing the research and development strategy (Ph.D. in informatics). In recent years, Mr. Kawazoe has been leading the research and development field toward the realization of a sustainable and prosperous smart world, with a focus on the announcement of the IOWN concept and the establishment of the IOWN Global Forum. The Company has determined that his wealth of experience, deep insight, and high level of integrity will contribute to the further sustainable growth of the Group, and has therefore nominated him once again as a candidate for Member of the Board.

4

**Takashi Hiroi**Male, 61 years old  
(February 13, 1963)

Reelection

Number of shares of the Company held: 364,000 shares

**Career summary, position, responsibilities and description of significant concurrent positions**

April 1986:	Joined the Company
May 2005:	Vice President of Corporate Business Strategy of the Company
June 2008:	Vice President of Strategic Business Development of the Company
July 2009:	Vice President of Corporate Strategy Planning of the Company
June 2014:	Head of Finance and Accounting of the Company
June 2015:	Senior Vice President Head of Finance and Accounting Member of the Board of the Company
June 2020:	Executive Vice President General Manager of Accounts and Finance Department Member of the Board of Directors of NTT DOCOMO, INC.
December 2020:	Senior Executive Vice President Representative Member of the Board of Directors of NTT DOCOMO, INC.
June 2022:	Senior Executive Vice President Representative Member of the Board of the Company (present post)

Total number of years including the number of years in office as a Member of the Board in the past  
7 years

Number of Board of Directors Meetings attended (Percent)  
12/12 (100%)

**Reasons for reelection as a Member of the Board**

Mr. Takashi Hiroi has broad insight and a wealth of experience as a manager, having been responsible for overall business strategy with a focus on business management and finance and finance for many years. In recent years, Mr. Hiroi has led the Group's efforts to strengthen its cash-generating ability through increased investment for growth and to promote human capital management. He has also led the management of the Group in formulating (May 2023) and implementing the new Medium-Term Management Strategy. The Company has determined that his wealth of experience, deep insight, and high level of integrity will contribute to the further sustainable growth of the Group, and has therefore nominated him once again as a candidate for Member of the Board.

## 5 Sachiko Oonishi

Female, 57 years old  
(December 17, 1966)

New election

\* The surname of Sachiko Oonishi is Iijima in the family register.

Number of shares of the Company held: 71,500 shares



### Career summary, position, responsibilities and description of significant concurrent positions

April 1989:	Joined the Company
July 2012:	General Manager in charge of the New Business Development Headquarters of Nippon Telegraph and Telephone East Corporation
July 2014:	General Manager of Stadium Wi-Fi Promotion Office of NTT Broadband Platform, Inc.
July 2016:	Vice President of Strategic Business Development of the Company
June 2020:	Member of the Board, Head of Third Business Solutions, Business Solution Division of NTT Communications Corporation
June 2021:	Senior Vice President, Head of Third Business Solutions, Business Solution Division of NTT Communications Corporation
June 2023:	Executive Vice President, Head of Research and Development Market Strategy of the Company (present post)

### Reasons for election as a Member of the Board

Ms. Sachiko Oonishi has broad insight and a wealth of experience in the new business and marketing fields, having been involved in formulating and implementing strategies for new business creation at the Company and Group companies.

In recent years, Ms. Oonishi has been leading alliances with various partners and the creation of new businesses towards creating new value through fusion of research and development with a market focused strategy via co-creation at the global level to upgrade the customer experience (CX).

The Company has determined that her wealth of experience, deep insight, and high level of integrity will contribute to the further sustainable growth of the Group, and has therefore nominated her as a new candidate for Member of the Board.

## 6 Ken Sakamura

Male, 72 years old  
(July 25, 1951)

Reelection

Outside

Independent

Number of shares of the Company held: 58,400 shares



### Career summary, position, responsibilities and description of significant concurrent positions

April 2000:	Professor of the Interfaculty Initiative in Information Studies and the Graduate School of Interdisciplinary Information Studies of the University of Tokyo
January 2002:	Director of YRP Ubiquitous Networking Laboratory (present post)
April 2009:	Director of Institute of Infrastructure Application of Ubiquitous Computing of the Interfaculty Initiative in Information Studies of the University of Tokyo
October 2014:	President of Vitalizing Local Economy Organization by Open Data & Big Data (currently the Organization for Vitalization of Local Economy by Digital Transformation) (present post)
April 2017:	Professor and Dean of Faculty of Information Networking for Innovation and Design of Toyo University (retired on March 31, 2024)
April 2017:	Head of collaboration Hub for University and Business of Toyo University (present post)
June 2017:	Emeritus Professor of the University of Tokyo (present post)
June 2019:	Member of the Board of the Company (present post)
August 2019:	President of Association for IoT Services Coordination (present post)

Years served as outside Member of the Board  
5 years

Number of Board of Directors Meetings attended (Percent)  
12/12 (100%)

### Reasons for reelection as an outside Member of the Board and overview of expected roles

Mr. Ken Sakamura leads cutting-edge projects by researchers and engineers from around the world, including the launch of the TRON project. He also promotes the creation of new businesses through the utilization of big data by promoting the release of open data. In addition, Mr. Sakamura contributes to the development of academic research in a wide range of fields and its implementation in society by promoting collaboration between universities and businesses.

Mr. Sakamura has played an important role since assuming his position as Member of the Board in June 2019, making comments mainly on subjects such as research and development, the promotion of digital transformation (DX), and industry and technological trends regarding investment projects from an independent and objective standpoint. The Company expects that he will help strengthen the supervisory function for business execution and provide advice from his wide-ranging perspectives on management based on his wealth of experience, and high level of integrity and insight, and has therefore nominated him once again as a candidate for Member of the Board.

## 7 Yukako Uchinaga

Female, 77 years old (July 5, 1946) Reelection Outside Independent

Number of shares of the Company held: 21,000 shares



### Career summary, position, responsibilities and description of significant concurrent positions

July 1971: Joined IBM Japan, Ltd.  
 April 2004: Director and Senior Executive Officer of IBM Japan, Ltd.  
 April 2007: Technical Advisor of IBM Japan, Ltd. (retired on March 31, 2008)  
 April 2007: Board Chair of Japan Women's Innovative Network (retired on July 1, 2022)  
 April 2008: Representative Director, Chairman of the Board, President & CEO of Berlitz Corporation  
 October 2009: Director and Executive Vice President of Benesse Holdings, Inc. (retired on June 22, 2013)  
 April 2013: Honorary Chairman of Berlitz Corporation (retired on June 22, 2013)  
 September 2013: President and CEO of Globalization Research Institute Co., Ltd. (present post)  
 June 2021: Director of SINTOKOGIO, LTD. (present post)  
 June 2022: Member of the Board of the Company (present post)  
 July 2022: Chairperson and Representative Director of Japan Women's Innovative Network (retired on March 31, 2024)

Years served as outside Member of the Board  
2 years

Number of Board of Directors Meetings attended (Percent)  
12/12 (100%)

### Reasons for reelection as an outside Member of the Board and overview of expected roles

Ms. Yukako Uchinaga has a wealth of experience in management and development at IBM Japan, Ltd. She also promoted the development of the global structure and business model transformation as Representative Director, Chairman of the Board, President & CEO of Berlitz Corporation. In addition, she has been involved in activities to promote the spread and understanding of diversity and inclusion (D&I) in Japanese society, having established the Japan Women's Innovative Network, a non-profit organization, and served as its Board Chair as well as Chairperson and Representative Director.

Ms. Uchinaga has played an important role since assuming her position as Member of the Board in June 2022, mainly advising on global strategy and human resources strategy from an independent and objective standpoint. The Company expects that she will help strengthen the supervisory function for business execution and provide advice from her wide-ranging perspectives on management based on her wealth of experience, and high level of integrity and insight, and has therefore nominated her once again as a candidate for Member of the Board.

## 8 Koichiro Watanabe

Male, 71 years old (April 16, 1953) Reelection Outside Independent

Number of shares of the Company held: 36,100 shares



### Career summary, position, responsibilities and description of significant concurrent positions

April 1976: Joined The Dai-ichi Mutual Life Insurance Company  
 April 2010: Representative Director  
 President of The Dai-ichi Life Insurance Company, Limited  
 October 2016: Representative Director  
 President of Dai-ichi Life Holdings, Inc.  
 October 2016: Representative Director  
 President of The Dai-ichi Life Insurance Company, Limited  
 (A new company that took over the domestic life insurance business)  
 April 2017: Representative Director  
 Chairman of the Board of Dai-ichi Life Holdings, Inc.  
 April 2017: Representative Director  
 Chairman of the Board of The Dai-ichi Life Insurance Company, Limited  
 June 2020: Director  
 Chairman of the Board of Dai-ichi Life Holdings, Inc. (retired on March 31, 2023)  
 June 2020: Director  
 Chairman of the Board of The Dai-ichi Life Insurance Company, Limited (retired on March 31, 2023)  
 June 2022: Member of the Board of the Company (present post)  
 April 2023: Director of Dai-ichi Life Holdings, Inc. (retired on June 26, 2023)  
 April 2023: Special Adviser of The Dai-ichi Life Insurance Company, Limited (present post)

Years served as outside Member of the Board  
2 years

Number of Board of Directors Meetings attended (Percent)  
12/12 (100%)

### Reasons for reelection as an outside Member of the Board and overview of expected roles

Mr. Koichiro Watanabe was responsible for overall management as Representative Director, President of Dai-ichi Life Holdings, Inc. and its Group company. He also led reforms aimed at the growth of the Dai-ichi Life Group, including its reorganization (demutualization) and its listing on the First Section (at the time) of the Tokyo Stock Exchange.

Mr. Watanabe has played an important role since assuming his position as Member of the Board in June 2022, mainly advising on capital policy and marketing as well as risk management from an independent and objective standpoint. The Company expects that he will help strengthen the supervisory function for business execution and provide advice from his wide-ranging perspectives on management based on his wealth of experience, and high level of integrity and insight, and has therefore nominated him once again as a candidate for Member of the Board.

## 9 Noriko Endo

Female, 56 years old  
(May 6, 1968)

\* The surname of Noriko Endo is  
Tsujihiro in the family register.

Reelection Outside Independent

Number of shares of the Company held: 48,300 shares



### Career summary, position, responsibilities and description of significant concurrent positions

June 1994: Joined DIAMOND, Inc.  
 March 2006: Deputy Editor of Diamond Weekly of DIAMOND, Inc. (retired on December 31, 2013)  
 April 2015: Project Professor of Keio University (present post)  
 June 2016: Member of the Board of Directors of NTT DOCOMO, INC. (retired on June 21, 2022)  
 July 2018: Director of AIN HOLDINGS INC. (present post)  
 June 2019: Director of Hankyu Hanshin Holdings, Inc. (present post)  
 March 2021: Director of Techpoint, Inc. (scheduled to retire on May 30, 2024)  
 June 2021: Director of Japan Elevator Service Holdings Co., Ltd. (present post)  
 June 2022: Member of the Board of the Company (present post)  
 April 2024: Professor of Research Council of Waseda University (present post)

Years served as  
outside Member of  
the Board  
2 years

Number of Board of  
Directors Meetings  
attended (Percent)  
12/12 (100%)

### Reasons for reelection as an outside Member of the Board and overview of expected roles

Ms. Noriko Endo is well versed in management strategy and public policy (in the energy field, etc.) through her work as a writer and editor of a financial magazine and research projects at universities. She also has knowledge and experience gained through her career as an outside director of corporations.

Ms. Endo has played an important role since assuming her position as Member of the Board in June 2022, mainly advising on Group management, strengthening governance, and public policy, etc. from an independent and objective standpoint. The Company expects that she will help strengthen the supervisory function for business execution and provide advice from her wide-ranging perspectives on management based on her wealth of experience, and high level of integrity and insight, and has therefore nominated her once again as a candidate for Member of the Board.

## 10 Natsuko Takei

Female, 63 years old  
(February 10, 1961)

New election Outside Independent

Number of shares of the Company held: 0 shares



### Career summary, position, responsibilities and description of significant concurrent positions

April 1983: Joined Sony Corporation (currently Sony Group Corporation)  
 June 2013: SVP, Corporate Executive Officer, Head of Legal Division of Sony Corporation (currently Sony Group Corporation)  
 August 2013: SVP, Corporate Executive Officer, Head of Legal Division and Head of Compliance Division of Sony Corporation (currently Sony Group Corporation)  
 April 2019: Senior Vice President, Senior General Manager of Legal, Compliance and Privacy Department of Sony Corporation (currently Sony Group Corporation)  
 April 2020: Senior Vice President, Senior General Manager of Legal Department of Sony Corporation (currently Sony Group Corporation)  
 June 2021: Executive Vice President, Senior General Manager of Legal Department of Sony Group Corporation (retired on March 31, 2023)  
 June 2023: Director of TBS HOLDINGS, INC. (present post)

### Reasons for election as an outside Member of the Board and overview of expected roles

Ms. Natsuko Takei led Sony Corporation (currently Sony Group Corporation) for many years as the person responsible for legal affairs and compliance, providing legal support for acquisition and alliance projects in Japan and overseas, and the search for new business areas, as well as establishing systems to ensure proper Group management and foster a corporate culture that is the basis for sound business activities.

The Company believes that Ms. Takei will advise mainly on legal affairs, risk management, and strengthening governance as well as global strategy from an independent and objective standpoint as a Member of the Board. The Company expects that she will help strengthen the supervisory function for business execution and provide advice from her wide-ranging perspectives on management based on her wealth of experience, and high level of integrity and insight, and has therefore nominated her as a new candidate for Member of the Board.

# You can exercise your voting rights and view the convocation notice via your smartphone.

- You may use a voting rights exercising service for smartphones.

By using your smartphone to scan the QR code® on the voting rights exercise form, you can log in to the designated website and exercise the voting rights without entering your voting code and password.

## Image for use

### STEP 1

Use your smartphone or tablet device to scan the “QR code for login to the voting rights exercising website for smartphones” located in the bottom-right of the enclosed voting rights exercise form.



You **do not need** to enter your voting code or password

### STEP 2

Access the URL shown on the screen to open the voting rights exercising website. Press “Indicate approval for each item separately” and proceed to exercise your voting rights.

When **indicating approval** of the Company’s proposals/Board of Directors opinions

This is the opinion of the Board of Directors of the Company.



When **indicating disapproval** of the Company’s proposals/Board of Directors opinions



- You can view major contents of the convocation notice via your smartphone.



<https://p.sokai.jp/9432/> (in Japanese)



## Skills of Members of the Board and Audit & Supervisory Board Members (Including Candidates)

The fields considered especially important by the Company for realizing the NTT Group Medium-Term Management Strategy are defined as 1) Business management, 2) Marketing/global business, 3) IT/DX/R&D, 4) Legal/risk management/public policy, 5) HR, 6) Accounting/finance. The skills of individual Members of the Board are also well-balanced and appropriately distributed. A list is presented in the table below.

Candidate No.		Name	Age	Gender	Current Position and Responsibilities			
Members of the Board	Second Item	1	<b>Jun Sawada</b>	68 years old	Male	Chairman and Representative Member of the Board	Reelection	
		2	<b>Akira Shimada</b>	66 years old	Male	Representative Member of the Board President and Chief Executive Officer (CEO)	Reelection	
		3	<b>Katsuhiko Kawazoe</b>	62 years old	Male	Representative Member of the Board Senior Executive Vice President In charge of technical strategy Chief Technology Officer (CTO) Chief Information Officer (CIO) Chief Digital Officer (CDO)	Reelection	
		4	<b>Takashi Hiroi</b>	61 years old	Male	Representative Member of the Board Senior Executive Vice President In charge of business strategy Chief Financial Officer (CFO) Chief Compliance Officer (CCO) Chief Human Resource Officer (CHRO)	Reelection	
		5	<b>Sachiko Oonishi</b>	57 years old	Female	Executive Vice President, Head of Research and Development Market Strategy	New election	
		6	<b>Ken Sakamura</b>	72 years old	Male	Member of the Board	Reelection	Outside Independent
		7	<b>Yukako Uchinaga</b>	77 years old	Female	Member of the Board	Reelection	Outside Independent
		8	<b>Koichiro Watanabe</b>	71 years old	Male	Member of the Board	Reelection	Outside Independent
		9	<b>Noriko Endo</b>	56 years old	Female	Member of the Board	Reelection	Outside Independent
		10	<b>Natsuko Takei</b>	63 years old	Female	—	New election	Outside Independent
Audit & Supervisory Board Members		<b>Keiichiro Yanagi</b>	63 years old	Male	Full-time Audit & Supervisory Board Member	—		
		<b>Kanae Takahashi</b>	60 years old	Female	Full-time Audit & Supervisory Board Member	—		
		<b>Kensuke Koshiyama</b>	64 years old	Male	Full-time Audit & Supervisory Board Member	—	Outside Independent	
		<b>Hideki Kanda</b>	70 years old	Male	Audit & Supervisory Board Member	—	Outside Independent	
		<b>Kaoru Kashima</b>	66 years old	Female	Audit & Supervisory Board Member	—	Outside Independent	

- (Notes) 1. Up to five fields in which expectations for individual Members of the Board/Audit & Supervisory Board Members are particularly high are listed. The following table is not an exhaustive list of the knowledge and experience possessed by each Member of the Board or Audit & Supervisory Board Member.
2. NTT has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company, whereby all of its Members of the Board and Audit & Supervisory Board Members constitute the insured. This insurance policy covers the insured's losses and such costs as related litigation expenses incurred from claims for damages arising from acts (including nonfeasance) carried out by the insured as an officer or a person at a certain position of the Company. However, losses and costs personally incurred by the insured as a result of the insured having engaged in criminal acts such as bribery and intentional illegal activities are not covered by the policy as a measure to ensure that the proper performance of duties by officers is not impaired. The respective candidates will continue to constitute the insured under the insurance policy if they are elected and assume the office as Member of the Board. Moreover, when the policy is renewed, the Company plans to renew the policy with the terms above.

Field					
Business Management	Marketing/ Global Business	IT/DX/R&D	Legal/Risk Management/ Public Policy	HR	Accounting/Finance
●	●	●		●	●
●	●		●	●	●
●	●	●	●	●	
●	●		●	●	●
●	●	●			
●	●	●			
●	●	●			
●	●				●
●		●	●		
●	●		●		
	●		●	●	●
		●	●	●	●
			●	●	●
			●	●	●
			●	●	●

## Guidance on Internet Streaming, etc.



Real-time Streaming over the Internet on the Day of the General Meeting of Shareholders

Date and time of streamed broadcast | **Thursday, June 20, 2024, beginning at 10:00 a.m. (JST)**

You will be able to view the state of affairs on the day through a real-time stream over the Internet.

For URL, please refer to the Notice of Convocation scheduled to be sent on May 31, 2024.



Reception of Questions over the Internet Prior to the Meeting

Deadline: | **5:30 p.m., Thursday, June 13, 2024 (JST)**

The Company will receive questions from shareholders regarding matters to be reported and matters to be resolved in relation to the 39th Ordinary General Meeting of Shareholders prior to the meeting.

For URL, please refer to the Notice of Convocation scheduled to be sent on May 31, 2024.

- \* The Company plans to post the answers to the questions received on its website. Furthermore, the Company plans to introduce a portion of these questions at the meeting.
- \* Questions that are not related to matters to be reported or matters to be resolved at the meeting may not be answered.
- \* Questions may also be received in writing. Please send your question to the address below by mail so that it arrives before the deadline.

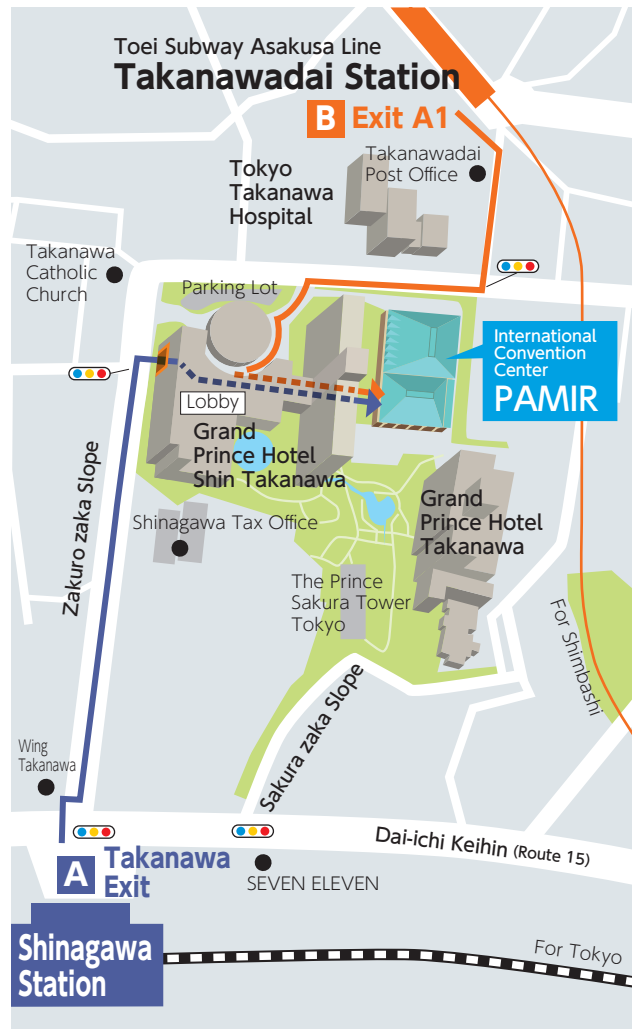
**[Address]**

IR Office, NIPPON TELEGRAPH AND TELEPHONE CORPORATION  
5-1, Otemachi 1-chome, Chiyoda-ku, Tokyo 100-8116

## The Location

**Venue** | International Convention Center PAMIR  
Grand Prince Hotel Shin Takanawa  
13-1, Takanawa 3-chome, Minato-ku, Tokyo  
Phone: 03-3442-1111

**Transportation** | **A** 8-minute walk from Shinagawa Station (Takanawa Exit) (JR and Keikyu Lines)  
**B** 6-minute walk from Takanawadai Station (Toei Subway Asakusa Line)





Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

## THE 39TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

# INFORMATIONAL MATERIALS FOR THE ORDINARY GENERAL MEETING OF SHAREHOLDERS

## Additional Booklet

### NIPPON TELEGRAPH AND TELEPHONE CORPORATION

(Code No.: 9432)

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With respect to underlined terms, a definition of each term is provided in the "Glossary of Terms."

#### Notice

This Additional Booklet is provided over the Internet. Shareholders wishing to receive the booklet by mail from the next Ordinary General Meetings of Shareholders onward are asked to complete the following procedures to make a Request for Delivery of Paper-Based Documents.


#### Procedures to Make a Request for Delivery of Paper-Based Documents

(For shareholders who do not wish to receive it by mail, it is not necessary to complete any procedures.)

Please ask your securities company for delivery of paper-based documents. The procedures can also be completed with the Transfer Agent (Sumitomo Mitsui Trust Bank, Limited). The method to complete the procedures with the Transfer Agent is provided below.

##### Request by phone

Call the dedicated call center of the Transfer Agent (Sumitomo Mitsui Trust Bank, Limited) to conduct procedures.

 0120-533-600 (9:00 to 17:00)  
(Excluding Saturdays, Sundays, holidays, and December 31 to January 3)

##### Request via the Internet (by chat bot)

Please access the chat bot on the website of the Transfer Agent (Sumitomo Mitsui Trust Bank, Limited) to make your request.

<https://group.ntt.jp/ir/is/22122.html> (in Japanese)



# Reference Materials for the Ordinary General Meeting of Shareholders

## Resolutions and matters for reference

### [Company Proposals]

#### First Item Distribution of Earned Surplus

Nippon Telegraph and Telephone Corporation (the “Company”) has set as its important management challenge the maximization of corporate value over the medium to long term, and the Company has identified the return of profits to shareholders as an important management goal.

In determining the level of dividends for the fiscal year ended March 31, 2024, the Company, while giving consideration to stability and sustainability, takes into account a full range of factors, including business performance, financial standing and dividend payout ratio.

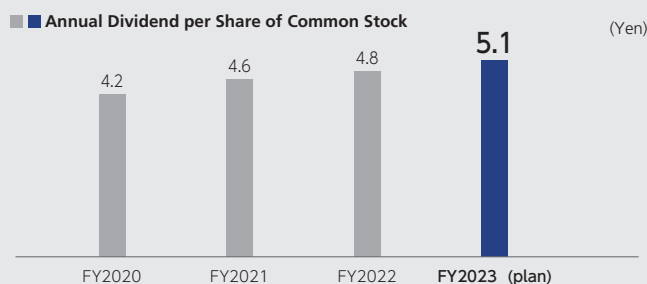
**1 Type of asset to be distributed:** Cash

**2 Matters relating to allotment of dividends and total amount of dividends to be distributed:** Per share of common stock : ¥2.60  
Total amount of dividends : ¥218,672,611,438

As the Company has already distributed an interim dividend of ¥2.50 per share of common stock, the annual dividend for the fiscal year will be ¥5.10 per one share of common stock.

**3 Date on which the dividend becomes effective:** June 21, 2024

#### Changes in Dividends per Share



Note: NTT implemented a 25-for-1 stock split of common stock with an effective date of July 1, 2023. Figures for annual dividend per share of common stock are stated, taking the stock split into consideration.

Please refer to page 56 for the capital policy. ▶

## Second Item Election of Ten (10) Members of the Board

The term of office of all ten current Members of the Board will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company proposes the election of ten Members of the Board.

The candidates for Members of the Board are as follows:

**1 Jun Sawada** Male, 68 years old (July 30, 1955) **Reelection** **Number of shares of the Company held: 1,123,500 shares**



**Years served as Member of the Board**  
10 years  
**Number of Board of Directors Meetings attended (Percent)**  
12/12 (100%)

### Career summary, position, responsibilities and description of significant concurrent positions

April 1978:	Joined Nippon Telegraph and Telephone Public Corporation
June 2008:	Senior Vice President Executive Manager of the Corporate Strategy Planning Department Member of the Board of NTT Communications Corporation
June 2011:	Executive Vice President Executive Manager of the Corporate Strategy Planning Department Member of the Board of NTT Communications Corporation
June 2012:	Senior Executive Vice President Executive Manager of the Corporate Strategy Planning Department Representative Member of the Board of NTT Communications Corporation
June 2013:	Senior Executive Vice President Representative Member of the Board of NTT Communications Corporation
June 2014:	Senior Executive Vice President Representative Member of the Board of the Company
June 2018:	President and Chief Executive Officer Representative Member of the Board of the Company
June 2020:	President and Chief Executive Officer Representative Member of the Board of the Company
June 2022:	Chairman and Representative Member of the Board of the Company (present post)

### Reasons for reelection as a Member of the Board

Mr. Jun Sawada has been involved in the global business and corporate planning operations of the Group in Japan and overseas for many years. He has broad insight and a wealth of experience in global business and business management.

In recent years, Mr. Sawada has promoted the strengthening of governance as Chairman of the Board. He has also promoted the independent development of both the Company and the Japanese economy and the strengthening of economic relations with other countries through his energetic activities in the business world.

The Company has determined that his wealth of experience, deep insight, and high level of integrity will contribute to the further sustainable growth of the Group, and has therefore nominated him once again as a candidate for Member of the Board.

**2****Akira Shimada**Male, 66 years old  
(December 18, 1957)

Reelection

Number of shares of the Company held:  
**772,600 shares**

**Years served as Member of the Board**  
12 years  
**Number of Board of Directors Meetings attended (Percent)**  
12/12 (100%)

**Career summary, position, responsibilities and description of significant concurrent positions**

April 1981:	Joined Nippon Telegraph and Telephone Public Corporation
June 2007:	Vice President of Corporate Strategy Planning of the Company
July 2007:	General Manager of the Accounts and Finance Department of Nippon Telegraph and Telephone West Corporation
July 2009:	General Manager of the General Affairs and Personnel Department of Nippon Telegraph and Telephone East Corporation
June 2011:	Senior Vice President General Manager of the General Affairs and Personnel Department Member of the Board of Nippon Telegraph and Telephone East Corporation
June 2012:	Senior Vice President Head of General Affairs Member of the Board of the Company
June 2015:	Executive Vice President Head of General Affairs Member of the Board of the Company
June 2018:	Senior Executive Vice President Representative Member of the Board of the Company
June 2020:	Senior Executive Vice President Representative Member of the Board of the Company
June 2022:	President and Chief Executive Officer Representative Member of the Board of the Company (present post)

**Reasons for reelection as a Member of the Board**

Mr. Akira Shimada has broad insight and a wealth of experience, having been involved in the Group's business strategy and business operations relating to human resources, finance, and legal affairs of the entire Group in Japan and overseas for many years.

In recent years, Mr. Shimada has led the reform of a new personnel system and the realignment of overseas business to expand global business as a top executive. He has also led the management of the Group, including formulating (May 2023) and implementing the new Medium-Term Management Strategy.

The Company has determined that his wealth of experience, deep insight, and high level of integrity will contribute to the further sustainable growth of the Group, and has therefore nominated him once again as a candidate for Member of the Board.

**3****Katsuhiko Kawazoe**Male, 62 years old  
(September 5, 1961)

Reelection

Number of shares of the Company held:  
**409,300 shares**

**Total number of years including the number of years in office as a Member of the Board in the past**  
4 years  
**Number of Board of Directors Meetings attended (Percent)**  
12/12 (100%)

**Career summary, position, responsibilities and description of significant concurrent positions**

April 1987:	Joined the Company
August 2003:	Senior Research Engineer of the Cyberspace Laboratories of the Cyber Communications Laboratory Group of the Company
October 2007:	Senior Research Engineer of the Cyber Solutions Laboratories of the Cyber Communications Laboratory Group of the Company
July 2008:	Vice President of Research and Development Planning of the Company
July 2014:	Head of the Service Evolution Laboratories of the Service Innovation Laboratory Group of the Company
July 2016:	Head of the Service Innovation Laboratory Group of the Company
June 2018:	Senior Vice President Head of Research and Development Planning Member of the Board of the Company
June 2020:	Executive Vice President Head of Research and Development Planning of the Company
June 2022:	Senior Executive Vice President Representative Member of the Board of the Company (present post)

**Reasons for reelection as a Member of the Board**

Mr. Katsuhiko Kawazoe has broad insight and a wealth of experience in the research and development and global fields, including many years of work related to formulating and implementing the research and development strategy (Ph.D. in informatics).

In recent years, Mr. Kawazoe has been leading the research and development field toward the realization of a sustainable and prosperous smart world, with a focus on the announcement of the IOWN concept and the establishment of the IOWN Global Forum.

The Company has determined that his wealth of experience, deep insight, and high level of integrity will contribute to the further sustainable growth of the Group, and has therefore nominated him once again as a candidate for Member of the Board.

4

**Takashi Hiroi**Male, 61 years old  
(February 13, 1963)

Reelection

Number of shares of the Company held:  
364,000 shares

**Total number of years including the number of years in office as a Member of the Board in the past**

7 years

**Number of Board of Directors Meetings attended (Percent)**

12/12 (100%)

#### Career summary, position, responsibilities and description of significant concurrent positions

April 1986:	Joined the Company
May 2005:	Vice President of Corporate Business Strategy of the Company
June 2008:	Vice President of Strategic Business Development of the Company
July 2009:	Vice President of Corporate Strategy Planning of the Company
June 2014:	Head of Finance and Accounting of the Company
June 2015:	Senior Vice President Head of Finance and Accounting Member of the Board of the Company
June 2020:	Executive Vice President General Manager of Accounts and Finance Department Member of the Board of Directors of NTT DOCOMO, INC.
December 2020:	Senior Executive Vice President Representative Member of the Board of Directors of NTT DOCOMO, INC.
June 2022:	Senior Executive Vice President Representative Member of the Board of the Company (present post)

#### Reasons for reelection as a Member of the Board

Mr. Takashi Hiroi has broad insight and a wealth of experience as a manager, having been responsible for overall business strategy with a focus on business management and finance and finance for many years.

In recent years, Mr. Hiroi has led the Group's efforts to strengthen its cash-generating ability through increased investment for growth and to promote human capital management. He has also led the management of the Group in formulating (May 2023) and implementing the new Medium-Term Management Strategy.

The Company has determined that his wealth of experience, deep insight, and high level of integrity will contribute to the further sustainable growth of the Group, and has therefore nominated him once again as a candidate for Member of the Board.

5

**Sachiko Oonishi**Female, 57 years old  
(December 17, 1966)  
\* The surname of Sachiko Oonishi is Iijima in the family register.

New election

Number of shares of the Company held:  
71,500 shares

#### Career summary, position, responsibilities and description of significant concurrent positions

April 1989:	Joined the Company
July 2012:	General Manager in charge of the New Business Development Headquarters of Nippon Telegraph and Telephone East Corporation
July 2014:	General Manager of Stadium Wi-Fi Promotion Office of NTT Broadband Platform, Inc.
July 2016:	Vice President of Strategic Business Development of the Company
June 2020:	Member of the Board, Head of Third Business Solutions, Business Solution Division of NTT Communications Corporation
June 2021:	Senior Vice President, Head of Third Business Solutions, Business Solution Division of NTT Communications Corporation
June 2023:	Executive Vice President, Head of Research and Development Market Strategy of the Company (present post)

#### Reasons for election as a Member of the Board

Ms. Sachiko Oonishi has broad insight and a wealth of experience in the new business and marketing fields, having been involved in formulating and implementing strategies for new business creation at the Company and Group companies.

In recent years, Ms. Oonishi has been leading alliances with various partners and the creation of new businesses towards creating new value through fusion of research and development with a market focused strategy via co-creation at the global level to upgrade the customer experience (CX).

The Company has determined that her wealth of experience, deep insight, and high level of integrity will contribute to the further sustainable growth of the Group, and has therefore nominated her as a new candidate for Member of the Board.



**Years served as outside Member of the Board**  
5 years  
**Number of Board of Directors Meetings attended (Percent)**  
12/12 (100%)

### Career summary, position, responsibilities and description of significant concurrent positions

April 2000:	Professor of the Interfaculty Initiative in Information Studies and the Graduate School of Interdisciplinary Information Studies of the University of Tokyo
January 2002:	Director of YRP Ubiquitous Networking Laboratory (present post)
April 2009:	Director of Institute of Infrastructure Application of Ubiquitous Computing of the Interfaculty Initiative in Information Studies of the University of Tokyo
October 2014:	President of Vitalizing Local Economy Organization by Open Data & Big Data (currently the Organization for Vitalization of Local Economy by Digital Transformation) (present post)
April 2017:	Professor and Dean of Faculty of Information Networking for Innovation and Design of Toyo University (retired on March 31, 2024)
April 2017:	Head of collaboration Hub for University and Business of Toyo University (present post)
June 2017:	Emeritus Professor of the University of Tokyo (present post)
June 2019:	Member of the Board of the Company (present post)
August 2019:	President of Association for IoT Services Coordination (present post)

### Reasons for reelection as an outside Member of the Board and overview of expected roles

Mr. Ken Sakamura leads cutting-edge projects by researchers and engineers from around the world, including the launch of the TRON project. He also promotes the creation of new businesses through the utilization of big data by promoting the release of open data. In addition, Mr. Sakamura contributes to the development of academic research in a wide range of fields and its implementation in society by promoting collaboration between universities and businesses.

Mr. Sakamura has played an important role since assuming his position as Member of the Board in June 2019, making comments mainly on subjects such as research and development, the promotion of digital transformation (DX), and industry and technological trends regarding investment projects from an independent and objective standpoint. The Company expects that he will help strengthen the supervisory function for business execution and provide advice from his wide-ranging perspectives on management based on his wealth of experience, and high level of integrity and insight, and has therefore nominated him once again as a candidate for Member of the Board.

### Matters regarding independence

Although the Company and its major subsidiaries have relationships involving transactions and donations with the University of Tokyo, where Mr. Ken Sakamura previously served as a professor, and Toyo University, where he currently serves as a head of hub, as shown in the table below, both cases fulfill the independence criteria stipulated by the Tokyo Stock Exchange, on which the Company is listed, and the Company's own independence standards for independent officers.\*

Transaction counterparty	Content	Comparison basis	Comparative size
The University of Tokyo, where Mr. Ken Sakamura previously served as a professor	Total annual amount of transactions	Total annual operating revenues of the Company and its major subsidiaries	Less than 1%
		Total annual income of the university	Less than 1%
	Total annual amount of donations	Total annual income of the university	Less than 1%
Toyo University, where Mr. Ken Sakamura currently serves as a head of hub	Total annual amount of transactions	Total annual operating revenues of the Company and its major subsidiaries	Less than 1%
		Total annual income of the university	Less than 1%
	Total annual amount of donations	—	Less than ¥10 million annually

\* Please refer to page 55 for details on the Company's independence standards for independent officers.

- Notes: 1. Mr. Ken Sakamura is a candidate for outside Member of the Board.  
Mr. Ken Sakamura has not previously been involved in the management of a company other than by way of becoming an outside member of the board or an outside audit & supervisory board member. However, as stated in the above reasons for reelection as an outside Member of the Board, the Company has determined that he is capable of adequately serving as an outside Member of the Board.  
In addition, as stated in the above matters regarding independence, as Mr. Ken Sakamura fulfills the independence criteria stipulated by the Tokyo Stock Exchange, on which the Company is listed, and the Company's own independence standards for independent officers, and there is no concern that conflicts of interest with general shareholders would arise, the Company has designated him as an independent officer and filed the information related thereto with the aforementioned stock exchange. The Company plans to continue to designate Mr. Ken Sakamura as an independent officer should his election be approved.
2. In order for Mr. Ken Sakamura to fully perform his expected role as an outside Member of the Board, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreement with the candidate limiting his liability for damages pursuant to Article 423, paragraph (1) of the same act. The maximum amount of liability for damages pursuant to such agreement is the minimum liability amount stipulated in Article 425, paragraph (1) of the Companies Act. In the event that the appointment of Mr. Ken Sakamura is approved, the Company intends to continue the said agreement with him.

7

**Yukako Uchinaga**Female, 77 years old  
(July 5, 1946)

Reelection

Outside

Independent

Number of shares of the Company held:  
**21,000 shares**

**Years served as outside Member of the Board**  
2 years

**Number of Board of Directors Meetings attended (Percent)**  
12/12 (100%)

**Career summary, position, responsibilities and description of significant concurrent positions**

July 1971:	Joined IBM Japan, Ltd.
April 2004:	Director and Senior Executive Officer of IBM Japan, Ltd.
April 2007:	Technical Advisor of IBM Japan, Ltd. (retired on March 31, 2008)
April 2007:	Board Chair of Japan Women's Innovative Network (retired on July 1, 2022)
April 2008:	Representative Director, Chairman of the Board, President & CEO of Berlitz Corporation
October 2009:	Director and Executive Vice President of Benesse Holdings, Inc. (retired on June 22, 2013)
April 2013:	Honorary Chairman of Berlitz Corporation (retired on June 22, 2013)
September 2013:	President and CEO of Globalization Research Institute Co., Ltd. (present post)
June 2021:	Director of SINTOKOGIO, LTD. (present post)
June 2022:	Member of the Board of the Company (present post)
July 2022:	Chairperson and Representative Director of Japan Women's Innovative Network (retired on March 31, 2024)

**Reasons for reelection as an outside Member of the Board and overview of expected roles**

Ms. Yukako Uchinaga has a wealth of experience in management and development at IBM Japan, Ltd. She also promoted the development of the global structure and business model transformation as Representative Director, Chairman of the Board, President & CEO of Berlitz Corporation. In addition, she has been involved in activities to promote the spread and understanding of diversity and inclusion (D&I) in Japanese society, having established the Japan Women's Innovative Network, a non-profit organization, and served as its Board Chair as well as Chairperson and Representative Director.

Ms. Uchinaga has played an important role since assuming her position as Member of the Board in June 2022, mainly advising on global strategy and human resources strategy from an independent and objective standpoint. The Company expects that she will help strengthen the supervisory function for business execution and provide advice from her wide-ranging perspectives on management based on her wealth of experience, and high level of integrity and insight, and has therefore nominated her once again as a candidate for Member of the Board.

**Matters regarding independence**

Although the Company and its major subsidiaries have relationships involving transactions with IBM Japan Ltd., where Ms. Yukako Uchinaga previously served as Director and Senior Executive Officer, and Globalization Research Institute Co., Ltd., where she currently serves as President and CEO, as shown in the table below, all cases fulfill the independence criteria stipulated by the Tokyo Stock Exchange, on which the Company is listed, and the Company's own independence standards for independent officers.\*

Transaction counterparty	Content	Comparison basis	Comparative size
IBM Japan Ltd., where Ms. Yukako Uchinaga previously served as Director and Senior Executive Officer	Total annual amount of transactions	Total annual operating revenues of the Company and its major subsidiaries	Less than 1%
		Annual net sales of the company	Less than 2%
Global Research Institute Co., Ltd., where Ms. Yukako Uchinaga currently serves as President and CEO	Total annual amount of transactions	Total annual operating revenues of the Company and its major subsidiaries	Less than 1%
		Annual net sales of the company	Less than 1%

\* Please refer to page 55 for details on the Company's independence standards for independent officers.

- Notes: 1. Ms. Yukako Uchinaga is a candidate for outside Member of the Board. In addition, as stated in the above matters regarding independence, as Ms. Yukako Uchinaga fulfills the independence criteria stipulated by the Tokyo Stock Exchange, on which the Company is listed, and the Company's own independence standards for independent officers, and there is no concern that conflicts of interest with general shareholders would arise, the Company has designated her as an independent officer and filed the information related thereto with the aforementioned stock exchange. The Company plans to designate Ms. Yukako Uchinaga as an independent officer should her election be approved.
2. In order for Ms. Yukako Uchinaga to fully perform her expected role as an outside Member of the Board, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreement with the candidate limiting her liability for damages pursuant to Article 423, paragraph (1) of the same act. The maximum amount of liability for damages pursuant to such agreement is the minimum liability amount stipulated in Article 425, paragraph (1) of the Companies Act. In the event that the appointment of Ms. Yukako Uchinaga is approved, the Company intends to continue the said agreement with her.

## 8 Koichiro Watanabe

Male, 71 years old  
(April 16, 1953)

Reelection

Outside

Independent

Number of shares of the Company held:  
36,100 shares



**Years served as outside Member of the Board**  
2 years  
**Number of Board of Directors Meetings attended (Percent)**  
12/12 (100%)

### Career summary, position, responsibilities and description of significant concurrent positions

April 1976:	Joined The Dai-ichi Mutual Life Insurance Company
April 2010:	Representative Director President of The Dai-ichi Life Insurance Company, Limited
October 2016:	Representative Director President of Dai-ichi Life Holdings, Inc.
October 2016:	Representative Director President of The Dai-ichi Life Insurance Company, Limited (A new company that took over the domestic life insurance business)
April 2017:	Representative Director Chairman of the Board of Dai-ichi Life Holdings, Inc.
April 2017:	Representative Director Chairman of the Board of The Dai-ichi Life Insurance Company, Limited
June 2020:	Director Chairman of the Board of Dai-ichi Life Holdings, Inc. (retired on March 31, 2023)
June 2020:	Director Chairman of the Board of The Dai-ichi Life Insurance Company, Limited (retired on March 31, 2023)
June 2022:	Member of the Board of the Company (present post)
April 2023:	Director of Dai-ichi Life Holdings, Inc. (retired on June 26, 2023)
April 2023:	Special Adviser of The Dai-ichi Life Insurance Company, Limited (present post)

### Reasons for reelection as an outside Member of the Board and overview of expected roles

Mr. Koichiro Watanabe was responsible for overall management as Representative Director, President of Dai-ichi Life Holdings, Inc. and its Group company. He also led reforms aimed at the growth of the Dai-ichi Life Group, including its reorganization (demutualization) and its listing on the First Section (at the time) of the Tokyo Stock Exchange.

Mr. Watanabe has played an important role since assuming his position as Member of the Board in June 2022, mainly advising on capital policy and marketing as well as risk management from an independent and objective standpoint. The Company expects that he will help strengthen the supervisory function for business execution and provide advice from his wide-ranging perspectives on management based on his wealth of experience, and high level of integrity and insight, and has therefore nominated him once again as a candidate for Member of the Board.

### Matters regarding independence

Although the Company and its major subsidiaries have relationships involving transactions with The Dai-ichi Life Insurance Company Limited, where Mr. Koichiro Watanabe previously served as Director and Chairman of the Board, and Dai-ichi Life Holdings, Inc., where he previously served as Director, as shown in the table below, both cases fulfill the independence criteria stipulated by the Tokyo Stock Exchange, on which the Company is listed, and the Company's own independence standards for independent officers.\*

Transaction counterparty	Content	Comparison basis	Comparative size
The Dai-ichi Life Insurance Company, Limited, where Mr. Koichiro Watanabe previously served as Director and Chairman of the Board	Total annual amount of transactions	Total annual operating revenues of the Company and its major subsidiaries	Less than 1%
		Annual net sales of the company	Less than 1%
Dai-ichi Life Holdings, Inc., where Mr. Koichiro Watanabe previously served as Director	Total annual amount of transactions	Total annual operating revenues of the Company and its major subsidiaries	Less than 1%
		Annual net sales of the company	Less than 1%

\* Please refer to page 55 for details on the Company's independence standards for independent officers.

- Notes: 1. Mr. Koichiro Watanabe is a candidate for outside Member of the Board.  
In addition, as stated in the above matters regarding independence, as Mr. Koichiro Watanabe fulfills the independence criteria stipulated by the Tokyo Stock Exchange, on which the Company is listed, and the Company's own independence standards for independent officers, and there is no concern that conflicts of interest with general shareholders would arise, the Company has designated him as an independent officer and filed the information related thereto with the aforementioned stock exchange. The Company plans to designate Mr. Koichiro Watanabe as an independent officer should his election be approved.
2. In order for Mr. Koichiro Watanabe to fully perform his expected role as an outside Member of the Board, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreement with the candidate limiting his liability for damages pursuant to Article 423, paragraph (1) of the same act. The maximum amount of liability for damages pursuant to such agreement is the minimum liability amount stipulated in Article, paragraph 425, paragraph (1) of the Companies Act. In the event that the appointment of Mr. Koichiro Watanabe is approved, the Company intends to continue the said agreement with him.



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**Noriko Endo**

Female, 56 years old  
(May 6, 1968)  
\* The surname of Noriko Endo  
is Tsujihiro in the family register.

Reelection

Outside

Independent

Number of shares of the Company held:

48,300 shares



**Years served as outside  
Member of the Board**

2 years

**Number of Board of  
Directors Meetings  
attended (Percent)**

12/12 (100%)

**Career summary, position, responsibilities and description of significant concurrent positions**

June 1994:	Joined DIAMOND, Inc.
March 2006:	Deputy Editor of Diamond Weekly of DIAMOND, Inc. (retired on December 31, 2013)
April 2015:	Project Professor of Keio University (present post)
June 2016:	Member of the Board of Directors of NTT DOCOMO, INC. (retired on June 21, 2022)
July 2018:	Director of AIN HOLDINGS INC. (present post)
June 2019:	Director of Hankyu Hanshin Holdings, Inc. (present post)
March 2021:	Director of Techpoint, Inc. (scheduled to retire on May 30, 2024)
June 2021:	Director of Japan Elevator Service Holdings Co., Ltd. (present post)
June 2022:	Member of the Board of the Company (present post)
April 2024:	Professor of Research Council of Waseda University (present post)

**Reasons for reelection as an outside Member of the Board and overview of expected roles**

Ms. Noriko Endo is well versed in management strategy and public policy (in the energy field, etc.) through her work as a writer and editor of a financial magazine and research projects at universities. She also has knowledge and experience gained through her career as an outside director of corporations.

Ms. Endo has played an important role since assuming her position as Member of the Board in June 2022, mainly advising on Group management, strengthening governance, and public policy, etc. from an independent and objective standpoint. The Company expects that she will help strengthen the supervisory function for business execution and provide advice from her wide-ranging perspectives on management based on her wealth of experience, and high level of integrity and insight, and has therefore nominated her once again as a candidate for Member of the Board.

**Matters regarding independence**

Although the Company and its major subsidiaries have relationships involving transactions and donations with the DIAMOND, Inc., where Ms. Noriko Endo previously served, Keio University, where she currently serves as a Project Professor, and Waseda University, where she currently serves as a Professor, as shown in the table below, the case fulfills the independence criteria stipulated by the Tokyo Stock Exchange, on which the Company is listed, and the Company's own independence standards for independent officers.\*

Transaction counterparty	Content	Comparison basis	Comparative size
DIAMOND, Inc., where Ms. Noriko Endo previously served	Total annual amount of transactions	Total annual operating revenues of the Company and its major subsidiaries	Less than 1%
		Annual net sales of the company	Less than 1%
Keio University, where Ms. Noriko Endo currently serves as a Project Professor	Total annual amount of transactions	Total annual operating revenues of the Company and its major subsidiaries	Less than 1%
		Total annual income of the university	Less than 1%
	Total annual amount of donations	–	Less than ¥10 million annually
Waseda University, where Ms. Noriko Endo currently serves as a Professor	Total annual amount of transactions	Total annual operating revenues of the Company and its major subsidiaries	Less than 1%
		Total annual income of the university	Less than 1%
	Total annual amount of donations	–	Less than ¥10 million annually

\* Please refer to page 55 for details on the Company's independence standards for independent officers.

- Notes: 1. Ms. Noriko Endo is a candidate for outside Member of the Board. Ms. Noriko Endo has not previously been involved in the management of a company other than by way of becoming an outside member of the board or outside audit & supervisory board member. However, as stated in the above reasons for reelection as an outside Member of the Board, the Company determined that she is capable of adequately serving as an outside Member of the Board. In addition, as stated in the above matters regarding independence, as Ms. Noriko Endo fulfills the independence criteria stipulated by the Tokyo Stock Exchange, on which the Company is listed, and the Company's own independence standards for independent officers, and there is no concern that conflicts of interest with general shareholders would arise, the Company has designated her as an independent officer and filed the information related thereto with the aforementioned stock exchange. The Company plans to designate Ms. Noriko Endo as an independent officer should her election be approved.
2. In order for Ms. Noriko Endo to fully perform her expected role as an outside Member of the Board, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreement with the candidate limiting her liability for damages pursuant to Article 423, paragraph (1) of the same act. The maximum amount of liability for damages pursuant to such agreement is the minimum liability amount stipulated in Article 425, paragraph (1) of the Companies Act. In the event that the appointment of Ms. Noriko Endo is approved, the Company intends to continue the said agreement with her.
3. Ms. Noriko Endo has been a non-executive director (Outside Member of the Board of Directors) of the Company's subsidiary NTT DOCOMO, INC. in the past.



### Career summary, position, responsibilities and description of significant concurrent positions

April 1983:	Joined Sony Corporation (currently Sony Group Corporation)
June 2013:	SVP, Corporate Executive Officer, Head of Legal Division of Sony Corporation (currently Sony Group Corporation)
August 2013:	SVP, Corporate Executive Officer, Head of Legal Division and Head of Compliance Division of Sony Corporation (currently Sony Group Corporation)
April 2019:	Senior Vice President, Senior General Manager of Legal, Compliance and Privacy Department of Sony Corporation (currently Sony Group Corporation)
April 2020:	Senior Vice President, Senior General Manager of Legal Department of Sony Corporation (currently Sony Group Corporation)
June 2021:	Executive Vice President, Senior General Manager of Legal Department of Sony Group Corporation (retired on March 31, 2023)
June 2023:	Director of TBS HOLDINGS, INC. (present post)

### Reasons for election as an outside Member of the Board and overview of expected roles

Ms. Natsuko Takei led Sony Corporation (currently Sony Group Corporation) for many years as the person responsible for legal affairs and compliance, providing legal support for acquisition and alliance projects in Japan and overseas, and the search for new business areas, as well as establishing systems to ensure proper Group management and foster a corporate culture that is the basis for sound business activities.

The Company believes that Ms. Takei will advise mainly on legal affairs, risk management, and strengthening governance as well as global strategy from an independent and objective standpoint as a Member of the Board. The Company expects that she will help strengthen the supervisory function for business execution and provide advice from her wide-ranging perspectives on management based on her wealth of experience, and high level of integrity and insight, and has therefore nominated her as a new candidate for Member of the Board.

### Matters regarding independence

Although the Company and its major subsidiaries have relationships involving transactions with Sony Group Corporation, where Ms. Natsuko Takei previously served as Executive Vice President, as shown in the table below, the case fulfills the independence criteria stipulated by the Tokyo Stock Exchange, on which the Company is listed, and the Company's own independence standards for independent officers.\*

Transaction counterparty	Content	Comparison basis	Comparative size
Sony Group Corporation, where Ms. Natsuko Takei previously served as Executive Vice President	Total annual amount of transactions	Total annual operating revenues of the Company and its major subsidiaries	Less than 1%
		Annual net sales of the company	Less than 1%

\* Please refer to page 55 for details on the Company's independence standards for independent officers.

- Notes: 1. Ms. Natsuko Takei is a candidate for outside Member of the Board. In addition, as stated in the above matters regarding independence, as Ms. Natsuko Takei fulfills the independence criteria stipulated by the Tokyo Stock Exchange, on which the Company is listed, and the Company's own independence standards for independent officers, and there is no concern that conflicts of interest with general shareholders would arise, the Company has designated her as an independent officer and filed the information related thereto with the aforementioned stock exchange. The Company plans to designate Ms. Natsuko Takei as an independent officer should her election be approved.
2. In order for Ms. Natsuko Takei to fully perform her expected role as an outside Member of the Board, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company plans to enter into agreement with the candidate limiting her liability for damages pursuant to Article 423, paragraph (1) of the same act. The maximum amount of liability for damages pursuant to such agreement is the minimum liability amount stipulated in Article 425, paragraph (1) of the Companies Act.

## [Shareholder Proposal]

### Third Item Election of One (1) Member of the Board

The proposal and the reason are stated verbatim as proposed by the Shareholder.

#### Summary of the Proposal:

It is proposed that Tomoki Maeda be elected as Member of the Board.

Tomoki Maeda  
(April 30, 1980)

#### Career summary and description of significant concurrent positions

March 2003:	Graduated from College of Policy Science, Ritsumeikan University
April 2003:	Joined Future Venture Capital Co., Ltd.
November 2006:	External Director of Medicine Plus Co., Ltd.
September 2008:	Joined SBI Investment Co., Ltd.
April 2011:	Fourth-term Member of Hyogo Prefectural Assembly (present post)
October 2018:	Representative Partner of CATALYST LLC (present post)

#### Purport of the Proposal:

The Company's largest shareholder is the country of Japan, in other words, the assets and tax payments of the Japanese people, which calls for strict corporate governance. Therefore, the Company needs a truly independent outside Member of the Board, and this shareholder proposal is for that purpose. The following three important issues require improvement.

#### 1. Proper reflection of shareholders' intentions

In the exercise of voting rights, treating no indication of approval or disapproval as "an approval vote for the Company's proposals and a disapproval vote for shareholder proposals" distorts the shareholders' intentions. Equal treatment should be given so that shareholders' intentions in the highest decision-making body are properly reflected.

#### 2. Correction of IR disparities between institutional investors and individual investors

"Important information" should be interpreted broadly, and fair disclosure should be enforced.

Briefings exclusive to institutional investors, etc., should be abolished, and a system that allows individual investors broad access to view them should be established. In addition, minutes of small meetings should be made public.

#### 3. Investigation of expenses incurred by executive officers and above

To prevent extravagant dining, entertainment and travel expenses for personal use, and the misuse of transactions between related parties, the expenses incurred by executive officers and above should be investigated.

#### Opinion of the Board of Directors

#### The Board of Directors is against this proposal.

The Company has placed on the agenda the election of ten candidates (of which, five are outside Members of the Board) in the Company proposal for the election of Members of the Board (the Second Item). The five candidates for outside Members of the Board fulfill the independence criteria stipulated by the Tokyo Stock Exchange and the Company's own independence standards for independent officers. Therefore, with objectivity and fairness secured, the Board of Directors believes that the Company will be able to develop a system to strengthen the corporate governance function.

Moreover, each candidate for Member of the Board possesses a wide range of viewpoints, experience and skills, and the Board of Directors believes that the candidates nominated will contribute to the NTT Group's total growth in order to enhance the corporate value of the Group as a whole.

With the objective of further strengthening the independence, objectivity, and accountability in decisions with respect to appointments of officers, etc. made by the Board of Directors, the Company has voluntarily established a Nomination Committee that consists of five Members of the Board, of which a majority (three) are outside Members of the Board, as a preliminary review institution of the Board of Directors, thereby increasing the effectiveness of governance. This Nomination Committee has also expressed the opinion of being against this shareholder proposal.

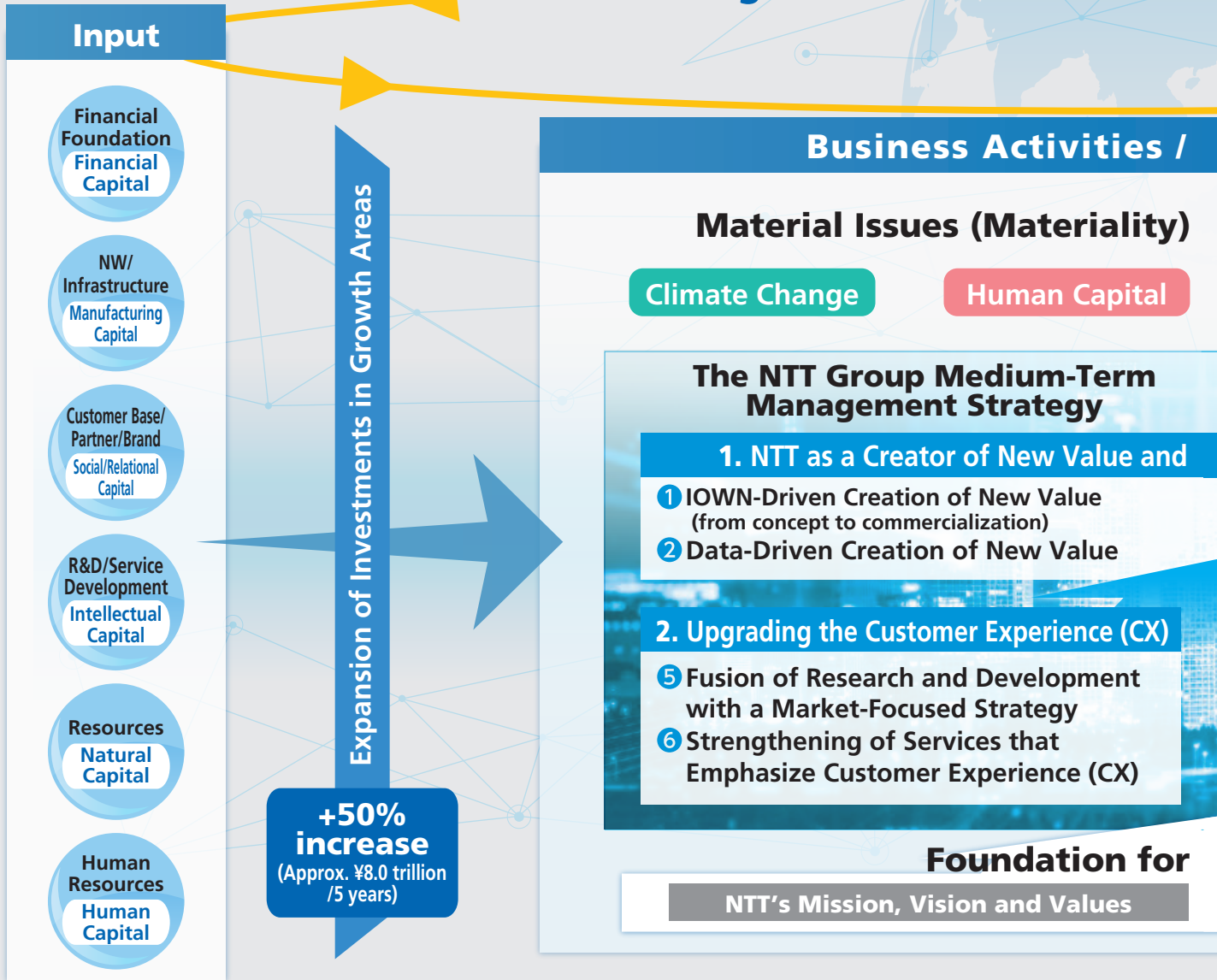
Accordingly, the Board of Directors is against this proposal.

# Business Report (For the Fiscal Year ended March 31, 2024)

## Value Creation Process of NTT Group

~ Cycle to Realize Ongoing Improvement of Corporate Value ~

### Innovating a Sustainable Future



#### Input

- Financial Foundation  
Financial Capital
- NW/  
Infrastructure  
Manufacturing Capital
- Customer Base/  
Partner/Brand  
Social/Relational Capital
- R&D/Service  
Development  
Intellectual Capital
- Resources  
Natural Capital
- Human Resources  
Human Capital

Expansion of Investments in Growth Areas

**+50% increase**  
(Approx. ¥8.0 trillion /5 years)

#### Business Activities /

#### Material Issues (Materiality)

- Climate Change
- Human Capital

#### The NTT Group Medium-Term Management Strategy

##### 1. NTT as a Creator of New Value and

- ① IOWN-Driven Creation of New Value (from concept to commercialization)
- ② Data-Driven Creation of New Value

##### 2. Upgrading the Customer Experience (CX)

- ⑤ Fusion of Research and Development with a Market-Focused Strategy
- ⑥ Strengthening of Services that Emphasize Customer Experience (CX)

#### Foundation for

NTT's Mission, Vision and Values

# for People and Planet

## Output

### of NTT Group

Creation of New Value

Resilience

New Value Creation & Sustainability 2027  
Powered by IOWN

#### Accelerator of a Global Sustainable Society

- ③ Achievement of a Circular Economy Society
- ④ Further Strengthening of Business Foundations

#### 3. Improving the Employee Experience (EX)

- ⑦ Open and Innovative Corporate Culture
- ⑧ Support Career Growth
- ⑨ Global Benefits for Employees and their Families

## Value Creation

Corporate Governance

## Outcome

### Economic Value

#### Expansion of Cash-Generation Ability

**EBITDA: +20% increase\***  
(Approx. ¥4.0 trillion (FY2027))

#### Enhancement of Returns to Shareholders

**Steady increase of dividends**  
**Flexible share buybacks**

### Social Value

#### Mitigation of Climate Change

- Expansion of renewable energy generation business
- Challenge to Net-Zero
- Conservation of biodiversity

#### Promotion of Human Capital Management

- Support of autonomous career growth
- Promotion of D&I (diversity and inclusion)
- Diverse work styles (remote standard, etc.)

#### Creation of New Social Value

- IOWN commercialization, use of AI/robots
- Acceleration of resource recycling and regional revitalization among industries
- Research and development / provision of products tailored to needs
- Provision of new experiences and impressions that exceed expectations

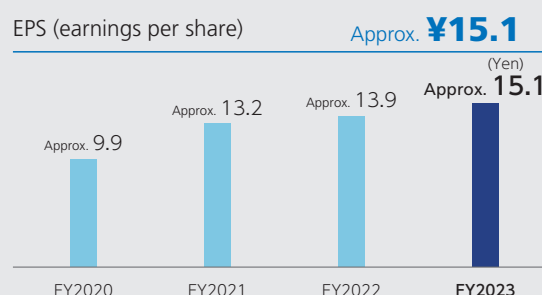
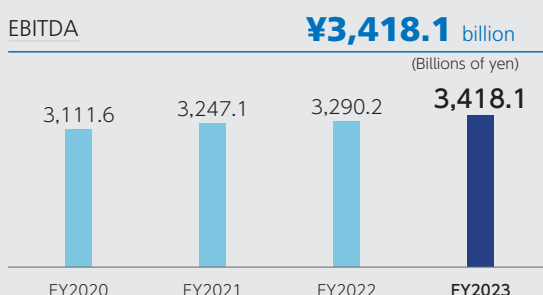
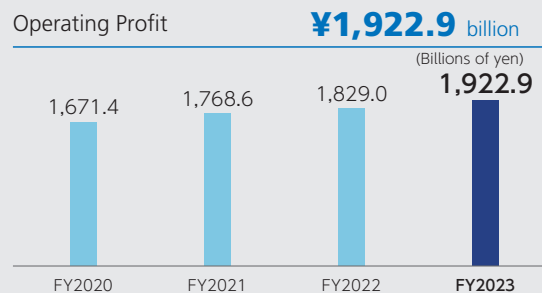
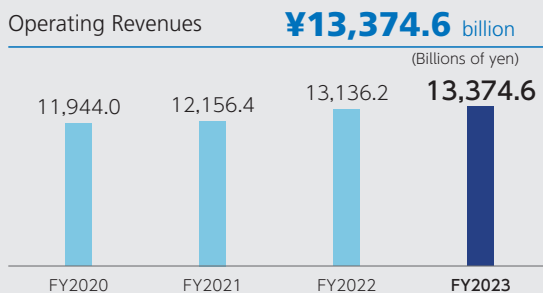
#### Resilience of Social Infrastructure

- Prediction and avoidance of the occurrence of large-scale failures, cyberattacks, etc.
- Promotion of disaster countermeasures

\* Compared to FY2022.

# I Outline of the Business of NTT Group

## Consolidated Financial Results (IFRS)



Note: NTT implemented a 25-for-1 stock split of common stock with an effective date of July 1, 2023. The figures for EPS have been adjusted to reflect the stock split.

## 1. Business Progress and Results

### (1) Business Environment

The information and telecommunications market and its related markets saw the expansion of cloud services and 5G services and the rapid advance of technologies such as AI, digital twin, and quantum computing. In conjunction with these changes, the progressing accumulation, analysis, and utilization of a wide range of data are driving a global digital transformation (DX) resulting in reforms, such as by improving the convenience of people's daily lives, creating new business models, and enhancing productivity. This trend is accelerating amid the increasing volumes of data circulation as the workstyles and lifestyles in which both the real and online worlds coexist take hold. Meanwhile, society needs to take steps such as strengthening information security against increasingly sophisticated and complex cyberattacks, reinforcing anti-disaster measures, and contributing to the protection of the environment.

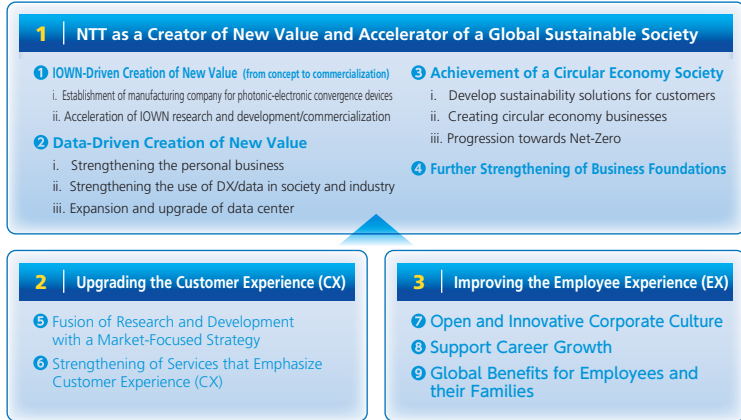
The role of information and telecommunications is also becoming more important in terms of resolving these wide-ranging societal issues.

## (2) Business Status

In this business environment and based on its new Medium-Term Management Strategy announced in May 2023 entitled "New Value Creation & Sustainability 2027 Powered by IOWN," NTT Group has promoted various initiatives in each of its business segments, centered on the three pillars of "NTT as a Creator of New Value and Accelerator of a Global Sustainable Society," "Upgrading the Customer Experience (CX)," and "Improving the Employee Experience (EX)."

Consolidated operating revenues for the fiscal year ended March 31, 2024 were 13,374.6 billion yen (an increase of 1.8% from the previous fiscal year), consolidated operating profit was 1,922.9 billion yen (an increase of 5.1% from the previous fiscal year), and consolidated profit attributable to NTT was 1,279.5 billion yen (an increase of 5.5% from the previous fiscal year).

### Pillars of Our Initiatives Related to the New Medium-Term Management Strategy

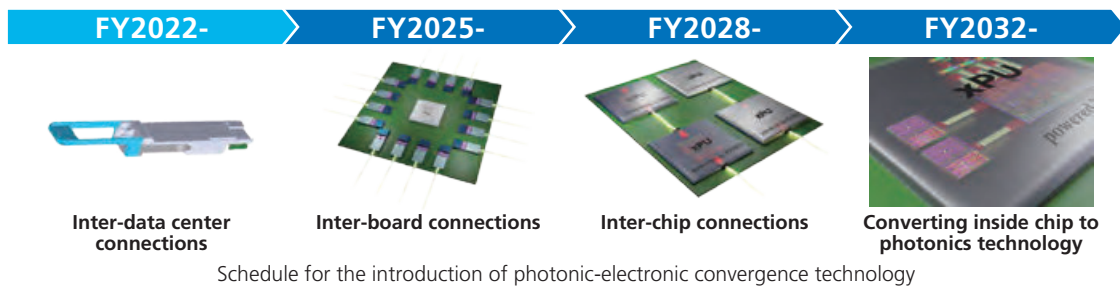


## NTT as a Creator of New Value and Accelerator of a Global Sustainable Society

### IOWN-Driven Creation of New Value (from concept to commercialization)

#### [Establishment of manufacturing company for photonic-electronic convergence devices]

- We established NTT Innovative Devices Corporation in June 2023. Through this company, we will accelerate product development, market launch, and business expansion of photonic-electronic convergence devices, which will be key elements of the IOWN concept, introducing and expanding the application of the benefits of photonic-electronic convergence, namely the extremely low power consumption, not only in the communications domain but also in the computing domain, including data centers, in order to overcome the general societal trend toward ever-increasing power consumption and instead get us closer to achieving carbon neutrality.



### [Acceleration of commercialization]

- In March 2023, we started providing our commercial service APN IOWN1.0, and in November 2023, we concluded an agreement with Sony Corporation on cooperation and collaboration to accelerate the formation and development of a multi-site wide-area remote production platform utilizing the APN. We are aiming to improve the customer experience by providing highly convenient services, such as content distribution at regional stadiums and concert venues, which were not possible to deliver until now.

### Data-Driven Creation of New Value

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#### [Strengthening the personal business]

- NTT DOCOMO made the following companies consolidated subsidiaries: INTAGE HOLDINGS Inc. in October 2023, Monex, Inc. in January 2024, and ORIX Credit Corporation in March 2024. By combining NTT DOCOMO's membership base with each company's expertise, we endeavor to provide new marketing value and maximize our customer base.

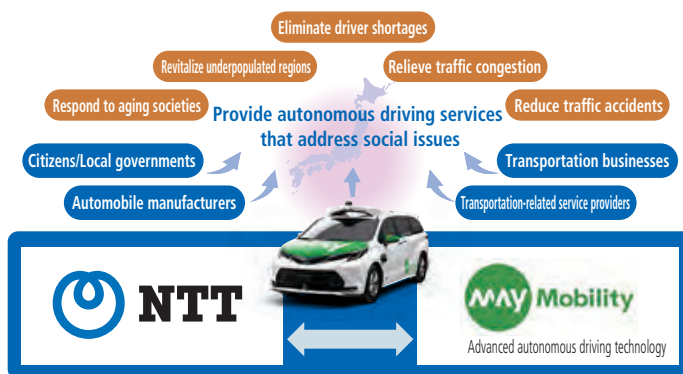
#### [Strengthening the use of DX/data in society and industry]

- We are using AI to promote the digital transformation (DX) of various industries (including our own operations) that support daily life and society. In March 2024, we launched a commercial service that uses NTT's Large-scale Language Model (LLM) "tsuzumi." Drawing on our accumulated expertise in natural language processing research and research capabilities in the cutting-edge field of AI, we have developed "tsuzumi," which achieves world-class Japanese processing capabilities with a lightweight LLM framework.



- In September 2023, NTT DOCOMO announced the lineup of its OREX® Open RAN service, which it will offer to international telecom operators. The introduction of OREX® Open RAN service can be expected to reduce the total cost of ownership, including initial setup costs at the time of implementation and ongoing maintenance costs, the time required for network design, and power consumption at base stations, thereby accelerating the deployment of 5G networks.

- Looking ahead to the full-scale commercialization of services utilizing autonomous driving technology in Japan, we invested in May Mobility, Inc. (headquarters: U.S.) in November 2023 and acquired exclusive rights to sell its autonomous driving system in Japan. Combining autonomous driving services—which constitute digital transformation (DX) of mobility itself—with the community-based problem-solving capabilities we have cultivated, we will work together with local governments and transportation businesses to offer solutions to social problems. Through this initiative, we will cooperate with stakeholders and contribute to solving not only transportation problems, but also various social issues such as health and welfare.





### [Expansion and upgrade of data centers]

- As the world's third largest\*1 provider of data centers, we expanded our business to meet further growing demand, driven by generative AI, as well as strong demand centered on hyperscalers. In FY2023, we opened new data centers at ten sites in 13 buildings, bringing our cumulative total to 149 sites in 202 buildings\*2. (For more details on upgrade, please see (3) Status of Research & Development, etc. "Research and Development in Preparation for Making the IOWN Concept a Reality" on page 35.)

\*1 Excluding operators in the People's Republic of China.

\*2 Information on the NTT Ltd. Group and NTT Communications Group (including joint ventures with third parties) (including sites currently under construction).

## Achievement of a Circular Economy Society

### [Develop sustainability solutions for customers]

- We launched the Green Transformation (GX) solution brand "NTT G×Inno" in December 2023. Viewing activities to achieve carbon neutrality and greenhouse gas emission reduction targets as opportunities for economic growth, we will start by taking action for our own decarbonization and the decarbonization of the value chains related to us. We will then contribute to the realization of carbon neutrality of society at large through Green Transformation (GX) solutions that leverage the expertise we have gained and actual results we have produced through the aforementioned decarbonization efforts. As one of these NTT G×Inno initiatives, NTT Comware and NTT Anode Energy have begun providing Smart Data Fusion®, a green power generation business integration platform for advancing Green Transformation (GX), to renewable energy power generation companies in Japan.



### [Creating circular economy businesses]

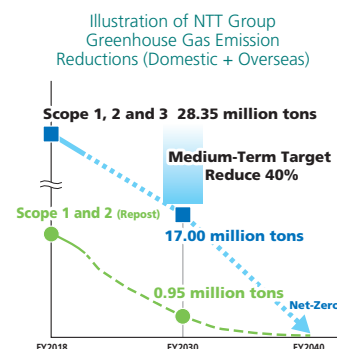
- NTT Anode Energy and JERA Co., Inc. completed their acquisition of Green Power Investment Corporation's shares in August 2023. By effectively leveraging the expertise, knowledge, and strengths of each of these companies in the renewable energy business, we will further promote initiatives to contribute to the realization of Japan's carbon neutrality by 2050 through spreading the use of renewable energy in Japan.



Wind Farm Tsugaru, one of the largest wind farms in Japan

### [Progression towards Net-Zero]

- In our new Medium-Term Management Strategy "New Value Creation & Sustainability 2027 Powered by IOWN" announced in May 2023, we have established new targets aimed at achieving Net-Zero by FY2040. We will promote decarbonization throughout the entire supply chain in addition to our own decarbonization. (Actual NTT Group greenhouse gas emission for FY2023 will be disclosed in the Integrated Report in late September 2024.)



## [Further Strengthening of Business Foundations]

- Assuming that unexpected events will necessarily occur, we take measures to prevent human errors and failures from occurring, such as by making network failure information visible and dealing with large traffic inflows, and promote measures to minimize the impact when failures do occur.

### Recovery and Support Efforts Following the 2024 Noto Peninsula Earthquake

On January 1, 2024, the 2024 Noto Peninsula Earthquake struck, leaving some NTT Group services, such as fixed-line communications and mobile communications services, unavailable. However, in addition to working to repair damaged communications facilities and restore services, we took measures to enable communications by establishing emergency public telephones using portable satellite equipment and coordinating with other operators to set up communications environments through shipboard base station and mobile base stations. In addition, in an effort to secure communications in areas difficult to reach by land, we coordinated with the Japan Self Defense Forces to transport communications equipment, mobile satellite phones, and other equipment by air and sea routes.



Portable satellite equipment



Mobile satellite phone

## [Upgrading the Customer Experience (CX)]

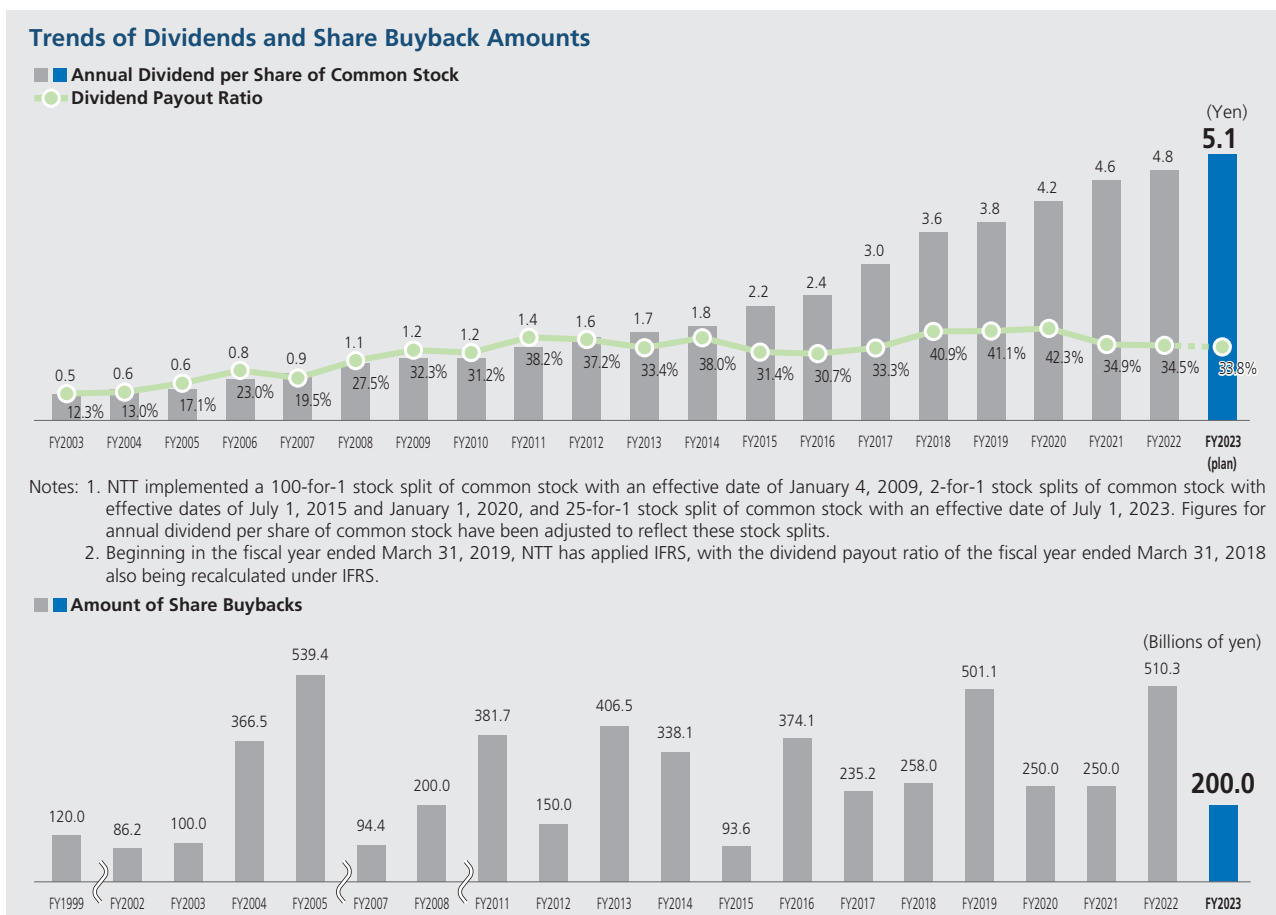
- We have been expanding existing facilities and building new ones in an effort to improve the reliability and quality of communications in areas where the spread of smartphones, social media, and video streaming has made it difficult to use smartphones due to the increased data traffic. We will continue our efforts to ensure that our customers can feel confident in using our services.

## [Improving the Employee Experience (EX)]

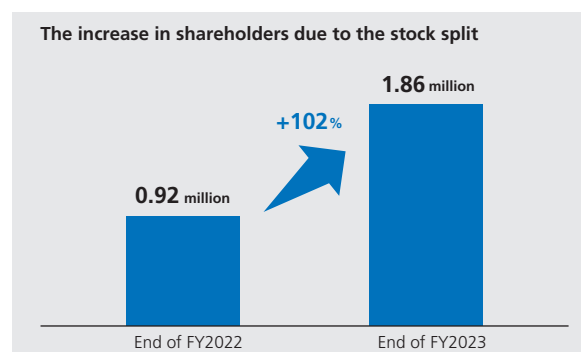
- In April 2023, we revised our personnel system for general employees to encourage them to shape their careers and take on challenges based on their self-awareness of their expertise regardless of their age or seniority. To instill and promote understanding of this new system, we expanded our training menu based on specialization starting in April, and introduced a cross-group job posting system (NTT Group Job Board) and career consulting functions in July, expanding human capital investment in employee autonomy in career growth.
- We carried out an employee engagement survey covering the roughly 100 Group companies in Japan (approximately 180,000 employees). We analyzed the current status of engagement, the points that should be maintained or strengthened, and the points that should be improved, and examined and implemented measures, etc., to improve engagement from both an organizational-specific basis and a cross-group basis.
- In times of rapid change, when the future is difficult to predict, the effective approach to take is to ascertain which areas must be protected and which can be challenged while being willing to search for the routes to success even if we occasionally make small failures. Based on this idea, we held the “Conference to Learn From Failures,” which sought to nurture a positive mindset toward accepting failures, within the Company, with attendance reaching approximately 2,000 people.

## [Enhancement of Returns to Shareholders]

- We increased capital efficiency through continuous dividend increases and flexible share buybacks.



- With the objectives of lowering the price per unit of investment, creating a more investment-friendly environment, and expanding the investor base, NTT implemented a 25-for-1 stock split of common stock in July 2023.



### (3) Status of Research & Development, etc.

We advanced initiatives to flesh out the IOWN concept and to roll out the technology and resolve issues in a range of industries.

#### Innovative Optical and Wireless Network (IOWN) Concept

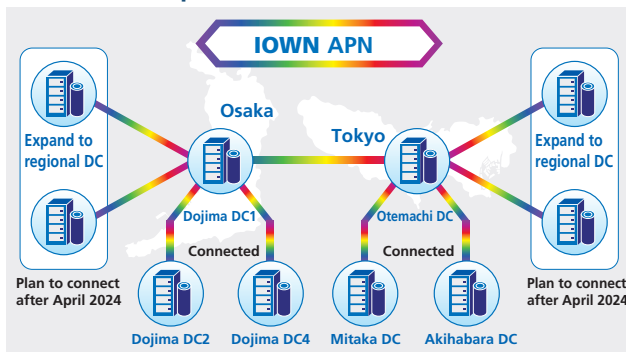
Amid the accelerating digital shift in social and economic activities, the use of communication networks has expanded greatly, and we are approaching the limits of data volume, latency, and power consumption. The IOWN concept breaks this barrier with revolutionary photonics technology, with the goal of creating a sustainable world.

Low power consumption	Large capacity, high quality	Low latency
<p><b>100 times</b> greater power efficiency*</p> <p>Provides various information and communication services at power consumption reduced by a factor of 100.</p> <p><small>* Target power efficiency for portion where photonics technology is applied</small></p>	<p><b>125 times</b> greater transmission capacity*</p> <p>Capable of downloading 10,000 two-hour movies instantaneously (in 0.3 sec). (Compared with one movie in 3 sec with 5G technology)</p> <p><small>* Target communication capacity per optical fiber cable</small></p>	<p>End-to-end latency reduced by <b>a factor of 200*</b></p> <p>Transmits real-time video without the latency experienced with digital TV or satellite broadcasting.</p> <p><small>* Target latency in video traffic not requiring compression within the same prefecture</small></p>

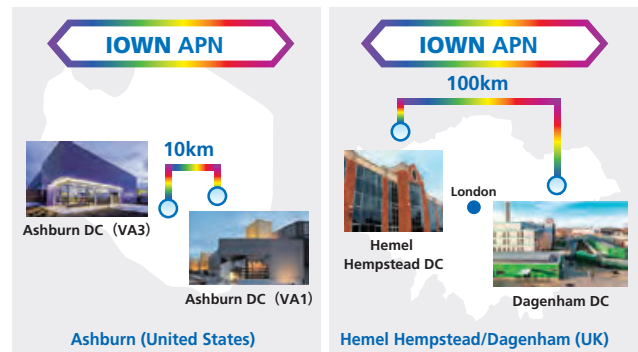
#### Research and Development in Preparation for Making the IOWN Concept a Reality

- By connecting principal data centers via IOWN APN, real time linkages were established between more distant data centers to construct an environment that could be used as if there were one single data center. Although data centers have traditionally been concentrated in urban centers, etc., this initiative will be expanded to regional data centers to create distributed data centers that capitalize on the characteristics of IOWN APN (ultra-high speed and ultra-low latency).

##### Initiative in Japan:



##### Initiative in UK and US:



## What is APN?

In existing networks, repeated conversions of optical and electrical signals consume electricity, and control processing of communications traffic creates latency. By ultimately processing all these signals as optical signals, APN consumes less energy than current networks and realizes large-capacity networks with low latency.

- The Company and its co-proposers who proposed IOWN and other state-of-the-art technologies were selected as the implementing companies for the “Beyond 5G Research and Development Promotion Project” and “Innovative Information and Communication Technology (Beyond 5G (6G)) Fund Project” publicly solicited by the National Institute of Information and Communications Technology (NICT) and the “Research and Development Project of the Enhanced Infrastructures for Post-5G Information and Communication Systems” publicly solicited by the New Energy and Industrial Technology Development Organization (NEDO). We will work together with our co-proposers and partners participating in the IOWN Global Forum to accelerate the research and development of IOWN with a view to its commercialization.

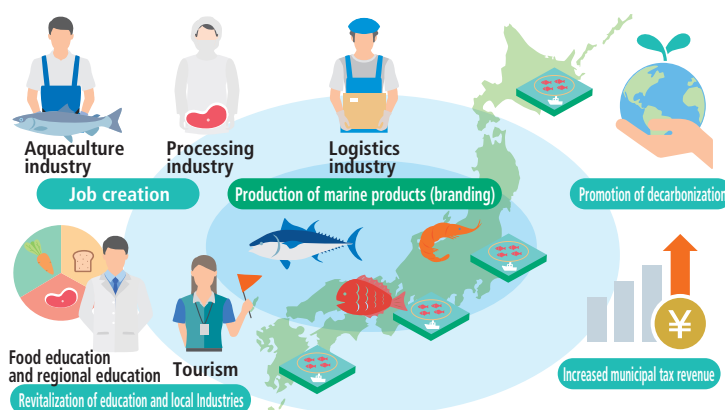
## IOWN Open Innovation

By discussing use cases with a wide range of global companies and groups and pursuing development of the necessary technologies, frameworks, and architectures, we aim to realize IOWN as a new communication platform. The number of global major ICT companies, etc. that participate as members of the IOWN Global Forum has grown to 139 organizations (as of the end of March 2024).



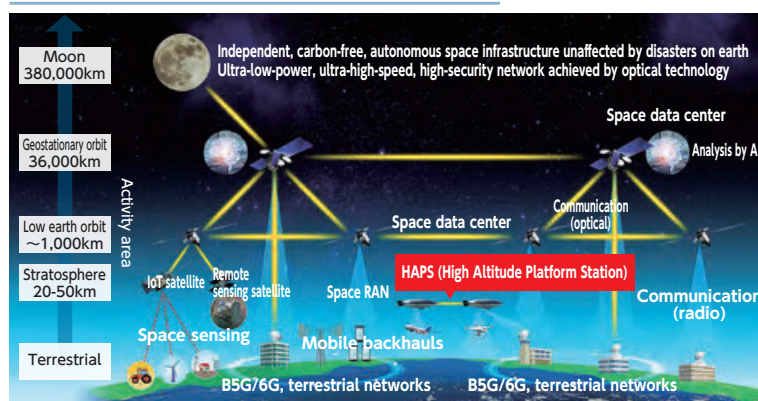
## Developing Technologies and Resolving Issues in Various Industries

- NTT Green & Food, Inc. launched its business in July 2023 with the aim of solving food shortages and environmental issues while revitalizing local industries as the NTT Group's first fisheries company. It seeks to foster regional job creation, collaboration with local industries, and the promotion of education and culture, centered on a sustainable land-based aquaculture business that leverages information and communications technology, technologies for the breeding improvement of fish, shellfish, and microalgae, and other technologies.



- In December 2023, four companies, consisting of Space Compass Corporation, NTT DOCOMO, NTT and SKY Perfect JSAT Corporation, began research and development of high-speed, high capacity technology aimed at accelerating the commercialization of device-to-device mobile system, which will be deployed via a space-based non-terrestrial network (NTN) using high altitude platform stations (HAPS), and at expanding the use after the commercialization.

## Space Integrated Computing Network and HAPS



Through this development, we aim to improve the quality of communication services from the stratosphere via HAPS and promote development that leads to the realization of flexible and efficient HAPS communication service operations. We are working on developing space RAN to achieve “ultra-coverage expansion” in the Beyond 5G era, reaching the sky, sea, outer space, and every other area.

(4) Status by Segment

Main Businesses



**Integrated ICT Business**

The principal services in the Integrated ICT Business are mobile phone services, domestic inter-prefectural communications services, international communications services, solutions services, and system development services and related services.



**Regional Communications Business**

The principal services in the Regional Communications Business are domestic intra-prefectural communications services and related ancillary services.



**Global Solutions Business**

The principal services in the Global Solutions Business are system integration services, network system services, cloud services, global data center services, and related services.

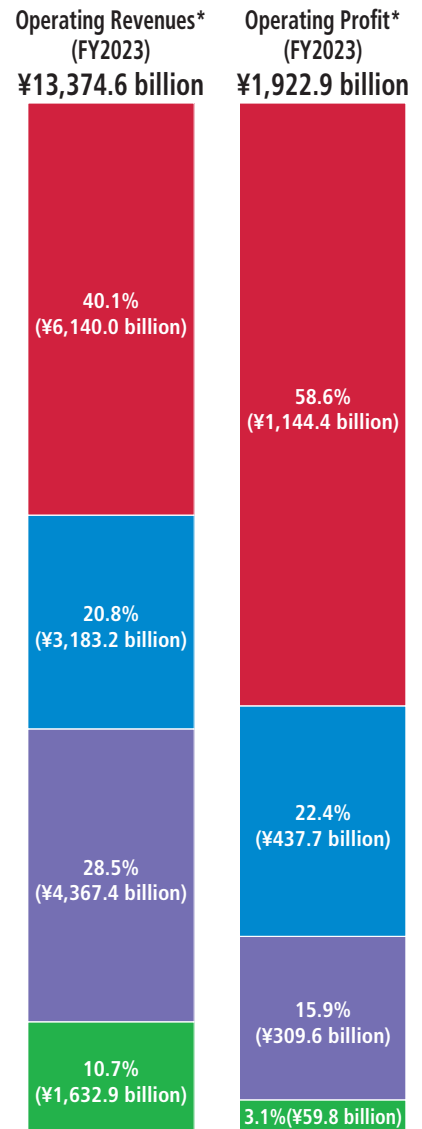


**Others (Real Estate, Energy and Others)**

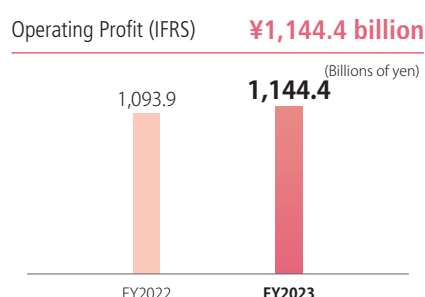
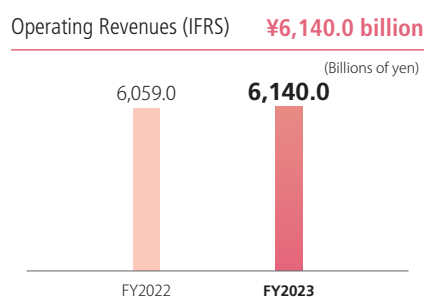
Others include the real estate business, energy business and others.



Other group companies



\* Percentage of simple sum of each segment (including intersegment transactions)



### Overview

In the Integrated ICT Business, we advanced initiatives including the further expansion of the enterprise business and discontinuous growth through M&A in the smart life business, while strengthening the customer base by expanding billing plans to support customer needs in the consumer telecommunications business.

### Details of Main Initiatives

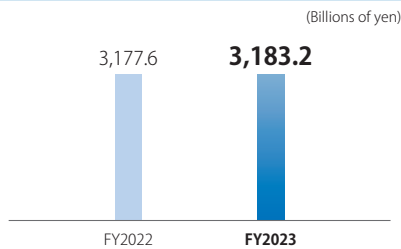
- In July 2023, we started a collaboration with TAKENAKA CORPORATION and SHIMIZU CORPORATION to leverage digitalization to improve the productivity of the entire construction management operations that link processes and work.
- In April 2023, we began offering the video streaming platform Lemino, which allows followers to connect to each other by sharing impressions and reviews and makes it easy to find content they want to watch.
- In addition to promoting M&A (for details, please see (2) Business Status “Data-Driven Creation of New Value” [Strengthening the personal business] on page 31), our website “docomo smart insurance navi®” began handling life insurance and health insurance that can be signed up to on the Internet—provided by HANASAKU LIFE INSURANCE Co., Ltd.—in August 2023. In collaboration with E.design Insurance Co., Ltd., we began offering docomo Automobile Insurance in January 2024.
- In response to diversifying customer needs, we began offering the affordable “irumo” billing plan, which is aimed at customers with low data usage volumes, and “eximo” plan, which caters for up to unlimited data usage, in July 2023.

### Number of Subscriptions for Major Services

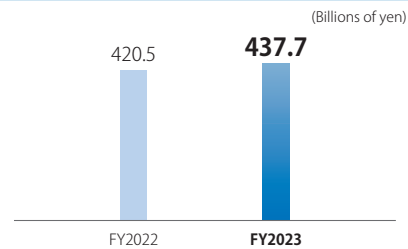
- “Mobile telecommunications services”: 89.94 million subscriptions (increase of 2.45 million year-on-year)  
(Included in the above) “5G contracts”: 29.74 million subscriptions (increase of 9.14 million year-on-year)



Operating Revenues (IFRS) **¥3,183.2 billion**



Operating Profit (IFRS) **¥437.7 billion**



### Overview

In the Regional Communications Business, in addition to strengthening our solutions business which supports the digital transformation (DX) of companies, local governments, and societies to resolve regional social issues, we offered our “Hikari Collaboration Model,” which provides wholesale fiber-optic access services, among other things, to various service providers.

### Details of Main Initiatives

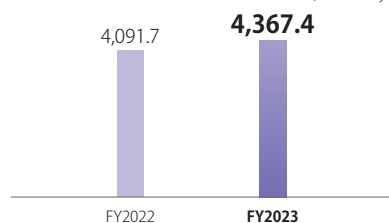
- In view of the decline in the number of fixed-line telephone contracts (telephone subscriber lines and INS-Net) due to the diversification of communication methods in the wake of the development of mobile and broadband services, as well as the limit (around 2025) to maintaining the infrastructure (tandem transfer switches and signal transfer switches) of the Public Switched Telephone Network (PSTN) used for telephone services, we began replacing the fixed-line telephone (telephone subscriber lines and INS-Net) equipment with IP network equipment in stages by region starting from January 1, 2024.
- NTT East was among a consortium of 18 domestic and overseas communication device vendors and others that entered into an agreement in November 2023 to launch a new co-creation project to verify interconnections with and optimization of local 5G devices, with the objectives of disseminating and expanding local 5G by further reducing costs and improving user-friendliness.
- In December 2023, NTT West came to an agreement with ugo, Inc. to consider a joint project to use robots to solve social issues, such as labor shortages accelerating due to the population decline.

### Number of Subscriptions for Major Services

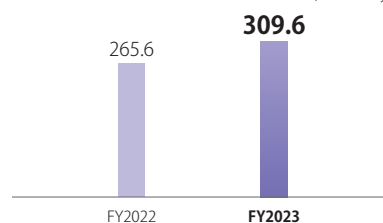
- “FLET’S Hikari”: 23.65 million subscriptions (increase of 0.08 million year-on-year)  
(Included in the above) “Hikari Collaboration Model”: 17.12 million subscriptions (increase of 0.31 million year-on-year)

Operating Revenues (IFRS) **¥4,367.4 billion**

(Billions of yen)

Operating Profit (IFRS) **¥309.6 billion**

(Billions of yen)



## Overview

In the Global Solutions Business, the Group worked to extend and consistently provide a range of IT services, such as offerings of digitalization and system integration, that are responsive to the changes in the market, as well as to strengthen its ability to provide services in growth areas such as the data center business and managed services.

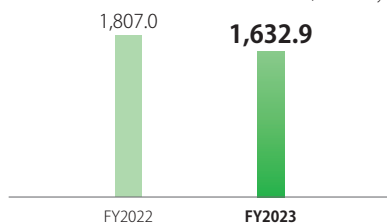
## Details of Main Initiatives

- In August 2023, we came to an agreement with Mitsubishi UFJ Trust and Banking Corporation to proceed with the construction of standardized infrastructure for digital bonds. MUFG Bank, Ltd. has begun supporting the issuing of digital bonds using the same infrastructure.
- In August 2023, we reached an agreement to enter into a strategic partnership with Ferrovial Corp. from Spain to create digital business in the infrastructure markets of the transportation sector (e.g., airports, roads, railroads) and social sector (e.g., energy supply networks).
- In December 2023, NTT DATA Group and NTT Global Data Centers Corporation reached an agreement with TEPCO Power Grid, Incorporated to establish a new company to jointly develop and operate data centers in the Inzai-Shiroi area of Chiba Prefecture. The companies aim to realize an advanced data center model, drawing upon and combining each company's expertise to contribute to solving social issues and achieve both digitalization and carbon neutrality.

## Others (Real Estate, Energy and Others)

Operating Revenues (IFRS) **¥1,632.9 billion**

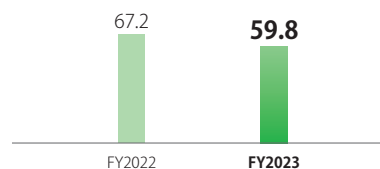
(Billions of yen)



Operating Profit (IFRS)

**¥59.8 billion**

(Billions of yen)



Note: Due to the revision of the accounting method for certain expense-related line items, the figure shown for operating profit for FY2022 is the restated figure.

### Overview

We provided services related to real estate business and energy business, etc.

### Details of Main Initiatives

#### [Real Estate Business]

- Primarily through NTT Urban Solutions, a company that centralizes the functions of NTT Group's real estate business, we promoted office and retail operations, residential operations, and the global business. In March 2024, we opened URBANNET SENDAI-CHUO BUILDING in Sendai. Outfitted with one of the largest high functionality office floors in the area on the west side of Sendai Station, a work space that accommodates diverse working styles, and open spaces and terraces aimed at promoting new vibrancy and pedestrian circulation in the city center, it is the first property of the Sendai Metropolitan Center Rebuilding Project promoted by Sendai City.

#### [Energy Business]

- NTT Anode Energy, a company that handles the NTT Group's energy business, has worked with NTT Group companies and various other partners to promote achievement of a decarbonized society through the use of renewable energy and local production for local consumption of energy. In December 2023, the company began building an energy distribution platform aimed at facilitating the adoption of renewable energy and stabilizing the electricity supply and demand. Going forward, this company will continue its commitment to the stable provision of renewable energy.

## 2. Issues to be Addressed

### ■ (1) Changes in the business environment

On the one hand, workstyles and lifestyles in which both the real and online worlds coexist have become established. AI and robots continue to evolve, the scope of their use is expanding, and the digital transformation (DX) continues to make progress. On the other hand, however, negative aspects of digitalization have appeared, such as the increase in electricity consumption and the emergence of a surveillance society. In addition, the environment is dramatically changing with the increasing importance of economic security and the intensity of natural disasters worldwide.

### ■ (2) Business Development Based on the NTT Group Medium-Term Management Strategy

In accordance with the new Medium-Term Management Strategy “New Value Creation & Sustainability 2027 Powered by IOWN,” NTT Group will provide new value to customers and society, and by shifting our business activities themselves toward the achievement of a sustainable society, we will promote measures to make our existence a supporter of global sustainability.

### NTT as a Creator of New Value and Accelerator of a Global Sustainable Society

As the uses of AI expand, so does the consumption of electricity. With their low power consumption, photonic-electronic convergence devices offer a solution to this problem. We therefore are engaged in efforts to quickly bring such devices to market, while also promoting the commercialization of servers (DCI\*1), digital twin computing, and other technologies by making continuous investments in order to accelerate the research and development, and commercialization of IOWN, including 6G.

Furthermore, in order to strengthen the personal business that is centered on individual customers, we will enhance the smart life business, investing over 1.0 trillion yen over the next five years. For example, in addition to engaging in the expansion and upgrading of services in various fields such as finance, healthcare, and medical, we will analyze a variety of data acquired through services to deliver even more optimal personalized services.

With regard to corporate customers, we will leverage technologies such as AI, robots, IOWN, digital twin, and security to deploy solution services and platform services globally and transform the industries that support daily living and society. We will invest around 3.0 trillion yen or more over the next five years in this field.

Regarding data centers, in addition to further expanding the NTT Group’s data center infrastructure, we will promote the upgrading of the infrastructure through the introduction of IOWN technology by investing approximately 1.5 trillion yen or more over the next five years, as well as doubling the capacity of the data centers.

In addition, while promoting the sustainable solutions that come about through combining green energy with ICT and expanding the renewable energy power generation business, we aim to achieve the stable supply of optimized and efficient electrical power through a local-production-for-local-consumption model utilizing storage batteries and EMS\*2, etc. In order to achieve a circular economy society, we will not only promote renewable energy, but also the reuse of waste materials across various industries, achieving a sustainable society through the circulation of resources. Moreover, by using IOWN, 5G/IoT, AI, and robots, we will make primary industries more efficient with more added value, contributing to industrial promotion and regional revitalization.

For further strengthening of business foundations, learning from past experiences and lessons in telecommunications failures, we will make our networks and systems more resilient to withstand large-scale failures, cyberattacks or other occurrences in order to strengthen social infrastructure and enhance our countermeasures against increasingly severe natural disasters.

In addition, we will further strengthen disaster countermeasures and promote world-class cybersecurity practices to provide safe and secure services.

\*1 Data Centric Infrastructure

\*2 Energy Management System

## Upgrading the Customer Experience (CX)

In June 2023, we established the new Research and Development Market Strategy Division, which combines R&D capabilities with our market planning and analysis and alliance capabilities. In addition to strengthening our product-oriented R&D, we will collaborate with customers and partners around the world at all stages from R&D to offering products. We will also promote alliances with various partners, treating all stakeholders as customers and partners, and take a “customer experience first” approach.

Our aim is for customers to continue choosing the NTT Group as we track the customer journey, ever improving and updating services by being agile to offer new experiences and impressions that exceed customer expectations.

## Improving the Employee Experience (EX)

The NTT Group places a strong emphasis on employee experience (EX) as a driving force for creating value in the world and building a sustainable society, and is committed to creating a positive cycle where people are the key drivers of value. To this end, we will support the autonomous career growth of employees and increase investment in human capital to drive business growth through the creation of new value. Based on a personnel system centered on expertise, we will support employees in acquiring external qualifications to enhance their expertise in 18 fields, enrich our training programs, and enhance our career consulting functions to advise employees on their career design, as well as provide support for life events, such as childbirth, childcare, and nursing care, to ensure our support for total career growth. Furthermore, we are making efforts to instill an “open and innovative corporate culture” that embraces trial and error, taking on challenges without fear of failure.

### ■ (3) The NTT Group's Measures to Prevent the Leaking of Important Information

Regarding the unauthorized taking out and leaking of customer information to third party by a former temporary employee of NTT BUSINESS SOLUTIONS, NTT West Group takes this case extremely seriously and has been working with external experts to carry out various investigations, analyze the causes of the incident, and plan and implement measures to prevent a recurrence. The provisional measures taken to address the deficiencies identified in this process have already been completed. As a holding company, we will continue to strengthen and improve the security level of the entire Group by taking Group-wide initiatives, such as sharing issues, countermeasures, and experiences between Group companies, training and allocating human resources, accelerating the standardization of IT, instilling Group security policies, promoting the introduction of technical solutions, and strengthening internal audit functions. In doing so, we aim to earn the trust of our customers.

### 3. Capital Investment

NTT Group made a total of ¥2,063.1 billion of capital investments (an increase of 10.8% from the previous fiscal year), focused on responding to customer demands for various services such as 5G, “FLET’S Hikari (including the Hikari Collaboration Model)” and data centers among others.

Category	Capital Investment (Billions of yen)
Integrated ICT Business	705.4
Regional Communications Business	481.0
Global Solutions Business	657.4
Others (Real Estate, Energy and Others)	219.3

### 4. External Financing

NTT Group procured long-term financing in the amount of ¥1,085.4 billion through issuance of bonds and long-term borrowings for capital investment and other purposes.

Category	Amount (Billions of yen)
Corporate bonds	714.2
Long-term borrowings	371.1
Total	1,085.4

The Company procured long-term financing in the amount of ¥400.0 billion through long-term borrowings from NTT FINANCE CORPORATION as funds for refinancing long-term borrowings.

## 5. Main Lenders and Outstanding Borrowings

Lender	Outstanding Borrowings (Billions of yen)
MUFG Bank, Ltd.	1,206.7
Mizuho Bank, Ltd.	681.3
Sumitomo Mitsui Banking Corporation	673.1
Sumitomo Mitsui Trust Bank, Limited	311.4
The Norinchukin Bank	278.0
Nippon Life Insurance Company	124.8
Meiji Yasuda Life Insurance Company	95.5
Development Bank of Japan Inc.	78.7
Shinkin Central Bank	60.0
THE NISHI-NIPPON CITY BANK, LTD.	42.0

## 6. Material Subsidiaries

Segment	Company	NTT's Equity Ownership Percentage (%)	Main Business Activities
Integrated ICT Business	NTT DOCOMO, INC.	100.00	Provision of mobile communication services and smart life area services
	NTT Communications Corporation	0 (100.00)	Provision of inter-prefectural communications services, international communications services and solutions
	NTT COMWARE CORPORATION	33.40 (100.00)	Development, production, operation and maintenance of information communications systems and software
	ORIX Credit Corporation	0 (66.00)	Financial services for individuals (loan business, credit guarantee business, and mortgage banking business)
Regional Communications Business	Nippon Telegraph and Telephone East Corporation	100.00	Provision of intra-prefectural communications services in the eastern part of Japan
	Nippon Telegraph and Telephone West Corporation	100.00	Provision of intra-prefectural communications services in the western part of Japan

Segment	Company	NTT's Equity Ownership Percentage (%)	Main Business Activities
Global Solutions Business	NTT DATA Group Corporation	57.73 (57.75)	Formulation and promotion of strategies (including marketing, innovation, and strategic investments), business management, technological development and ensuring governance for the entire NTT Data Group
	NTT DATA Japan Corporation	0 (100.00)	Consulting, integrated IT solutions, system and software development, and maintenance and support
	NTT DATA, Inc.	45.00 (100.00)	Governance and strategy formulation, and promotion of measures in the global business of NTT DATA Group
	Dimension Data Holdings	0 (100.00)	IT system building and maintenance support for corporations
	NTT Security Corporation	0 (100.00)	Provision of professional security services
	NTT America	0 (100.00)	Provision of ICT services in North America
	NTT EUROPE	0 (100.00)	Provision of ICT services in Europe
	NTT Global Data Centers EMEA	0 (100.00)	Provision of data center-related services in Europe
	NTT Cloud Communications International Holdings	0 (100.00)	Provision of teleconference, web conference and video conference services
	NTT Global Data Centers Americas	0 (100.00)	Provision of data center-related services in North America
	NTT Global Networks	0 (100.00)	Provision of network services
	NETMAGIC SOLUTIONS	0 (100.00)	Provision of data center-related services in India
	NTT Global Data Centers EMEA UK	0 (100.00)	Provision of data center-related services in the UK
	NTT Managed Services Americas Intermediate Holdings	0 (100.00)	Provision of <u>managed services</u> in North America
	Transatel	0 (100.00)	Provision of mobile connectivity services for IoT
	NTT DATA Americas	0 (100.00)	Consulting, system design and development in North America
	NTT DATA Services	0 (100.00)	Consulting, system design and development in North America
NTT DATA Europe & Latam	0 (100.00)	Consulting, system design and development	



Segment	Company	NTT's Equity Ownership Percentage (%)	Main Business Activities
Others (Real Estate, Energy and Others)	NTT Urban Solutions, Inc.	100.00	Contact point for urban solutions business, and integrated management of urban solutions-related information
	NTT URBAN DEVELOPMENT CORPORATION	0 (100.00)	Real estate acquisition, development, leasing, and management
	NTT FACILITIES, INC.	0 (100.00)	Design, management, and maintenance related to buildings and equipment
	NTT Anode Energy Corporation	100.00	Provision of smart energy solutions, and design, management and maintenance related to electric power facilities
	Green Power Investment Corporation	0 (99.99)	General power generation businesses, including wind, solar and other clean energy power generation, etc.
	NTT FINANCE CORPORATION	100.00	Provision of billing and collection of charges for communications and other services, and credit card transaction settlement services

## Notes:

- The equity ownership percentages are calculated exclusive of the treasury stock each company owns. The figures in parentheses represent the equity ownership percentages, including indirect holdings through NTT's subsidiaries.
- During the fiscal year under review, NTT DATA CORPORATION changed its name to NTT DATA Group Corporation in conjunction with its transition to a holding company structure.
- During the fiscal year under review, NTT Ltd. was excluded from the material subsidiaries due to the realignment of the global business.
- During the fiscal year under review, ORIX Credit Corporation and Green Power Investment Corporation were newly added as material subsidiaries.
- The status of specific wholly owned subsidiary as of March 31, 2024 is as follows:

Name	Address	Total Book Value of Shares of Specific Wholly Owned Subsidiary at the Company	Total Assets of NTT
NTT DOCOMO, INC.	11-1, Nagata-cho 2-chome, Chiyoda-ku, Tokyo	¥4,714,458 million	¥12,284,883 million

## II Matters Regarding Shares

### 1. Total number of shares authorized to be issued by NTT

154,823,022,500 shares

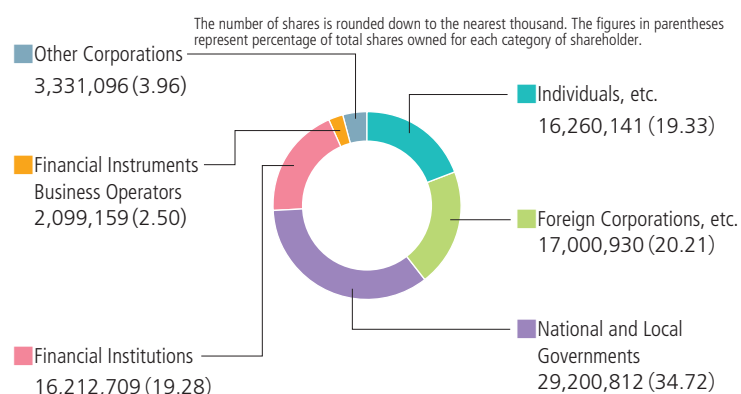
### 2. Total number of shares issued and outstanding

90,550,316,400 shares

### 3. Number of shareholders as of the end of the fiscal year ended March 31, 2024

1,862,170 shareholders

#### Breakdown of Shares by Shareholder



#### Notes:

- The percentages represent the ratio of shareholders' shares to the total number of issued shares excluding treasury stock. Treasury stock does not include shares of the Company held by the officer compensation BIP (Board Incentive Plan) trust.
- Other Corporations above includes 1,437 thousand shares in the name of Japan Securities Depository Center.

### 4. Principal Shareholders

Shareholders	Number of Shares Held (thousands)	Equity Ownership (%)
The Minister of Finance	29,199,372	34.72
The Master Trust Bank of Japan, Ltd. (Trust Account)	8,992,259	10.69
Custody Bank of Japan, Ltd. (Trust Account)	4,031,389	4.79
TOYOTA MOTOR CORPORATION	2,019,385	2.40
JPMorgan Chase Bank 385632	1,358,093	1.61
Moxley & Co. LLC	904,508	1.08
State Street Bank West Client – Treaty 505234	683,958	0.81
Barclays Securities Japan Ltd.	640,700	0.76
NTT Employee Share-Holding Association	600,732	0.71
Nippon Life Insurance Company	584,126	0.69

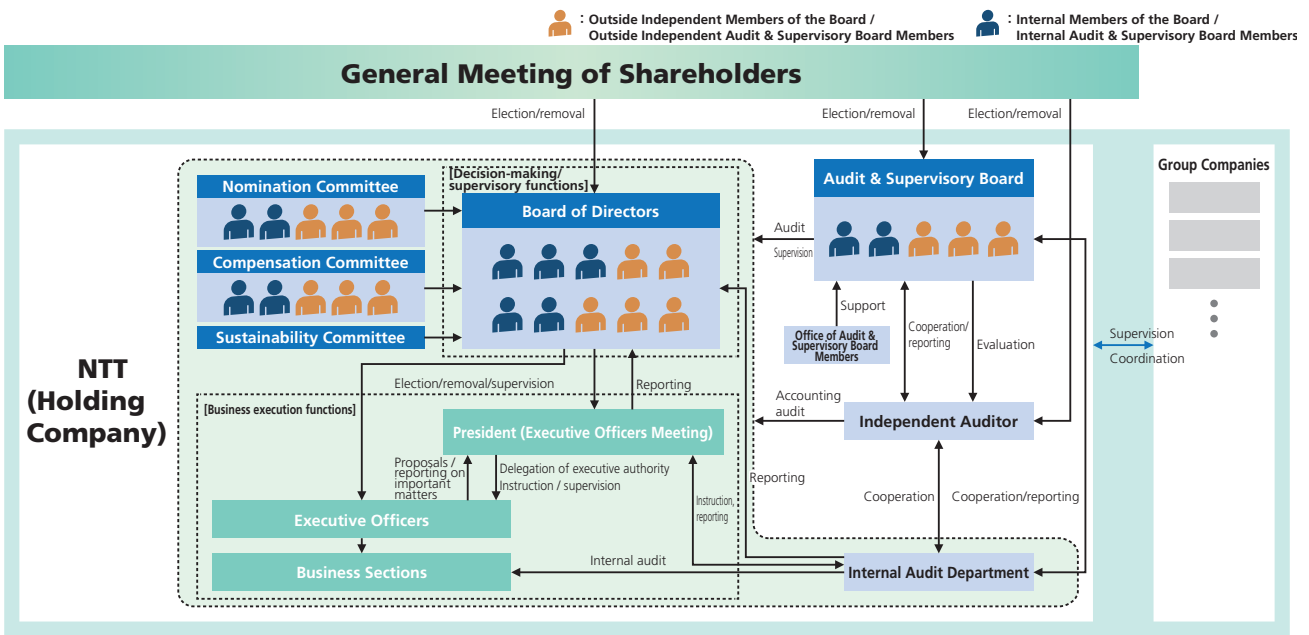
- Notes:
- Number of Shares Held is rounded down to the nearest thousand.
  - NTT's holdings of treasury stock (6,445,465,847 shares) are not included in the above table.
  - Equity ownership percentages do not include treasury stock. Furthermore, treasury stock does not include 23,303,000 shares of the Company held by the officer compensation BIP trust.

# III Matters Regarding Corporate Governance

## 1. Fundamental Policies

We believe that strengthening the system of corporate governance in accordance with the purposes of each principle of the "Corporate Governance Code" of the Tokyo Stock Exchange is an important management issue for maximizing corporate value while meeting the expectations of various stakeholders, including shareholders and other investors, as well as customers, business partners, and employees. Therefore, we are working to strengthen corporate governance based on our fundamental policies of ensuring sound management, executing appropriate decision-making and business activities, clarifying accountability, and maintaining thorough compliance.

### Corporate Governance System



As of March 31, 2024

## **2. Overview of Corporate Governance System**

NTT believes that an auditing system based on Audit & Supervisory Board Members, including outside independent Audit & Supervisory Board Members, is an effective means of supervising management. Accordingly, we chose the company with Board of Company Auditors (Audit & Supervisory Board) model.

In addition, through the election of outside independent Members of the Board, NTT has strengthened the function of appropriately supervising the business execution.

## **3. Board of Directors**

The Board of Directors has ten Members of the Board, including five outside independent Members of the Board, which brings the total percentage of outside Members of the Board to 50%. In addition, the introduction of an executive officer system that clearly separates the management decision-making and oversight functions from the business execution function ensures closer supervision of execution and enhanced management flexibility. In principle, the ordinary meetings of the Board of Directors are held once per month, and extraordinary meetings are held as needed. The Board of Directors discusses the group management strategies and makes decisions on matters stipulated by laws and regulations and on important matters related to company management and group management. Moreover, through such means as periodic reports from Members of the Board and Executive Officers on the status of business execution, the Board of Directors supervises the business execution of Members of the Board and Executive Officers.

Each outside independent Member of the Board has extensive experience and a high level of integrity and insight. We believe that the outside independent Members of the Board will help strengthen the supervisory function for business execution and expect to incorporate the opinion they provide from their wide-ranging managerial perspective.

With the objective of further strengthening the independence, objectivity, and accountability in decisions with respect to appointments and compensation of officers, etc. made by the Board of Directors, the Company has voluntarily established a Nomination Committee and Compensation Committee, each consisting of five Members of the Board, of which a majority (three) are outside independent Members of the Board, as preliminary review institutions of the Board of Directors, thereby increasing the effectiveness of governance.

Moreover, in recognition of the fact that response to sustainability issues is an important management challenge, the Company has voluntarily established a Sustainability Committee that reports directly to the Board of Directors. The committee will work to further promote initiatives after important issues and indicators have been decided by resolution of the Board of Directors.

### **[Evaluation of the Effectiveness of the Board of Directors]**

The Board of Directors of the Company, which is a pure holding company, plays the role of monitoring the specific business operations of the Group companies based on the medium- to long-term business strategy of the entire Group.

The Board of Directors of the Company decides important items related to the Group's management that have passed the Executive Officers Meeting, which is made up of the Executive Officers and others, as well as the review of the various committees chaired by the President or a Senior Executive Vice President and attended by the relevant Executive Officers, while also monitoring the status of the execution of the duties of the individual Members of the Board and Executive Officers. At meetings of the Board of Directors, based on the authority of the individual Members of the Board, current issues in group management and the initiatives being taken to resolve them are reported and reviewed, as well as initiatives for growing the business, such as investments and partnerships. In the fiscal year under review, active discussions were held, focusing on the new Medium-Term Management Strategy "New Value Creation & Sustainability 2027 Powered by IOWN," the business direction that NTT Group should aim for, future priority initiatives, and other matters. Furthermore, in addition to the advance explanations of agenda items to be discussed at Board of Directors meetings, explanations of matters such as issues of

immediate concern and the status of considerations were also given to the outside independent Members of the Board by Representative Members of the Board. By striving to clarify the focus of execution of duties and the purpose of initiatives, we are creating an environment in which the supervisory function of the Board of Directors can be fully exercised.

Furthermore, to allow the outside independent Members of the Board to more deeply understand the Company's business, meetings were held between the outside independent Members of the Board and Representative Members of the Board to exchange ideas and opinions on the Company's management strategies, and they received explanations on topics such as the results of cutting-edge research and introduction of lectures using the latest ICT technologies at exhibitions of research and development where the Company is focusing its efforts. Additionally, ideas and opinions on issues in NTT Group management were exchanged between the outside independent Members of the Board and the Audit & Supervisory Board Members of the Company.

At these meetings, we received evaluations on NTT's Board of Directors from the outside independent Members of the Board and the Audit & Supervisory Board Members that adequate information is provided and Members of the Board engage in active discussions, thereby ensuring the Board's effectiveness.

In addition, NTT implements an evaluation of the effectiveness of the Board of Directors annually for the purpose of strengthening the governance of the top management through continuous improvement of effectiveness of the Board of Directors. During the fiscal year under review also, NTT implemented an evaluation of its effectiveness as a Board of Directors, with the support of a third-party organization, getting all Members of the Board and Audit & Supervisory Board Members to complete a questionnaire survey concerning the Board of Directors. Questions were asked with regard to the role and responsibilities of the Board of Directors, its composition, its operation, and its satisfaction level. The results, which were compiled at the third-party organization, confirmed that the Board was sufficiently fulfilling its important role and responsibilities, with a majority of positive opinions for all of the questions.

In addition, as a result of holding opinion-exchange meetings to simulate strategic discussions, and enhancement of discussions on important matters, such as the business direction that NTT Group should aim for and future priority initiatives, all members expressed positive opinions. Therefore, we have evaluated that the effectiveness of the Board of Directors is being ensured.

#### Breakdown of Matters Resolved and Reported at the Meetings of the Board of Directors

##### Corporate Governance 42%

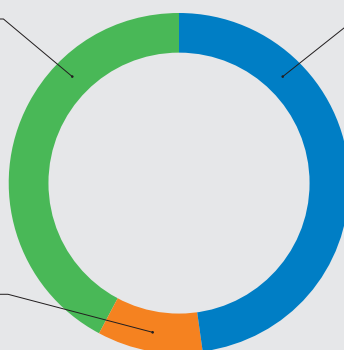
- General Meeting of Shareholders-related
- Evaluation of the effectiveness of internal control systems
- Operational status of internal whistleblowing system
- Human resources Etc.

##### Management Strategy 48%

- NTT Group operations
- Medium-Term Management Strategy
- Investments, M&A of operating companies
- Report on the status of execution of duties
- Approval of Annual Report and Financial Statements
- Research and development plans Etc.

##### Capital Policy 10%

- Returns of shareholders (share buybacks and dividends)
- Financing and loans Etc.



## 4. Audit & Supervisory Board

The Audit & Supervisory Board consists of a total of five Audit & Supervisory Board Members: two internal Audit & Supervisory Board Members and three outside independent Audit & Supervisory Board Members (including two women, one in each category). During the fiscal year under review, under the newly announced Medium-Term Management Strategy, as management continues to undergo significant changes, the Audit & Supervisory Board Members conducted audits based on the audit plan while focusing on audits on matters including the progress of the new Medium-Term Management Strategy, efforts to improve corporate governance including subsidiaries, thoroughness of compliance, further strengthening of the business infrastructure such as communication networks, and the response to sustainability issues, in addition to audits in accordance with laws and regulations. Furthermore, they endeavored to conduct audits responsive to incidents and changes that occurred during the fiscal year and work toward effective auditing based on dialogue with investors by the executive side.

The Audit & Supervisory Board Members, including outside independent Audit & Supervisory Board Members, held 25 meetings of the Audit & Supervisory Board during the fiscal year under review and attended important meetings such as the Board of Directors meetings. They also conducted opinion-exchange meetings with the Representative Members of the Board and independent outside Members of the Board, and interviews with heads of organizations, etc. 42 times to discuss management issues, and audited the execution of duties by Members of the Board and others. In addition, the members coordinated closely with the Independent Auditor to confirm the status of audits and discuss key audit matters, and with the Internal Audit Department to receive explanations about the audit plan and reports on status of internal control systems, and other matters. For Group companies, the Audit & Supervisory Board Members conducted meetings to exchange opinions with the Representative Members of the Board and management and on-site inspections of business sections 82 times to gain an understanding of the actual status of the execution of duties by Members of the Board and others and to make recommendations as necessary. Furthermore, they unified the recognition of material risks with Audit & Supervisory Board Members, etc. of Group companies and conducted audits through the Audit & Supervisory Board Members of various companies. Through such activities, from an independent position different from that of a person who executes business, the Audit & Supervisory Board Members contributed to the promotion of the healthy and sustainable growth and development of the Company and Group companies, as well as to the strengthening of corporate governance and raising awareness of compliance.

Moreover, the effectiveness of the Audit & Supervisory Board has continued to be evaluated since FY2018 for the purpose of looking back at the audit activities of the current fiscal year, reflecting such evaluation in the audit plan for the following fiscal year and improving the quality of audits. When effectiveness for the fiscal year under review is evaluated, questionnaires were given to and interviews were conducted with all Audit & Supervisory Board Members, and interviews were newly conducted with Audit & Supervisory Board Members of Group companies. To ensure anonymity and objective perspectives, a third-party organization was used to implement the questionnaires and interviews and to analyze the collected results. The primary items of evaluation were as follows: the audit plan; advice to the management and audits of business execution; the Group's audit system; responses to acts in violation of rules, etc.; cooperation between the three audits (audit by the Audit & Supervisory Board, audit by the Independent Auditor, and audit by the Internal Audit Department); operation of the Audit & Supervisory Board meetings, among other matters. In the evaluation, in addition to the changes over time, the status of the audit of key audit items, etc. was taken into account. As a result of discussion and verification by the Audit & Supervisory Board meeting, the effectiveness of the Audit & Supervisory Board was evaluated as being secured.

The Audit & Supervisory Board Members formulate an audit plan every fiscal year considering changes in the internal and external environmental and the status of the Group's business operations, and by conducting audits in response to events and changes that occur during the year as necessary, they closely monitor the efforts of the Members of the Board and Executive Officers and actively make recommendations. In addition, by continuing to strengthen collaboration with outside Members of the Board, the Internal Audit Department, and the Audit & Supervisory Board Members of Group companies, the Audit & Supervisory Board Members will continue to enhance the sophistication of the Group audit system and the effectiveness of the Company's Audit & Supervisory Board.

Regarding the unauthorized taking out and leaking of customer information to third party by a former temporary employee of an NTT Group company, the Audit & Supervisory Board Members have confirmed reporting on the completion of provisional measures taken to address the deficiencies identified in the investigation. The Audit & Supervisory Board Members will continue to confirm the progress of Group-wide efforts and further monitor the ongoing strengthening and improvement of security level of the entire Group.

## 5. Nomination Committee and Compensation Committee

For the purpose of further enhancing independence, objectivity and accountability in the decisions of nominations and compensation of officers, etc. by the Board of Directors, NTT has voluntarily established the Nomination Committee and the Compensation Committee, which each consist of five Members of the Board (of which three members, a majority of committee members, are outside independent Members of the Board), as a preliminary review institution of the Board of Directors, and is increasing the effectiveness of governance. As of the end of the fiscal under review, membership of each committee consists of Akira Shimada (Representative Member of the Board, President), Takashi Hiroi (Representative Member of the Board, Senior Executive Vice President), Ken Sakamura (outside Member of the Board), Yukako Uchinaga (outside Member of the Board), and Koichiro Watanabe (outside Member of the Board), with Akira Shimada (Representative Member of the Board, President) serving as chairman of each committee. Resolutions of each committee are made by a majority of such committee's members in attendance, at meetings in which a majority of committee members are present.

In the fiscal year under review, the Nomination Committee met six times and the Compensation Committee met once, engaging in active discussions on subjects such as the nomination of officers, etc., succession planning, and revising the officer compensation system.

## 6. Nomination of Members of the Board, Etc.

In terms of the composition of the Company's Board of Directors, the nomination of executives is based on the NTT Group Personnel Policy, and personnel with the skills to resolve issues recognized by NTT Group are nominated broadly from inside and outside of the Group. Outside Members of the Board and outside Audit & Supervisory Board Members are elected with the expectation that they can provide opinions based on a broad management perspective or as an expert. Furthermore, both non-outside and outside Members of the Board are elected in line with NTT Group's promotion of diversity.

### NTT Group Personnel Policy

#### [Basic Policy]

Aiming to make its existence a supporter of a global, sustainable society through the creation of new value, NTT Group strives to contribute to the resolution of societal issues and the realization of a safer, more secure, and more affluent society. We have established the policy of positioning individuals that share these ideals in the upper ranks of NTT Group's management, and we are nominating such individuals from both inside and outside the Group.

#### [Nomination Policy of Candidates for Members of the Board]

In regard to Member of the Board candidates, individuals are nominated based on the broad-ranging perspective and experience, superior management skill and leadership, business sense and motivation necessary to contribute to the overall development of NTT Group in order to facilitate the improvement in NTT Group's corporate value. The Board of Directors is of a size appropriate to the Group's business, and the composition of the Board of Directors takes into account a balance of specialties and diversity.

From the perspective of strengthening the function of supervising business execution, for outside independent Members of the Board, NTT nominates individuals who present no risk of a conflict of interest with general shareholders. In principle, NTT appoints several outside independent Members of the Board.

#### [Nomination Policy of Candidates for Audit & Supervisory Board Members]

NTT has the policy of nominating candidates for Audit & Supervisory Board Members that have the capacity to provide audits based on specialized experience and insight.

From the perspective of guaranteeing fair audits of the execution of duties by Members of the Board, for outside independent Audit & Supervisory Board Members, NTT nominates individuals who present no risk of a conflict of interest with general shareholders. In accordance with the Companies Act, NTT ensures that outside Audit & Supervisory Board Members make up half or more of the Audit & Supervisory Board.

With regard to the nomination of Members of the Board, NTT has established the Nomination Committee, which consists of five Members of the Board including three outside independent Members of the Board. The committee discusses candidates and then makes proposals to be approved by the Board of Directors and presented for voting at the General Meeting of Shareholders. With regard to the nomination of candidates for Audit & Supervisory Board Members, the procedure for nomination involves Members of the Board proposing Audit & Supervisory Board Member candidates based on the nomination policy described above. These proposals are then discussed by the Audit & Supervisory Board, which consists of half or more of outside Audit & Supervisory Board Members, and consent is granted if appropriate. The candidates are then approved by the Board of Directors and presented for voting at the General Meeting of Shareholders.

### [Succession Plan]

With respect to successor candidates for the CEO position, we view it as important to secure successor candidates who can respond to technological innovation, market trends, and the speed of changes in the business environment. By securing the diversity of candidates through offering experience of a broad range of jobs and appointments to important posts, we are cultivating personnel for promotion who, in addition to possessing integrity and insight, are exceptionally well-suited to the times. The decision regarding the appointment is made by the Board of Directors after it has been presented for deliberation to the Nomination Committee, a preliminary review institution of the Board of Directors, which consists of five Members of the Board including three outside independent Members of the Board.

For future management candidates, we select various people of any age, gender, or field of expertise. Through education at the NTT University, which is a program for developing management candidates, we target diverse people who are full of desire to lead our transformation.

### [Independence of Outside Members of the Board and Outside Audit & Supervisory Board Members]

From the perspectives of strengthening the supervisory function for execution and guaranteeing appropriate audits of the execution of duties by Members of the Board, NTT has the policy of selecting individuals to serve as outside Members of the Board and outside Audit & Supervisory Board Members who do not represent risks of conflicts of interest with general shareholders. NTT designates outside Members of the Board and outside Audit & Supervisory Board Members who fulfill both the independence criteria stipulated by the Tokyo Stock Exchange and NTT's own independence standards as independent Members of the Board or independent Audit & Supervisory Board Members.

#### Independence Standards

**In order to meet the independence criteria, a person may not fall under any of the categories below in the last three fiscal years**

- (1) A person who executes business in a partner company that exceeds NTT's Standards\*<sup>1</sup>
- (2) A person who executes business in a lending company that exceeds NTT's Standards\*<sup>2</sup>
- (3) A consultant, accountant, lawyer, or any other person providing professional services, who received monetary payments or any other gain in assets equal to or more than ¥10 million, excluding the Board Members' or Audit & Supervisory Board Members' compensation, from NTT or its major subsidiaries\*<sup>3</sup> in any of the last three fiscal years
- (4) A person who executes business in an organization that received donations exceeding NTT's Standards\*<sup>4</sup>

Even if any of (1) through (4) above applies to a person, where it has been decided that a person meets the Independence Standards, the reasons shall be explained and disclosed at the time of the person's appointment as the independent Member of the Board or independent Audit & Supervisory Board Member.

\*<sup>1</sup> "A partner company that exceeds NTT's Standards" is defined as a company that has had any business dealing with NTT and its major subsidiaries\*<sup>3</sup> in any of the last three fiscal years equal to or more than 2% of the total operating revenues of NTT and its major subsidiaries for the respective fiscal year.

\*<sup>2</sup> "A lending company that exceeds NTT's Standards" is defined as a company in which the total amount of borrowings on a consolidated basis in any of the last three fiscal years equals to or is more than 2% of NTT's consolidated total assets for the respective fiscal year.

\*<sup>3</sup> The major subsidiaries are NTT DOCOMO, NTT East, NTT West, NTT Communications, and NTT DATA Group.

\*<sup>4</sup> "An organization that received donations exceeding NTT's Standards" is defined as an organization which received donations from NTT and its major subsidiaries\*<sup>3</sup> in any of the last three fiscal years exceeding ¥10 million or 2% of the total income of the organization, whichever is larger, during the respective fiscal year.



## **7. Training for Members of the Board and Audit & Supervisory Board Members**

NTT Group works to cultivate candidates suitable for top management who are able to respond to the rapidly changing management environment, by creating a range of training opportunities in areas including domestic and overseas economic and social issues, compliance, and risk management, and by allowing employees to accumulate new job experiences. Additionally, outside independent Members of the Board can gain a deeper understanding of the Company's group businesses through opportunities to deepen their understanding of the business trends of NTT Group companies and of the latest R&D results at the research facilities of the Company.

## **8. Strategic Shareholdings**

NTT does not hold shares for the purpose of creating stable shareholders, and has no plans to hold such shares in the future. Conversely, NTT's business policy is to promote open innovation and collaboration with partners in a variety of industries with the aim of enhancing corporate value over the medium to long term. Based on this policy, the Company verifies whether an individual holding will contribute to medium- to long-term enhancements in corporate value and holds or sells shares accordingly. Among the comprehensive list of factors taken into consideration by the Investment Strategy Committee are the contribution to the medium- to long-term results of NTT, the progress of business collaborations, future considerations concerning business collaborations, trends in performance at investment targets and future business strategies of NTT. We apply the same policy to the strategic shareholdings of our Group companies, verifying every year whether individual holdings are appropriate, and taking steps to sell, etc. accordingly.

With respect to exercising voting rights of strategic shareholdings, NTT exercises voting rights acquired through share ownership, as it sees fit and appropriate and upon determining whether it is an initiative that would contribute to the improvement of medium- to long-term corporate value, from the perspective of sustainable growth of the companies NTT invests in and improving corporate value for both NTT and the companies.

## **9. Capital Policy**

With regard to dividends, our basic policy is to steadily increase dividends, and we also flexibly carry out buybacks to improve capital efficiency.

## 10. Content of Resolutions Concerning the Design of Systems to Ensure the Propriety of NTT's Business

The Company's Board of Directors resolved the NTT Group's Basic Policy on the Design of Internal Control Systems, and the policy was revised on April 1, 2024. The content of the resolution is set out below.

(The basic policy and outline of operations for FY2023 are included in The 39th Ordinary General Meeting of Shareholders Other Matters Subject to Measures for Electronic Provision (Matters Excluded From Paper-Based Documents Delivered).)

### Basic Policy on the Design of Internal Control Systems

As a partner that enables society and industry to move ahead, NTT Group companies will not only provide services that support the safety and security of people around the world, but will also rise to the challenge of creating new value to make people's lives more comfortable and prosperous through continuous innovation, and the challenge of realizing of a global sustainable society.

In meeting these challenges, it is essential that the Company not only comply with laws and regulations, social norms, and internal policies both in each country and region, but also conduct our business with integrity and efficiency and high ethical standards.

We have established a basic policy to achieve the above. The President, as the chief executive officer, shall be responsible for the design and operation of the internal control systems in accordance with this Basic Policy.

#### 1. System to Ensure that the Execution of Duties by Directors, etc. and Employees Complies with Laws and Regulations and the Articles of Incorporation

The Company shall take the following actions to ensure that it not only complies with laws and regulations but also conducts its business with high ethical standards:

##### (1) Corporate Ethics and Compliance

- (i) The NTT Group Corporate Ethics Policy shall be established to lay out the basic principles of corporate ethics and provide specific guidelines for ethical behavior for all NTT Group Directors, etc. and employees.
- (ii) The Corporate Ethics Committee, chaired by a Senior Executive Vice President, shall be established to clarify the responsibilities of corporate ethics, promote corporate ethics, foster compliance awareness, maintain discipline, and conduct investigations and reviews of whistleblowing reports. In addition, to prevent harassment at the workplace, the Company shall establish an anti-harassment policy and prescribe the measures to be taken.
- (iii) The Company shall conduct corporate ethics training, etc., to continuously raise the awareness of Directors, etc., and employees regarding corporate ethics and compliance. In addition, the Company shall conduct awareness surveys, etc. to evaluate the effectiveness of these initiatives.
- (iv) The Company shall stipulate in an employment policy, etc., the obligations of employees to faithfully comply with laws, regulations, internal policies, and notices and to devote all efforts to the performance of their duties to operate the business properly and efficiently.
- (v) The Company shall establish a disciplinary policy, etc., and shall deal with any violations of laws, regulations, or internal policies in accordance with such policy.

##### (2) Whistleblowing

The Company shall endeavor to foster a more open corporate culture and shall establish a Corporate Ethics Help Line in each of NTT Group companies and an external Corporate Ethics Help Line contact point throughout the Group,

staffed by lawyers, to receive whistleblowing reports, whether anonymous or named. The Company shall also establish an independent reporting channel to Audit & Supervisory Board Members. Whistleblowers shall be protected from any disadvantages because of making a report to the Corporate Ethics Help Line and/or to Audit & Supervisory Board Members.

### (3) Internal Audit

- (i) In order to promote the efficient and effective internal audit activities, the Company shall formulate an internal audit policy, which shall determine the fundamental matters concerning the conduct of internal audits, and establish the Internal Audit Department as an independent organization under the direct control of the President. The Internal Audit Department, whose mission is to increase the value of NTT Group and to contribute to the achievement of its business objectives, shall evaluate the adequacy and effectiveness of governance, risk management, and internal control processes and make recommendations from an independent and objective standpoint in accordance with the internal audit policy.
- (ii) The Internal Audit Department shall report the internal audit plan to the Board of Directors and Audit & Supervisory Board Members and shall periodically report the results of internal audits to the Board of Directors and Audit & Supervisory Board Members.

### (4) Disclosure

- (i) The Company shall make reasonable efforts to ensure the reliability of its reports prepared in accordance with the Financial Instruments and Exchange Act and other applicable laws and regulations.
- (ii) The Company shall formulate an internal policy that establishes disclosure control procedures for important management information of the Company to provide timely, fair, and impartial disclosure of information of NTT Group and to facilitate appropriate investment decisions by investors, etc. The Company shall also formulate and disclose a Disclosure Policy as its fundamental policy for disclosure of information to investors, etc. and investor relations activities.
- (iii) The Company shall make disclosures in accordance with relevant domestic and foreign laws and stock exchange rules and will proactively endeavor to disclose such information as the Company believes may be useful in promoting shareholders' and investors' understanding with respect to NTT Group.

### (5) Sustainability

The Company shall establish a Sustainability Committee and manage the action policies and progress of sustainability initiatives across the entire Group.

## 2. Policies and Other Systems Related to Risk Management

The Company shall take the following measures to effectively manage risks:

- (1) The Company shall establish a risk management policy, which defines fundamental policies concerning the risk management for appropriate and efficient business operations.
- (2) The Company shall establish a Business Risk Management Committee, chaired by a Senior Executive Vice President, to ensure that risk management functions effectively and strongly throughout the Company. The Business Risk Management Committee shall oversee overall risk management and establish policies for identifying and managing enterprise-wide risks.

## 3. System to Ensure the Efficient Execution of Duties by Directors, etc.

The Company shall take the following measures to ensure efficient business operations through an appropriate allocation of responsibilities and the oversight framework for Directors, etc.:

- (1) The Company shall establish a policy of the Board of Directors. In principle, the Board of Directors shall hold meetings once each month to make decisions on important management matters based on applicable laws and regulations, the principles of business judgment and the duty of care of a prudent manager, and Directors, etc., shall also report regularly on the status of the performance of their duties.
- (2) To strengthen the function of supervising the fairness of the performance of duties, the Board of Directors shall include outside independent directors.
- (3) The Company shall adopt an executive officer system to clearly separate the management decision-making and supervisory functions of the Board of Directors from the business execution functions of the executive officers, thereby enhancing management flexibility.
- (4) The Company shall establish an Executive Officers Meeting and committees under the Executive Officers Meeting in charge of the important business execution to ensure the smooth conduct of business operations delegated by the Board of Directors.
- (5) The Company shall establish an organization policy that defines the structure of the internal organizations and the responsibilities of each organization, and an authority policy that defines the division of authority.

4. System for Retaining and Managing Information Related to the Performance of Duties by Directors, etc.

The Company shall take the following measures to manage information related to the performance of the duties of Directors, etc. and to contribute to the appropriate and efficient conduct of business:

- (1) The Company shall establish a document policy to regulate necessary matters regarding the management of documents (including related materials and electromagnetic records. The same shall apply hereinafter.) and other information. In addition, such documents shall be retained for the period prescribed by laws and regulations or for the period necessary for business operations.
- (2) The Company shall establish an information security management policy to define all fundamental matters related to the acquisition and management of information necessary for its business, and shall take information security measures to identify and prevent risks, and to minimize damage when a risk materializes.

5. System to Ensure the Proper Business Activities of NTT Group

The Company shall take the following measures to ensure that each of NTT Group companies complies with all applicable laws and regulations and, while fully respecting each other's independence and autonomy, conducts its business appropriately and efficiently and contributes to the growth and development of the Group as a whole:

- (1) In order to oversee and coordinate NTT Group and promote efficient and effective group management, the Company shall establish a system for reporting from each company on matters necessary for NTT Group's business operations.
- (2) The Company shall conduct education and training to employees to prevent fraud or misconduct in NTT Group.
- (3) The Company shall formulate a business risk management manual to enable NTT Group to prevent and prepare for risks in advance, and to respond to risk events appropriately and promptly, and shall manage risks on a Group-wide basis.
- (4) The Company shall establish NTT Group Information Security Regulations and provide the direction of essential principles and specific measures related to information security to be followed by the entire NTT Group.
- (5) The Company shall conduct internal audits of NTT Group companies, etc. in a risk-based manner, taking into consideration their business conditions and other factors.

6. Matters Relating to Employees Engaged to Assist Audit & Supervisory Board Members in the Performance of Their Duties and Matters Relating to the Independence of Such Employees from Directors, etc.

The Company shall take the following measures with respect to employees assigned to assist the Audit & Supervisory Board Members in the performance of their duties, to ensure the effective performance of the audits by Audit & Supervisory Board Members:

- (1) The Company shall establish the Office of Audit & Supervisory Board Members as an important structure under the Companies Act to provide dedicated employees to assist Audit & Supervisory Board Members in the performance of their duties.
- (2) Employees assigned to the Office of Audit & Supervisory Board Members shall perform their responsibilities under the direction and orders of Audit & Supervisory Board Members.
- (3) Decisions on the transfer of employees assigned to the Office of Audit & Supervisory Board Members, evaluations of such employees shall be made with due regard to the opinion of the Audit & Supervisory Board.

7. System for Reporting to Audit & Supervisory Board Members by Directors, etc. and Employees and System for Ensuring Effective Conduct of Audits by Audit & Supervisory Board Members

To ensure that audits by Audit & Supervisory Board Members are conducted effectively, the Company shall take the following measures, including the reporting to Audit & Supervisory Board Members by Directors, etc., and employees of important matters concerning the performance of their duties:

- (1) Directors, etc. shall report the following matters concerning the performance of their duties:
  - (i) Matters decided by the Executive Officers Meeting
  - (ii) Matters that have caused or may cause material damage to the Company
  - (iii) Monthly financial reports
  - (iv) Results of internal audits
  - (v) Matters involving a risk of violation of laws and regulations or the Articles of Incorporation
  - (vi) Status of whistleblower reports to the Help Line
  - (vii) Material matters reported by an NTT Group company
  - (viii) Other material compliance matters
- (2) Directors, etc., Independent Auditors and the Internal Audit Department shall exchange opinions with Audit & Supervisory Board Members on a regular or ad hoc basis.
- (3) Audit & Supervisory Board Members may attend meetings of the Board of Directors and other important meetings.
- (4) Audit & Supervisory Board Members may independently engage and obtain advice from external experts with respect to the performance of audit.
- (5) Audit & Supervisory Board Members may claim expenses necessary for the performance of their duties, and the Company shall pay such expenses based on such claim.
- (6) No person who reports to Audit & Supervisory Board Members shall be treated adversely because of such report.

Note: For purposes of this Basic Policy, "Directors, etc." means Directors, Executive Officers, and Senior Vice President of R&D.

## IV Matters Regarding Corporate Officers

### 1. Status of Members of the Board and Audit & Supervisory Board Members

Name		Position and Responsibilities	Number of Shares of the Company Held
Jun Sawada		Chairman and Representative Member of the Board	1,123,500 shares
Akira Shimada		Representative Member of the Board President and Chief Executive Officer (CEO)	772,600 shares
Katsuhiko Kawazoe		Representative Member of the Board Senior Executive Vice President In charge of technical strategy Chief Technology Officer (CTO) Chief Information Officer (CIO) Chief Digital Officer (CDO)	409,300 shares
Takashi Hiroi		Representative Member of the Board Senior Executive Vice President In charge of business strategy Chief Financial Officer (CFO) Chief Compliance Officer (CCO) Chief Human Resource Officer (CHRO)	364,000 shares
Akiko Kudo		Member of the Board Senior Vice President Head of Alliance Department, Research and Development Market Strategy Division	114,700 shares
Ken Sakamura	Outside Independent	Member of the Board	58,400 shares
Yukako Uchinaga	Outside Independent	Member of the Board	21,000 shares
Ryoji Chubachi	Outside Independent	Member of the Board	78,900 shares
Koichiro Watanabe	Outside Independent	Member of the Board	36,100 shares
Noriko Endo	Outside Independent	Member of the Board	48,300 shares
Keiichiro Yanagi		Full-time Audit & Supervisory Board Member	12,000 shares
Kanae Takahashi		Full-time Audit & Supervisory Board Member	200,700 shares
Kensuke Koshiyama	Outside Independent	Full-time Audit & Supervisory Board Member	0 shares
Hideki Kanda	Outside Independent	Audit & Supervisory Board Member	0 shares
Kaoru Kashima	Outside Independent	Audit & Supervisory Board Member	0 shares

- Notes: 1. Of the 15 Members of the Board and Audit & Supervisory Board Members, ten are male and five are female.
2. Of the Members of the Board, Mr. Ken Sakamura, Ms. Yukako Uchinaga, Mr. Ryoji Chubachi, Mr. Koichiro Watanabe and Ms. Noriko Endo are outside Members of the Board as defined in Article 2, item (xv) of the Companies Act. Also, based on the listing rules of the Tokyo Stock Exchange, NTT has designated them as independent Members of the Board and filed the information related thereto with the Tokyo Stock Exchange.
3. Of the Audit & Supervisory Board Members, Mr. Kensuke Koshiyama, Mr. Hideki Kanda and Ms. Kaoru Kashima are outside Audit & Supervisory Board Members as defined in Article 2, item (xvi) of the Companies Act. Also, based on the listing rules of the Tokyo Stock Exchange, NTT has designated them as independent Audit & Supervisory Board Members and filed the information related thereto with the Tokyo Stock Exchange.

Term of Office	Attendance Rate		Description of Principal Concurrent Positions
	Board of Directors Meetings	Audit & Supervisory Board Meetings	
10 years	12/12 (100%)	—	
12 years	12/12 (100%)	—	
2 years	12/12 (100%)	—	
2 years	12/12 (100%)	—	
2 years	12/12 (100%)	—	Business Executive of Smart City LLP
5 years	12/12 (100%)	—	[Professor of Toyo University (Retired on March 31, 2024)]
2 years	12/12 (100%)	—	President and CEO of Globalization Research Institute, Inc. External Director of SINTOKOGIO, LTD. [Outside Director, Member of the Advisory Board of Teijin Limited (Retired on June 21, 2023)] [Chairperson and Representative Director of Japan Women's Innovative Network, a non-profit organization (Retired on March 31, 2024)]
2 years	12/12 (100%)	—	Grand Emeritus Advisor of National Institute of Advanced Industrial Science and Technology President of Tokyo Information Design Professional University (Assumed on April 1, 2023) [Outside Director of JAPAN POST BANK Co., Ltd. (Retired on June 20, 2023)]
2 years	12/12 (100%)	—	Special Adviser of The Dai-ichi Life Insurance Company (Assumed on April 1, 2023) [Director of Dai-ichi Life Holdings, Inc. (Assumed on April 1, 2023, and retired on June 26, 2023)]
2 years	12/12 (100%)	—	Project Professor of Keio University Outside Director of AIN HOLDINGS INC. Outside Director of Hankyu Hanshin Holdings, Inc. Independent Director of Techpoint, Inc. External Director of Japan Elevator Service Holdings Co., Ltd. Professor of Research Council of Waseda University (Assumed on April 1, 2024)
2 years	12/12 (100%)	25/25 (100%)	
4 years	12/12 (100%)	25/25 (100%)	Company Auditor of NTT DATA, Inc.
2 years	12/12 (100%)	25/25 (100%)	
5 years	12/12 (100%)	25/25 (100%)	External Director of Sumitomo Mitsui Trust Bank, Limited [Professor of Professional School of Gakushuin University (Retired on March 31, 2024)]
5 years	12/12 (100%)	25/25 (100%)	Certified Public Accountant Audit & Supervisory Board Member of Kirin Holdings Company, Limited External Director of Sumitomo Mitsui Trust Holdings, Inc.

- Mr. Katsuhiko Kawazoe and Mr. Takashi Hiroi have served as Members of the Board in the past, separate from the term of office stated above.
- Audit & Supervisory Board Member Mr. Keiichiro Yanagi is a certified member of the Securities Analysts Association of Japan, Audit & Supervisory Board Member Mr. Kensuke Koshiyama has experience working for the Board of Audit of Japan, and Audit & Supervisory Board Member Ms. Kaoru Kashima is a certified public accountant. They all have extensive knowledge of finance and accounting matters.
- There is no special relationship between NTT and the companies where outside Members of the Board and outside Audit & Supervisory Board Members hold concurrent positions.
- Audit & Supervisory Board Member Mr. Takashi Iida resigned from his position at the conclusion of the Ordinary General Meeting of Shareholders held on June 22, 2023.

## **2. Directors and Officers Liability Insurance Policy**

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NTT has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. This insurance policy covers the insured's losses and such costs as related litigation expenses incurred from claims for damages arising from acts (including nonfeasance) carried out by the insured as an officer or a person at a certain position of the Company. However, losses and costs personally incurred by the insured due to criminal acts, such as bribery, and intentional illegal activities are not covered by the policy as a measure to ensure that the proper performance of duties by officers is not impaired.

The insureds included in this policy consist of all Members of the Board, Audit & Supervisory Board Members and Executive Officers of NTT and NTT subsidiaries, namely NTT East, NTT West, NTT DOCOMO (including some subsidiaries of NTT DOCOMO), NTT Communications, NTT Comware (including some subsidiaries of NTT Comware), NTT Urban Solutions, NTT URBAN DEVELOPMENT CORPORATION, NTT Anode Energy, and NTT FACILITIES, INC.

## **3. Policies Concerning, and Total Compensation, etc. of Members of the Board and Audit & Supervisory Board Members**

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The Board of Directors resolved at its meeting held on May 12, 2021 a policy for determining the details of individual compensation, etc. for Members of the Board (hereinafter "Determination Policy"; this was partially amended by resolution of the Board of Directors at a meeting held on November 10, 2021). The overview of the Determination Policy is as follows.

Concerning the Determination Policy, composition and level of compensation for Members of the Board of NTT, in order to secure objectivity and transparency, NTT established the Compensation Committee, comprised of five Members of the Board, including three outside independent Members of the Board. Compensation matters are decided by the Board of Directors after deliberation by this committee. Moreover, decisions on the composition ratios and calculation methods for compensation, and individual amounts of compensation for each Member of the Board are delegated from the Board of Directors to the Compensation Committee. The reason for delegating these authorities to the Compensation Committee is that said committee is composed of two Representative Members of the Board and three outside Members of the Board, and we believe that it is able to make the appropriate judgements from an outside perspective while also taking a bird's-eye view of the Company's overall performance.

Compensation of Members of the Board (excluding outside Members of the Board) consists of a monthly salary (base salary) and a bonus (compensation related to performance over the short term), NTT stock purchase through Board Members Shareholding Association and performance-related stock compensation (compensation related to performance over the medium to long term).

The base salary is a fixed compensation paid monthly on the basis of the scope of each Member of the Board's roles and responsibilities. The bonus is paid in June each year, taking into account NTT's business results for the current fiscal year. The financial targets of the Medium-Term Management Strategy have been selected as performance indicators for bonus. This is because greater clarification of the link between Members of the Board's compensation and the Company's corporate value increases the motivation to achieve the financial targets in the Medium-Term Management Strategy. In addition, the method for calculating bonus is to convert the level of year-on-year improvement or achievement level of the plan for each financial target into a payment rate with a predetermined method for each indicator, weighting the average based on the weight of each indicator then multiplying the base salary by position. (Please refer to "Bonus Performance Indicators" on the next page.)

Also, to reflect NTT's medium- to long-term business results, Members of the Board purchase NTT shares through the Board Members Shareholding Association using the compensation for stock acquisition that is paid every month. Purchased shares are to be held by the Members of the Board throughout their terms of office.

For the performance-related stock compensation, a trust, established by NTT is used. The Members of the Board are granted points corresponding to their role in June each year and a performance-related coefficient corresponding to the level of achievement of the performance indicator is determined in June of the year following the final fiscal year of the Medium-Term Management Strategy, and the number of shares to be granted to each Member of the Board is calculated by multiplying the performance-related coefficient by the number of points that has been accumulated. The granted shares are



delivered to the Member of the Board upon retirement.

In conjunction with the announcement of the new Medium-Term Management Strategy, the trust period has been extended and the performance indicator has been changed (from EPS to EBITDA, the financial target indicator of the new Medium-Term Management Strategy) from FY2024.

The composition ratio of compensation in a case where standard business results are achieved is roughly as follows: Fixed compensation: Short-term performance-related compensation: Medium- to long-term performance-related compensation = 50%: 30%: 20%.

In order to maintain a high level of independence, compensation of outside Members of the Board consists of a monthly fixed compensation only, and is not linked to NTT's business results.

Note that an overview of the policy for determining the details of individual compensation, etc. of Members of the Board is as provided above, and when determining the details of the individual compensation, etc. of Members of the Board, the Compensation Committee considers matters from various angles, including consistency with the Determination Policy, so, the Board of Directors respects its judgment, and the details of the individual compensation, etc. of Members of the Board for the fiscal year under review are judged to be in line with the Determination Policy.

Compensation of Audit & Supervisory Board Members is determined by resolution of the Audit & Supervisory Board and consists of a base salary only, for the same reasons as those cited above with respect to outside Members of the Board.

The membership of the Compensation Committee delegated by the Board of Directors to determine the details of individual compensation, etc. of Members of the Board for the fiscal year under review consists of Akira Shimada (Representative Member of the Board, President), Takashi Hiroi (Representative Member of the Board, Senior Executive Vice President), Ken Sakamura (outside Member of the Board), Yukako Uchinaga (outside Member of the Board), and Koichiro Watanabe (outside Member of the Board).

## Bonus Performance Indicators

Financial targets of the Medium-Term Management Strategy and other measures are set as performance indicators and the level of year-on-year improvement or achievement level of the plan are evaluated.

Category	Performance Indicators	Evaluation Weighting	Evaluation Method	FY2022 Results	FY2023 Results
Financial indicators	EBITDA	25%	YoY improvement	¥3,290.2 billion	¥3,418.1 billion
	EPS (earnings per share)	10%		¥13.9	¥15.1
Sustainability indicators	Employee engagement rate	2.5%		57%	54%

Category	Performance Indicators	Evaluation Weighting	Evaluation Method	FY2023 Targets	FY2023 Results
Financial indicators	EBITDA	25%	Achievement level of plan	¥3,390.0 billion	¥3,418.1 billion
	Operating profit	10%		¥1,950.0 billion	¥1,922.9 billion
	Overseas operating profit margin	10%		8.3%	8.6%
	ROIC (return on invested capital) in existing areas	5%		8.3%	8.1%
Sustainability indicators	Greenhouse gas emissions	5%		2.466 million tons or less	2.419 million tons
	New female manager promotion rate	5%		30%	28%
	B2B2X revenues	2.5%		¥873.1 billion	¥1,058.1 billion

- Notes: 1. NTT implemented a 25-for-1 stock split of common stock with an effective date of July 1, 2023. The figure for EPS have been adjusted to reflect the impact of the stock split as if the stock split had occurred at the beginning of the prior fiscal year.
2. The scope of aggregation for employee engagement rate is approximately 100 domestic Group companies (in the future, we plan to expand the scope, including overseas Group companies).
3. The scope of aggregation for overseas operating profit margin is NTT DATA Group consolidated. Calculation excludes temporary expenses, such as M&A-related amortization of intangible assets.
4. Existing areas refer to NTT DOCOMO's consumer telecommunications businesses, NTT East and NTT West.
5. Greenhouse gas emission figures are preliminary figures. The figures are for GHG protocol Scope 1 & 2.
6. The scope of aggregation for new female manager promotion rate is five major domestic Group companies (NTT, NTT DOCOMO\*, NTT East, NTT West, and NTT DATA Group\*).
- \*NTT DOCOMO includes figures from NTT Communications. Furthermore, NTT DATA Group includes figures from NTT DATA Japan Corporation and NTT DATA, Inc.
7. The scope of aggregation for B2B2X revenues is the Integrated ICT Business Segment, the Regional Communications Business Segment, and the Global Solutions Business Segment.

For the bonus performance indicators in FY2024, from the perspective of enhancing customer experience (CX), we plan to change the B2B2X revenues to customer engagement (NPI, NPS).

Category	Performance Indicators	Evaluation Weighting	Evaluation Method
Financial indicators	EBITDA	25%	YoY improvement
	EPS (earnings per share)	10%	

Category	Performance Indicators	Evaluation Weighting	Evaluation Method
Financial indicators	EBITDA	25%	Achievement level of plan
	Operating profit	10%	
	Overseas operating profit margin	10%	
	ROIC (return on invested capital) in existing areas	5%	
Sustainability indicators	Greenhouse gas emissions	5%	Achievement level of plan
	New female manager promotion rate	2.5%	
	Employee engagement rate	2.5%	
	Customer engagement		
	NPI	2.5%	
	NPS	2.5%	

- Notes: 1. The scope of aggregation for overseas operating profit margin is NTT DATA Group consolidated. Calculation excludes temporary expenses, such as M&A-related amortization of intangible assets.
2. Existing areas refer to NTT DOCOMO's consumer telecommunications businesses, NTT East and NTT West.
3. GHG emissions are for GHG protocol Scope 1 & 2.
4. The scope of aggregation for new female manager promotion rate is five major domestic Group companies (NTT, NTT DOCOMO\*, NTT East, NTT West, and NTT DATA Group\*).
- \*NTT DOCOMO includes figures from NTT Communications. Furthermore, NTT DATA Group includes figures from NTT DATA Japan Corporation and NTT DATA, Inc.
5. The scope of aggregation for employee engagement rate is approximately 100 domestic Group companies (in the future, we plan to expand the scope, including overseas Group companies).
6. Customer engagement NPI (Next Purchase Intention) measures the intention to continue using the service, and NPS® (Net Promoter Score®)\* measures the likelihood of recommending to others. The subject of customer engagement includes services for small- and medium-sized enterprises and consumer services, which are focus areas for NTT East, NTT West, and NTT DOCOMO\*\*\*. (Expansion to services for large corporations is also being considered for the future.)
- \*The Net Promoter Score and NPS are registered trademarks of Bain & Company, Inc., Fred Reichheld, and Satmetrix Systems, Inc. (currently NICE Systems, Inc.).
- \*\*NTT DOCOMO includes figures from NTT Communications.

## Total Compensation, etc. during the Fiscal Year Ended March 31, 2024

Position	Number of Persons	Fixed	Short-Term	Medium- to Long-Term		Total Compensation (Millions of yen)
		Base Salary (Millions of yen)	Bonuses (Millions of yen)	Compensation for stock acquisition (Millions of yen)	Performance-related stock compensation (Millions of yen)	
Members of the Board	10	308	147	28	57	539
Audit & Supervisory Board Members	6	176	—	—	—	176
Total	16	483	147	28	57	714
(Of which outside Officers)	(9)	(176)	(—)	(—)	(—)	(176)

- Notes: 1. Compensation amounts shown above include compensation paid to one Audit & Supervisory Board Member who resigned on June 22, 2023, at the conclusion of the 38th Ordinary General Meeting of Shareholders.
2. At the 36th Ordinary General Meeting of Shareholders held on June 24, 2021, it was resolved that the amount of compensation for Members of the Board comprises three components: (1) the amount of monetary compensation: ¥600 million or less annually, (2) the amount paid to Members of the Board as funds to acquire NTT's shares through the Board Members Shareholding Association, etc.: ¥50 million or less annually and 600,000 shares\* or less annually, and (3) the amount to be contributed for the performance-related stock compensation system, etc.: ¥100 million or less annually and 1,175,000 shares\* or less annually. Note that at the conclusion of this General Meeting of Shareholders, there were eight Members of the Board.
- \*NTT implemented a 25-for-1 stock split of common stock with an effective date of July 1, 2023. The figure presented is the number of shares after adjustment to reflect the stock split.
3. The amount of performance-related stock compensation for Members of the Board shown above is the amount recorded as expenses for point grants for the fiscal year under review.
4. The amount of compensation for Audit & Supervisory Board Members was resolved to be ¥200 million or less annually at the 21st Ordinary General Meeting of Shareholders held on June 28, 2006. Note that at the conclusion of this General Meeting of Shareholders, there were five Audit & Supervisory Board Members.
5. The composition ratio of compensation for Members of the Board (excluding outside Members of the Board) in a case where standard business results are achieved is roughly as follows: Fixed: Short-term: Medium- to long-term = 50%: 30%: 20%.

## 4. Outside Members of the Board and Outside Audit & Supervisory Board Members

### Principal Activities of Outside Members of the Board and Audit & Supervisory Board Members

Position	Name	Statements Made at Board of Directors' Meetings and Overview of Duties in Relation to the Role Expected to be Fulfilled by Outside Members of the Board
	Ken Sakamura	<p>Mr. Ken Sakamura has a wealth of experience as an operational director of research institutions, including universities, and has a high level of integrity and insight. He was therefore elected at the Ordinary General Meeting of Shareholders held in June 2022 on the expectation that he would help strengthen the supervisory function for business execution and provide advice from his wide-ranging perspectives on management, and he has been serving as outside Member of the Board.</p> <p>Mr. Sakamura has made comments at meetings of the Board of Directors and meetings held to exchange opinions with Representative Members of the Board, mainly on subjects such as research and development, the promotion of DX, and industry and technological trends regarding investment projects. In addition, on the Nomination Committee and the Compensation Committee he has offered advice on the appointment of officers, etc., succession planning, and revising the compensation system.</p>
	Yukako Uchinaga	<p>Ms. Yukako Uchinaga has a wealth of experience in global corporate management and diversity promotion, and has a high level of integrity and insight. She was therefore elected at the Ordinary General Meeting of Shareholders held in June 2022 on the expectation that she would help strengthen the supervisory function for business execution and provide advice from her wide-ranging perspectives on management, and she has been serving as outside Member of the Board.</p> <p>Ms. Uchinaga has made comments at meetings of the Board of Directors and meetings held to exchange opinions with Representative Members of the Board, mainly on subjects such as global strategy, public relations strategy, and human resources strategy. In addition, on the Nomination Committee and the Compensation Committee she has offered advice on the appointment of officers, etc., succession planning, and revising the compensation system.</p>
Outside Members of the Board	Ryoji Chubachi	<p>Mr. Ryoji Chubachi has a wealth of experience as a corporate manager and the person responsible for operating a research institution, and has a high level of integrity and insight. He was therefore elected at the Ordinary General Meeting of Shareholders held in June 2022 on the expectation that he would help strengthen the supervisory function for business execution and provide advice from his wide-ranging perspectives on management, and he has been serving as outside Member of the Board.</p> <p>Mr. Chubachi has made comments at meetings of the Board of Directors and meetings held to exchange opinions with Representative Members of the Board, mainly on subjects such as research and development, Group management, and competition policy, etc.</p>
	Koichiro Watanabe	<p>Mr. Koichiro Watanabe has a wealth of experience as a corporate manager, and has a high level of integrity and insight. He was therefore elected at the Ordinary General Meeting of Shareholders held in June 2022 on the expectation that he would help strengthen the supervisory function for business execution and provide advice from his wide-ranging perspectives on management, and he has been serving as outside Member of the Board.</p> <p>Mr. Watanabe has made comments at meetings of the Board of Directors and meetings held to exchange opinions with Representative Members of the Board, mainly on subjects such as capital policy, marketing, and risk management, etc. In addition, on the Nomination Committee and the Compensation Committee he has offered advice on the appointment of officers, etc., succession planning, and revising the compensation system.</p>
	Noriko Endo	<p>Ms. Noriko Endo has a wealth of experience cultivated through her career, including interviewing activities as the editor of a financial magazine, conducting research on public policy (in the energy field, etc.), and serving as an outside director of corporations, and has a high level of integrity and insight. She was therefore elected at the Ordinary General Meeting of Shareholders held in June 2022 on the expectation that she would help strengthen the supervisory function for business execution and provide advice from her wide-ranging perspectives on management, and she has been serving as outside Member of the Board.</p> <p>Ms. Endo has made comments at meetings of the Board of Directors and meetings held to exchange opinions with Representative Members of the Board, mainly on subjects such as Group management, strengthening governance, and public policy, etc.</p>

Position	Name	Statements Made at Board of Directors Meetings and Audit & Supervisory Board Meetings
	Kensuke Koshiyama	Based on the professional perspective fostered through his extensive experience working for the Board of Audit of Japan for many years, Mr. Kensuke Koshiyama has made comments as necessary at meetings of the Board of Directors and the Audit & Supervisory Board, at meetings held to exchange opinions with Representative Members of the Board and outside independent Members of the Board, and at meetings held to exchange opinions with Representative Members of the Board and Audit & Supervisory Board Members of Group companies. These comments were mainly from a perspective of promoting sustainability, on subjects such as corporate governance and compliance. In addition, he actively provided advice that contributed to systems to ensure the propriety of NTT Group's business and preventing the occurrence of wrongful acts or scandals.
Outside Audit & Supervisory Board Members	Hideki Kanda	Based on the professional perspective fostered through his extensive experience as a university professor, Mr. Hideki Kanda has made comments as necessary at meetings of the Board of Directors and the Audit & Supervisory Board, at meetings held to exchange opinions with Representative Members of the Board and outside independent Members of the Board, and at meetings held to exchange opinions with Representative Members of the Board and Audit & Supervisory Board Members of Group companies. These comments were mainly from a perspective of promoting sustainability, on subjects such as corporate governance and compliance. In addition to the above, he has actively provided advice and information, from such perspectives as the Companies Act and Corporate Governance Code, that contribute to the proper execution of business by the organizations of NTT Group.
	Kaoru Kashima	Based on the professional perspective fostered through her extensive experience as a certified public accountant, Ms. Kaoru Kashima has made comments as necessary at meetings of the Board of Directors and the Audit & Supervisory Board, at meetings held to exchange opinions with Representative Members of the Board and outside independent Members of the Board, and at meetings held to exchange opinions with Representative Members of the Board and Audit & Supervisory Board Members of Group companies. These comments mainly concerned subjects such as accounting audits, and from a perspective of promoting sustainability, on subjects such as corporate governance, compliance and promoting diversity. In addition to the above, at meetings held to exchange opinions with the Independent Auditor, and elsewhere, she has actively provided advice that contributes to higher quality of accounting audits.

# Consolidated Financial Statements

## Consolidated Statement of Financial Position (March 31, 2024)

(Millions of yen)

Item	Amount	Item	Amount
<b>ASSETS</b>		<b>LIABILITIES AND EQUITY</b>	
<b>Current assets</b>		<b>Current liabilities</b>	
Cash and cash equivalents	982,874	Short-term borrowings	2,542,999
Trade and other receivables	4,816,951	Trade and other payables	2,940,928
Other financial assets	972,278	Lease liabilities	223,473
Inventories	524,166	Other financial liabilities	895,063
Other current assets	985,960	Accrued payroll	614,976
<b>Sub Total</b>	<b>8,282,229</b>	Income taxes payables	354,859
Assets held for sale	41,858	Other current liabilities	1,272,371
<b>Total current assets</b>	<b>8,324,087</b>	<b>Sub Total</b>	<b>8,844,669</b>
<b>Non-current assets</b>		Liabilities directly associated with assets held for sale	976
Property, plant and equipment	10,421,986	<b>Total current liabilities</b>	<b>8,845,645</b>
Right-of-use asset	914,911	<b>Non-current liabilities</b>	
Goodwill	1,698,851	Long-term borrowings	7,048,015
Intangible assets	2,510,723	Lease liabilities	899,524
Investment property	1,305,219	Other financial liabilities	162,765
Investments accounted for using the equity method	410,782	Defined benefit liabilities	1,156,394
Other financial assets	2,251,793	Deferred tax liabilities	222,331
Deferred tax assets	714,276	Other non-current liabilities	376,490
Other non-current assets	1,051,595	<b>Total non-current liabilities</b>	<b>9,865,519</b>
<b>Total non-current assets</b>	<b>21,280,136</b>	<b>Total liabilities</b>	<b>18,711,164</b>
		<b>Equity</b>	
		Nippon Telegraph and Telephone Corporation ("NTT") shareholders' equity	
		Common stock	937,950
		Retained earnings	9,078,084
		Treasury stock	(937,291)
		Other components of equity	765,417
		<b>Total NTT shareholders' equity</b>	<b>9,844,160</b>
		<b>Non-controlling interests</b>	<b>1,048,899</b>
		<b>Total equity</b>	<b>10,893,059</b>
<b>Total assets</b>	<b>29,604,223</b>	<b>Total liabilities and equity</b>	<b>29,604,223</b>

Note: Amounts are rounded to the nearest million yen.

**Consolidated Statement of Profit or Loss** (Fiscal Year Ended March 31, 2024)

(Millions of yen)

Item	Amount	
<b>Operating revenues</b>		<b>13,374,569</b>
<b>Operating expenses</b>		
Personnel expenses	2,935,465	
Expenses for purchase of goods and services and other expenses	6,489,394	
Depreciation and amortization	1,628,586	
Loss on disposal of property, plant and equipment and intangible assets	118,980	
Impairment losses		
Goodwill	487	
Other	13,985	
Taxes and dues	264,762	<b>11,451,659</b>
<b>Operating profit</b>		<b>1,922,910</b>
<b>Finance income</b>		<b>163,826</b>
<b>Finance costs</b>		<b>130,485</b>
<b>Share of profit (loss) of entities accounted for using the equity method</b>		<b>24,206</b>
<b>Profit before taxes</b>		<b>1,980,457</b>
<b>Income taxes</b>		<b>635,338</b>
<b>Profit</b>		<b>1,345,119</b>
Profit attributable to NTT		1,279,521
Profit attributable to Non-controlling interests		65,598

Note: Amounts are rounded to the nearest million yen.

# Non-consolidated Financial Statements

## Non-consolidated Balance Sheet (March 31, 2024)

(Millions of yen)

Item	Amount	Item	Amount
<b>ASSETS</b>		<b>LIABILITIES</b>	
<b>Current assets</b>		<b>Current liabilities</b>	
Cash and bank deposits	3,946	Accounts payable, trade	306
Accounts receivable, trade	4,043	Current portion of long-term borrowings from subsidiaries	643,285
Supplies	208	Short-term borrowings	1,227,202
Advance payment	3,366	Lease obligations	3
Short-term loans receivable	245,000	Accounts payable, other	61,364
Accounts receivable, other	244,780	Accrued expenses	7,518
Other	1,999	Accrued taxes on income	3,414
<b>Total current assets</b>	<b>503,343</b>	Advances received	686
<b>Fixed assets</b>		Deposits received	350
<b>Property, plant and equipment</b>		Asset retirement obligations	67
Buildings	69,119	Other	9
Structures	5,194	<b>Total current liabilities</b>	<b>1,944,204</b>
Machinery, equipment and vehicles	224	<b>Long-term liabilities</b>	
Tools, furniture and fixtures	26,324	Long-term borrowings	303,165
Land	27,746	Long-term borrowings from subsidiaries	3,809,080
Lease assets	5	Lease obligations	3
Construction in progress	2,232	Deferred tax liabilities	133,988
<b>Total property, plant and equipment</b>	<b>130,844</b>	Liability for employees' retirement benefits	38,193
<b>Intangible fixed assets</b>		Asset retirement obligations	1,763
Software	22,979	Other	5,581
Other	344	<b>Total long-term liabilities</b>	<b>4,291,772</b>
<b>Total intangible fixed assets</b>	<b>23,322</b>	<b>Total liabilities</b>	<b>6,235,976</b>
<b>Investments and other assets</b>		<b>NET ASSETS</b>	
Investment securities	908,841	<b>Shareholders' equity</b>	
Investments in subsidiaries and affiliated companies	10,044,472	<b>Common stock</b>	
Other securities of subsidiaries and affiliated companies	35,879	<b>Capital surplus</b>	
Contributions to affiliated companies	2,473	Additional paid-in capital	2,672,826
Long-term loans receivable to subsidiaries	628,000	Other capital surplus	15
Prepaid pension costs	2,826	<b>Total capital surplus</b>	<b>2,672,841</b>
Other	4,882	<b>Earned surplus</b>	
<b>Total investments and other assets</b>	<b>11,627,374</b>	Legal reserve	135,333
<b>Total fixed assets</b>	<b>11,781,540</b>	Other earned surplus	
		Accumulated earned surplus	2,858,471
		<b>Total earned surplus</b>	<b>2,993,805</b>
		<b>Treasury stock</b>	<b>(937,291)</b>
		<b>Total shareholders' equity</b>	<b>5,667,304</b>
		Unrealized gains (losses), translation adjustments, and others	
		Net unrealized gains (losses) on securities	381,603
		Total unrealized gains (losses), translation adjustments, and others	381,603
		<b>Total net assets</b>	<b>6,048,907</b>
<b>Total assets</b>	<b>12,284,883</b>	<b>Total liabilities and net assets</b>	<b>12,284,883</b>

Note: Amounts are rounded to the nearest million yen.



**Non-consolidated Statement of Income** (Fiscal Year Ended March 31, 2024)

(Millions of yen)

Item	Amount	
<b>Operating revenues</b>		
Dividends received	1,145,701	
Revenues from group management	17,900	
Revenues from basic R&D	117,000	
Other services	14,356	1,294,957
<b>Operating expenses</b>		
Administration	34,306	
Experiment and research	110,952	
Depreciation and amortization	18,102	
Retirement of fixed assets	1,030	
Miscellaneous taxes	4,969	169,359
<b>Operating income</b>		<b>1,125,598</b>
<b>Non-operating revenues</b>		
Interest income	2,002	
Lease and rental income	8,616	
Settlement money for redevelopment business	1,818	
Miscellaneous income	2,393	14,830
<b>Non-operating expenses</b>		
Interest expenses	19,978	
Lease and rental expenses	4,817	
Loss on investments in partnerships	7,032	
Miscellaneous expenses	2,323	34,150
<b>Recurring profit</b>		<b>1,106,278</b>
<b>Extraordinary income</b>		
Gain on sale of investments in subsidiaries and affiliated companies	73,532	73,532
<b>Income before income taxes</b>		<b>1,179,809</b>
<b>Corporation, inhabitant, and enterprise taxes</b>	<b>12,000</b>	
<b>Deferred tax expenses (benefits)</b>	<b>872</b>	<b>12,872</b>
<b>Net income</b>		<b>1,166,938</b>

Note: Amounts are rounded to the nearest million yen.

## Auditor's Report on Consolidated Financial Statements

### Independent Auditor's Report

To the Board of Directors of Nippon Telegraph and Telephone Corporation:

#### **Opinion**

We have audited the consolidated financial statements, which comprise the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of changes in equity and the related notes to the consolidated financial statements of Nippon Telegraph and Telephone Corporation. ("the Company") and its consolidated subsidiaries (collectively referred to as "the Group") as at March 31, 2024 and for the year from April 1, 2023 to March 31, 2024 in accordance with Article 444-4 of the Companies Act.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and the results of operations of the Group for the period, for which the consolidated financial statements were prepared, in accordance with the latter part of Article 120-1 of the Ordinance of Companies Accounting that prescribes some omissions of disclosure items required by International Financial Reporting Standards.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other Information**

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. Audit and supervisory board members and the audit and supervisory board are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Responsibilities of Management and Audit and Supervisory Board Members and the Audit and Supervisory Board for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the latter part of Article 120-1 of the Ordinance of Companies Accounting that prescribes some omissions of disclosure items required by International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with the latter part of Article 120-1 of the Ordinance of Companies Accounting that prescribes some omissions of disclosure items required by International Financial Reporting Standards.

Audit and supervisory board members and the audit and supervisory board are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Group's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with the latter part of Article 120-1 of the Ordinance of Companies Accounting that prescribes some omissions of disclosure items required by International Financial Reporting Standards, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with audit and supervisory board members and the audit and supervisory board regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide audit and supervisory board members and the audit and supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

#### **Interest required to be disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

#### **Notes to the Readers of Independent Auditor's Report**

This is an English translation of the Independent Auditor's Report as required by the Companies Act of Japan for the conveniences of the reader.

Yutaka Terasawa  
Designated Engagement Partner  
Certified Public Accountant

Kenji Tanaka  
Designated Engagement Partner  
Certified Public Accountant

Kei Sakayori  
Designated Engagement Partner  
Certified Public Accountant

KPMG AZSA LLC  
Tokyo Office, Japan  
May 8, 2024

## Auditor's Report on Non-Consolidated Financial Statements

### Independent Auditor's Report

To the Board of Directors of Nippon Telegraph and Telephone Corporation:

#### **Opinion**

We have audited the financial statements, which comprise the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in shareholders' equity and other net assets and the related notes to the non-consolidated financial statements, and the accompanying supplementary schedules ("the financial statements and the accompanying supplementary schedules") of Nippon Telegraph and Telephone Corporation ("the Company") as at March 31, 2024 and for the year from April 1, 2023 to March 31, 2024 in accordance with Article 436-2-1 of the Companies Act.

In our opinion, the financial statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period, for which the financial statements and the accompanying supplementary schedules were prepared, in accordance with accounting principles generally accepted in Japan.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements and the Accompanying Supplementary Schedules* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other Information**

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. Audit and supervisory board members and the audit and supervisory board are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the financial statements and the accompanying supplementary schedules does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements and the accompanying supplementary schedules, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the accompanying supplementary schedules or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Responsibilities of Management and Audit and Supervisory Board Members and the Audit and Supervisory Board for the Financial Statements and the Accompanying Supplementary Schedules**

Management is responsible for the preparation and fair presentation of the financial statements and the accompanying supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements and the accompanying supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the accompanying supplementary schedules, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit and supervisory board members and the audit and supervisory board are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements and the Accompanying Supplementary Schedules**

Our objectives are to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements and the accompanying supplementary schedules.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements and the accompanying supplementary schedules, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the accompanying supplementary schedules or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the financial statements and the accompanying supplementary schedules are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements and the accompanying supplementary schedules, including the disclosures, and whether the financial statements and the accompanying supplementary schedules represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with audit and supervisory board members and the audit and supervisory board regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide audit and supervisory board members and the audit and supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

#### **Interest required to be disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

#### **Notes to the Readers of Independent Auditor's Report**

This is an English translation of the Independent Auditor's Report as required by the Companies Act of Japan for the conveniences of the reader.

Yutaka Terasawa  
Designated Engagement Partner  
Certified Public Accountant

Kenji Tanaka  
Designated Engagement Partner  
Certified Public Accountant

Kei Sakayori  
Designated Engagement Partner  
Certified Public Accountant

KPMG AZSA LLC  
Tokyo Office, Japan  
May 8, 2024

## Audit & Supervisory Board's Report

### AUDIT & SUPERVISORY BOARD'S REPORT

Based on reports from each Audit & Supervisory Board Member, and following due discussion at meetings, the Audit & Supervisory Board has prepared this report regarding the execution of the duties of the Members of the Board in the 39th fiscal year from April 1, 2023 to March 31, 2024. The Board reports as follows:

#### 1. Outline of Audit Methodology

- (1) The Audit & Supervisory Board established auditing policies and received reports from each Audit & Supervisory Board Member on the status of the implementation of audits and the results thereof, as well as reports regarding the status of execution of duties from the Members of the Board and other persons and the Independent Auditors, and requested explanations as necessary.
- (2) On the basis of the Audit & Supervisory Board Rules, and in accordance with its auditing policies, the Audit & Supervisory Board Members sought mutual understanding with Members of the Board, the Internal Audit Department and employees and other persons in their efforts to collect information and achieve an environment conducive to audits, and conducted the audits based on the methods described below.
  - I. The Audit & Supervisory Board Members attended meetings of the Board of Directors and other important meetings, and received reports from Members of the Board, employees and other persons regarding performance of their duties, requested explanations as necessary, perused important statements regarding decisions and approvals made and investigated the status of operations and assets at the head office and R&D laboratories. Regarding the subsidiaries, the Audit & Supervisory Board sought to achieve a mutual understanding and exchange of information with Members of the Board and Audit & Supervisory Board Members and other persons of the subsidiaries, and where necessary received business reports from the subsidiaries.
  - II. With respect to the particulars of Board of Directors resolutions relating to establishment of structures as set forth in Article 100 (1) and (3) of the Ordinance for Enforcement of the Companies Act, necessary to ensure that Board Members' performance of their duties, as stated in the Business Report, is in conformity with laws and regulations and their company's Articles of Incorporation and to otherwise ensure the appropriateness of the business of a corporate group consisting of a kabushiki kaisha and its subsidiaries, as well as the structures established pursuant to such resolutions (internal control systems), the Audit & Supervisory Board Members received reports regularly from Members of the Board and other employees regarding the status of the establishment and implementation of the systems, requested explanations as necessary, and expressed opinions thereon.
  - III. The Audit & Supervisory Board Members audited and verified whether the Independent Auditor maintained its independence and carried out its audits appropriately, received reports from the Independent Auditor regarding the execution of its duties and, where necessary, requested explanations. Also, the Audit & Supervisory Board received notification from the Independent Auditors to the effect that the "structure to ensure that duties are executed appropriately" (the matters listed in Article 131 of the Regulation on Corporate Accounting) has been established in accordance with "Quality Control Standards for Auditing" (Business Accounting Council) and, where necessary, requested explanations.

Based on the above methodology, the Audit & Supervisory Board audited the Business Report and related supplementary schedules, the non-consolidated financial statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in shareholders' equity and other net assets, notes to non-consolidated financial statements) and related supplementary schedules, as well as the consolidated financial statements (consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of changes in equity and notes to consolidated financial statements) related to the fiscal year under review.

#### 2. Audit Results

##### (1) Results of the audit of the Business Report

- I. We find that the Business Report and its supplementary schedules accurately reflect the conditions of the company in accordance with applicable laws and the Articles of Incorporation.
- II. No inappropriate conduct concerning the execution of duties by Members of the Board or material facts in violation of law or the Articles of Incorporation were found.
- III. We find that the particulars of Board of Directors' resolutions concerning the internal control systems are appropriate.

Further, no matters worthy of note were found with respect to the content of the Business Report and Board Members' execution of duties in regards to the internal control systems. Furthermore, with regard to the unauthorized taking out and leaking of customer information by a former temporary employee of an NTT Group company, we will continue to confirm the progress of Group-wide efforts and so forth, and conduct the necessary response measures.

##### (2) Results of the audit of the non-consolidated financial statements and supplementary schedules

We find that the methodology and results of the audit by the Independent Auditor, KPMG AZSA LLC, are appropriate.

##### (3) Results of the audit of the consolidated financial statements

We find that the methodology and results of the audits conducted by the Independent Auditor, KPMG AZSA LLC, are appropriate.

May 8, 2024

Nippon Telegraph and Telephone Corporation  
Audit & Supervisory Board

Full-time Audit & Supervisory Board Member	Keiichiro Yanagi
Full-time Audit & Supervisory Board Member	Kanae Takahashi
Full-time Audit & Supervisory Board Member	Kensuke Koshiyama
Audit & Supervisory Board Member	Hideki Kanda
Audit & Supervisory Board Member	Kaoru Kashima

Notes: 1. Full-time Audit & Supervisory Board Member Kensuke Koshiyama, and Audit & Supervisory Board Members Hideki Kanda, Kaoru Kashima are outside Audit & Supervisory Board Members as prescribed in Article 2(xvi), and Article 335(3) of the Companies Act.

2. The Audit & Supervisory Board Members have provided their seal by electronic means.

END

## ■ General Terms

### ▼EBITDA

Earnings Before Interest, Taxes, Depreciation, and Amortization  
It indicates just how much cash flow is generated from the core business.

### ▼Net-Zero

A target to reduce greenhouse gas emissions to zero, encompassing not only one's own direct emissions (Scope 1) and the indirect emissions coming from the use of electricity, heat, and steam supplied by other companies (Scope 2), but also the emissions produced across the supply chain, including the manufacture, procurement, transportation, use, disposal, and leasing of products (Scope 3).

### ▼Digital Twin

A technology for representing various data collected from the real world on a computer so that the digital data can serve as a twin of the real data.

### ▼Digital Transformation (DX)

Process of creating new business models or transforming existing business by using ICT tools to accumulate various data or use data in management.

### ▼Large-scale Language Model

A language model trained using a large amount of text data, which possesses superior capabilities in understanding language and generating text.

### ▼Open RAN

A radio access network (RAN) that enables interconnections with equipment and systems from various vendors by opening and standardizing the specifications of radio base stations.

### ▼Hyperscalers

Service providers that have a demand for utilizing large-scale data centers for the purpose of globally providing cloud services such as computing and storage.

### ▼Green Transformation (GX)

An initiative to reform the entire economic and social system to achieve both social carbon neutrality and economic growth, by viewing activities to achieve carbon neutrality and greenhouse gas emission reduction targets as an opportunity for economic growth.

### ▼Employee Engagement

This term refers to employees' trust in a company and their willingness to contribute to it.

### ▼Vendors

Companies that sell IT products and IT services including hardware, software, systems, and services.

### ▼Local 5G

A 5G network built and operated individually within buildings or premises by local government bodies, or companies other than telecommunications operators.

### ▼Managed Services

A service for undertaking installation, management, operation, and maintenance of the equipment and software needed for use of telecommunication services, IT services, and others.

### ▼B2B2X

An initiative aimed at working together with service providers such as local government bodies or business operators in other fields (B) to provide solutions to social problems and new value creation for end users (X) through working behind the scene or in intermediary roles to expand cooperation with the aforementioned service providers and conducting activities that support digital transformation.

## ■ Terms Related to NTT Group Services

### ▼Space Integrated Computing Network

A new infrastructure network that NTT Group and SKY Perfect JSAT Corporation aim to realize.  
Independent, carbon-free, autonomous space infrastructure unaffected by disasters on earth, offering ultra-low-power, ultra-high-speed, high-security network achieved by optical technology.

### ▼Lemino

A video streaming platform provided by NTT DOCOMO that allows followers to connect by sharing impressions and reviews, making it easy to find content they want to watch.

### ▼irumo

A new billing plan offered by NTT DOCOMO, aimed at customers who seek low data usage and affordable rates.

### ▼eximo

A new billing plan provided by NTT DOCOMO, catering to a wide range of customer needs from those with low data usage to those who prefer worry-free access to unlimited data for activities like streaming videos on the go.

### ▼Hikari Collaboration Model

The wholesale provision of FLET'S Hikari and other services provided by NTT East and NTT West to various service providers.

### ▼FLET'S Hikari

A collective name for fiber optic Internet connection services provided by NTT East and NTT West.

### (Regarding the Contents of the Business Report)

- In this Business Report, “NTT DOCOMO,” “NTT Communications,” “NTT Comware,” “NTT East,” “NTT West,” “NTT DATA Group,” “NTT Urban Solutions,” and “NTT Anode Energy” refer to NTT DOCOMO, INC., NTT Communications Corporation, NTT COMWARE CORPORATION, Nippon Telegraph and Telephone East Corporation, Nippon Telegraph and Telephone West Corporation, NTT DATA Group Corporation, NTT Urban Solutions, Inc., and NTT Anode Energy Corporation respectively.
- The consolidated financial statements of NTT have been prepared in accordance with International Financial Reporting Standards (IFRS).
- With respect to amounts appearing in this Business Report, figures are rounded to the nearest whole unit.
- With respect to underlined terms, a definition of each term is provided in the “Glossary of Terms.”
- The forward-looking statements, remarks and projected figures concerning the future performance of NTT and its subsidiaries and affiliates contained or referred to herein are based on a series of assumptions, projections, estimates, judgments and beliefs of the management of NTT in light of information currently available to it regarding NTT and its subsidiaries and affiliates, the economy and telecommunications industry in Japan and overseas, and other factors. These projections and estimates may be affected by the future business operations of NTT and its subsidiaries and affiliates, the state of the economy in Japan and abroad, possible fluctuations in the securities markets, the pricing of services, the effects of competition, the performance of new products, services and new businesses, changes to laws and regulations affecting the telecommunications industry in Japan and elsewhere, other changes in circumstances that could cause actual results to differ materially from the forecasts contained or referred to herein, as well as other risks included in this Business Report.