

Corporate Governance

Overview of Corporate Governance System

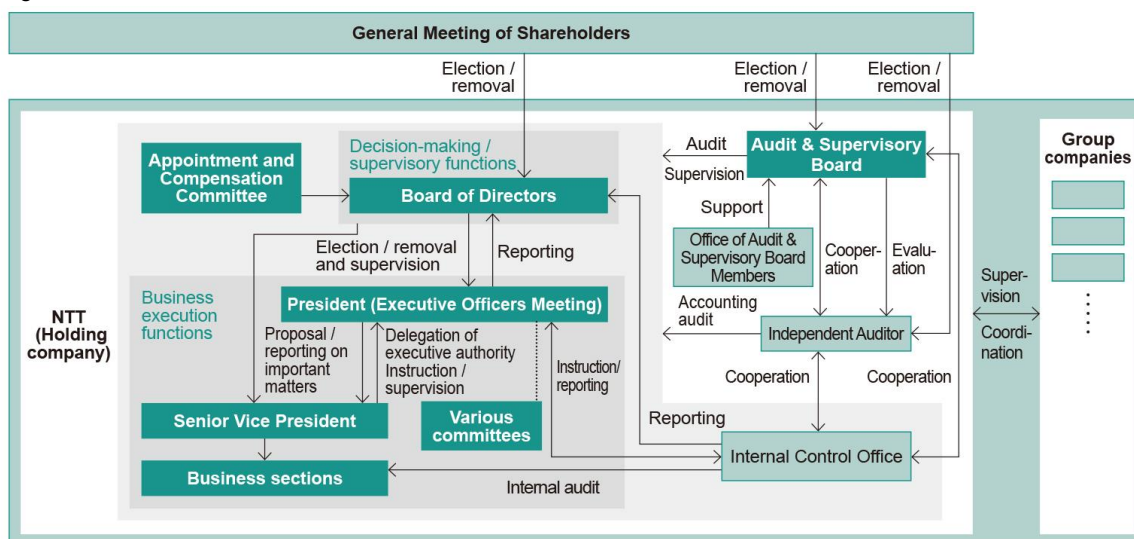
Basic Policy

As the holding company of the NTT Group, NTT believes that raising the effectiveness of corporate governance is an important management issue for meeting the expectations of various stakeholders, including shareholders and other investors, as well as customers, business partners, and employees, and for maximizing corporate value. Accordingly, NTT is working to strengthen corporate governance based on the purpose of the principles of the Corporate Governance Code promulgated. Based on NTT’s “Your Value Partner 2025” Medium-Term Management Strategy, which was formulated and announced, in order to work together with all its partners to promote initiatives to resolve social issues in its role as “Your Value Partner,” NTT will work toward ensuring sound management, executing appropriate decision-making and business activities, clarifying accountability, and maintaining thorough compliance as basic policies.

Corporate Governance System

NTT, in order to strengthen functions for appropriately supervising and auditing business execution, seeks to strengthen its auditing system by appointing several outside independent Members of the Board, and by establishing an Audit & Supervisory Board, of which outside independent Audit & Supervisory Board Members make up a majority.

In addition, NTT has established various meetings and committees as has been deemed necessary to discuss important business execution-related matters in order to ensure that appropriate decisions are made for facilitating effective Group management.



(As of June 30, 2020)

Committee name	Overview
Board of Directors	In principle, the ordinary meetings of the Board of Directors are held once per month. In addition, extraordinary meetings are held as needed. The Board of Directors makes decisions on matters stipulated by law and on important matters related to corporate management and Group management. Moreover, through such means as periodic reports from members of the board on the status of the execution of members' duties, the Board of Directors supervises the execution members of the board and senior vice presidents.
Audit & Supervisory Board	From an independent perspective that differs from that of individuals responsible for business execution, the Audit & Supervisory Board implements operational audits and accounting audits and audits the status of the execution of duties by members of the board.
Appointment and Compensation Committee	For the purpose of improving objectivity and transparency, NTT has established the Appointment and Compensation Committee, which consists of four members of the board, including two outside independent members of the board, as a preliminary review institution of the Board of Directors, and is increasing the effectiveness of governance.
Executive Officers Meeting	Important corporate matters to be decided are, in principle and in advance, discussed at the Executive Officers Meeting, which is made up of senior vice presidents and others. The Executive Officers Meeting is held about once a week. To improve the transparency of management decision-making, one Audit & Supervisory Board member participates in the Executive Officers Meeting.
Various Committees	A number of committees have been established below the Executive Officers Meeting to discuss specific important business execution-related matters. Major committees include the Technology Strategy Committee, which deliberates on the Group's R&D vision and technology development strategy; the Investment Strategy Committee, which examines investment projects that are larger than a certain scale; and the Finance Strategy Committee, which discusses basic financial strategies and issues. These committees, which are held as necessary throughout the year, are in principle chaired by the president or a senior executive vice president and are attended by relevant senior vice presidents and other designated members.

Major Committees

Committee name	Overview
CSR Committee	Formulates basic CSR strategy and CSR goals for the Group, formulates basic policy for CSR-related reports
Corporate Ethics Committee	Establishes corporate ethics, takes thorough steps to maintain discipline
Human Rights Education Committee	Establishes human rights education systems and responds to discrimination incidents, etc.
Technology Strategy Committee	Formulates R&D vision, technology development strategy, and R&D alliance strategy
Investment Strategy Committee	Formulates investment strategy related to large investment projects, etc.
Finance Strategy Committee	Formulates basic strategies related to finance and policies for addressing financial issues
Business Risk Management Committee	Undertakes crisis management for the handling of new business risks related to corporate management
Disclosure Committee	Establishes policies for compiling yearly reports
Internal Control Committee	Provides support for and monitoring of matters related to Group-wide internal control over financial reporting
Group CIO Committee	Coordinates matters including Group-wide IT policy discussions and systems development for Group-wide optimization
Group CISO Committee	Formulates the Group's information security management strategies

Board of Directors

(As of June 30, 2020)

Name	Position Responsibility	Years on the Board	Shares Owned	Number of Meetings Attended	Background and Experience	Principal Concurrent Positions
Hiromichi Shinohara	Chairman of the Board	11	44,300	11	Apr. 1978 Joined Nippon Telegraph and Telephone Public Corporation Jun. 2009 Senior Vice President Head of Research and Development Planning Member of the Board of the Company Jun. 2011 Senior Vice President Head of Research and Development Planning Head of the Information Sharing Laboratory Group Member of the Board of the Company Oct. 2011 Senior Vice President Head of Research and Development Planning Member of the Board of the Company Jun. 2012 Executive Vice President Head of Research and Development Planning Member of the Board of the Company Jun. 2014 Senior Executive Vice President Head of Research and Development Planning Member of the Board of the Company Jun. 2018 Chairman of the Board of the Company (present post)	None
Jun Sawada	President and Chief Executive Officer; Member of the Board	6	34,400	11	Apr. 1978 Joined Nippon Telegraph and Telephone Public Corporation Jun. 2008 Senior Vice President Executive Manager of Corporate Strategy Planning Department Member of the Board of NTT Communications Corporation Jun. 2011 Executive Vice President Executive Manager of Corporate Strategy Planning Department Member of the Board of NTT Communications Corporation Jun. 2012 Senior Executive Vice President Executive Manager of Corporate Strategy Planning Department Member of the Board of NTT Communications Corporation Jun. 2013 Senior Executive Vice President Member of the Board of NTT Communications Corporation Jun. 2014 Senior Executive Vice President Representative Member of the Board of the Company Jun. 2018 President and Chief Executive Officer Member of the Board of the Company (present post) Aug. 2018 President and Chief Executive Officer Member of the Board of NTT, Inc. (present post)	President and Chief Executive Officer, Representative Member of the Board of NTT, Inc