



ESG approaches (environment, social, and governance)

1. Strengthening corporate governance

External evaluation of ESG



MSCI 

2018 Constituent
MSCI ジャパンESG
セレクト・リーダーズ指数



FTSE Blossom
Japan

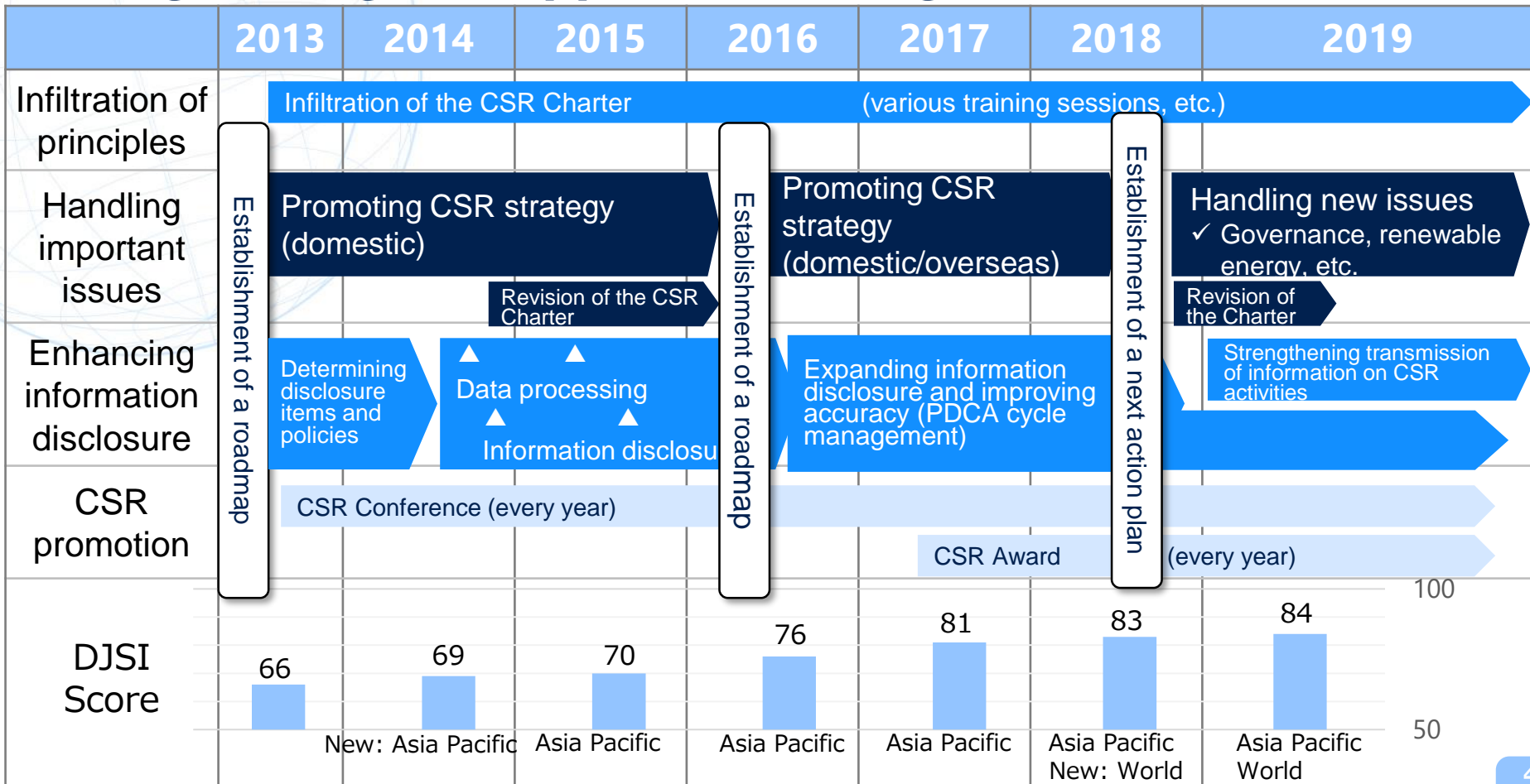


MEMBER OF
**Dow Jones
Sustainability Indices**
In Collaboration with RobecoSAM 

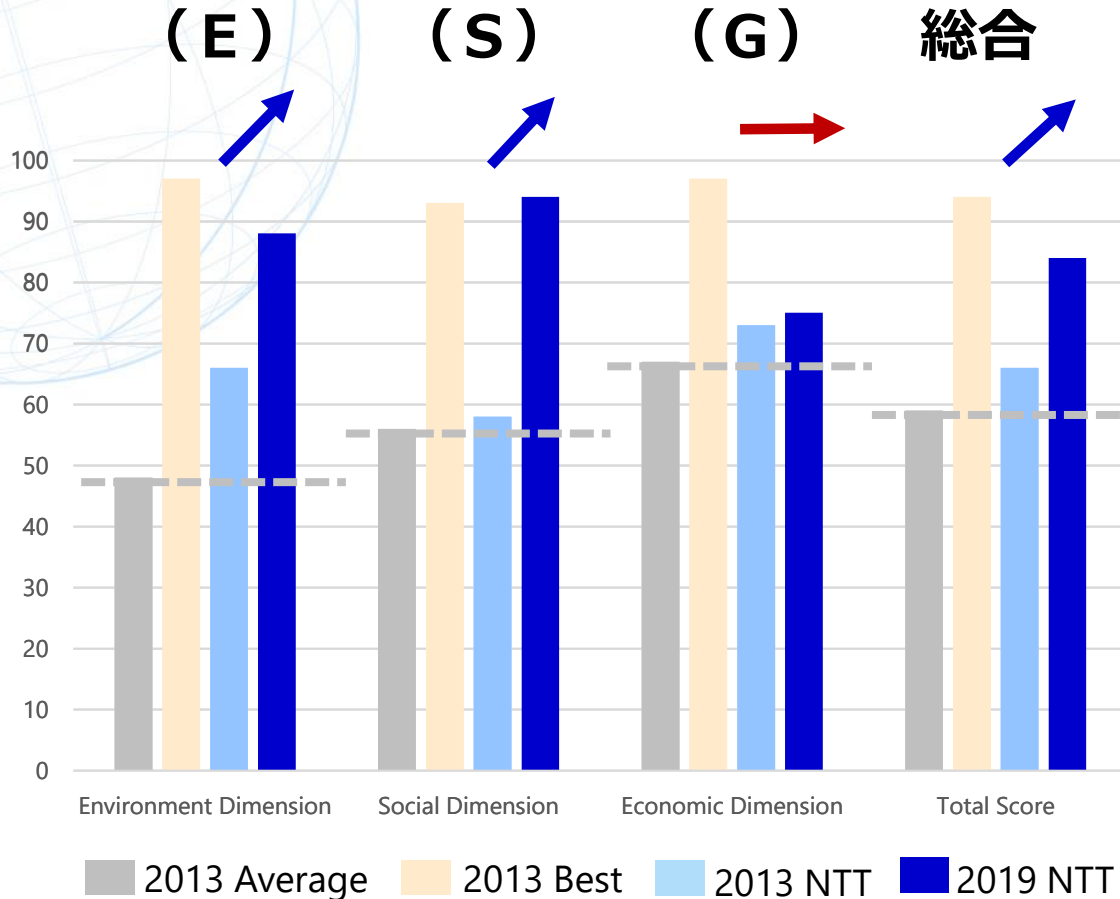


FTSE4Good

Strengthening ESG approaches using the DJSI



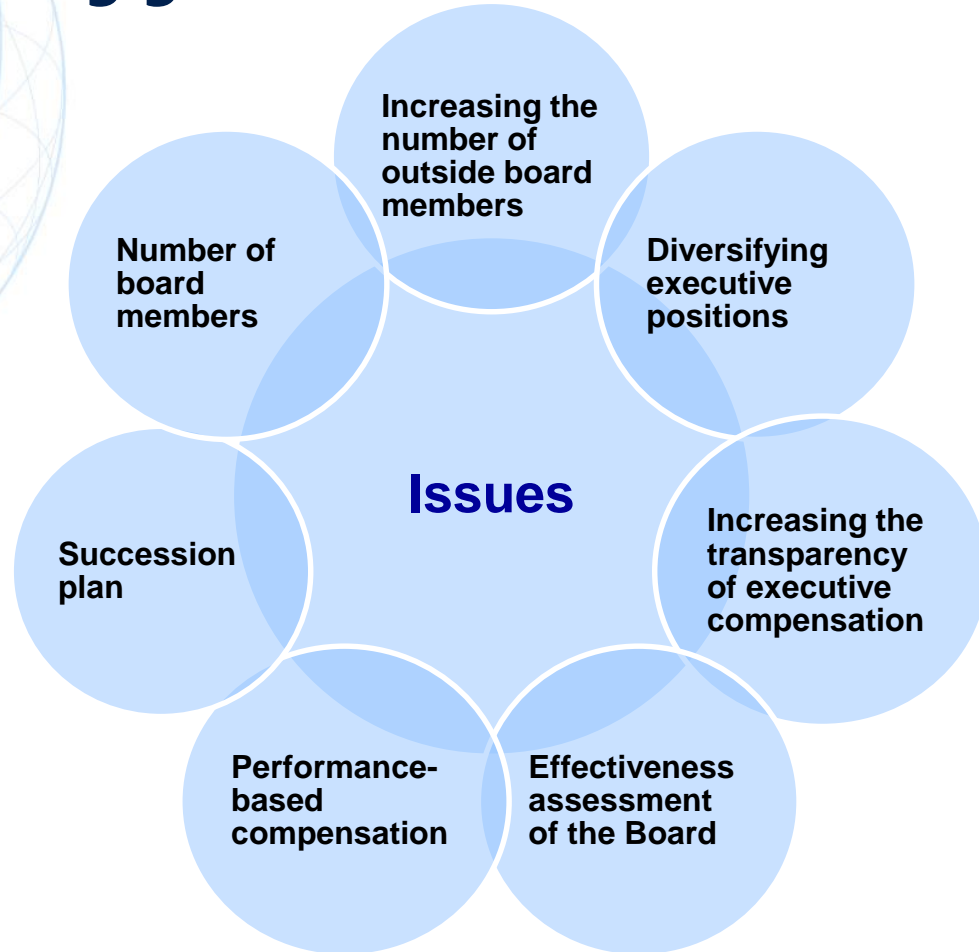
Dow Jones Sustainability Indices 2013→2019



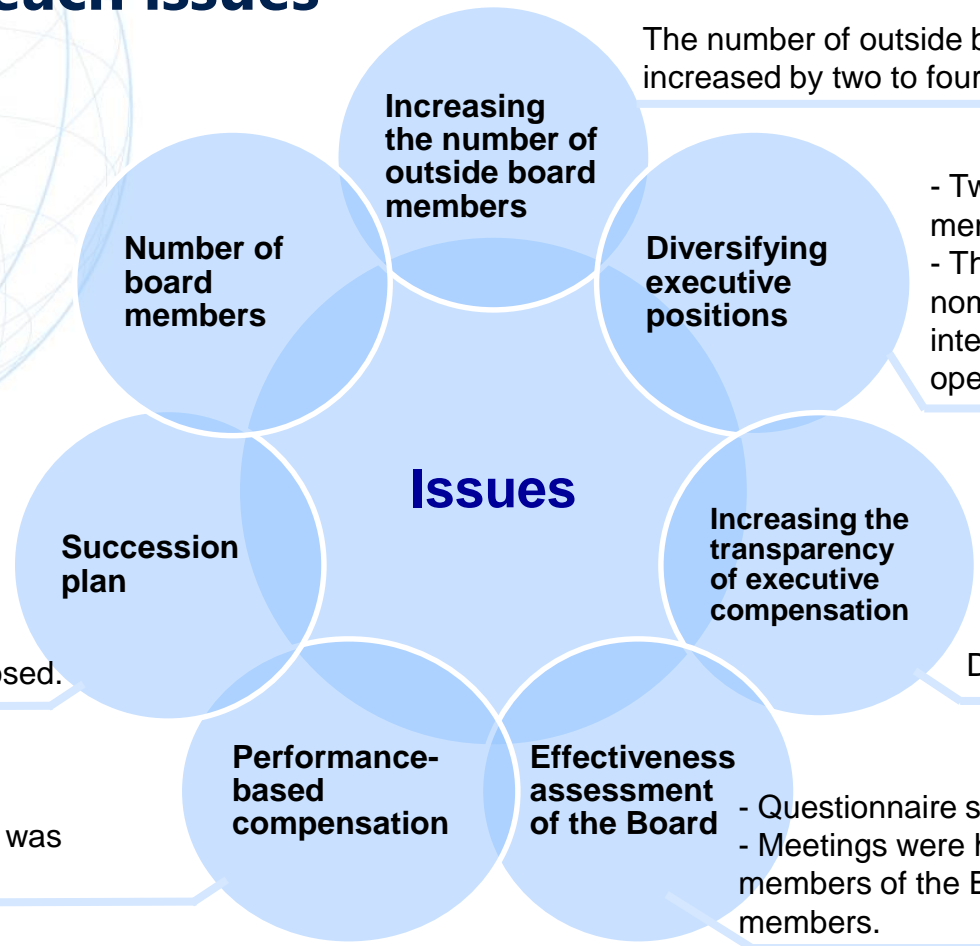
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NTT was included in the **DJSI World** in 2018 and 2019.

Issues concerning governance



Efforts for each issues



Issues

Number of board members

Increasing the number of outside board members

Diversifying executive positions

Increasing the transparency of executive compensation

Effectiveness assessment of the Board

Performance-based compensation

Succession plan

The number of outside board members was increased by two to four.

- Two females were nominated as board members.
- Three foreign nationals were nominated as board members of the intermediate holding company for global operations.

Disclosed information was revised.

- Questionnaire surveys were conducted.
- Meetings were held to exchange opinions with outside members of the Board and Audit & Supervisory Board members.

KPI assessment was revised.

Succession plan was disclosed.

2. Diversity

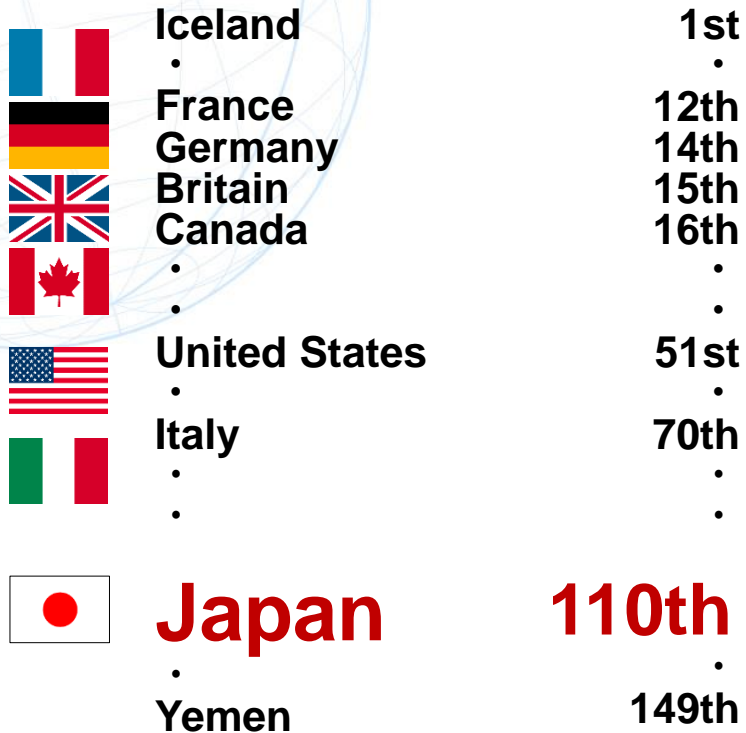
(Women's empowerment,

Diverse human resources and work-style reforms)



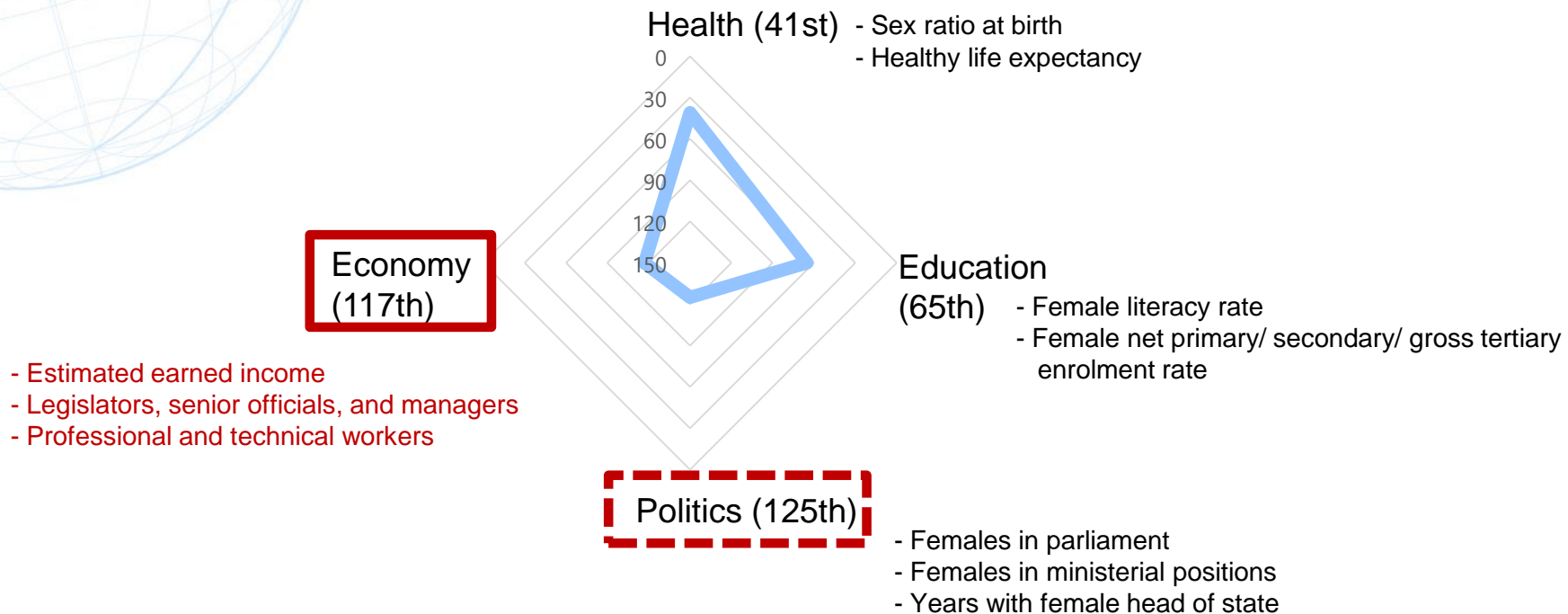
(1) Global Gender Gap Index (GGGI)

Global Gender Gap Index (GGGI)



Japan ranked lowest among the Group of Seven nations.

The main factor is a gender gap in terms of **Economy and Politics**.



Average salary at NTT

Variable for "Economy"

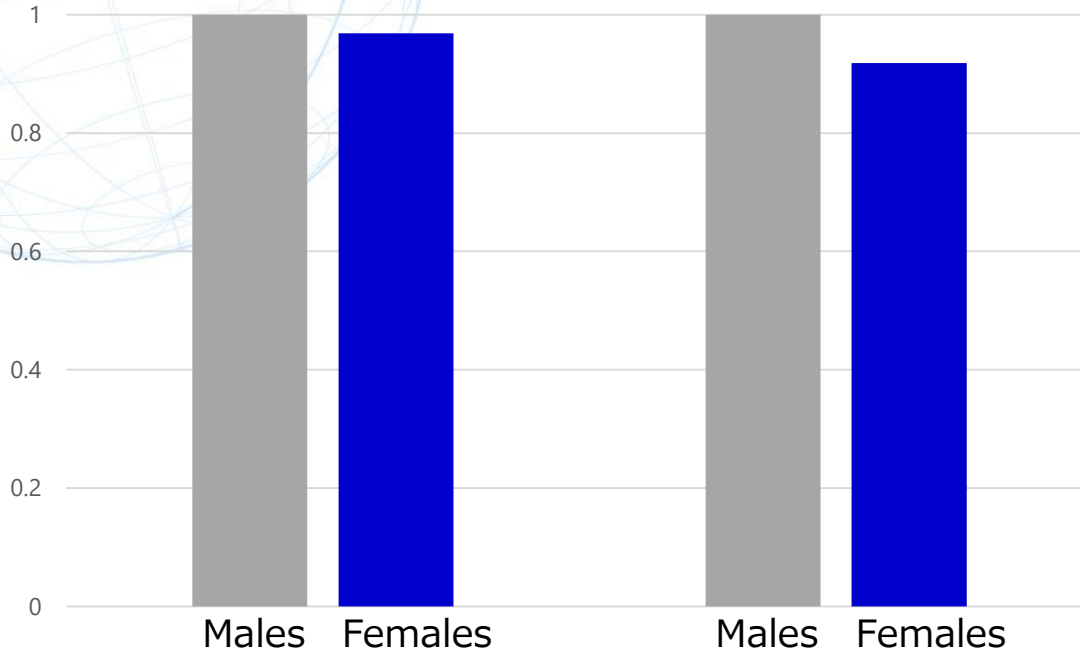
- Estimated earned income



- Legislators, senior officials, and managers
- Professional and technical workers

Managers

Non-Managers
Employees

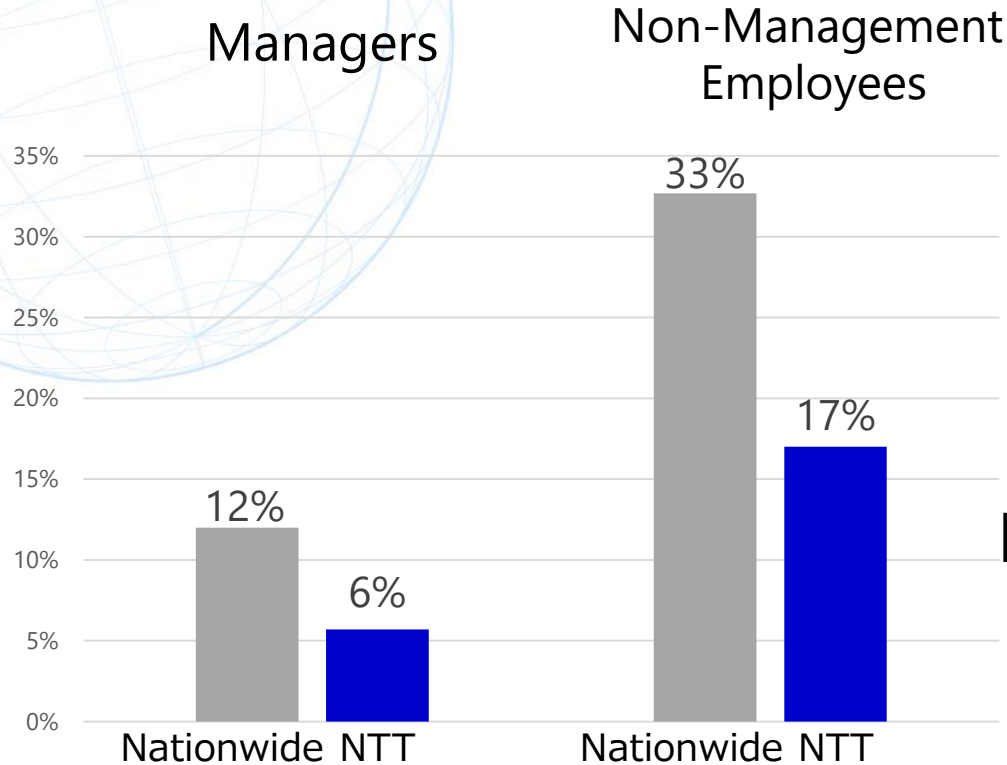


Average age: 46.3 / 44.6

37.4 / 35.6

**There is almost
no gender gap in
terms of salary.**

Ratio of female managers at NTT



Variable for "Economy"

- Estimated earned income



- Legislators, senior officials, and managers

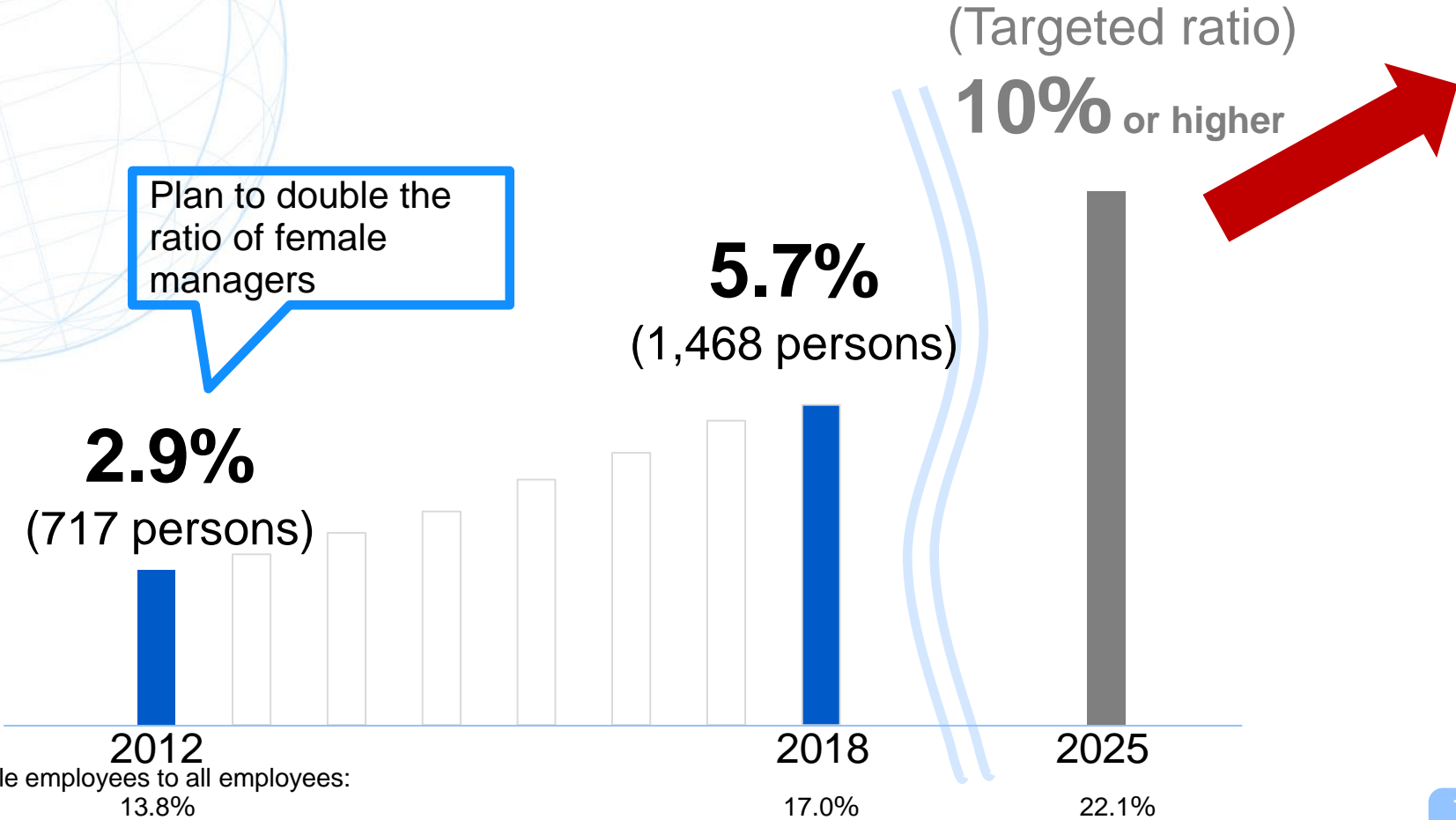
- Professional and technical workers

~~Both ratio of female managers & non-management employees are about half the nationwide ratio.~~

Data on managers Source: International Labour Organization (ILO), 2018

Ratio of non-management employees Source: Labour Force Survey for 2018, Statistics Bureau, Ministry of Internal Affairs and Communications

Ratio of female managers in the NTT Group

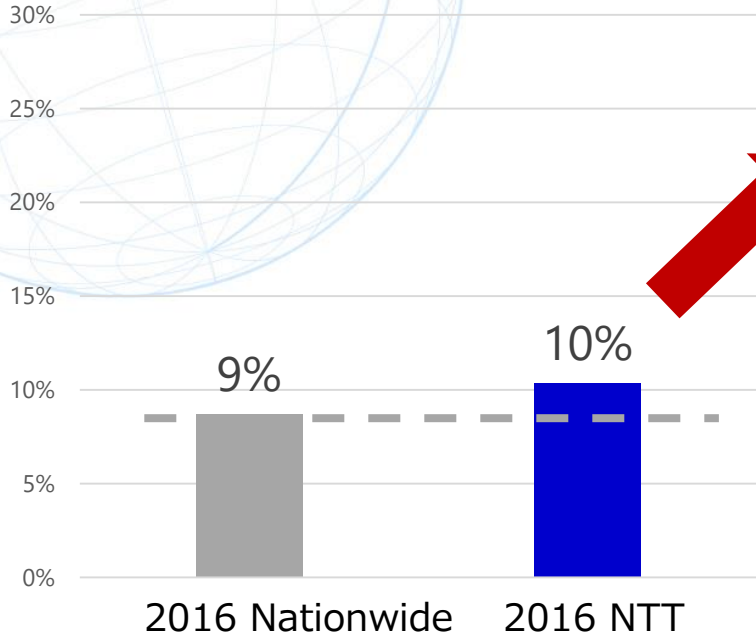


Ratio of female employees to all employees:
2012 13.8%

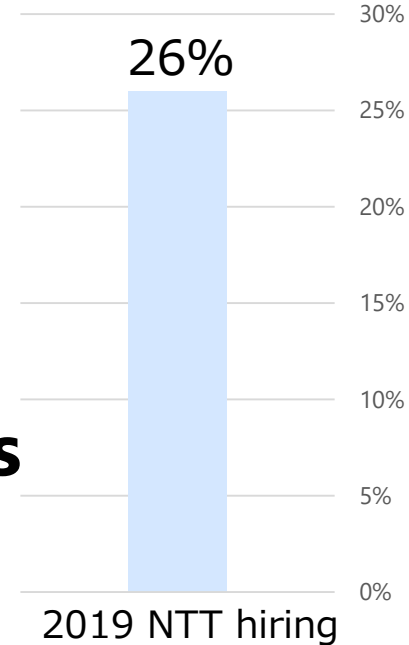
Ratio of female researchers at NTT

Variable for "Economy"

- Estimated earned income
- Legislators, senior officials, and managers
- Professional and technical workers



Average
↓
Actively hiring female researchers



*In this survey, "researchers" are persons who have completed university courses (excluding two-year college courses) or have equivalent or more expert knowledge. They are engaged in research with specific themes.



(2) NTT's diverse human resources and work-style reforms

Diverse human resources

Turning non-regular employees into regular employees

More than **40,000** in 8 years (2012-2019)

LGBT people, etc.

Expand the system applicable to spouses to **all partners** (2018)

People with disabilities

2.43%

Foreign employees

40%
(120K/ 300K employees)

*Legal ratio of employment of people with disabilities: 2.2%

Efficiency improvement and work-style reforms

Robotic Process Automation (RPA)

Introduction of
15,000 robots

Stay-home/ Remote work system

27,000 employees
(FY2018)

※General survey on Diverse ways of working, Tokyo Metropolitan Government, Ratio of companies had introduced such systems in Tokyo; 19%

Total working hours

1,836 hours
(FY2018)

※General survey on Working hours, Nippon Keidanren (Japan Business Federation); 1,998 hours (FY2018)

Paid holidays

96.4%
(FY2018)

※General survey on Working Conditions, Ministry of Health, Labour and Welfare; 51%

Childcare leave by male employees

58%
(as of the end of December 2018)

※Basic Survey of Gender Equality in Employment Management, Ministry of Health, Labour and Welfare, Childcare leave by male employees; 6%

**Diverse
human
resources**



**Work styles /
Management
reforms**



**- Operational
efficiency
improvement
- Productivity
enhancement**

Use of RPA, AI, etc.

**A company where employees create
innovation and have high levels of job
satisfaction**

Strengthening energy business for the environment

Participating in Membership of international initiatives, EP100 and EV100, for energy efficiency etc.



by THE CLIMATE GROUP

Launching new energy business through NTT Anode Energy Corporation

Green power generation business

- Supplying power using renewable energy

Advanced EV (electric vehicle) station business

- Providing charging infrastructure utilizing storage battery / charger

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