NOTICE REGARDING FUTURE RESPONSES IN CONSIDERATION OF THE INVESTIGATIVE REPORT OF THE SPECIAL INVESTIGATIONS COMMITTEE

Regarding the recent case in which members of management of Nippon Telegraph and Telephone Corporation ("NTT" or "the Company") dined with ministry officials (the "Case"), as announced by the Company on March 9, 2021(*), the Company established a Special Investigations Committee and conducted an investigation. The Company hereby announces that, on the date hereof, the Company has received a report with the results of such investigation, and further announces the Company's responses in consideration of the findings in the investigative report.

The Company once again sincerely apologizes for causing great inconvenience and concern to its customers, its shareholders and all related parties as a result of the Case. In order to prevent any reoccurrence of a similar case, the Company will wholeheartedly work to transform management into one that is appropriate for the new age.

(*) Notice Regarding the Establishment of a Special Investigations Committee (March 9, 2021 Press Release)

1. **Investigative Report from the Special Investigations Committee** (referred to herein as the "Report")

   The investigative report was received on the date hereof. A summary of the Report is included as Exhibit 1.

2. **Initiatives to Prevent Reoccurrences** (see Exhibits 2 and 3)

   On the basis of the causes of the Case and recommendations described in the Report, the Company will undertake the following responses in the future.

   (1) Formulation of rules related to dining events and similar events

   (2) Implementation of training for members of the Board and executive officers

   (3) Development of an appropriate management system for operational status

3. **Transformation into a New Management Style** (see Exhibit 4)

   In the future, with respect to occurrences beyond dining events, the Company will reform its existing business style and work to transform into a new management style that is based on remote working, which is appropriate for the new age.

4. **Treatment of Involved Members of the Board and Executive Officers** (see Exhibit 5)

   The treatment was made after being submitted to the Appointment and Compensation Committee meeting held today.
**Exhibit 1**

Summary of Investigative Report from the Special Investigations Committee

(1) Summary of Investigation

- Subject Period of Investigation: April 1, 2016 to March 16, 2021 (the date of the first meeting of the Special Investigations Committee)

- Scope of Investigation: Dining events between members of management of NTT Group (Holdings, NTT East, NTT West, NTT Communications, NTT DOCOMO and NTT DATA) and senior officials at the department head-level or above at the Ministry of Internal Affairs and Communications as well as the three highest-ranking officials in the Ministry of Internal Affairs and Communications

- Method of Investigation: Conducting reviews of related materials (including settlement-related materials) and hearings

(2) Facts Determined as a Result of the Investigation

- It was determined that there were 29 instances of dining events with senior officials from the Ministry of Internal Affairs and Communications in which costs were not shared equally.

  (Dining events with three highest-ranking officials: five instances; dining events with other government officials: 24 instances)

  * There were also eight instances of dining events in which costs were shared equally.

(3) Determination of Wrongdoing in Connection with the Case

- As a result of the Investigation, it was not determined that there were any requests for favors made by officials of the Ministry of Internal Affairs and Communications, or requests for favors made by NTT Group, at dining events between members of NTT Group management and Ministry of Internal Affairs and Communications officials.

- In addition, no evidence was found to suggest that the government’s judgment regarding the acquisition by NTT of NTT DOCOMO as a wholly owned subsidiary, or in NTT DOCOMO’s reduction of mobile phone rates, was distorted.

- However, the dining events attended by officials from the Ministry of Internal Affairs and Communications led to violations by such officials of the National Public Service Ethics Code as promulgated under the National Public Service Ethics Act, and management of NTT Group cannot avoid criticism for inducing and promoting such violations. Furthermore, the events attended by the three highest-ranking officials of the Ministry of Internal Affairs and Communications were dining events that could cause suspicion amongst citizens.

- NTT Group management must sincerely reflect on the fact that such dining events have led to severe criticism from citizens and society, and must make every effort to ensure that such a situation will not occur again.

(4) Analysis of Cause and Background

- Based on the results of the hearings conducted by the committee, it was determined that management lacked awareness and sensitivity towards the National Public Service Ethics Act/Code of Ethics and the Ministerial Code.

- As the background behind the lack of awareness and sensitivity, it was mentioned that there were no specific internal rules in place for holding dining events in compliance with the National Public
Service Ethics Act/Code of Ethics and the Ministerial Code, and no trainings were being conducted to comply with the National Public Service Ethics Act/Code of Ethics and Ministerial Code.

- In addition, the fact that the monitoring system for dining events as proposed by management did not work sufficiently is also believed to be one of the causes of the Case.

(5) **Recommendations of Measures to Prevent Reoccurrence**

- New internal rules should be established to comply with the National Public Service Ethics Act/Code of Ethics and the Ministerial Code, and the purpose of existing internal rules should be clarified.

- Training should be conducted on the National Public Service Ethics Act/Code of Ethics and the Ministerial Code in order to promote understanding of the significance of observing the National Public Service Ethics Act/Code of Ethics and the Ministerial Code and understanding of specific provisions, including that dining events with interested parties are not permitted unless costs are shared equally.

- For dining events that are proposed by management, in addition to confirming whether such events are appropriately conducted in accordance with the newly formulated rules, measures should be put into place to require that checks are done by appropriate bodies beforehand in the event of dining events with politicians and public officials.

- Furthermore, after convening any dining events, internal audit departments should implement post-event checks, such as confirming the number and concentration of dining events with certain politicians and government officials, and confirming the contents of discussions at the dining events and the purpose of such dining events.

- Rather than solely implementing measures to prevent the reoccurrence of events such as the Case, in the future, the Company should also continue its efforts to investigate problems within its organization on its own.
Formulation of Rules Related to Dining Events and Similar Events

In addition to clearly describing the code of conduct with respect to interactions with public officials and politicians in the NTT Group Corporate Ethics Charter, the holding company will establish a new Code of Hospitality for Outside Parties, with the main content including rules such as the general principle of not holding individual dining events with the three highest-ranking ministry officials or other public officials with conflicts of interest. Furthermore, similar codes will be implemented at Group companies as well.

(1) Clear Description of Code of Conduct with Respect to Interactions with Public Officials and Politicians

NTT Group Corporate Ethics Charter, Article 3 (with underlining indicating new revisions)

“Every officer and employee of the NTT Group shall not only comply with all laws and regulations, social standards, and internal company rules whether in Japan or overseas, but officers and employees shall also hold the highest ethical philosophy within himself/herself both in public and in any private situations. Among other things, each officer and employee, as an officer or employee of a member of a Global Information Sharing Corporate Group, shall keep himself/herself fully aware that any disclosure of customer or other internal privileged information constitutes a materially wrongful act. Also, as a member of a group of companies which holds great social responsibilities, he/she shall strictly refrain from giving or receiving from customers, business partners, and other interested parties excessive gratuities. Furthermore, when interacting with public officials and politicians, officers and employees shall not commit bribery or commit any other acts that cause the other party to violate the National Public Service Ethics Act/Code of Ethics and the Ministerial Code, or that cause suspicion that such a violation has occurred.”

(2) Main Contents Promulgated by Code of Hospitality for Outside Parties

- As a general principle, individual dining events with the three highest-ranking ministry officials or other public officials (together with local public officials, heads of government and deemed public officials, collectively, the “Public Officials”) with conflicts of interest will not be held. Furthermore, gifts of goods, other than congratulatory or condolence messages, will not be given.

- Dining events with Public Officials who do not have conflicts of interest will comply with the Code of Conduct for Ministers, Vice Ministers and Parliamentary Secretaries, the National Public Service Ethics Act, the National Public Service Code of Ethics and other regulations.

- As a general principle, with respect to members of the Diet, private companies and similar persons other than those described above, costs for dining events shall be shared equally, and the number of such events will be subject to limitations.

- Penalties will be imposed for violations of the code.
- **Implementation of Trainings for Members of the Board and Executive Officers**
  - Trainings with respect to dining events and similar events will be conducted for all members of the board and executive officers for the holding company and Group companies. Furthermore, trainings will be conducted on a continuing basis for newly appointed members of the board and executive officers at appropriate times.
  - Trainings regarding the new rules will be conducted for Group company employees.

- **Development of an Appropriate Management System for Operational Status**
  - For dining events held by officers at the executive officer level or higher, approval from the officer in charge of compliance will be required as a preliminary check.
  - The statutory auditor will check all dining events held by officers at the executive officer level or higher on a quarterly basis.
  - Internal controls relating to the operation of rules will be strengthened, and complete audits will be conducted by internal audit departments.
  - The supervision by the statutory auditor of the conduct risk of members of management will be strengthened.
In the future, with respect to occurrences beyond dining events, the Company will reform its existing business style and work to transform into a new management style that is based on remote working, which is appropriate for the new age.

As specific initiatives, the Company will consider and promote the following measures.

(1) Introduction of cloud-based systems/zero-trust systems
(2) Promotion of DX, automation/standardization of operations and generally ending paper usage
(3) Promotion of work-in-life (health management) through proximity of workplaces and residences
(4) Distribution of organizations (including headquarters and back-office divisions) across regions
(5) Promotion of the success of women, foreign nationals and external personnel; introduction of job-type personnel system
(6) Contribution to dispersed development of land by promoting the development of information infrastructure
## Exhibit 5

### Treatment of Involved Members of the Board and Executive Officers

**(1) Reduction in Compensation (Three People)**

In the Report, although it was determined that the dining events with the three highest-ranking regulatory officials and other public officials did not violate the law themselves, the fact that they resulted in situations that induced such violations of the National Public Service Ethics Act/Code of Ethics by the counterparty public officials must be deeply reflected upon, and reductions in compensation will be implemented for those who are in a position to maintain and operate rules regarding dining events.

<table>
<thead>
<tr>
<th>Company</th>
<th>Name</th>
<th>Title (Current Position)</th>
<th>Implementation Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nippon Telegraph and Telephone Corporation</td>
<td>Jun Sawada</td>
<td>Representative Member of the Board President</td>
<td>Reduction in Compensation (Reduction of monthly compensation by 40% × 3 months)</td>
</tr>
<tr>
<td></td>
<td>Akira Shimada</td>
<td>Representative Member of the Board Senior Executive Vice President</td>
<td>Reduction in Compensation (Reduction of monthly compensation by 20% × 3 months)</td>
</tr>
<tr>
<td></td>
<td>Ryota Kitamura</td>
<td>Senior Vice President Head of General Affairs</td>
<td>Reduction in Compensation (Reduction of monthly compensation by 20% × 3 months)</td>
</tr>
</tbody>
</table>

**(2) Report of Reduction in Compensation from NTT DATA (One Person)**

Based on the results of an investigation conducted by a special investigations committee of NTT DATA that was established independently from the special investigations committee of the Company, NTT DATA will implement the following reduction in compensation.

<table>
<thead>
<tr>
<th>Company</th>
<th>Name</th>
<th>Title (Current Position)</th>
<th>Implementation Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>NTT DATA Corporation</td>
<td>Toshio Iwamoto</td>
<td>Advisor</td>
<td>Reduction in Compensation (Reduction of monthly compensation by 30% × 3 months)</td>
</tr>
</tbody>
</table>
(3) Severe Reprimand (12 People)

Members of the board and executive officers, including members of the board and executive officers from Group companies, who attended dining events with officials from the Ministry of Internal Affairs and Communications where costs were not shared equally, have been severely reprimanded.

<table>
<thead>
<tr>
<th>Company</th>
<th>Name</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nippon Telegraph and Telephone Corporation</td>
<td>Hiroo Unoura</td>
<td>Advisor</td>
</tr>
<tr>
<td></td>
<td>Hiromichi Shinohara</td>
<td>Chairman of the Board</td>
</tr>
<tr>
<td>Nippon Telegraph and Telephone West Corporation</td>
<td>Kazutoshi Murao</td>
<td>Advisor</td>
</tr>
<tr>
<td></td>
<td>Eiichi Sakamoto</td>
<td>Senior Executive Vice President</td>
</tr>
<tr>
<td>NTT Communications Corporation</td>
<td>Hiroki Kuriyama</td>
<td>Senior Executive Vice President</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Representative Member of the Board of the Company</td>
</tr>
<tr>
<td>NTT DOCOMO Inc.</td>
<td>Seiji Maruyama</td>
<td>Senior Executive Vice President</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Representative Member of the Board of Directors</td>
</tr>
<tr>
<td></td>
<td>Hozumi Tamura</td>
<td>Senior Executive Vice President</td>
</tr>
<tr>
<td></td>
<td>Michio Fujiwara</td>
<td>Executive Vice President</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Member of the Board of Directors</td>
</tr>
<tr>
<td>DOCOMO CS, Inc.</td>
<td>Hiroyasu Asami</td>
<td>President and Representative Director</td>
</tr>
<tr>
<td>NTT Finance Corporation</td>
<td>Shozo Ito</td>
<td>Senior Executive Vice President</td>
</tr>
<tr>
<td>NTT Urban Development Corporation</td>
<td>Hiroshi Tsujigami</td>
<td>President and Chief Executive Officer</td>
</tr>
<tr>
<td>NTT Nexia Corporation</td>
<td>Kouichi Takami</td>
<td>President and Representative Director</td>
</tr>
</tbody>
</table>