

NTT Group  
ESG Data Book  
**2018**



# CSR Management

## CSR Management KPI

NTT Group has been working to achieve sustained growth through the resolution of social issues by referring to the NTT Group CSR Charter as its basic principles. The charter consists of a statement of our commitment to corporate social responsibility, and the four CSR goals that outline specific priority aspects of our CSR activities. Furthermore, the Group has established key performance indicators (KPI) for environmental and social sections to manage and report its progress in implementing CSR management.

	KPI	Target	Target deadline	Results		
				FY2016	FY2017	FY2018
Environmental section	CO <sub>2</sub> emission reductions produced by all society	NTT Group will contribute to reducing the CO <sub>2</sub> emissions of society by at least 10 times more than NTT Group's own emissions.	FY2031	-	8.9 times	9.5 times
	Power efficiency of communications services	NTT Group will raise power efficiency per data transmission in our telecommunications businesses by at least 10 times compared to FY2014 levels.	FY2031	-	2.7 times	3.3 times
	Final disposal ratio of waste	NTT Group will achieve zero emissions (considered as a final disposal rate of 1% or less) with regard to the final disposal rate for waste discharged by NTT Group.	FY2031	0.82%	1.03%	1.00%
Social section	Ratio of female managers	6.0%	FY2021	4.5%	4.6%	5.1%
	Employee satisfaction	Higher than the previous fiscal year	FY2019	3.88	3.83	3.79
	Ratio of total employees participating in volunteer activities	80%	FY2021	69%	69.7%	70.7%

## Supply Chain CSR Management KPI

NTT Group has released its Procurement Policies and formulated the NTT Guidelines for CSR in Supply Chain and NTT Guidelines for Green Procurement. In accordance with these guidelines, it is working to conduct socially responsible procurement together with its suppliers. Furthermore, the Group has established KPI to manage and report its progress in implementing CSR management in its supply chain.

	KPI	Target	Target deadline	Results		
				FY2016	FY2017	FY2018
Supply chain	Ratio of important suppliers that we sent surveys to, and ratio that were returned	Ratio sent to: 100% Ratio collected: 100%	FY2019	100% 100%	100% 100%	100% 99%
	Ratio of issues recognized as actual risks that were corrected at suppliers	100%	FY2019	100%	100%	100%
	Responses to written survey regarding conflict minerals	Response ratio of 95% or above	FY2019	90% (Mobile devices) 90% (Other products)	100% (Mobile devices) 95% (Other products)	100% (Mobile devices) 95% (Other products)

# Performance Data

## Environmental Data

	Indicator	Unit	Results			
			FY2015	FY2016	FY2017	FY2018
Environmental Data	Volume of directly generated GHG emissions (Scope 1)	t-CO <sub>2</sub>	217,000	197,000	190,000	171,000
	Volume of indirectly generated GHG emissions (Scope 2)	t-CO <sub>2</sub>	4,860,000	4,690,000	4,400,000	4,500,000
	Total amount of non-renewable energy used	MWh	8,950,000	8,740,000	8,360,000	8,650,000
	Total amount of renewable energy used	MWh	90,000	90,000	90,000	90,000
	Total volume of water used	Million m <sup>3</sup>	12.4	11.7	12.4	12.4
	Total volume of waste disposed	Ton	5,000	6,000	6,000	6,000

\* Results for 2017 are preliminary figures. The NTT Group Sustainability Report 2018, due to be issued in September 2018, will report finalized figures that have been verified by a third party.

## Network Reliability

Network interruptions due to communications failures and the like will be reported to the relevant authority, the Ministry of Internal Affairs and Communications, as stipulated in the Guidelines Regarding the Application of the Telecommunications Business Law in Regard to Telecommunications Incidents, and customers will be notified through NTT Group's website.

	Indicator	Results		
		FY2016	FY2017	FY2018
Network reliability	Average network interruption frequency*	0	0.0008	0
	Average network interruption duration*	0	0.0095	0

\* These indicators have been calculated based on disclosure indicators defined by the US Sustainability Accounting Standards Board (SASB)

## Privacy Protection

Incidents involving the leak, loss, or theft of personal information are outlined below. When such incidents occur, they are reported on NTT Group's website.

	Indicator	Results		
		FY2016	FY2017	FY2018
Privacy protection	Number of incidents involving the leak, loss, or theft of personal information	9	4	3

## Diversity

	Indicator	Results		
		FY2016	FY2017	FY2018
Diversity	Total ratio of female employees	14.4%	14.7%	15.8%

# Performance Data

## Expenditure on Social Contribution Activities

	Type of expenditure	Results
		FY2018
Expenditure on social contribution activities	Monetary expenditure	¥2,295,000,000
	Time: Value of time spent by employees on volunteer activities during working hours	¥1,341,000,000
	Non-monetary expenditure: Value of products and services donated, projects, partnerships, and other similar contributions	¥92,000,000
	Indirect costs	¥2,685,000,000

# Occupational Health and Safety

## Initiatives Concerning Health, Safety, and Wellbeing

Information on stress management	All employees undergo stress checks and the results of these are provided to the employees and their organizations as feedback, and also used to analyze individuals and organizations with the aim of improving mental health management. Also, information regarding overtime hours worked is shared with employees and organizations, and when necessary, interviews are conducted with individuals working overtime. Initiatives such as the handing out of information booklets by EAP providers and the sharing of information regarding the usage of flextime and work-at-home systems are implemented to maintain and improve the mental and physical health of a diverse range of personnel. NTT Group will continue to review work systems to facilitate an even greater range of working styles that enable a balance of work and lifestyles with a view to establishing an environment that encourages highly-motivated, dynamic, and sustainable activity.	
Stress management training	NTT Group provides mental health training for all employees. Additionally, line care training is held for line managers. Training covering physical and mental health is also held both at the time of joining the company and at ten years of service. <ul style="list-style-type: none"> <li>Furthermore, employees are also appropriately notified and given training regarding in-house health-related systems, including EAP, a health management center, life plan leave, and individualized shifts.</li> </ul>	
Healthy work environments	- Ergonomic work environments	Private rooms and cubicles have been abolished in work areas, creating completely open-plan spaces that provide a sense of openness which vitalizes communication between workers and eases feelings of isolation and fatigue. The establishment of "magnet spaces" that concentrate community support (including desks for open meetings), operational support, and lifestyle support (snacks, stationery, multi-function printers, newspapers, magazines, etc.) functions are adding dynamism to exchanges between customers and employees and encouraging collaboration, thereby increasing satisfaction and feelings of accomplishment among employees.
	- Lighting	NTT has adopted a task-ambient lighting system that eliminates glare and uneven brightness, reducing employee eye fatigue. Ambient lighting comprises double LED light fittings (equivalent to 40W) with automatic light control functions that illuminate the space around each single two-seat work desk (3.2m x 0.8m) without producing glare, facilitating everyday work by ensuring the work desk surface has an illuminance of 500lx. Also, each individual employee work space has an illumination system that can be turned on or off, so in situations where factors such as outside light creates uneven brightness, the employee can adjust their own lighting situation according to their personal preferences. Furthermore, for intricate tasks, nighttime VDT work and the like, task lighting systems installed at each seat enable employees to adjust their work environment by increasing the brightness of their own work space.
	- Noise	As a countermeasure to the noise produced by construction, work that exceeds the regulatory standard for designated construction work of 80 decibels is carried out on holidays or at night.
	- Indoor air quality	Indoor air conditions are measured to determine factors such as the density of carbon dioxide and carbon monoxide every two months, once in the morning and once in the afternoon. If these exceed standard levels, the cause is investigated and improvement measures are carried out. Also, following renewal work, a formaldehyde inspection is carried out within the first June-September period after work is completed.
	- Humidity	Indoor air conditions are measured in regard to humidity every two months, once in the morning and once in the afternoon. If it exceeds standard levels, the cause is investigated and improvement measures are carried out.
	- Temperature	Indoor air conditions are measured in regard to temperature every two months, once in the morning and once in the afternoon. If it exceeds standard levels, the cause is investigated and improvement measures are carried out.
Fitness-related facilities or subsidies for using external facilities	A selection-based benefit program is available to all employees. This selection includes a service that allows employees who wish to use external fitness facilities to do so at a lower price.	
Health and nutrition	Regular health checks are provided for all employees and more extensive physical check-ups are offered to employees who request them. Employees receive a comprehensive physical check-up when they reach the age of 40 as a way to prevent lifestyle related diseases. <ul style="list-style-type: none"> <li>NTT Group strategically works on health management of employees from a management point of view and for that reason, it has acquired White 500 certification under the Health and Productivity Management Organization Recognition Program.</li> <li>Health promotion methods using pedometers are being implemented in partnership with the NTT Health Insurance Union.</li> </ul> The NTT Health Insurance Union also shares healthy recipes with employees. Business sites with cafeterias offer lunch options prepared with the help of a nutritionist, which are available to all employees. <ul style="list-style-type: none"> <li>Massage services are provided to office-based employees who are feeling fatigued and can be used during any break period.</li> </ul>	
Flextime system	A flextime system that enables flexibility in working hours	
Work-at-home system	Work-at-home and mobile working systems that enable working styles that are not confined to specific locations	
Childcare facilities and allowance	<ul style="list-style-type: none"> <li>An allowance for dependents is paid</li> <li>There is lifestyle support, such as babysitting subsidies</li> <li>There are workplace nurseries</li> </ul>	
Childbirth and childcare leave for mothers beyond what is stipulated by law	Childcare leave, reduced working hours for childrearing (beyond what is stipulated by law), shift work for individuals for childrearing obligations, a re-employment system for employees who retired due to childrearing, life plan leave in which unused annual paid leave can be carried over to future years, etc.	
Childbirth and childcare leave for fathers beyond what is stipulated by law	Childcare leave, reduced working hours for childrearing (beyond what is stipulated by law), shift work for individuals for childrearing obligations, a re-employment system for employees who retired due to childrearing, "life plan leave" in which unused annual paid leave can be carried over to future years, etc.	
Other	A selection-based benefit program (cafeteria plan) has been introduced for the entire NTT Group and points paid out once a year can be used toward extensive physical check-ups or obtaining a pedometer. An awards system has also been established to promote health management at Group companies, based on indicators such as the ratio of non-smokers and the take-up rate for specified health check-ups.	