

NTT Group  
**ESG Data Book**  
2019

# 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   |            |            |
|-----------------------|----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------|------------|------------|
|                       |                                                                |                                                                                                                                                                     |                 | FY2017    | FY2018     | FY2019*    |
| 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 | 10.1 times | 10.5 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 | 3.6 times  | 4.5 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          | 1.03%     | 1.18%      | 1.10%      |
| Social section        | Ratio of female managers                                       | 6.0%                                                                                                                                                                | FY2021          | 4.6%      | 5.1%       | 5.7%       |
|                       | Employee satisfaction                                          | Higher than the previous fiscal year                                                                                                                                | FY2019          | 3.83      | 3.79       | 3.80       |
|                       | Ratio of total employees participating in volunteer activities | 80%                                                                                                                                                                 | FY2021          | 69.7%     | 70.7%      | 69.0%      |

\*Results for 2018 are preliminary figures. The NTT Group Report 2019, due to be issued in September 2019, will report finalized figures that have been verified by a third party.

## 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 ratio                  | Target deadline | Results      |             |             |
|--------------|----------------------------------------------------------------------------------------------|-------------------------------|-----------------|--------------|-------------|-------------|
|              |                                                                                              |                               |                 | FY2017       | FY2018      | FY2019      |
| Supply chain | Ratio of important suppliers that we sent CSR surveys (SAQ) to, and ratio that were returned | sent: 100%<br>collected: 100% | FY2020          | 100%<br>100% | 100%<br>99% | 100%<br>98% |
|              | Ratio of issues recognized as actual risks that were corrected at suppliers                  | 100%                          | FY2020          | 100%         | 100%        | 100%        |
|              | Ratio of employees in procurement trained on ESG                                             | 100%                          | FY2020          | 100%         | 100%        | 100%        |

# Performance Data

## Environmental Data

|                    | Indicator                                              | Unit                   | Results   |           |           |           |
|--------------------|--------------------------------------------------------|------------------------|-----------|-----------|-----------|-----------|
|                    |                                                        |                        | FY2016    | FY2017    | FY2018    | FY2019*   |
| Environmental Data | Volume of directly generated GHG emissions (Scope 1)   | t-CO <sub>2</sub>      | 197,000   | 190,000   | 185,000   | 185,000   |
|                    | Volume of indirectly generated GHG emissions (Scope 2) | t-CO <sub>2</sub>      | 4,690,000 | 4,400,000 | 4,210,000 | 4,400,000 |
|                    | Total amount of non-renewable energy used              | MWh                    | 8,740,000 | 8,360,000 | 8,230,000 | 8,600,000 |
|                    | Total amount of renewable energy used                  | MWh                    | 90,000    | 90,000    | 80,000    | 90,000    |
|                    | Total volume of water used                             | Million m <sup>3</sup> | 11.7      | 12.4      | 12.6      | 12.6      |
|                    | Total amount of waste produced                         | Ton                    | 680,000   | 608,000   | 531,000   | 531,000   |
|                    | Total amount of waste reused, recycled, or sold        | Ton                    | 674,000   | 602,000   | 525,000   | 525,000   |
|                    | Total volume of waste disposed                         | Ton                    | 6,000     | 6,000     | 6,000     | 6,000     |

\*Results for 2018 are preliminary figures. The NTT Group Report 2019, due to be issued in September 2019, 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 |        |        |
|---------------------|-----------------------------------------|---------|--------|--------|
|                     |                                         | FY2017  | FY2018 | FY2019 |
| Network reliability | Average network interruption frequency* | 0.0008  | 0      | 0      |
|                     | Average network interruption duration*  | 0.0095  | 0      | 0      |

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

## Privacy Protection

The total numbers of complaints received and substantiated regarding the infringement of customer privacy, complaints from regulatory bodies, and incidents involving the leak, loss, or theft of personal information are outlined below. The number of incidents involving the leak, loss, or theft of personal information are reported on NTT Group's website.

|                    | Indicator                                                                                | Results |        |        |
|--------------------|------------------------------------------------------------------------------------------|---------|--------|--------|
|                    |                                                                                          | FY2017  | FY2018 | FY2019 |
| Privacy protection | Number of complaints received from outside parties and substantiated by the organization | 0       | 0      | 0      |
|                    | Number of complaints from regulatory bodies                                              | 0       | 0      | 0      |
|                    | Number of incidents involving the leak, loss, or theft of personal information           | 4       | 3      | 1      |

## Diversity

|           | Indicator                       | Results |        |        |
|-----------|---------------------------------|---------|--------|--------|
|           |                                 | FY2017  | FY2018 | FY2019 |
| Diversity | Total ratio of female employees | 14.7%   | 15.8%  | 17.0%  |

## Performance Data

### Expenditure on Social Contribution Activities

|                                               | Type of expenditure                                                                                                       | Results        |
|-----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|----------------|
|                                               |                                                                                                                           | FY2019         |
| Expenditure on social contribution activities | Monetary expenditure                                                                                                      | ¥3,963,000,000 |
|                                               | Time: Value of time spent by employees on volunteer activities during working hours                                       | ¥1,524,000,000 |
|                                               | Non-monetary expenditure: Value of products and services donated, projects, partnerships, and other similar contributions | ¥77,000,000    |
|                                               | Indirect costs                                                                                                            | ¥4,747,000,000 |

### Political Contributions

|                         | Results     |             |             |             |
|-------------------------|-------------|-------------|-------------|-------------|
|                         | FY2016      | FY2017      | FY2018      | FY2019      |
| Political contributions | ¥12,000,000 | ¥12,000,000 | ¥12,000,000 | ¥12,000,000 |

\*NTT conforms to the Political Funds Control Law and does not make political contributions (Sustainability Report 2018, p. 148). However, some Group companies make political contributions based on a decision by each company in conformance with the related laws, regulations, and each company's ethical regulations. (The numbers above are the total of NTT DOCOMO, NTT Data, and NTT Urban Development)

# Occupational Health and Safety

## Initiatives Concerning Health, Safety, and Wellbeing

|                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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. |