Innovating a Sustainable Future for People and Planet

NTT

NTT Group Integrated Report 2025

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Comprehensive Financial and Non-Financial Data

Detailed financial and non-financial data are available on our corporate website as part of this Integrated Report.

» https://group.ntt/en/sustainability/data/financial_nofinancial/

Foreword

This Integrated Report is designed to deepen investors' and other stakeholders' understanding of our vision—"Innovating a Sustainable Future for People and Planet"—and the NTT Group's ongoing self-innovation for the future.

Since publishing the Integrated Report 2024 in September 2024, we have held a series of dialogues with investors.

From the many questions and comments we received, we realized the following.

—"It may not yet be fully clear why the NTT Group has placed sustainability at the core of its management, the philosophy behind it, or the vision we aim to achieve."

Accordingly, in this report we have substantially revised the structure and content to offer a more multidimensional view of the NTT Group's initiatives—covering not only progress toward the targets of our Medium-Term Management Strategy, which concludes in FY2027, and the approaches to achieving them, but also our long-term perspective on addressing social issues, our current position in driving sustainable growth, and our vision for the society of the future.

We hope this report provides a foundation for deepening constructive dialogue with you about the NTT Group's ongoing challenges.

Scope of Reporting
Primary Reporting Audience: All stakeholders, with particular emphasis on shareholders and investors
Reporting Scope: NTT Corporation, consolidated subsidiaries, and certain affiliates
Reporting Period: FY2024 (April 2024 to March 2025)
* Some activities outside this period are also included.
* Referenced data and links in this report may be updated or removed without prior notice.

[Cautionary Note Regarding Forward-Looking Statements]
The forecasts and forward-looking statements in this report are based on judgments, assessments, recognition of facts, and policy decisions of the Company's management, using information currently available.
They also incorporate certain essential assumptions deemed necessary for making such forecasts, in addition to confirmed and accurately recognized past facts.
Because forward-looking statements inherently involve uncertainty—as well as the potential effects on future business operations, changes in domestic and international economic conditions, movements in securities markets, and other developments—actual results, performance, and achievements may differ materially from those described in this report.

Guidelines for Reference
International Integrated Reporting Framework (IFRS Foundation)
Guidance for Collaborative Value Creation (Ministry of Economy, Trade and Industry, Government of Japan)
Final Report: Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)
GRI Standards
Environmental Reporting Guidelines (2018) (Ministry of the Environment, Government of Japan)

[Notes]
In this Integrated Report, the following abbreviations are used for operating companies.
NTT DOCOMO: NTT DOCOMO, Inc., NTT DOCOMO BUSINESS: NTT DOCOMO BUSINESS, Inc., NTT DOCOMO SOLUTIONS: NTT DOCOMO SOLUTIONS, Inc., NTT EAST: NTT EAST, Inc., NTT WEST: NTT WEST, Inc., NTT DATA GROUP: NTT DATA GROUP CORPORATION, NTT DATA: NTT DATA JAPAN CORPORATION, NTT DATA, Inc.: NTT DATA, Inc., NTT Urban Solutions: NTT Urban Solutions, Inc., NTT Anode Energy: NTT Anode Energy Corporation
For other NTT Group subsidiaries, "Corporation" may be omitted where the context makes this clear.
Unless otherwise noted, the data and figures in this report are correct as of March 31, 2025.
On July 1, 2025, the Company and certain Group companies changed their names as follows: Nippon Telegraph and Telephone Corporation became NTT Corporation; Nippon Telegraph and Telephone East Corporation became NTT EAST, Inc.; Nippon Telegraph and Telephone West Corporation became NTT WEST, Inc.; NTT Communications Corporation became NTT DOCOMO BUSINESS, Inc.; and NTT COMWARE Corporation became NTT DOCOMO SOLUTIONS, Inc. Throughout this report, the new names are used consistently, regardless of when the cases, data, or figures originally occurred.

[Website]

- Financial and Non-Financial Data
  https://group.ntt/en/sustainability/data/financial_nofinancial/
- Sustainability at NTT
  https://group.ntt/en/sustainability/
- IOWN
  https://group.ntt/en/group/iown/
- AI
  https://group.ntt/en/group/ai/
- Annual Securities Reports and Other Filings
  https://group.ntt/en/ir/library/yuho/
- Corporate Governance Report
  https://group.ntt/en/ir/mgt/governance/
- Shareholders' Meeting Materials
  https://group.ntt/en/ir/shares/shareholders_meeting/
- Presentation Materials
  https://group.ntt/en/ir/library/presentation/
- IR Presentations
  https://group.ntt/en/ir/library/material/

If you are viewing this report in PDF format, the links will take you directly to our corporate website.

The Origins of the NTT Group

As a trusted partner to society and industry, the NTT Group has continuously created solutions that drive progress. About 70 years ago, Japan's state-run telecommunications services were transferred to the newly established Nippon Telegraph and Telephone Public Corporation.
During Japan's postwar recovery and period of rapid economic growth, the company launched initiatives to meet society's demand for telephones that connected instantly.
In 1985, following our privatization as Nippon Telegraph and Telephone Corporation (NTT), we embarked on our corporate journey with a clear commitment to addressing customer needs and tackling the challenges facing industry and society.
Both the foundational concept of our corporate identity and the inaugural president's message at NTT's establishment still embody the principles that guide us today.

The Foundational Concept of NTT's Corporate Identity at Inception (Our Vision)

Through communication, we seek to contribute to human progress and richer lives, taking our customers as the starting point of ideas, constantly looking to the future, pursuing dynamic self-innovation, and striving to be a people-centered company of true value to society.

Address by President Shinto at the Establishment of Nippon Telegraph and Telephone Corporation
(April 1, 1985)

NTT's corporate philosophy is to contribute to the advancement of society through communication. Because telecommunications will always be essential , we have a duty to apply its full technological potential for the benefit of people, and especially to support Japan's progress as it adapts to globalization. NTT will not be accepted by society if it pursues only its own interests. NTT must remain humble, recognizing that it exists only by serving society, delivering better services, and earning customers' trust and satisfaction. At the same time, we must work with new entrants to the telecommunications field, competing and cooperating fairly, while continuing to innovate to better serve customers.

In short, NTT must aspire to be a company that truly serves society, while sincerely and dynamically reinventing itself.

As the saying goes, "business is people." The essence of a company lies in its people. A company's future is not determined by laws, money, or equipment, but by the character and conduct of its people.

In this time of unprecedented change, we stand at the starting point of a business aligned with society's pressing demands. Looking ahead to a bright but still unforeseeable future, NTT will continue to value customers, support colleagues, and pursue a way of doing business that advances both society and the communities we serve. We are now taking the first step toward becoming a people-centered company defined by human warmth, where effort is rewarded and the future is always in focus.

NTT Group's Core and Values

▶ In May 2025, marking forty years since privatization, we established "NTT Group's Core" and "NTT Group's Values."

Learn more » NTT Group's Core & Values
Learn more » Formulation of NTT Group's Core & Values Based on Employee Input P.54

NTT Group's Core

Innovating a Sustainable Future for People and Planet

As a positive force for people and the planet, we focus on the needs of our customers and continuously drive dynamic innovation to create a more harmonious and prosperous future.

Even in this rapidly changing era we remain committed to innovating a sustainable future for people and planet. We set it as NTT Group's Core - our solid foundation and we will work together to make it happen.

NTT Group's Values

Act with Integrity
Build Trust
Create Connections

To realize NTT Group's core aspiration to create a sustainable future for people and planet, we will act with our values.

We will "Act with integrity" to "Build Trust" for the long term and "Create Connections" among people, things, technologies as well as various forms of life, nature, the universe, and all kinds of things.

By acting with these values in our day-to-day operations we will innovate a sustainable future as a legacy for the next generation.

OUR STORY

NTT Group's Journey of Self-Innovation and Value Creation

By consistently working with customers and tackling social issues through information and communications, the NTT Group has helped shape society.

Responding to diverse needs and technological advances, the NTT Group has expanded from telephone services into mobile, fiber-optic, global solutions, real estate, and energy. The NTT Group places sustainability at the core of its management strategy and will continue to reinvent itself, accelerating innovation and new challenges.

Learn more » NTT Group's History

NTT Group

Total assets: ¥30,062.5 billion

Operating revenue: ¥13,704.7 billion

Operating income: ¥1,649.6 billion

Consolidated subsidiaries: 992

Number of employees: 341,321

As of the end of March 2025

Learn more »
NTT in Numbers

1987
Launch of mobile phone services
Becoming an indispensable communication tool for millions

1999
Launch of i-mode service
Reached 10 million users within a year

2001
Launch of fiber-to-the-home service for households
As broadband spread, new services such as video streaming and IP telephony quickly emerged

2010
Accelerated global expansion
Acquired Dimension Data and Keane (now NTT DATA, Inc.)
Established a global framework to deliver comprehensive ICT services

2019
Announced the
"IOWN concept"
(Innovative Optical and Wireless Network)

2021
Established the "NTT Group Sustainability Charter"
This Charter was adopted globally to drive corporate growth while addressing social challenges

2023
Medium-Term Management Strategy
» P.13

2025

2027

Integrated ICT Business
» P.88

Global Solutions Business
» P.91

Regional Communications Business
» P.94

Other
(Real Estate, Energy and Others)
» P.96

1985–1990s
Supporting social infrastructure with telephone services

2000s
Enhancing productivity and sustainable growth through advanced, high-capacity information infrastructure

2010s
Delivering value worldwide
Contributing to social infrastructure worldwide with Japan-developed communication technologies and services

2020s
Embedding sustainability at the core of our management strategy

Learn more »
NTT Group Companies: https://group.ntt/en/group/gnavi/
IOWN Concept: https://group.ntt/en/group/iown/
NTT Group's Global Sustainability Charter: https://group.ntt/en/sustainability/management/charter/

OUR FUTURE

Implementing IOWN in Society

Leveraging its high capacity, ultra-low latency, and energy efficiency, IOWN will support the growth of an AI-driven society, drive innovation across diverse fields, enhance quality of life, and enable sustainable social development.

Achieving Net Zero by FY2040

We aim to achieve carbon neutrality by FY2040.
By FY2030, we will reduce the NTT Group's greenhouse gas emissions by 80% compared to FY2013 and achieve carbon neutrality for mobile operations (NTT DOCOMO) and data centers.

Advancing Personalized Business through Data-Driven Insights

By delivering personalized services derived from data analytics, we aim to support healthier lives and create safer, more convenient everyday living.

Transforming Industry with AI and Robotics

By advancing work style reforms and automating daily services, we aim to create a society that gives people more time and ease, enabling them to better apply creativity and judgment.

Enhancing Data Center Efficiency and Capacity

We are building a sustainable information infrastructure to achieve carbon neutrality and support the growth of AI and cloud services, balancing lower environmental impact with economic growth.

What the NTT Group Aims to Achieve

Innovating a Sustainable Future for People and Planet

Today, we are driving continuous self-innovation and proactive growth investments to realize the future envisioned by the NTT Group. Looking beyond our Medium-Term Management Strategy through 2027, we envision the following future.

Expanding Renewable Energy and Local Energy Systems

Working with local communities, we will build decentralized energy systems that support a sustainable social infrastructure.

Promoting Circular Business Models

By promoting resource reuse and the adoption of circular business models, we will help realize sustainable resource cycles across energy, food, water and other fields.

Building Resilient Social Infrastructure

We will maintain lifelines that support society and the economy, safeguard public safety, and provide resilient infrastructure capable of withstanding large-scale disasters and unforeseen events.

Elevating Customer Experiences and Creating Lasting Value

By continuously evolving services from the customer's perspective, we aim to deliver inspiring experiences and enrich daily life.

Enhancing Employee Engagement

Through systems that support employees and their families, we will help build a society where everyone can work and live with peace of mind.
This will enhance productivity and creativity, further reinforcing the NTT Group's business.

NTT's Sustainability Management Driven by IOWN

Why IOWN?

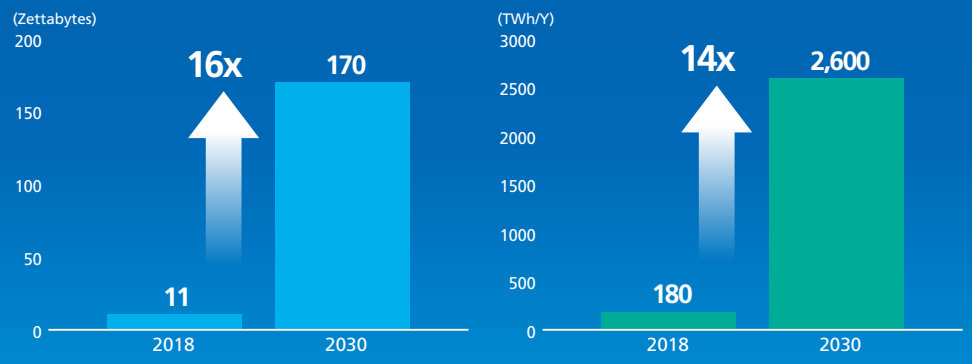
While many expect ICT to keep advancing, the industry is already facing a pressing sustainability crisis.
Humanity's further progress requires frameworks for a sustainable society, and IOWN is our answer to this challenge.

The ICT sector is facing a critical sustainability challenge.

The explosive growth of ICT has generated vast quantities of data. Data volumes are expected to keep growing exponentially. Managing this data surge requires a vast number of computers. As a result, electricity consumption is already enormous and is projected to rise sharply in the future.

The following figure shows projected data volumes and power consumption in data centers worldwide. Both data and power consumption are expected to increase dramatically. The 2030 figures assume no major technological breakthroughs. Even if actual consumption falls short of these projections, ICT equipment is still expected to account for most of the world's energy use.

Data and Power Consumption of Data Centers Worldwide



Source: Center for Low Carbon Society Strategy, Japan Science and Technology Agency

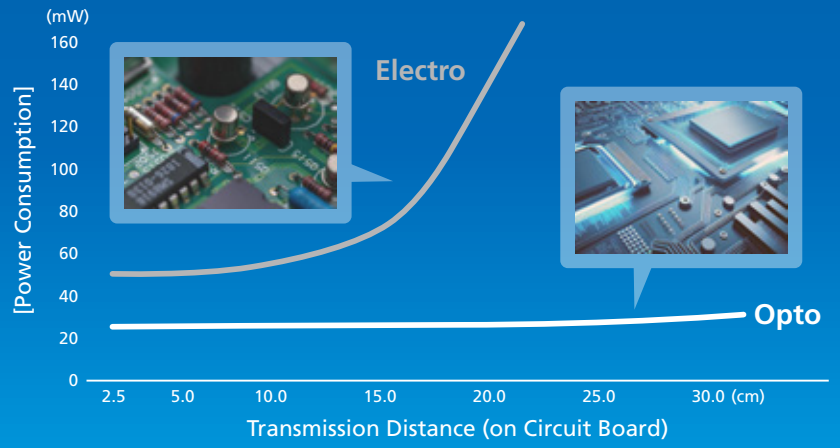
Explosive Growth of AI and Data

AI is permeating society at an unprecedented pace.

AI processing with multiple GPUs requires frequent, large-scale data exchanges between GPUs. As a result, GPU-to-GPU communication volumes keep surging.

In such high-volume communications, conventional electrical wiring drives sharp increases in power consumption as transmission distances grow. In today's high-capacity systems, the impact is significant, and even wiring only tens of centimeters inside a computer consumes substantial power. By contrast, optical communication adds almost no extra power load, even as distances grow.

Transmission Distance vs. Power Consumption



NTT's Sustainability Management Driven by IOWN

Reducing Power Consumption through IOWN

Photonics-electronics convergence (PEC) devices combine electronic and photonic technologies into a single system, delivering faster data transfer and far greater energy efficiency. These devices are central to IOWN, enabling ultra-low latency in the All-Photonics Network (APN) while also boosting capacity and cutting power consumption. The NTT Group is steadily rolling out PEC devices in stages across society.

Phased Adoption of Photonics-Electronics Convergence Devices

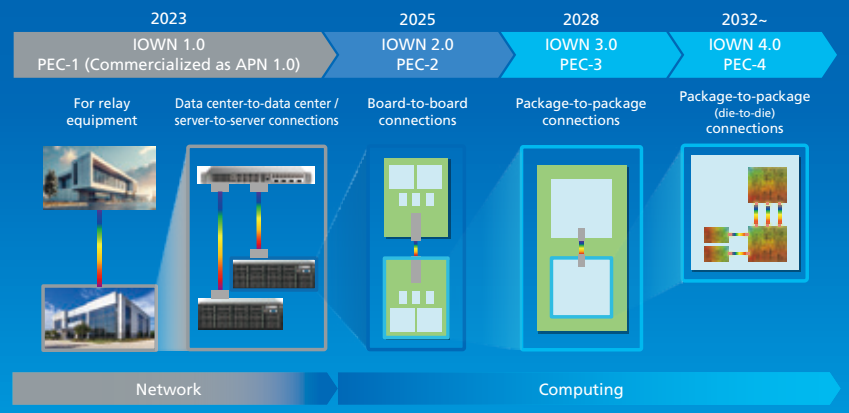
Under IOWN, PEC devices will evolve in stages, extending from network infrastructure into computing systems.

In IOWN 1.0, PEC*[1]-1 devices were deployed in relay equipment at network connection points, and in network systems linking data centers and servers. These technologies supported the launch of high-capacity, low-latency network services, commercialized in 2023 as "APN*[2] IOWN 1.0."

Launched in 2025, IOWN 2.0 marked the start of applying PEC devices inside computers. With PEC-2 devices, NTT is replacing traditional electrical wiring between computer boards with optical links.

In IOWN 3.0, communication between chips on the same board will shift to optical. IOWN 4.0 will push photonic technology into the chips themselves.

Roadmap for Photonics-Electronics Convergence (PEC) Devices



*1 PEC: Photonics-Electronics Convergence:
A technology that integrates optical and electronic functions. Applying PEC beyond networks to computing unlocks significant power savings.

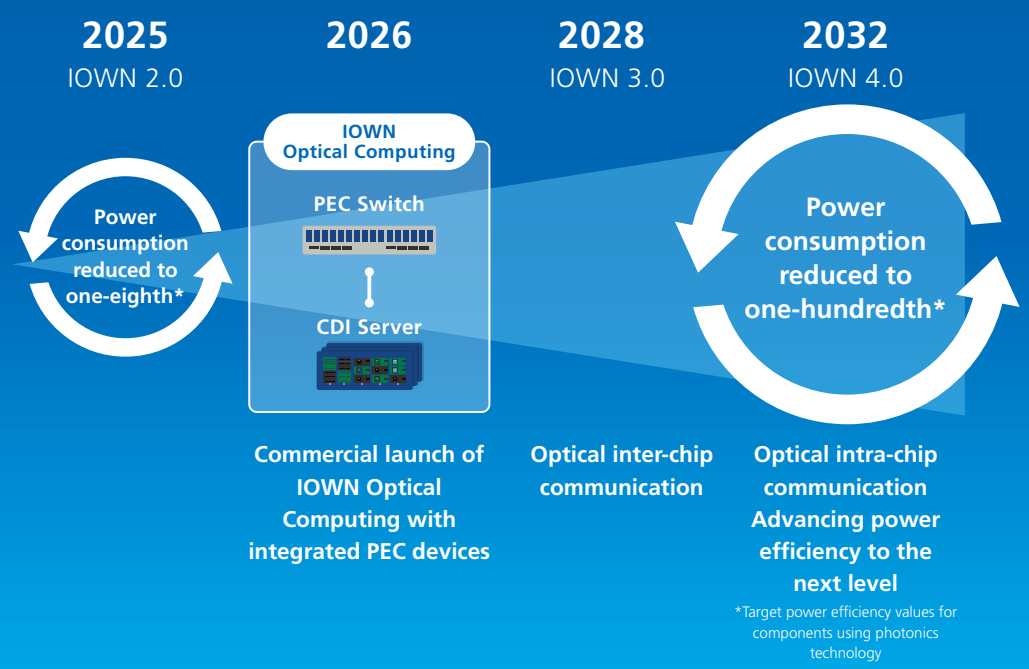
*2 APN: All-Photonics Network:
An architecture applying photonic technologies end-to-end—from core to terminals—to deliver ultra-low power consumption, high quality, large capacity, and low latency.

Target Performance and Roadmap of IOWN

Using IOWN 2.0 optical computing, NTT has developed computers that use just one-eighth the power of conventional systems, which it showcased at the NTT Pavilion during the Osaka-Kansai Expo. In FY2026, NTT will launch upgraded versions of its Expo technologies, including optical engines, switch modules, and PEC switches (» P.68).

In IOWN 3.0, data will be transmitted directly via optical wiring from chips, dramatically cutting power consumption (» P.68).

Around 2032, IOWN 4.0 will extend photonic technology into chip-level wiring. Ultimately, IOWN aims to reduce power consumption to just one-hundredth of current levels.



The Aspirations Behind Our Corporate Name Change

Effective July 1, 2025, we changed our corporate name to NTT, Inc. Alongside this change, we adopted new corporate logos, and introduced "NTT Group's Core" and "NTT Group's Values." (» P.04) The new corporate identity is designed to present the NTT Group's technical strengths and capabilities under a unified global concept, enhancing our brand as a forward-looking global company. Under this new corporate identity, the NTT Group will accelerate diverse initiatives while working to deliver an elevated customer experience (CX).

NTT DATA

NTT Anode Energy

NTT Urban Solutions

NTT EAST

NTT

NTT WEST

NTT docomo Business

NTT docomo Solutions

NTT docomo

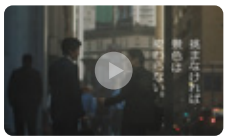
Brand Symbol

The "Dynamic Loop" symbolizes NTT and has been inherited since our establishment as a private company in 1985. The infinite continuous loop represents NTT's dynamism and commitment to continuously innovate ourselves to create values for people and planet through endless pursuit of challenges. The small inner loop represents NTT's stance to have the voice of people, customers and society at the heart of our business and to contribute to all parts of the society.

Aspirations of the New NTT

Please watch our video to discover the aspirations of the new NTT as we embrace new challenges under our renewed corporate identity.

» **NTT Corporate Name Change Video: "A Man Who Occasionally Says Something Good"**



(Japanese only)

Business Segments Overview

The NTT Group consists of NTT (as the holding company), its 992 subsidiaries and its 151 affiliated companies (as of March 31, 2025). The principal business segments of the NTT Group are its Integrated ICT Business, Global Solutions Business, Regional Communications Business, and Others (Real Estate, Energy and Others).

Integrated ICT Business

Services
Mobile phone services, domestic inter-prefectural communications services, international communications services, solutions services, and system development services and related services.

Main Companies

docomo
docomo Business
docomo Solutions

Global Solutions Business

Services
System integration services, network system services, cloud services, global data center services, and related services.

Main Companies

NTT DATA

Regional Communications Business

Services
Domestic intraprefectural communications services and related ancillary services.

Main Companies

NTT EAST
NTT WEST

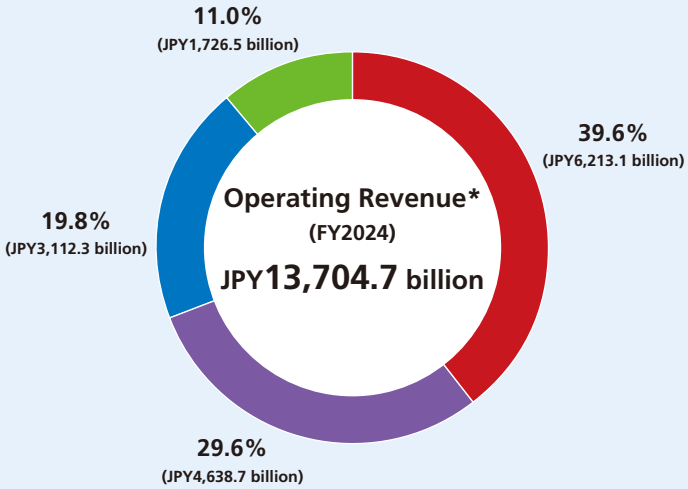
Other
(Real Estate, Energy and Others)

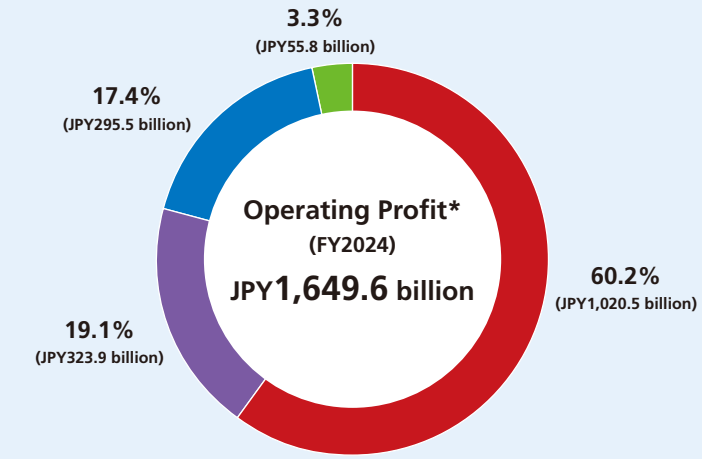
Services
Real estate business, energy business and others.

Main Companies

NTT Anode Energy
NTT Urban Solutions

Other Group companies





*Percentages represent each segment's non-consolidated totals (including inter-segment transactions)

NTT Group's Value Creation Process

NTT Group's Core & Values » P.04

Innovating a Sustainable Future for People and Planet

Input » P.12

- **Talent** — Human Capital
- **Networks & Infrastructure** — Manufactured Capital
- **R&D and Service Development** — Intellectual Capital
- **Financial Foundation** — Financial Capital
- **Customer Base, Partners, and Brand** — Social Capital
- **Biodiversity, Water Resources, and Energy** — Natural Capital

Key Issues in Sustainability

NTT Group's Global Sustainability Charter (The Basic Philosophy of "Self as We") » P.29

Climate Change
- Moving towards a decarbonized society
- A commitment to a resource-recycling future
- A future where people and nature are in harmony

» P.34

Human Capital
- Respect for human rights
- Diversity & inclusion
- Creating new work style models

» P.45

New Value Creation
- Prepare for a new future with the power of technology

» P.64

Resilience
- Moving towards a safe, secure, and resilient society
- Establish shared ethical standards

» P.83

Medium-Term Management Strategy (FY2023–FY2027)

New value creation and Sustainability 2027 driven by IOWN

Accelerating Investment in Growth Areas

Approximately ¥8 trillion in total investment planned for FY2023–FY2027, representing a 50% increase over the previous plan » P.13

1 NTT as a Creator of New Value and Accelerator of a Global Sustainable Society

❶ IOWN-Driven Creation of New Value (from concept to commercialization)
❷ Data-Driven Creation of New Value
❸ Achievement of a Circular Economy Society
❹ Further Strengthening of Business Foundations

2 Upgrading the Customer Experience (CX)

❺ Fusion of Research and Development with a Market-Focused Strategy
❻ Strengthening of Services that Emphasize Customer Experience (CX)

3 Improving the Employee Experience (EX)

❼ Open and Innovative Corporate Culture
❽ Support Career Growth
❾ Global Benefits for Employees and their Families

Value creation through the cycle of CX and EX

Business Segment Initiatives

- Integrated ICT Business » P.88
- Global Solutions Business » P.91
- Regional Communications Business » P.94
- Other (Real Estate, Energy and Others) » P.96

* CX: Customer Experience
EX: Employee Experience

Outcome

Short-Term Value: Economic Value » P.23

Expansion of Cash-Generation Ability
- EBITDA: +20% increase (compared with FY2022) (FY2027: Approx. ¥4.0 tn)

Mid- to Long-Term Value: Social Value » P.6

Creation of New Social Value
- Enhancement of customer experience creation and lasting value creation
- Creation of new social value through IOWN commercialization and use of AI/robots
- Acceleration of resource recycling and regional revitalization among industries

Resilience of Social Infrastructure
- Maintaining lifelines that support social and economic activities and ensure the safety of people's lives

Improvement of Employee Engagement
- Improvement of labor productivity and creativity

Mitigation of Climate Change
- Achievement of net-zero by 2040

Enhancement of Returns to Shareholders » P.24
- Steady increase of dividends
- Flexible share buybacks

Corporate Governance » P.98

Enhancing Corporate Value Through Value Creation | Sustainable Growth Through Sustainability Management

Capital Inputs

Details of Related Activities (Material Issues) P.30

The NTT Group has steadily reinforced capital base over the course of its history P.5. Building on these strengths, we will pursue growth investments under our Medium-Term Management Strategy, further enhance our capital base, and advance the execution of the 18 activities (material issues) defined in the NTT Group's Sustainability Charter P.29.

Capital	Capital Strengths and Characteristics	Initiatives to Strengthen Capital	Related activities (material issues)
Human Capital	Employees: 341,000 (including 153,000 overseas) Consolidated subsidiaries: 992 AI talent: approx. 67,000 Security personnel: Advanced: approx. 100 Intermediate: approx. 5,000	• Enhanced support for self-directed career development - Cultivating professional expertise and future Group management leaders • Fostering an open and innovative corporate culture - Expanding opportunities for challenge and recognition, and promoting Diversity & Inclusion (D&I) • Strengthening support and improving the quality of the working environment - Promoting work-in-life balance and advancing health-oriented management	⑬ Compliance with the NTT Group Human Rights Policy ⑭ Encourage human rights and respect for the individual across our organization, customers, and partners ⑮ Attract and retain diverse human resources ⑯ Support flexible work life balance choices and support an inclusive work environment ⑰ Support diverse work styles for health and wellbeing management (remote working standards / hybrid work, etc.) ⑱ Encourage independent and personal skill development
Manufactured Capital	Optical fiber network: 1.639 million km (including 235,000 km of international submarine cables) Data centers: 163 sites / 216 facilities, total capacity 1,741 MW India: 343MW EMEA: 433MW Americas: 674MW	• Driving new value creation through IOWN - Establishing a company to manufacture optoelectronic convergence devices - Accelerating R&D and commercialization of IOWN technologies • Creating new value through data-driven innovation - Expanding and upgrading data centers	❶ Achieve our decarbonization goals through energy conservation, implementing IOWN and other innovative technologies, developing and expanding renewable energy ❷ Implement decarbonization requirements for partners throughout the supply chain ❸ Increase the reuse and recycling of all technology equipment ❹ Ensure proper treatment, storage and management of hazardous waste
Intellectual Capital	R&D footprint: 1 Comprehensive Center, 3 Research Laboratories 1 Global Research Laboratory • 2,400 researchers • 22,000 patents (14,000 overseas) • 2,700 academic papers and presentations annually	• Integrating R&D, marketing, and alliance capabilities • Creating new value through data-driven innovation - Strengthening personal services and consumer business - Accelerating digital transformation and data utilization across society and industry • Enhancing services with a strong focus on customer experience (CX)	⑩ Protection and respect of intellectual property
Financial Capital	Total assets: ¥30.0625 trillion • Capital investment: ¥2.0874 trillion • Operating revenue: ¥13.7047 trillion • EBITDA: ¥3.2393 trillion • Operating income: ¥1.6496 trillion	• Enhancing cash generation capacity through growth investments - Investing approximately ¥8 trillion in growth areas • Accelerating the realization of returns - Managing the time lag between growth investments and return generation • Maintaining and enhancing shareholder returns	❶ Achieve our decarbonization goals through energy conservation, implementing IOWN and other innovative technologies, developing and expanding renewable energy ~ ⑱ Encourage independent and personal skill development
Social Capital	Mobile subscriptions: 91.407 million d POINT Club members: 104.85 million d CARD contracts: 18.32 million docomo shops: 2,053 locations *1 FLET'S Hikari fiber subscriptions: 23.79 million *2	• Creating value that attracts and retains customers • Further enhancing network quality and customer-perceived service quality • Strengthening resilience against natural disasters and large-scale outages - Improving network reliability, safeguarding critical communications, and ensuring rapid service recovery • Addressing cybersecurity risks - Strengthening measures to prevent leakage of sensitive information	❼ Develop and enforce thoroughly the code of ethics including conduct risk, compliance, and governance ❽ Share high ethical standards with business partners ❾ Ensure continuous improvement of services and support to meet the evolving needs of customers, communities and corporations ⑪ Ensure the stability and reliability of services ⑫ Strengthen information security and personal information protection
Natural Capital	• Biodiversity (natural environments of business sites and facility installation areas) • Water resources (regional water environments) *3 • Renewable energy sources (solar, wind, and other natural resources)	• Conserving biodiversity - Assessing ecosystem and environmental impacts at sites such as base stations, telecom facilities, and data centers, and taking conservation measures • Ensuring sustainable use of water resources - Monitoring and managing the impact of water usage at data centers and other facilities on local water resources • Leveraging natural resources for renewable energy - Assessing environmental impacts when introducing renewable energy facilities that use natural capital such as solar and wind power	❺ Promote increased biodiversity, natural ecosystems and conservation ❻ Number and percentage of business facilities located in water risk regions

*1 As of October 31, 2024 *2 Including Hikari Collaboration services *3 Water usage in data center operations

Medium-Term Management Strategy for Sustainable Value Creation

Overview of the Medium-Term Management Strategy

Progress of the Medium-Term Management Strategy P.14

Medium-Term Management Strategy with Sustainability at Its Core

The Medium-Term Management Strategy announced in May 2023 is guided by the NTT Group's Sustainability Charter (established in November 2021, P.29) and is founded on the principle:

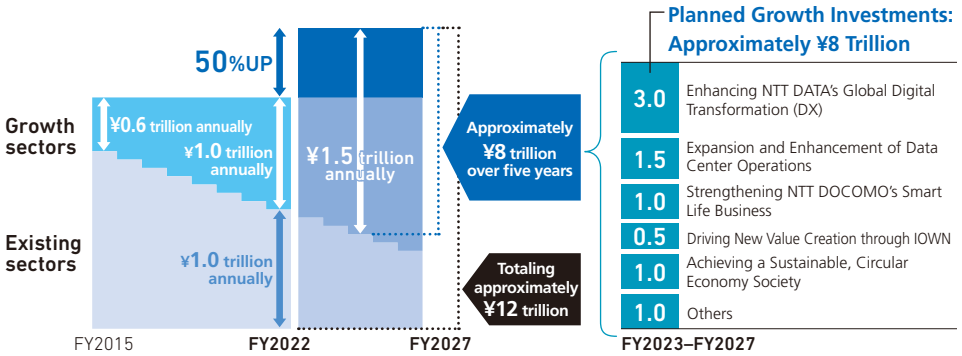
"Innovating a Sustainable Future for People and Planet."

Over the five-year period from FY2023 to FY2027, we plan to invest approximately ¥8 trillion in growth areas, strengthen cash generation, and increase EBITDA to ¥4 trillion by FY2027, representing a 20% increase compared with FY2022.

Expanding Investments to Drive Sustainable Value Creation

Our Medium-Term Management Strategy is designed to demonstrate solid growth and position the NTT Group to achieve sustainable value creation.

Specifically, over the five years beginning in FY2023, we are investing approximately ¥8 trillion—50% more than previous levels—in growth domains, including IOWN, digital and data centers, energy, smart life, real estate, AI, and robotics.



Three Strategic Pillars

Our Medium-Term Management Strategy is built on three key pillars. The first pillar is "NTT as a Creator of New Value and Accelerator of a Global Sustainable Society." To support this, we will continue "Upgrading the Customer Experience (CX)" as the second pillar and "Improving the Employee Experience (EX)" as the third pillar. For further details, please refer to the Value Creation Process on P.11.

Medium-Term Management Targets

Regarding our medium-term financial targets, we are strengthening initiatives centered on cash generation, with EBITDA set as the primary indicator. We aim to reach approximately ¥4.0 trillion in EBITDA by FY2027, representing a 20% increase compared to FY2022.

In growth sectors, we target approximately ¥1.9 trillion in EBITDA (a 40% increase from FY2022), and within these, we have set an overseas operating margin target of 10% for FY2025. For existing sectors, we aim to continue generating stable profits, with a target of 10% EBITDA growth compared with FY2022. In addition, we have set a ROIC target of 9% to further improve capital efficiency. Through these initiatives, we seek to balance sustainable growth with shareholder returns and maintain EPS growth at levels consistent with recent years.

We have set New Female Manager Promotion Rate, Greenhouse Gas Emissions, and Employee Engagement Rate, as sustainability-related non-financial indicators. From FY2024, we also added Customer Engagement as a new indicator to further enhance the customer experience (CX). These sustainability indicators, along with customer engagement, are reflected in performance-linked compensation for officers.

Target Indicators		Target Levels (FY2027)
Company-Wide Targets	EBITDA	+20% increase (compared to FY2022)
Growth Areas *1	EBITDA	+40% increase (compared to FY2022)
	Overseas Operating Income Margin*2	10% (FY2025)
Existing Areas *3	EBITDA	+10% increase (compared to FY2022)
	ROIC	9% (FY2022 results: 8.2%)

Other Sustainability Indicators

- New Female Manager Promotion Rate: at least 30% each year
- Greenhouse Gas Emissions targeting carbon neutrality in 2040, as well as Net-Zero
- Employee Engagement Rate: To be improved

+

Customer engagement indicator reflected in performance-linked compensation for officers from FY2024

*1 IOWN, digital/data centers, power/energy, Smart Life, real estate, AI/robots, etc.
*2 NTT DATA Group consolidated. Excludes temporary expenses, such as M&A-related depreciation costs of intangible assets.
*3 NTT DOCOMO's consumer telecommunications businesses, NTT East and NTT West

Fundamental Policy on Shareholder Returns

Our basic policy is to continue steadily increasing dividends, while also flexibly implementing share buybacks to enhance capital efficiency.

Enhancing Corporate Value Through Value Creation | Sustainable Growth Through Sustainability Management

Medium-Term Management Strategy for Sustainable Value Creation

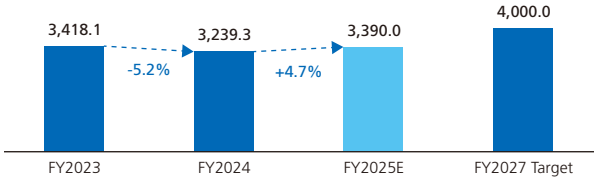
Progress on the Medium-Term Management Strategy

The following outlines the progress of the medium-term management strategy announced in May 2023.

Group-wide Targets

FY2027 Target: ¥4 trillion

EBITDA (in billions of yen)

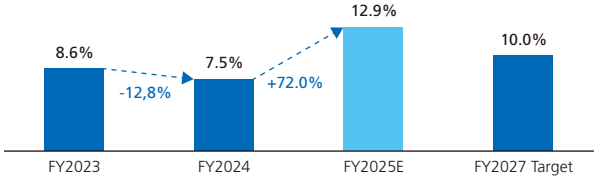


We will accelerate profit growth by steadily delivering on the results of growth investments made to date. ≫P.23

Growth Sectors

FY2027 Target: 10%

Overseas Operating Margin (%)

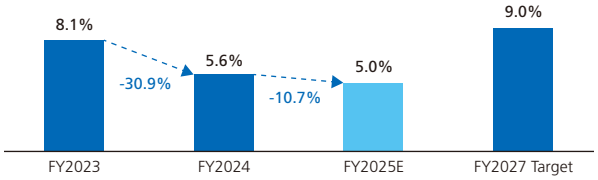


We aim to achieve this by expanding global businesses, improving margins, realizing synergies from business integration, and leveraging REITs in the data center business. ≫P.91

Existing Sectors

FY2027 Target: 9%

ROIC (%)



In mobile services, we are expanding our customer base by creating value that drives customer choice. ≫P.88
In fixed-line services, we are pursuing initiatives to regain share in fiber-optic offerings ≫P.94

Indicators	FY2024 Targets	FY2024 Actual
Greenhouse Gas Emissions	≤2.25 million tons	2.12 million tons
New Female Manager Promotion Rate	30%	28%
Employee Engagement Rate	57%	61%
Customer Engagement	NPI: 73.6% NPS: -26.2	NPI: 70.5% NPS: -31.3

Key Initiatives	Key Initiatives from FY2024 to Date
IOWN-Driven Creation of New Value	• Showcasing IOWN at the Osaka-Kansai Expo ≫P.69 • Agreement on Basic Policies for Large-Scale AI Infrastructure Leveraging IOWN at the ITU-T CxO Roundtable ≫P.27 • Launch of "IG Arena" in Aichi, Offering New Spectator Experiences with IOWN APN https://www.docomo.ne.jp/binary/pdf/info/news_release/topics_250702_g2.pdf
Data-Driven Creation of New Value	• Partnership with Toyota Motor Corporation to Promote AI and Communications Initiatives in Mobility Toward a "Zero Traffic Accident Society" ≫P.73 • Making SBI Sumishin Net Bank a Subsidiary ≫P.18 • Establishment of "Retail-CIX Inc." with Retail AI to Optimize Supply Chain Management Using Linked AI Agents https://aicix.jp/news/202507081/
Achievement of a Circular Economy Society	• Launch of "Next-Generation Data Center" Project to Contribute to Carbon Neutrality ≫P.97 • Completion and Launch of Production at One of Japan's Largest Land-Based Shrimp Aquaculture Plants in Iwata, Shizuoka ≫P.97
Further Strengthening of Business Foundations	• Strengthening Collaboration Among Telecom Operators for Rapid Disaster Response in Large-Scale Emergencies ≫P.84
Strengthening of Services that Emphasize Customer Experience (CX)	• Launch of New Rate Plans—"DOCOMO MAX," "DOCOMO Poikatsu MAX," "DOCOMO Poikatsu 20," and "DOCOMO mini"—Combining DOCOMO's Unique Value with Communications Tailored to Lifestyles ≫P.89 • Launch of High-Speed, High-Quality Business Optical Line "FLET'S Hikari Cross Biz" ≫P.95
Improving the Employee Experience (EX)	• Developing AI-Driven Talent Capable of Creating Value ≫P.51 • Formulating the NTT Group's Core & Values Based on Employee Feedback and Engaging in the Preparation of the Integrated Report ≫P.54 • Establishing the NTT Group's Basic Policy on Customer Harassment ≫P.61

1. The scope of aggregation for overseas operating profit margin is NTT DATA Group consolidated.
2. Existing areas are NTT DOCOMO's consumer telecommunications business, NTT East and NTT West.
3. Greenhouse gas emissions are calculated in accordance with the GHG Protocol: Scope 1 and 2.
4. The scope of aggregation for the ratio of newly appointed female managers includes NTT, NTT DOCOMO*, NTT East, NTT West, and NTT DATA Group. *Figures for NTT DOCOMO include those of NTT Communications. Furthermore, figures for NTT DATA Group include those of NTT DATA Japan and NTT DATA, Inc.
5. The employee engagement rate is the ratio of respondents who provide positive answers to the four indicators set as NTT Group KPIs for measuring engagement. The scope of aggregation for the employee engagement rate includes the Company, NTT DOCOMO*, NTT East, NTT West, NTT DATA Group, NTT Urban Solutions, NTT Anode Energy, and their designated subsidiaries. *Figures for NTT DOCOMO include those of NTT DOCOMO BUSINESS. In addition to designated subsidiaries, the employee engagement survey is being sequentially expanded and from FY2024, has also been conducted at overseas NTT group companies.
6. Customer engagement NPI (Next Purchase Intention) measures the intention to continue using the service, and NPS® (Net Promoter Score®)* measures the likelihood of recommending the service to others. Customer engagement targets include services for small- and medium-sized enterprises and consumers, which are focus areas for NTT East, NTT West, and NTT DOCOMO**. (Expansion to services for large corporations is also being considered for the future.) *Net Promoter Score and NPS are registered trademarks of Bain & Company, Inc., Fred Reichheld, and Satmetrix Systems, Inc. (currently NICE Systems, Inc.). **Figures for NTT DOCOMO include those of NTT DOCOMO BUSINESS.

Message from the CEO

Without challenge, nothing changes

Beyond Self-Innovation

Akira Shimada
Representative Member of the Board
President and CEO

Message from the CEO

Without challenge, nothing changes

On July 1, 2025, Nippon Telegraph and Telephone Corporation celebrated its 40th anniversary and rebranded as NTT Corporation.

As we launched the new NTT, I chose the phrase "Without challenge, nothing changes" as a statement of our determination to take on global challenges on a global scale—and as a reflection of my own commitment as President.

The NTT Group's 40-year history can be summed up in one word: challenge.

My mission as President is to drive NTT's transformation together with our 992 group companies and 340,000 employees worldwide, while embracing the dynamic changes reshaping society.

So, what challenges will we embrace, and how will we change the landscape?

At the center of this is IOWN—which points the way toward enriching people's lives and contributing to the future of our planet.

We are now halfway through our medium-term strategy toward 2027.

I will not let our pace ease. The NTT Group will continue to rise to every challenge, keeping sustainability at the very heart of our management.

To our 2.74 million shareholders and all stakeholders, I ask for your continued support as we move forward together.

Beyond Self-Innovation: Growth investments looking beyond our medium-term strategy

Our medium-term strategy is a roadmap to demonstrate solid growth and achieve sustainable value creation for the NTT Group.

Over the past 40 years, NTT Group's portfolio has expanded from domestic fixed-line services to mobile and global ICT businesses, evolving significantly with the changing environment » P.5. In recent years, technological advances and social change have been transforming our business environment at unprecedented speed. Moreover, surging power demand from digitalization and AI highlights the urgency of advancing efforts toward a sustainable society—now a critical social issue.

Against this backdrop, our medium-term strategy is guided by the principle: "Innovating a Sustainable Future for People and Planet." We are advancing growth investments in areas such as IOWN, AI, data centers, and financial services, while also driving group-wide transformation—including rebranding and making NTT DATA a wholly owned subsidiary. These initiatives aim to strengthen group-wide synergies and meet the expectations of customers and stakeholders alike.

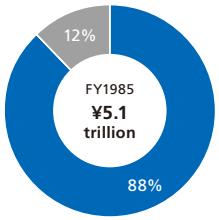
Beyond self-innovation lies the future NTT Group aspires to realize. » P.6

Evolution of our business portfolio

The 1980s

[Focus on fixed-line telephone services]

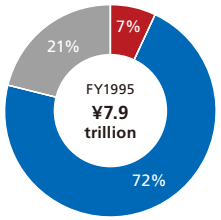
Amid rapid informatization, NTT was privatized and worked to expand not only fixed-line services but also telegraph, telegram, and dedicated-line offerings.



The 1990s

[Digitization and mobile expansion]

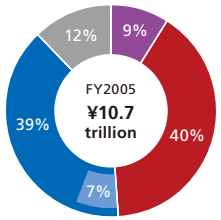
With the spread of the internet and mobile phones, communications demand surged. We responded by expanding high-speed, high-capacity networks and diversifying services, including mobile phone services.



The 2000s

[Expansion of mobile and fiber-optic access services]

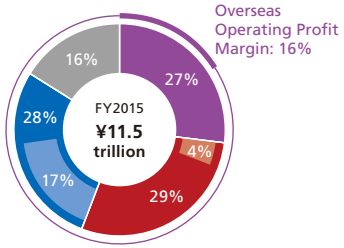
The broadband and ubiquitous connectivity era saw rapid growth in mobile services such as i-mode and in fiber access, while fixed-line services declined.



The 2010s

[Smartphones and new digital technologies]

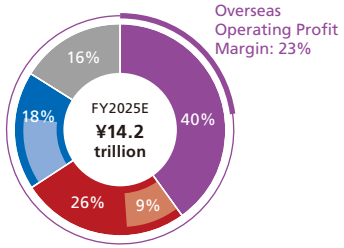
Rapid smartphone adoption, cloud and big-data technologies transformed markets and accelerated our expansion from domestic to global markets.



The 2020s

[AI and digital transformation (DX)]

Hybrid workstyles and lifestyles became established as AI adoption and DX advanced, driving expansion in growth domains such as Smart Life services and data centers.



■Fixed-line Communications ■(Reposted) FLET'S Hikari, etc ■Mobile Communications
■(Reposted) Smart Life Business ■System integration services (include data center services) ■Others

The center of the pie chart represents the total operating revenues for the fiscal year.
The percentages indicate the proportion of total operating revenue.

Message from the CEO

Our Commitment to IOWN: Enriching Lives and Securing the Planet's Future

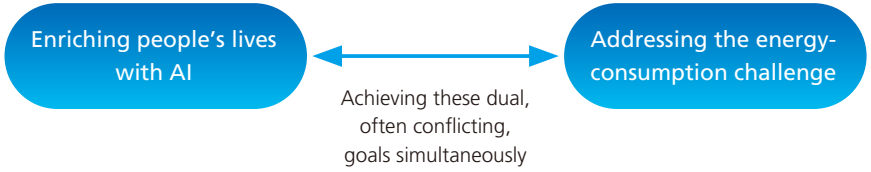
We have newly defined NTT Group's Core P.4, broadening our founding vision beyond the "development of human society and the enrichment of people's lives" P.3. Today our mission is to contribute to the richness of the Earth itself—embracing nature and all forms of life—under the principle of "Innovating a Sustainable Future for People and Planet." We believe AI will be one of the most impactful forces in enriching lives and shaping a sustainable future.

AI is already becoming an integral part of daily life. In the years ahead, it will play a vital role in early disease detection, disaster response, personalized education, care for the elderly, and climate-change mitigation—supporting human judgment and safeguarding lives and livelihoods.

Yet we face a stark reality: AI's soaring energy consumption. Training large-scale AI models with tens of billions of parameters can require over 1,000 MWh—more than the hourly output of a nuclear power plant. Moreover, because large language models (LLMs) must be retrained and updated regularly, electricity demand will grow to unimaginable levels if nothing changes.

The path forward is clear: we must enrich lives through AI while simultaneously curbing its energy footprint. IOWN is our answer to achieving these seemingly conflicting goals.

What We Aim to Achieve with IOWN



Cutting power consumption with IOWN —optical technology as the key

The defining feature of IOWN is the replacement of electrical signals with optical ones.

This shift delivers two powerful advantages: speed and efficiency.

First, light travels at the fastest speed in the universe—nothing can surpass it. By harnessing this property, IOWN enables the ultra-fast, low latency transmission of massive data volumes used by AI.

Second, optical signals consumer far less power than electrical ones. When large volumes of data are transmitted using electrical signals, heat is generated. This means that part of the electricity is converted into heat, resulting in a loss of energy. As a result, data centers housing vast numbers of servers and network devices require substantial additional power to operate cooling systems to dissipate the heat generated. By contrast, optical transmission and processing generate only minimal heat.

IOWN is designed to maximize these advantages. P.65

Embedding sustainability at the core of our strategy to realize commercial IOWN

The NTT Group's Sustainability Charter P.29 sets out our core philosophy: "Self as We." This reflects a spirit of altruistic coexistence—seeking not only one's own well-being but also the happiness of others.

This philosophy is why the NTT Group embeds sustainability at the heart of our strategy. IOWN represents our commitment to enriching lives and safeguarding the planet's future.

As noted earlier, our medium-term strategy is designed to drive growth and deliver sustainable value creation across the Group.

In March 2023, we launched IOWN 1.0 for commercial use. In May 2025, at the Osaka-Kansai Expo, we demonstrated IOWN 2.0, achieving an 87% reduction in power consumption. In FY2026, we plan to roll out a commercial version that doubles communication capacity beyond the Expo demonstration. Looking beyond the current medium-term strategy, the NTT Group envisions further growth with IOWN at its core.

Expanding Business Domains and Deepening Strategic Focus — Driving NTT's Next Leap Forward

While accelerating the realization of IOWN, we are also broadening our business domains, directing resources to priority areas, and reinforcing cash generation capacity—the foundation of long-term growth.

■ Making NTT DATA a Wholly Owned Subsidiary

The NTT DATA Group's businesses—including system integration, social and industrial DX, enhanced data utilization, and the expansion and upgrading of data centers—are key growth engines for the NTT Group.

Making NTT DATA Group a wholly owned subsidiary strengthens its role as the cornerstone of NTT's global solutions business and to accelerate Group-wide growth through the NTT DATA Group's expansion.

Message from the CEO

■ Making SBI Sumishin Net Bank a Consolidated Subsidiary

The NTT Group is working to grow its Smart Life business into a core revenue pillar, with enhancing the convenience of financial services as a top priority.

Linking d CARD with online bank accounts will greatly improve customer convenience. We will go further by integrating online banking with securities and other services, to deliver a seamless, one-stop financial platform.

By consolidating financial services around banking, we are accelerating the evolution of a "financial ecosystem" that delivers comprehensive services—including payments, insurance, investment, and lending—in tandem with mobile connectivity. This will allow us to deliver essential financial functions together with mobile services, strengthening our customer base through long-term engagement.

Three Strategic Initiatives

Global Solutions Portfolio Enhancement

Leveraging the NTT Group's cash flow and financing capacity to expand growth investments

- Expanding our presence in North America, the world's largest market and a hub for technological innovation
- Scaling AI-enabled services in anticipation of rapid market expansion
- Advancing digital engineering with high growth potential and global reach
- Expanding and upgrading data centers to meet surging AI demand

Strengthening Collaboration Across Group Resources and Capabilities

Corporate Sales

- Through stronger collaboration between the NTT DATA Group and other Group companies, we are combining customer bases and offerings to expand integrated solutions for large corporate clients
- We are also leveraging NTT DATA's software assets to enhance solutions for municipalities and small to mid-sized enterprises

Research and Development (R&D)

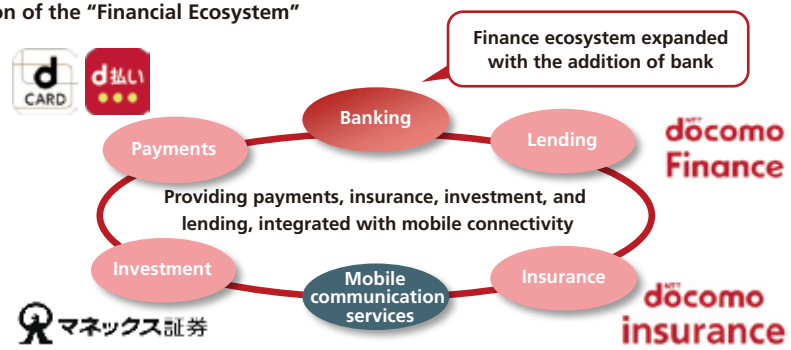
- Advancing data center sophistication through IOWN, and promoting real-world AI deployment using our large language model (LLM) "tsuzumi"

Accelerating Decision-Making, Strengthening Cost Competitiveness, and Enhancing Customer and Employee Experience

- Streamlining governance and eliminating redundancies to accelerate decision-making and optimize resources and assets
- Driving Group-wide DX of shared operations in software development and enterprise sales by fully leveraging AI
- Enhancing customer experience (CX) through continuous service improvements
- Improving both cost efficiency and employee experience (EX) through operational streamlining

To advance these initiatives, we have decided to integrate SBI Sumishin Net Bank, Ltd. into the NTT DOCOMO Group. While this will expand the NTT Group's balance sheet and increase financial complexity, we remain committed to transparent disclosure and continued dialogue with investors and other stakeholders.

Evolution of the "Financial Ecosystem"



Making the NTT DATA Group a wholly owned subsidiary and consolidating SBI Sumishin Net Bank are essential steps to further advance our global and Smart Life strategies and to realize the future the NTT Group aspires to create. ≫P.6 We will continue to create synergies across the Group and deliver greater value to our customers.

Creating Value through the Cycle of Customer Experience and Employee Experience

Enhancing Customer Experience (CX) and Employee Experience (EX) are fundamental initiatives that underpin our medium-term management strategy and the future beyond it.

As a leader, I have always believed in creating an environment where employees work with vitality and purpose, and where each individual's excitement, inspiration, and joy (EX) are valued. This, in turn, leads to customer satisfaction (CX). Every "thank you" from our customers fuels our motivation and drives further value creation.

NTT's symbol mark, the "Dynamic Loop" ≫P.9, represents this cycle. We believe that the continuous looping of CX and EX, extending into the future, is the driving force for the NTT Group to generate value and help build a sustainable society.

Message from the CEO

Advancing Customer Experience

In our medium-term management strategy, the NTT Group positions the advancement of Customer Experience (CX) as one of its pillars, reflecting our intent to deliver experiences and inspiration that exceed expectations and to remain their trusted choice.

At the NTT Group, we swiftly reflect customer feedback and continually improve our services. For example, NTT DOCOMO's "d Payment" has implemented improvements directly linked to usability, such as faster app launches and quicker barcode display, earning high ratings in market surveys. In June 2025, we introduced "DOCOMO MAX," an optimized rate plan tailored to individual lifestyles, combining services across communications, finance, and entertainment to provide a more personalized experiential value ≫P.89.

For corporate customers, NTT East and NTT West's "FLET'S Hikari Cross Biz" supports greater efficiency and more advanced remote work environments, through high-speed, large capacity connectivity, helping enhance CX through digital utilization.

NTT DATA is also driving CX transformation through AI and data integration. Based on data gathered at customer touchpoints, we are expanding the "LITRON®" series of AI agents to support operations and are optimizing marketing initiatives through generative AI—advancing the systems that support the "backstage" of CX.

Since FY2024, we have appointed Chief Customer eXperience Officers (CCXOs) at our major group companies to accelerate CX improvement across the Group. By leveraging advanced technologies such as IOWN and AI, we will continue to take on the challenge of creating even greater experiential value.

Enhancing Employee Experience

Since assuming the presidency, I have actively advanced the enhancement of Employee Experience (EX), believing it to be the driving force behind employees creating new value and delivering services to our customers. Accordingly, we have set employee engagement as an indicator for executive compensation and incorporated it into bonus evaluations for all managers.

To create an environment where employees can autonomously build their careers, we strengthened initiatives such as promoting understanding of HR programs and expanding opportunities to consider career paths. As a result, the positive response rate in our employee engagement survey rose to 61%, up seven points year on year. One initiative is the "NTT Group Job Board," an internal open recruitment system that allows employees to take on new challenges. We designated a special promotion month, sharing user interviews and related content to further strengthen this mechanism for encouraging participation.

We have also carried out initiatives such as formulating the "NTT Group Basic Policy on Customer Harassment" (July 2024), supporting the "Men's Childcare Leave Project," hosting childcare seminars (September 2024), and holding our first Alumni Event to broaden our talent pipeline (September 2024). We are honored to have received multiple awards again this year recognizing these efforts. ≫P.112

Since becoming President, I have valued dialogue with employees as a central approach to enhancing EX. Guided by my desire to "always keep my eyes on the frontlines and stay close to each employee," I have continued engaging in direct dialogue. In these conversations with employees working tirelessly in the field, I share my views, gain new insights, and listen closely to their honest opinions and thoughts. Reflecting this feedback in management has always been my guiding principle, and I believe it is essential to further enhancing the NTT Group's corporate value.

Looking ahead, we will remain committed to fostering an environment where employees can find fulfillment in their work and actively embrace challenges.

Since becoming President, under the motto "Go Anywhere," I have conducted 18 site visits not only to locations in Japan but also in North America, South America, Asia, and Europe. During these visits, I conveyed our management strategy in my own words, expressed my gratitude directly, and emphasized listening to employees through small-group discussions and on-site demonstrations.

Message from the CEO

Steadily Advancing Initiatives in Existing Businesses

Our existing telecommunications initiatives are essential to supporting new challenges and growth opportunities.

Although mobile communications revenue continue to decline, as noted earlier, it is important to strengthen our customer base by combining mobile services with Smart Life offerings—including banking. We remain committed to improving network quality and to ensuring the stable and sustainable operation of our network facilities, recognizing our vital role as Japan's telecommunications infrastructure backbone.

At the same time, our regional telecommunications business is showing signs of recovery. We will continue to improve the performance of our regional telecommunications business by driving efficiency through DX and strengthening cost competitiveness. Given the deterioration of NTT East and West's copper-based telecommunication facilities and the decline in cost efficiency in the future, NTT East and West plan to gradually transition to fiber-optic and wireless-based fixed-line services by 2035, ensuring the continuity of fixed-line telephone services. To avoid causing inconvenience to existing customers, we will provide sufficient notice and transition periods before switching to alternative services, and NTT East and West plan to announce basic policies and related information in September 2025.

Learn more: https://www.ntt-east.co.jp/release/detail/20250929_01.html
https://www.ntt-west.co.jp/news/2509/250929a.html

Revision of the NTT Act

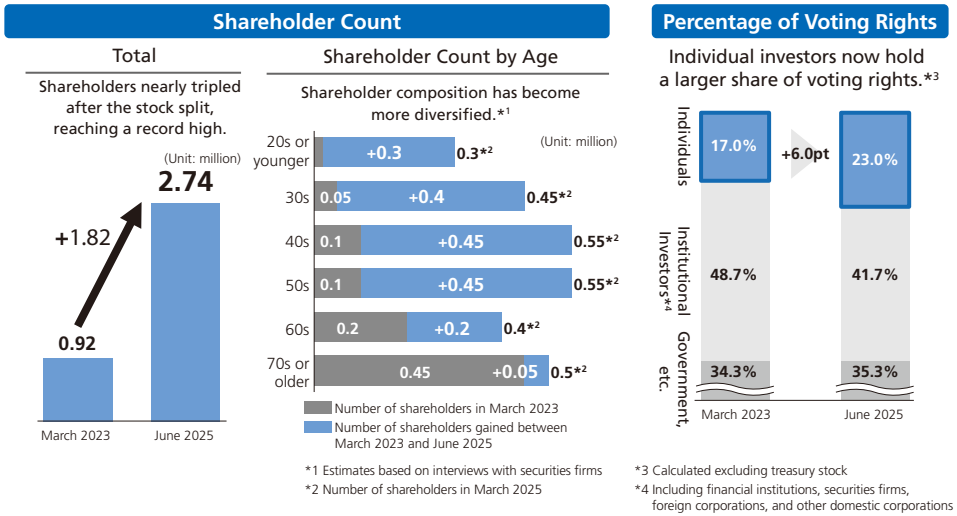
In May 2025, the amended NTT Act was passed and enacted by the National Diet of Japan. We view this revision positively, as it represents a constructive response to the current market environment and ongoing technological innovation.

NTT will continue to actively pursue R&D, while building flexible partnerships with a wide range of domestic and international stakeholders. Through further promotion of R&D and the social implementation of initiatives such as IOWN and our proprietary LLM "tsuzumi," we aim to contribute to strengthening Japan's industrial foundation and enhancing global competitiveness.

NTT East and NTT West will remain in full compliance with relevant regulations, including the Telecommunications Business Act, uphold fair competition in the telecommunications market, and ensure that networks and line installation infrastructure are made available to other operators on an equitable basis. They will also contribute to delivering universal service, advancing and reinforcing network infrastructure, and promoting regional revitalization and local economic development through a wide range of services.

To Our 2.74 Million Shareholders

As of the end of June 2025, our shareholder base had grown to approximately 2.74 million—around three times the level prior to the 2023 stock split. We have also seen significant growth in shareholders from younger generations through to those in their 50s, further diversifying our shareholder composition. We believe this reflects shareholders' positive response to our July 2023 stock split, which lowered the investment unit price and created a more accessible investment environment.



*1 Estimates based on interviews with securities firms
*2 Number of shareholders in March 2025
*3 Calculated excluding treasury stock
*4 Including financial institutions, securities firms, foreign corporations, and other domestic corporations

The NTT Group regards returning profits to shareholders as one of its top management priorities. Our fundamental policy is to deliver steady, continuous dividend growth. In addition to marking our 14th consecutive year of dividend increases in FY2024, we plan to raise dividends again in FY2025. We are also working to improve capital efficiency through agile execution of share buybacks.

Looking ahead, we will continue to pursue the goals of our medium-term management plan, strengthen cash generation, and improve the Group's performance—delivering returns to shareholders over the medium to long term. Beyond the medium-term strategy, we are also committed to realizing the future that the NTT Group aspires to achieve. We will continue striving to meet shareholders' expectations and sincerely ask for your ongoing guidance and support.

Message from the CFO

Executing a Financial Strategy for the AI Era

Takashi Hiroi
Representative Member of the Board
Senior Executive Vice President and CFO

Over the 40 years since privatization, the NTT Group has undergone two major business transformations, each time advancing toward the future. These were the shift to fiber-optic and digital fixed-line communications, followed by the transition to mobile communications. Today, we are in the midst of a "third wave": a transformation beyond telecommunications into IT businesses centered on applications and AI.

This represents the most significant challenge in the NTT Group's history. We view this change as a growth opportunity and have committed to approximately ¥8 trillion in investments over five years under our medium-term management strategy. We have already invested about ¥3.2 trillion, focusing on transformative areas that will support society's future—such as the digitalization of industries including data centers, and the advancement of personal digital services like Smart Life services. At the same time, we are enhancing sustainable corporate value by maintaining an optimal balance between investments and returns.

As CFO, my mission is to ensure that this third wave translates into sustained growth for the NTT Group. I am committed to supporting NTT Group's transformation from a Japanese telecom operator into a global ICT service provider through a robust financial strategy.

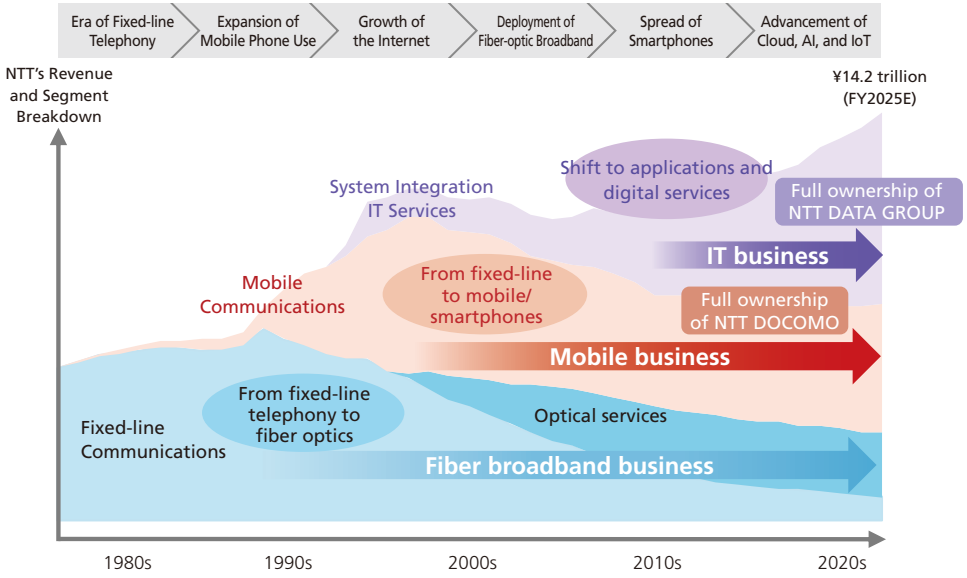
The Third Wave: Transforming Our Business Beyond Telecommunications

The IT market is evolving at unprecedented speed and scale. Technological innovations in AI, cloud, and data are fundamentally reshaping business and everyday life, while reorganizing the competitive landscape on a global scale. The telecommunications industry is no exception. At the center of this change, the NTT Group is accelerating its business transformation to keep pace with the times.

Since privatization 40 years ago, the NTT Group has repeatedly shifted its business focus to adapt to change. The first wave was the transition from voice and analog communications over metal cables to digital, data-driven communications over fiber optics, driven by the expansion of internet use. The second wave was the transition from fixed-line to mobile communications. In both transformations, the NTT Group advanced the infrastructure that underpins society, fundamentally changing the way people live and work.

Today, we are in the midst of the third wave—a transformation beyond telecommunications into IT businesses centered on applications and digital services. This is more than an expansion of business domains. It is a bold challenge to ensure the NTT Group delivers sustainable value in the next era.

NTT Group's Business Transformation Over the Past 40 Years



Message from the CFO

Seizing the Third Wave as a Growth Opportunity – Executing Strategic Investments

To capture the third wave as a growth opportunity, the NTT Group is accelerating strategic growth investments, with a strong focus on IT. This is the core of our ¥8 trillion growth investment plan under our medium-term strategy.

For growth in the IT field, enterprise IT services and solutions are driven by the NTT DATA Group, NTT DOCOMO Business, and the corporate sales divisions of NTT East and West. In the consumer field, NTT DOCOMO is expanding Smart Life services, particularly in financial services.

By the end of FY2024, we had already invested a cumulative ¥3.2 trillion, accelerating investments in enterprise services, data centers, and Smart Life businesses that underpin digitalization, and establishing a solid foundation for sustainable growth.

■ Corporate Business Initiatives

We are driving revenue growth by leveraging robust domestic and global demand for digitalization and DX, expanding our IT and digital services and solutions. For large enterprises, we are expanding solutions centered on IoT, AI, and digital BPO to address increasingly complex business needs. For small and medium-sized enterprises, we are enhancing packaged services to expand revenue opportunities across a broad customer base.

■ Data Center Business Initiatives

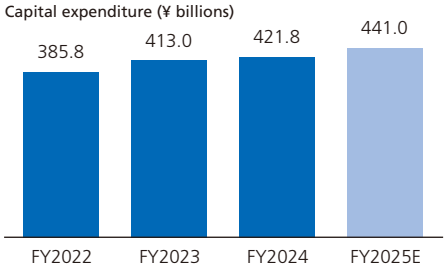
Our data center business, now the third largest globally, is sustaining proactive investments to meet surging demand from AI adoption. Operating revenue reached ¥371.2 billion in FY2024. We plan to maintain similar investment levels in FY2025 to reinforce our role as the backbone of infrastructure for an AI-driven society and ensure sustainable growth.

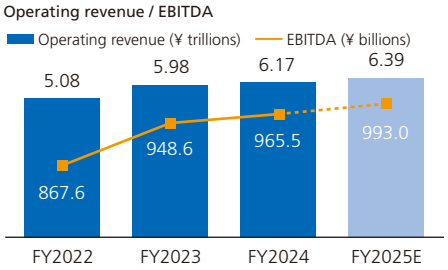
■ Smart Life Business Initiatives

The Smart Life business is delivering steady growth, particularly in finance and entertainment. Building on groupwide services such as d-CARD and d-Payment, the addition of SBI Sumishin Net Bank, Ltd. will further enhance customer convenience. This is also part of our broader strategy to turn the third wave into sustainable growth opportunities.

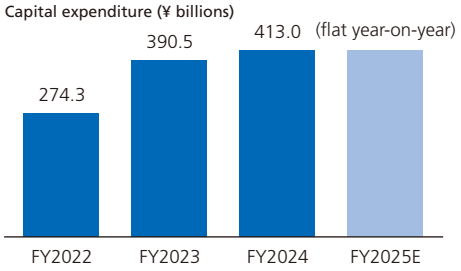
To maximize investment effectiveness, the NTT Group has reinforced its business promotion framework through organizational restructuring. After making NTT DOCOMO a wholly owned subsidiary in December 2020, we also made the NTT DATA Group, a global IT services provider, a wholly owned subsidiary as part of this initiative. Building on this strengthened business promotion framework, the NTT Group will continue proactive investments to ensure the third wave is fully realized as a new growth opportunity.

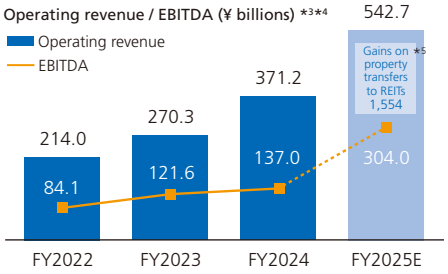
Growth in the Corporate (Digital Business) Segment *1



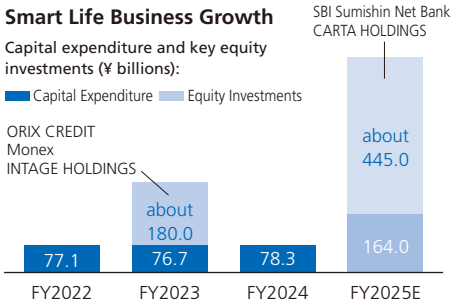


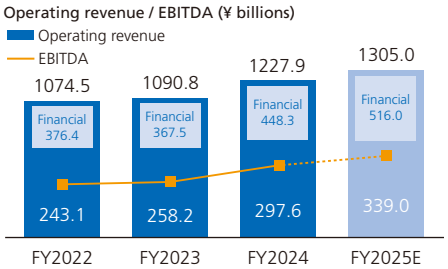
Data Center Business Growth *2





Smart Life Business Growth





*1 Aggregate figures include the NTT DOCOMO Group's enterprise business and the NTT DATA Group, excluding the data center business
*2 Unaudited managerial accounting figures for the data center business of NTT DATA Group's Global Technology Services Unit. Figures include intercompany transactions with NTT and the NTT DATA Group, and are calculated using certain allocation methods for shared costs with other unit businesses.
*3 EBITDA figures exclude certain headquarters overhead and shared corporate costs
*4 The FY2023 EBITDA figure includes ¥15.6 billion in gains from data center divestitures
*5 Forecast figures are based on information available as of May 8, 2024

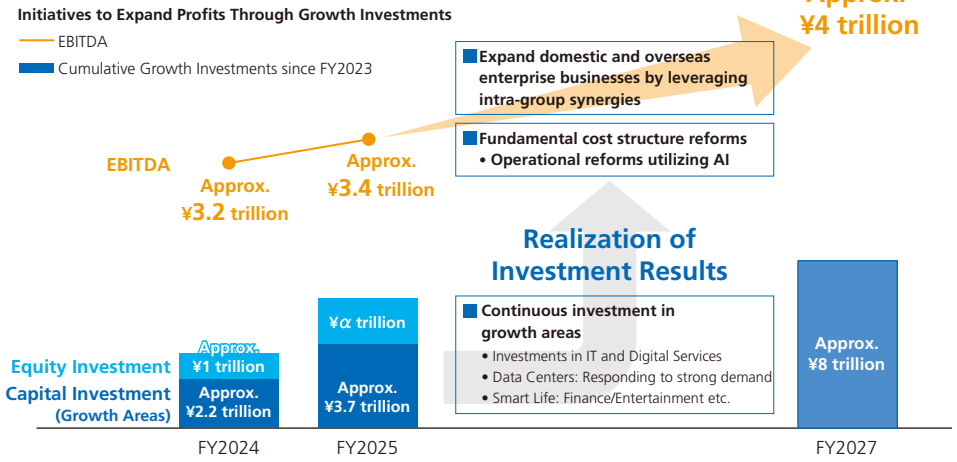
Message from the CFO

Enhancing Cash Generation Through Strategic Growth Investments

Under our medium-term management strategy, we emphasize EBITDA as a key metric of investment-driven growth, targeting an increase to approximately ¥4 trillion by FY2027, a 20% rise compared to FY2022. To achieve this target, we will continue to invest in growth areas such as data centers and Smart Life businesses, ensuring steady value creation from these investments.

In addition, we will expand our corporate business both in Japan and abroad by leveraging group synergies, while driving fundamental cost structure reforms, including AI-driven operational efficiency improvements, to achieve our medium-term targets and further strengthen cash generation.

Driving Growth Investments



Naturally, the NTT Group will continue to place strong emphasis on earnings per share (EPS), a key metric for our investors.

Looking ahead, as the share of our IT business within our portfolio increases, we expect the importance of price earnings rate (PER) to rise as well. We are committed to pursuing management that integrates these perspectives from the capital markets.

Financial Strategy Challenges: Accelerating Return Generation

A key financial strategy challenge is managing the lag between growth investments and the realization of returns. Future growth cannot be achieved without continued investment. At the same time, it takes time for the benefits of growth investments to materialize. As growth investments expand, it is inevitable that certain financial efficiency indicators will temporarily deteriorate due to higher assets, increased capital, and rising capital costs.

Over time, investment returns will materialize through higher revenue and profit, while ongoing depreciation will enhance asset efficiency. As debt levels decrease, the cost of capital will also decline. As CFO, my role is to carefully manage the timing between investments and returns, working toward FY2027, the final year of our medium-term management strategy, as the point of reference for adjusting this time lag.

We have already launched initiatives to improve capital efficiency. For example, we are enhancing capital efficiency by introducing new schemes, including the launch of a data center REIT and the securitization of expanding working capital in our financial business.

Listing of "NTT DC REIT" on the Singapore Exchange

On July 14, 2025, "NTT DC REIT," a real estate investment trust managed by NTT DC REIT Manager, a consolidated subsidiary of the NTT DATA Group, was listed on the Singapore Exchange (SGX).

Through the transfer of six data center (DC) assets valued at approximately ¥229.5 billion* into the REIT, the NTT Group aims to shorten the investment recovery cycle, secure new capital, maintain financial soundness, and drive further growth of the DC business while maximizing corporate value.

Six data centers included in NTT DC REIT (total power capacity: approx. 90MW)

*USD 1.5 billion (exchange rate: JPY 153 = USD 1)

Message from the CFO

Non-financial initiatives supporting sustainable growth

To ensure the third wave becomes a sustainable growth opportunity, we are strengthening not only cash generation but also the non-financial foundations that underpin it.

■ Transition to a Company with an Audit and Supervisory Committee ≫P.98

In today's rapidly changing business environment, strengthening board deliberations on management policy and long-term strategy has become critical for sustainable value creation. Reflecting this recognition, in June 2025, we transitioned to a Company with an Audit and Supervisory Committee to enhance board deliberations on strategy, reinforce oversight functions, and adopt a governance structure more in line with global standards and accessible to overseas investors. Looking ahead, we will deepen discussions on mid- to long-term strategic direction while further strengthening oversight of execution through improved monitoring practices and appropriate delegation of authority.

■ Renewal of NTT Group's Corporate Identity ≫P.9

Over the past 40 years, the NTT Group's business structure has changed significantly, and the gap between its corporate name at the time of its founding, "Nippon Telegraph and Telephone Corporation" and its actual business activities has widened.

In addition, the NTT Group's global business has steadily grown, with more than 40% of our approximately 341,000 employees engaged in overseas operations. To further enhance competitiveness in its rapidly expanding global business and to advance structural transformation, it is increasingly important not only to strengthen global brand recognition but also for all employees to share a common direction and values and work together as one.

In July 2025, in response to these developments, the NTT Group refreshed its corporate identity, adopting the new name "NTT, Inc." and introducing "NTT Group's Core" and "NTT Group's Values." While honoring the NTT Group's legacy since privatization, we are leveraging advanced technologies such as IOWN and AI under the new corporate identity to drive sustainable growth.

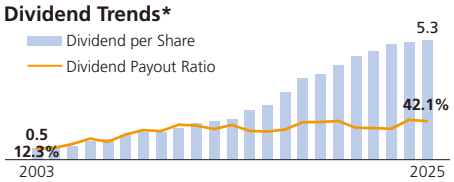
The NTT Group has undertaken a wide range of transformation initiatives to achieve sustainable growth and enhance corporate value. We will continue to drive these efforts going forward.

Shareholder Returns

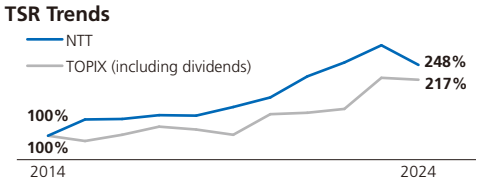
We remain committed to sustaining and enhancing shareholder returns, even as we continue strategic growth investments. We will continue to principally aim for a steady increase in dividends, while flexibly conducting share buybacks to improve capital efficiency. For FY2025, we plan to raise the annual dividend per share by ¥0.1 to ¥5.3, marking 15 straight years of dividend growth and more than a tenfold increase compared with FY2003. By FY2024, we had repurchased a cumulative total of about ¥5.7 trillion shares, and in FY2025 we have authorized an additional buyback of up to ¥200 billion.

Over the past decade, our total shareholder return (TSR), including dividends, reached 248%, outperforming the dividend-inclusive TOPIX. By realizing returns from growth investments, we will further strengthen cash generation, enhance shareholder distributions, and drive sustainable corporate value creation.

Dividend Trends*



TSR Trends



* Dividend-per-share amounts reflect the two-for-one stock splits carried out on July 1, 2015 and January 1, 2020, and the 25-for-one stock split carried out on July 1, 2023.

Strengthening Investor Dialogue and Enhancing Disclosure

Investor engagement has steadily grown, with 617 meetings held in FY2024. We will continue active, constructive dialogue to further deepen investor understanding of our management policies and growth strategy. ≫P.87

We are enhancing disclosure by clearly highlighting the impact of growth investments and portfolio changes, thereby strengthening transparency and conveying expectations for sustainable growth and profitability. In particular, for new growth areas such as data centers and financial services—areas not previously part of the NTT Group—we are proactively expanding disclosure.

We will continue to view the third wave as a growth opportunity, balancing proactive IT investments with a solid financial base. We remain fully committed to enhancing sustainable corporate value and advancing to the next stage of growth together with our shareholders and investors.

Message from the CTO

The Driving Force of Self-Innovation

Riaki Hoshino
Representative Member of the Board
Senior Executive Vice President and CTO

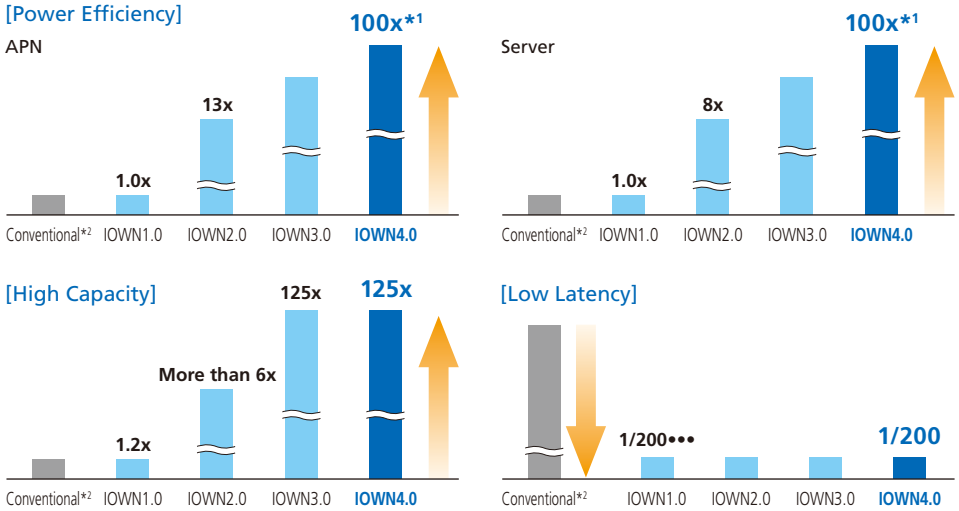
The NTT Group has consistently expanded its business portfolio to meet evolving needs and technological advances—growing from fixed-line telephony into mobile, fiber-optic broadband, global solutions, real estate, and energy. We remain committed to continuous self-innovation, accelerating creativity and bold initiatives that drive future growth.

At the heart of these initiatives is the realization of IOWN. Equally essential are value creation through AI, and the pursuit of forward-looking business development and R&D. As a provider of critical social infrastructure, we will continue to reinforce the resilience and reliability of our network platforms.

Sustainable growth and social contribution are only possible through ongoing investment and bold innovation in R&D and network infrastructure. As a positive force for people and the planet, the NTT Group is committed to putting the enrichment of lives and the future of the planet at the heart of its management as it drives future-oriented innovation. We sincerely appreciate the continued understanding and support of our shareholders, investors, and all stakeholders as we pursue this path forward.

Delivering on the Realization of IOWN

Since announcing the IOWN concept in 2019, the NTT Group has spent six years advancing research and proof-of-concept trials, steadily moving toward full-scale implementation. Yet the explosive growth in data volumes and energy consumption driven by AI adoption has created an urgent challenge that demands immediate action. We are firmly committed to executing the IOWN roadmap ≫P.8 to provide the essential infrastructure for an emerging AI-driven society. With unwavering resolve as CTO, I am determined to deliver on the realization of IOWN.



*1 Power efficiency figures represent the overall value for all areas where photonics is applied, including APNs and servers

IOWN 1.0, commercialized in 2023, is steadily advancing toward broader social deployment

■ At the forefront of commercialization and real-world implementation

IOWN 1.0 has already been commercialized as an All-Photonics Network (APN), which dedicates optical wavelengths across the entire communication network. NTT East and NTT West launched the service in March 2023, followed by NTT DOCOMO Business in March 2024.

Message from the CTO

In December 2024, NTT East and West launched "All-Photonics Connect powered by IOWN," expanding its functionality to include 800G-class products and Ethernet interfaces P.65.

At the EXPO 2025 OSAKA, KANSAI Yumeshima site, "All-Photonics Connect" was deployed, using APN to connect the venue's internal network with external networks across 29 locations.

■ Achieving international connectivity

In August 2024, we established international connectivity between Chunghwa Telecom's data center in Taiwan and the NTT Musashino R&D Center, enabling stable communications across roughly 3,000 km with one-way latency of about 17 milliseconds and minimal jitter. P.66 On May 24–25, 2025, during NTT Pavilion Day, "CHO-KABUKI Powered by IOWN: Konjaku Kyoen Senbonzakura Expo 2025 ver." delivered a powerful performance by seamlessly linking the Expo venue in Osaka with a venue in Taiwan P.69.

IOWN 2.0, which cuts power consumption to one-eighth, was demonstrated at the Osaka-Kansai Expo and is set for commercialization in FY2026

■ IOWN Optical Computing achieving one-eighth power consumption

At the NTT Pavilion of EXPO 2025 OSAKA, KANSAI, which opened in April 2025, we showcased IOWN Optical Computing equipped with Photonics-Electronics Convergence (PEC) devices, achieving one-eighth of the power consumption of conventional systems P.70.

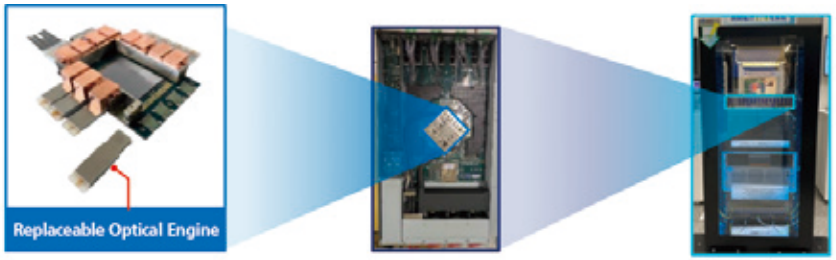
To date, we have welcomed representatives from several hundred companies, earning strong interest in our technology for enabling a low-power society and receiving highly positive evaluations. Building on this demonstration, we will further accelerate market-driven development and advance commercialization and adoption.

■ IOWN 2.0 will be commercialized in FY2026, with reduced repair costs

Development toward commercialization is progressing steadily. In FY2026, we plan to launch optical engines, switch modules, and PEC switches that build on and surpass the Expo demonstrations. The commercial PEC switch will achieve market-leading capacity of 102.4 terabits per second—twice that of the prototype.

In addition, the commercial version of IOWN 2.0 features a design that allows individual optical engines to be removed and replaced in the event of failure. This structure is unique in the market.

Development toward IOWN 2.0 commercialization (replaceable optical engine)



- 6.4 Tbit/s optical engine
- 102 Tbit/s switch module

102.4 Tbit/s PEC switches

Rack equipped with a PEC switch

In 2028, IOWN 3.0 will enable optical chip-to-chip connections, delivering further reductions in power consumption

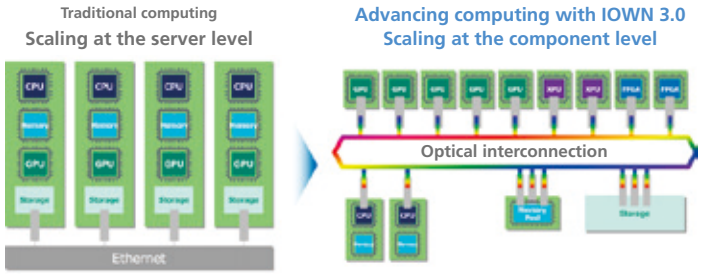
■ Breakthrough power savings with IOWN 3.0

Targeted for realization around 2028, IOWN 3.0 aims to extend optical interconnects within computers to the chip-to-chip level.

Traditionally, meeting higher computational demand required scaling by adding entire server units, each equipped with CPUs, memory, GPUs, and other components.

By contrast, IOWN 3.0 will directly connect components optically, enabling flexible configuration and use of only the required parts across a wide network. Furthermore, unused components can be powered off, delivering breakthrough reductions in power consumption.

IOWN 3.0: Optical interconnection between chips



Message from the CTO

IOWN 4.0: Reducing power consumption to one-hundredth —The vision of IOWN

By around 2032, IOWN 4.0 aims to achieve on-chip optical communications, driving further breakthroughs in power efficiency. We are steadily advancing R&D to ensure its realization.

IOWN is an initiative to replace today's electricity-based communications and computing with optical technologies. However, its vision goes beyond delivering high capacity, low latency, and low power consumption. IOWN can profoundly impact society—not only helping to address challenges such as climate change and demographic shifts, but also fostering respect for diverse values, enhancing well-being, and enriching how people live. Because IOWN is essential to building a society that prioritizes well-being, we are committed to making it a reality.

Building global partnerships and driving international standardization

Realizing IOWN requires close collaboration with global partners and progress in international standardization. As of July 2025, the IOWN Global Forum—an industry body leading the promotion of IOWN—had 167 member companies and organizations, with experts worldwide developing standard specifications and advancing technology.

Learn more: https://group.ntt/en/group/iown/outreach.html

In December 2024, NTT participated in the ITU-T–hosted CxO Roundtable, proposing solutions to challenges from large-scale AI, including distributed processing that leverages remote suburban data centers and an AI Constellation approach (p.71). The proposal gained broad support, leading to agreement on the need for public standards. Achieving this will require combining ITU-T public standards with technologies such as APN and DCI (Data Centric Infrastructure), with specifications now being developed at the IOWN Global Forum.

Learn more: https://group.ntt/en/newsrelease/2024/12/13/241213a.html

*1 ITU: International Telecommunication Union (ITU) is a United Nations specialized agency for information and communication technologies (ICTs). ITU-T, the Telecommunication Standardization Sector of the ITU, is responsible for coordinating global ICT standards.
*2 CxO Roundtable: A meeting of senior executives from ITU-T member organizations, hosted by ITU-T director, Mr. Seizo Onoe of Japan.

Value creation Using AI P.71

"tsuzumi": AI designed to be close to customers

We focus on the needs of our customers —this is the core of the NTT Group. Developed entirely in-house, NTT's large language model "tsuzumi" is lightweight yet delivers world-class Japanese processing performance. Its second generation, tsuzumi 2, will launch in October this year. In particular, tsuzumi 2 has made major advances in contextual and semantic understanding—capabilities that customers most requested for interpreting internal documents and manuals. Benchmark comparisons confirm performance fully competitive with other leading models. Maintaining its cost advantage of running on a single GPU, tsuzumi 2 also supports on-premises deployment and, as a fully Japan-developed model, it allows customers to handle even highly confidential information with confidence. We look forward to bringing you the enhanced capabilities of tsuzumi 2.

Driving digital transformation with AI tailored to customer needs

NTT Group companies provide AI solutions best suited to the needs of corporate customers, along with practical implementation support. For example, NTT DATA offers a broad portfolio of generative AI services, helping customers harness AI to accelerate both innovation and growth.

Future-oriented business and R&D

Expanding Space Business P.78

For the NTT Group, expanding into space is a key driver of sustainability.

NTT Group companies are working to make space services accessible for disaster response as well as industries such as agriculture, forestry, and infrastructure—helping solve diverse challenges while bringing space closer to people's everyday lives. The NTT Group's goal is to expand its space business to achieve approximately ¥100 billion in annual revenue within 10 years.

Optical Quantum Computing Leveraging NTT's Strengths P.79

The NTT Group's expertise in optical technologies also plays a central role in quantum computing. In November 2024, a joint project team between NTT and Professor Akira Furusawa of the University of Tokyo launched the world's first general-purpose optical quantum computing platform. By leveraging optical technologies highly compatible with our existing businesses, we aim to deliver practical quantum computers by around 2030.

Message from the CTO

An unceasing challenge — Toward a network foundation that meets customer expectations and trust.

Since joining the company, I have pursued the evolution and reliable delivery of communication services with a strong sense of responsibility and mission to meet customer expectations and earn their trust. Over the 40 years since its founding, the NTT Group has greatly expanded the scope of its activities. Yet the essence remains unchanged: the network foundation is critical infrastructure that supports society and enables its transformation. This is why we are fully committed to both pioneering the future through R&D and strengthening the network foundation that underpins society.

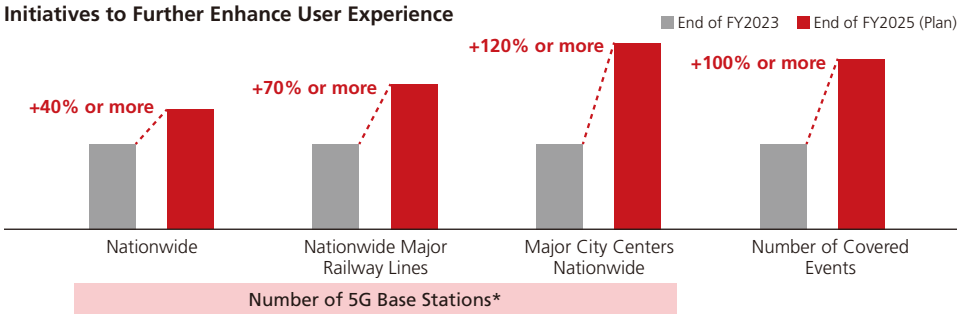
Enhancing Mobile Network Quality Through the Full Strength of the NTT Group

We recognize that enhancing mobile network quality is one of the most critical factors in continuing to earn customer choice.

In FY2024, we increased the number of 5G base stations by 20% year-on-year, focusing primarily on urban areas. As a result, average download throughput improved by 20% in major city centers and by 30% along key railway lines. In FY2025, in addition to further increasing the number of 5G base stations, we will expand and accelerate 5G coverage by leveraging the latest equipment and technologies.

We will also continue technical innovation, such as using AI to optimize base station placement and enhance user experience. Looking ahead, we will reinforce these initiatives to meet rapidly growing network traffic.

Initiatives to Further Enhance User Experience



*Combined total of Sub-6 base stations and 5G base stations using 4G frequency bands

Enhancing mobile network quality requires not only the efforts of NTT DOCOMO but also leveraging the NTT Group's R&D achievements, utilizing Group networks in line with fair competition rules, and centralizing procurement. The NTT Group will unite its full strengths to further raise mobile network quality.

Building a Resilient Network System Against Large-Scale Failures and Cyberattacks

Drawing on past experiences with large-scale failures, the NTT Group is conducting a comprehensive review of risks and reinforcing preventive measures across the organization. To avert major failures, we are strengthening collaboration with peers and other industries. For example, we are deepening cooperation with telecom equipment manufacturers, carrying out information-sharing and joint failure-response drills to enable swift action when issues arise. To remain a vital social infrastructure supporting people's lives and businesses, the NTT Group will continue to advance these initiatives with full commitment on every front.

Strengthening Resilience Against Intensifying Natural Disasters

To fulfill its mission, the NTT Group must be fully prepared for intensifying natural disasters. Following our response to the Noto Peninsula Earthquake in January 2024, the NTT Group, in partnership with KDDI, SoftBank, Rakuten Mobile, and a total of eight telecom operators, established a new cooperative framework in December 2024 to accelerate network restoration during large-scale disasters.

In July 2025, the eight operators also began information sharing on disaster-area support, establishing a framework that enables faster and more effective assistance. Looking ahead, we will continue to conduct joint training to improve the effectiveness of inter-operator collaboration, and in the event of a major disaster, fully leverage this framework to achieve swift network restoration.

The driving force of self-innovation

We established the Marketing Development Division, integrating R&D promotion, marketing, and alliance functions, to drive a seamless process from global co-creation in R&D through to product delivery. Looking ahead, we will further evolve our R&D by incorporating market needs and insights, while continuing to pursue "market-out" innovation that creates new markets. At the same time, reinforcing our network foundation—the culmination of our R&D efforts—is essential both to supporting society and to ensuring the NTT Group's sustainable growth.

I am fully committed to these two pillars: innovation through R&D and strengthening the network foundation. I sincerely ask for the continued understanding and support of our stakeholders, including our investors.

Placing Sustainability at the Core of Our Management Strategy

NTT's Vision of a Sustainable Society

— NTT Group's Global Sustainability Charter —

Established: November 2021 / Revised: April 2024

In today's society, conflicting phenomena exist that cannot be understood with traditional dualistic thinking, such as global versus local, environmental versus economic, or human rights issues.
A single fact can also have different realities and meanings depending on the observer.
NTT believes that realizing a paraconsistent society, which embraces opposing concepts and acknowledges diverse values, will contribute to a sustainable society.
In working to realize a sustainable society, the NTT Group bases its efforts on the concept of "Self as We."
"Self as We" is the idea that the self exists only through connections with others, things, and technologies.
We pursue initiatives founded on the principles of altruistic co-existence, through which people seek to increase their own happiness together with the happiness of others.
Based on the concept of "Self as We," we believe that to realize a sustainable society initiatives for ensuring the positive coexisting of nature and humanity, improving prosperity for all people and cultures, and maximizing well-being for all, are essential.
In April 2024, we revised our NTT Group Global Sustainability Charter to strengthen its linkage to our Management Strategy, enhance effectiveness, and reflect changes in the external environment.
Specifically, we revised our activities under NTT's vision of a sustainable society, which are structured around three themes and nine challenges, into 18 activities.

Promoting "Self as We"

Ensuring the positive coexistence of nature and humanity

Nature is an altruistic existence "We" are part of it

- Moving towards a decarbonized society
- A commitment to a resource-recycling future
- A future where people and nature are in harmony

Improving prosperity for all people and cultures

By binding "We" with threads of ethics, cultures and societies are stabilized

- Establish shared ethical standards
- Prepare for a new future with the power of technology
- Moving towards a safe, secure, and resilient society

Maximizing well-being for all

Altruistic coexistence
(coexistence of one's own happiness and the happiness of others)

- Respect for human rights
- Diversity & Inclusion
- Creating new work style models

Learn more: https://group.ntt/en/sustainability/management/charter/

Enhancing Corporate Value Through Value Creation | Sustainable Growth Through Sustainability Management

Placing Sustainability at the Core of Our Management Strategy

Key Issues in Sustainability

We have established 33 measurable indicators to enhance the effectiveness of the 18 activities (material issues) set forth in our Sustainability Charter.
These indicators are reviewed for their effectiveness. For FY2025 we have set and are working toward the indicators listed below.
Initiatives based on the three themes defined in the Sustainability Charter are presented under four categories: climate change, human capital, new value creation, and resilience.

Indicators in bold are linked to compensation (officers and managers)
Indicators in purple are for monitoring purposes

3 Themes	9 Challenges	18 Business Activities (Materiarity)	Indicator	Medium-Term Targets	Achievement Year	Category
Ensuring the positive coexistence of nature and humanity	**Moving towards a decarbonized society**	1) Achieve our decarbonization goals through energy conservation, implementing IOWN and other innovative technologies, developing and expanding renewable energy usage 2) Implement decarbonization requirements for partners throughout the supply chain	**i) 2040: carbon neutrality across the entire NTT Group (Scope 1 & 2)** ii) 2040: net-zero across the entire supply chain (Scope 1, 2 & 3)	**i) 100% reduction** ii) Net-Zero	**i) 2040** ii) 2040	Climate Change ≫P.34
	A commitment to a resource-recycling future	3) Increase the reuse and recycling of all technology equipment 4) Ensure proper treatment, storage and management of hazardous waste	iii) 2030: waste recycling rate iv) Waste disposal (PCB) related legal violations	iii) At least 99% iv) 0	iii) 2030 iv) Every year	
	A future where people and nature are in harmony	5) Promote increased biodiversity, natural ecosystems and conservation 6) Appropriate and efficient management of water resources	v) Number and percentage of business facilities located in protected natural areas vi) Number and percentage of business facilities located in water risk regions	v) — vi) —	v) — vi) —	
Improving prosperity for all people and cultures	**Establish shared ethical standards**	7) Develop and enforce thoroughly the code of ethics including conduct risk, compliance, and governance 8) Share high ethical standards with business partners	vii) Number of anti-competitive violations / number of corruption violations viii) Direct dialogue rate with suppliers from whom improvements have been requested	vii) 0 viii) 100%	vii) Every year viii) Every year	Resilience ≫P.83
	Prepare for a new future with the power of technology	9) Ensure continuous improvement of services and support to meet the evolving needs of customers, communities and corporations 10) Protection and respect of intellectual property	**ix) Customer engagement (NPI, NPS)** x) Number of serious incidents involving the intellectual property rights of NTT or others	**ix) NPI: year-on-year improvement** **NPS: year-on-year improvement** x) 0	**ix) Every year** x) Every year	New Value Creation ≫P.64
	Moving towards a safe, secure, and resilient society	11) Ensure the stability and reliability of services 12) Strengthen information security and personal information protection	xi)-1 Number of serious incidents xi)-2 Number of serious incidents involving essential services xii)-1 Number of critical Incidents due to external cyberattacks xii)-2 Number of data leaks	xi)-1 0 xi)-2 0 xii)-1 0 xii)-2 0	xi)-1 Every year xi)-2 Every year xii)-1 Every year xii)-2 Every year	Resilience ≫P.83
Maximizing well-being for all	**Respect for human rights**	13) Compliance with the NTT Group Human Rights Policy 14) Encourage human rights and respect for the individual across our organization, customers, and partners	xiii) Number of confirmed human rights violations xiv) Direct dialogue rate with suppliers requested to make improvements	xiii) 0 xiv) 100%	xiii) Every year xiv) Every year	Human Capital ≫P.45
	Diversity & inclusion	15) Attract and retain diverse human resources 16) Support flexible work life balance choices and support an inclusive work environment	Common to xv) to xviii) Employee engagement rate xv)-1 Ratio of mid-career hires xv)-2 Employment of foreign nationals, Ph.D. holders, and technical college graduates xv)-3 Employment rate of people with disabilities **xvi)-1 New female manager promotion rate** xvi)-2 Ratio of women employees in managerial positions xvi)-3 Proportion of women executive officers xvi)-4 Acquisition and maintenance of PRIDE indicators (LGBTQ dissemination indicators)	**Common to xv) to xviii) target of 57%** xv)-1 - xv)-2 - xv)-3 2.5% **xvi)-1 30%** xvi)-2 15% xvi)-3 25-30% xvi)-4 Gold status	**Every year** xv)-1 - xv)-2 - xv)-3 2025 **xvi)-1 Every year** xvi)-2 2025 xvi)-3 2025 xvi)-4 Every year	
	Creating new work style models	17) Support diverse work styles for health and wellbeing management (remote working standards / hybrid work, etc.) 18) Encourage independent and personal skill development	xvii)-1 Rate of positive responses regarding independent work styles xvii)-2 Male childcare leave rate xvii)-3 Number of occupational accidents xvii)-4 Presenteeism loss rate xviii)-1 Training hours xviii)-2 Training investment amount xviii)-3 Exceptional promotion rate xviii)-4 Number of successful open recruitment cases (compared to previous year) xviii)-5 Satisfaction with career support interviews / career design form registration rate	xvii)-1 - xvii)-2 100% xvii)-3 0 xvii)-4 6.0% or less xviii)-1 - xviii)-2 - xviii)-3 - xviii)-4 - xviii)-5 -	xvii)-1 - xvii)-2 Every year xvii)-3 Every year xvii)-4 Every year xviii)-1 - xviii)-2 - xviii)-3 - xviii)-4 - xviii)-5 -	

Enhancing Corporate Value Through Value Creation | Sustainable Growth Through Sustainability Management

Placing Sustainability at the Core of Our Management Strategy

Linkage between the Sustainability Charter and the Medium-Term Management Strategy

Established in November 2021, the NTT Group's Global Sustainability Charter: NTT's Vision for a Sustainable Society — Self as We, serves as a foundational guideline for the Group's management strategy. Building on this Charter, the Medium-Term Management Strategy announced in May 2023 places sustainability at the heart of our management approach and drives related initiatives. The pillars of these initiatives are organically interconnected, serving as a driving force for sustainable value creation.

The Basic Philosophy of "Self as We"		Sustainability Categories	Medium-Term Management Strategy New Value Creation & Sustainability 2027 Powered by IOWN					
			NTT as a Creator of New Value and Accelerator of a Global Sustainable Society				Upgrading the Customer Experience (CX)	Improving the Employee Experience (EX)
3 Themes	9 Challenges		IOWN-Driven Creation of New Value (from concept to commercialization)	Data-Driven Creation of New Value	Achievement of a Circular Economy Society	Further Strengthening of Business Foundations		
Ensuring the positive coexistence of nature and humanity	Moving towards a decarbonized society	Climate Change ≫P.34	● ≫P.36		● ≫P.35			
	A commitment to a resource-recycling future				● ≫P.39,44			
	A future where people and nature are in harmony				● ≫P.40			
Improving prosperity for all people and cultures	Establish shared ethical standards	Resilience ≫P.83				● ≫P.108		
	Prepare for a new future with the power of technology	New Value Creation ≫P.64	● ≫P.65	● ≫P.71	● ≫P.74		● ≫P.76	
	Moving towards a safe, secure, and resilient society	Resilience ≫P.83				● ≫P.83		
Maximizing well-being for all	Respect for human rights	Human Capital ≫P.45						● ≫P.61
	Diversity & inclusion							● ≫P.57
	Creating new work style models							● ≫P.59

18 Activities and 33 Indicators ≫P.30

Sustainability Promotion Framework

Material Issue Selection Process

Activities (material issues) based on the three themes and nine challenges for a sustainable society set out in the NTT Group Sustainability Charter are selected and reviewed through deliberation by the Sustainability Committee and approval by the Board of Directors. In April 2024, the number of activities was reduced from 30 to 18.

STEP1
Identifying material issues

Using evaluation organizations like third party institutions, ISO 26000 and GRI Standards, the SDGs, global trends, internal workshops, and materiality at other companies as a guide, we identify material issues through comprehensive review of new problems related to sustainability, in order to discuss and select important issues that the NTT Group should address on a global scale.

STEP2
Setting priorities

NTT assesses the priorities to be addressed based on their impact on two aspects, "Growth as a company" and "Solving social issues." To achieve management that simultaneously helps resolve social issues and achieve business growth, NTT assesses priorities by incorporating the opinions of outside experts.

STEP3
Confirming validity & approval

NTT also incorporates the opinions of third parties from a global perspective, which are then deliberated by the Sustainability Committee and approved by the Board of Directors.
* These are reviewed regularly (once per year) and revised when necessary

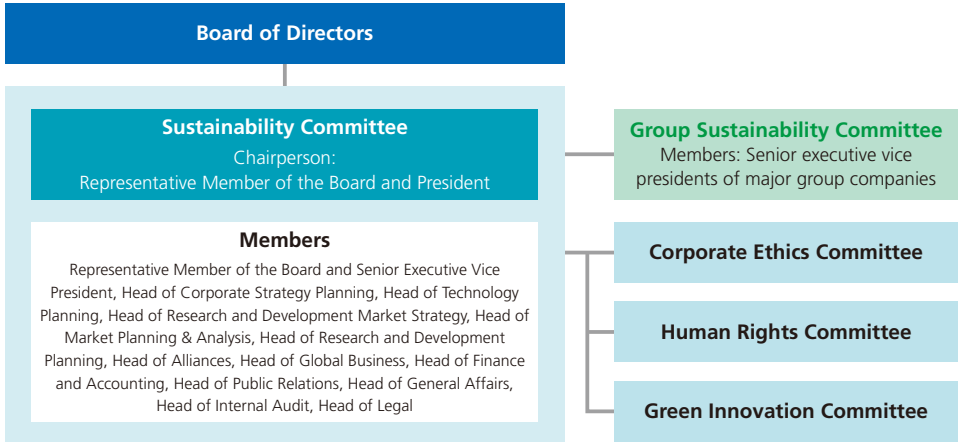
Governance

The NTT Group considers the promotion of sustainability to be an important management issue, and particularly important matters are determined based on discussions with members of the board. As a supervisory system of members of the board, the NTT Group has established a Sustainability Committee (with the President as the chairperson) directly under the Board of Directors to manage group-wide activity policies and their progress. Policies related to sustainability (the establishment, revision or abolition of the charter and related policies, and the determination of particularly important indicators) are determined by the Board of Directors after going through the Sustainability Committee.

In addition, the Sustainability Committee includes the Corporate Ethics Committee, Human Rights Committee, and Green Innovation Committee to handle the individual topics relevant to each sub-committee. Furthermore, Group Sustainability Committee meetings (with senior executive vice presidents and others from major Group companies) are held to share common challenges and successful examples from each Group company, as well as to monitor progress on sustainability implementation with respect to PDCA cycles and further promoting a sense of unity throughout the Group.

Promotion System

Sustainability Promotion System



One meeting each of the Sustainability Committee and the Group Sustainability Committee was held during FY2024 and the first half of FY2025. Discussions covered the partial revision of indicators to enhance the effectiveness of activities under the Sustainability Charter, as well as recent developments in the domestic and international sustainability landscape. In addition, the status of sustainability initiatives is reported to the Board of Directors.

Risk Management

Risks and opportunities related to important sustainability issues are submitted for discussion to the Sustainability Committee, which reports on them to the Board of Directors.

As NTT Group's risk management process, the NTT Group established risk management regulations that set forth fundamental risk management matters for the purpose of anticipating and preventing the occurrence of potential risks and, should the risks actually materialize, minimizing losses. Primarily driven by the Business Risk Management Promotion Committee, which is chaired by the Executive Vice President, and Group Business Risk Management Promotion Committees, the NTT Group has established and operates a PDCA cycle for risk management, and the identification, evaluation and management of sustainability-related risks are integrated into the NTT Group's comprehensive risk management process.

Climate change, resource recycling, and biodiversity are treated as business environment and strategy-related risks within the Business Risk Management Promotion Committee.

NTT Group Sustainability Conference

12th NTT GROUP SUSTAINABILITY CONFERENCE

Official Website https://group.ntt/en/sus_conf/

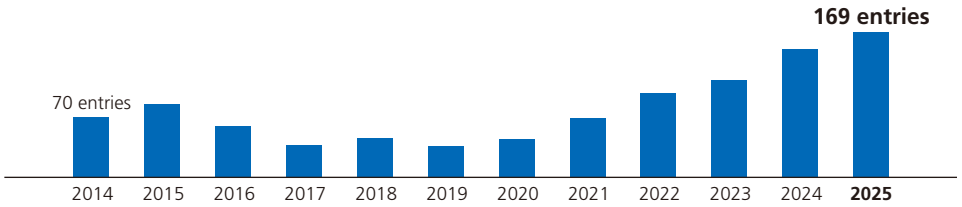
Overview

Since 2014, the NTT Group has held the annual NTT Group Sustainability Conference as a forum for sharing sustainability initiatives across Group companies.

The inaugural conference drew 70 entries, and over the years, both the number of entries and the geographic reach have grown. The 12th conference in 2025 recorded a high of 169 entries from 18 countries and regions worldwide.

Starting with the 10th conference, the award ceremony has been held in a hybrid format combining in-person and online participation. The 12th conference attracted a total of 1,078 participants.

Number of Entries (Trend)



Scaling Award-Winning Initiatives

The award-winning initiatives are proven examples of turning sustainability ideas into viable businesses, and they are viewed as having strong potential for rollout in other regions around the world.

For example, at the first conference, the grand prize was awarded to a system that enables paramedics to enter transport information in real time using smartphones, helping to reduce patient transfers between emergency facilities. This system has since been adopted nationwide.

As the second conference, the grand prize was awarded to the Vatican Library's digital archiving project for paintings and other cultural assets, undertaken to help preserve humanity's heritage. A decade later, 3D digitization has been achieved, and the initiative has expanded to include to the Koyasan library collection.

Grand Prize Winners at the 12th Conference (Five Initiatives)

Morikachi: Carbon credits to protect forests NTT Communications (* Now NTT DOCOMO BUSINESS)	By providing GIS (Geographic Information System) functions for the first time in Japan to forest-credit creators, certification bodies, and purchasers, and by improving the issuance process and reliability of credits via the creation and distribution of forest credits, we strive towards regional development and a sustainable society.	 Learn more ⇒ https://group.ntt/en/sus_conf/A39.html
Fishnet Vision: Improving biodiversity through AI NTT DATA Portugal	NTT DATA developed an AI-driven computer vision model to automatically analyze footage from dam cameras, identifying and classifying fish species and detritus. This innovation helps monitor biodiversity efficiently, driving sustainability within Portugal's energy transition.	 Learn more ⇒ https://group.ntt/en/sus_conf/B09.html
A circular society via fully-local energy NTT EAST	NTT EAST has established a "regional recycling model" that combines: the local production for local consumption of energy; ICT to develop next-generation horticulture; the re-use of raw materials and waste. Moreover, our recycling model utilizes diverse unused resources — such as small-scale woody biomass — to help create a circular economy.	 Learn more ⇒ https://group.ntt/en/sus_conf/A36.html
MeetZero water credits NTT DATA EUROPE & LATAM	MeetZero Implementation for Veolia (a global leader water management services), to monitor, certify and issue water credits. The first initiative to create a voluntary water-credit market in Spain	 Learn more ⇒ https://group.ntt/en/sus_conf/B15.html
Realizing the Battery Traceability Platform NTT DATA Group	This platform enables the automotive industry to aggregate carbon footprint information across the supply chain for electric vehicle batteries and visualize recycling and reuse information across the value chain.	 Learn more ⇒ https://group.ntt/en/sus_conf/A37.html

Related Items

Key Issues in Sustainability 3 Themes and 9 Challenges

- Ensuring the positive coexistence of nature and humanity
- Improving prosperity for all people and cultures
- Maximizing well-being for all

Moving towards a decarbonized society / A commitment to a resource-recycling future / A future where people and nature are in harmony

Related Medium-Term Management Strategy Initiatives

1 NTT as a Creator of New Value and Accelerator of a Global Sustainable Society

❶ IOWN-Driven Creation of New Value (from concept to commercialization)
i. Establishment of manufacturing company for photonic-electronic convergence devices
ii. Acceleration of IOWN research and development/commercialization

❷ Data-Driven Creation of New Value
i. Strengthening the personal business
ii. Strengthening the use of DX/data in society and industry
iii. Expansion and upgrade of data center infrastructure

❸ Achievement of a Circular Economy Society
i. Develop sustainability solutions for customers
ii. Creating Circular Economy businesses
iii. Progression towards Net-Zero

❹ Further Strengthening of Business Foundations

2 Upgrading the Customer Experience (CX)

❺ Fusion of Research and Development with a Market-Focused Strategy

❻ Strengthening of Services that Emphasize Customer Experience (CX)

3 Improving the Employee Experience (EX)

❼ Open and Innovative Corporate Culture

❽ Support Career Growth

❾ Global Benefits for Employees and their Families

Contents Covered in the Climate Change Section

1. Toward Net Zero	• Climate Change Initiatives in the Medium-Term Strategy • Decarbonization Action Plan • Actions by Scope
2. Response to TCFD and TNFD	• Approach to Integrating TCFD and TNFD • Governance • Risk Management • Natural Capital Analysis
column Business Opportunities in Sustainability	• Climate Change: Implementation of a Hydrogen Supply Chain Model • Resource Circulation: Building a Local SAF Supply Chain Project • Natural Capital: Advancing Natural Capital Monitoring Services

Indicators and Targets

Indicator	Target	Results
Greenhouse gas emissions	[Scope 1 & 2] FY2030: 80% reduction (compared to FY2013) FY2040: Carbon neutrality [Scope 1 & 2 & 3] FY2040: Net Zero	[Scope 1 & 2] FY2024: 2.12 million tons, 54% reduction (compared to FY2013) [Scope 1 & 2 & 3] FY2024: 20.54 million tons, 28% reduction (compared to FY2018)

(Notes) 1. The scope of aggregation for greenhouse gas emissions consists of the Company and its consolidated subsidiaries.
2. For Scope 1 & 2, FY2013 has been set as the reference year in line with the Japanese government's global warming countermeasures plan. For Scope 1, 2 & 3, including Scope 3, FY2018, which is the year when NTT Group began calculations with the same scope of aggregation as now, including overseas group companies, has been set as the reference year.

Climate Change Toward Net Zero

Climate Change Initiatives in the Medium-Term Strategy

Climate Change Initiatives in the Medium-Term Strategy (Toward Net Zero)

By continuing initiatives to reduce environmental impact this fiscal year, we achieved greenhouse gas reductions exceeding our 2040 carbon-neutral plan, making steady progress toward our long-term targets.

Going forward, we will continue to promote emissions visualization and reduction among suppliers, support customers in adopting renewable energy, and aim to achieve a 17 million-ton reduction across Scope 1, 2, and 3 by FY2030.

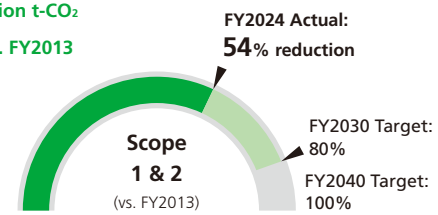
Scope 1 & 2

FY2030: 80% reduction (vs. FY2013)

FY2040: Carbon Neutral

✓ FY2024: 2.12 million t-CO_2

✓ 54% reduction vs. FY2013



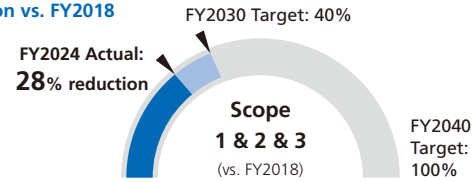
Scope 1 & 2 & 3

FY2030: 40% reduction (vs. FY2018)

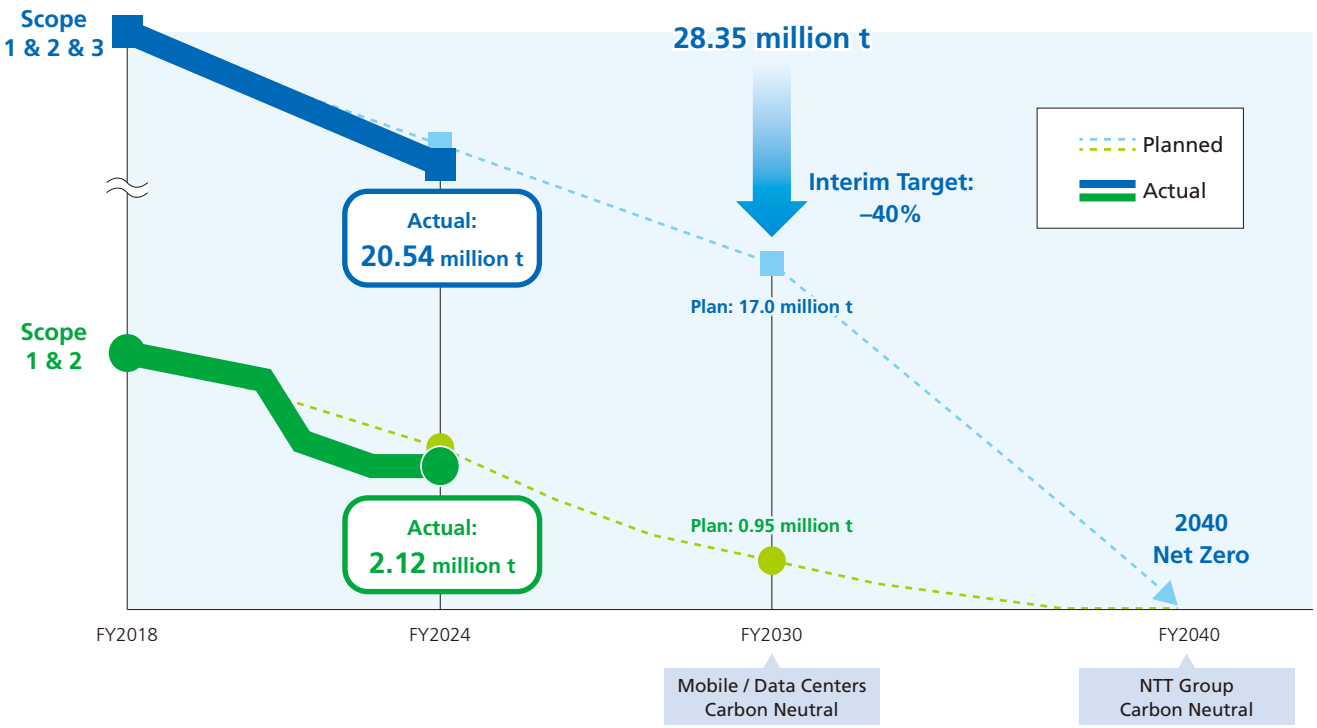
FY2040: Net Zero

✓ FY2024: 20.54 million t-CO_2

✓ 28% reduction vs. FY2018



NTT Group Greenhouse Gas Emissions (Scope 1, 2 & 3) – Reduction Trend



Our Approach to Achieving Climate Targets

To achieve our greenhouse gas reduction targets and help realize a decarbonized society, we are advancing energy efficiency, accelerating the development and deployment of IOWN, and expanding renewable energy use in a comprehensive manner.

◆ Advancing Energy Efficiency

We are driving energy efficiency measures across our telecommunications networks, reducing the environmental impact of buildings, and improving cooling efficiency in data centers.

◆ Reducing Power Consumption through IOWN Deployment

With the rapid advancement of AI expected to drive explosive growth in electricity consumption, we are pursuing major reductions by developing IOWN technologies that replace conventional electrical wiring with optical transmission, and by deploying these innovations across our own facilities.

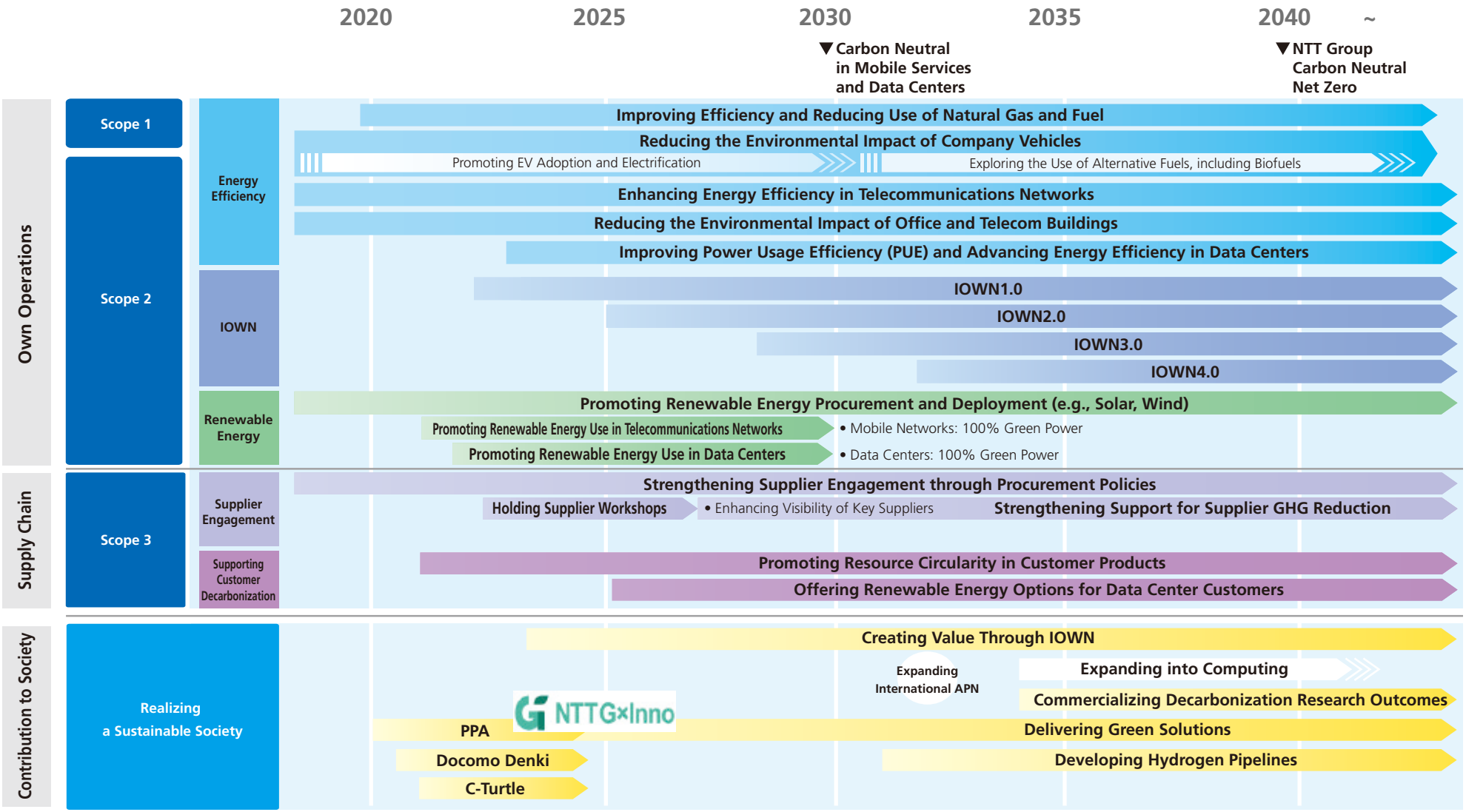
◆ Expanding the Use of Renewable Energy

We are developing our own renewable energy sources, such as onshore wind power, while also equipping telecommunications facilities with solar panels and large-scale battery storage.
In our data centers, we are expanding renewable energy use through mechanisms such as off-site PPAs.

Climate Change Toward Net Zero

Decarbonization Action Plan

Decarbonization Action Plan



Actions by Scope

Scope 1

Reducing Natural Gas Use and Promoting EV Adoption

- As facilities are renewed, we are decommissioning natural-gas-based power supply systems and steadily advancing measures to reduce natural gas consumption.
- We are promoting EV adoption and other initiatives to reduce the environmental impact of our company vehicles. Looking ahead, we are also exploring the potential of alternative fuels, such as biofuels, to replace conventional fuels.

Scope 2

Enhancing Energy Efficiency in Telecommunications Networks

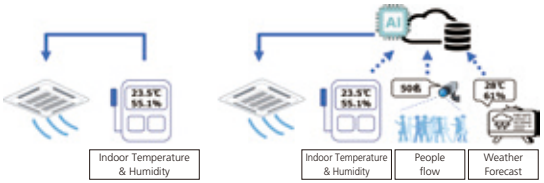
Decommissioning Legacy Equipment and Introducing Energy-Efficient Systems

- We are reducing electricity consumption by consolidating base station equipment and deactivating unused frequency bands.
- We are reducing network electricity consumption by upgrading communication and data equipment to energy-efficient devices and optimizing operations based on load fluctuations.

Reducing the Environmental Impact of Office and Telecom Buildings

AI-driven Air Conditioning Optimization and ZEB Conversions

- Building on earlier efforts such as LED installation, we are further reducing the environmental impact of office buildings by applying new technologies, including AI-based indoor environment prediction for advanced air conditioning optimization.



Air conditioning is controlled based solely on indoor temperature and humidity conditions.

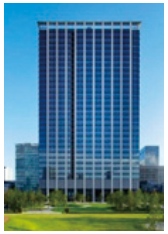
Conventional Air Conditioning Control

Air conditioning is optimized using indoor temperature and humidity conditions, people flow data, and outdoor temperature and humidity forecasts.

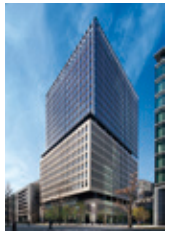
Optimized Air Conditioning Control Based on Indoor Environment Forecasting

- We are promoting ZEB adoption in newly constructed company office buildings and enhancing energy efficiency in existing properties to reduce the environmental impact of office operations.

SHINAGAWA SEASON TERRACE

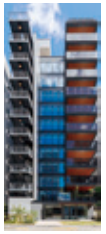


URBANNET MIDOUSUJI BUILDING

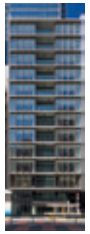


We have obtained ZEB Ready certification for the Shinagawa Season Terrace and Urban Net Midosuji Building office areas.

owns



owns

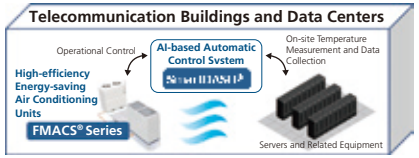


Within the "owns" office series, we have obtained ZEB Ready certification for owns Hatchobori, owns Nihonbashi, owns Shimbashi, and owns Hirakawacho properties. We will continue expanding the "owns" office series, particularly in central Tokyo, with the aim of achieving ZEB Ready certification across all properties.

Enhancing Power Efficiency (PUE) and Energy Savings in Data Centers

Improving Cooling Efficiency and Optimizing Air Conditioning

- To curb electricity consumption and CO_2 emissions from air conditioning at data centers, we are achieving energy savings by introducing high-efficiency cooling systems and optimizing operations through SmartDASH intelligent air conditioning.
  Furthermore, to advance the development and adoption of liquid cooling technology in data centers, we have established the "Data Center Trial Field," a testing facility that promotes collaboration among industry stakeholders, to accelerate practical implementation.



Advancing IOWN R&D for Low Power Consumption

Achieving Energy Savings through the Evolution of IOWN (1.0–4.0)

- With electricity consumption expected to rise due to wider use of AI and increasing data volumes, we are advancing R&D in IOWN's optoelectronic convergence technologies to achieve major energy savings. P.26 P.65

Actions by Scope

Scope 2

Expanding Renewable Energy Procurement

Acquisition of Green Power Investment Corporation and Expansion of Renewable Energy Assets

- Leveraging the expertise and strengths of Green Power Investment Corporation, acquired in August 2023, an operator of onshore wind and other renewable projects, we are expanding our in-house renewable energy generation capacity. We are also contributing to Japan's carbon neutrality by supplying renewable energy to customers.

Expanding Renewable Energy Use in Telecommunications Infrastructure

Applying Renewable Energy at Base Stations and Telecom Facilities

- By developing "green base stations" equipped with solar panels and large-scale storage batteries, and operating telecom facilities powered entirely by renewable energy, we are contributing to decarbonization, disaster resilience, and enhanced community sustainability.
- We are also expanding renewable energy procurement through off-site PPAs.

Green Base Station

Hakodate Toi Building – Renewable-powered Telecom Facility

Yoyogi Building – Off-site PPA Adoption

Expanding Renewable Energy Use in Data Centers

Utilization of Off-site PPAs

- We are actively leveraging schemes such as off-site Power Purchase Agreements (PPAs) to supply renewable energy to our data centers.
- Similar initiatives are also being implemented overseas to secure high-quality renewable energy.

NTT DATA Mitaka Data Center EAST: The data center is scheduled to achieve virtually 100% renewable energy for its electricity use by FY2025 through the use of off-site PPAs and non-fossil certificates.

Scope 3

Supplier Engagement

- We have published the "NTT Group Supply Chain Sustainability Promotion Guidelines," which specify requirements including environmental standards, and require supplier compliance through incorporation into contracts and related agreements.
- In addition, to supplement the guidelines, we have published the "NTT Group Green Procurement Standards," which evaluate suppliers' greenhouse gas reduction initiatives. We have also introduced an internal carbon pricing system to prioritize procurement from lower-emission suppliers.
- Together with KDDI and SoftBank, we are working to realize a more sustainable supply chain in the telecommunications industry by standardizing supplier sustainability assessments, including environment-related SAQs, and utilizing third-party evaluations from EcoVadis.
- In recognition of these initiatives, we were selected as a CDP Supplier Engagement Leader.

Supplier Engagement Leader CDP 2024

Promoting Emissions Transparency and Target Setting

Implementation of Supplier Workshops

- In collaboration with environmental teams across the Group, we hosted problem-solving workshops for suppliers, inviting practitioners from various industries engaged in decarbonization. These workshops promoted understanding of net-zero initiatives, introduced calculation tools, and facilitated the sharing of challenges related to CO_2 visualization.

- In addition, by working with our suppliers to engage their business partners, we are driving Scope 3 emissions reductions across the value chain.

Actions by Scope

Scope 3

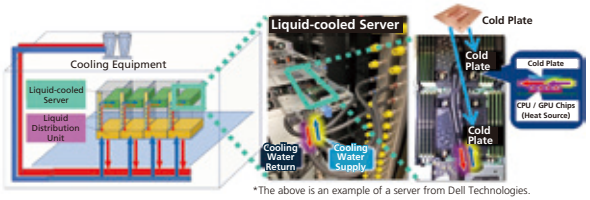
Supporting Data Center Customers in Energy Efficiency and Renewable Energy Adoption

Expanding Energy-Efficient Data Centers and Promoting Renewable Energy Use

- As generative AI drives higher server heat loads, the NTT Group is introducing direct liquid cooling (DLC) systems, which are more efficient than conventional air conditioning, to help customers reduce their electricity consumption. In addition, for colocation service customers, we offer renewable energy supply options and provide environmental value certificates indicating net-zero CO_2 emissions, thereby supporting customers in reducing their carbon footprint.

Direct Liquid Cooling (DLC) Mechanism

In DLC systems, a liquid coolant circulates through a cold plate mounted on heat-generating CPU and GPU chips, efficiently absorbing and dissipating heat.



*The above is an example of a server from Dell Technologies.

Promoting a Circular Economy

Collection and Refurbishment of Mobile Devices and ONUs

- NTT DOCOMO offers refurbished smartphones under the "docomo Certified" program, a quality-assurance label for reused devices. Each device undergoes performance checks and exterior cleaning, and smartphones with at least 80% battery capacity are recirculated into the market. By promoting device reuse, we are contributing to a circular economy while also helping to cut CO_2 emissions across the supply chain.
- In network services, the number of communication devices used in customers' homes is increasing, while their usage periods are becoming shorter. In response, we are strengthening device reuse initiatives, thereby contributing to CO_2 reductions across the supply chain.

Toward a Sustainable Society

Value Creation Through IOWN

- Through the rollout of IOWN 2.0, 3.0, and 4.0, we will further advance power efficiency and contribute to reducing overall energy consumption in society. ≫P.65

Delivering Green Solutions

- Off-site PPA
  Through off-site PPAs, customers can secure long-term access to solar power facilities developed by NTT Anode Energy, with the generated green electricity delivered via the power grid. This enables customers without their own land or facilities to procure a stable supply of renewable energy.
- docomo Denki
  Through collaboration between NTT DOCOMO and NTT Anode Energy, we provide "docomo Denki Green," a virtually zero-CO_2 plan under the "docomo Denki™" program, contributing to carbon neutrality across society.
- C-Turtle
  NTT DATA provides "C-Turtle," a platform for GHG visualization that helps customers measure, reduce, and disclose their emissions.
- Launch and promotion of NTT G × Inno
  The NTT Group has launched "G × Inno" as a group-wide brand for green transformation (GX) solutions. Going forward, we will leverage expertise gained from our own initiatives to deliver GX solutions to customers, supporting progress toward carbon neutrality across society.

Toward the Realization of a Hydrogen Pipeline

Exploring a Hydrogen-Based Ecosystem

- We are promoting initiatives such as the construction and validation of hydrogen pipelines to help address key social challenges. ≫P.44

Climate Change Response to TCFD and TNFD

Approach to Integrating TCFD and TNFD, Governance, Risk Management, and Strategy

Approach to Integrating TCFD and TNFD

Climate and nature are closely interlinked, with rising temperatures heightening the risk of cascading impacts such as water shortages and ecosystem disruption. For business operations, physical risks are expected to increase as climate-related disasters intensify and pressures on ecosystems grow. As global momentum for nature conservation intensifies, companies must respond proactively to mitigate transition risks, including regulatory changes. The NTT Group is implementing a range of measures to address these challenges. We disclose our progress in alignment with the TCFD and TNFD frameworks. For details, please see pages P.42~43 for our natural capital risk assessments and P.44 for examples of opportunities related to climate change and natural capital.

Governance

For details on governance, please see P.32.

Risk Management

For details on risk management, please see P.32.

Strategy

In line with the TCFD recommendations, the NTT Group has adopted two scenarios to identify risks and opportunities through 2050, covering our business model as well as the upstream and downstream value chains: (1) a 1.5°C scenario, where average global temperatures rise less than 1.5°C compared to pre-industrial levels, and (2) a 4°C scenario, where climate measures remain limited, leading to nearly 4°C of warming.

STEP1 Scenario Definitions

Scenario	Overview	Reference Methodology for Scenario
Transition Risk Scenario	Scenario in which the decarbonization of society is achieved rapidly … A future in which the target increase of 1.5°C has been attained	IEA World Energy Outlook: NZE IPCC AR6 WG1: SSP1-1.9
Physical Risk Scenario	Scenario in which physical risks materialize … A future in which the average temperature has risen by 4°C	IEA World Energy Outlook: STEPS IPCC AR6 WG1: RCP8.5

[Scenario Assumptions]

1.5°C Scenario: About 90% of the NTT Group's greenhouse gas emissions stem from electricity use, so the introduction of carbon pricing mechanisms will pose a significant risk.
We assess this risk with reference to the IEA WEO 2022 Net Zero Emissions Scenario (NZE). Under this scenario, the carbon price for developed countries is projected to reach USD 130 per ton of CO_2 by 2030.

4°C Scenario: The NTT Group provides many services essential to daily life, and recognizes the loss of service stability due to natural disasters as a major risk. For this risk assessment, we reference the IPCC's RCP8.5 scenario, which assumes no additional climate mitigation. According to the "Integrated Report on Climate Change Observation, Prediction and Impact Assessment 2018," which incorporates this scenario, Japan is expected to face a sharp increase in heavy rainfall, a higher likelihood of landslides, and significant damage to suburban hilly areas.

Based on the NTT Group's materiality assessment process, we concluded that under the 1.5°C scenario, transition risks will emerge, particularly those related to policies and regulations for decarbonization and growing social expectations. Under the 4°C scenario, physical risks are expected to be relatively higher, including more frequent and severe heavy rainfall and floods, as well as rising electricity costs from chronic temperature increases. At the same time, increasing societal demand for emissions reductions and renewable energy creates opportunities for us to deliver ICT services that contribute to carbon neutrality. In this report, we present our analysis and evaluation of each risk, the potential financial impact, our responses, and the resulting growth opportunities.

STEP2 Risks and Opportunities Identified (Overview)

Overview	Target	Scenario 1.5°C	Scenario 4.0°C	Type	Time frame	Response
Increase in costs for decarbonization, renewable energy charges, and renewable energy implementation	Climate	LOSS ▼		Transition risk (policy/regulations)	Long-term	• Initiatives for realizing the IOWN concept • Introducing and expanding the use of renewable energy • Promotion of energy conservation, high-efficiency data centers
Social criticism related to fewer efforts toward ESG (drop in market share)	Climate Nature	▼	Minor	Transition risk (market/criticism)	Long-term	• Actively disclosing information on initiatives related to climate change, natural capital (biodiversity and water risk), and resource recycling
Expanding sales of services that help reduce society's environmental impact	Climate Nature	▲ ▲	Profit ▲	Opportunity (products and services, energy)	Long-term	• Creating new services related to carbon neutrality, biodiversity conservation, and resource recycling • Increase in green electricity retail
Achieve the IOWN concept	Climate	▲ ▲	▲	Opportunity (investment toward R&D)	Long-term	• Acceleration of DX, Advancing the Remote World • Reduction of greenhouse gases across the supply chain
Disasters caused by heavy rain and typhoons Droughts due to abnormal weather	Climate Nature	—	▼	Physical risk (acute)	Short-term	• Provide disaster response and disaster prevention training • Conserving water and monitoring the water withdrawal amount
Increased air-conditioning costs due to increasing temperatures	Climate	—	▼	Physical risk (chronic)	Long-term	Promoting energy conservation

Notes 1. Degree of impact with 1.5°C scenario and 4°C scenario in FY2030
2. There are three timeframes: short-term (less than 3 years), medium-term (3 to less than 6 years), and long-term (6 years or more). There are also three degrees of impact (▲: low, ▲▲: medium, and ▲▲▲: high).
3. To promote energy conservation, in April 2025, we will set our internal carbon price to ¥21,000/t-CO? based on the International Energy Agency's projected carbon price for 2030 (140 USD/t-CO?). We utilize this for decision-making related to procurement (e.g., product selection), etc.
*Estimated annual impact on profit:
1) If carbon pricing is introduced: approximately –25 billion yen.
2) Higher costs from renewable energy surcharges and implementation: approximately –4 billion yen.
3) Disaster recovery from heavy rainfall and typhoons: approximately –3.0 billion yen in FY2022, –2.4 billion yen in FY2023, and –1.5 billion yen in FY2024.

[Assumptions and Calculation Basis]

1) Carbon pricing (USD 140 per t-CO_2) × FY2030 target emissions
(Based on FY2013 Scope 1 & 2 emissions of 4.65 million tons, with an 80% reduction target by FY2030).
(Carbon pricing unit price for FY2030 in IEA "World Energy Outlook 2024," Advanced economies: 140 USD).
2) Renewable energy surcharge: 4.1 yen/kWh in FY2030 and 3.49 yen/kWh in FY2024.
3) Estimated impact of recovery from heavy rainfall and typhoons in FY2022–FY2024.

Strategy

1.5°C Scenario

Transition Risks (Policy and Regulations) and Opportunities

The NTT Group consumes more than 8 billion kWh of electricity annually, and demand is expected to rise further as AI adoption expands. The transition to a decarbonized society will significantly affect our business through renewable energy surcharges and the introduction of carbon taxation. To address these risks, we have formulated our "NTT Green Innovation toward 2040" vision and we are advancing initiatives to achieve carbon neutrality by 2040.

At the same time, society's growing demand for renewable energy also presents significant opportunities for us. The NTT Group has long leveraged R&D, ICT infrastructure, and talent, collaborating with partners to co-create solutions that address societal challenges. To drive innovation in green transformation (GX) through solutions for society, we launched "NTT G × Inno." Specifically, we are advancing green solutions through the integration of renewable energy and ICT, expanding renewable energy generation, and ensuring stable, optimized, local production and consumption of electricity. We also anticipate growing demand for the migration from on-premise systems to more energy-efficient cloud-based data centers. The wider adoption of high-efficiency data centers represents additional opportunities for us.

Transition Risks (Market / Reputation)

The NTT Group promotes DX, remote work, and ICT services such as energy management systems to help reduce greenhouse gas emissions across society. However, as awareness of climate change grows, we face the risk that stakeholders may perceive us as less environmentally responsible than our peers—leading to reputational damage, customer loss, reduced decline, and even share price impacts.

To mitigate such risks, the NTT Group has advanced initiatives under its "NTT Green Innovation toward 2040" vision, earning the highest CDP Climate Change rating of "A" for two consecutive years. In addition, the NTT Group received SBTi certification for its Scope 1 & 2 target at the 1.5°C level (certified in 2021) and for its Scope 1, 2 & 3 Net Zero target (certified in 2025).

4°C Scenario

Physical Risks (Acute) and Opportunities

The NTT Group provides essential services—including communication networks and information systems—that underpin society, support economic activity, and safeguard daily life. These services face disruption risks from natural disasters such as earthquakes, tsunamis, typhoons, and floods, which could destabilize operations and hinder stable service delivery. Service interruptions could expose the NTT Group to liability for damages and erode both its reliability and corporate reputation.

To mitigate risks from natural disaster-related service interruptions, we deploy mobile power supply vehicles and portable satellite equipment, and participate in regional disaster-preparedness drills. We also apply disaster-resilient standards to communication facilities and buildings to ensure service continuity. For example, to prevent flooding, we install floodgates and other site-appropriate protective measures to protect communication equipment. At the same time, as customers also need to address risks from natural disasters and system failures, demand for business continuity (BCP) services is expected to grow. The NTT Group provides backup power services leveraging decentralized energy systems, supporting business continuity when transmission and distribution networks are damaged by disasters.

Physical Risks (Chronic)

The NTT Group operates numerous communication facilities and data centers in Japan and overseas. Significant temperature increases pose the risk of sharply higher electricity consumption.

To minimize rising operating costs, the NTT Group continues to implement measures to cut energy consumption from air conditioning.

For example, we deploy wireless temperature sensors and operate an intelligent climate control system that automatically adjusts cooling based on sensor readings to save energy. In addition, we manage airflow with diffusers to release exhaust heat, blank panels, and optimized double-floor layouts, eliminating hot spots and achieving further energy savings through optimized air conditioning settings.

Strategy

The NTT Group has established its "NTT Green Innovation toward 2040" vision and is advancing initiatives to reduce environmental impact in pursuit of achieving carbon neutrality by 2040. In addition to expanding the use of renewable energy to advance our own green power initiatives, the NTT Group is promoting R&D on IOWN to achieve breakthrough energy efficiency, introducing an internal carbon pricing system, and leveraging green bonds, thereby strengthening both our environmental initiatives and related disclosures.

To capture opportunities, we are expanding renewable energy options at data centers, supporting the development of greenhouse gas visualization processes, and increasing sales of green electricity to corporate and individual customers.

Furthermore, under the new medium-term management strategy announced in May 2023, the NTT Group aims to help realize a circular economy by promoting green solutions that integrate renewable energy and ICT, expanding renewable power generation, ensuring stable and efficient local production and consumption of electricity, fostering resource circulation across industries, and accelerating regional revitalization to support a sustainable society.

The NTT Group will extend these initiatives—including those across the value chain—to society at large, contributing to Japan's "Carbon neutrality by 2050" target and supporting decarbonization goals worldwide.

Indicators and Targets Related to Climate Change

Indicator	Target	Actual
Greenhouse Gas Emissions	[Scope 1 & 2] FY2030: 80% reduction (compared to FY2013) FY2040: Carbon neutrality [Scope 1, 2 & 3] FY2040: Net-Zero	[Scope 1 & 2] FY2024 (preliminary figures): 2.11 million tons, 55% reduction (compared to FY2013) [Scope 1, 2 & 3] FY2024 (preliminary figures): 20.42 million tons, 28% reduction (compared to FY2018)

Notes: 1. The scope of aggregation for greenhouse gas emissions consists of NTT and its consolidated subsidiaries.
2. For Scope 1 & 2, FY2013 has been set as the reference year in line with the Japanese government's global warming countermeasures plan. For Scope 1, 2 & 3, including Scope 3, FY2018, which is the year when the NTT Group began calculations with the same scope of aggregation as now, including overseas group companies, has been set as the reference year.
3. Greenhouse gas emissions include CO_2, SF_6, PFCs, HFCs, N_2O, NF_3, and CH_4. Emissions from electricity consumption are calculated using the market-based approach.

Analysis of Nature-Related Issues

The NTT Group operates across diverse segments, including telecommunications, data centers and renewable energy. We analyzed the Group's dependencies and impacts on nature through the following process.

Step 1 Identifying dependencies and impacts by facility type → **Step 2** Addressing impacts and confirming risks → **Step 3** Findings

Step 1: Identifying dependencies and impacts by facility type

Step 1 Step 2 Step 3

Following the TNFD-recommended LEAP approach, the NTT Group focused on facilities that support service groups with the greatest revenue impact—base stations, telecommunications infrastructure, and data centers—to identify nature-related dependencies and impacts, then assessed the likelihood of risk materialization.

Based on general evaluation results from ENCORE*, we visualized how each business depends on and affects ecosystem services and natural capital using a heatmap.

Low High Very High

			Dependencies: Ecosystem services					Impacts: Environmental drivers (Impact drivers)				
	Services and technologies	Facilities	Surface water supply	Groundwater supply	Water cycle	Climate regulation	Flood regulation (flood buffering)	Water use	Terrestrial ecosystem use	Freshwater and marine ecosystem use	Air pollution	Waste
Company-owned	Integrated and wireless telecommunication services	Base stations	L	L	L	L	VH	L	H	L	L	L
Company-owned	Telecommunication services (land cables, terrestrial satellite facilities, and power transmission and distribution)	Telecommunication facilities	L	L	L	L	VH	L	L	L	L	L
Company-owned	Information technology (including IT consulting services)	Data centers	L	L	L	L	L	H	L	L	L	L

ENCORE: Using the results from ENCORE, an online dependency and impact analysis tool developed by the Natural Capital Finance Alliance (NCFA) and the UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC), and referenced by the TNFD, we identified the following key areas of dependency and impact.

Based on the results of the ENCORE assessment, we identified the following as key items in terms of dependencies and impacts.

Dependency

- Base stations and telecommunication facilities may be affected by flooding during heavy rainfall and rely on the flood-buffering ecosystem services provided by forests (a regulating service).
- To address this dependency, the NTT Group conducts forest conservation activities and implements measures such as operating floodgates during flood events.

* For further details, please refer to » P.41, "Physical Risks (Acute) and Opportunities."

Impact

- Base stations may affect surrounding terrestrial ecosystems.
- Excessive water use in water-cooled data centers could contribute to water shortages.

* Measures to address these impacts are described in Step 2.

Analysis of Nature-Related Issues

Step 2: Addressing impacts (risk assessment)

Step 1 Step 2 Step 3

Considering materiality, we assessed biodiversity and water use impacts not only for the base stations and data centers identified by ENCORE, but also for telecommunication facilities with a building area over 1,000 m² and for renewable energy facilities such as solar and wind power that may have larger impacts on nature.

1) Biodiversity Conservation

Using Key Biodiversity Areas (KBAs)*2, we screened and conducted in-depth surveys on approximately 20,000 sites of base stations*1, telecommunication facilities, and data centers considered to have significant impacts on nature.

As in the previous year, renewable energy facilities (solar and wind power) are expected to have significant dependencies and impacts, so we interviewed construction companies to confirm how they address these risks.

*1 Base stations with antennas installed more than 30 meters above ground.
*2 Key Biodiversity Areas (KBAs), internationally recognized priority areas for biodiversity.

2) Water Use

For data centers, we used the "Aqueduct"*3 and "ThinkHazard!"*4 analytical tools to assess water stress, then conducted in-depth surveys of sites rated "Extremely High" or "High" to identify potential impacts.

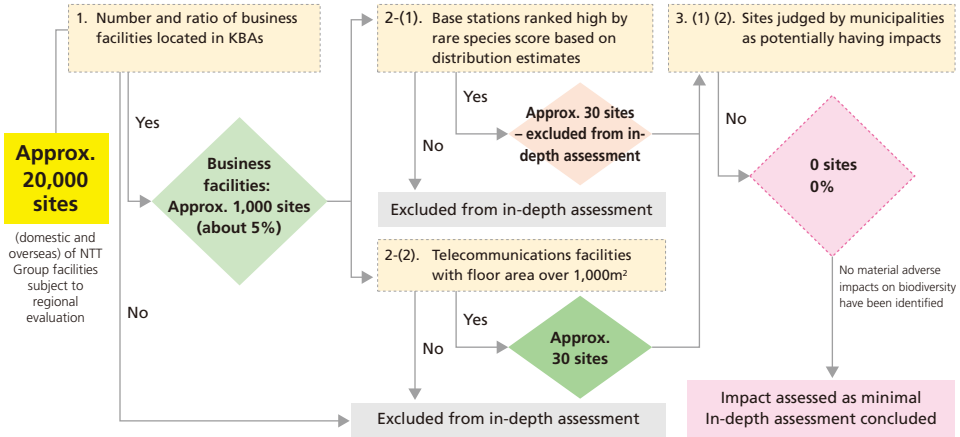
*3 Aqueduct is a water risk assessment tool developed by the World Resources Institute.
*4 ThinkHazard! is a tool developed by the Global Facility for Disaster Reduction and Recovery (GFDRR) in collaboration with the World Bank Group and other organizations.

Step 3: Survey Results

Step 1 Step 2 Step 3

◆ In-depth Assessment of Biodiversity Conservation

*Renewable energy facilities were excluded from this screening.



1) Biodiversity Conservation

For the base stations and telecommunications facilities reviewed in-depth, we contacted local municipalities to determine whether any concerns had arisen regarding impacts on surrounding ecosystems. No concerns were identified for the facilities, and we concluded that potential business risks are limited.

For renewable energy facilities such as solar and wind power, we conduct environmental impact assessments in accordance with Japan's Environmental Impact Assessment Act and other relevant legislation and evaluate potential impacts on local ecosystems (flora and fauna). The environmental impact assessment process involves four stages—preliminary considerations, methodology, draft report, and final assessment report—with results disclosed on each company's website for a legally mandated period. For wind power projects, we study, predict, and evaluate the risk of bird strikes, particularly those involving birds of prey. For projects already in operation, we conduct long-term monitoring under expert guidance, ensuring that development and maintenance take into account the conservation of birds, mammals, and other wildlife.

2) Water Use

Our analysis identified three water-cooled data centers located in regions with extremely high water stress.

A review of these data centers showed that for two sites in South Asia, groundwater is currently used, but local utilities are expanding supply systems that use surface water. A shift to municipal water is expected, which should reduce risks associated with groundwater dependence.

We are also examining ways to reduce water intake at facilities in water-stressed areas to minimize impacts on local communities and the environment.

At the other site, the local utility uses recycled wastewater, and we confirmed that water resources in the operating area are being appropriately managed.

column

At Hemel Hempstead 3 Data Center 1, GDC reduced water consumption by applying reverse osmosis treatment to tap water used in its cooling systems.

Local tap water contained high alkalinity and dissolved salts, which caused fouling in heat exchangers and required frequent blowdown, increasing both water use and chemical costs.

By pre-treating tap water with reverse osmosis to remove 95% of dissolved salts and blending 15% raw water to maintain hardness, GDC reduced Water Usage Effectiveness (WUE) from 1.8 l/kWh to 1.2 l/kWh between June 2023 and July 2024.

As a result, annual water use fell by 35,000 cubic meters and annual costs decreased by about USD 100,000.

In addition, cutting 30 tons of hardness control agents saved about USD 20,000 per year in chemical costs.

Climate Change Column Business Opportunities in Sustainability

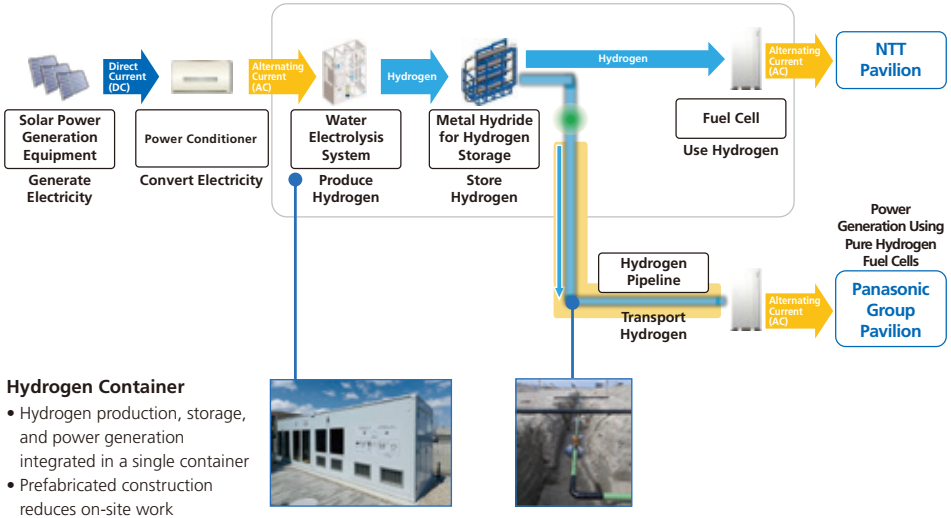
Column

Business Opportunities in Sustainability

The NTT Group views the rising interest in climate change, the circular economy, and biodiversity as opportunities to create new businesses. Through our business activities, we will contribute to building a sustainable society. We will continue to assess the NTT Group's risks and opportunities and provide transparent disclosures on our progress.

Climate Change Implementation of a Hydrogen Supply Chain Model

At EXPO 2025 OSAKA, KANSAI, NTT Anode Energy deployed a comprehensive hydrogen supply chain model covering green hydrogen production, storage, transport, and use, and presented it to visitors. Green hydrogen is produced using renewable energy, including perovskite solar cells at the NTT Pavilion, with a portion delivered via underground hydrogen pipelines to the Panasonic Group Pavilion. Both pavilions utilize CO_2-free electricity generated from green hydrogen as part of their power supply.

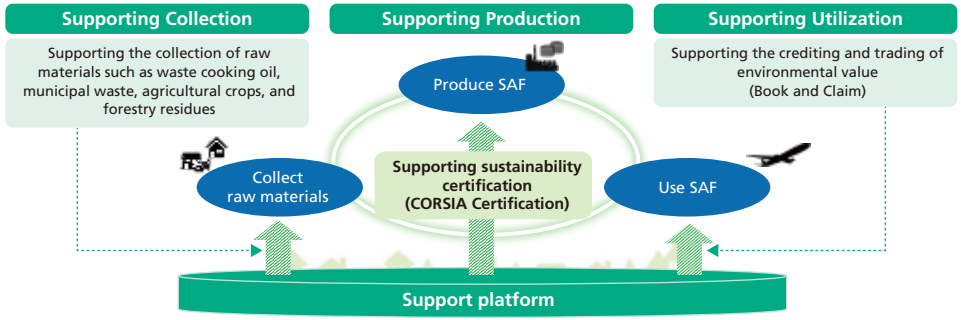


Hydrogen Container

- Hydrogen production, storage, and power generation integrated in a single container
- Prefabricated construction reduces on-site work
- Easily relocatable and reusable after Expo

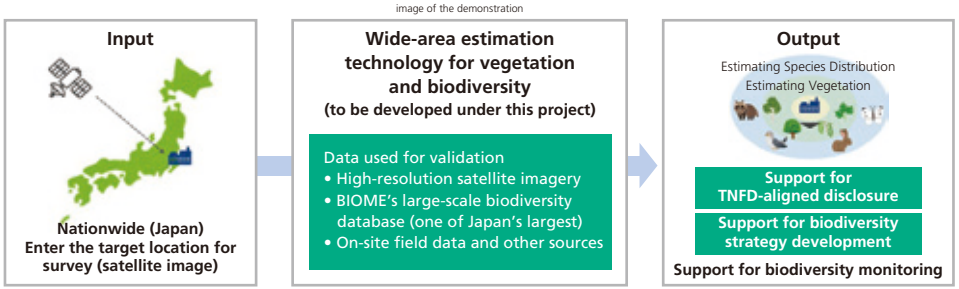
Resource Circulation Building a Local SAF Supply Chain Project

NTT DATA is focusing on Sustainable Aviation Fuel (SAF), which significantly reduces lifecycle CO_2 emissions—from sourcing biomass, waste cooking oil, and exhaust gas, through production to combustion—while using existing infrastructure. In July 2024, NTT DATA joined ACT FOR SKY, an industry consortium promoting domestically produced SAF, and is helping address adoption challenges by providing digital platforms.



Natural Capita Advancing Natural Capital Monitoring Services

The NTT Group, in collaboration with BIOME Inc., NTT DOCOMO BUSINESS, NTT DOCOMO SOLUTIONS, NTT DATA Japan, and NTT DOCOMO, has begun developing remote-sensing technologies to estimate vegetation and biodiversity on a wide scale. By integrating the NTT Group's assets—including satellite image data analysis—with BIOME's BiomeDB, one of Japan's largest real-time biodiversity databases with over 10 million records, we aim to establish wide-area, continuous data collection and analysis for biodiversity monitoring, and to contribute to a nature-positive society.



Related Items

Key Issues in Sustainability 3 Themes and 9 Challenges

Ensuring the positive coexistence of nature and humanity | Improving prosperity for all people and cultures | Maximizing well-being for all

Respect for human rights / Diversity & Inclusion / Creating new work style models

Related Medium-Term Management Strategy Initiatives

1 NTT as a Creator of New Value and Accelerator of a Global Sustainable Society

❶IOWN-Driven Creation of New Value (from concept to commercialization)
- i. Establishment of manufacturing company for photonic-electronic convergence devices
- ii. Acceleration of IOWN research and development/ commercialization

❷Data-Driven Creation of New Value
- i. Strengthening the personal business
- ii. Strengthening the use of DX/data in society and industry
- iii. Expansion and upgrade of data center infrastructure

❸Achievement of a Circular Economy Society
- i. Develop sustainability solutions for customers
- ii. Creating Circular Economy businesses
- iii. Progression towards Net-Zero

❹Further Strengthening of Business Foundations

2 Upgrading the Customer Experience (CX)

❺Fusion of Research and Development with a Market-Focused Strategy

❻Strengthening of Services that Emphasize Customer Experience (CX)

3 Improving the Employee Experience (EX)

❼Open and Innovative Corporate Culture

❽Support Career Growth

❾Global Benefits for Employees and their Families

Contents Covered in the Human Capital Section

1. Human Capital Strategy	・Message from the CHRO ・Human Capital Value Creation Process
2-1 Enhancing Support for Autonomous Career Development	・Desired Talent Profile within the NTT Group ・Frameworks and Support for Career Autonomy ・Professional Talent Driving Business Growth ・Cross-Disciplinary Talent ・Developing Next-Generation Management Leaders
2-2 Fostering an Open and Innovative Corporate Culture	・Empowering Employees to Take on Challenges and Fulfill Their Aspirations ・Employee-Led Culture Building and Strategy Alignment ・An Environment that Recognizes and Celebrates Challenges ・Providing Platforms for Co-Creation and Innovation ・Diversity & Inclusion: Harnessing Diverse Perspectives ・Promoting Employee-Driven Initiatives to Expand Opportunities
2-3 Enhancing Support for a Better Working Environment	・Advancing Work-in-Life to Expand Opportunities for Diverse Talent ・Health and Well-being Management ・Human Rights Initiatives
3. Employee Engagement Survey	・Survey Results ・Key Insights from the Employee Engagement Survey

Indicators and Targets

Indicator	Target	Results
Employee Engagement Rate	To be improved (Compared to FY2024 (57%))	FY2024: 61%
New Female Manager Promotion Rate	Each year: 30%	FY2024: 28.3%
Women-Related Indicators	● Hiring Ratio: Every year: 30% ● Management Ratio: FY2025: 15% ● Executive Officer Ratio: FY2025: 25-30%	● FY2024: 32.4% ● FY2024: 13.1% ● June 2025: 26.7%
Male Childcare Leave Rate	Each year: 100%	FY2024: 120.0%
Direct Dialogue Rate with Suppliers from whom Improvements Have Been Requested	Every year: 100%	FY2024: 100%

(Notes) 1. The "employee engagement rate" is the ratio of respondents who provide positive answers to the four indicators set as NTT Group KPIs for measuring engagement. The scope of aggregation for the employee engagement rate includes the Company, NTT DOCOMO*, NTT East, NTT West, NTT DATA Group, NTT Urban Solutions, NTT Anode Energy, and their designated subsidiaries**.
* Figures for NTT DOCOMO include those of NTT DOCOMO BUSINESS. ** In addition to designated subsidiaries, the employee engagement survey is being sequentially expanded and from FY2024, has also been conducted at overseas NTT group companies.
2. The scope of aggregation for the "new female manager promotion rate" includes NTT, NTT DOCOMO*, NTT East, NTT West, and NTT DATA Group*.
* Figures for NTT DOCOMO include those of NTT Communications. Furthermore, figures for NTT DATA Group include those of NTT DATA Japan and NTT DATA, Inc.
3. The scope of aggregation for each of the "women-related" indicators consists of the five primary domestic companies (NTT, NTT DOCOMO,* NTT East, NTT West and NTT DATA Group*).
* Figures for NTT DOCOMO include NTT DOCOMO BUSINESS. In addition, while figures for NTT DATA Group include NTT DATA and NTT DATA, Inc., the rate of female executives does not include NTT DATA and NTT DATA, Inc.
4. As of the date of submission of the Annual Securities Report, the ratio of female Members of the Board of Directors and among Executive Officers at NTT was 37.5% and 31.3%, respectively.
5. The scope of aggregation for "direct dialogue rate with suppliers from whom improvements have been requested" consists of approximately 40 companies each year, selected based on third-party evaluation results, among the key suppliers (approximately 160 companies) that account for over 90% of the total amount of NTT Group's procurements.

Message from the CHRO

Shuji Sakamoto
Executive Officer
Head of General Affairs
CHRO

Our Aspiration

The NTT Group is committed to enriching lives and contributing to a sustainable future for the planet. At the center of this commitment are our people. We believe that the challenges and growth of each employee embody NTT Group's Core—"continuously drive dynamic innovation to create a more harmonious and prosperous future"—and serve as the driving force behind our business strategy.

As a global organization, the NTT Group brings together diverse talent from around the world, integrating their expertise to create innovative value. For example, in our North American data center business, we combine local expertise with Japan's technological strengths to achieve world-class reliability and environmental performance. In addition, to realize the IOWN initiative, researchers in Japan and abroad are collaborating to develop next-generation infrastructure by leveraging optical technologies and AI.

These initiatives are supported by our employees' commitment to continuous learning and challenge, and by a corporate culture that respects and embraces diversity. We are dedicated to providing an environment where employees feel confident in taking on new challenges and are empowered to realize their full potential. In today's rapidly changing environment, we believe that strengthening the capabilities of both people and organizations, and shaping the future together, is the source of NTT's unique innovation.

FY2024 Review

NTT seeks individuals who can think independently, build expertise, and contribute to the business, even amid rapid change. Such individuals create value both inside and outside the organization, driving corporate growth. To this end, we are advancing initiatives built on three strategic pillars.

1) Enhancing Support for Autonomous Career Development

In FY2023, we reformed the HR and compensation system for general employees, shifting from seniority- and age-based practices to a system that rewards demonstrated expertise. In FY2024, the second year of this initiative, we focused on embedding expertise and career autonomy by enhancing training programs and expanding self-driven opportunities, such as internal job postings and side assignments within the Group. We also advanced initiatives such as career-focused events featuring lectures by internal and external experts, and opportunities to engage with top-level specialists (Specialist Grade: SG).

As a result, 65% of employees responded that they are able to fully leverage their skills and capabilities at work—an improvement of 5 points over the previous year.

The FY2023 Employee Engagement Survey identified three key challenges for the NTT Group: strengthening understanding of our strategy, expanding opportunities for dialogue, and addressing career-related concerns. We view these three challenges as interconnected: when employees do not fully understand or internalize the company's strategy—our future direction and aspirations—they may feel uncertain about their career paths and seek greater dialogue with management to understand its thinking.

In response, Group companies have worked to strengthen dialogue between management and employees. In particular, during the formulation of "NTT Group's Core / Values" announced in May 2025, we established working groups that included employees from both Japan and overseas. These groups made recommendations directly to senior management, reflecting the diversification of dialogue across the organization.

2) Fostering an Open and Innovative Corporate Culture

We are strengthening mechanisms that enable employees to pursue their ambitions, fostering a culture that encourages new challenges. For example, through our Group Job Board program, approximately 1,500 employees have applied for new opportunities, with about 800 successfully placed. Since its launch in July 2023, the program has steadily gained traction and continued to evolve. In addition, we are advancing Group-wide initiatives that celebrate and promote entrepreneurial spirit, such as cross-Group events that recognize new business creation and share learnings from challenges—including lessons from failures.

3) Strengthening Support for a Better Working Environment

A supportive working environment is essential to expanding opportunities for diverse talent. In FY2022, we introduced the "Remote Standard" system, enabling employees to freely choose where they live under a hybrid work model. As a result, the number of employees on solo assignments living apart from their families declined by roughly 40% compared with pre-introduction levels. We also revised our working-hour system to better accommodate diverse lifestyles such as childcare and personal pursuits. Based on employee feedback, we extended flexible working hours to include the early morning period from 5 a.m. to 7 a.m.

Key Challenges Identified and Future Initiatives

In FY2024, we implemented a range of initiatives to embed and stabilize the HR systems revised in recent years. As a result, employee engagement improved significantly. At the same time, the three challenges identified earlier—strategy alignment, dialogue opportunities, and career-related concerns—showed some improvement but remain low-scoring areas. We will continue to address them with sustained initiatives. In addition, while more employees report that they can fully leverage their skills and capabilities, only around 55% said that their work is both challenging and rewarding—showing little change from the previous year. To foster a stronger culture of challenge and innovation, we will intensify our initiatives going forward.

Human Capital Human Capital Strategy

Human Capital Value Creation Process

Why Enhancing the Employee Experience (EX) Matters

The NTT Group is advancing innovative technologies and services, including the IOWN initiative and the realization of a data-driven society. Achieving these ambitions requires talent with creativity, flexibility, and expertise. Strengthening our global competitiveness also demands collaboration among individuals with diverse cultural backgrounds and values.

Medium-Term Management Strategy

Innovating a Sustainable Future for People and Planet

1 NTT as a Creator of New Value and Accelerator of a Global Sustainable Society

2 Upgrading the Customer Experience (CX)

3 Improving the Employee Experience (EX)

Management Targets

Financials

EBITDA: +20%
Growth Areas: +40%
Existing Areas: +10%
Overseas Operating Margin*1: 10%
ROIC*2: 9%

*1 Growth Areas
*2 Existing Areas

Human Capital Strategy & Policy

Enhancing Support for Autonomous Career Development

Proactively designing one's career enables flexible responses to a rapidly changing business environment. Strengthening expertise and skills contributes directly to competitiveness.

Fostering an Open and Innovative Corporate Culture

Psychological safety and open dialogue are essential for diverse talent to collaborate. Innovative ideas emerge from a culture that embraces free thinking and learns from failure.

Enhancing Support for a Better Working Environment

A supportive environment broadens opportunities for diverse talent, contributes to long-term retention, and directly drives employee growth, well-being, and productivity.

Initiatives

Talent Driving Business Growth » P.48	• Developing Professional Talent • Acquiring Cross-Disciplinary Skills
	Developing Group Management Talent
Autonomous Career Development » P.49	Career Ownership
Cultural Transformation » P.53	Expanding Opportunities for Challenges and Recognition
Securing and Expanding Opportunities for Diverse Talent » P.57	Promoting Diversity & Inclusion
Flexible Workstyles » P.59	Advancing Work-in-Life
Health Management » P.60	Health & Safety at Work
Human Rights » P.61	Upholding the Human Rights Policy & Promoting Respect

Indicators

- Training Hours & Investment
- Number of Specialist Grade Appointments
- Number of AI-Skilled Employees
- Placement Status of NTT University Graduates
- Job Board Applications & Matches
- Career Consulting Utilization & Satisfaction
- Number of Participants Registered at Co-Creation Hubs
- Number of Conference Applicants
- Female Representation (executives, managers, and newly appointed managers)
- Male Parental Leave Utilization Rate
- Employment Rate of Persons with Disabilities
- Mid-Career Hiring Ratio
- Remote Standard Utilization Rate
- Reduction in Solo Assignments
- Presenteeism Loss Rate
- Number of Workplace Accidents
- Number of Confirmed Human Rights Violations

Outcomes

Professionals competitive in the marketplace

Talent that embraces competition and transformation, capable of setting and pursuing ambitious goals

Desired Talent Profile

Talent that grows autonomously, strengthens expertise, and is capable of building independent careers

Talent capable of demonstrating strong teamwork through effective communication

Maximizing Talent & Organizational Strength

Enhanced Corporate Value

Business Growth & Profitability
Growth in CX and Expansion in Strategic Areas (AI, IOWN, Global, etc.)

Higher Profit Margins
Productivity Gains in Existing Businesses

Improved Employee Engagement
Talent Retention and Value Creation

Human Capital Enhancing Support for Autonomous Career Development

Our Desired Talent Profile

As digitalization and AI advance and competition with global players intensifies, it is essential for each employee to further enhance their expertise and skills, and to take on the challenge of driving game-changing transformations in the marketplace.

Focusing on expertise that generates value across diverse fields, we define our "Desired Talent Profile" as professionals with field-specific expertise, along with other qualities essential to drive further growth and transformation.

❶ Talent competitive in the marketplace.
❷ Talent that embraces competition and transformation, capable of setting and pursuing ambitious goals
❸ Talent that grows autonomously, strengthens expertise, and is capable of building independent careers
❹ Talent capable of demonstrating strong teamwork through effective communication

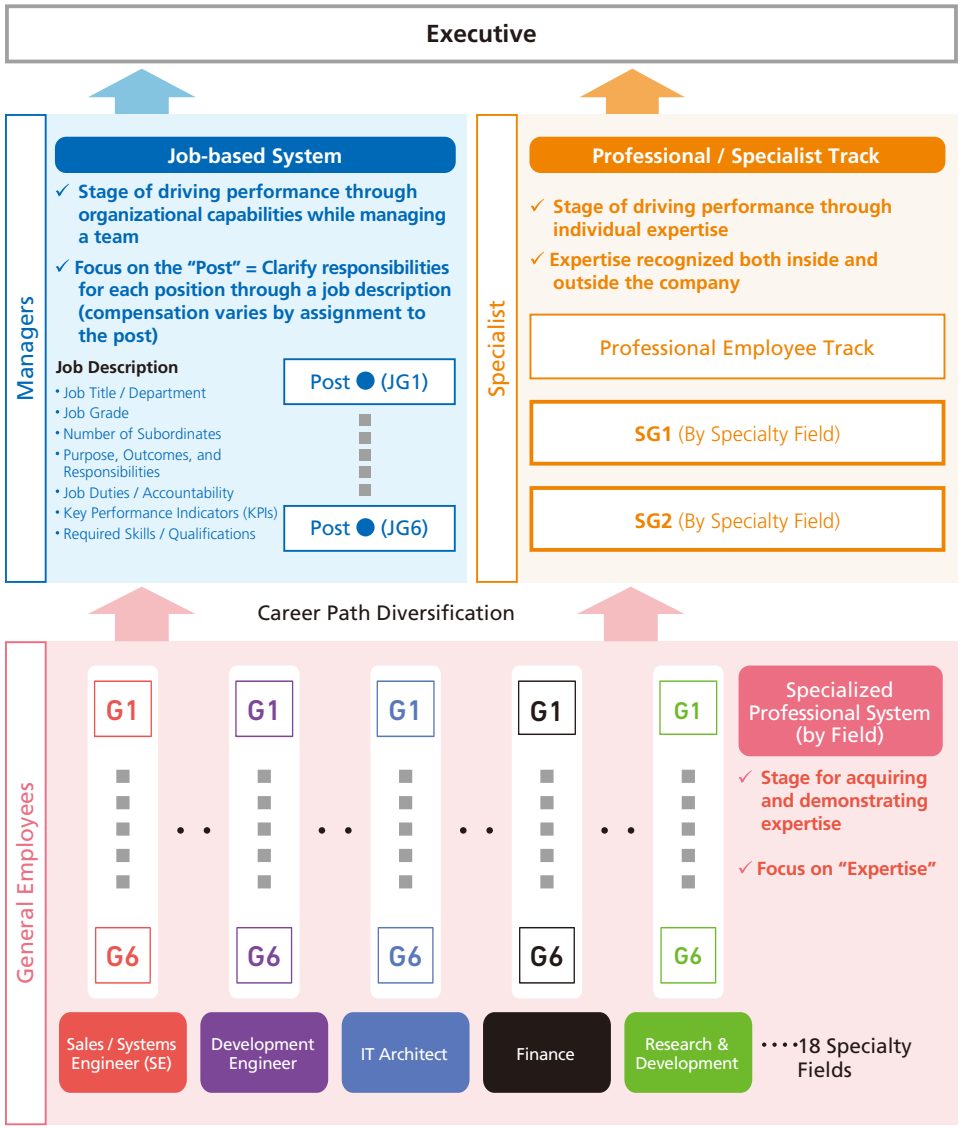
HR systems and career paths designed to foster and leverage employees' expertise

Amid rapid changes in the business environment, the NTT Group's sustainable growth depends on employees acquiring expertise and skills that are competitive in the marketplace and applying them to create added value across diverse fields.

NTT has defined 18 specialty fields across functions such as technology, sales, and planning, with a six-tier employee grading system established for each field to support the development of expertise. In addition, NTT offers dual career tracks: a management track and a specialist track for employees with advanced expertise recognized both internally and externally. This framework enables employees to pursue careers aligned with their aspirations and strengths. Within its research laboratories, NTT has created a special advanced professional category to recognize top-class researchers who demonstrate exceptional R&D capabilities and achievements. Outstanding researchers are appointed based on rigorous evaluation of their results, regardless of tenure, age, or grade. NTT also promotes cross-departmental mobility and new challenges through its internal Group Job Board and side-job programs, thereby enhancing skill diversification and career flexibility. NTT also provides comprehensive online learning platforms and access to internal and external training programs to support reskilling and upskilling, thereby fostering the continuous growth of employees. ≫P.49

Through these initiatives, NTT is building an organization that leverages employees' diverse capabilities to remain agile and resilient in a rapidly changing business environment.

Desired Talent Profile within the NTT Group



Human Capital Enhancing Support for Autonomous Career Development

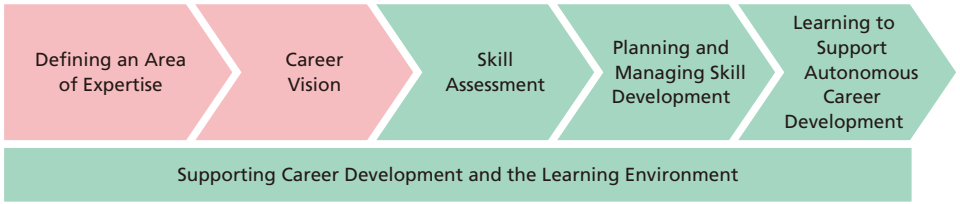
Frameworks and Support for Career Autonomy

Approach to Placement and Development for Enhancing Expertise

At the NTT Group, employees define their areas of expertise in line with their individual career visions. Employees enhance their expertise by acquiring the skills and knowledge needed to become professionals in their fields, while the NTT Group supports them through appropriate placement and career development programs—fostering both stronger expertise and autonomous career building.

Beyond employees' current fields of expertise, the NTT Group emphasizes developing talent with a view to their mid- to long-term core areas, ensuring sustainable growth in capabilities.

Career Planning Process (Comprehensive Approach to Talent Development)

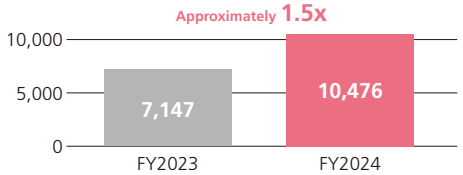


Career Design Support through Career Consulting

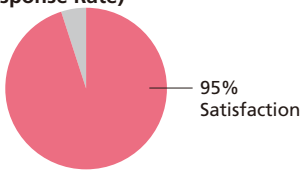
The NTT Group emphasizes enabling each employee to strengthen expertise in their core field, deliver results that are valued in the market, and achieve both personal growth and their career vision. As part of these efforts, the NTT Group has introduced a career consulting program. The program helps employees periodically reflect on their aspirations, experiences, strengths, and challenges, and proactively shape their careers.

In career consulting, professional consultants conduct one-on-one sessions to clarify career direction, identify growth challenges, and plan concrete actions for acquiring the necessary skills and experiences. This approach fosters an environment where employees can recognize their potential and actively take on new challenges.

Number of Career Support Sessions



Satisfaction with Career Support Sessions (Positive Response Rate)



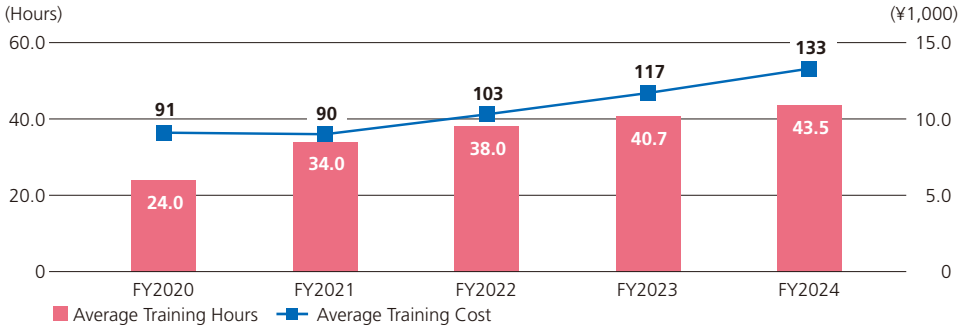
Supporting Skill Mapping and Talent Development

Each NTT Group company designs skill-mapping frameworks tailored to its business characteristics and uses them to guide talent development. We assess individual skill levels, track certifications across each level, and monitor overall progress against the framework.

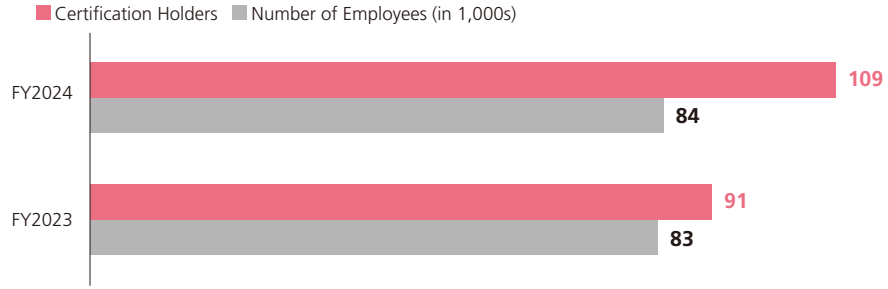
① Defining specialty areas aligned with business expertise.
② Establishing and certifying skill levels within each specialty.
③ Career development through a PDCA cycle, guided by individual career plans and supported by managers and the organization.

To build business-specific expertise, we provide employees diverse development opportunities, including group training, on-the-job training, e-learning, distance learning, and internal certification systems, along with support for external qualifications.

Status of Human Resource Development (Per Employee at Major Group Companies)



Status of Certification Holders (General Employees)



Human Capital Enhancing Support for Autonomous Career Development

Professional Talent Supporting Business Growth

Employees with Advanced Expertise Recognized Both Inside and Outside the Company (Specialist Grade: SG)

As part of the competency-based HR and compensation system revised in FY2023, NTT introduced the Specialist Grade, a grade that rewards employees with highly marketable skills and outstanding performance at a level equivalent to management. Under the traditional seniority-based HR system, expertise and performance were often undervalued. The Specialist Grade system links promotions and compensation directly to expertise, reinforcing meritocracy and moving away from seniority-based practices. As of April 2025, around 80 employees had been promoted to the Specialist Grade.

Employee Spotlight

Kai Otsuki, Specialist Grade (NTT DOCOMO, Inc.)

—A distributed systems researcher exploring the depths of blockchain

At NTT DOCOMO, Kai Otsuki, a Specialist Grade employee in his twenties, works on technical support and application development to create next-generation services. As an engineer in distributed technologies such as blockchain and digital identity, he drives global projects that bridge research and real-world implementation, leveraging advanced technologies and creative thinking. As one of the young engineers driving innovation at DOCOMO, he is recognized both inside and outside the company as a highly promising talent.

(In His Own Words)

At DOCOMO, I feel supported by an environment that respects my aspirations, enabling me to pursue exciting technical work such as development, research, international standardization, and open-source contributions. I greatly appreciate that even relatively junior employees can work with significant autonomy and responsibility when their expertise is recognized. I was promoted to Specialist Grade in my fourth year at the company, still early in my career. I believe this demonstrates that real opportunities exist for younger employees to thrive by leveraging their expertise. It is very encouraging as an engineer to have an environment where I can create new value and expand my impact.

Leading the Way in the NTT Group's Research and Development (Fellows, Senior Distinguished Researchers, and Distinguished Researchers)

The NTT Group has established a framework to recognize and support employees who are acknowledged globally as outstanding researchers, including fellows, senior distinguished researchers, and distinguished researchers.

- Fellow: A distinguished researcher whose exceptional achievements are recognized globally.
- Senior Distinguished Researcher: An outstanding researcher who leads their field and is expected to make long-term contributions.
- Distinguished Researcher: An innovative researcher acknowledged both within and beyond the company.

The NTT Group hosts many renowned researchers across diverse fields. These frontrunners serve as role models whose research style and spirit are passed down from one generation to the next. This shared spirit has become a unifying force, shaping the Group's enduring legacy of research excellence. NTT's R&D is a rich reservoir of world-class talent.

Learn more : https://www.rd.ntt/e/organization/researcher/

Employee Spotlight

Yuka Hashimoto, Distinguished Researcher (NTT Corporation)

—A researcher pioneering the future of machine learning by integrating mathematics and engineering

Yuka Hashimoto is developing new analytical methods that leverage abstract mathematical frameworks—such as Calgebras and operator theory—to represent complex models like neural networks in a continuous, simplified manner. She aims to build a universal framework for data analysis based on mathematical theory, applying it across disciplines and contributing to both societal progress and academic advancement. This cross-disciplinary approach—integrating advanced mathematical theory with engineering—is still an emerging field globally, and she is playing a pioneering role in collaboration with researchers in Japan and abroad.

(In Her Own Words)

As a Distinguished Researcher, I value the ability to define my own research themes, design the path to achieve them, and take concrete steps toward realization. With sufficient research funding, I can focus on my own themes while actively participating in conferences and academic forums while engaging in research exchanges. This environment allows me to collaborate with diverse researchers and steadily advance toward my goals.

Human Capital Enhancing Support for Autonomous Career Development

Cross-Disciplinary Talent

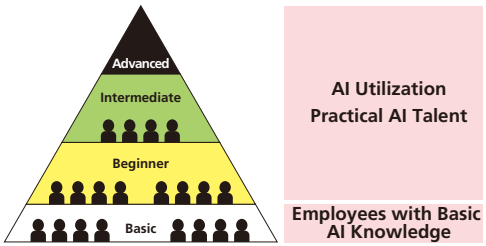
Developing AI-Driven Talent Capable of Creating Value

To create and deliver new value and drive transformation through IOWN and data-driven innovation, it is essential to leverage AI technologies across all business domains. As the demand for advanced expertise and skills grows, we are strengthening our efforts to secure and develop talent. Specifically, we provide training programs aligned with certification levels and enhance practical experience and skills through hands-on, issue-driven projects.

The NTT Group is driving customers' value chain transformation while also advancing internal change—enhancing efficiency, fostering innovation, and shaping corporate culture through the use of generative AI. To this end, we hold regular CAIO meetings to promote AI utilization across the Group.

We are committed to developing talent capable of creating value through AI. As part of our AI talent development, we have defined talent profiles and roadmaps for each level—from basic knowledge for all employees, to beginner–intermediate levels capable of creating value through AI-driven projects, up to advanced levels where employees lead projects and mentor others. By the end of FY2025, we aim to develop over 100,000 professional AI talent at beginner level or higher (67,000 as of the end of FY2024). We are also strengthening initiatives to cultivate more advanced AI talent at intermediate levels and above.

Framework for Developing AI Talent



Developing Advanced Cybersecurity Talent

Strengthening both organizational information security and service security requires specialists with advanced knowledge and skills. As security concepts, technologies, and attack methods evolve rapidly, it is vital to develop passionate cybersecurity professionals who continuously update their knowledge and ultimately lead the industry.

Since 2015, NTT has operated a cybersecurity talent certification system that defines talent types and skill levels. Under this program, we have certified approximately 100 advanced-level experts—trusted industry leaders—and more than 5,000 intermediate-level professionals with advanced qualifications such as CISSP and Registered Information Security Specialist, backed by extensive experience. Basic security knowledge at the beginner level is considered essential for all NTT employees, and we provide company-wide foundational security training to ensure this.

Among the advanced-level experts, 13 designated as "Masters" are widely recognized in Japan and abroad for their achievements and leadership in their fields. In 2019, around 20 leading experts from Japan and abroad—including these Masters—formed the "Red Team," a group that conducts simulated attacks to identify vulnerabilities before adversaries and further reinforce already robust systems. The team operates globally, and is the only Japanese company represented at prominent international cybersecurity events. Another key organization where advanced-level experts are concentrated is NTT-CERT, the Group's central CSIRT. NTT-CERT works with Group companies and plays a vital role in cultivating the next generation of cybersecurity talent. Inspiring the next generation of cybersecurity professionals is also part of the mission of the Red Team and NTT-CERT, both regarded as elite "top-gun" groups.

For employees aspiring to become security specialists, we have introduced security contests and bug bounty programs. We also run a one-year structured training program to develop advanced security engineers. Graduates have contributed to major initiatives, including strengthening security at international sporting events. We have also fostered vibrant security communities that strengthen motivation and create a supportive environment for specialists.

Developing Talent to Thrive in Global Markets

For employees hired in Japan, we offer tiered programs designed to develop talent who can thrive in global markets.

For young to mid-career employees, we actively promote entry-level global initiatives, including training programs that foster a global mindset and deepen cross-cultural understanding. We also run the Global Challenge Program (GCP), a practical initiative that dispatches employees as trainees to overseas Group companies, enabling them to gain global perspectives and experience early in their careers. Dozens of employees participate each year.

For management-level employees, we leverage NTT University programs (Next Executive Course / Future Executive Course) and place participants in key positions at overseas subsidiaries as hard assignments, fostering future executives capable of making strategic decisions on a global scale.

To drive Group management globally, we have developed a succession plan to identify key positions and build a sustainable pipeline of future leaders. We have formed a global leadership talent pool and are advancing hands-on succession development led by senior executives worldwide. As part of our global training programs, we also support overseas study opportunities, enabling employees to pursue MBA[*1], LLM[*2], or CS[*3] degrees at leading universities in Europe and the U.S.

*1 MBA: Master of Business Administration
*2 LLM: Master of Laws
*3 CS: Master's Degree in Computer Science

Human Capital Enhancing Support for Autonomous Career Development

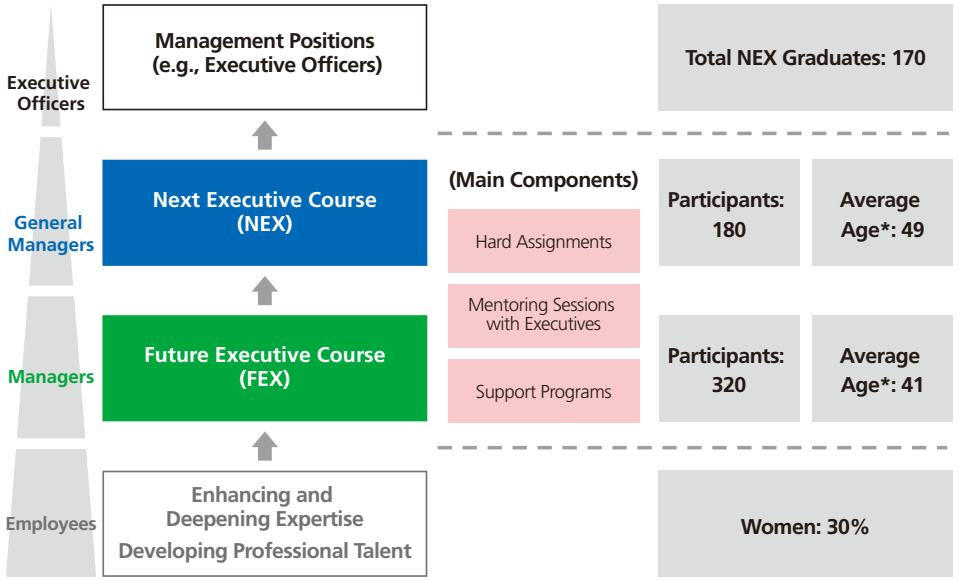
Developing Next-Generation Management Leaders

Systematic Development of Next-Generation Management Talent (NTT University)

Amid significant changes in the business environment, NTT operates "NTT University" to systematically develop diverse future leaders across the Group—individuals with broad perspectives, rich experience, and the ambition to lead societal change. In addition to the Next Executive Course (NEX), which prepares participants for executive officer roles within five years, we launched the Future Executive Course (FEX) in July 2023 to develop talent aspiring to become future executive officers.

We select individuals with the determination to become future leaders based on merit, regardless of age or seniority, and support their development as next-generation executives. We foster participants' autonomous growth through a combination of hard assignments—placing them in critical positions to address management challenges—mentoring sessions with current executives, and support programs offering access to external conferences, seminars, and training.

Number of Participants and Average Age at NTT University



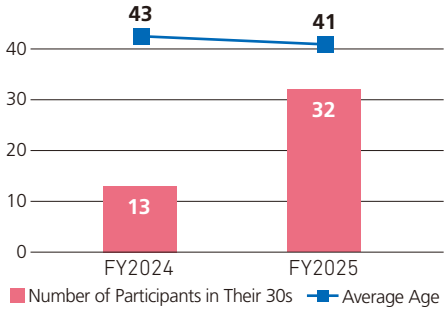
*Average age at enrollment in FY2025

Approximately 180 participants (about 25% women) in the NEX program and 320 (about 30% women) in the FEX program are working to become the next generation of business leaders.

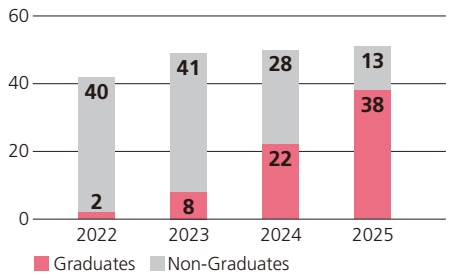
Initiatives to Accelerate Leadership Appointments

As part of efforts to accelerate leadership appointments, we expanded FEX eligibility beyond current managers to include managerial candidates. As a result, the average age of participants has decreased, expanding opportunities for younger talent. We have positioned FEX as a gateway to NEX, clarified eligibility requirements, and anticipate further promotions of participants from FEX to NEX. These initiatives make it possible to accelerate the appointment of future leaders. In FY2025, over 70% of newly appointed executives at major NTT Group companies were NEX graduates, with 70 of the 170 total graduates already serving as directors or executive officers.

Average Age at FEX Enrollment and Number of Participants in Their 30s



Trend in the Proportion of NEX Graduates among Newly Appointed Executives



Voice of an NEX Graduate

Takehisa Hiruma
Executive Officer, Hokkaido Branch

At the time I enrolled, I was working in domestic operations at NTT East, but through a hard assignment under NTT University (NEX), I was posted to NTT DATA, Inc.'s Asia Pacific Regional Headquarters (APAC Regional HQ). Based in Singapore, I led sales programs across Asia, including Oceania and India. Working closely with colleagues from diverse countries broadened my perspectives and capabilities as a future business leader. I also participated in programs led by external experts and short-term courses at leading overseas universities, which gave me the opportunity to reflect on myself from a new perspective. After graduating, I was appointed as an executive officer at another Group company, and the cross-group network I built during the program has been a major asset in my career. I intend to fully leverage these experiences to contribute to the continued growth of the NTT Group.

Human Capital Fostering an Open and Innovative Corporate Culture

Championing challenges and turning employees' aspirations into reality

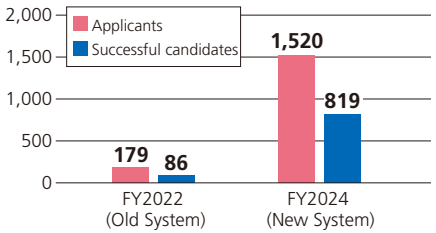
Fostering a Culture of Self-Initiated Challenges and Creating Opportunities for Employees to Act

Job Board (Internal Job Posting System)

The NTT Group's Job Board (an internal job posting system) is a crucial mechanism that aligns employees' career autonomy with the Group's talent strategy. We believe the system strengthens motivation and engagement by enabling employees to pursue transfers and take on new challenges based on their personal aspirations ("Will").

Greater talent mobility enables optimal placement of talent across departments and company boundaries, increasing organizational agility and dynamism. As employees with diverse backgrounds join new teams, fresh perspectives emerge and help catalyze innovation across the organization. In FY2024, we received more than 1,500 applications, roughly eight times the number under the previous program, signaling strong momentum in self-initiated challenges.

Applicants and Successful Candidates: Comparison of the old system and the current system



Double Work (Internal Side Job Program)

We promote double work to balance employees' career autonomy with greater organizational flexibility. By taking on assignments in other departments or even other companies alongside their primary roles, employees gain opportunities to broaden their skills and perspectives beyond traditional single-job frameworks. This empowers employees to expand their potential and take greater ownership of their career development.

Double work also brings significant benefits to the organization. When people with diverse experiences join projects, it accelerates innovation and strengthens cross-departmental collaboration.

Employee Voice

Masato Yamamoto
NTT-WEST BUSINESS FRONT

By sharing my sales expertise—particularly by clarifying customers' latent needs through active listening—with team members, I have helped generate new business opportunities and expand service sales. In addition, my first planning assignment taught me the end-to-end process from service development to order intake, providing valuable insights that I now apply to my primary role.

Opportunities to Create New Businesses

Companies across the NTT Group actively create opportunities for employees to propose new services and businesses based on their own ideas. Employees can submit new business ideas, undergo a selection process, and receive support toward commercialization. Collaboration with business units and strong top management commitment provide a company-wide framework that actively supports employees who take on new challenges.

Many ideas developed through these new programs have led to the launch of in-house ventures.

Case Examples

NTT DOCOMO operates "docomo STARTUP," a new-business creation program that provides hands-on experience from learning through to entrepreneurship. The program develops future businesses by combining new ideas from DOCOMO Group employees and co-creation partners. It also offers spin-off and spin-out frameworks backed by internal and external capital, creating new value. The program is steadily expanding as a practical platform for business creation.

NTT West has established numerous subsidiaries to explore new business domains. NTT Solmare, operator of the digital comic platform "Comic Cmoa," is one of the company's notable successes. The company is also pursuing new businesses, such as Japan Infrastructure Waymark, which conducts drone-based infrastructure inspections, and NTT EDX, which provides digital textbooks for higher education. Building on a culture that celebrates success stories and in-house ventures, the company fosters employees' entrepreneurial spirit and supports their challenges.

Businesses Originating from the President's School

This private program is led by President Shimada. Under the theme of "creating new businesses," mid-level employees from across the NTT Group take the lead in pitching new service ideas directly to the President. The "Natural Capital Monitoring Service" » P.44 proposed by program participants, has evolved into a Group-wide commercialization initiative, with demonstration beginning in March 2025.

Learn more: https://group.ntt/en/newsrelease/2025/03/27/250327a.html

Sources of Value Creation for a Sustainable Society | NTT Group' s Sustainablity for People's Well-being and The Planet's Future

Human Capital Fostering an Open and Innovative Corporate Culture

Employee-Led Culture Building and Strategy Alignment

Formulation of NTT Group's Core & Values Based on Employee Input

To formulate "NTT Group's Core," we convened a working group of about 60 employees from Group companies in Japan and overseas for a series of open discussions. We also ran a company-wide employee survey and interviewed external experts and thought leaders to gather input from diverse perspectives.

This process revealed deep pride in the NTT Group's long-standing technological strengths and traditions, as well as a distinctive corporate culture marked by a "human touch" and warmth. We also saw a strong commitment to embracing transformative challenges to create a new future. Many employees also expressed strong affinity for the corporate identity established at the time of privatization, including the "Dynamic Loop" symbol, which has been carried forward for 40 years.

Statement Developed by the Working Group

Final Report of the Working Group (Excerpt)

"NTT Group's Core" builds on the corporate identity philosophy established at the time of privatization—still deeply rooted in employees' mindset after 40 years—while incorporating employee voices to update its expression.

As a positive force for people and the planet, we focus on the needs of our customers and continuously drive dynamic innovation to create a more harmonious and prosperous future.

Innovating a Sustainable Future for People and Planet

NTT Integrated Report Production Workshop

For the first time, we organized a co-creation workshop with around 10 volunteer employees from across the NTT Group companies to help produce this report. Reflecting on how previous reports did not fully convey the appeal of employee perspectives and Group company initiatives, we wove the voices and viewpoints of employees driving the NTT's Group's businesses into the report.

In particular, volunteer employees led the creation of pages highlighting each Group company's initiatives. They also gathered information and engaged in active discussions to ensure each page clearly communicates those initiatives.

Workshop Members

Workshop Discussions

Sources of Value Creation for a Sustainable Society | NTT Group' s Sustainablity for People's Well-being and The Planet's Future

Human Capital Fostering an Open and Innovative Corporate Culture

An Environment that Recognizes and Celebrates Challenges—by Organizations and Individuals

We embrace competition and transformation, set ambitious goals, share the outcomes, and celebrate one another's achievements.

"Learning from Failure" Conference

The "Learning from Failure" Conference provides a forum to share failure cases that could lead to future success and to discuss how to turn those lessons into the next challenge. Launched in 2022, the conference was held for the third time this year. This year's event focused not only on lessons from failures, but also on the trial process itself, featuring "Nice Tries"—bold efforts to take on major challenges.

CX Conference

The CX Conference is a forum dedicated to promoting "Customer Experience First," sharing CX-related challenges, action plans, expert insights, and Group company initiatives, to strengthen services that prioritize the customer experience. Launched in 2024, the conference was held for the second time this year.

Encouraging Challenges and Celebrating Success

NTT Group Sustainability Conference

The NTT Group Sustainability Conference is a platform to share and recognize outstanding initiatives from Group companies in Japan and abroad, promoting efforts toward "NTT as a driver of new value creation and a global sustainable society." Launched in 2014, the conference was held for the 12th time this year. This year's conference received a record 169 entries from 18 countries and regions. For more details, see ≫P.33

TSUNAGU Conference

Launched in 2022 under the concept of "Creating an Exciting World through TSUNAGU," the TSUNAGU Project explores what lies beyond DX and how to realize that vision. The latest TSUNAGU Conference, themed "From the Field, Data in Action, Value Delivered!" featured presentations on data utilization initiatives from Group companies alongside talks by external speakers.

Growth Areas Conference

The Growth Areas Conference shares success factors, challenges, and practical solutions for new business creation and expansion—focusing on data-driven value creation and the realization of a circular economy—to support business growth across Group companies. The inaugural conference was held in 2024.

Creating Spaces that Foster Collaboration and Generate New Value

QUINTBRIDGE (NTT West)

QUINTBRIDGE, an open innovation facility operated by NTT West, will celebrate its third anniversary in March 2025. With around 25,000 individual members and 1,895 corporate members—including companies and municipalities, and it has firmly established itself as a co-creation hub for solving social issues and shaping the future, generating a total of 115 co-creation projects to date as its programs have expanded. In October 2024, QUINTBRIDGE received the 2024 Good Design Award for its unique, diversity-driven ecosystem—rooted in the philosophy "Self-as-We: Turning My Challenge into Our Challenge"—and its focus on social and relational capital in facility operations. To further accelerate innovation, FY2025—its fourth year—will see the launch of "Spark-Edge For Next Challengers," a business co-creation program with guaranteed startup investment. QUINTBRIDGE will also partner with key public, private, and academic stakeholders in the Kyobashi–Morinomiya area to drive regional revitalization and transform the area into an innovation hub.

Learn more: https://www.ntt-west.co.jp/news/2504/250421b.html (Japanese only)

OPEN HUB (NTT DOCOMO BUSINESS)

OPEN HUB, a community run by NTT DOCOMO BUSINESS that brings together diverse talent across industries and professions, launched in 2021 and has grown to roughly 26,000 members. It is evolving from a phase of community expansion to a new stage focused on practical idea generation and social implementation.

BASE's concept is a cross-boundary community that begins with idea sharing. The community has hosted numerous events and webinars, exploring themes such as generative AI, the metaverse, IoT, and robotics, through co-creation examples and cutting-edge technology use cases.

In FY2025, its fifth year, BASE will further accelerate the cross-boundary dynamism it has cultivated. It will create a virtuous cycle in which diverse expertise connects organically through networking and breakout sessions, so ideas can advance to real-world implementation. In parallel, collaboration with OPEN HUB Play will evolve into a platform that supports co-creation at every scale—from highly agile business models to medium- and long-term solutions to social challenges.

Learn more: https://openhub.ntt.com/journal/13204.html (Japanese only)

Smart Innovation Lab (NTT East)

In 2018, NTT East established "Smart Innovation Lab," a testbed that leverages assets such as its communication buildings to conduct joint trials with partner companies and universities specializing in AI and IoT. Smart Innovation Lab provides private networks at edge locations—including NTT East's communication buildings and data centers nationwide—delivering low-latency, secure connectivity.

NTT East also operates the "Open Innovation Lab," a joint demonstration environment that accelerates the social implementation of AI and IoT technologies. Working with partner companies and universities, these labs accelerate the early realization and social implementation of AI- and IoT-driven business models, helping solve social issues.

Learn more: https://business.ntt-east.co.jp/service/sil/ (Japanese only)

INFORIUM Toyosu Innovation Center (NTT DATA)

The INFORIUM Toyosu Innovation Center serves as a hub for co-creating new business ideas with customers. In the Gallery, visitors can try simple sensing demonstrations and explore NTT DATA's technologies via digital content.

Learn more: https://www.nttdata.com/global/en/about-us/profile/inforium

In August 2022, NTT established Innovation Centers in six countries—Japan, North America, Italy, Germany, China, and India. Collaborating across regions, they serve as global hubs for advanced technology development, focused on growth and emerging domains. The centers identify technologies likely to become mainstream in three to ten years and co-create new businesses through joint R&D with customers. Alongside a strategy group that sets our technology roadmap, around 220 experts—including researchers, consultants, and engineers—are stationed at 11 sites as of July 2024 to validate and apply technology themes selected under that strategy. In parallel, collaboration with universities and startups enables rapid capture of cutting-edge local insights to feed into the next technology strategy. We plan to expand the team to 300 experts by the end of FY2025 to drive innovation in our customers' businesses.

Human Capital Fostering an Open and Innovative Corporate Culture

Diversity & Inclusion: Harnessing Diverse Perspectives

Why We Value Workforce Diversity

To meet increasingly diverse customer needs, complex social issues, and rapid technological change, each employee must deepen their expertise and pursue innovation by sharing diverse knowledge and perspectives. In decision-making settings, diverse members who speak candidly help organizations avoid the pitfalls of homogeneity.

The NTT Group promotes inclusion on two fronts: direct support for individuals and building understanding among colleagues. We provide Group-wide forums where employees who may be in the minority can connect, and we design initiatives that focus on their needs.

We host monthly online seminars covering a wide range of diversity and inclusion (D&I) themes. Open to all NTT Group employees, the seminars draw more than 1,000 participants each month.

In FY2024, we hosted nine seminars, including sessions on balancing childcare, caregiving, and medical treatment with work, as well as management seminars for supervisors.

Incorporating Diverse Perspectives into Executive and Management Levels

To ensure diverse perspectives are reflected in decision-making, the NTT Group has set target ratios for female representation among executives and managers. We have achieved our target, with women making up 35.7% of executives and female representation among both directors and executive officers exceeding 30%. Across NTT Group companies, the FY2025 target—26.7% female executives—has already been achieved.

Female Representation

	FY2021	FY2022	FY2023	FY2024	FY2025	Target
Executive Ratio	11.4%	17.7%	21.0%	23.7%	26.7%	25~30%
Management Ratio	8.7%	10.4%	11.8%	13.1%	—	15%
New Manager Promotion Rate	29.1%	29.7%	27.9%	28.3%	—	30%
General Employee Ratio	23.0%	25.2%	25.5%	31.5%	—	—

The scope of aggregation for each of the women-related indicators consists of the five primary domestic companies (NTT, NTT DOCOMO,* NTT East, NTT West and NTT DATA Group*). * Figures for NTT DOCOMO include NTT DOCOMO BUSINESS. In addition, while figures for NTT DATA Group include NTT DATA and NTT DATA, Inc., the ratio of female executives does not include NTT DATA and NTT DATA, Inc.

Leadership Development Initiatives by Female Executives (Team "Self as We")

In 2022, female executives across NTT Group launched a voluntary network, which now includes 29 members. Leveraging their experience and expertise, they run leadership development initiatives that extend beyond female employees to include local students.

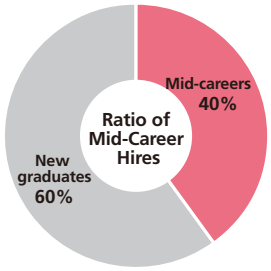
Recognition of Our Initiatives to Promote Women's Empowerment

The NTT Group's initiatives to promote women's empowerment were recognized with selection for inclusion in the FY2024 Nadeshiko Brand. This is the first time the Group has been selected. In addition, we received the Runner-up Grand Prize in the Corporate Award Advanced Category at the 2025 J-Win Diversity Award, hosted by the Japan Women's Innovative Network (J-Win), a certified nonprofit organization.

Securing Diverse Talent through Active Mid-career Hiring and Appointments

Mid-career hiring is a critical strategy for sustainable growth and social value creation. Bringing in diverse external expertise is a key enabler for adapting to today's rapidly changing environment.

Beyond contributing as immediate assets, mid-career hires bring problem-solving skills and industry knowledge that add fresh perspectives to existing frameworks. This accelerates internal innovation and speeds up improvements in services and business processes. Bringing in talent from outside the telecommunications industry also enables cross-sector collaboration and new business creation, increasing flexibility to meet diverse community and customer needs. In fields such as healthcare, education, agriculture, and government, specialist expertise combined with NTT's technologies is enabling projects that directly address social challenges.



Human Capital Fostering an Open and Innovative Corporate Culture

Promoting Employee-Led Initiatives to Expand Opportunities

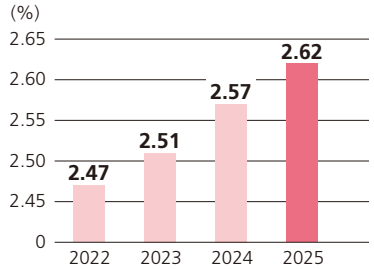
Promoting the Hiring and Empowerment of Employees with Disabilities

The NTT Group actively recruits people with disabilities and expands opportunities for their meaningful participation in the workplace.

Approximately 4,500 employees with disabilities work across the NTT Group, about 1,100 of whom are employed by special subsidiaries. As of June 2025, the Group's disability employment rate was 2.62%—up 0.05 percentage points year on year—exceeding the statutory requirement of 2.5%.

To support employees with disabilities, the Group hosts peer exchange meetings and employee-led training, fostering initiatives driven by the individuals concerned.

Trends in the Employment Rate of People with Disabilities in the NTT Group
(As of June 1, 2025)



NTT Group-wide "Employee Exchange Meeting for People with Disabilities"

On June 11, 2025, the NTT Group held an employee exchange meeting for people with disabilities. Because considerations differ by disability, staff received pre-event training from employees of NTT Claruty, a special subsidiary. On the day, 35 employees with diverse disabilities actively exchanged views on their experiences and creative approaches at work and in their personal lives.

Group discussions at the exchange meeting

Toward the Realization of Project Humanity

"Project Humanity" is a human-centered initiative led by NTT that aims to create a society where everyone can achieve well-being—defined as a state of physical and mental health. NTT collaborates with people living with conditions such as ALS, dementia, and ASD, leveraging technology to help maximize their abilities and express their intentions. Examples include DJ performances using eye-tracking and myoelectric sensors, and e-sports that enable participation by people who are bedridden—creating opportunities for expression and social participation beyond physical limitations. NTT also emphasizes diversity and inclusion, providing technologies and resources tailored to individual needs to create an environment where everyone can thrive.

Learn more: https://group.ntt/jp/magazine/blog/project_humanity/

Events and Initiatives Related to LGBTQ+ and Other Sexual Minorities

To create an inclusive workplace where diverse employees, including sexual minorities, can work with confidence, the NTT Group conducts training and events throughout the year to support LGBTQ+ employees and foster broader understanding.

To raise awareness, the NTT Group annually sponsors Tokyo Pride, one of Asia's largest LGBTQ+ events, and many employees participate in the parade together with colleagues, friends, and family. The Group also hosts cross-company online seminars to provide accurate knowledge and understanding of LGBTQ+ issues. In the second half of the year, the Group also hosts exchange meetings to provide safe spaces for LGBTQ+ employees and allies to connect.

On January 29, 2025, the NTT Group held an exchange meeting for LGBTQ+ employees and allies. For the first time, LGBTQ+ employees and allies co-planned the event, which featured seminars, an employee panel, and group discussions, drawing around 400 participants.

At Tokyo Pride 2025 in June, around 200 employees joined the parade. Volunteer employees also helped run the NTT booth, with LGBTQ+ employees and allies taking the lead.

(Top) LGBTQ+ Employee and Ally Exchange Meeting
(Bottom) NTT Group at Tokyo Pride 2025

Recognition of Our Initiatives Related to LGBTQ+ and Other Sexual Minorities

Since April 2016, the NTT Group has enhanced employment programs by extending marriage leave and other benefits to same-sex partners in relationships equivalent to marriage. The Group has also created a handbook outlining policies on preferred names and restroom access based on gender identity to promote employee understanding.

These initiatives have been recognized with nine consecutive Gold ratings since 2016 in the PRIDE Index 2024, an evaluation framework for LGBTQ+ workplace initiatives developed by work with Pride.

work with Pride Gold 2024

Sources of Value Creation for a Sustainable Society | NTT Group' s Sustainablity for People's Well-being and The Planet's Future

Human Capital Enhancing Support for a Better Working Environment

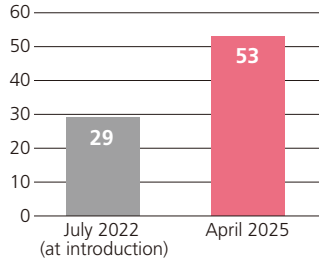
Advancing Work-in-Life: Expanding Opportunities for a Diverse Workforce

Promoting Hybrid Work

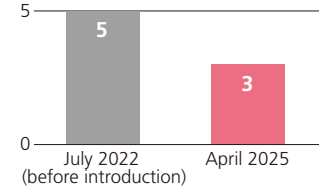
From the perspective of "Work-in-Life," an approach to health-conscious workstyle management that encourages employees to view work as a part of a fulfilling life and design their own way of working, the NTT Group promotes hybrid work that combines the best of in-person and remote work. This approach seeks to achieve both flexibility for employees and higher organizational and team productivity. To date, the NTT Group has advanced its "Work-in-Life" initiatives by expanding remote work programs, introducing remote work allowances, super-flex time, split-shift arrangements, and satellite offices, as well as launching the Remote Standard System*, which allows employees to work remotely from anywhere in Japan. As a result, some employees are able to avoid transfers that would require solo assignments, while others have been able to return to family living arrangements.

Going forward, the NTT Group will continue to promote and refine hybrid work arrangements, flexibly combining in-person and remote work based on business needs and team or individual employee circumstances.

Number of Employees Covered by the Remote Standard System
(in thousands)



Number of Employees on Solo Assignments
(in thousands)



* Remote Standard System
- Employees can live anywhere in Japan.
- When commuting to the office, employees may use reasonable transportation, with travel and lodging expenses covered as business travel.
- For transfers to remote locations, relocation is not required if the destination organization is covered under the Remote Standard System.

Initiatives to Support Work–Life Integration

Since FY2023, the NTT Group has been hosting D&I seminars open to all employees to support work–life integration, including balancing diverse workstyles with childcare, nursing care, and medical treatment. Employees can choose sessions based on their interests. In addition, employee interviews are featured on the Group's intranet site, accessible to all NTT Group employees, to showcase role models and share real-life experiences.

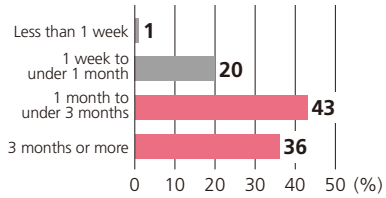
Childcare	• Parenting classes open to both employees and their partners • Seminars on balancing childcare and work • Mandatory one-on-one meetings with supervisors
Caregiving	• Peer exchange meetings for employees providing caregiving • Surveys on balancing caregiving and work • Regular caregiving articles • Development of a caregiving handbook
Medical Treatment	• Seminars on sleep and health management • Seminars on balancing medical treatment and work • Seminars on infertility treatment • Coupons available for use at selected medical institutions

Promoting Paternity and Childcare Leave for Male Employees

The NTT Group aims for 100% of male employees to take paternity or other childcare leave. In FY2024, the achievement rate reached 120%, exceeding the target. To promote "Work-in-Life," the NTT Group developed guidelines and distributed videos to encourage active participation in childcare. It also produced a communication handbook to promote dialogue between supervisors and employees, which has been shared across Group companies. The Group is also implementing cross-company initiatives to encourage childcare leave, such as holding seminars on balancing work and childcare and sharing stories from male employees who have taken paternity leave.

Duration of Childcare Leave Taken by Male Employees Returning from Leave
(FY2024)

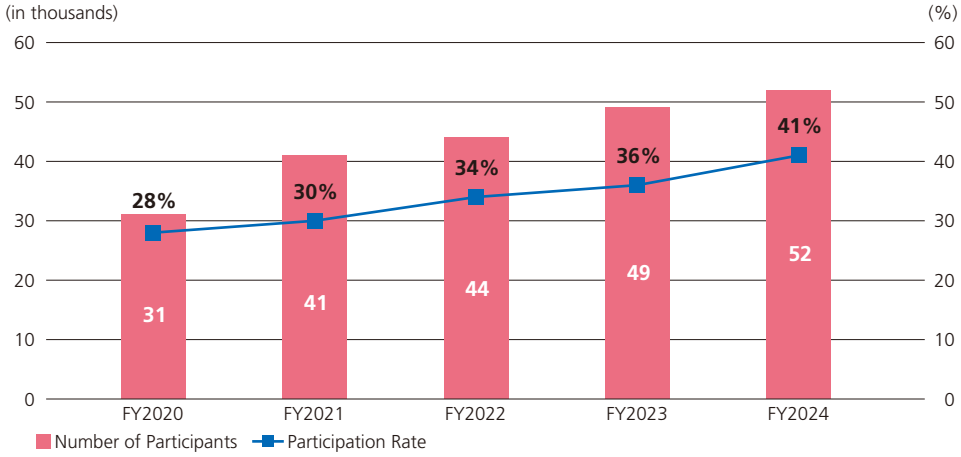
Approximately 80% of male employees took one month or longer of childcare leave. Employees can choose leave durations that best suit their needs.



Employee Stock Ownership Plan

The NTT Group has introduced an Employee Stock Ownership Plan (ESOP) that allows employees to purchase NTT shares, with the aim of enhancing employee benefits and offering medium- to long-term incentives. Through the Group's cafeteria plan (a flexible benefits program), employees also receive matching incentives from the company based on their contribution units and points.

Trends in the Number of Participants and Participation Rate



Human Capital Enhancing Support for a Better Working Environment

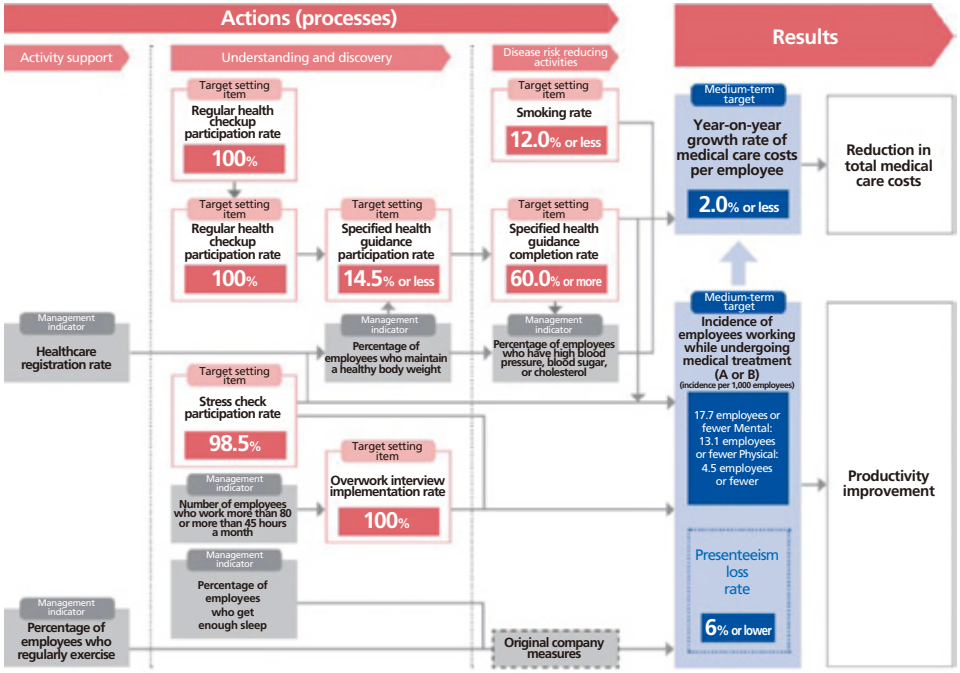
Advancing Work-in-Life: Expanding Opportunities for a Diverse Workforce

Health and Well-being Management Strategy

As part of its overall management strategy, the NTT Group promotes "Health and Well-being Management" initiatives. The NTT Group believes that supporting the health and well-being of employees and their families fosters motivation and vitality (EX) and ultimately contributes to the Group's sustainable growth and development.

By actively promoting employee health, the NTT Group aims to achieve the targets set in its Health and Well-being Management Strategy Map, while controlling total medical costs and improving productivity.

Health Management Strategy Map (2024–2026) *FY2026 Targets



Certified as a 2025 Health and Productivity Management Organization (Large Enterprise Category – White 500)

The NTT Group has been certified as a "Health and Productivity Management Organization 2025 (Large Enterprise Category – White 500)," a designation jointly awarded by Japan's Ministry of Economy, Trade and Industry (METI) and the Nippon Kenko Kaigi. We will continue to strengthen initiatives to further advance health and well-being management.

*Health and Productivity Management Organization Certification Program: A program that recognizes large enterprises and small- and medium-sized companies that demonstrate outstanding health and well-being management, based on initiatives addressing local health issues and the health promotion efforts led by the Nippon Kenko Kaigi.

Providing Welfare Programs to Promote Employee Health and Well-being

To promote employee health and well-being, the NTT Group provides regular health checkups and offers tailored health guidance based on the results. The Group also offers comprehensive medical checkups and genetic testing to support the early detection of diseases such as lifestyle-related illnesses and cancer, whose risks increase with age. In collaboration with the health insurance association, the NTT Group provides an app that records and tracks vital data such as daily step counts, and uses health checkup data to predict and simulate future health risks such as metabolic syndrome and high blood pressure. The Group also supports healthy lifestyles by offering subsidies for fitness club membership to encourage regular exercise habits.

At offices with cafeterias, lunches are provided under the supervision of nutritionists. Some offices also offer massage services to help employees refresh and build resilience during the workday.

In addition, the NTT Group offers a cafeteria plan (a flexible benefits program) that supports employees in undergoing comprehensive medical checkups and purchasing health-related IT devices.

Human Rights Policy and Due Diligence

The NTT Group recognizes respect for human rights as a key corporate social responsibility. We work to understand and respect the laws, cultures, religions, and values of each country and region, and by fulfilling this responsibility, we aim to help build a safe, secure, and prosperous sustainable society. In November 2021, the NTT Group incorporated its former Human Rights Charter into the NTT Group Sustainability Charter and established a new Human Rights Policy. As a global company, the NTT Group supports international covenants and treaties and discloses a human rights policy aligned with global standards both internally and externally. This policy applies to all NTT Group employees and officers. We also expect our suppliers and business partners to support the policy and uphold respect for human rights in their activities.

Learn more: https://group.ntt/en/newsrelease/2021/11/10/211110c.html

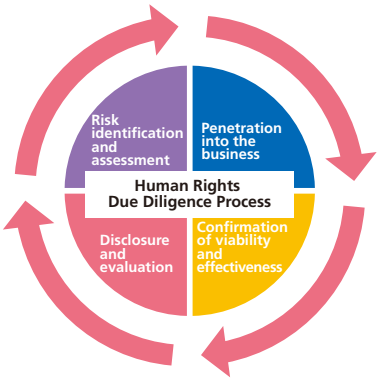
In line with the UN Guiding Principles on Business and Human Rights, the NTT Group implements a global human rights due diligence process to identify, prevent, mitigate, and remedy human rights issues, while strengthening human rights awareness and management across the Group. Human rights due diligence covers the entire value chain, with direct dialogue forming the basis of engagement with key suppliers. We disclose the status of these initiatives on our website and have established a framework for continuous evaluation and improvement.

The NTT Group conducts internal human rights due diligence through third-party assessments, primarily at major Group companies. We assess human rights risks in areas such as labor, ethics, procurement, and the environment, and drive improvement based on the results. Going forward, we will continue to strengthen these initiatives on a unified, Group-wide basis.

Basic Policy on Customer Harassment

In July 2024, the NTT Group established the Basic Policy on Customer Harassment, based on the belief that protecting every employee from customer harassment and creating a safe, comfortable workplace are essential to delivering high-quality, customer experience (CX)-focused services.

With employee protection as the top priority, the NTT Group is implementing internal training and building support systems.



Learn more: https://group.ntt/jp/newsrelease/2024/07/26/240726a.html (Japanese only)

Value Chain Management

The NTT Group promotes initiatives based on the NTT Group Supply Chain Sustainability Promotion Guidelines to build strong, trusted partnerships with suppliers. The Group holds direct dialogues with key suppliers based on sustainability assessment results provided by EcoVadis, a third-party evaluator, and promotes initiatives to strengthen supplier engagement. In addition, sustainability audits are conducted at suppliers' factories in line with the audit standards of the Joint Alliance for CSR (JAC), a consortium of global telecommunications operators. Through these initiatives, the NTT Group contributes to building and maintaining a safe and secure supply chain, thereby contributing to the realization of a sustainable society.

ESG Evaluation in Supplier Selection

To promote a sustainable supply chain, the NTT Group factors ESG performance into its supplier selection by giving additional credit to suppliers with strong ESG initiatives. Specifically, in line with our Green Procurement Standards, we prioritize procurement from suppliers that actively reduce greenhouse gas emissions. In addition, Group companies are gradually introducing an internal carbon pricing program, which promotes lower environmental impact by assigning a cost to CO_2 emissions. This cost is factored into proposal evaluations alongside price.

Collaboration within the Telecommunications Industry

NTT, KDDI Corporation, and SoftBank Corp. are collaborating to standardize supplier engagement and undertake joint initiatives to build a sustainable supply chain for the telecommunications industry. Since FY2023, the three companies have used a common sustainability Self-Assessment Questionnaire (SAQ) for suppliers. From FY2024, they have been advancing supplier engagement initiatives based on EcoVadis assessment results, conducting joint supplier audits, and offering sustainability support content. Going forward, NTT will continue to collaborate with companies and organizations across industries to build a sustainable supply chain.

Human Capital Employee Engagement Survey

Survey Results

NTT Group Employee Engagement Survey

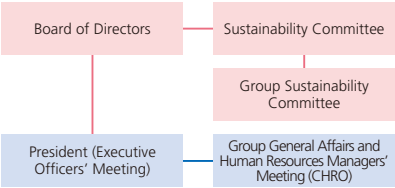
The NTT Group has conducted employee engagement surveys since FY2021. We have set four indicators for measuring engagement as Group-wide KPIs. In addition, to strengthen employee engagement at the corporate level, we have incorporated these indicators into the performance evaluation criteria for executive compensation and management bonuses. We are committed to enhancing employee engagement across the organization.

Four KPI Indicators (positive response rates to the following questions)

1. I feel motivated to go above and beyond to accomplish my work at this company.
2. I am proud to work at this company.
3. I would recommend this company to others as a great place to work.
4. I feel a sense of personal achievement through my work.

■ Governance and Promotion Framework

Employee engagement initiatives are reviewed at Group Sustainability Committee and Sustainability Committee meetings (held once or twice a year), as well as at the General Affairs and Human Resources Managers' Meeting (held six times a year). Through these forums, issues and best practices are shared, and Group-wide action plans for improvement are developed and implemented.



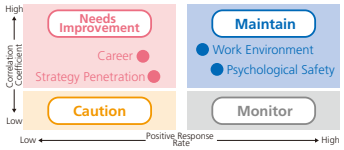
Key Issues Identified

The NTT Group conducts correlation analyses between employee engagement scores and other survey categories to identify areas to maintain or strengthen, as well as areas requiring improvement, based on positive response rates. Priorities are then set to guide initiatives.

In FY2023, the areas identified for improvement were "Strategy Penetration," "Dialogue with Management," and "Career." These are viewed not as separate issues, but as interconnected factors that collectively shape employee engagement.

"Strategy Penetration" and "Dialogue with Management"

There may be insufficient communication regarding the company's future business strategies—specifically, how management intends to steer the business and support employees in executing these strategies.



"Career"

Employees are uncertain about how to build their career paths in light of the company's future direction.

The analysis revealed that both a company's strategic direction and employees' career perspectives significantly affect overall engagement.

Addressing Key Issues and Outcomes

To address these challenges, Group companies have expanded opportunities for dialogue between management and employees. In addition, companies and organizations hold discussions on survey results and engage in active dialogue to address organization-specific issues.

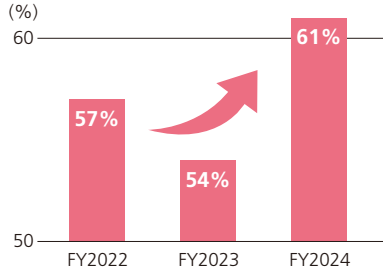
To horizontally share and expand these efforts, the NTT Group held a panel discussion on "Initiatives to Enhance Employee Engagement" at the NTT Group Presidents' Meeting, providing a forum for executives to exchange views.

With regard to career development, the NTT Group is expanding opportunities for employees to take ownership of their careers through various initiatives, such as hosting the "Career Design Boot Camp" and organizing networking events with Specialist Grade (SG) employees who possess advanced expertise.

As a result, the engagement score improved significantly, rising by 7 points year-on-year and 4 points from the baseline year.

NTT Group Presidents' Meeting (May 2025)

Employee Engagement (Positive Response Rate)

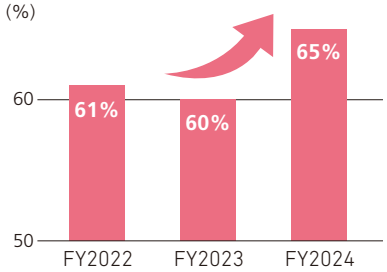


Leveraging NTT's Strengths

NTT fosters open, healthy internal communications, with strong psychological safety and a supportive work environment. Another key strength is the abundance of growth opportunities for employees. NTT actively supports employee development so people can fully leverage their skills and capabilities. As a result, the positive response rate to "I am fully utilizing my skills and abilities" has increased.

Going forward, NTT will continue dialogue with employees and build a workplace environment where they experience growth and feel energized in their work.

Positive Response Rate: "I am fully utilizing my skills and abilities"



Human Capital Employee Engagement Survey

Key Insights from the Employee Engagement Survey

Employee Engagement and Presenteeism*

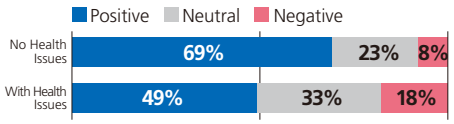
The analysis revealed that when employees perceive health-related issues, their engagement is significantly affected. Engagement survey results show a 20-point gap in positive response rates and a 10-point gap in negative response rates between employees with and without health issues.

Among employees reporting health problems, the impact on work performance varies widely by cause.

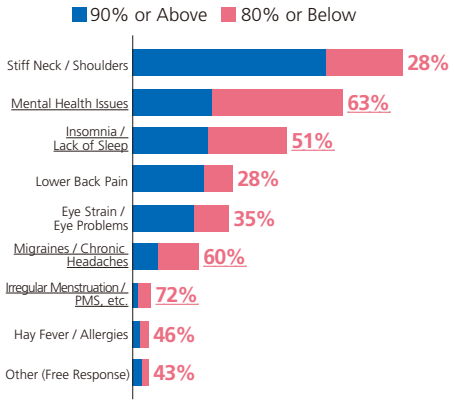
When asked how symptoms affect work performance, more than 50% reported a decline to 80% or less of their usual performance for the following: irregular menstruation/PMS, mental health issues, migraines/chronic headaches, and insomnia or lack of sleep.

These findings indicate that protecting employee health helps prevent performance declines and enhances employee engagement. NTT will continue to advance health and well-being initiatives as part of its health management strategy.

Engagement Response Trends by Presence or Absence of Health Issues Affecting Work



Impact on Work Quality When Symptoms Appear

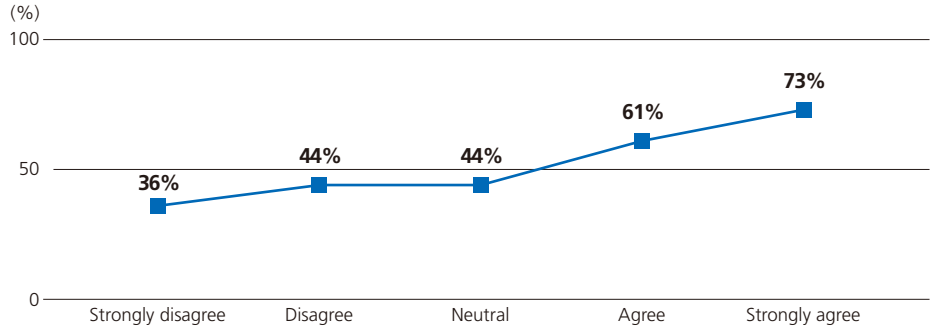


*Presenteeism refers to being physically present at work while experiencing reduced productivity due to health-related issues.

Employee Engagement and Autonomous Work Styles

Employees who feel empowered to work autonomously tend to show higher engagement. Employees who agree record engagement scores above 60%, while those who are neutral or less positive fall below 50%, indicating a significant gap. The NTT Group's basic model is hybrid work, and it promotes autonomous work styles.

Trends in the Positive Response Rate for Engagement by Presence or Absence of Autonomous Work Styles



We believe that promoting diverse work styles that allow employees to choose when and where they work, based on their roles and lifestyles, will expand opportunities for a diverse workforce and raise engagement.

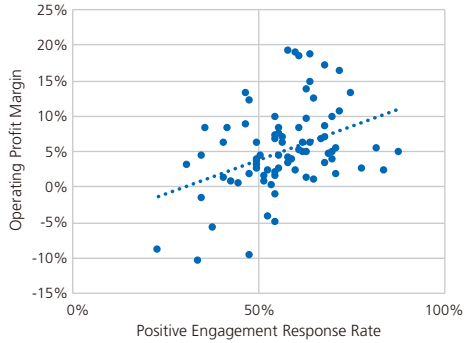
Relationship Between Employee Engagement and Operating Profit

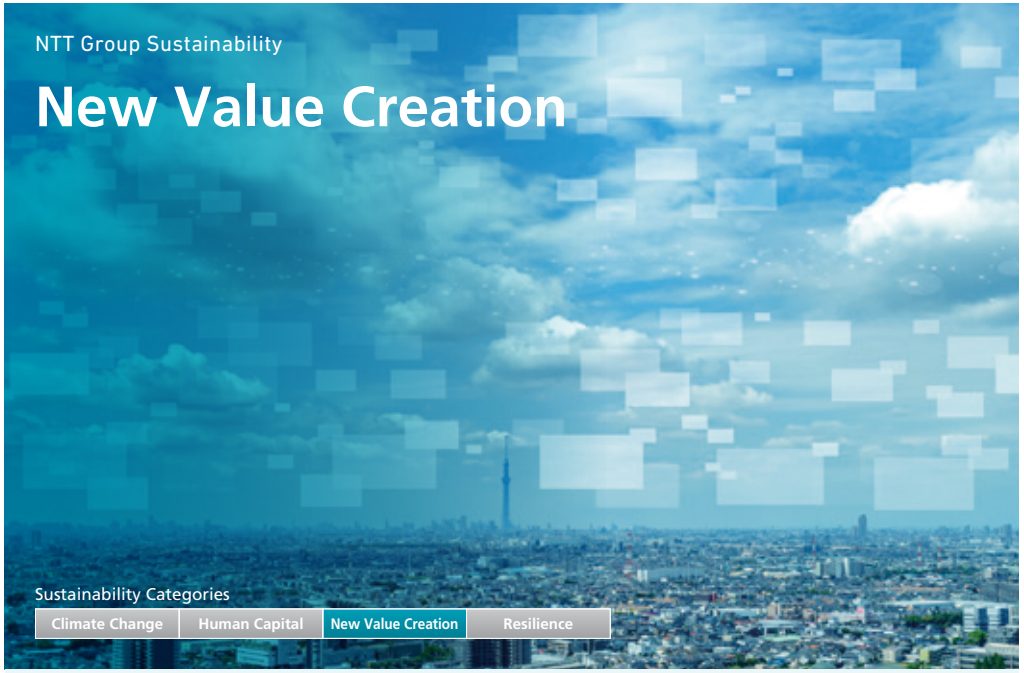
Within the NTT Group, companies with higher engagement scores tend to show higher operating profit margins.

Engagement initiatives improve employee health and job satisfaction and significantly influence both individual and corporate performance.

NTT will continue to position engagement as a key indicator and further strengthen related initiatives.

Operating Profit Margin and Positive Engagement Response Rate
(FY2024)





Related Items

Key Issues in Sustainability 3 Themes and 9 Challenges

Ensuring the positive coexistence of nature and humanity | **Improving prosperity for all people and cultures** | Maximizing well-being for all

Prepare for a new future with the power of technology

Related Medium-Term Management Strategy Initiatives

1 NTT as a Creator of New Value and Accelerator of a Global Sustainable Society

❶ IOWN-Driven Creation of New Value (from concept to commercialization)
- i. Establishment of manufacturing company for photonic-electronic convergence devices
- ii. Acceleration of IOWN research and development/commercialization

❷ Data-Driven Creation of New Value
- i. Strengthening the personal business
- ii. Strengthening the use of DX/data in society and industry
- iii. Expansion and upgrade of data center infrastructure

❸ Achievement of a Circular Economy Society
- i. Develop sustainability solutions for customers
- ii. Creating Circular Economy businesses
- iii. Progression towards Net-Zero

❹ Further Strengthening of Business Foundations

2 Upgrading the Customer Experience (CX)

❺ Fusion of Research and Development with a Market-Focused Strategy

❻ Strengthening of Services that Emphasize Customer Experience (CX)

3 Improving the Employee Experience (EX)

❼ Open and Innovative Corporate Culture

❽ Support Career Growth

❾ Global Benefits for Employees and their Families

Contests covered in the New Value Creation Section

1. IOWN-Driven Creation of New Value	・Launch of Commercial Service: IOWN 1.0 "APN" ・Global Expansion of IOWN ・Exploring Use Cases for the Social Implementation of IOWN ・The Cutting Edge of Photonics-Electronics Convergence (PEC) Devices ・Feature: The Future of IOWN Showcased at the NTT Pavilion, EXPO2025 OSAKA,KANSAI
2. Data-Driven Creation of New Value	・Value Creation Using AI ・AI Governance ・Creating new value through data-driven innovation
3. Achievement of a Circular Economy Society	・Balancing stable food supply and a circular economy ・Realizing a circular economy through contributions to communities and society
4. Upgrading the Customer Experience (CX)	・CX Promotion Framework and Key Initiatives over the Past Year
5. R&D Strategy	・R&D Strategy for Sustainable Value Creation ・NTT Group's Space Business under the "NTT C89" ・Optical Quantum Computing: Expectations for Addressing Social Challenges
6. Intellectual Property Strategy	・Intellectual Property Strategy Supporting Sustainable Corporate Value Enhancement
Column	・The CX–EX Cycle Driving New Value Creation

Indicators and Targets

Indicator	Target	Results
Customer engagement (NPI, NPS)	[NPI] Improvements (year-on-year) [NPS] Improvements (year-on-year)	[NPI] FY2024: 70.5% [NPS] FY2024: -31.3

Note: Customer engagement NPI (Next Purchase Intention) and NPS® (Net Promoter Score®)*1 are indicators that measure the degree to which customers recommend our services to others.
Customer engagement targets small- and medium-sized enterprise services and consumer services, which are the focus areas of NTT East, NTT West, and NTT DOCOMO*2
(with plans to expand the scope to include enterprise services for large corporations in the future).
*1 Net Promoter Score and NPS, as mentioned herein, are registered trademarks of Bain & Company, Fred Reichheld and Satmetrix Systems (now NICE Systems, Inc.).
*2 Figures for NTT DOCOMO include amounts for NTT Communications.

New Value Creation IOWN-Driven Creation of New Value

Launch of Commercial Service: IOWN 1.0 "APN"

Launch of "All-Photonics Connect Powered By IOWN"

On December 1, 2024, NTT East and NTT West began the phased launch of "All-Photonics Connect powered by IOWN," a new commercial service under the IOWN initiative. This service leverages APN technology, which dedicates optical wavelengths across the entire communication network, enabling ultra-high-speed, large-capacity communications. The service provides wavelength-dedicated, point-to-point connections with guaranteed bandwidth of up to 800 Gbps—the world's highest level for inter-site connectivity*1.

In addition to the hallmarks of conventional APN IOWN1.0—high speed, large capacity, low latency, and zero fluctuation—"All-Photonics Connect" delivers the following three functions.

1) Point-to-point communication at up to 800 Gbps with guaranteed bandwidth.
2) Service availability across broad regions connecting major cities, allowing point-to-point connectivity between any two locations within the coverage area.
3) Expanded service configurations and interfaces, combined with lower power consumption.

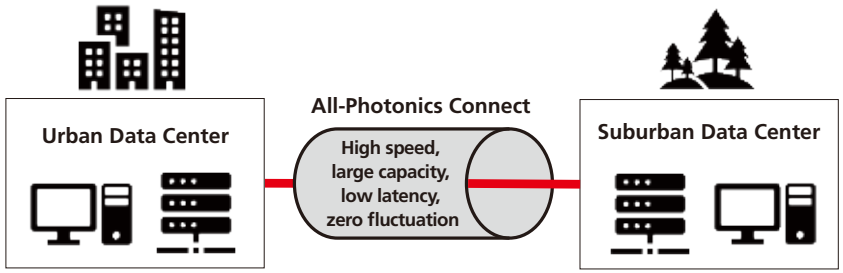
*1 As of November 2024, based on research by NTT East and NTT West.

Learn more: NTT East⇒ https://www.ntt-east.co.jp/release/detail/20241118_01.html
NTT West⇒ https://www.ntt-west.co.jp/news/2411/241118a.html

Use Case 1

Application in inter-data center networks

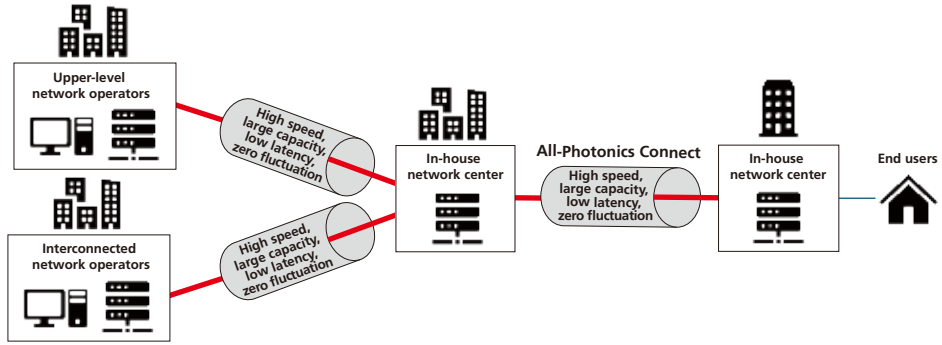
In inter-data center connections spanning areas—for example, between urban and suburban data centers—All-Photonics Connect enables high speed, large capacity, and low latency links that support distributed computing across remote sites. By distributing data centers, operators can reduce environmental impact through local energy production and consumption, while also lowering costs by leveraging more affordable capacity. This service also ensures sufficient scalability to meet the rapid growth of inter-data center traffic.



Use Case 2

Application in Backbone Networks of Telecommunications Carriers

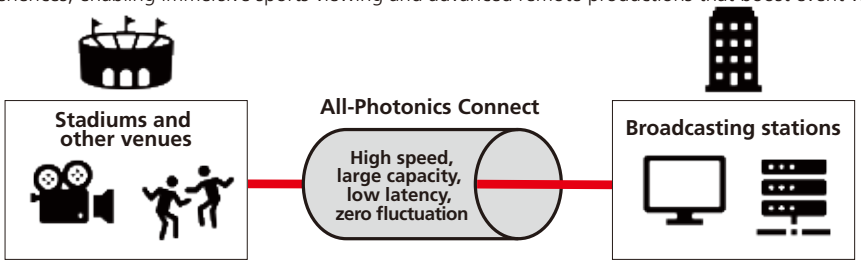
Compared to conventional services, the expanded coverage now makes it possible for All-Photonics Connect to deliver high speed, large capacity, low latency, and zero-fluctuation lines to communication hubs closer to end users. As a result, telecom carriers and other operators can achieve high-quality data transmission and provide more reliable, comfortable communication services to their customers.



Use Case 3

Application in Broadcasting (High-Definition Video Transmission and Remote Production)

The service enables uncompressed video transmission at ultra-high speeds, simultaneous delivery of multiple video streams, and interactive two-way video with low latency. Its zero fluctuation capability allows precise time synchronization between sites—critical for broadcasting applications. This supports not only improved broadcast quality but also innovative production facility design that was previously unattainable. Furthermore, the real-time transmission of uncompressed remote video and audio enhances event experiences, enabling immersive sports viewing and advanced remote productions that boost event value.



Activating the World's First International IOWN

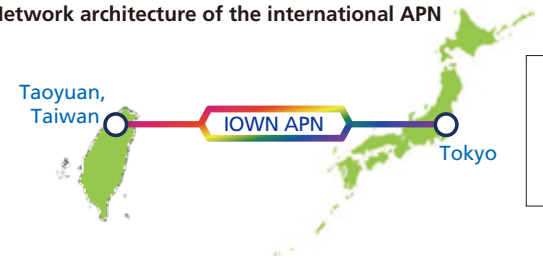
APN between Taiwan and Japan Connecting in just 17 milliseconds across 3,000 km with an ultra-low latency network

In August 2024, Chungwa Telecom Co., Ltd. (CHT) and NTT activated an International IOWN APN between Taiwan and Japan based on a basic agreement signed on October 25, 2023. The connection linked CHT's data center in Taoyuan City, Taiwan with NTT's Musashino R&D Center in Musashino City, Japan, achieving stable communication with ultra-low latency of approximately 17 milliseconds and virtually no jitter across a 3,000 km optical path. This marks the world's first APN international implementation.

To realize the connection, NTT built an APN between its Musashino R&D Center and a submarine cable landing station in Japan, while CHT built an APN between its Taoyuan data center and the landing station in Taiwan. The two companies then linked their respective segments and confirmed stable, end-to-end communication.

This International IOWN APN connects Taiwan and Japan with 100 Gbps of optical bandwidth. Testing confirmed a one-way latency of 16.92 ms, with virtually no jitter measured.

Network architecture of the international APN



Distance: Approx. 3,000 km
Transmission speed: 100 Gbps
Latency: 17 ms

Results of latency and jitter measurements

Bandwidth	Distance	Latency (one-way)	Jitter
100Gbps	2,893km	16.92 ms	< 1 ns

Learn more: https://group.ntt/en/newsrelease/2024/08/29/240829a.html

Expansion of IOWN APN and Data Center Business in India

In March 2025, NTT DATA hosted the "NTT DATA Leadership Event" in Mumbai, India. The event showcased the integration of three geographically dispersed data centers via IOWN APN, as well as preparations for future connectivity with the "MIST" submarine cable, which links India, Singapore, and Malaysia. Going forward, we will continue to promote international expansion by leveraging the ultra-high-speed, ultra-low-latency capabilities of IOWN APN.

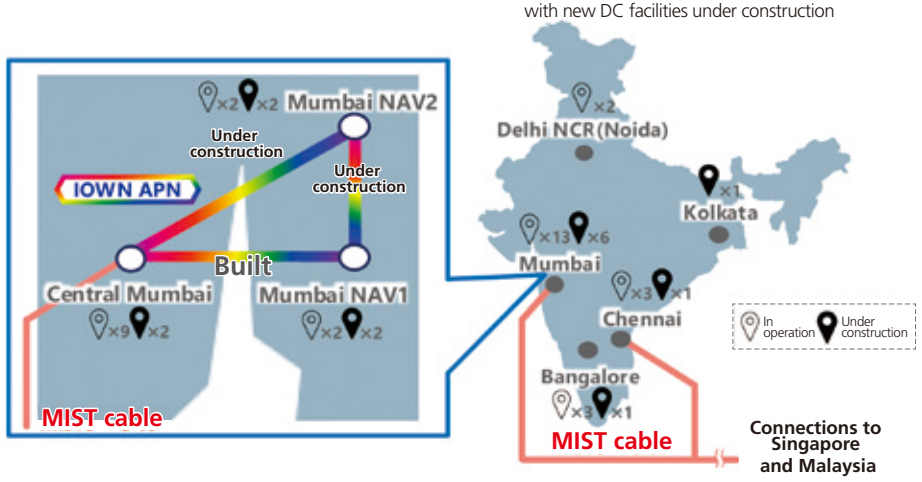
NTT DATA Leadership Event

Date	Location	Overview
March 17, 2025 (Monday)	Mumbai, India	Introduced the NTT Group's initiatives in India (as outlined below) ・Data Center (DC) business ・Submarine cable (MIST cable) ・System integration business ・IOWN initiative and future vision

Further Strengthening of the DC Business

IOWN APN connections between data centers
Central Mumbai, Mumbai NAV1, Mumbai NAV2
Interconnection of three data centers via IOWN APN

Expansion of Data Centers
Currently operating 21 buildings in 4 cities, with plans to expand to 30 buildings in 5 cities, with new DC facilities under construction



Exploring Use Cases for the Social Implementation of IOWN

Use Case 1

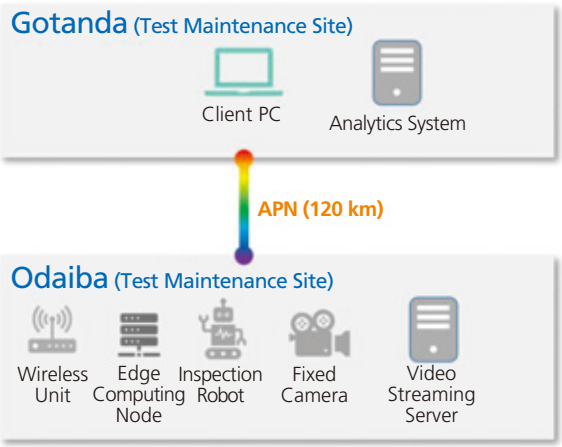
Verifying Remote Factory Equipment Inspections Using IOWN APN Robots

— Toward Smart Maintenance through Real-Time Video and AI Analysis —

The NTT DATA Group, NTT DOCOMO Solutions, Itochu Techno-Solutions, and Mitsubishi Chemical Group are working to reduce the workload of factory inspectors by introducing smart maintenance solutions powered by IOWN APN and AI.

In this trial, the companies jointly tested remote factory inspections by operating robots via IOWN APN and applying AI-based video analysis.

The results demonstrated real-time detection of cracks in pipes and precise analysis of vibration—an early indicator of deterioration. Performance metrics for video latency and image quality reached levels sufficient for practical use. Looking ahead, the partners aim to create an environment where multiple robots and devices can capture video, audio, and other environmental data simultaneously. Through multimodal AI analysis, this will enable highly accurate, real-time monitoring of remote factories.



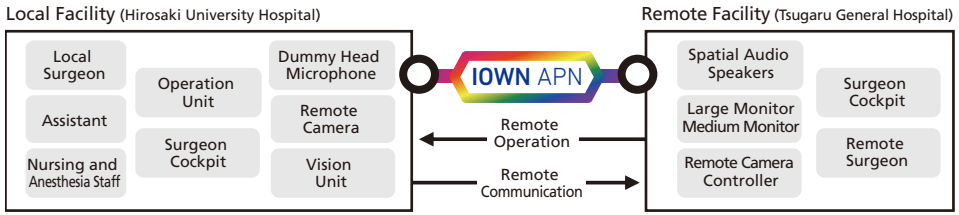
Learn more: https://www.nttdata.com/global/ja/news/release/2024/122000/

Use Case 2

Demonstrating Telesurgery Support Between Two Distant Hospitals Using IOWN APN

— Achieving high-precision remote operation and communication as if in the same operating room —

NTT, NTT EAST, Hirosaki University Hospital, Medicaroid Corporation, and Kajima Corporation successfully demonstrated telesurgical support by connecting the hinotori™ Surgical Robot System (provided by Medicaroid) installed in two separate hospitals via the IOWN APN.



Results of this demonstration

1) High-precision remote operation of the surgical assistant robot

Quantitative communication quality tests showed the one-way transmission delay was 0.28 milliseconds, with an average jitter of 0.00 microseconds and a maximum jitter of 0.02 microseconds. Compared to conventional guarantee-type circuits, IOWN APN delivered approximately four times better latency performance and over 120 times higher maximum jitter performance. This trial was conducted over a distance of approximately 30 km. However, because APN minimizes the impact of distance-related delays and jitters, even greater benefits are expected at longer distances.

2) High-quality communication as if participants were in the same operating room

Surgeons evaluated the communication environment directly and rated it highly in response to a questionnaire, noting a strong sense of presence.

Based on these evaluation results, we confirmed that the APN can be used to transmit audio and video signals with large capacity, low latency, and no jitter. Additionally, by integrating a 3D acoustic speaker OPSODIS 1 (provided by Kajima Corporation), binaural microphones, a high-definition 4K remote camera, and large monitors, we successfully created a high quality communication space. This enabled an immersive communication environment, making it feel as if participants were in the same operating room.

Learn more: https://group.ntt/en/newsrelease/2025/02/28/250228a.html

New Value Creation IOWN-Driven Creation of New Value

The Cutting Edge of Photonics-Electronics Convergence (PEC) Devices

Commercial Deployment of Photonics-Electronics Convergence (PEC) Devices

PEC devices integrate electronics and photonics into a single system to enable faster data transmission and greater energy efficiency.

They not only reduce latency in the All-Photonics Network (APN), but also increase capacity and lower power consumption, making them essential to the IOWN concept. The NTT Group is driving the phased deployment of PEC devices in society and industry.

The Cutting Edge of PEC Devices – Deployed at EXPO 2025 OSAKA, KANSAI –

At EXPO 2025 OSAKA, KANSAI, devices powered by PEC-2 technology were showcased in practical use.

The PEC-2 is a compact photonic-electronics convergence device, about 20 mm wide, commonly referred to as a photonic engine. A single unit can transmit 3.2 terabits per second—equivalent to the data on 16 Blu-ray discs.

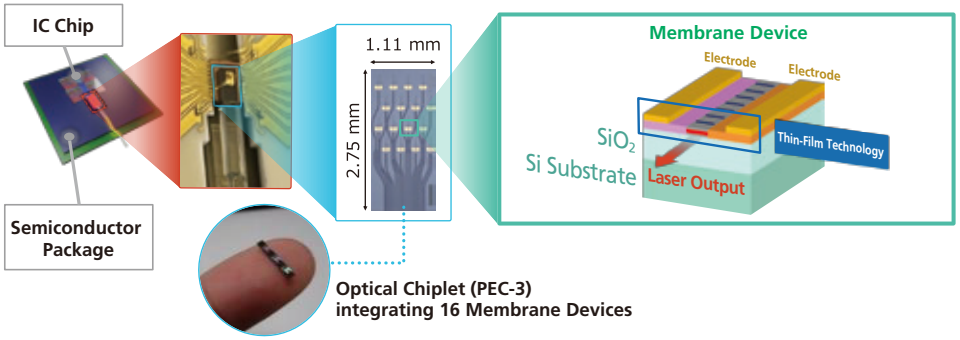
The PEC-2 switchboard allows seamless communication by switching between multiple transmission and reception channels. It integrates 16 PEC-2 devices within a single switchboard. The PEC switch, equipped with this switchboard, achieves an aggregate capacity of 51.2 terabits per second.

While the latest GPUs require 14.4 terabits per second, the PEC switch delivers more than triple that capacity, providing robust performance for advanced AI workloads.

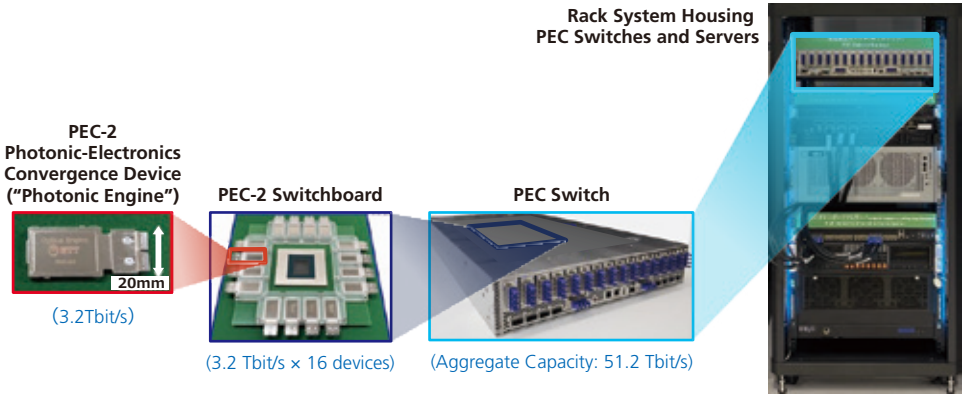
Further Evolution of Photonic-Electronic Convergence Devices

IOWN 3.0 will deliver a dramatic reduction in power consumption by enabling direct optical interconnects between chips. This is called Optical I/O.

Achieving this requires miniaturizing PEC devices to a scale that allows direct integration with chips. We have fundamentally redesigned the structure of conventional optical devices and developed proprietary thin-film (membrane) technology to create devices small enough for this purpose.



PEC-2 Devices and PEC Switches Demonstrated at EXPO 2025 OSAKA, KANSAI



Column

NTT's Advantage — Highly Energy-Efficient Membrane Optical Devices

Conventional optical devices were produced by vertically stacking semiconductor materials, such as indium-phosphorus compounds, to fabricate lasers and related components.

In contrast, NTT developed a method of horizontally stacking semiconductor materials into a thin-film structure. This reduced semiconductor thickness to about one-tenth of conventional levels (approximately 0.3 micrometers), achieving both miniaturization and lower power consumption. This breakthrough requires bonding indium-phosphorus compounds, which have different thermal expansion properties, seamlessly onto silicon. NTT possesses proprietary processing technology that makes this possible—an innovation no other player in the market has yet achieved.

Feature: The Future of IOWN Showcased at the NTT Pavilion, EXPO 2025 OSAKA, KANSAI

Perfume's World-First Performance Powered by IOWN

On April 2, 2025, Perfume, a Japanese pop trio, delivered the world's first live-streamed performance powered by IOWN.

The archive and behind-the-scenes footage are now available, showcasing a performance that seamlessly connected two worlds—Expo 2025's NTT Pavilion and the 1970 Telecommunications Pavilion.
https://group.ntt/en/expo2025/pavilion/

*Please note that the referenced sources may be deleted without prior notice.

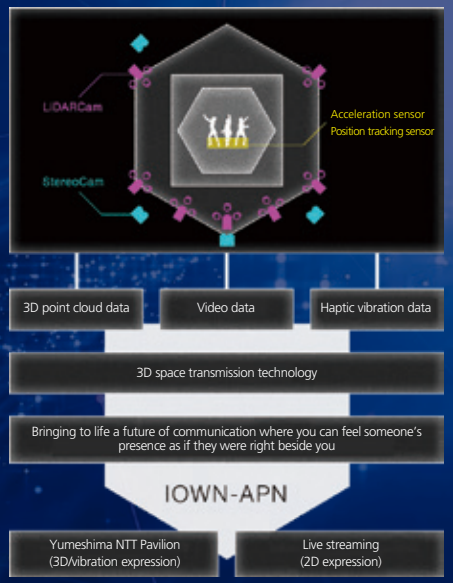
Seven unique systems consisting of three LiDAR sensors and one optical camera were positioned at a special stage located at the site of Expo '70's "Telecommunication Pavilion" in Osaka. The movements of Perfume were captured as 3D point cloud data and transmitted in real time to the Yumeshima venue.

On the Yumeshima side, the data was rendered as three-dimensional video on a 3D LED screen with a freely adjustable viewpoint. This is the world's first attempt to transmit 3D point cloud data in real time and render it as 3D video.

Perfume members wore acceleration sensors. Combined with position-tracking sensors, these enabled the measurement of vibrations generated by their steps during the performance, along with positional data. On the Yumeshima side, 128 oscillators embedded in the floor reproduced the performance by vibrating the entire surface, making visitors really feel like they were physically present at the live event.

*LiDAR (Light Detection and Ranging): Sensor technology for measuring and mapping spaces in the real world. By capturing laser-based point cloud data, LiDAR enables the shape and distance of objects in remote locations to be measured with high precision.

Overview of the Special Performance



The World's First International Real-Time Collaboration Using IOWN APN

— Innovative Collaboration of CHO-KABUKI and Taiwan's Traditional Performing Art "Kan-Sho-Shu" at EXPO 2025 —

Together with Chunghwa Telecom Co., Ltd., Shochiku Co., Ltd., and DWANGO Co., Ltd., NTT presented the world's first international real-time performance at EXPO 2025 OSAKA, KANSAI. This groundbreaking collaboration connected "CHO-KABUKI," a fusion of Kabuki and ICT developed in 2016, with Taiwan's traditional art, "Kan-Sho-Shu," enabled by the IOWN International APN launched in August 2024.

The Osaka Expo venue and Taipei, Taiwan were seamlessly connected via IOWN's international APN, enabling real-time staging through high capacity, low latency communications. The performers' movements in Taiwan were transmitted live to Osaka, where they were seamlessly synchronized with local performers, creating a unified performance that erased the sense of separation despite the 3,000 km distance.

A participatory element was also introduced using technology that analyzed audience penlight movements in real time and reflected them in the performance. At the climax, cherry blossoms—an iconic symbol of CHO-KABUKI—appeared in full bloom on stage, in response to the way the audience waved their penlights. Traditional audience calls such as "Hatsune-Ya!" and "Denwa-Ya!" filled the venue, heightening the sense of excitement and unity.

Highlights of the World's First International Real-Time Collaboration Powered by IOWN APN

Key Production and Technology Highlights

- Delivering Japan–Taiwan Real-Time Performance Enabled by IOWN International APN
- Detecting and integrating audience penlight movements in Japan and Taiwan in real time through cross-modal search technology.
- Advancing the "Shido Twin," created with NTT's digital twin technology AnotherMe®, to provide multilingual simultaneous audio guidance in both Japan and Taiwan.
- Achieving simultaneous international live streaming via IOWN International APN

Learn more: https://group.ntt/jp/expo2025/topics/250610.html

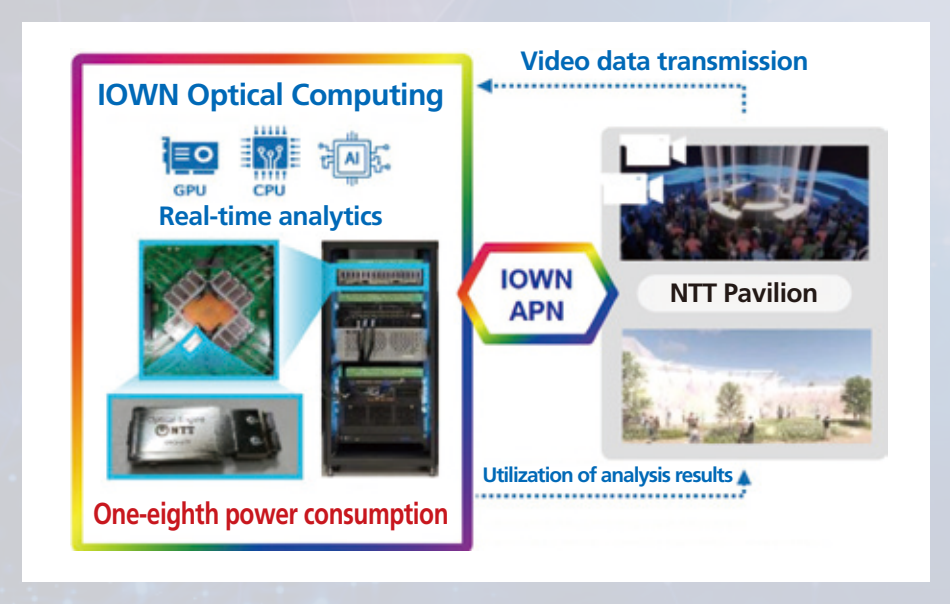
Behind the Scenes of the EXPO 2025 OSAKA, KANSAI: Preparing for the Commercial Launch of IOWN

The pioneering initiatives showcased at the NTT Pavilion represent the culmination of the NTT Group's IOWN research and development to date.

Demonstration of IOWN Optical Computing at the NTT Pavilion

At the NTT Pavilion, we demonstrated IOWN 2.0 optical computing, achieving computers that operate with just one-eighth the power consumption of conventional models.

Demonstration of IOWN Optical Computing at the NTT Pavilion



Visitor video data collected at the NTT Pavilion is processed in real time using large-scale AI within the IOWN photonic computing platform to analyze facial expressions. These insights are then used to dynamically control the movement of the pavilion's exterior curtain and its soundscape, creating an interactive communication experience between the inside and outside of the pavilion.

CHO-KABUKI Powered by IOWN "Konjaku Kyoen Senbonzakura – Expo 2025 Edition"

By transmitting the movements of "CHO-KABUKI" performers in Osaka and "Kan-Sho-Shu" performers in Taiwan bi-directionally and in real time, audiences at both venues enjoyed a seamless performance that transcended more than 3,000 km. This world-first initiative has pioneered a new model of cross-border entertainment.

Leveraging the high capacity, low latency features of the International IOWN All Photonics Network, multiple camera feeds from Osaka and Taiwan were produced in Osaka and broadcast simultaneously across multiple streaming platforms in both countries, enabling a real-time international co-performance.

Looking Ahead Building on the Expo version, we plan to launch a commercial service with double the communication capacity by FY2026.

Driving Business Transformation for Customers

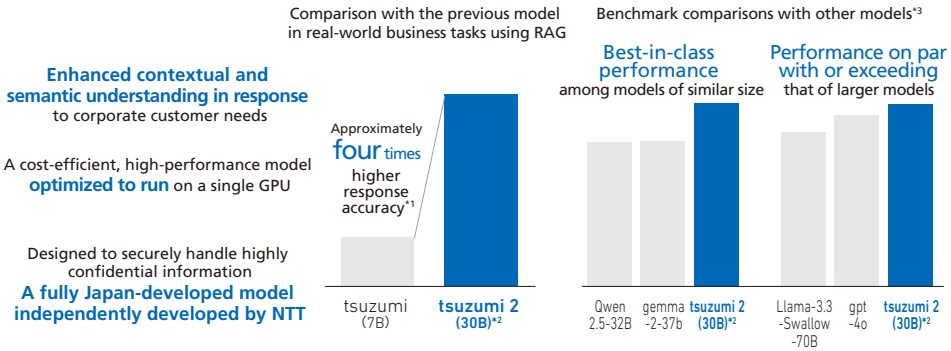
■ Launch of NTT's Proprietary Large Language Model "tsuzumi 2"

The NTT Group aims to provide AI that supports people's lives, work, and lifestyles.
Since its commercial launch in March 2024, NTT's large language model (LLM) "tsuzumi" has generated more than 1,800 inquiries from customers interested in its implementation.

NTT plans to release "tsuzumi 2," the second-generation model, in October 2025. The model's ability to understand complex context and nuances—critical for interpreting internal business documents and manuals, a frequent customer request—has been significantly enhanced.

For example, response accuracy for accounting manual inquiries has improved fourfold over the previous model, and benchmark comparisons show performance on par with leading competitors. Maintaining the cost efficiency of running on a single GPU, the model can also be deployed on-premises, ensuring secure use when handling highly confidential information while leveraging its status as a fully Japan-developed model. We look forward to bringing you the enhanced capabilities of "tsuzumi 2."

Performance comparison: enhanced contextual and semantic understanding



*1: Response accuracy in trial projects within NTT's internal operations using RAG
*2: Results for tsuzumi 2 are based on the model currently under development
*3: Results of Japanese performance evaluation in llm-jp-eval, focusing on indicators related to contextual and semantic understanding

■ Supporting Customers' Businesses Using Diverse Generative AI

The NTT Group offers a broad range of generative AI services, enabling customers to harness AI to accelerate innovation and drive business growth. From developing custom AI models to integrating world-class models into existing business processes, we support customers in maximizing the potential of generative AI.

In November 2024, NTT DATA launched "LITRON® Sales," a solution that leverages "SmartAgent™" to enable multiple AI agents to autonomously collaborate across business processes. LITRON® Sales executes sales-related tasks such as data entry, proposal preparation, contract drafting, and internal documentation.

Learn more: https://www.nttdata.com/jp/ja/lineup/litron-sales/

Globally, we have transitioned to an operating model comprising five units, three Regional Units—North America, EMEA*1, and APAC*2, and two Global Units—Global Technology Services and Business Solutions. Through this model, we have secured over 1,100 generative AI projects.

*1 Abbreviation for Europe, the Middle East, and Africa.
*2 Abbreviation for Asia Pacific.

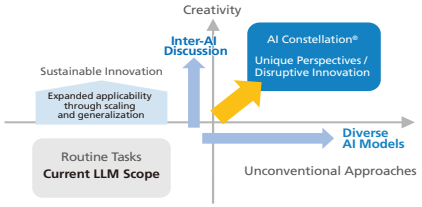
■ Strategic Partnership between NTT DATA Group and OpenAI

In May 2025, NTT DATA Group entered into a strategic partnership with OpenAI, Inc., covering global markets.
» P.92

The Future of Collaborative AI

— AI Constellation®

Since FY2023, NTT has been developing "AI Constellation®," a large-scale AI collaboration technology that enables multiple AI models to exchange and refine ideas, thereby generating solutions from diverse perspectives to problems so complex that their causes elude even human understanding.



Today, LLMs are mainly applied to routine tasks that require little creativity or individuality, and their scope is expected to expand by automating more of the work traditionally done by humans.

In contrast, AI Constellation® is designed to foster "individuality" through diverse AI models and enhance "creativity" through inter-AI discussions, enabling AI to support rather than replace humans.

Learn more: https://www.rd.ntt/e/cds/ai-constellation/

Learn more: https://group.ntt/en/group/ai/governance.html

The Importance of AI Risk Management

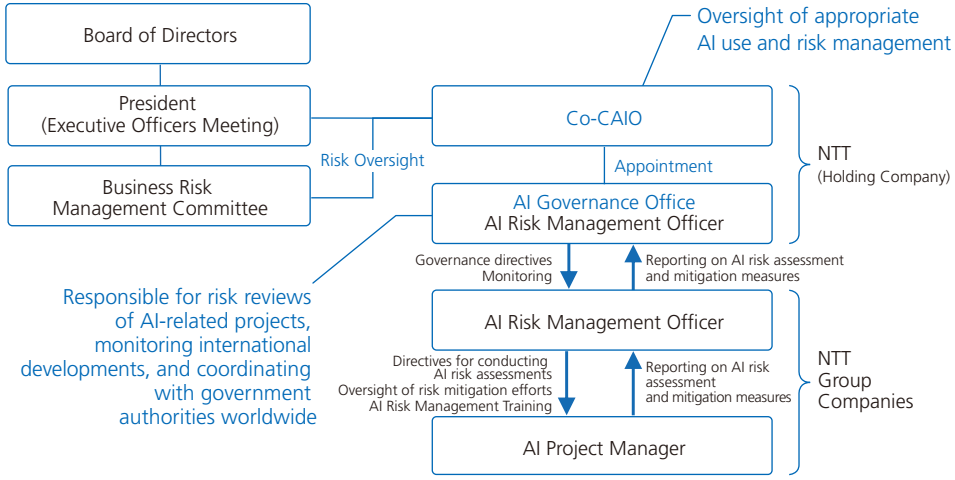
Driven by rapid technological innovation, AI has quickly become embedded in society, with countless applications solving problems of all shapes and sizes—often without people even realizing it. NTT is actively advancing research, development, and commercialization of AI—including its proprietary generative AI "tsuzumi"—to help ensure the broader adoption of safe, secure, and reliable AI in society.

At the same time, recognizing that the use of AI can pose significant risks such as social disruption, NTT places strong emphasis on managing AI-related risks. We will continue to advance the development and use of AI, while enhancing governance frameworks to safeguard fundamental rights, including human rights, health, and safety.

Strengthening the AI Governance Framework

In June 2024, NTT appointed a Co-CAIO (Co-Chief Artificial Intelligence Officer) to provide leadership in promoting appropriate AI use and managing AI risks. We also established an AI Governance Office to support the Co-CAIO, oversee the development and revision of NTT Group's AI governance policies, and monitor and evaluate AI risk management across Group companies.

In addition, each Group company has designated an AI Risk Management Officer responsible for assessing AI project risks and overseeing risk mitigation efforts. Together, the Co-CAIO, the AI Governance Office, and AI Risk Management Officers across Group companies are working collaboratively to strengthen AI risk management and governance throughout the NTT Group.



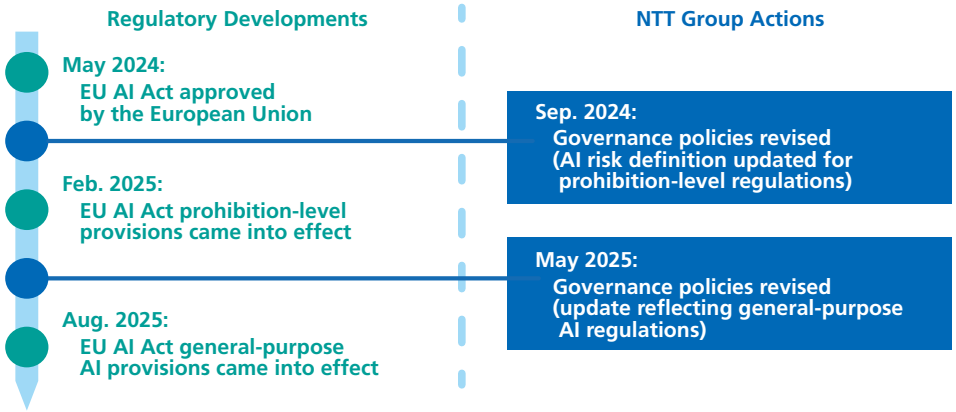
Defining and Managing AI Risks (AI Governance Policies)

In June 2024, NTT established a set of AI governance policies—including the NTT Group AI Charter and AI Governance Policy—based on international standards and Japanese government guidelines, to define and manage AI risks consistently across the Group.

NTT Group AI Charter: https://group.ntt/en/group/ai/charter.html

Compliance with the EU AI Act

In September 2024, NTT revised the "Group-wide AI Risk Definition" within its AI Governance Policy in anticipation of the prohibition-level regulations of the EU AI Act, which came into effect in February 2025. Furthermore, in May 2025, NTT revised its AI Governance Policy and enabled Group companies to appropriately address these regulations through their existing AI risk management systems, in preparation for the general-purpose AI regulations that came into effect in August 2025.



AI Risk Management Training for All Employees

NTT Group provides AI risk management training to all employees, ensuring they understand potential AI risks in their daily work and are equipped to respond appropriately.

Training materials include an "AI Governance Module," reflecting the latest external developments, and a "Practical AI Risk Module," focused on risks that must be recognized when using AI. Both modules are designed to enhance literacy across the organization.

New Value Creation Data-Driven Creation of New Value

Driving Industrial Transformation Through Data-Driven Strategies

Advancing Initiatives Toward the Full-Scale Commercialization of Autonomous Driving Technologies

We are advancing various initiatives toward the full-scale commercialization of autonomous driving technology in Japan.

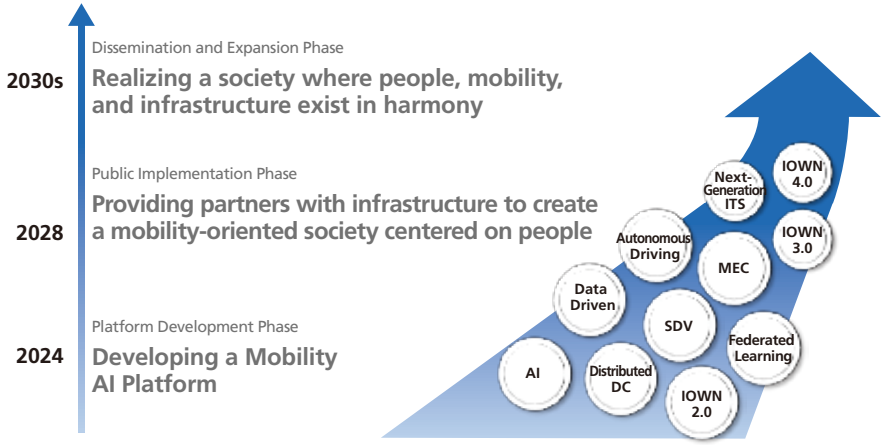
In November 2023, we acquired the exclusive rights to sell the autonomous driving system developed by May Mobility, Inc. (headquarters: U.S.) in Japan, and in October 2024, the shuttle operation plan proposed by NTT DOCOMO was selected by Aichi Prefecture in its public call for autonomous driving projects. In August 2024, NTT West decided to invest in Navya Mobility SAS (headquarters: France) to strengthen the framework needed to ensure a stable supply of autonomous driving services.

Furthermore, in October 2024, we reached an agreement with Toyota Motor Corporation to work together on AI and communications in the mobility field, working toward a zero traffic-accident society, and we will continue to deepen our collaboration going forward.

Details of the joint initiative

We will jointly develop and operate the "Mobility AI Platform" and use it in our efforts to achieve a society with zero traffic accidents. The Mobility AI Platform aims to standardize the mobility field, and we envision that it will be used not only by the two companies, but also by a wide range of industry, government, and academic partners who share the goal of realizing a society free of traffic accidents.

Through this initiative, the two companies expect to invest a total of ¥500 billion by 2030. Development of the Mobility AI Platform will begin in 2025, with collaborative, three-way infrastructure coordination with partners starting around 2028, and widespread adoption targeted from 2030 onward.



Learn more: https://group.ntt/en/newsrelease/2024/10/31/241031b.html

Advancing Initiatives to Realize Precision Medicine

~Delivering personalized prevention and healthcare tailored to each individual~

In rapidly aging Japan, key challenges include stagnant healthy life expectancy and increasing medical costs. Rather than continuing with treatments and prescriptions expected to work on average, precision medicine enables the selection of therapies and drugs tailored to each patient's condition and genetic profile. This is expected to improve treatment outcomes and optimize healthcare costs. In drug development, the shift toward biopharmaceuticals for rare and intractable diseases has created challenges, including lower success rates and extended development timelines due to difficulties in recruiting clinical trial participants.

To address these issues, leveraging medical and healthcare data, including real-world data (RWD) from everyday clinical practice such as electronic health records, is increasingly seen as essential.

Market environment, current state of drug development, and the role of real-world data (RWD)

Impact on R&D from the increasing individualization and segmentation of pharmaceutical development.

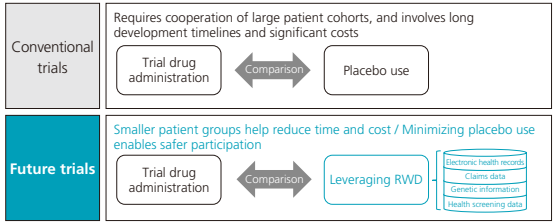
Longer timelines / greater administrative burden

- For rare and intractable diseases, the limited patient pool makes nationwide recruitment necessary for clinical trials and research.
- As the target population becomes more geographically dispersed across Japan, the volume of quality control activities, including monitoring and audits, increases accordingly.

Increasing sophistication / complexity

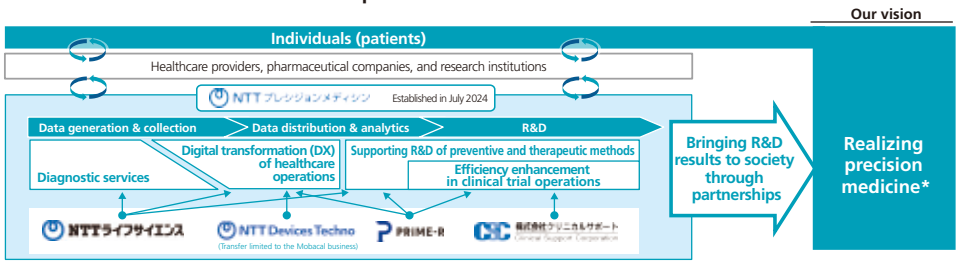
- Growing molecular complexity requires significant effort to identify effective compounds
- Rising data volumes make analysis itself more complex and challenging

How real-world data (RWD) can be leveraged



In July 2024, the NTT Group established NTT Precision Medicine Corporation, bringing together its assets and resources in healthcare to deliver end-to-end solutions from data generation to utilization. Leveraging data-driven approaches, the company aims to deliver personalized prevention and healthcare tailored to each individual.

Launch of NTT Precision Medicine Corporation



* A medical concept that delivers personalized prevention and healthcare tailored to each individual

Learn more: https://www.ntt-precisionmedicine.co.jp/

New Value Creation Achievement of a Circular Economy Society

Balancing Stable Food Supply and a Circular Economy

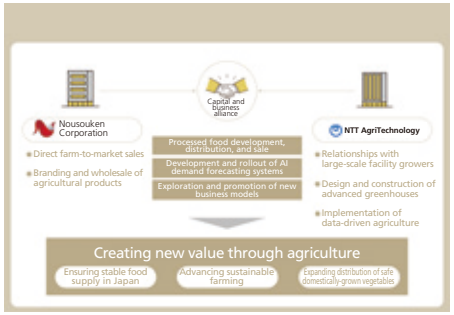
Promoting Co-creation Initiatives for Sustainable Agriculture

In agriculture, Japan has been facing challenges in securing successors and transferring know-how amid the rapid decline and aging of farmers. Globally, risks to food stability and safety are intensifying due to infectious diseases, geopolitical tensions, and climate change.

As the NTT Group's dedicated agriculture company, NTT AgriTechnology Corporation pursues the vision "Advancing the community to the Next Generation with Agri-Tech," by designing and building advanced ICT-enabled greenhouses, producing and marketing crops through high-yield, large-scale facilities, and implementing data-driven agriculture to boost productivity and promote regional farming.

In September 2024, NTT AgriTechnology Corporation and Nousouken Corporation, operator of direct-from-farm sections in approximately 2,000 supermarkets across Japan, entered into a capital and business alliance agreement. Together they will pursue a series of initiatives to create new value through agriculture, aimed at ensuring stable food supplies in Japan, advancing sustainable farming, and revitalizing the distribution of safe, trustworthy, domestically-grown vegetables. By combining NTT AgriTechnology's expertise in large-scale facility horticulture with the Nousouken Corporation's strength in direct wholesale, the partnership will connect producers and consumers and expand the stable distribution of safe domestically-grown vegetables. Going forward, the company will continue to promote initiatives that address social issues in food and agriculture, such as developing processed foods to add value to agricultural products and reduce food loss.

Overview of the three-party capital and business alliance



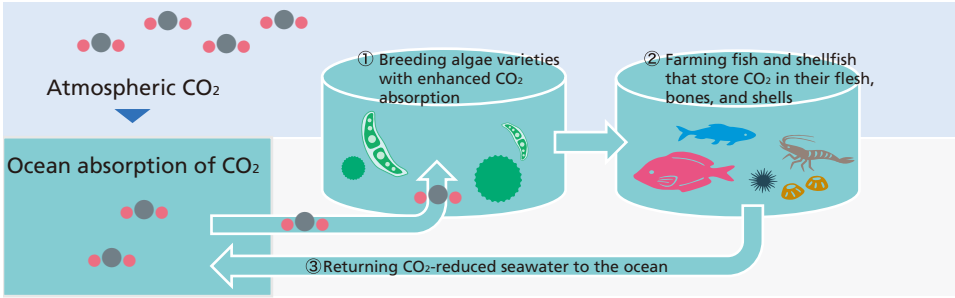
<Alliance initiatives>

- Developing, distributing, and selling processed foods made from non-standard vegetables to add value and reduce food loss
- Joint development and rollout of AI-based demand forecasting systems using big data to optimize distribution volumes and pricing of agricultural products within Nousouken Corporation's operations
- Other collaborative initiatives, including exploring and promoting new business models

Learn more: https://www.ntt-agritechnology.com/news/20240903/

Developing Sustainable, High-Efficiency Land-Based Aquaculture Systems

Established in July 2023, NTT Green & Food, Inc. is developing and expanding its "Sustainable System," an environmentally friendly, circular land-based aquaculture model that combines two strengths: algae varieties bred to absorb higher levels of CO_2 and fast-growing fish and shellfish that feed on these algae to further fix CO_2.



How the "Sustainable System" works

① Cultivate algae in seawater drawn from the ocean, bred to absorb higher levels of CO_2
② Feed the algae to fish and shellfish, fixing CO_2 within their flesh, bones, and shells
③ Finally, return seawater with reduced CO_2-concentrations to the ocean

Learn more: Reducing oceanic CO_2 through enhanced carbon fixation in marine organisms [Video]
https://www.youtube.com/watch?v=nG6hYc8zYlg

In December 2024, NTT Green & Food, Inc. ("NTT Green & Food") completed construction of one of the largest land-based aquaculture plants in Japan for whiteleg shrimp (commonly known as vannamei shrimp).

In the future, the company plans to incorporate NTT Group technologies and services for temperature control, remote monitoring of growth and other conditions, and automated operation and control.

Learn more: https://www.ntt-green-and-food.com/information/news/20241203/596/

In the same month, NTT AQUA Inc., was launched to expand its land-based aquaculture business through the research, development, and provision of ICT-enabled recirculating aquaculture systems. Working in collaboration with NTT Green & Food, the company is building a new supply chain.

Learn more: https://www.ntt.com/about-us/pressreleases/news/article/2024/1202.html

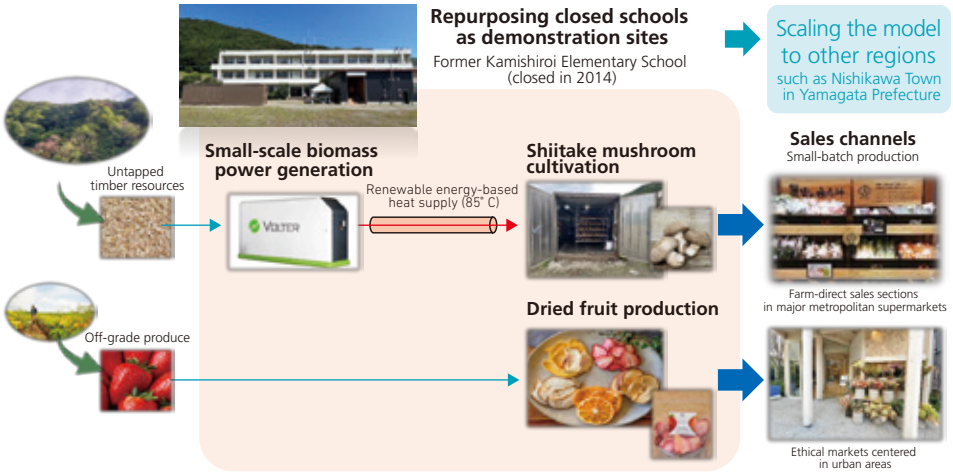
New Value Creation Achievement of a Circular Economy Society

Realizing a Circular Economy Through Contributions to Communities and Society

A Circular Society Via Fully-Local Energy

In Shibukawa, Gunma, NTT EAST has established a regional recycling model that combines: the local production for local consumption of energy; ICT to develop next-generation horticulture; and the re-use of raw materials and waste. This model harnesses untapped local resources—such as small-scale woody biomass—to help create a circular economy.

Initiatives of the Mori no Megumi -Forest Blessings- Institute



Specifically, at the repurposed elementary school, the company operates a woody biomass cogeneration system using untapped timber. Surplus heat is then used to cultivate mushroom beds and dry foods, creating a horticultural system that operates without fossil fuels.

Repurposing closed schools as demonstration sites
Former Kamishiroi Elementary School (closed in 2014)

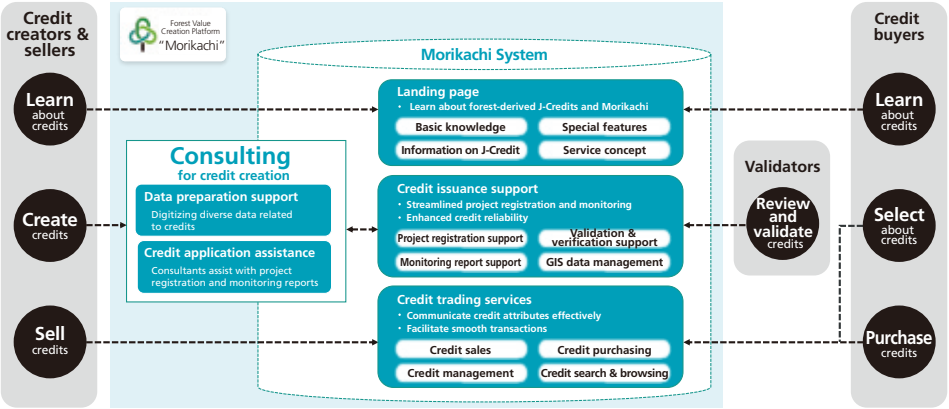
Learn more: https://group.ntt/en/sus_conf/A36.html

Comprehensive Support for the Creation, Validation, and Trading of Forest-Derived J-Credits

The J-Credit scheme certifies CO_2 reductions from energy efficiency and renewable energy, as well as CO_2 absorption from proper forest management, as tradable credits.

Forest credits deliver high public value by contributing not only to climate action but also to water source conservation, landslide and sediment disaster prevention, and biodiversity. However, their issuance is only about 10% of reduction-type credits from renewable and energy efficiency projects. Moreover, only around 5% of forest credits are actually retired for offsets, underscoring limited issuance and circulation as key challenges.

Since August 2024, SUMITOMO FORESTRY CO., LTD. and NTT DOCOMO BUSINESS have offered the "Forest Value Creation Platform" ("Morikachi"). Morikachi is a comprehensive platform that supports the creation, validation, and trading of forest-derived J-Credits*1. For the first time in Japan*2, Morikachi provides GIS*3 capabilities to credit creators, validators, and buyers, streamlining issuance processes and enhancing credit reliability, and promoting greater issuance and distribution of forest credits.



*1: Forest-derived J-Credits are government-certified credits representing CO_2 absorption from proper forest management such as thinning. Source: J-Credit System website (https://japancredit.go.jp/case/scheme/02/)
*2: Based on joint company research
*3: GIS (Geographic Information System) is a technology for managing and visualizing spatial data tied to geographic locations, enabling advanced analysis and rapid decision-making.

Learn more: https://group.ntt/en/sus_conf/A39.html

These initiatives were recognized at the NTT Group Sustainability Conference 2024. For more details on the NTT Group Sustainability Conference, see » P.33

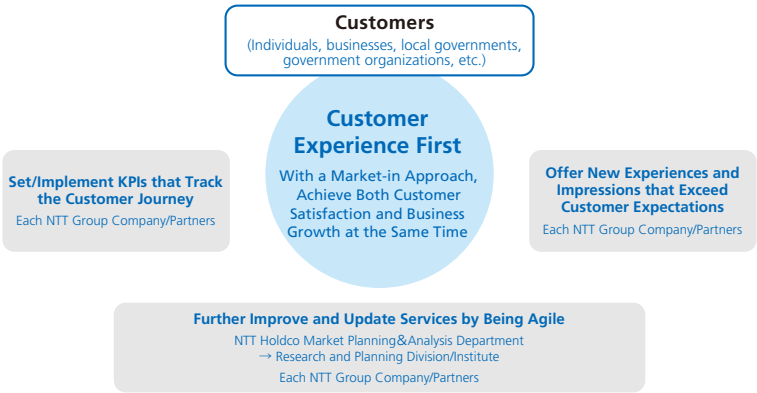
New Value Creation Enhancing the Customer Experience

Framework for Enhancing the Customer Experience / Key Customer Experience Enhancement Initiatives Over the Past Year

Framework for Upgrading the Customer Experience

Customer Experience First

The NTT Group considers all stakeholders to be customers and partners and prioritizes the Customer Experience (CX). By constantly improving and updating our services in an agile manner, we aim to exceed customer expectations and provide new experiences and excitement in an effort to ensure the NTT Group continues to be our customers' choice.



Appointment of CCXOs

In June 2024, to strengthen CX, major NTT Group companies appointed CCXOs (Chief Customer Experience Officers). These appointments aim to clarify the value of services and solutions from the customer's perspective, continuously improve and update offerings to remain the customers' choice, and create new experiences that exceed customer expectations. Management is taking the lead in driving these CX enhancement initiatives.

Setting Customer Engagement Indicators

Customer engagement indicators are incorporated into executive performance-linked compensation as KPIs for CX enhancement.

NPI
Next Purchase Intention
(Continued Usage Intention)
Target: Year-on-Year Improvement

+

NPS
Net Promoter Score
(Recommendation Level)
Target: Year-on-Year Improvement

*Customer engagement indicators include NPI (Next Purchase Intention) and NPS® (Net Promoter Score®)(1), which measure customers' continued usage intent and the degree to which they are likely to recommend our services to others. Customer engagement targets small- and medium-sized enterprise services and consumer services, which are the focus areas of NTT East, NTT West, and NTT DOCOMO(2) (with plans to expand the scope to include enterprise services for large corporations in the future). (1) Net Promoter Score and NPS, as mentioned herein, are registered trademarks of Bain & Company, Fred Reichheld and Satmetrix Systems (now NICE Systems, Inc.). (2) Figures for NTT DOCOMO include those for NTT DOCOMO BUSINESS.

Key CX Enhancement Initiatives over the Past Year

Launch of "d CARD PLATINUM," Combining Exceptional Value and Premium Experiences (NTT DOCOMO)

In November 2024, NTT DOCOMO launched "d CARD PLATINUM," its proprietary platinum card offering a range of premium benefits such as Priority Pass membership and exclusive offers on DOCOMO entertainment services. By May 2025, membership had surpassed 600,000.

Learn more: https://dcard.docomo.ne.jp/st/dcard_platinum/ (Japanese only)

Launch of New Rate Plans Such as "DOCOMO MAX," Combining DOCOMO's Unique Value with Communications Tailored to Customer Lifestyles (NTT DOCOMO)

In April 2025, NTT DOCOMO announced four new rate plans — "DOCOMO MAX," "DOCOMO Poikatsu MAX," "DOCOMO Poikatsu 20," and "DOCOMO mini" — to meet diversifying customer needs, with services launched in June 2025. ≫P.89

Enhancing Mobile Network Quality (NTT DOCOMO)

In FY2024, NTT DOCOMO expanded its number of 5G base stations by 20% year on year, mainly in urban areas. As a result, average download throughput improved by 20% in central districts of major cities and by 30% along major railway corridors. In FY2025, the company will further increase base stations and accelerate both coverage and speed enhancement by deploying the latest equipment and technologies.

Learn more: https://www.docomo.ne.jp/area/nwpr/manifesto/ (Japanese only)

Supporting Customer Businesses Through a Diverse Range of AI Services

The NTT Group provides a variety of generative AI services to help customers leverage AI to accelerate innovation and growth, and continued to advance these efforts in FY2024. ≫P.71

Launch of "FLET'S Hikari Cross Biz," a High-Speed, High-Quality Optical Line Service for Businesses (NTT East and NTT West)

Amid growing demand for high-capacity, high-quality communication services driven by increased use of cloud services, online meetings, and AI among corporate customers, NTT East and NTT West launched "FLET'S Hikari Cross Biz," a new business access service in June 2025. ≫P.95

New Value Creation R&D Strategy

R&D Strategy for Sustainable Value Creation

NTT conducts research and development on new technologies and, together with NTT Group companies and partners across diverse industries, tackles challenges related to safety, disaster preparedness, and sustainable development, with the aim of resolving social issues.

NTT Research and Development Policy

Origin and Three Principles

"Do research by drawing from the fountain of knowledge and provide specific benefits to society through commercial development."

1950 — Message from Goro Yoshida, First Director of the Ministry of Communications' Electrical Communication Laboratories

Learn more: https://www.rd.ntt/e/about/message.html

These words still live on as the DNA of NTT Laboratories after more than 70 years. They embody three important commitments that NTT Laboratories should uphold especially today.

Policy 1. "Do research by drawing from the fountain of knowledge"	Solidify our position as a world leader in research
Policy 2. "Through commercial development"	Achieve early and reliable commercialization of IOWN and generative AI (tsuzumi)
Policy 3. "Provide specific benefits to society"	Provide concrete value by implementing research results in society

To realize the Medium-Term Management Strategy *New Value Creation & Sustainability 2027 Powered by IOWN*, we return to the founding spirit at the establishment of the Electrical Communication Laboratories and reaffirm the importance of research, commercialization, and value creation and delivery. At the same time we pursue world-class research and development, guided by the following action principles:

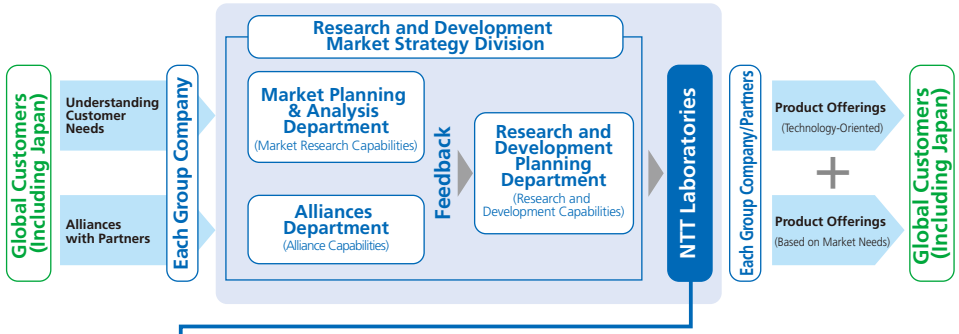
① Keeping our researchers excited and ambitious
② Helping society in a scalable and sustainable way with powerful technology
③ Creating the future rather than just predicting it
④ Honing our intuition and creativity

R&D Organization

NTT's R&D, centered on four laboratory groups in Japan, spans a wide range of technological fields, from innovative communication services and next-generation information network platform technologies, to cutting-edge basic research that generates new principles and new components, including world-class optical technologies.

In May 2023, we established the Research and Development Marketing Division. By integrating R&D promotion, marketing, and alliance functions, we are enhancing our traditional technology driven, product-out approach to R&D with a market perspective. We also advance R&D through global co-creation leading to product delivery, while promoting strategic alliances with a range of partners.

R&D Organization with Market Analysis, Alliances and Planning Capabilities



NTT IOWN Integrated Innovation Center	Research and development across technical fields that embody the IOWN concept
NTT Service Innovation Laboratory Group	Research and development leading to the creation of communication services
NTT Information Network Laboratory Group	Research and development of future network infrastructure technologies
NTT Science & Core Technology Laboratory Group	Cutting-edge research and development with a ten-year outlook
Research Centers in Specific Fields	R&D in seven specified fields, such as quantum information research
Global Research Center (NTT Research, Inc.)	Basic R&D of next-generation technologies for global business competitiveness

Learn more: https://www.rd.ntt/e/organization/

FOCUS NTT Group's Space Business Under the "NTT C89"

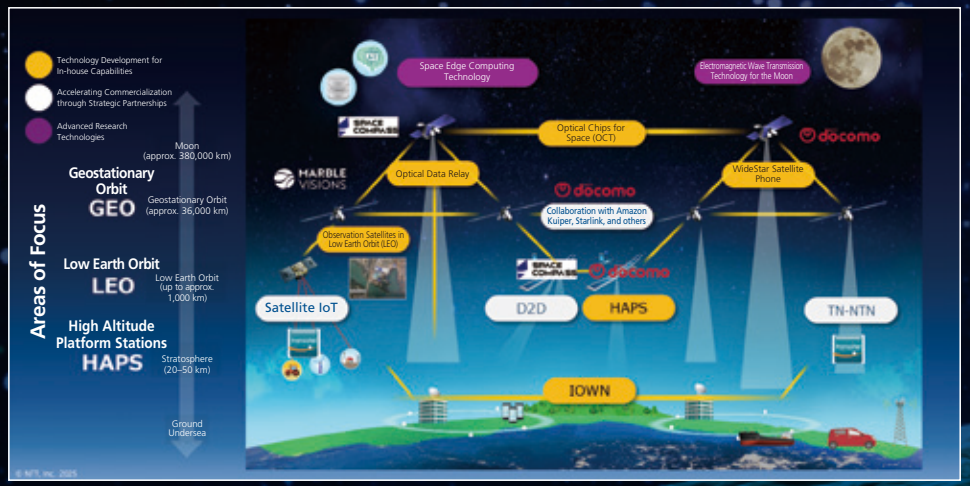
Launch of "NTT C89"

In June 2024, NTT Group introduced its new space business brand, "NTT C89".

Driven by advances in space technology—including lower launch costs, expanding interest in lunar exploration, human presence, and resource development—space-related markets are gaining momentum as more companies enter the industry. Today's space business resembles the early days of the Internet. Just as the Internet is now indispensable across industries, space technologies are becoming familiar tools with a broad range of applications. The global space business market is projected to grow to nearly 150 trillion yen by 2040. In Japan, the establishment of a 1-trillion-yen Space Strategic Fund over the next decade is spurring domestic activity, marking a turning point for the industry. Against this backdrop, the NTT Group launched "NTT C89."

NTT Group's Space Business Initiatives

Through "NTT C89," the NTT Group aims to expand space-related revenue to approximately 100 billion yen within ten years, supported by a range of initiatives. Specifically, NTT DOCOMO and Space Compass have invested in UK-based AALTO in preparation for launching HAPS services in 2026, and established Marble Visions with the aim of internalizing observation satellite services by 2027. In addition to medium- to long-term initiatives such as Transatel (an NTT DATA Group company) exploring satellite access lines in the MVNO market and NTT Innovative Devices developing optical chips, the NTT Group is also actively pursuing R&D in areas such as wireless power transmission for lunar activities and in-orbit computing demonstrations.

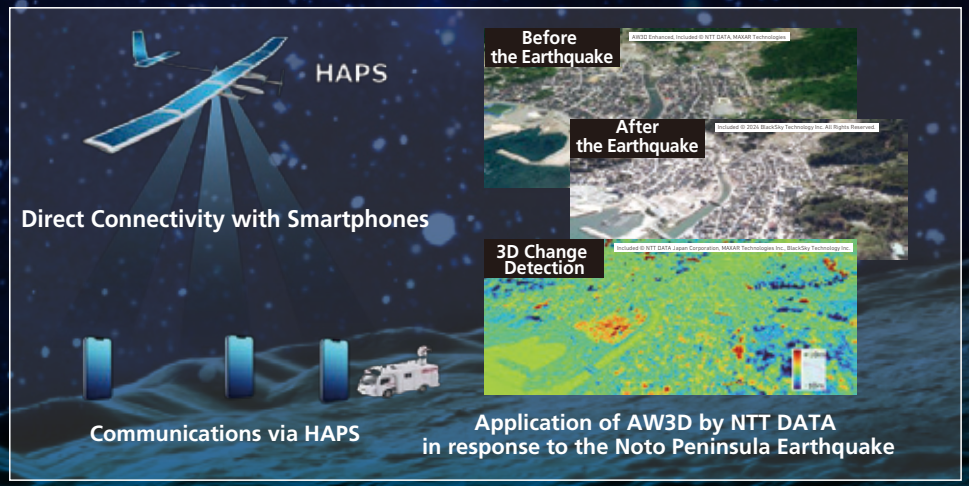


Learn more: https://group.ntt/en/aerospace/

Support for Disaster-Affected Communities Following the Noto Peninsula Earthquake

The earthquake that struck the Noto Peninsula on January 1, 2024, is still fresh in our minds. As part of its relief efforts, the NTT Group provided a comprehensive range of space-related services. We swiftly restored communication networks by providing satellite services such as Starlink and WideStar, along with the deployment of portable satellite communication systems. AW3D also contributed by identifying affected areas using satellite imagery taken before and after the earthquake.

In the aftermath, we launched the "Noto HAPS Partner Program." This program is designed to support recovery efforts and strengthen communication resilience by collaborating with partners to explore and test business models and solutions that leverage HAPS' unique strengths—direct connectivity with smartphones and IoT devices, high capacity, and low latency.



FOCUS Optical Quantum Computing: Expectations for Addressing Social Challenges

Expectations for Quantum Computing to Help Solve Social Issues

Conventional computers based on classical mechanics face growing energy challenges, such as rising power consumption with performance improvements, and their processing speed is expected to eventually hit a ceiling.

By contrast, quantum computers, which operate using superpositions of "0" and "1," have the potential to overcome these limitations and are expected to play a key role in addressing a wide range of social challenges.

One area attracting particular attention is their application to optimization problems. For example, in a future with autonomous driving, quantum computing could instantly determine optimal routes based on real-time traffic data, helping to avoid congestion across entire cities. In finance, quantum computing could enable the construction of optimal investment strategies and portfolios by analyzing vast amounts of data. In drug discovery, faster simulations of combinations of chemical compounds could shorten development timelines and enable personalized medicine based on genetic information. This could also allow the creation of individualized medicines with fewer side effects, as well as new drugs to prevent previously unidentified diseases.

Looking further ahead, advanced applications such as global-scale weather simulations and the identification of causes of extreme weather—in effective, a "digital twin of the Earth"—are also within reach.

NTT's Strengths in Advancing the Practical Application of Quantum Computing

Quantum computers currently under development utilize technologies such as photonics and superconductivity to generate quantum states for computation. Among these approaches, NTT is focusing on research into optical quantum computers, which use optical communication technologies to process information carried by light waves.

Superconducting Approach	Optical Approach
Operates at extremely low temperatures	Operates at room temperature
Requires power and space for cooling equipment	No cooling equipment required

Comparison of Superconducting and Optical Approaches

Superconducting quantum computers require cooling to near absolute zero and can only operate with large-scale refrigeration systems that consume significant amounts of energy.

In contrast, optical quantum computers operate at room temperature, with photons traveling at high speeds and creating entangled states without the need for cooling systems, making them more resilient to heat and pressure. For this reason, optical quantum computers are considered closer to realizing scalability and high-speed performance.

NTT has extensive experience in optical communications, from submarine cables linking continents to optical fiber networks that reach individual households. Today, NTT is vigorously promoting the "IOWN initiative," which leverages cutting-edge optical technologies to help build a more sustainable and prosperous society. Drawing on this expertise, NTT is applying its accumulated technologies to the development of optical quantum computers.

Launch of the World's First General-Purpose Optical Quantum Computing Platform

In November 2024, NTT and Professor Akira Furusawa of the University of Tokyo launched the world's first general-purpose optical quantum computing platform through their joint development project.

In January 2025, the team achieved another world first by applying highly quantum optical pulses—essential for nonlinear operations required in universal quantum computing—to their system. Also in January, the team achieved a series of breakthroughs, including real-time optical quantum entanglement generation more than 1,000 times faster than conventional methods. The team is continuing to push the boundaries of world-leading performance.

Demonstration of the "quantum light source," the core component of the optical quantum computer developed by NTT. The demonstration confirmed the stable realization of quantum states at room temperature.

Quantum light source module developed by NTT

Future Outlook

Our research and development efforts have resulted in an optical quantum computing platform with practical viability. At present, however, the platform is limited to simple calculations.

Going forward, we plan to add functions such as nonlinear operations and error correction, with the aim of enabling general-purpose, large-scale computation. At the same time, building on our actual optical quantum computing platform, we aim to advance discussions and collaborations with partners that have needs for quantum computing, thereby accelerating efforts toward practical application.

As part of our future roadmap, we are working toward realizing a quantum computer that leverages our "optical technologies," which are closely aligned with our existing businesses, with the goal of delivering a system that creates tangible real-world benefits by around 2030.

Learn more: https://group.ntt/jp/magazine/blog/quantum_00/ (Japanese only)
https://group.ntt/jp/magazine/blog/quantum_01/ (Japanese only)

Intellectual Property Strategy Supporting Sustainable Corporate Value Enhancement

Our Approach to Intellectual Property Activities

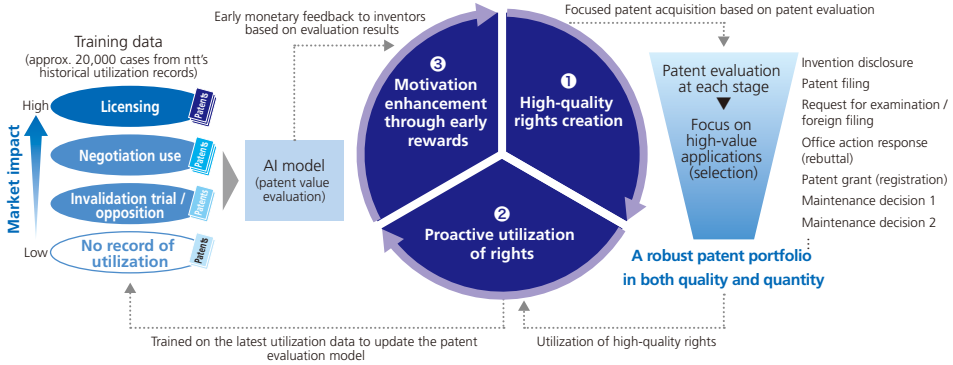
As a unique telecommunications operator conducting research and development from basic to applied fields across a wide range of technologies, the NTT Group has made many long-term investments in intellectual property (R&D). We aim to create new value by properly protecting the outcomes of these intellectual property investments and steadily promoting their diverse utilization. Through these efforts, we seek not only to secure the NTT Group's competitiveness but also to contribute to Japan's industrial strength and global sustainability.

NTT Group's Intellectual Property Management Framework

In addition to managing the intellectual property of the holding company, the NTT Intellectual Property Center serves as the core organization overseeing intellectual property activities across the NTT Group. It formulates group-wide management policies incorporating a medium-term perspective aligned with business strategy, and promotes effective management in close collaboration with group companies' IP departments through the "NTT Group Intellectual Property Management Council," where information sharing and discussions are held regularly.

Holding Company Initiatives (1): Patent Portfolio Management Supporting Corporate Value Enhancement

A key component of this intellectual property strategy is patent portfolio management that supports sustainable corporate value enhancement. The Intellectual Property Center has established a framework to continuously generate and cultivate high-quality rights, while maintaining and enhancing a robust patent portfolio in both quality and quantity. This is achieved through (1) the creation of high-quality rights, (2) proactive utilization of rights, and (3) motivating inventors through early rewards.



Patent portfolio management supporting corporate value enhancement

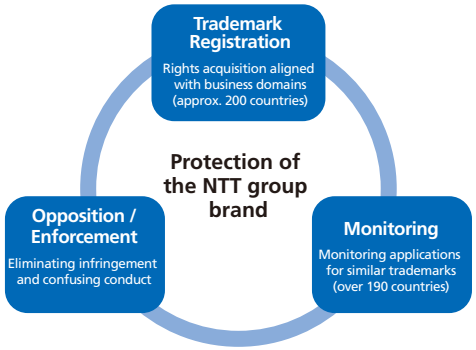
From the perspective of creating high-quality intellectual property rights, inventions are evaluated at each stage—from disclosure through filing, examination, registration, and ultimately expiration—based on factors such as marketability, business strategy, claim scope, and impact on other entities. Inventions are regularly re-evaluated to reflect market and business trends. Low-value rights are abandoned early, while efforts focus on securing rights for high-value inventions, thereby building a portfolio concentrated on patents with strong potential for practical application.

However, it often takes considerable time for R&D results to be incorporated into business operations and generate tangible outcomes. To accelerate value assessment and provide earlier monetary feedback that enhances motivation for future R&D and invention creation, NTT revised its invention reward program in April 2024. The value of inventions is evaluated using an AI model trained on NTT's past patent utilization data. By increasing utilization data through proactive rights usage and continuously refining the AI model, NTT accelerates the virtuous cycle of rights utilization, early rewards, and the creation of new high-quality inventions, thereby safeguarding the sources of the Group's sustainable growth.

Holding Company Initiatives (2): Trademark Management Supporting the NTT Brand

On July 1, 2025, the NTT Group officially adopted the widely recognized name "NTT" as its trade name and introduced a new corporate identity featuring the "Dynamic Loop" logo. At the same time, the Group unified the corporate logo designs across its companies, marking the launch of the new NTT Group. Even before the trade name and corporate identity change, the Intellectual Property Center actively pursued trademark registration, monitoring, and enforcement to protect and enhance the unique "NTT" and "Dynamic Loop" brands. NTT has filed and registered trademarks in approximately 200 countries and regions worldwide, and continues to monitor and block applications for trademarks that could be confused with the NTT brand. The company has also filed more than 50 oppositions against the registration of similar trademarks by third parties.

For the new corporate identity, which unifies design across group companies and symbolizes the new NTT Group, NTT is strengthening and promoting the development of a global trademark rights network. The company is redesigning the rights portfolio to reflect each subsidiary's business domain and geographic footprint, while maintaining consistent monitoring and enforcement of trademark rights. Through these initiatives, NTT aims to firmly protect the new group brand as a high-value asset and build a solid foundation supporting the Group's sustainable growth.



Trademark management supporting the NTT brand

New Value Creation Intellectual Property Strategy

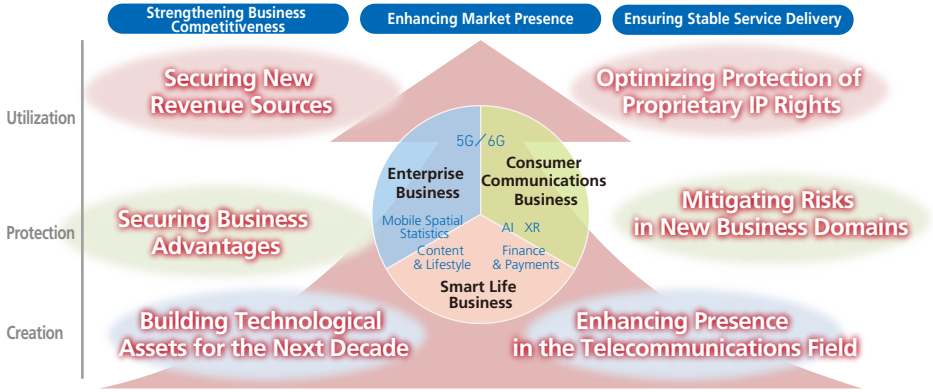
Intellectual Property Strategy Supporting Sustainable Corporate Value Enhancement

Intellectual Property Strategy Supporting Sustainable Corporate Value Enhancement

NTT DOCOMO Group Initiatives

The NTT DOCOMO Group effectively leverages its technology and intellectual property assets to strengthen business competitiveness, enhance its market presence, and support stable service delivery through intellectual property initiatives.

These assets include cutting-edge technologies such as 5G/6G mobile communications, AI, XR, finance and payment services, content and lifestyle solutions, and mobile spatial statistics.



NTT DOCOMO Group's Intellectual Property Initiatives

Toward the Effective Utilization of Technological and Intellectual Property Assets Promoting the Integrated Utilization of Standardization and Intellectual Property

NTT DOCOMO is strategically bringing together human, intellectual, and social and relational capital accumulated through mobile communications to drive international standardization, IP acquisition, and IP utilization in an integrated manner.

This initiative has been highly recognized by the government. In April 2025, NTT DOCOMO became the first telecommunications operator to receive the Prime Minister's Certificate of Appreciation, which honors companies that have made outstanding contributions to the dissemination and development of Japan's industrial property rights system. NTT DOCOMO will further strengthen these initiatives in next-generation 6G mobile communications.

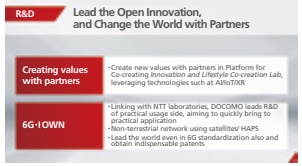
Prime Minister's Certificate of Appreciation and Trophy

Award Presentation Ceremony

Key Points of "Integrated Utilization of Standardization and Intellectual Property"

① Management Strategy

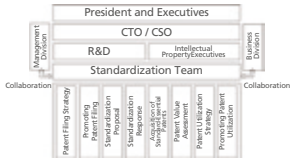
The "New DOCOMO Group Medium-Term Strategy," announced in October 2021, expressly set the integrated implementation and strengthening of standardization and intellectual property activities as a key management objective.



Clearly defined as a management objective in the DOCOMO Group Medium-Term Strategy

② Promotion Framework

Under the leadership of top management, including the CTO and CSO, NTT DOCOMO has established a structure that enables R&D and IP personnel to comprehensively secure standardization outcomes as standard essential patents across the organization and to utilize them strategically in collaboration with management and business divisions.

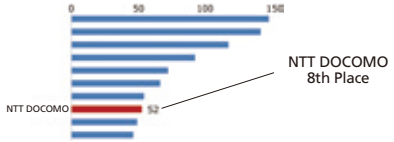


Established a cross-organizational framework for standardization and intellectual property

③ International Standardization

NTT DOCOMO has dispatched a large number of engineers to international standardization bodies for mobile communications, including current 5G. Many proposals—including those for higher speeds and greater capacity—have been adopted as part of international standards and implemented globally. (Number of technical proposals for 5G basic specifications: No. 1 among telecom operators worldwide)

Number of Participants per 5G Standardization Meeting

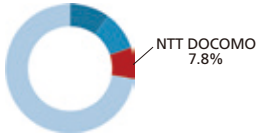


A leading global contributor to international standardization

④ Intellectual Property

NTT DOCOMO has secured a leading global position in 5G standard essential patent share, ranking No. 1 among telecom operators worldwide. It has also concluded license agreements with mobile communications companies, generating intellectual property revenue.

5G Essential Patent Share



The highest patent share among telecommunications operators worldwide

• National Commendation for Invention

In July 2024, NTT DOCOMO received the Invention Award at the National Commendation for Invention organized by the Japan Institute of Invention and Innovation. The award recognized its core Mobile Spatial Statistics technology, which estimates population distribution trends nationwide to help build a more prosperous society by leveraging mobile communications. This marked the second consecutive year of recognition, following the Prime Minister's Award for 5G mobile communication infrastructure technology the previous year.

Trophy and Certificate of the Invention Award

Sources of Value Creation for a Sustainable Society | NTT Group' s Sustainability for People' s Well-Being and the Planet' s Future

New Value Creation column | The CX–EX Cycle Supporting the Creation of New Value

~ Value Creation Through Social and Relational Capital, Human Capital, and Intellectual Capital at the NTT Group ~

To realize the first pillar of its Medium-Term Management Strategy—"NTT as a Creator of New Value and Accelerator of a Global Sustainable Society"—the NTT Group is mobilizing its full capabilities to advance four key initiatives. These are: (1) IOWN-Driven Creation of New Value, (2) Data-Driven Creation of New Value, (3) Realizing a Circular Economy, and (4) Further Strengthening Business Foundations.

All new value originates from people. Accordingly, the second and third pillars of the NTT Group's Medium-Term Management Strategy focus on "Enhancing the Customer Experience (CX)" and "Enhancing the Employee Experience (EX)." These initiatives for the foundation supporting the first pillar. When employees work with enthusiasm and a sense of purpose—experiencing excitement, inspiration, and joy (EX)—it naturally leads to higher customer satisfaction (CX). Words of appreciation from customers further boost employee motivation. We believe that the continuous CX–EX loop, extending into the future, generates value for society and serves as a driving force for building a sustainable world.

Through this CX–EX loop, the NTT Group not only supports value creation through intangible assets—including social and relational capital, human capital, and intellectual capital—but also strengthens each of these forms of capital.

NTT as a Creator of New Value and Accelerator of a Global Sustainable Society

- IOWN-Driven Creation of New Value (from concept to commercialization)
- Data-Driven Creation of New Value
- Realizing a Circular Economy
- Further Strengthening Business Foundations.

New Value Creation

Strengthening Social and Relational Capital Through CX Enhancement Initiatives

Social and Relational Capital

- Established and operates a Marketing Strategy Committee chaired by the President
- Formed CX promotion lines within each Group company to discuss CX, collect customer feedback, and visualize processes for incorporating it into service improvements.
- From FY2024, appointed CCXOs at major Group companies and introduced customer engagement indicators as key non-financial KPIs for their priority business domains.
- Expanded business by sharing best practices horizontally across Group companies through initiatives such as Group-wide internal conferences.

Cycle

Strengthening Human and Intellectual Capital Through EX Enhancement Initiatives

Human Capital

- Formulated a human resource strategy policy and advanced three key pillars: (1) enhancing support for autonomous career development, (2) fostering an open and innovative corporate culture, and (3) promoting a more supportive working environment.
- Set indicators for the three HR strategy pillars and monitored the effectiveness of initiatives over time.
- Conducted employee engagement surveys and strengthened initiatives to address identified issues. Survey analyses and improvement policies were discussed at the Sustainability Committee, which reports directly to the Board of Directors, and feedback was provided to employees

Strengthening Through a Dual Approach

Intellectual Capital

- Established R&D Marketing Headquarters to integrate R&D promotion, marketing, and alliance functions. By embedding a market perspective into our traditionally product-out R&D approach, we are enhancing the effectiveness of our innovation activities.
- To enhance sustainable corporate value, we established a robust patent portfolio management framework focused on (i) generating high-quality intellectual property, (ii) actively leveraging these rights, and (iii) motivating inventors through early rewards. This system enables the continuous creation, cultivation, and strengthening of a patent portfolio that is both extensive and of high quality.

Related Items

Key Issues in Sustainability 3 Themes and 9 Challenges

Ensuring the positive coexistence of nature and humanity | **Improving prosperity for all people and cultures** | Maximizing well-being for all

Establish shared ethical standards
Moving towards a safe, secure, and resilient society

Related Medium-Term Management Strategy Initiatives

1 NTT as a Creator of New Value and Accelerator of a Global Sustainable Society

❶ IOWN-Driven Creation of New Value (from concept to commercialization)
i. Establishment of manufacturing company for photonic-electronic convergence devices
ii. Acceleration of IOWN research and development/commercialization

❷ Data-Driven Creation of New Value
i. Strengthening the personal business
ii. Strengthening the use of DX/data in society and industry
iii. Expansion and upgrade of data center infrastructure

❸ Achievement of a Circular Economy Society
i. Develop sustainability solutions for customers
ii. Creating Circular Economy businesses
iii.Progression towards Net-Zero

❹ Further Strengthening of Business Foundations

2 Upgrading the Customer Experience (CX)

❺ Fusion of Research and Development with a Market-Focused Strategy

❻ Strengthening of Services that Emphasize Customer Experience (CX)

3 Improving the Employee Experience (EX)

❼ Open and Innovative Corporate Culture

❽ Support Career Growth

❾ Global Benefits for Employees and their Families

Contents Covered in the Resilience Section

1. Disaster Preparedness and Response Initiatives	• Overview of Disaster Preparedness and Response Initiatives • Recruiting partners to jointly create new HAPS use cases • Strengthening cooperation among telecommunications carriers to enable prompt support for disaster-affected areas during large-scale disasters
2. Information Security Initiatives	Message from the CISO (Chief Information Security Officer) Policy and Approach Information Security Management Framework Response to Information Security Risks Information Security as a Business Enabler Protection of Personal Information within the NTT Group

Indicators and Targets

Indicator	Target	Results
Number of Serious Incidents	Every year : Zero	FY2024: One
Number of Critical Incidents due to External Cyberattacks	Every year : Zero	FY2024: Zero

Notes : 1. The scope of aggregation for the number of serious incidents and the number of telecommunications service interruptions due to external cyberattacks covers the four telecommunications companies designated as public institutions (NTT East, NTT West, NTT Communications and NTT DOCOMO).
2. Serious incidents are incidents that either interrupt the provision of telecommunications services or reduce their quality, and meet the following conditions:
• Voice services for emergency calls (such as 110 for police or 119 for fire/ambulance): 1 hour or more, and 30,000 or more users
• Voice services for non-emergency calls: 2 hours or more and 30,000 or more users; or 1 hour or more and 100,000 or more users
• Internet-related services (free): 12 hours or more and 1 million or more users; or 24 hours or more and 100,000 or more users
• Other services: 2 hours or more and 30,000 or more users; or 1 hour or more and 1 million or more users
3. Critical incidents are defined as incidents that interrupt the provision of telecommunications services and are widely recognized externally (e.g., through official announcements or coverage by major media).

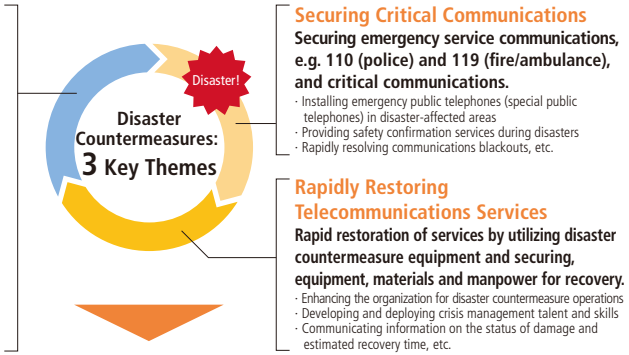
Resilience Disaster Countermeasures

Overview of Disaster Preparedness and Response Initiatives

Learn more: https://group.ntt/en/disaster/

Disaster Countermeasure Initiatives

As a designated public organization, the NTT Group makes ongoing efforts to ensure emergency and critical communications. Furthermore, in recent years, the risk of physical attacks such as acts of war and terrorism has been escalating, in addition to the increasing frequency, scale, and duration of natural disasters. In light of the growing impact on telecommunications facilities and services and the prolongation of recovery efforts, NTT is promoting greater resilience of its facilities and faster recovery responses.



Further Enhancing Our Ability to Respond to Severe Disasters

Considering disaster response based on unexpected scenarios for possible future catastrophic disasters

Faster	Providing predictive support for complex troubleshooting that exceeds human judgment through DX, such as AI and data utilization
Stronger	Utilizing self-supplied energy, such as battery-equipped electric vehicles and on-site renewable energy generation
Safer	Implementing BCP measures such as diversifying supply chains and dispersing business locations and employee residences

Disaster Preparedness and Response Initiatives by NTT Group Companies

NTT EAST	**Disaster Preparedness and Response Initiatives** https://www.ntt-east.co.jp/saigai/
NTT WEST	**NTT West's Disaster Preparedness and Countermeasures Website** https://www.ntt-west.co.jp/corporate/disa.html
NTT DOCOMO	**Disaster Countermeasure** https://www.docomo.ne.jp/corporate/csr/disaster/
NTT DOCOMO BUSINESS	**NTT DOCOMO Business's Disaster Preparedness and Response Initiatives** https://www.ntt.com/about-us/cs/saitai.html

Topics

Launch of the "Noto HAPS Partner Program" for HAPS Utilization in Noto, Ishikawa Prefecture

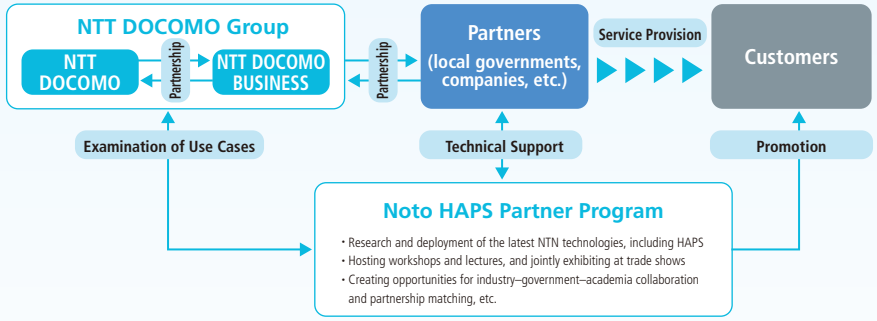
— Recruitment of Partners to Create HAPS Use Cases —

NTT DOCOMO and NTT DOCOMO BUSINESS launched the "Noto HAPS Partner Program" in March 2025 and has begun recruiting partner companies.

This program aims to create solutions and various use cases utilizing HAPS in Noto, Ishikawa Prefecture.

In this program, DOCOMO and NTT DOCOMO BUSINESS, together with participating companies, local governments, and academic institutions, examine and conduct demonstration experiments on business models and solutions leveraging HAPS's characteristics - direct communication with smartphones and IoT devices, high speed, large capacity, and low latency.

From FY2028 onward, when commercial HAPS flights are scheduled to begin in Ishikawa Prefecture, the solutions developed will be implemented to contribute to stronger communications infrastructure and industrial promotion.



Overview of the Noto HAPS Partner Program

Japan's Telecommunications Carriers Collaborate to Strengthen Disaster Response

Japan's eight telecommunications companies — Nippon Telegraph and Telephone Corporation, NTT East, NTT West, NTT DOCOMO, and NTT Communications (collectively, the NTT Group), KDDI Corporation, SoftBank Corp., and Rakuten Mobile, Inc. — have launched a new cooperative framework aimed at ensuring the rapid restoration of communication networks in the event of large-scale disasters. The framework began joint operation in December 2024.

Furthermore, on July 1, 2025, with the aim of further expediting support to disaster-affected areas in the event of a large-scale disaster, Japan's telecommunications carriers began sharing information related to disaster relief efforts with each other.

Resilience Information Security Initiatives

Message from the CISO (Chief Information Security Officer)

Learn more: https://group.ntt/en/sustainability/social/security/

Message from the CISO

Shinichi Yokohama
NTT Group CISO

At the NTT Group, we uphold "Building Trust" as one of our core values. To build trust, it is essential to establish and maintain a security framework capable of responding to the ever-evolving threats of cyberattacks. The NTT Group's security has five unique strengths that underpin this trust.

Our first strength is NTT Group's scale. As an information and telecommunications infrastructure operator, the NTT Group is the target of many cyberattacks. This enables us to understand the world's most advanced cyberattack techniques.

Our second strength is our superior technology, which is instrumental in the early detection of cyberattacks and subsequent rapid response and recovery. We use an AI engine that automatically detects, visualizes, and notifies us of threats. We also maintain global partnerships for the collection and sharing of threat information, and employ high-level security analysts and other engineers at our Security Operation Center (SOC). Our third strength is our people .

All NTT Group employees in Japan take mandatory security courses. Approximately 3% of our domestic employees (around 5,000 people) have obtained the "intermediate" rank, which certifies them as professionals capable of playing an active role in the security field. Moreover, we have a group of approximately 100 elite specialists recognized by external experts as having some of the best track records in the industry. We also provide training for all presidents of NTT Group companies in Japan to foster leadership in daily risk management as well as in incident management in the event of an emergency. Our fourth strength is our know-how.

As a corporate partner of international sports events held in Tokyo in 2021 and the Expo held in Osaka in 2025, we were partly responsible for defense against cyberattacks and other threats. We also have experience handling other major international events, such as past G7 and G20 summits.

Our fifth strength is the ability to disseminate information. We are the only Japanese company with a team dedicated to external information dissemination specialized in cybersecurity, and deliberately disclose and share our strategies within feasible limits to promote global collaboration.

We believe that by ensuring information security and protecting personal information, we safeguard "trust." Society is entering a connected age, where everything is interconnected.

Based on the five strengths outlined above, we will protect not only our own company but also our customers, companies upon which the Group depends, and the entire supply chain in its broader sense, making society secure as a whole and thereby contributing to the realization of a safe, secure, and trusting society.

Policies and Concepts

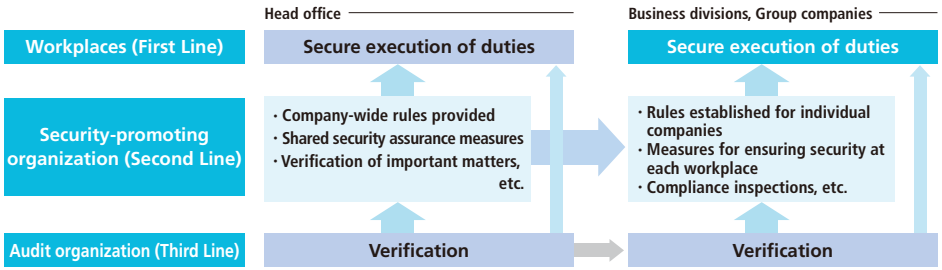
At the NTT Group, we have established the NTT Group Information Security Policy, which mandates appropriate information security not only for executives and employees but also for contractors handling confidential matters, and we are committed to enhancing both information security and the protection of personal information.

NTT Group Information Security Policy: https://group.ntt/en/g_policy/

Information Security Management Framework

The NTT Group has established an information security management framework headed by the Chief Information Security Officer (CISO) to ensure rigorous management of information security. We have also established a Group CISO Committee, which formulates Group-wide information security management strategies, plans and implements related measures, develops human resources, and carries out other activities in collaboration with Group companies. We are also advancing efforts to maintain and improve security defenses within the Group based on the idea of a "three-line organization."

NTT Group's Security Governance Goals



Learn more: https://group.ntt/en/sustainability/social/security/

Responding to Information Security Risks

In responding to information security risks, the NTT Group operates under the belief that cyber incidents are inevitable and that minimizing damage is crucial. Under the leadership of the holding company and each Group company, we establish and enforce Group-wide regulations (systematization of information security), and conduct extensive security training and incident response exercises. We also work to increase service security, train high-level security personnel, and foster global collaboration.

Leadership-Driven Security Measures

The NTT Group views information security as a management priority that requires leadership engagement in addition to technological measures. To continuously raise the Group's overall security standards, we conduct training for the presidents of all domestic Group companies to ensure robust company-wide security practices and to strengthen their leadership in the event of a security incident.

Identifying Priority Information Security Risks

Based on the concept of risk-based management, we update the information security risk heatmap on a quarterly basis, prioritize risks through discussions at the Business Risk Management Committee and the Executive Officers Meeting, and implement countermeasures.
We identified the following priority information security risks and implemented countermeasures to address them.

Geopolitical Cyber Risks in East Asia	We assessed cyber risks based on intelligence obtained through participation in the JCDC*1 in the United States. In anticipation of the latest threats, including VoltTyphoon*2, we established a Group-wide countermeasures team and conducted threat hunting*3.
DDoS Attacks	Utilizing information obtained from ICT-ISAC*4, we assumed the continuation of DDoS attacks. Experience with countermeasures at NTT DOCOMO was shared with Group companies through the Group CISO Committee. Critical systems requiring Internet access were identified, and countermeasures were implemented.
Internal Improprieties and Ransomware	In light of internal improprieties at NTT West and serious threats such as ransomware, we strengthened our countermeasures. Training was provided to all presidents of domestic Group companies, and measures against the leakage of important information are being promoted at each company.

*1 Joint Cyber Defense Collaborative (JCDC). An initiative that NTT has participated in since January 2023 aimed at further strengthening the U.S. government's international cybersecurity and resilience efforts.
*2 A cyberattack group that U.S. government agencies have warned as being backed by the Chinese state.
*3 Cybersecurity activity that proactively searches for threats that have not yet materialized.
*4 ISAC (Information Sharing and Analysis Center) is an organization that collects, shares, researches, and analyzes information on cybersecurity. ICT-ISAC is an ISAC composed of Japanese ICT-related organizations.

Information Security as a Business Enabler

The NTT Group's approach to information security is not only a countermeasure against risks but also a business enabler that supports the business of the NTT Group and its customers and strengthens competitiveness. The leading-edge knowledge and know-how gained through our information security initiatives are applied in various contexts, including the creation of new businesses and the promotion of co-creation businesses with partner companies.

Examples of Utilization

New business creation	• Precision Medicine Business (integrated collection, analysis, and utilization of medical and healthcare data, including clinical and laboratory data linked to individuals) https://group.ntt/jp/newsrelease/2024/05/10/240510c.html • web3 Enabler Business (planning and development of products and services using blockchain technology and crypto assets) https://www.docomo.ne.jp/info/news_release/2023/07/11_00.html
Co-creation with partner companies	• Smart Mobility Business (joint initiatives in AI and communications in the mobility field with Toyota Motor Corporation) https://group.ntt/en/newsrelease/2024/10/31/241031b.html

Protection of Personal Information by the NTT Group

Under the NTT Group Information Security Policy, we publish policies for protecting the personal information of customers and shareholders, as well as policies for protecting specific personal information required by Japan's Social Security and Tax Number System on our website. These policies also set out the procedures for responding to requests for disclosure, correction, and suspension of use of personal information retained by the NTT Group.

NTT	Protection of Personal Information https://group.ntt/en/protection/
NTT DOCOMO	NTT DOCOMO Privacy Policy https://www.docomo.ne.jp/english/utility/privacy/
NTT DOCOMO BUSINESS	Privacy Policy https://www.ntt.com/en/about-us/hp/privacy.html
NTT DATA GROUP	NTT DATA GROUP Corporation's Personal Information Protection Policy https://www.nttdata.com/global/en/info/privacy-statement
NTT EAST	Privacy Policy https://www.ntt-east.co.jp/en/policy/
NTT WEST	Privacy Policy https://www.ntt-west.co.jp/english/privacy/

Each domestic Group company, in line with its business and based on the Act on the Protection of Personal Information, has established a personal information protection system, implements strict physical and system security measures, appropriately supervises outsourcing contractors, and continuously undertakes initiatives to protect information.

Furthermore, since May 2021, at domestic Group companies, personal information collected through individual and household-oriented services, such as mobile phones and internet access, has, in principle, been retained and accessed only within Japan, in order to further strengthen information management.

Stakeholder Engagement

Learn more: https://group.ntt/en/sustainability/management/stakeholder/

Fundamental Principle

The NTT Group provides products and services to diverse stakeholders around the world, and its value chain is expanding globally and becoming increasingly complex each year. As stakeholder needs and expectations for our business become more diverse, it is important to accurately understand and reflect them in our activities through stakeholder engagement.

In particular, responding as fully as possible to stakeholder concerns about social and environmental issues helps build trust with society, enhances corporate competitiveness, and supports accountability. To conduct business and create value based on stakeholder trust, the NTT Group engages in stakeholder engagement in line with global standards, specifically the AA1000 Stakeholder Engagement Standard (AA1000SES) and parts of the AA1000 AccountAbility Principles Standard (AA1000APS), applying them across all of our business activities.

Benefits of Stakeholder Engagement

Benefits for the NTT Group

- Identify emerging environmental/social trends and reflect them in strategy formulation
- Identify potential risks and develop countermeasures
- Appropriately manage our brand reputation
- Identify opportunities for potential new businesses, collaboration, and innovation
- Improve community relations and ensure smoother operations by taking stakeholder expectations into account in decision-making
- Deepen our understanding of stakeholders' opinions and sensitive issues
- Make more sustainable business decisions based on stakeholder input

Benefits for Stakeholders

- Clearer understanding of the NTT Group strategy and projects
- Provide relevant feedback in line with expectations

Identifying Stakeholders

Our stakeholders are organizations or individuals who have an interest in the business activities or decision making of the NTT Group. Major stakeholders include customers (corporations and individual), shareholders and investors, employees (including their families and retired employees), local communities, business partners, industry peers and associations, government and regulatory agencies. The NTT Group will fulfill its responsibilities to, and meet the expectations of its diverse stakeholders.

Stakeholder Engagement Process

Step 1: Plan

Levels and Methods of Engagement

Level of engagement
Examples of engagement methods

Monitor
Tracking of media and one-way communications

Inform
Provision of information to stakeholders through letters, bulletins, websites, speeches, reports, etc.

Consult
Two-way communication through surveys, focus groups, workshops, etc., to understand the interests of both parties

Involve
Two-way communication with stakeholders actively involved in decision-making, through advisory panels or multi-stakeholder dialogues

Collaborate
Joint ventures and partnerships on specific projects

Potential Risks of Engagement with Specific Stakeholders

- Unwillingness to engage on the part of stakeholders
- Disruptive stakeholders
- Creation of unrealistic and unfulfillable expectations of the company on the part of stakeholders
- Inter-stakeholder conflicts

Other issues that could potentially result in criticism, reputational damage or waste resources

Step 2: Action

While engaging with stakeholders, discussions should be held on mutual expectations, and if revisions to initial engagement plans are needed, they should take into consideration both stakeholder requests and the NTT Group's initial intentions.

Factors Requiring Consideration during Engagement

- Levels of contribution and a clear definition of participant roles
- Details of the process, including timelines and methods
- Timely provision of direction and necessary materials to support participation and meaningful contribution to the engagement process
- Boundaries of information disclosure, including confidentiality requirements
- Communication of the results of the engagement

When holding events with multiple stakeholders, care must be taken to ensure balanced participation to minimize risks and maximize value.

Step 3: Follow-up and Review

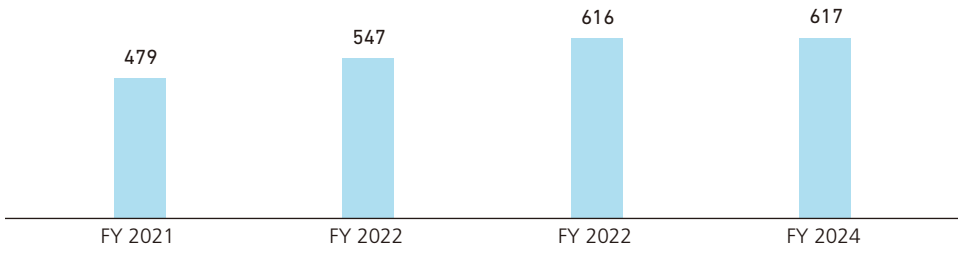
After engagement concludes, results should be reported to participants and internally, and disclosed externally as necessary. Both outcomes and the engagement process itself should be reviewed, and KPIs defined to evaluate the value gained.

Reports and disclosures should include:

- The purpose, scope, methods and participants of the engagement
- A summary of issues and opinions raised during the process
- The NTT Group's response to the engagement outcomes

For the review of the engagement process, an internal review should be conducted and feedback obtained from participating stakeholders. Improvement plans should then be developed based on these results.

Number of Institutional Investor Engagements*



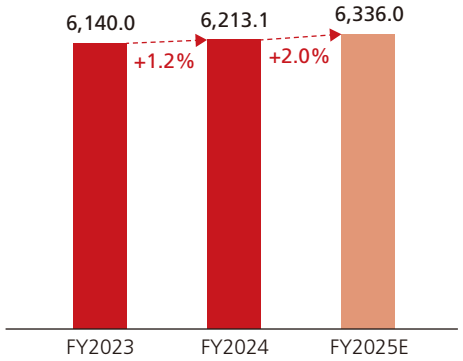
*Number of meetings with institutional investors (for Group meetings, each participating investor is counted individually).

Integrated ICT Business

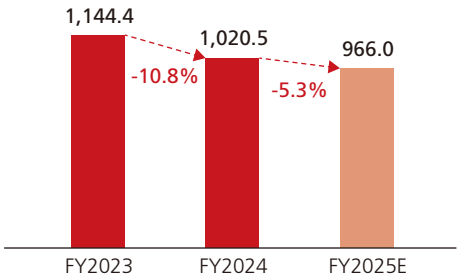
In the Integrated ICT Business, we accelerated non-linear growth through M&A in the Smart Life domain, strengthened our customer base by offering a wider range of pricing plans in the consumer communications business, and expanded our business domain by enhancing services for corporate clients. In addition, to respond to growing traffic and more diverse usage environments, we focused on maintaining and improving network quality, aiming to enhance customer satisfaction and drive sustainable business growth through the provision of stable and highly reliable communication services.

Performance Trends

Operating Revenue (¥ billions)



Operating Profit (¥ billions)



FY2024 Results

Operating revenue in the Integrated ICT Business Segment in FY2024 increased to ¥6,213.1 billion (an increase of 1.2% from the previous fiscal year), despite a decrease in revenue due to a decline in ARPU resulting from the expansion of billing plans such as irumo, but driven by the expansion of the Enterprise business as well as the Smart Life business, including financial, payment, and marketing solutions. On the other hand, operating expenses in FY2024 increased to ¥5,192.6 billion (an increase of 3.9% from the previous fiscal year), reflecting an increase in expenses for initiatives to strengthen the customer base, despite reductions in expenses due to cost efficiency initiatives. As a result, segment operating profit in FY2024 decreased to ¥1,020.5 billion (a decrease of 10.8% from the previous fiscal year).

FY2025 Forecast

Although we expect growth in the Smart Life and Enterprise businesses, we project higher revenue but lower profit year on year, as we continue initiatives such as customer base enhancement, network quality improvements, and cost-reduction measures to support medium-term growth and reduce future cost burdens.

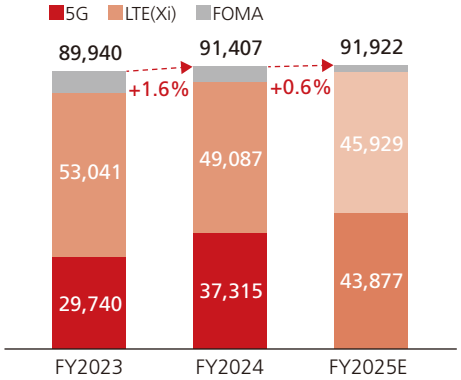
Priority Initiatives

Driving the Docomo Group's sustainable growth through leadership in the Smart Life and Enterprise business domains.

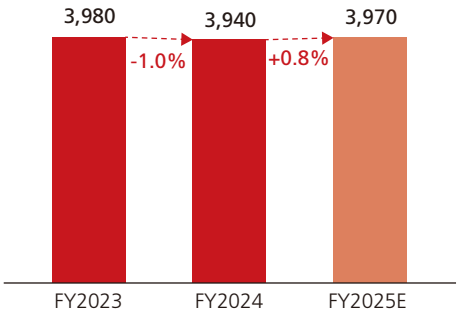
Consumer (Smart Life/ Consumer Communications)	By combining the unique value of Docomo with that of diverse partners to create offerings that customers choose, we aim to further expand our customer base and drive growth in communications and Smart Life revenue.
Enterprise	Strengthening four priority areas—IoT, AI, Digital BPO, and regional/SME DX—to accelerate solution-driven growth.
Network	Promoting initiatives to build networks resilient to environmental changes and natural disasters, while enhancing customer experience and perceived quality.

(Reference) Contract Trends

Number of Mobile Service Contracts (Thousands)



Mobile Communications ARPU* (Yen)



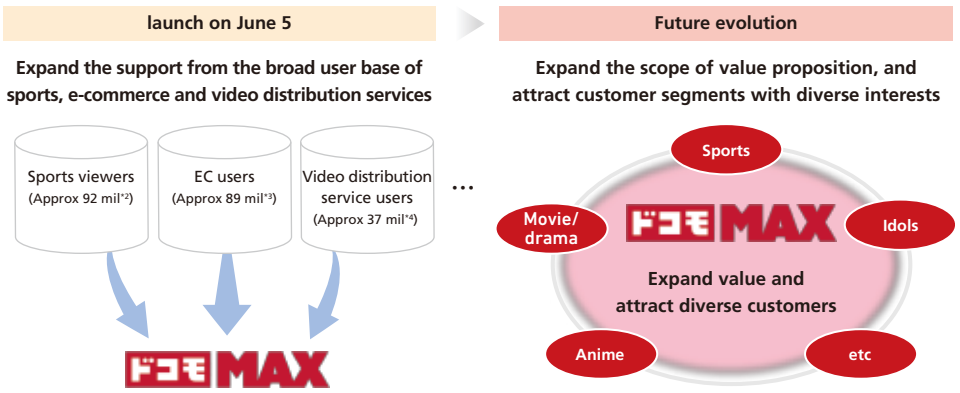
* ARPU (Average Monthly Revenue Per Unit): The average monthly revenue per subscriber (user)

Integrated ICT Business

New Pricing Plans to Meet Diverse Customer Needs Launch of "DOCOMO MAX" and Other New Plans

NTT DOCOMO offers a variety of pricing plans tailored to customers' data usage. Starting June 5, 2025, DOCOMO has launched four new pricing plans—"DOCOMO MAX," "DOCOMO Poikatsu MAX," "DOCOMO Poikatsu 20," and "DOCOMO mini"—to better meet increasingly diverse customer needs. The redesigned lineup allows customers to select plans not only based on data usage, but also according to their lifestyles and DOCOMO's unique value offerings.

"DOCOMO MAX" is an unlimited data plan that combines DOCOMO's full range of value-added offerings with its communication services. As part of the first phase of value offerings, DOCOMO introduced benefits including up to six months of Amazon Prime at no additional charge*1, unlimited access to the "DAZN for DOCOMO" sports streaming service, and free international roaming of up to 30GB. Starting in October, customers will also be able to enjoy additional content such as NBA games at no extra cost. Going forward, we will continue to add benefits that enhance customers' enjoyment and support their interests and passions.



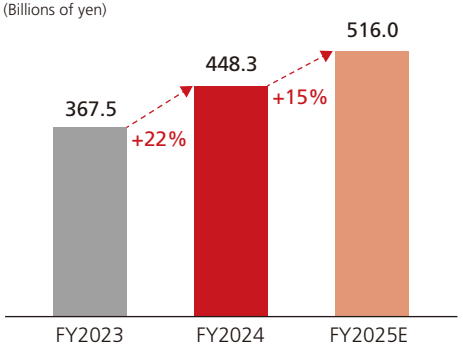
*1 For details on the terms and conditions, please refer to the URL below.
*2 Estimated based on "2024 Basic Survey on Sports Marketing" by Mitsubishi UFJ Research and Consulting Co., Ltd.
*3 Estimated based on "10th Questionnaire Survey of 10,000 Consumers in Japan" by Nomura Research Institute, Ltd.
Based on "2025 Survey on Usage of Paid Video Distribution Services" by Mitsubishi UFJ Research and Consulting Co., Ltd.

Learn more: https://www.docomo.ne.jp/info/news_release/2025/04/24_00.html (Japanese only)

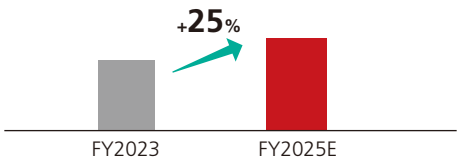
Accelerating Growth in Financial and Payment Services —Expanding Our Economic Ecosystem through One-Stop Access to a Diverse Range of Financial Services—

Revenue from the financial business reached ¥448.3 billion in FY2024, up 22% year-on-year growth. Launched in November 2024, "d CARD PLATINUM" surpassed 600,000 members as of May 2025, with average spending per member rising by 25%. Going forward, we plan to enhance our financial services to include banking functions, aiming to further enhance revenue through one-stop service offerings tailored to customer needs.

Finance revenue

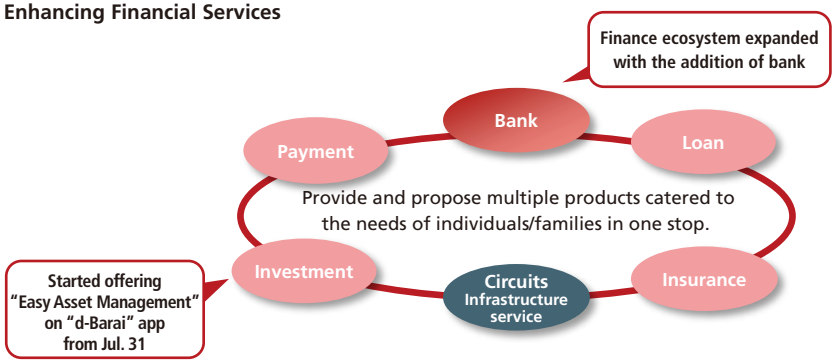


Average card usage of PLATINUM members*1



*1: Comparison of usage of dCARD PLATINUM for Mar. 2025 and usage of dCARD and dCARD GOLD for Mar. 2024 by the same user.

Enhancing Financial Services



Learn more: https://www.docomo.ne.jp/info/news_release/2025/07/31_01.html (Japanese only)

Integrated ICT Business

AI Initiatives to Drive Growth in the Enterprise Business

In FY2024, solutions for large enterprises achieved significant growth, driven by strong demand for digital transformation (DX). However, intensified competition in the mobile market led to slower-than-expected growth among mid-sized and small enterprises.

In FY2025, we plan to launch new competitive services by leveraging the DOCOMO Group's strengths in ICT infrastructure, the "ICT Platform" implementing the NTT Group's advanced IOWN technology, "DX Integration" that delivers one-stop solutions tailored to customer needs. We will also capitalize on our broad customer base spanning large enterprises to SMEs.

Furthermore, we will strengthen sales and development capabilities in collaboration with partners to accelerate growth across four key focus areas—IoT, AI, Digital BPO, and regional/SME DX—with the goal of achieving ¥2 trillion in revenue in FY2025.

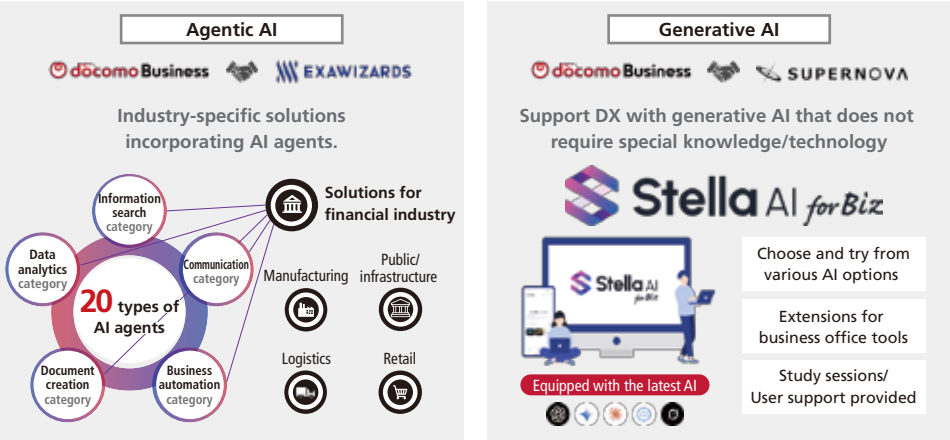
As part of its AI initiatives in key focus domains, NTT DOCOMO Business launched industry-specific solutions using 20 types of AI agents in June 2025, following the capital and business alliance announced with ExaWizards Inc. in May 2025.

Learn more: https://www.ntt.com/about-us/press-releases/news/article/2025/0619.html (Japanese only)

In the same month, NTT DOCOMO launched "Stella AI for Biz," a generative AI service that supports DX without the need for specialized knowledge or technical skills, in collaboration with SUPERNOVA Inc., a startup spun out from its "docomo STARTUP™" program.

Learn more: https://www.ntt.com/about-us/press-releases/news/article/2025/0616.html (Japanese only)

We will continue to accelerate our initiatives to further expand our business in the AI domain.



Accelerating initiatives to expand our business in the AI domain and strengthening partnerships.

Further Enhancing Network Quality

In FY2024, we enhanced customer experience quality by expanding 5G base stations and implementing measures for major events, focusing on central areas of major cities and key railway lines.

In FY2025, we plan to further expand and enhance 5G coverage and speed by increasing the number of 5G (Sub6 + 4G spectrum) base stations and leveraging the latest technologies. By providing a seamless communication environment anytime and anywhere, we aim to build a network that continues to be the preferred choice of customers.

- By the end of March 2026, we plan to increase the number of 5G base stations nationwide by 1.2 times.
- We also plan to increase the number of 5G base stations by 1.3 times along major railway lines and in central areas of major cities.
- By the end of March 2026, we plan to triple the number of base stations nationwide equipped with Multi-user Massive MIMO, a technology that enhances communication speed.
- Starting in June 2025, we will gradually introduce HPUE (NSA/SA) technology to 5G base stations nationwide to enhance user experience quality, with full rollout planned by the end of October 2025.
- We plan to implement more than 190 event countermeasures by the end of September 2025, and over 250 by the end of March 2026.

Learn more: https://www.docomo.ne.jp/area/nwpr/manifesto/ (Japanese only)

VOICE

Yuu Nishikawa
Mobile Radio Network Planning, Network Department Tohoku Branch, NTT DOCOMO

Employees Supporting the Integrated ICT Business

My role is to develop network strategies that determine where and how many base stations should be built to provide coverage in the Tohoku area. There is no set formula for developing these strategies. We anticipate that new services will emerge in the coming years, leading to increased communication demand in the area. We develop future network strategies by combining such forecasts with current base station traffic data. I feel a strong sense of fulfillment when the network we've built operates seamlessly and people in the area can use services without any inconvenience.

Although the scale of maintaining network coverage across the Tohoku area is vast, what drives me is always the image of each individual customer. What if e-tickets failed to work at stadiums, or electronic payments stopped during the busy lunchtime rush? How would customers feel in those moments? Imagining such situations strengthens my determination to ensure customers never experience any stress.

* Content reflects the situation at the time of the interview.

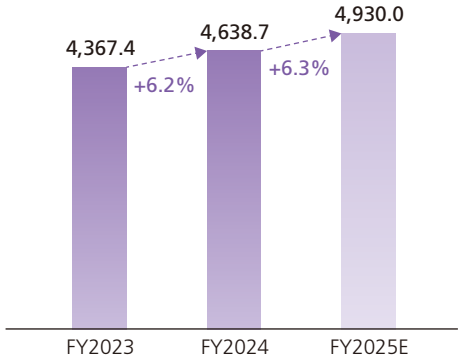
Learn more: https://information.nttdocomo-fresh.jp/people/interview/people16/ (Japanese only)

Global Solutions Business

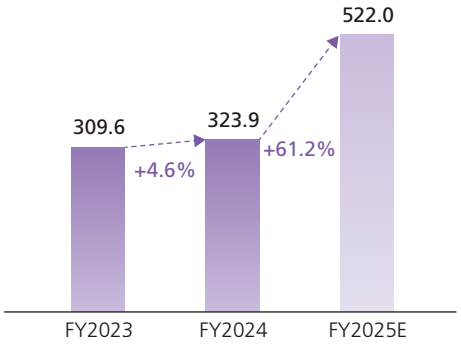
In the Global Solutions business, we expanded and stabilized the provision of diverse IT services—including digitization proposals that respond to market changes and system integration—and strengthened our service delivery capabilities in growth areas such as data centers and managed services.

Performance Trends

Operating Revenue (¥ billions)



Operating Profit (¥ billions)



FY2024 Results

Operating revenue in the Global Solutions Business segment in FY2024 was ¥4,638.7 billion (an increase of 6.2% from the previous fiscal year), mainly due to capturing demand for digitalization both domestically and internationally, as well as increases resulting from exchange rate fluctuations. On the other hand, operating expenses were ¥4,314.9 billion (an increase of 6.3% from the previous fiscal year), primarily due to increases in revenue-linked costs and the effects of exchange rate fluctuations. As a result, segment operating profit in FY2024 was ¥323.9 billion (an increase of 4.6% from the previous fiscal year).

FY2025 Forecast

We expect continued revenue growth driven by digitalization demand, and profit growth through data center sales leveraging REITs, resulting in year-on-year increases in both revenue and profit.

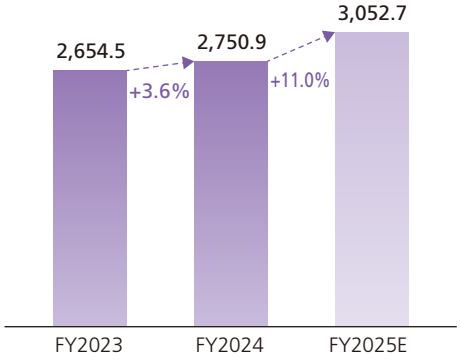
Priority Initiatives

"Realizing a Sustainable Future"
—We aim to create future value and realize a sustainable society together with our customers by connecting people through technology.

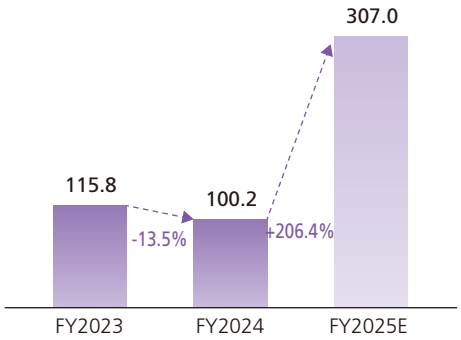
Creating new services through the integration of IT and connectivity	• We provide Edge-to-Cloud services that leverage diverse customer touchpoints and data to create new social platforms that transcend corporate and industry boundaries.
Strengthening foresight driven consulting capabilities	• As a co-creation partner, we leverage foresight-driven consulting capabilities across industries and technologies to support our customers' growth and drive business transformation.
Evolving toward an asset-based business model	• We turn industry best practices and global technologies into assets and enhance business agility to maximize the value we deliver to customers.
Strengthening advanced-technology utilization and system development capabilities	• We pursue a dual approach: strengthening advanced technology utilization to secure future competitiveness and enhancing system development capabilities to improve productivity, through activities aligned with technology maturity.
Maximizing talent and organizational capabilities	• We are transforming our organizational functions and culture to befit a global company, maximizing the talent and organizational capabilities that support our business and driving further growth.

(Reference) Overseas Operating Revenue/Overseas Operating Profit

Overseas Operating Revenue (¥ billions)



Overseas Operating Profit (¥ billions)



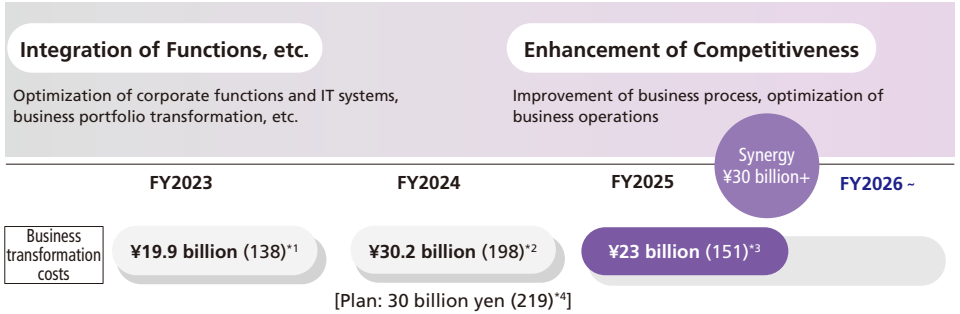
Global Solutions Business

Strengthening Regional Business and Overseas Operations Through a New Operating Model

The overseas business integration implemented in FY2024 focused on integrating corporate functions and IT systems and progressed largely as planned.

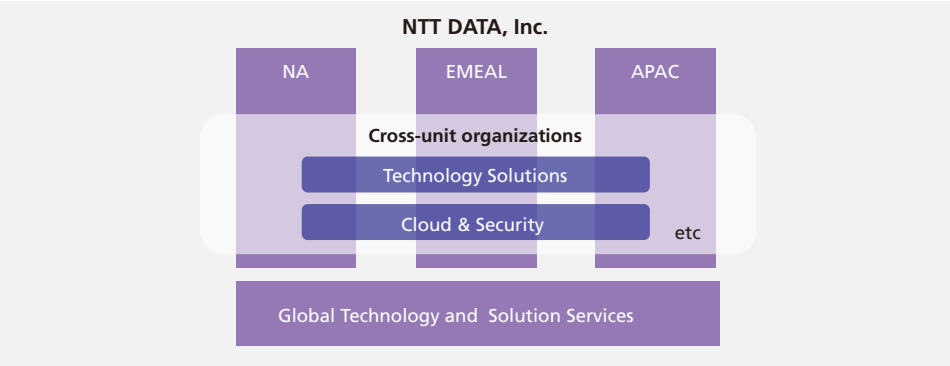
In FY2025, we aim to generate ¥30 billion in synergies from the integration of our overseas businesses. In addition, to strengthen global competitiveness, we will establish a cross-unit organization across the regional units and work to optimize business operations.

■Status of Overseas Business Transformation



Figures in parentheses are expressed in millions of US dollars.
*1 FY2023 actual rate: JPY144.65 *2 FY2024 actual rate: JPY152.62 *3) FY2025 planned rate: JPY153 *4 FY2023 planned rate: JPY138

■Optimization of Overseas Business Operations



Launching a Global Strategic Partnership With OpenAI

On May 1, 2025, the NTT DATA Group launched a global strategic partnership with OpenAI, Inc. Through this partnership, the NTT DATA Group combines its extensive system development expertise with OpenAI's cutting-edge generative AI technology to deliver advanced, secure, and reliable generative AI services, including AI agents.

The NTT DATA Group will further accelerate the global expansion of its generative AI business, aiming to achieve cumulative sales of approximately ¥100 billion in OpenAI-related business by the end of FY2027.

- Promoting corporate adoption as OpenAI's first authorized distributor in Japan
- Replacing human tasks with business- and industry-specific AI agents
- Building a dedicated framework to foster a culture of generative AI utilization among customers
- OpenAI Acceleration Program

Key Points of the Strategic Partnership

Learn more: https://www.nttdata.com/global/ja/news/release/2025/042400/ (Japanese only)

VOICE

Tatsuya Akai
Second Sales, Second Systems Division, Second Public Sector Department
First Public Sector Division, Public Sector Headquarters
NTT DATA

Employee Supporting the Global Solutions Business

I am currently involved in developing new proposals and future vision plans for government procurement systems. One ongoing project involves proposing a new system for government procurement areas that still rely on paper-based operations. A major challenge in systemizing entirely paper-based government procurement operations was ensuring fairness and transparency while driving business process reengineering (BPR). To address this, I interviewed users from various ministries and agencies to propose the ideal operational model. From conceptual system design through tackling implementation challenges and defining concrete realization methods, the full suite of proposal activities has concluded, and the project is now entering its final stage.

Since the establishment of Japan's Digital Agency in September 2021, I expect further acceleration of digitalization across various sectors. Going forward, I hope to build my experience as a systems engineer and become a professional capable of formulating strategy from both the sales and development perspectives.

* Content reflects the situation at the time of the interview.

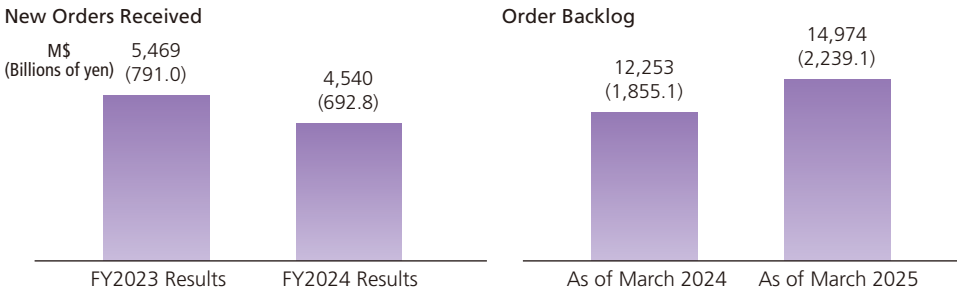
Learn more: https://nttdata-recruit.com/people/akai/ (Japanese only)

Global Solutions Business

FOCUS Data Center Business

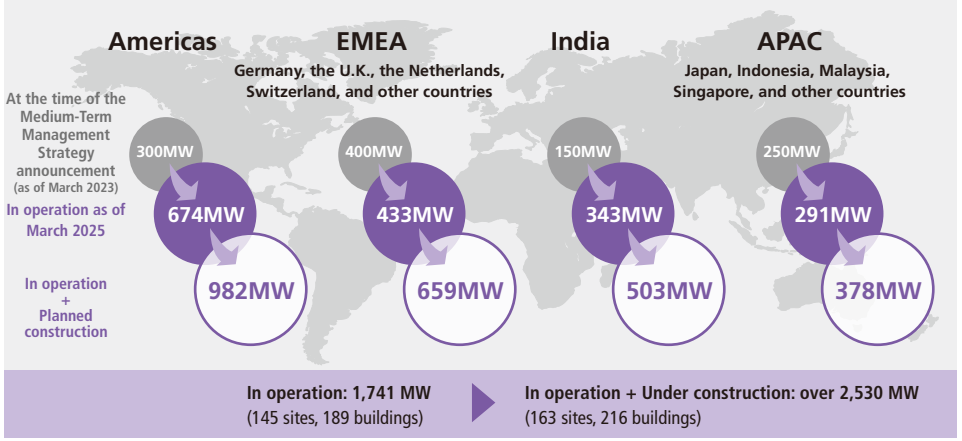
Order Backlog at the End of FY2024

Demand for data centers remained robust, with the order backlog reaching USD 14,974 million (¥2,239.1 billion) at the end of FY2024, up USD 2,721 million (¥384.0 billion) from the previous fiscal year-end.



Service Provision Status*

In FY2024, we began providing approximately 380 MW of capacity mainly in North America. As of the end of March 2025, around 1,741 MW was in operation.



* Including data centers operated by NTT DOCOMO Business

as of March 2023

FY2025 Investment Plan

Data center investment in FY2024 totaled USD 2,706 million (¥413.0 billion), up USD 6 million (¥22.5 billion) from the previous fiscal year. For FY2025, we plan to continue active investment at a similar level to the previous year.

Revenue and EBITDA Plan

	Revenue*2*3		EBITDA*3 <EBITDA Margin>		
FY2025E*1	USD 3,547 million	(¥542.7 billion)	USD 1,987 million	(¥304.0 billion)	56%
Year-on-Year Change	+USD 1,115 million	(+¥171.6 billion)	+USD 1,090 million	(+¥167.0 billion)	-

*1 Figures include the equivalent gain on the transfer of fixed assets to NTT DC REIT (Revenue: USD 1,016 million [¥155.4 billion]; EBITDA: approximately the same amount).
*2 Excluding this gain, the revenue forecast for the fiscal year ending March 2026 is USD 2,531 million (¥387.3 billion).
*3 Converted at an exchange rate of USD 1 = ¥153.

Driving Data Center Business Growth through REIT Utilization

We will leverage the "NTT DC REIT" scheme to accelerate the investment recovery cycle for data centers, generate investment funds, and maintain financial soundness, while pursuing further growth of our data center business and maximizing corporate value. ≫P.23

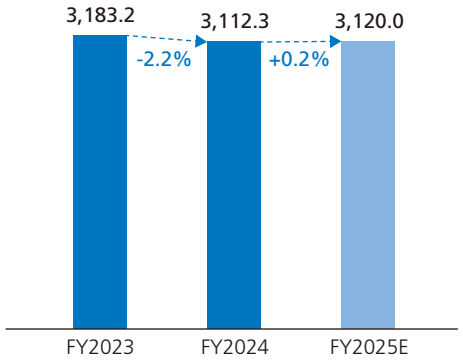
Going forward, we will continue to explore various schemes beyond REITs to generate investment funds.

Regional Communications Business

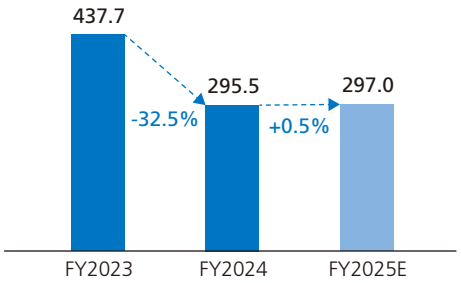
In the Regional Communications business, we accelerated initiatives to recover and expand market share for optical services by expanding the service area of "FLET'S Hikari Cross" (10 Gbps) and strengthening bulk sales to entire apartment buildings, thereby maintaining and increasing net subscriber additions. At the same time, we are promoting community-based social innovation initiatives that use ICT in fields such as agriculture, education, and disaster preparedness, contributing to the realization of sustainable local communities.

Performance Trends

Operating Revenue (¥ billions)



Operating Profit (¥ billions)



FY2024 Results

Operating revenue in the Regional Communications Business segment in FY2024 decreased to ¥3,112.3 billion (a decrease of 2.2% from the previous fiscal year), mainly due to a decrease in revenue from fixed voice-related services and a decline in other income due to the reactionary impact of the streamlining of non-core assets implemented in the previous fiscal year. On the other hand, operating expenses increased to ¥2,816.8 billion (an increase of 2.6% from the previous fiscal year), despite reductions in expenses resulting from cost efficiency initiatives, mainly due to an increase in depreciation and amortization. As a result, segment operating profit in FY2024 decreased 32.5% to ¥295.5 billion.

FY2025 Forecast

In the Regional Communications Business segment, while we expect declines in fixed voice-related revenue and the impact of initiatives at NTT WEST to reduce future cost burdens, we project year-on-year increases in both revenue and profit, driven by an expansion in base profits resulting from increased revenue in fiber-optic services and system integration.

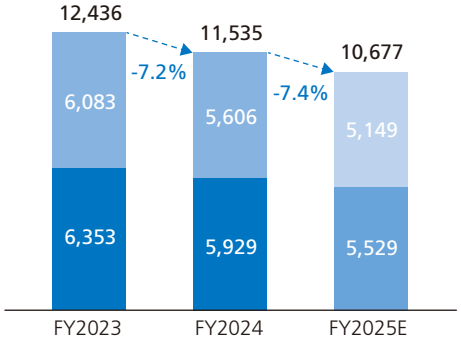
Priority Initiatives

We are accelerating efforts toward a medium-term transformation to build a business structure capable of delivering stable profit levels over the long term.

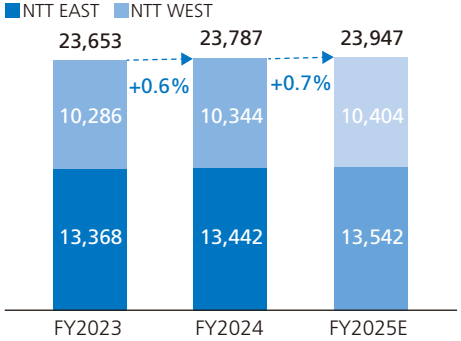
Recovery of market share in the fiber-optic business	• We are accelerating initiatives to recover and expand market share, aiming to maintain and increase net subscriber additions.
Evolution and expansion of enterprise network services	• We are leveraging our strong local relationships and engineering capabilities to capture growing digitalization demand and expand our business in the enterprise segment.
Further expansion of growth businesses	• We are working to address regional challenges and create social value through the use of ICT, further driving the growth of our social innovation business.
Further efficiency improvements and business portfolio optimization	• We are enhancing the efficiency of front-office, back-office, and infrastructure operations by leveraging DX and AI. • We are accelerating fundamental cost structure reforms through strategic selection and concentration, including exiting unprofitable businesses. • We are promoting the migration from legacy services such as fixed-line telephony to alternative services to maximize customer retention.

(Reference) Contract Trends

Number of Subscriber Telephone and INS Net Contracts (thousands)



Number of FLET'S Hikari Contracts (including Collaboration Hikari) (thousands)



*1. Number of Telephone subscriptions is the total of individual lines and central station lines (including lines under the Subscriber Telephone Light Plan).
*2. INS-Net includes INS-Net 64 and INS-Net 1500. In terms of the number of channels, transmission rate, and line use rate (base rate), INS-Net 1500 is in all cases roughly ten times greater than INS-Net 64. For this reason, one INS-Net 1500 subscription is calculated as ten INS-Net 64 subscriptions (including INS-Net 64 Lite Plan subscriptions).
*3. FLET'S Hikari (including Hikari Collaboration Model) includes FLET'S Hikari Cross, FLET'S Hikari Next, FLET'S Hikari Light, FLET'S Hikari Lightplus FLET'S Hikari WiFi Access and Hikari Denwa Next (optical IP telephone) provided by NTT East, FLET'S Hikari Cross, FLET'S Hikari Next, FLET'S Hikari Mytown Next, FLET'S Hikari Light and Hikari Denwa Next (IP telephone service) provided by NTT West, and the "Hikari Collaboration Model," the wholesale provision of services by NTT East and NTT West to service providers.

Regional Communications Business

Delivering High-Speed, High-Quality, and Affordable Optical Connectivity for Businesses
NTT EAST and NTT WEST launched "FLET'S Hikari Cross Biz

Background and Objectives

The rapid expansion of cloud services, online meetings, and AI, many corporate customers now require high-capacity internet connections.

At the same time, as companies accelerate digitalization, communication infrastructure has become increasingly critical, and the risk of business disruption due to network outages has become more apparent. Against this backdrop, demand for high-quality connectivity, including guaranteed bandwidth and service level agreements (SLAs), continues to grow.

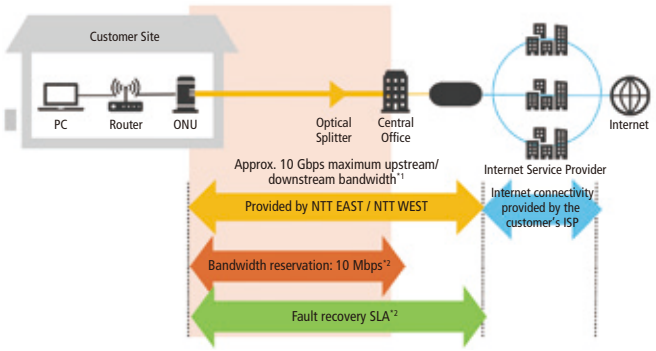
To meet these needs, we launched a new access service for corporate customers.

Service Overview

This best-effort service provides upstream and downstream speeds of up to approximately 10 Gbps*1*2 when connecting to customers' contracted Internet service providers.

The service offers corporate customers enhanced reliability through features such as reserved upstream and downstream bandwidth of 10 Mbps*2, a 99.99% SLA*2 for fault recovery, and industry-leading on-site support within 24 hours, in addition to the conventional 24-hour on-site repair option.

Service Provision Image



*1 "Approx. 10 Gbps" refers to the maximum value based on technical specifications and does not represent the actual transmission speed.
*2 For detailed service conditions, please refer to the website below.

Learn more: NTT East ⇒ https://www.ntt-east.co.jp/release/detail/20250603_01.html
NTT West ⇒ https://www.ntt-west.co.jp/news/2506/250603b.html
(Japanese only)

VOICE

Hayato Saito
Social Infrastructure Business Department, Education Sales Group, First Education Sales Section
Business Innovation Headquarters
NTT EAST

Employee Supporting the Regional Communications Business

I work as a sales engineer in the public sector, primarily handling education-related projects in Tokyo. I take on increasingly challenging sales engineering tasks, accompanying sales teams to uncover new opportunities and independently solving issues from a technical perspective.

I am currently participating as a sales engineer in a project to shape the future of Tokyo's island communities. To ensure operational and educational standards equivalent to those on the mainland, I am responsible for building and maintaining a wide range of systems—from island wireless communication networks to the operational foundations of elementary and junior high schools. Through the project, I am exploring solutions that incorporate the latest technologies, guided by the motto of "resilient and sustainable communications."

NTT EAST is currently focusing on large-scale projects to further enhance regional attractiveness, including in the tourism sector. I strive to grow every day so that I can help drive projects that contribute to regional revitalization through increased population inflows.

* Content reflects the situation at the time of the interview.

Learn more: https://www.ntt-east.co.jp/recruit/new-grad/interview/saito_hayato.html (Japanese only)

VOICE

S. Fujiwara
Access Network Advancement Division
Network Design Department
NTT WEST

Employee Supporting the Regional Communications Business

My primary role is to develop construction strategies for outdoor facilities such as optical cables, ensuring communications services reach customers across western Japan.

I am currently working with NTT Laboratories to explore the introduction of new configurations for optical access networks that support NTT WEST's IOWN initiative. This new network, which will underpin all communications—both wired and wireless—is expected to play a vital role in smart cities and future 5G/6G base stations. I aim to design configurations that combine high reliability—ensuring uninterrupted communications under any circumstances—with the flexibility to meet increasingly diverse needs.

With a target around 2030, the challenge lies in envisioning and preparing for diverse values and needs that have yet to emerge. To address this, I actively gather information from both inside and outside the company and constantly question what elements will be essential for future communications.

* Content reflects the situation at the time of the interview.

Learn more: https://www.ntt-west-recruiting.jp/gradu/nttwest/people/interview/s-fujiwara/ (Japanese only)

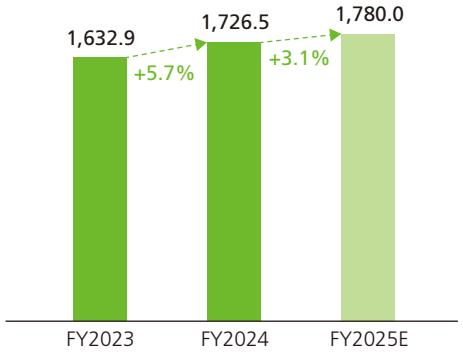
Other (Real Estate, Energy and Others)

In the real estate business, led by NTT Urban Solutions, we promoted the creation of vibrant, distinctive communities by leveraging resources in ICT, real estate, energy, and environmental technologies.

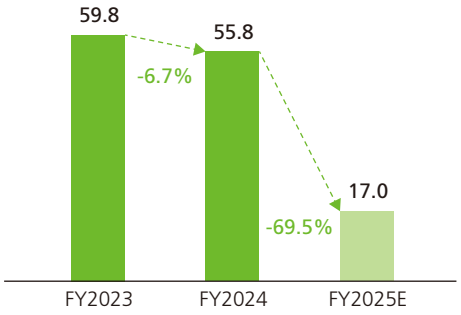
In the energy business, centered on NTT Anode Energy, we promoted the development of renewable power plants, local production and consumption of energy through energy management systems, and the expansion of decarbonization solutions.

Performance Trends

Operating Revenue (¥ billions)



Operating Profit (¥ billions)



FY2024 Results

In Others (Real Estate, Energy and Others), operating revenue in FY2024 increased to ¥1,726.5 billion (an increase of 5.7% from the previous fiscal year), mainly due to the expansion of the data center engineering business. On the other hand, operating expenses increased to ¥1,670.7 billion (an increase of 6.2% from the previous fiscal year) primarily due to an increase in revenue-linked costs. As a result, segment operating profit decreased to ¥55.8 billion (a decrease of 6.7% from the previous fiscal year).

FY2025 Forecast

In the Others segment, while revenue is expected to increase due to expanded housing sales at NTT Urban Solutions, profit is projected to decline year-on-year due to the absence of one-time gains on asset sales recorded at NTT Anode Energy in the previous year.

Priority Initiatives

NTT Urban Solutions Group
—Promoting urban development that fully leverages the NTT Group's resources

Consulting	• Provide consulting, research and analysis, and database operation and building services related to urban development
Real Estate Development	• Promote developments that enhance regional value by utilizing the latest ICT and environmental technologies and collaborating with local governments and businesses, and by leveraging the NTT Group's assets
Facility Solutions	• Create buildings that combine reduced environmental impact with comfort through advanced ICT and design and maintenance expertise
Management	• Enhance convenience for office and residential tenants and increase the value of real estate properties and areas by leveraging ICT

NTT Anode Energy Group
—Expand the smart energy business to promote a decarbonized society and local production and consumption of energy

Green Power Generation	• Steadily advance the development and operation of renewable energy power plants, including solar, wind, geothermal, and biomass, in harmony with local communities
Aggregation	• Address challenges arising from the wider adoption of renewable energy by using storage batteries and EMS to balance supply and demand
Electricity Retail	• Supply renewable electricity tailored to the needs of private companies and local governments • For households, NTT Anode Energy offers "docomo Denki®" as its retail electricity service
Engineering Solutions	• Actively develop engineering solutions focused on telecommunications power facilities, renewable energy, storage batteries, and data centers

Other (Real Estate, Energy and Others)

FOCUS Real Estate Business

A premier wellness office in the Kansai region serving as a hub for interaction, communication, and activity along Midosuji.

Urban Net Midosuji Building Earned WELL Certification (WELL Core) at the Gold level

NTT Urban Development supports community development by leveraging NTT's ICT, real estate, energy, and environmental technologies to address diverse local challenges.

In January 2024, Urban Net Midosuji Building earned WELL Core Gold certification under the WELL Building Standard™.

This property became the first rental building in western Japan to obtain WELL Core certification, earning high marks for creating pleasant, nature-inspired common spaces and supporting healthy lifestyles for workers. In addition, tenants seeking WELL Certification for their exclusive spaces benefit from exemptions for certain evaluation items and discounts on review fees, making the building's certification a contributor to enhancing tenant corporate value.

WELL Certification Certificate

Positioning this property as a pioneering example, NTT Urban Development will continue to actively promote corporate health management and well-being-oriented workstyle transformation.

Learn more: https://www.nttud.co.jp/news/detail/id/n26839.html (Japanese only)

Launched a Next-Generation Data Center Project to Contribute to Carbon Neutrality

Data centers, as core digital infrastructure for ICT services, are expected to see continued growth in demand driven by advances in information and communication technology and the spread of generative AI. As electricity consumption by telecommunications networks and data centers continues to rise, major cloud providers have pledged to achieve carbon neutrality at their data centers and are advancing initiatives toward that goal.

For over 20 years, NTT Facilities has led the construction of large-scale data centers across Japan, North America, and the APAC region, capturing roughly 70%* of the domestic market share in Japan*. Leveraging this expertise, the company launched a project to develop a next-generation data center that adopts liquid cooling throughout its servers to contribute to carbon neutrality, aiming to bring it online around 2030. The project aims to realize a new type of data center that both addresses rising heat generation and contributes to carbon neutrality.

Learn more: https://www.ntt-f.co.jp/news/2024/20240527.html (Japanese only)

*Based on the number of data center projects scheduled for completion between 2023 and 2025 (NTT Facilities data).

FOCUS Energy Business

Duskin Group and NTT Group Sign a Virtual PPA

Project Launched to Achieve 100% Renewable Energy Use at Duskin Mat and Mop Manufacturing Plants

Duskin Co., Ltd. and NTT Anode Energy have signed a virtual PPA, to be applied to electricity used at two Duskin mat and mop manufacturing plants starting February 1, 2025. As a result, the manufacturing plants are expected to achieve 100% renewable energy use for their electricity consumption. This is the first initiative of its kind in the cleaning-related rental industry.

*Virtual PPA: A method in which the environmental value associated with electricity from renewable power plants is unbundled and traded independently. It is termed "virtual" because no physical exchange of electricity occurs. The environmental value of electricity generated without CO_2 emissions is granted to purchasers through non-FIT, non-fossil certificates designated for renewable energy. (This is treated as virtually renewable energy.)

Learn more: https://www.ntt-ae.co.jp/site_content/wp-content/uploads/2025/01/NewsRelease_20250128-1.pdf (Japanese only)

NTT Anode Energy and NTT-ME Selected as Preferred Negotiation Partners for the Ishikari City Core Microgrid Project in a Decarbonization Leading Area

NTT Anode Energy and NTT-ME were selected through a public proposal process as preferred negotiation partners for the Ishikari City Core Microgrid Project in Hokkaido's Ishikari City, designated by Japan's Ministry of the Environment as one of the first Decarbonization Leading Areas.

The project will install solar facilities and storage batteries and supply power under an on-site PPA to introduce renewable energy, build microgrids across multiple public facilities, and utilize local renewable resources at five public facilities in Ishikari City to advance decarbonization.

Learn more: https://www.ntt-ae.co.jp/site_content/wp-content/uploads/2025/03/20250318_NewsRelease.pdf (Japanese only)

NTT DOCOMO, NTT Anode Energy, and NTT Smile Energy Launch Demonstration Project on Optimal Control of Household Storage Batteries to Expand Renewable Energy Use

—d POINTs awarded without changing daily routines—

In July 2024, NTT DOCOMO, NTT Anode Energy, and NTT Smile Energy launched a demonstration project on optimal control of household storage batteries to expand the use of renewable energy. NTT DOCOMO, which provides demand response services that adjust power demand to supply conditions, NTT Anode Energy, a retail electricity provider developing smart energy businesses within the NTT Group, and NTT Smile Energy, which has expertise in battery control, will conduct resource aggregation using household storage batteries. By aligning consumption with daytime solar generation—which often produces surplus power—the three companies aim to make more effective use of renewable energy.

* Resource Aggregation: The control and aggregation of power resources to optimize electricity use.

Learn more: https://www.ntt-ae.co.jp/site_content/wp-content/uploads/2024/07/NewsRelease20240710_01.pdf (Japanese only)

Strengthening Corporate Governance

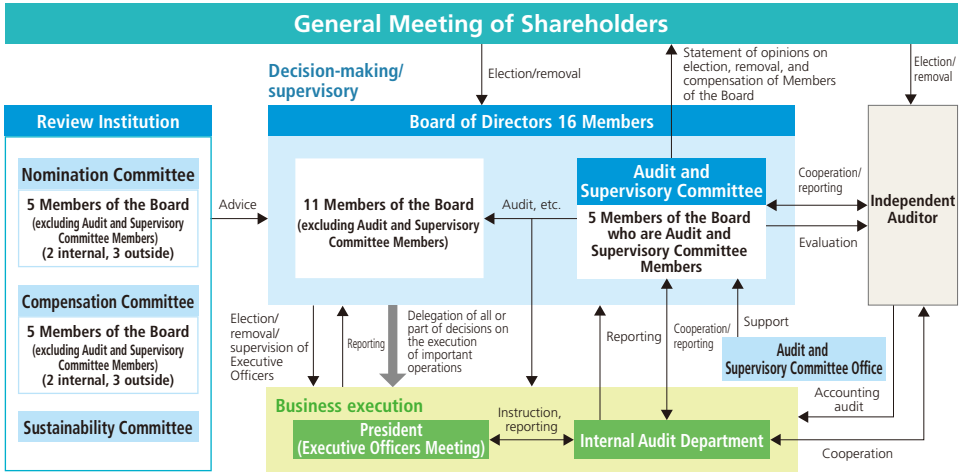
Basic Views on Corporate Governance

NTT believes that ensuring 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 in line with the intent of the principles of the "Corporate Governance Code" by: ensuring sound management; promoting appropriate decision-making and business execution; clarifying accountability; and maintaining thorough compliance as basic policies.

Further information on our corporate governance is available in our Corporate Governance Report.
URL: https://group.ntt/en/ir/mgt/governance/

Transition to a Company with an Audit and Supervisory Committee

To further enhance its corporate governance system, NTT transitioned to a company with an Audit and Supervisory Committee effective June 2025. NTT has strengthened its ability to appropriately supervise business execution by appointing outside independent Members of the Board (excluding Audit and Supervisory Committee Members), and by introducing an executive officer system, NTT has established a framework that clearly separates the decision-making and supervisory functions of the Board of Directors from the business execution functions of executive officers, thereby improving management's agility. Additionally, NTT has voluntarily established a Nomination Committee and a Compensation Committee, each of which consists of five Members of the Board, including three outside independent Members of the Board, to further increase the objectivity and transparency of decisions related to appointments and compensation. NTT has determined that the governance functions under the Audit and Supervisory Committee structure are sufficiently effective.



History of Strengthening Corporate Governance

Since its privatization in 1985, NTT Group has been strengthening its corporate governance.

1985
Appointment of multiple outside Members of the Board

2003
Increase in the number of Audit & Supervisory Board Members from 4 (2 internal, 2 outside) to 5 (3 internal, 2 outside)

2005
Establishment of Nomination Committee and Compensation Committee

2006
Increase in the number of outside Audit & Supervisory Board Members from 2 to 3

2011
Appointment of first female officer (outside Audit & Supervisory Board Member)

2015
Establishment of independence standards for independent Members of the Board and independent Audit & Supervisory Board Members

2018
Appointment of 2 female directors (1 internal, 1 outside), a first for the Company. Increase in the number of outside Members of the Board from 2 to 4

2019
Evaluation of the effectiveness of the Board of Directors conducted by questionnaire

2020
Increase in the ratio of outside directors from 27% to 50%
Adoption of executive officer system (separation of decision-making/supervisory functions from business execution)

2021
Increase in the ratio of performance-linked compensation from 30% to 50%
Increase in the number of outside Members of the Board on the Nomination Committee and Compensation Committee from 2 to 3
Transfer of the Sustainability Committee under the Executive Officers Meeting to a Committee reporting directly to the Board of Directors

2022
Increase in the ratio of female Members of the Board, Audit & Supervisory Board Members, and executive officers to over 30%. Reorganization of the Internal Control Office into an Internal Audit Department reporting directly to the President

2025
Transition to a Company with an Audit and Supervisory Committee
Appointed one foreign director based on the revision of the NTT Act in April 2024.

Member of the Board

Members of the Board (as of the end of June 2025)

Jun Sawada

Member of the Board
Chairman

April 1978 Joined Nippon Telegraph and Telephone Public Corporation
June 2008 Senior Vice President Executive Manager of Corporate Strategy Planning Department Member of the Board of NTT Communications Corporation (currently NTT DOCOMO BUSINESS, Inc.)
June 2011 Executive Vice President Executive Manager of Corporate Strategy Planning Department Member of the Board of NTT Communications Corporation (currently NTT DOCOMO BUSINESS, Inc.)
June 2012 Senior Executive Vice President Executive Manager of Corporate Strategy Planning Department Representative Member of the Board of NTT Communications Corporation (currently NTT DOCOMO BUSINESS, Inc.)
June 2013 Senior Executive Vice President Representative Member of the Board of NTT Communications Corporation (currently NTT DOCOMO BUSINESS, Inc.)
June 2014 Senior Executive Vice President Representative Member of the Board of the Company
June 2018 President and Chief Executive Officer Representative Member of the Board of the Company
June 2020 President and Chief Executive Officer Representative Member of the Board of the Company
June 2022 Chairman and Representative Member of the Board of the Company
June 2024 Chairman and Member of the Board of the Company (to present)
June 2025 Director of Sumitomo Mitsui Financial Group, Inc. (to present)

Akira Shimada

Representative Member of the Board
President and CEO

April 1981 Joined Nippon Telegraph and Telephone Public Corporation
June 2007 Vice President of Corporate Strategy Planning of the Company
July 2007 General Manager of the Accounts and Finance Department of Nippon Telegraph and Telephone West Corporation (currently NTT WEST, Inc.)
July 2009 General Manager of the General Affairs and Personnel Department of Nippon Telegraph and Telephone East Corporation (currently NTT EAST, Inc.)
June 2011 Senior Vice President General Manager of the General Affairs and Personnel Department Member of the Board of Nippon Telegraph and Telephone East Corporation (currently NTT EAST, Inc.)
June 2012 Senior Vice President Head of the General Affairs Member of the Board of the Company
June 2015 Executive Vice President Head of General Affairs Member of the Board of the Company
June 2018 Senior Executive Vice President Representative Member of the Board of the Company
June 2020 Senior Executive Vice President Representative Member of the Board of the Company
June 2022 President and Chief Executive Officer Representative Member of the Board of the Company (to present)

Takashi Hiroi

Representative Member of the Board
Senior Executive Vice President and CFO

April 1986 Joined the Company
May 2005 Vice President of Medium-Term Corporate Business Strategy of the Company
June 2008 Vice President of Strategic Business Development of the Company
July 2009 Vice President of Corporate Strategy Planning of the Company
June 2014 Head of Finance and Accounting of the Company
June 2015 Senior Vice President; Head of Finance and Accounting, Member of the Board of the Company
June 2020 Executive Vice President; General Manager of Accounts and Finance Department; Member of the Board of Directors of NTT DOCOMO, Inc.
December 2020 Senior Executive Vice President; Representative Member of the Board of Directors of NTT DOCOMO, Inc.
June 2022 Senior Executive Vice President, Chief Financial Officer, Representative Member of the Board of the Company (to present)

Riaki Hoshino

Representative Member of the Board
Senior Executive Vice President and CTO

April 1990 Joined the Company
July 2005 Vice President of Corporate Business Strategy of the Company
July 2007 General Manager in charge of R&D Center of Network Business Headquarters of Nippon Telegraph and Telephone East Corporation (currently NTT EAST, Inc.)
July 2010 General Manager in charge of Plant Department of Network Business Headquarters of Nippon Telegraph and Telephone East Corporation (currently NTT EAST, Inc.)
July 2014 General Manager of the Tokyominami Branch of Tokyo Division of Nippon Telegraph and Telephone East Corporation (currently NTT EAST, Inc.)
June 2016 General Manager in charge of Corporate Strategy Planning Department of Nippon Telegraph and Telephone East Corporation (currently NTT EAST, Inc.)
June 2018 Member of the Board Executive Manager of Strategic Network Management Department of Network Business Headquarters of Nippon Telegraph and Telephone East Corporation (currently NTT EAST, Inc.)
June 2021 Member of the Board Executive Officer Senior Executive Manager of Network Business Headquarters of Nippon Telegraph and Telephone East Corporation (currently NTT EAST, Inc.)
June 2022 Senior Executive Vice President, Representative Member of the Board of Nippon Telegraph and Telephone East Corporation (currently NTT EAST, Inc.)
June 2025 Senior Executive Vice President, Chief Technology Officer, Representative Member of the Board of the Company (to present)

Sachiko Oonishi

Executive Member of the Board
Executive Vice President, CCXO (Chief Customer Experience Officer) and Co-CAIO (Co-Chief Artificial Intelligence Officer)

April 1989 Joined the Company
July 2012 General Manager in charge of the New Business Development Headquarters of Nippon Telegraph and Telephone East Corporation (currently NTT EAST, Inc.)
July 2014 General Manager of Stadium Wi-Fi Promotion Office of NTT Broadband Platform, Inc.
June 2016 Vice President of Strategic Business Development of the Company
June 2020 Member of the Board, Head of Third Business Solutions, Business Solution Division of NTT Communications Corporation (currently NTT DOCOMO BUSINESS, Inc.)
June 2021 Senior Vice President, Head of Third Business Solutions, Business Solution Division of NTT Communications Corporation (currently NTT DOCOMO BUSINESS, Inc.)
June 2023 Executive Vice President, Head of Research and Development Market Strategy of the Company
June 2024 Executive Member of the Board, Executive Vice President, Chief Customer Experience Officer, Co-Chief Artificial Intelligence Officer, Head of Research and Development Market Strategy of the Company (to present)

Patrizio Mapelli

Member of the Board

September 1982 Joined Olivetti
July 1995 Senior Partner of Ernst & Young
July 2000 Vice President of A. T. Kearney
October 2002 Senior Partner of Value Partners S.p.A.
October 2002 CEO of Value Team S.p.A. (currently NTT DATA Italia S.p.A.)
January 2013 CEO of NTT DATA EMEA LTD.
April 2018 Chairman of the Board of NTT DATA Italia S.p.A.
June 2020 Member of the Board of NTT DATA CORPORATION (currently NTT DATA Group Corporation)
September 2021 Director of the Board of NTT DATA Europe & Latam, S.L.U.
October 2022 Member of the Board of NTT DATA, Inc.
June 2025 Member of the Board of the Company (to present)

Ken Sakamura

Outside /
Independent Member of the Board

April 2000 Professor of the Interfaculty Initiative in Information Studies and the Graduate School of Interdisciplinary Information Studies of the University of Tokyo
January 2002 Director of YRP Ubiquitous Networking Laboratory (to present)
April 2009 Director of Institute of Infrastructure Application of Ubiquitous Computing of the Interfaculty Initiative in Information Studies of the University of Tokyo
October 2014 President of Vitalizing Local Economy Organization by Open Data & Big Data (now the Organization for Vitalization of Local Economy by Digital transformation) (to present)
April 2017 Professor and Dean of Faculty of Information Networking for Innovation and Design of Toyo University Head of Collaboration Hub for University and Business of Toyo University (to present)
June 2017 Emeritus Professor of the University of Tokyo (to present)
June 2019 Outside / Independent Member of the Board of the Company (to present)
August 2019 President of Association for IoT Services Coordination (to present)

Yukako Uchinaga

Outside /
Independent Member of the Board

July 1971 Joined IBM Japan, Ltd.
April 2004 Director and Senior Executive Officer, IBM Japan, Ltd.
April 2007 Technical Advisor of IBM Japan, Ltd.
April 2007 Board Chair, Japan Women's Innovative Network, a non-profit organization
April 2008 Representative Director, Chairman of the Board, President & CEO of Berlitz Corporation
October 2009 Director and Executive Vice President, Benesse Holdings, Inc.
April 2013 Honorary Chairman, Berlitz Corporation
September 2013 President and CEO, Globalization Research Institute, Inc. (to present)
June 2021 Director, SINTOKOGIO, Ltd. (to present)
June 2022 Outside / Independent Member of the Board of the Company (to present)
July 2022 Chairperson and Representative Director, Japan Women's Innovative Network, a non-profit organization
April 2024 Founder and Honorary Chairperson of Japan Women's Innovative Network (to present)

Member of the Board

Koichiro Watanabe

Outside /
Independent Member of the Board

April 1976 Joined The Dai-ichi Mutual Life Insurance Company
April 2010 Representative Director and President of The Dai-ichi Mutual Life Insurance Company, Limited
October 2016 Representative Director and President of The Dai-ichi Life Holdings, Inc.
October 2016 Representative Director and President of The Dai-ichi Life Insurance Company, Limited (a new company that took over the domestic life insurance business)
April 2017 Chairman of the Board and Representative Director of The Dai-ichi Life Holdings, Inc.
Apri 2017 Chairman of the Board and Representative Director of The Dai-ichi Life Insurance Company, Limited
June 2020 Director, Chairman of the Board of Dai-ichi Life Holdings, Inc. Director, Chairman of the Board of The Dai-ichi Life Insurance Company, Limited
June 2022 Outside / Independent Member of the Board of Company (to present)
April 2023 Director of Dai-ichi Life Holdings, Inc. Special Advisor of The Dai-ichi Life Insurance Company, Limited (to present)
June 2024 Executive Director of Oriental Land Co., Ltd. (to present)

Noriko Endo

Outside /
Independent Member of the Board

June 1994 Joined DIAMOND Inc.
March 2006 Deputy Editor-in-Chief of Diamond Weekly of DIAMOND Inc.
April 2015 Project Professor of Graduate School of Media and Governance of Keio University
June 2016 Member of the Board of Director, NTT DOCOMO, INC.
July 2018 Director of AIN HOLDINGS INC. (to present)
June 2019 Director of Hankyu Hanshin Holdings, Inc. (to present)
June 2021 Director of Japan Elevator Service Holdings Co., Ltd. (to present)
June 2022 Outside / Independent Member of the Board of the Company (to present)
April 2024 Professor of Research Council of Waseda University (to present)

Natsuko Takei

Outside /
Independent Member of the Board

April 1983 Joined Sony Corporation (currently Sony Group Corporation)
June 2013 SVP, Corporate Executive Officer, Head of Legal Division of Sony Corporation (currently Sony Group Corporation)
August 2013 SVP, Corporate Executive Officer, Head of Legal Division and Head of Compliance Division of Sony Corporation (currently Sony Group Corporation)
April 2019 Senior Vice President, Senior General Manager of Legal, Compliance and Privacy Department of Sony Corporation (currently Sony Group Corporation)
April 2020 Senior Vice President, Senior General Manager of Legal Department of Sony Corporation (currently Sony Group Corporation)
June 2021 Executive Vice President, Senior General Manager of Legal Department of Sony Group Corporation
June 2023 Member of the Board of Tokyo Metro Co., Ltd. (to present)
Director of TBS HOLDINGS, INC. (to present)
June 2024 Outside / Independent Member of the Board of the Company (to present)

Audit and Supervisory Committee Member (as of the end of June 2025)

Keiichiro Yanagi

Member of the Board
Full-time Audit and Supervisory Committee Member

April 1984 Joined Nippon Telegraph and Telephone Public Corporation
April 2009 President and Representative Director of NTT DATA Getronics Corporation (currently NTT DATA Luweave Corporation)
June 2012 Head of General Affairs Department of NTT DATA Corporation
July 2013 Senior Vice President, Head of Second Financial Sector of NTT DATA Corporation
June 2016 Director and Executive Vice President, Head of General Affairs Department, concurrently serving as Head of Human Resources Department of NTT DATA Corporation
July 2017 Director and Executive Vice President, Head of HR Headquarters, concurrently serving as Head of General Affairs Department of NTT DATA Corporation
June 2018 Representative Director and Senior Executive Vice President, concurrently serving as Head of HR Headquarters of NTT DATA Corporation
June 2020 Executive Advisor of NTT DATA Corporation CEO and President of NTT DATA Institute of Management Consulting, Inc.
June 2022 Full-Time Audit & Supervisory Board Member of the Company
June 2025 Member of the Board, Full-time Audit and Supervisory Committee Member of the Company (to present)

Kanae Takahashi

Member of the Board
Full-time Audit and Supervisory Committee Member

April 1987 Joined the Company
July 2013 Deputy Head of the Internal Control Office of the General Affairs Department of the Company
June 2014 Head of the Internal Control Office of the General Affairs Department of the Company
June 2016 Executive Manager of the Kanagawa Division and General Manager of the Kanagawa Branch of the Kanagawa Division Member of the Board of Nippon Telegraph and Telephone East Corporation (currently NTT EAST, Inc.)
June 2016 Executive Manager of the Kanagawa Division and General Manager of the Kanagawa Branch of the Kanagawa Division Member of the Board of NTT EAST-MINAMI KANTO CORPORATION
June 2019 Executive Vice President Executive Manager of the Corporate Strategy Planning Department and the NW Facilities Business Department Member of the Board of NTT InfraNet Co., Ltd. (currently NTT INFRASTRUCTURE NETWORK CORPORATION)
June 2020 Full Time Audit & Supervisory Board Member of the Company Auditor, NTT, Inc. (currently NTT DATA, Inc.)
June 2025 Member of the Board, Full-time Audit and Supervisory Committee Member of the Company (to present)

Kensuke Koshiyama

Outside / Independent Member of the Board
Full-time Audit and Supervisory Committee Member

April 1984 Joined Board of Audit of Japan
December 2016 Senior ASG of Secretariat of Board of Audit of Japan
April 2017 Director-General of 2nd Bureau of Board of Audit of Japan
April 2018 Deputy Secretary-General of Board of Audit of Japan
December 2018 Secretary-General of Board of Audit of Japan
June 2022 Full-Time Outside / Independent Audit & Supervisory Board Member of the Company
June 2025 Outside / Independent Member of the Board, Full-time Audit and Supervisory Committee Member of the Company (to present)

Hideki Kanda

Outside / Independent Member of the Board
Audit and Supervisory Committee Member

April 1977 Research Assistant of Faculty of Law of the University of Tokyo
April 1980 Lecturer of Faculty of Law of Gakushuin University
April 1982 Associate Professor of Faculty of Law of Gakushuin University
April 1988 Associate Professor of Faculty of Law of the University of Tokyo
April 1991 Associate Professor of Graduate Schools for Law and Politics of the University of Tokyo
May 1993 Professor of Graduate Schools for Law and Politics of the University of Tokyo
April 2016 Professor of Professional School of Law (Law School) of Gakushuin University
June 2016 Emeritus Professor of the University of Tokyo (to present)
June 2017 Director of Sumitomo Mitsui Trust Bank, Limited (to present)
June 2019 Outside / Independent Audit & Supervisory Board Member of the Company
June 2025 Outside / Independent Member of the Board, Audit and Supervisory Committee Member of the Company (to present)

Kaoru Kashima

Outside / Independent Member of the Board
Audit and Supervisory Committee Member

November 1981 Joined Showa Audit Corporation (currently Ernst & Young ShinNihon LLC)
April 1985 Registered as a certified public accountant (registration up-to-date)
June 1996 Partner of Showa Ota & Co. (currently Ernst & Young ShinNihon LLC)
June 2002 Senior Partner of ShinNihon & Co. (currently Ernst & Young ShinNihon LLC)
July 2006 In charge of personnel of HR Development Headquarters of ShinNihon & Co.
September 2010 Managing Director of Ernst & Young ShinNihon LLC In charge of Corporate Culture Promotion Office In charge of Public Relations Office
July 2012 General Manager of Knowledge Headquarters Managing Director of Ernst & Young ShinNihon LLC
July 2013 Representative Director of Ernst & Young Institute Co., Ltd.
June 2019 Outside / Independent Audit & Supervisory Board Member of the Company
Director of Sumitomo Mitsui Trust Bank, Limited
March 2020 Audit & Supervisory Board Member of Kirin Holdings Company, Limited (to present)
June 2021 Director of Sumitomo Mitsui Trust Holdings, Inc. (now Sumitomo Mitsui Trust Group, Inc.) (to present)
June 2025 Outside / Independent Member of the Board, Audit and Supervisory Committee Member of the Company (to present)

Skills of Members of the Board

The fields considered especially necessary by the NTT for realizing the NTT Group Medium-Term Management Strategy are defined as 1) Business management, 2) Marketing/global business, 3) IT/DX/R&D, 4) Legal/risk management/public policy, 5) HR, and 6) Accounting/finance. Personnel who have experience and skill in each field are appointed as Members of the Board. Sustainability is positioned at the center of our strategy, as set out in the Medium-Term Management Strategy "New value creation & Sustainability 2027 powered by IOWN." For this reason, sustainability is an essential skill that all Members of the Board should possess and demonstrate.

		Name	Age	Gender	Current Position and Responsibilities		Field					
							Business Management	Marketing/ Global Business	IT/DX/R&D	Legal/Risk Management/ Public Policy	HR	Accounting/ Finance
Members of the Board (excluding Audit and Supervisory Committee Members)	1	Jun Sawada	69 years old	Male	Chairman and Member of the Board		●	●	●		●	●
	2	Akira Shimada	67 years old	Male	Representative Member of the Board President and CEO		●	●		●	●	●
	3	Takashi Hiroi	62 years old	Male	Representative Member of the Board Senior Executive Vice President CFO		●	●		●	●	●
	4	Riaki Hoshino	59 years old	Male	Representative Member of the Board Senior Executive Vice President and CTO	New election	●	●	●	●		●
	5	Sachiko Oonishi	58 years old	Female	Executive Member of the Board Executive Vice President CCXO, Co-CAIO		●	●	●			
	6	Patrizio Mapelli	70 years old	Male	Member of the Board	New election / Foreign national	●	●	●			
	7	Ken Sakamura	73 years old	Male	Member of the Board	Outside / Independent	●	●	●			
	8	Yukako Uchinaga	78 years old	Female	Member of the Board	Outside / Independent	●	●	●			
	9	Koichiro Watanabe	72 years old	Male	Member of the Board	Outside / Independent	●	●				●
	10	Noriko Endo	57 years old	Female	Member of the Board	Outside / Independent	●		●	●		
	11	Natsuko Takei	64 years old	Female	Member of the Board	Outside / Independent	●	●		●		
Members of the Board (Audit and Supervisory Committee Members)	1	Keiichiro Yanagi	64 years old	Male	Member of the Board (Full-time Audit and Supervisory Committee Member)			●		●	●	●
	2	Kanae Takahashi	61 years old	Female	Member of the Board (Full-time Audit and Supervisory Committee Member)				●	●	●	●
	3	Kensuke Koshiyama	65 years old	Male	Member of the Board (Full-time Audit and Supervisory Committee Member)	Outside / Independent				●	●	●
	4	Hideki Kanda	71 years old	Male	Member of the Board (Audit and Supervisory Committee Member)	Outside / Independent				●	●	●
	5	Kaoru Kashima	67 years old	Female	Member of the Board (Audit and Supervisory Committee Member)	Outside / Independent				●	●	●

* CEO: Chief Executive Officer, CFO: Chief Financial Officer, CDAIO: Chief Digital and AI Officer, CISO: Chief Information Security Officer, CCXO: Chief Customer Experience Officer, Co-CAIO: Co-Chief Artificial Intelligence Officer
* Up to five fields in which expectations for individual Members of the Board are particularly high are listed. The following table is not an exhaustive list of the knowledge and experience possessed by each Member of the Board.
* As of the 40th Annual General Meeting of Shareholders held in June 2025.

Definition of each field

Business Management: The skill to accurately identify opportunities and risks from a medium- to long-term perspective, aiming to solve social issues for the realization of a sustainable society, and to exercise appropriate decision-making and supervisory functions to enhance corporate value.
Marketing/Global Business: The skill to drive sustainable business growth through the enhancement of customer experience with expertise in marketing and business strategies. Additionally, the skill to enable business expansion in the global market through knowledge of business management and the business environment overseas.
IT/DX/R&D: The skill to enhance corporate value by innovating business models and operational processes and strengthening competitiveness through the promotion of DX centered around AI. Additionally, the skill to drive innovation through basic research and applied development, aiming for the creation of new value centered on IOWN and the development of unprecedented technologies, products, and services.
Legal/Risk Management/Public Policy: The skill to ensure strict compliance with laws related to business and properly implement and supervise risk management. Additionally, the skill to accurately drive business forward, taking into account domestic and international legal regulations.
HR: The skill to promote sustainable growth of the company by formulating and executing a talent strategy aligned with the management strategy. Additionally, the skill to enhance employee experience to help advance customer experience.
Accounting/Finance: The skill to support the sustainable growth of the company through insights into fundraising, capital management, cash flow optimization, and appropriate investment strategies. Additionally, the skill to ensure financial soundness with knowledge and experience in financial reporting, cost management, tax strategies, and related areas.

Recommendations from Independent Directors

Management Issues Highlighted by Independent Directors in FY2024

In FY2024, through meetings of the Board of Directors and director exchange sessions, the directors held multifaceted discussions on the NTT Group's management strategy, governance, and capital policy, while also monitoring business execution. As part of these discussions, independent directors highlighted the following as key management issues for the NTT Group. In FY2025, we will deepen discussions on these issues and further enhance Board deliberations to ensure steady progress toward achieving our FY2027 targets.

Ken Sakamura
Appointed June 2019
Member of the Board

Steadily Advancing Current Initiatives toward Growth

I value the company's mid-term management strategy through FY2027, particularly its focus on achieving sustainable growth by investing in growth fields.

Regarding AI strategy, I highly commend the establishment of the CAIO position. Looking ahead, I believe it is vital for the entire NTT Group to actively discuss initiatives relating to generative AI and communicate their achievements to external stakeholders. In terms of space business strategy, strengthening HAPS is of critical importance for Japan. At the same time, it is vital to ensure a rapid response in the event of malfunctions. For this reason, I believe proactive engagement with the government, including on domestic legal reforms, will be necessary.

With respect to information security, I emphasized that efforts must go beyond establishing and complying with rules. It is critical to instill organizational philosophies and approaches such as Zero Trust.

Yukako Uchinaga
Appointed June 2022
Member of the Board

Enhancing Strategic Discussions and Monitoring in Response to the Expansion of Business Domains

For the sustainable growth of the NTT Group, I believe it is important to provide an external perspective to highlight challenges, particularly by strengthening strategic discussions and monitoring as business domains expand.

In particular, as the NTT Group's business scope grows, Board deliberations must clarify who the competitors are and where the Group's comparative advantages lie.

For investments in growth areas, post-investment monitoring is critical. In particular, I emphasized the need for more quantitative analysis and evaluation, including progress against the initial investment plan and changes since the previous monitoring.

Koichiro Watanabe
Appointed June 2022
Member of the Board

Steadily Advancing Initiatives that Support the Growth Strategy

Within the NTT Group's growth strategy, I recognize the expansion of the data center business as a priority area. At the same time, as global operations expand, it is essential to strengthen monitoring in tandem with responses to business risks, including geopolitical and country risks.

I also emphasized that improving mobile network quality is a critical management issue for the NTT Group and requires steady progress in countermeasures.

Furthermore, in the context of revisions to the NTT Act, I stressed that it is increasingly important for the NTT Group to articulate its future vision. Proactive communication of cross-Group initiatives—both in financial results briefings and investor dialogue—will be essential.

Noriko Endo
Appointed June 2022
Member of the Board

Deepening the NTT Group's Global Strategy

The NTT Group continues to grow in the global market, particularly through its data center business, and among its priorities, the dissemination and commercialization of IOWN remain critical. I believe it is essential to further materialize the NTT Group's global strategy, including developing regional strategies and clarifying roles within the Group.

In particular, autonomous driving—a field where the technological strengths of IOWN and AI can be fully leveraged—requires intensified focus. Competition in this field is intensifying worldwide across hardware, software, and every related domain, while securing skilled talent for development is becoming increasingly difficult. To succeed, initiatives must advance steadily while closely monitoring competitive dynamics and relevant regulatory frameworks.

Natsuko Takei
Appointed June 2014
Member of the Board

Balancing Management Agility with Corporate Governance

As societal change accelerates, achieving management agility while maintaining strong corporate governance has become an increasingly important challenge for the NTT Group. In deliberations on revising the governance structure, I drew on my experience at Sony Group Corporation to provide recommendations aimed at deepening deliberations on management policy and strategy and further strengthening the Board's monitoring function.

During the transition to a Company with an Audit and Supervisory Committee, I emphasized the importance of appropriately delegating authority to execution and offered specific views on the scope and methods of such delegation.

Board of Directors

Composition of the Board of Directors

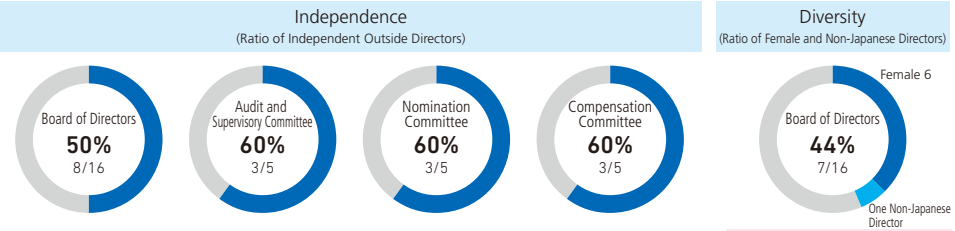
The Board of Directors has 16 Members, including eight outside independent Members of the Board, resulting in an outside Members of the Board ratio of 50%. Through the introduction of an executive officer system and the clear separation of management decision-making/oversight functions and operational execution functions, NTT ensures the supervision of business execution and secures management flexibility. In principle, ordinary meetings of the Board of Directors are held once per month, and extraordinary meetings are held as needed. The Board of Directors discusses group management strategies, makes decisions on matters required by laws and regulations and important matters related to company and group management and supervises the execution of duties through periodic reports from Members of the Board and Executive Officers.

Each outside independent Member of the Board has extensive experience and a high level of integrity and insight. NTT believes that the outside independent Members of the Board help strengthen the supervisory function for business execution, and expects to incorporate the opinions they provide from their wide-ranging managerial perspective.

With the objective of further strengthening the independence, objectivity, and accountability in decisions with respect to appointments and compensation of officers and related matters made by the Board of Directors, NTT has voluntarily established a Nomination Committee and Compensation Committee, each consisting of five Members of the Board, of which a majority (three) are outside independent Members of the Board. These committees serve as advisory bodies to the Board of Directors, thereby increasing the effectiveness of governance.

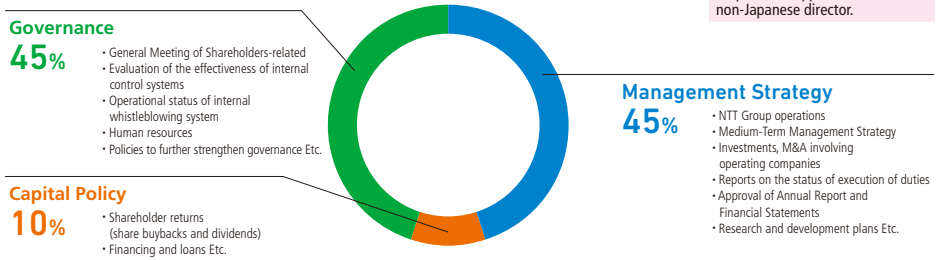
Moreover, in recognition of the fact that response to sustainability issues is an important management challenge, NTT has voluntarily established a Sustainability Committee that reports directly to the Board of Directors. The committee works to further promote initiatives, with important issues and indicators decided by resolution of the Board of Directors.

Independence and Diversity of Directors



Following the amendment of the NTT Act in April 2024, Patrizio Mapelli was appointed as a non-Japanese director.

Matters Resolved and Reported at the Meetings of the Board of Directors



Board Effectiveness Evaluation and Improvement Initiatives

We conduct an annual third-party-assisted survey of all directors and Audit & Supervisory Board members to strengthen corporate governance by continuously enhancing the effectiveness of the Board of Directors. The survey evaluates the Board's effectiveness by assessing key aspects such as its roles and responsibilities, composition, operations, and overall effectiveness.

Key Findings and Improvement Initiatives from the FY2023 Board Effectiveness Evaluation

The FY2023 survey results showed a majority of positive responses across all questions, confirming that the Board effectively fulfilled its key roles and responsibilities. However, several areas for improvement were also identified.

1) While the Board's operations and execution initiatives were generally sound, it was suggested that the governance framework should be reviewed to further deepen discussions on management policies and strategies.
2) As investment priorities have evolved with the expansion of growth areas such as Smart Life, data centers, and global businesses, it was suggested that the Board should further deepen discussions on overall strategy and internal controls, and review the outdated criteria for matters submitted to the Board.

In response, we reviewed its institutional design and discussed the future direction of its corporate governance throughout FY2024, including the frequency of Board meetings and the criteria and content for matters submitted to the Board. As a result, in June 2025, NTT transitioned to a company with an Audit and Supervisory Committee, delegating greater authority to execution to enhance strategic discussions and further strengthen the Board's monitoring function.

FY2024 Board Effectiveness Evaluation

The FY2024 effectiveness survey once again confirmed that the Board continues to effectively fulfill its key roles and responsibilities. However, several areas for improvement were also identified.

1) It was suggested that, following the transition to a company with an Audit and Supervisory Committee, the Board should review how it monitors execution to further enhance its effectiveness.
2) It was also suggested that, to enable deeper discussions on medium-term strategy, decision-making authority on individual investment projects should be further delegated to the executive side.

In response, the Company will work to clarify the Board's key functions—namely, discussions on medium- to long-term strategy and direction, and the supervision and oversight of management—and refine agenda items to maximize the Board's effectiveness.

Audit and Supervisory Committee

Composition of the Audit and Supervisory Committee

The Audit and Supervisory Committee comprises five Members of the Board: three outside independent Members of the Board who are Audit and Supervisory Committee Members (including one female member), with experience and knowledge as a university professor and a Certified Public Accountant, and two internal Members of the Board who are Audit and Supervisory Committee Members (including one female member). NTT conducts effective audits by combining the independence of outside Audit and Supervisory Committee Members with the superior information collection capabilities of internal Audit and Supervisory Committee Members.

Following approval at the 40th Ordinary General Meeting of Shareholders held on June 19, 2025, and approval by the Minister for Internal Affairs and Communications for partial amendments to the Articles of Incorporation, NTT transitioned from a company with an Audit & Supervisory Board to a company with an Audit and Supervisory Committee.The following sections, "Activities of the Audit & Supervisory Board" and "Evaluation of the Effectiveness of the Audit & Supervisory Board," primarily describe matters pertaining to the period when NTT was a company with an Audit & Supervisory Board.

Activities of the Audit & Supervisory Board

During the fiscal year ended March 31, 2025, in accordance with the medium-term management strategy, NTT pursued business activities aimed at creating new value through IOWN and data-driven approaches, further strengthening the business foundation, enhancing customer experience (CX) and employee experience (EX), and contributing to global sustainability. In accordance the audit plan and applicable laws and regulations, the Audit & Supervisory Board focused on auditing the progress of the medium-term management strategy, efforts to maintain and improve corporate governance, including that of domestic and overseas subsidiaries, the status of compliance, further strengthening of the business foundation, initiatives related to information security, and responses to sustainability-related issues. Furthermore, the Audit & Supervisory Board strived to conduct audits flexibly in response to events and changes that occurred during the period and to conduct effective audits based on dialogues between management and investors.

In initiatives related to Group companies, during the fiscal year ended March 31, 2025, Audit & Supervisory Board Members held meetings to exchange opinions with Representative Members of the Board, management, and Audit & Supervisory Board Members of Group companies, including overseas subsidiaries, and conducted 69 on-site inspections of the executive departments of each company. To enhance the functionality of the Group audit system, the Audit & Supervisory Board sought to unify awareness among auditors of major Group companies regarding material risks from the perspective of NTT Group as a whole, conducted audits through those auditors, received reports on the results, and exchanged opinions. Furthermore, the Audit & Supervisory Board conducted initiatives to enhance the audit activities of auditors of major Group companies, including sharing case studies at liaison conferences for NTT Group auditors, hosting lectures by experts on audit practices, and facilitating group discussions on audit activities.

Through these activities, Audit & Supervisory Board Members supported the sound, steady growth of NTT and Group companies from an independent perspective that differs from that of executives. In addition, Audit & Supervisory Board Members contributed to the strengthening of corporate governance systems and the fostering of awareness of compliance matters.

Activities of the Audit & Supervisory Board in FY2024

Activities	Purpose/Overview of Activities	Number of Meetings
Audit & Supervisory Board	In accordance with the audit plan, the Audit & Supervisory Board placed particular emphasis not only on audits pursuant to laws and regulations, but also on the progress of the medium-term management strategy, initiatives to maintain and enhance corporate governance, including that of domestic and overseas subsidiaries, the status of compliance, further strengthening of the business foundation, initiatives related to information security, and responses to sustainability-related issues.	23
Audit Coordination Meetings	Collected, shared, and confirmed information by receiving explanations from the Executive Division on agenda items submitted to the Executive Officers' Meeting.	34
Exchange of Opinions with Representative Members of the Board, etc.	Attended meetings of the Board of Directors and other important meetings, held exchanges of opinions with Representative and outside independent Members of the Board, and conducted interviews with organizational heads and other officers.	49
Exchange of Opinions with Accounting Auditor	Ensured proper accounting audits by continuously confirming audit methods and results through the review of audit status and discussions on key audit matters.	13
Meetings to Exchange Opinions with Representative Directors of Group Companies	Held exchanges of opinions with representative directors, senior management, and Audit & Supervisory Board members of Group companies, including overseas subsidiaries, and conducted on-site visits to the executive divisions of each company.	69

Evaluation of the Effectiveness of the Audit & Supervisory Board

The effectiveness of the Audit & Supervisory Board, which has been evaluated continuously since FY2018, was evaluated for the purpose of reviewing the audit activities of FY2024, reflecting the results in the audit plan for the following fiscal year, and improving audit quality. For the evaluation of effectiveness for FY2024, in addition to analyzing activities based on questionnaires and interviews with all Audit & Supervisory Board Members and various audit-related materials, interviews were conducted with two individuals, an outside independent Member of the Board and an Audit & Supervisory Board Member of a major Group company, to verify the actual state of collaboration, recognizing that such collaboration is extremely important. To ensure anonymity and objective perspectives, a third-party organization was used to implement the questionnaires and interviews and to analyze the collected results. The primary evaluation items were: the audit plan; advice to management and audits of business execution; the Group's audit system; responses to fraud; cooperation between the three audits (audits by the Audit & Supervisory Board, Independent Auditor, and Internal Audit Department); and operation of the Audit & Supervisory Board meetings. The analysis of the questionnaires, interviews, and other items considered not only changes over time but also the audit status of the priority audit items. As a result of discussion and review by the Audit & Supervisory Board, it was concluded that the effectiveness of the Audit & Supervisory Board has been ensured.

Voluntarily Established Committees

Nomination Committee and Compensation Committee

With the objective of further strengthening the independence, objectivity and accountability in decisions made by the Board of Directors with respect to appointments and compensation of Members of the Board and officers, the NTT has voluntarily established a Nomination Committee and a Compensation Committee, each consisting of five Members of the Board, of which a majority (three) are outside independent Members of the Board. These committees serve as advisory bodies to the Board of Directors, thereby increasing the effectiveness of governance.

As of the end of FY2024, the members of each committee were Akira Shimada (Representative Member of the Board, President), Takashi Hiroi (Representative Member of the Board, Senior Executive Vice President), Ken Sakamura (outside Member of the Board), Yukako Uchinaga (outside Member of the Board), and Koichiro Watanabe (outside Member of the Board), with Akira Shimada serving as chair of both committees. As of the filing date of this report, there has been no change in either the members of the two committees or the chair. Resolutions of each committee require the attendance of a majority of its members and are adopted by a majority of those present.

In FY2024, the Nomination Committee met six times and the Compensation Committee met four times, engaging in active discussions on matters such as the nomination of officers, etc., succession planning, and the structure of officer compensation (all members attended every meeting).

Nomination Committee and Compensation Committee

Nomination Committee	Preliminary Deliberation Items	(1) Policies on the appointment and dismissal of Members of the Board and executive officers of the Group, and the nomination of candidates (2) Matters related to the appointment and dismissal of Members of the Board (3) Matters related to the selection and dismissal of representative Members of the Board of major Group companies (4) Selection and dismissal of representative Members of the Board and other Members of the Board with specific titles (5) Selection and dismissal of the Chair (6) Order of succession among Members of the Board to perform the responsibilities the President in the event that the President is unable to act (7) Determination of the division of responsibilities among Members of the Board and assignment of employee duties (8) Appointment and dismissal of executive officers and assignment of duties (9) Other nomination-related matters concerning Members of the Board, executive officers and others referred by the Board of Directors
	Specifically Delegated Items	Nomination-related matters regarding Members of the Board, executive officers and others, for which the committee receives requests for deliberation from the Board of Directors
Compensation Committee	Preliminary Deliberation Items	(1) Policies for determining compensation of Members of the Board and executive officers, and the structure and levels of compensation (2) In addition to the foregoing matters, other compensation-related matters regarding Members of the Board and executive officers for which the committee receives requests for deliberation from the Board of Directors
	Specifically Delegated Items	(1) Ratios, calculation methods and individual amounts of compensation for Members of the Board and executive officers (2) Matters specifically delegated by the Board of Directors regarding the determination of compensation of Members of the Board and executive officers

FOCUS Deliberations By the Compensation Committee (Ideal Structure of Officer Compensation and Revisions to Officer Compensation)

We believe that officer compensation should more clearly link to the NTT's business performance and corporate value, enhance motivation to achieve the financial targets set in the medium-term management strategy, and promote alignment of interests with shareholders by encouraging Members of the Board to hold shares of the Company.

The NTT's compensation levels are at or below the standard among other large domestic companies. Independent outside Members of the Board have also expressed the view that our compensation levels are low compared with benchmark Japanese companies, and have pointed out that an increase is necessary from the perspectives of recruitment and motivation. Other companies have raised their compensation levels by approximately 10–20% in recent years, and we believe that the NTT also needs to raise its levels accordingly.

In this context, we have recently revised our officer compensation levels and structure, including increases in monthly remuneration for certain positions, as well as adjustments to the ratios of short-term and medium- to long-term incentives. Through these revisions, we aim to further clarify directors' accountability for performance and strengthen incentives that drive sustainable enhancement of corporate value.

Looking ahead, we will continue to secure the talent needed to lead the NTT Group's management, enhance recruitment and motivation including for the next generation of management, and meet shareholders' expectations by striving to achieve our medium-term management strategy and improve our stock price.

Sustainability Committee

In recognition of the fact that response to sustainability issues is an important management issue, NTT has voluntarily established a Sustainability Committee that reports directly to the Board of Directors. The committee works to further promote initiatives, with important issues and indicators decided by resolution of the Board of Directors.

For more information on the governance structure for promoting sustainability initiatives, please see ≫P.32.

Executive Officers Meeting

Important corporate matters are, in principle, discussed in advance at the Executive Officers Meetings, which consists of executive officers and others, and are decided thereafter. The Executive Officers Meeting is held about once a week. To improve transparency in decision-making, one Member of the Board who is an Audit and Supervisory Committee Member attends the Executive Officers Meeting.

Officer Compensation

Officer Compensation Determination Policy and Process

Regarding the determination policy for compensation for Members of the Board, including its composition and levels, to ensure objectivity and transparency, NTT has established a Compensation Committee comprising five Members of the Board, including three outside independent Members of the Board. Moreover, decisions on the composition ratios, calculation methods, and individual amounts of compensation for each Member of the Board are delegated from the Board of Directors to the Compensation Committee. The reason for this delegation is that the Compensation Committee is composed of two Representative and three outside Members of the Board, and is therefore considered able to make appropriate judgements from an outside perspective while also taking a comprehensive view of the Company's overall performance.

Compensation of individual Members of the Board (excluding outside Members) consists of a monthly salary (base salary), a bonus (short-term incentive) NTT stock purchases through the Board Members Shareholding Association, and performance-related stock compensation (medium- to long-term incentive).

Compensation for Members of the Board

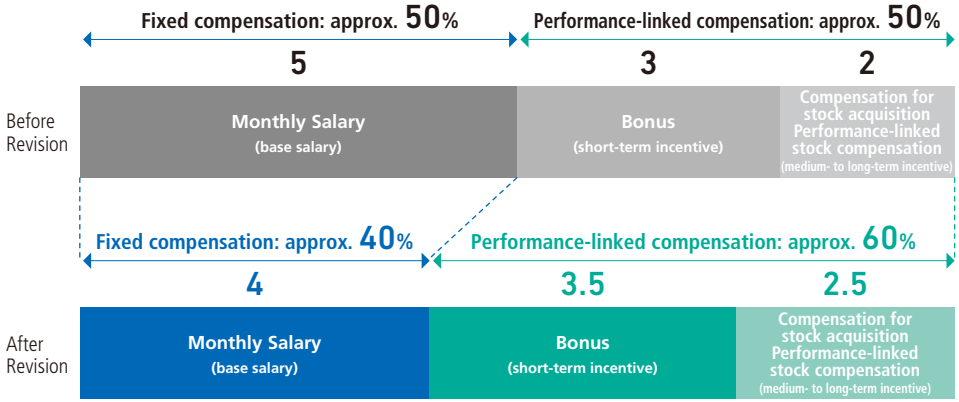
Base Salary	Monthly Salary	• The base salary is a fixed monthly compensation determined according to the scope of roles and responsibilities of each position.
Compensation linked to performance	Short-term Incentives (Bonuses)	• A bonus is paid in June each year, taking into account NTT's business results for the current fiscal year. • Performance indicators are set with reference to the targets set forth in the Medium-Term Management Strategy, and evaluation is conducted accordingly.
	Medium- to Long-term	Board Members Shareholding Association • Members of the Board purchase NTT shares through the Board Members Shareholding Association using stock acquisition compensation paid monthly. Shares purchased are to be held for their entire term of office. Performance-related stock compensation • Using a trust established by NTT, points are granted each June based on role. In June of the fiscal year following the conclusion of the Medium-Term Management Strategy, a performance-related coefficient is determined based on the achievement of performance indicators. The number of shares to be granted is then calculated by multiplying the cumulative number of points by this coefficient. • Shares are granted upon retirement.

The composition ratio is determined according to roles and responsibilities, and consists of monthly salary, a short-term incentive, and a medium- to long-term incentive.

Specifically, assuming standard performance, the compensation ratio for the Representative Member of the Board and President and the Representative Member of the Board and Senior Executive Vice President, is approximately 40:35:25*1 for monthly salary, short-term incentive, and medium- to long-term incentive. For other Members of the Board, the ratio is approximately 50:30:20. When appointing non-Japanese officers, compensation levels and composition may be determined individually, taking into consideration responsibilities and prevailing market conditions.

*1 The compensation ratio of monthly compensation, short-term incentives, and medium- to long-term incentives has been revised from 50:30:20.

■ **Revision of Compensation Composition Ratio of Representative Member of the Board and President and Representative Member of the Board and Senior Executive Vice President**



* For Directors other than Audit and Supervisory Committee Members and Outside Directors, the compensation composition ratio remains unchanged.

Revision of Officer Compensation

Resolution at the General Meeting of Shareholders in 2021

Total amount	Up to JPY 0.95 billion
Members of the Board	Up to JPY 0.75 billion
Non-monetary compensation (performance-linked stock compensation)	Up to JPY 0.10 billion (1.175 million shares)
Non-monetary compensation (compensation for contributions to the Board Members Shareholding Association)	Up to JPY 0.05 billion (0.6 million shares)
Monetary compensation	Up to JPY 0.60 billion
Monetary compensation for outside Members of the Board (re-approved)	Up to JPY 0.20 billion
Audit & Supervisory Board	Up to JPY 0.20 billion

After Revision (Resolution at the 2025 General Meeting of Shareholders)

Total amount	Up to JPY 1.25 billion
Members of the Board who are not Audit and Supervisory Committee Members	Up to JPY 1.05 billion
Non-monetary compensation (performance-linked stock compensation)	Up to JPY 0.15 billion (1.75 million shares)
Non-monetary compensation (compensation for contributions to the Board Members Shareholding Association)	Up to JPY 0.07 billion (0.825 million shares)
Monetary compensation	Up to JPY 0.83 billion
Monetary compensation for outside Members of the Board (re-approved)	Up to JPY 0.20 billion
Members of the Board who are Audit and Supervisory Committee Members	Up to JPY 0.20 billion

Officer Compensation

Bonus Performance Indicators

Category	Performance Indicators	Evaluation Weighting	Evaluation Method	FY2024 Results	FY2024 Results
Financial indicators	EBITDA	25%	YoY improvement	¥3,418.1 billion	¥3,239.3 billion
	EPS (earnings per share)	10%		¥15.1	¥12.0

Category	Performance Indicators		Evaluation Weighting	Evaluation Method	FY2024 Results	FY2024 Results
Financial indicators	EBITDA		25%	Achievement level of plan	¥3,330.0 billion	¥3,239.3 billion
	Operating profit		10%		¥1,810.0 billion	¥1,649.6 billion
	Overseas operating profit margin		10%		8.5%	7.5%
	ROIC (return on invested capital) in existing areas		5%		6.6%	5.6%
Sustainability indicators	Greenhouse gas emissions		5%		2.25 million tons or less	2.11 million tons
	New female manager promotion rate		2.5%		30%	28%
	Employee engagement rate		2.5%		57%	61%
	Customer engagement	NPI	2.5%		73.6%	70.5%
		NPS	2.5%		-26.2	-31.3

Notes: 1. The scope of aggregation for overseas operating profit margin is NTT DATA Group consolidated. The calculation excludes temporary expenses, such as M&A related amortization of intangible assets.
2. Existing areas are NTT DOCOMO's consumer telecommunications business, NTT East and NTT West.
3. Greenhouse gas emissions are calculated in accordance with the GHG Protocol: Scope 1 and 2.
4. The scope of aggregation for the ratio of newly appointed female managers includes NTT, NTT DOCOMO*, NTT East, NTT West, and NTT DATA Group*.
* Figures for NTT DOCOMO include those of NTT Communications. Furthermore, figures for NTT DATA Group include those of NTT DATA Japan and NTT DATA, Inc.
5. The employee engagement rate is the ratio of respondents who provide positive answers to the four indicators set as NTT Group KPIs for measuring engagement. The scope of aggregation for the employee engagement rate includes the Company, NTT DOCOMO*, NTT East, NTT West, NTT DATA Group, NTT Urban Solutions, NTT Anode Energy, and their designated subsidiaries**.
* Figures for NTT DOCOMO include those of NTT DOCOMO BUSINESS.
** In addition to designated subsidiaries, the employee engagement survey is being sequentially expanded and from FY2024, has also been conducted at overseas NTT group companies.
6. Customer engagement NPI (Next Purchase Intention) measures the intention to continue using the service, and NPS® (Net Promoter Score®)* measures the likelihood of recommending the service to others. Customer engagement targets include services for small- and medium-sized enterprises and consumers, which are focus areas for NTT East, NTT West, and NTT DOCOMO**. (Expansion to services for large corporations is also being considered for the future.)
* Net Promoter Score and NPS are registered trademarks of Bain & Company, Inc., Fred Reichheld, and Satmetrix Systems, Inc. (currently NICE Systems, Inc.).
** Figures for NTT DOCOMO include those of NTT DOCOMO BUSINESS.

Total Amount of Compensation, etc. for FY2024

Position	Number of Persons	Fixed	Short-Term	Medium- to Long-Term		Total Compensation (Millions of yen)
		Monthly Salary (Millions of yen)	Bonuses (Millions of yen)	Compensation for Stock Acquisition (Millions of yen)	Performance-linked Stock Compensation (Millions of yen)	
Members of the Board	12	306	75	28	46	455
Audit & Supervisory Board Members	5	171	—	—	—	171
Total (Of which outside Officers)	17 (9)	477 (171)	75 (—)	28 (—)	46 (—)	626 (171)

Notes: 1. Compensation amounts shown above include compensation paid to two Members of the Board who resigned at the conclusion of the 39th Ordinary General Meeting of Shareholders held on June 20, 2024.
2. At the 36th Ordinary General Meeting of Shareholders held on June 24, 2021, it was resolved that compensation for Members of the Board would comprise three components: (1) monetary compensation of ¥600 million or less annually, (2) amounts paid to Members of the Board as funds to acquire NTT's shares through the Board Members Shareholding Association, etc. of ¥50 million or less annually and 600,000 shares* or less annually, and (3) amounts contributed for the performance-linked stock compensation system, etc. of ¥100 million or less annually and 1,175,000 shares*or less annually. At the conclusion of this General Meeting of Shareholders, there were eight Members of the Board.
*Effective July 1, 2023, a 25-for-1 stock split of common stock was implemented, and the figures for number of shares are presented after adjustment for this split.
3. The amount of performance-linked stock compensation for Members of the Board shown above is the expense recorded for point grants for the fiscal year under review
4. The amount of compensation for Audit & Supervisory Board Members was resolved to be ¥200 million or less annually at the 21st Ordinary General Meeting of Shareholders held on June 28, 2006. At the conclusion of this General Meeting of Shareholders, there were five Audit & Supervisory Board Members.
5. The composition ratio of compensation for Members of the Board (excluding outside Members) assuming standard performance is approximately Fixed: Short-term: Medium- to long-term = 50%: 30%: 20%.

Succession Planning and Group Management Policies

Succession Planning

With respect to successor candidates for positions such as the CEO, NTT views it as important to secure candidates who can respond to the rapid pace of technological innovation, market trends, and business environment. By ensuring diversity through broad job experience and appointments to important posts, NTT cultivates personnel for promotion who, in addition to possessing integrity and insight, are well-suited to the times. Decisions regarding appointments are made by the Board of Directors after deliberation by the Nomination Committee, a preliminary review body of the Board which consists of five Members of the Board, including three outside independent Members of the Board.

NTT selects future management candidates regardless of their age, gender, or field of expertise. Through participation in NTT University, a program for cultivating management candidates, NTT fosters diverse individuals who have the ambition to lead NTT's transformation.

Learn more: Systematic Development of Next-Generation Management Talent (NTT University) P.52

Approach and Policies Related to Group Management

The NTT Group develops management strategies for the entire Group, while respecting the independence and autonomy of each Group company. Based on contractual agreements with each company aimed at maximizing their profits, NTT provides appropriate advice and mediation. Each company, while taking this advice into account, is accountable for its own management responsibilities and independently manages its business operations. Further, under NTT's medium-term management strategy, NTT aims to transform into a Group that can create new value and achieve global sustainability by expanding investments in new growth areas and strengthening initiatives focused on cash generation ability to drive further sustainable growth.

Making NTT DATA Group a Wholly Owned Subsidiary

The NTT Group has positioned the businesses undertaken by its listed subsidiary, NTT DATA GROUP CORPORATION — such as the promotion of digital transformation and data utilization across society and industry, including the system integration business, and the expansion and enhancement of data centers in response to the rapid growth in demand for cloud services, AI and related areas — as key drivers of NTT Group growth. To further reinforce its global solutions portfolio, NTT intends to pursue more flexible and agile growth investments. To this end, NTT resolved at its Board of Directors meeting on May 8, 2025 to conduct a tender offer for the common stock of NTT DATA GROUP CORPORATION, which was completed on June 19, 2025. Following the completion of the tender offer, we made the NTT DATA Group a wholly owned subsidiary on September 30, 2025.

Significance of holding INTAGE HOLDINGS Inc.

Please refer to our Corporate Governance Report for the significance of holding Intage Holdings, Inc.

Policy on Cross-Shareholdings

NTT does not hold shares for the purpose of creating stable shareholders, and has no plans to hold such shares in the future.

Conversely, NTT's business policy is to promote open innovation and collaboration with partners in various industries with the aim of enhancing corporate value over the medium to long term. Based on this policy, NTT verifies, at its Investment Strategy Committee and other forums, whether individual holdings are appropriate by comprehensively considering factors such as contribution to NTT's medium- to long-term performance, progress in business collaborations, future issued to be addressed in such collaborations, the investee's performance trends and strategies, and whether the benefits of holding such shares justify the capital cost and associated risks. Shares are held or sold accordingly. The same policy applies to cross-shareholdings of NTT Group companies. The appropriateness of individual holdings is assessed each year, and steps such as share disposals are taken as necessary.

Corporate Ethics and Compliance

It is imperative to conduct business in compliance with the laws and regulations in the jurisdictions where we operate, and to maintain high ethical standards in order to promote sound corporate activities. Recognizing this, NTT has established the NTT Group Corporate Ethics Policy.

This policy applies to all officers and employees of the NTT Group, and sets out the basic principles of corporate ethics and specific guidelines for ethical behavior. As members of a corporate group that bears significant responsibility to society, employees are required to act with high ethical standards in both their private and public life by preventing dishonesty and misconduct, protecting corporate secrets, and refraining from excessive exchanges of favors with customers and suppliers.

Establishment of Corporate Ethics Help Line Contact Point

To prevent misconduct or scandals, each Group company has set up an internal contact point for reporting improper activities. In addition, NTT has established a Corporate Ethics Help Line (external contact point) for all NTT Group companies which is operated by a law firm. We also strictly protect the confidentiality of information that could identify whistleblowers, whether named or anonymous. Internal regulations prohibit attempting to identify a whistleblower and retaliation or detrimental treatment of whistleblowers or investigation participants, with violations subject to disciplinary action.

Reports submitted to the contact points are investigated and addressed by relevant departments through Group company corporate ethics boards. At least once a year, a report on all cases and responses is compiled by NTT's corporate ethics board and submitted to the Board of Directors.

Learn more: https://group.ntt/en/sustainability/governance/corporate-ethics/

Financial Data

Detailed financial and non-financial data is available on our corporate website as part of this Integrated Report.
https://group.ntt/en/sustainability/data/financial_nofinancial/

		U.S. Generally Accepted Accounting Principles (U.S. GAAP)				International Financial Reporting Standards (IFRS)							
Item	Unit	FY2014	FY2015	FY2016	FY2017	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	**FY2024**
Financial Data													
Operating Revenue	Billions of yen	11,095.3	11,541.0	11,391.0	11,799.6	11,782.1	11,879.8	11,899.4	11,944.0	12,156.4	13,136.2	13,374.6	**13,704.7**
[By Segment] Integrated ICT Business*1	Billions of yen	-	-	-	-	-	-	-	5,880.9	5,870.2	6,059.0	6,140.0	**6,213.1**
[By Segment] Global Solutions Business*1	Billions of yen	-	-	-	-	-	-	-	3,367.1	3,615.2	4,091.7	4,367.4	**4,638.7**
[By Segment] Regional Communications Business*1	Billions of yen	-	-	-	-	-	-	-	3,207.4	3,207.6	3,177.6	3,183.2	**3,112.3**
[By Segment] Others (Real Estate, Energy, and Others)*1	Billions of yen	-	-	-	-	-	-	-	1,335.4	1,396.0	1,807.0	1,632.9	**1,726.5**
Operating Profit	Billions of yen	1,084.6	1,348.1	1,539.8	1,642.8	1,641.1	1,693.8	1,562.2	1,671.4	1,768.6	1,829.0	1,922.9	**1,649.6**
Profit Before Tax	Billions of yen	1,066.6	1,329.3	1,527.8	1,755.6	1,740.5	1,671.9	1,570.1	1,652.6	1,795.5	1,817.7	1,980.5	**1,564.7**
Profit Attributable to the Company	Billions of yen	518.1	737.7	800.1	909.7	897.9	854.6	855.3	916.2	1,181.1	1,213.1	1,279.5	**1,000.0**
Capital Expenditures	Billions of yen	1,817.5	1,687.2	1,700.0	1,674.8	1,697.9	1,697.0	1,806.6	1,728.3	1,687.6	1,862.4	2,063.1	**2,087.4**
Depreciation	Billions of yen	1,828.0	1,766.3	1,462.2	1,339.4	1,346.9	1,333.6	1,465.3	1,507.2	1,561.2	1,582.6	1,628.6	**1,722.0**
R&D Expenses	Billions of yen	233.8	213.4	211.6	213.9	208.6	211.3	224.9	232.6	248.0	252.8	254.9	**268.7**
Cash Flows from Operating Activities (A)*2	Billions of yen	2,391.8	2,711.8	2,917.4	2,637.5	2,541.3	2,406.2	2,995.2	3,009.1	3,010.3	2,261.0	2,567.0	**2,171.2**
Cash Flows from Investing Activities (B)	Billions of yen	-1,868.6	-1,759.8	-2,089.3	-1,841.8	-1,746.2	-1,774.1	-1,852.7	-1,424.5	-1,699.2	-1,736.9	-1,989.2	**-1,999.6**
Free Cash Flow (A)+(B)*2	Billions of yen	523.2	952.1	828.0	795.8	795.1	632.0	1,142.5	1,584.5	1,311.1	524.1	577.7	**171.6**
Dividends Paid	Billions of yen	195.1	230.7	243.1	298.3	298.3	347.9	345.3	385.0	410.3	411.6	431.5	**433.3**
Share Buybacks	Billions of yen	338.1	93.6	374.1	235.2	235.2	258.0	501.1	250.0	250.0	510.3	200.0	**200.0**
Shareholders' Equity	Billions of yen	8,514.3	8,470.5	8,425.2	8,561.4	8,947.5	9,316.9	9,234.2	9,844.2	9,968.1	9,990.8	10,159.4	**10,221.6**
Total Assets	Billions of yen	20,702.4	21,035.9	21,250.3	21,675.8	21,541.4	22,295.1	23,014.1	22,965.5	23,862.2	25,308.9	29,604.2	**30,062.5**
Interest-Bearing Debt	Billions of yen	4,406.7	4,163.3	4,088.2	3,893.3	3,971.6	4,262.7	4,699.9	7,624.3	7,364.3	8,230.5	9,591.0	**10,010.1**
Per Share Information													
Earnings per Share (EPS)*3	Yen	4.7	7.0	7.8	9.1	9.0	8.8	9.2	9.9	13.2	13.9	15.1	**12.0**
Book Value per Share (BPS)*3	Yen	82.0	84.3	89.8	96.3	91.8	96.6	99.7	83.5	93.5	100.4	117.1	**123.5**
Dividend per Share*3	Yen	1.8	2.2	2.4	3.0	3.0	3.6	3.8	4.2	4.6	4.8	5.1	**5.2**
Key Indicators													
EBITDA*4	Billions of yen	3,063.4	3,277.9	3,183.3	3,215.8	3,237.1	3,241.4	2,968.6	3,111.6	3,247.1	3,290.2	3,418.1	**3,239.3**
Overseas Operating Profit Margin*5	%	-	-	-	-	-	-	-	-	-	7.3%	8.6%	**7.5%**
ROIC (return on invested capital) in existing areas	%	-	-	-	-	-	-	-	-	-	8.2%	8.1%	**5.6%**
Operating Profit Margin	%	9.8%	11.7%	13.5%	13.9%	13.9%	14.3%	13.1%	14.0%	14.5%	13.9%	14.4%	**12.0%**
Return on Equity (ROE)	%	6.0%	8.4%	8.9%	9.8%	10.2%	9.3%	9.3%	11.0%	14.9%	14.4%	13.9%	**10.0%**
Return on Assets (ROA)	%	5.2%	6.4%	7.2%	8.2%	8.1%	7.6%	6.9%	7.2%	7.7%	7.4%	7.2%	**5.2%**
Return on Invested Capital (ROIC)	%	4.6%	5.9%	6.9%	7.2%	7.4%	7.4%	6.6%	7.2%	7.5%	7.4%	6.9%	**5.4%**
Debt-to-Equity Ratio (D/E ratio)	%	50.8%	47.1%	45.2%	41.0%	43.9%	46.0%	51.9%	100.8%	88.9%	96.1%	97.4%	**97.9%**
Dividend Payout Ratio	%	38.0%	31.4%	30.7%	32.9%	33.3%	40.9%	41.1%	42.3%	34.9%	34.5%	33.8%	**43.5%**
Stock Price at Fiscal Year-End*3	Yen	74.0	97.0	95.0	98.0	98.0	94.1	103.0	113.7	141.8	158.5	179.8	**144.7**
Price Earnings Ratio (PER)	times	15.6	13.8	12.2	10.8	10.9	10.7	11.1	11.5	10.8	11.4	11.9	**12.1**
Price-to-Book Ratio (PBR)	times	0.9	1.2	1.1	1.0	1.1	1.0	1.0	1.4	1.5	1.6	1.5	**1.2**
Dividend Yield	%	2.4%	2.3%	2.5%	3.1%	3.1%	3.8%	3.7%	3.7%	3.2%	3.0%	2.8%	**3.6%**

*1 Figures for each segment include inter-segment transactions.
*2 The effect (the effect of the payment deadline for accounts receivable being postponed from the end of the month to the beginning of the following month) is excluded when the settlement date falls on a non-business day.
*3 Figures reflect stock splits conducted on July 1, 2015 (two-for-one split), January 1, 2020 (two-for-one split), and July 1, 2023 (twenty-five-for-one split).
*4 Depreciation and amortization expense in EBITDA excludes all depreciation expense related to right-of-use assets.
*5 Overseas Operating Profit excludes temporary expenses, such as M&A-related depreciation costs of intangible assets. The scope includes results from NTT DATA Group's overseas businesses.
*6 Existing areas refer to NTT DOCOMO's consumer telecommunications businesses, NTT East and NTT West.

Non-Financial Data

Detailed financial and non-financial data is available on our corporate website as part of this Integrated Report.
https://group.ntt/en/sustainability/data/financial_nofinancial/

	Item		Boundary of Disclosure	Unit	FY2020	FY2021	FY2022	FY2023	**FY2024**
Environment (E)									
Greenhouse Gas (GHG) Emissions*1	GHG emissions (Scope 1 + 2 + 3)		C	ten thousand tons-CO_2	2,622	2,372	2,202	2,103	**2,054**
	GHG emissions (Scope 1 + 2)		C	ten thousand tons-CO_2	399	290	254	232	**212**
Energy	Electricity consumption (electricity purchased*1)	Domestic	B	hundred million kWh	66.7	68.6	68.6	70.9	**71.6**
		Renewable energy consumption	B	hundred million kWh	3.1	13.7	21.8	29.0	**33.6**
		Including overseas	C	hundred million kWh	-	-	80.3	83.2	**87.4**
		Renewable energy consumption	C	hundred million kWh	-	-	26.7	35.3	**42.1**
Society (S)									
Number of employees	Total number of employees		C	People	324,667	333,840	338,651	338,467	**341,321**
	Ratio of overseas employees		C	%	42.6%	44.4%	45.6%	44.6%	**44.7%**
Diversity	New female manager promotion rate*2		A"	%	-	29.1%	29.7%	27.9%	**28.3%**
	Ratio of men who have taken childcare leave*3		A"	%	-	-	114.1%	128.5%	**120.0%**
	Ratio of employees with disabilities		A	%	2.66%	2.66%	2.68%	2.73%	**2.72%**
Human Resource Development	Hours per employee		B	Hours	24	34	38	40.7	**43.5**
	Hours per employee		B	Ten thousand yen	9.1	9.0	10.3	11.7	**13.3**
Employee Engagement	Employee engagement rate*4		*5	%	-	57.0%	57.0%	54.0%	**61.0%**
Customer Engagement	NPI*6		*7	%	-	-	-	-	**70.5**
	NPS®*6		*7	—	-	-	-	-	**-31.3**
Incidents	Number of serious incidents in telecommunications services*8		E	Cases	2	1	3	4	**1**
	Number of critical incidents due to cyberattacks*9		E	Cases	0	0	0	0	**0**
Governance (G)									
Board Members	Number of Board Members		F	People	8	8	10	10	**10**
	Ratio of Outside Independent Board Members		F	%	50%	50%	50%	50%	**50%**
	Ratio of female Board Members		F	%	12.5%	12.5%	30.0%	30.0%	**40.0%**
Board Meeting Attendance	Number of meetings		F	Times	13	15	14	12	**14**
	Average attendance rate		F	%	99.3%	99.0%	99.1%	100.0%	**100.0%**
	Average attendance rate of Outside Independent Board Members		F	%	100.0%	98.3%	98.5%	100.0%	**100.0%**
Whistleblowing System	Number of reports and consultations		B	Cases	346	314	422	472	**569**
	Compliance violations		B	Cases	49	41	41	57	**61**
	No violations		B	Cases	297	273	256	415	**508**

Boundary of Disclosure	
[A]	Six main companies: NTT, NTT DOCOMO (including NTT DOCOMO BUSINESS), NTT DATA Group (including NTT DATA and NTT DATA, Inc.), NTT East, NTT West, NTT Urban Solutions (including NTT Urban Development and NTT FACILITIES)
[A']	Seven main companies: NTT, NTT DOCOMO (including NTT DOCOMO BUSINESS and NTT DOCOMO SOLUTIONS), NTT DATA Group (including NTT DATA and NTT DATA, Inc.), NTT East, NTT West, NTT Urban Solutions (including NTT Urban Development and NTT FACILITIES), NTT Anode Energy Corporation
[A"]	Five main companies: NTT, NTT DOCOMO (including NTT DOCOMO BUSINESS), NTT DATA Group (including NTT DATA and NTT DATA, Inc.), NTT East, NTT West
[B]	Domestic Group companies: 348 companies
[C]	Domestic and overseas Group companies: 992 companies
[D]	Six main companies + operating companies
[E]	Four telecommunications business companies: NTT East, NTT West, NTT DOCOMO, NTT DOCOMO BUSINESS
[F]	NTT(Non-consolidated)

(The above boundary applies to the financial and non-financial data compilation. The table on the left includes some items that are not applicable.)

*1 The NTT Group provides equipment and the like necessary for other telecommunications carriers and data center providers to carry out their businesses. To date, we have included the fuel and electricity required for this equipment in our disclosed emission and consumption volumes in accordance with reporting methods outlined by the Act on Promotion of Global Warming Countermeasures. However, as calculation methods have been established based on the Ministry of the Environment's Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (Ver. 2.3), we have adopted these for calculating the above CO_2 emissions as Scope 3. Emission amounts calculated using the previous method have been placed within parentheses. Similarly, for amounts of electricity purchased and total amount of non-renewable energy, from FY2018 onward we are excluding the amount consumed by other telecommunications carriers and data center providers, and values calculated using the previous method will be placed within parentheses, and we have adopted these for calculating the above CO_2 emissions as Scope 3 from FY2019.
*2 Manager: Includes section manager level and higher, as well as assigned employees. The reference date is April 1 of the following year and includes those who met the management appointment criteria during the current fiscal year.
*3 Calculation based on the acquisition rate of childcare leave as specified in Article 71-4, Item 2 of the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ordinance of the Ministry of Labor No. 25 of 1991), in accordance with the provisions of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Act No. 76 of 1991).
*4 The employee engagement rate is the ratio of respondents who provide positive answers to the four indicators set as NTT Group KPIs for measuring engagement.
*5 The scope of aggregation for the employee engagement rate includes NTT, NTT DOCOMO, NTT East, NTT West, NTT DATA Group, NTT Urban Solutions, NTT Anode Energy, and their designated subsidiaries(1).
(1) The employee engagement survey is being sequentially expanded to target subsidiaries other than designated subsidiaries. Commencing FY2024, the survey is now conducted at NTT group companies overseas.
*6 Customer engagement NPI (Next Purchase Intention) and NPS® (Net Promoter Score®) are indicators that measure the degree to which customers recommend our services to others. Net Promoter Score® and NPS®, as mentioned herein, are registered trademarks of Bain & Company, Fred Reichheld and Satmetrix Systems (now NICE Systems, Inc.).
7 Customer engagement targets small- and medium-sized enterprise services and consumer services, which are the focus areas of NTT East, NTT West, and NTT DOCOMO (with plans to expand the scope to include enterprise services for large corporations in the future).* Figures for NTT DOCOMO include amounts for NTT DOCOMO BUSINESS.
*8 Serious incidents are incidents that either cause interruptions in the provision of telecommunications services or that cause decreases in quality, and meet the following conditions: Emergency call services (110, 119, etc.): at least 1 hour affecting at least 30,000 users/Voice services other than emergency calls: at least 2 hours affecting at least 30,000 users, or at least 1 hour affecting at least 100,000 users/Internet-related services (free of charge): at least 12 hours affecting at least 1 million users, or at least 24 hours affecting at least 100,000 users/Other services: more than 2 hours affecting 30,000 users, or more than 1 hour affecting 1 million users
*9 Critical incidents are defined as incidents that cause interruptions in telecommunications services and are widely recognized externally (e.g., through official announcements or coverage by major media).

Status of Shares (as of March 31, 2025)

Stock Information

Corporate Information

NTT, Inc.	Established on April 1, 1985 Otemachi First Square, East Tower, 5-1 Otemachi 1-Chome, Chiyoda-ku, Tokyo 100-8116, Japan
Paid-in capital	¥937.95 billion
Total number of shares authorized	154,823,022,500
Total number of shares issued	90,550,316,400
Aggregate voting rights	827,653,270
Number of shareholders (including shareholders holding less than one unit)	2,681,105

Stock Exchange Listing

Tokyo (Stock Code: 9432)

Investor Relations Inquiries

NTT, Inc., Finance and Accounting Department, IR Office
URL https://group.ntt/en/ir/contact/index.html

Shareholder Register Administrator/Special Account Administrator

Sumitomo Mitsui Trust Bank, Limited
1-4-1 Marunouchi, Chiyoda-ku, Tokyo

Inquiries
Stock Transfer Agency
2-8-4 Izumi, Suginami-ku, Tokyo 168-0063
Toll free number: 0120-584-400 (for NTT shareholders)
0120 -782 -031 (main number)

Depositary for NTT American Depositary Receipts (ADRs)

JP Morgan Chase Bank, N.A
383 Madison Avenue, Floor 11
Ney York, NY10179, U.S.A

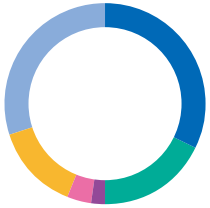
Inquiries
JPMorgan Service Center
P.O. Box 64504
St. Paul, MN 55164-0504, U.S.A.
TEL: 1-800-990-1135 (General)
1-651-453-2128 (From outside the U.S.A.)

Principal Shareholders

Name	Number of Shares held (in thousands of shares)	Percent of Total Shares Issued
Minister of Finance	29,199,372	35.28%
The Master Trust Bank of Japan, Ltd. (Trust Account)	9,142,377	11.05%
Custody Bank of Japan, Ltd. (Trust Account)	3,733,959	4.51%
Toyota Motor Corporation	2,019,385	2.44%
State Street Bank and Trust Company 505001	887,953	1.07%
State Street Bank West Client - Treaty 505234	697,771	0.84%
NTT Employee Share-Holding Association	618,889	0.75%
Nippon Life Insurance Company	584,126	0.71%
JPMorgan Securities Japan Co., Ltd.	508,035	0.61%
Moxley & Co. LLC	484,094	0.58%
Total	47,875,966	57.84%

(Notes) 1. Number of Shares Held is rounded down to the nearest thousand.
2. The Company holds 7,777,183,240 shares of treasury stock, which are excluded from the principal shareholders above
3. The "ratio of the number of shares held to the total number of shares issued" does not include treasury stock. Treasury stock does not include 34,782,500 shares of the Company held by the Officer Compensation BIP trust.

Classification of Shareholders



Share counts are presented in units (1 unit = 100 shares). Figures in parentheses represent the percentage of total shares owned by category of shareholder.

National and Local Governments	292,007,828	(32.2)
Financial Institutions	162,702,205	(17.9)
Financial Instruments Business Operators	19,435,072	(2.1)
Other Corporations	35,176,056	(3.8)
Foreign Corporations, etc.	126,364,667	(13.9)
Individuals, etc.	269,739,574	(29.7)

Restrictions under the NTT Act

The NTT Act requires the government to hold at least one-third of the total number of issued shares* at all times. The NTT Act requires that if the proportion of voting rights held by foreign nationals and foreign corporations reaches one-third or more, NTT must not record such shareholders in the shareholder register. As of March 31, 2025, 126,364,667 of the voting rights were owned by foreign nationals and foreign corporations.

*Pursuant to Article 13 of Supplementary Provisions of the NTT Act, for the time being, any increase in the number of shares due to the issuance of new shares is not included in the total number of issued shares for the purposes of the NTT Act.

External Evaluations

Dow Jones Best-in-Class Asia Pacific Index

(formerly Dow Jones Sustainability Asia Pacific Index)

NTT has been selected as a constituent of the Dow Jones Best-in-Class Asia Pacific Index since 2014. This ESG equity index targets the Asia-Pacific region and was jointly developed by S&P Dow Jones Indices, a leading U.S. financial index provider, and RobecoSAM of Switzerland.

FTSE4Good Index Series
FTSE Blossom Japan Index
FTSE Blossom Japan Sector Relative Index

NTT has been selected for the FTSE4Good Index, a global ESG index developed by FTSE Russell in the U.K.; the FTSE Blossom Japan Index, which consists of Japanese companies with strong ESG practices; and the FTSE Blossom Japan Sector Relative Index, which includes companies with relatively high ESG ratings within their respective sectors in Japan.

MSCI Japan ESG Select Leaders Index
MSCI Japan Empowering Women Index

NTT has been selected as a constituent of the MSCI Japan ESG Select Leaders Index, which targets 50% coverage of the number of stocks in each GICS industry classification by selecting companies with strong ESG ratings from the MSCI Japan IMI Index. It has also been selected for the MSCI Japan Empowering Women Index, which recognizes industry-leading companies that promote employee gender diversity and advance women's participation and career development.

Recognition of Initiatives to Promote Women's Empowerment

The NTT Group's initiatives to promote women's empowerment were recognized, and NTT was selected as a Nadeshiko Brand company for FY2024. This marks NTT's first selection.
In addition, the company received the Semi Grand Prize in the Corporate Award Advanced Category at the 2025 J-Win Diversity Awards organized by the non-profit organization Japan Women's Innovative Network (J-Win).

Platinum Kurumin Plus Certification

This certification is awarded by the Ministry of Health, Labour and Welfare to companies that have formulated general employer action plans under the Act on Advancement of Measures to Support Raising Next-Generation Children and have met their targets as well as specified standards. Among Kurumin-certified companies, Platinum Kurumin Plus recognizes outstanding companies that meet higher standards by supporting employees raising children and fostering workplace environments that make it easier to balance infertility treatment and work.

Eruboshi Certification (Level 3)

This certification is based on the Act on Promotion of Women's Participation and Advancement in the Workplace and is awarded to companies that meet specific criteria and demonstrate excellence in promoting women's empowerment. NTT has received Level 3 Eruboshi Certification by meeting all five criteria.

Certified as a Health & Productivity Management Outstanding Organization 2025 (Large Enterprise Category [White 500])

NTT has been certified as a Health & Productivity Management Outstanding Organization 2025 (Large Enterprise Category [White 500]) by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi.

PRIDE Index Gold

NTT has received PRIDE Index Gold for nine consecutive years under the PRIDE Index, which was developed by the voluntary organization work with Pride to evaluate corporate initiatives related to LGBTQ inclusion.

Clarivate Top 100 Global Innovators 2025

Using its proprietary patent data, Clarivate first narrows down candidate companies based on the number of granted patents, then scores them on four indicators: Influence, Geographic Investment, Success (the rate at which patent applications are granted), and Rarity. NTT has been named one of the Clarivate Top 100 Global Innovators 2025, which recognizes 100 companies and organizations worldwide at the forefront of technological research and innovation.

X
x.com/NTTPR

Facebook
facebook.com/NTTgroup/

Instagram
instagram.com/nttgroup_official/

YouTube
youtube.com/c/NTTofficialchannel

LinkedIn
linkedin.com/company/ntt

NTT

https://group.ntt/en/