

NTT DOCOMO's Corporate Governance System

Basic Approach

DOCOMO recognizes that mobile phones, our core business, have come to play a vital role as social infrastructure in line with market expansion for these products. From the viewpoint of realizing consistent and stable business operations through the effective utilization of management resources, we believe it is desirable for directors with high levels of expertise in telecommunications technologies, the foundation of the mobile telecommunications business, to participate in important business execution matters. In addition, from the viewpoint of ensuring sound and effective management, we believe it is desirable to have the following type of system. Directors who are highly knowledgeable in such areas as the development and latest trends in mobile telecommunications technologies, the regulatory environment, and a wide range of services, including both those of the Company and other companies and those in Japan and overseas, serve concurrently as executive officers responsible for business execution. These directors mutually supervise their respective actions and implement rapid decision-making, while audit & supervisory board members conduct audits of management. Accordingly, we have adopted a corporate governance structure consisting of the Board of

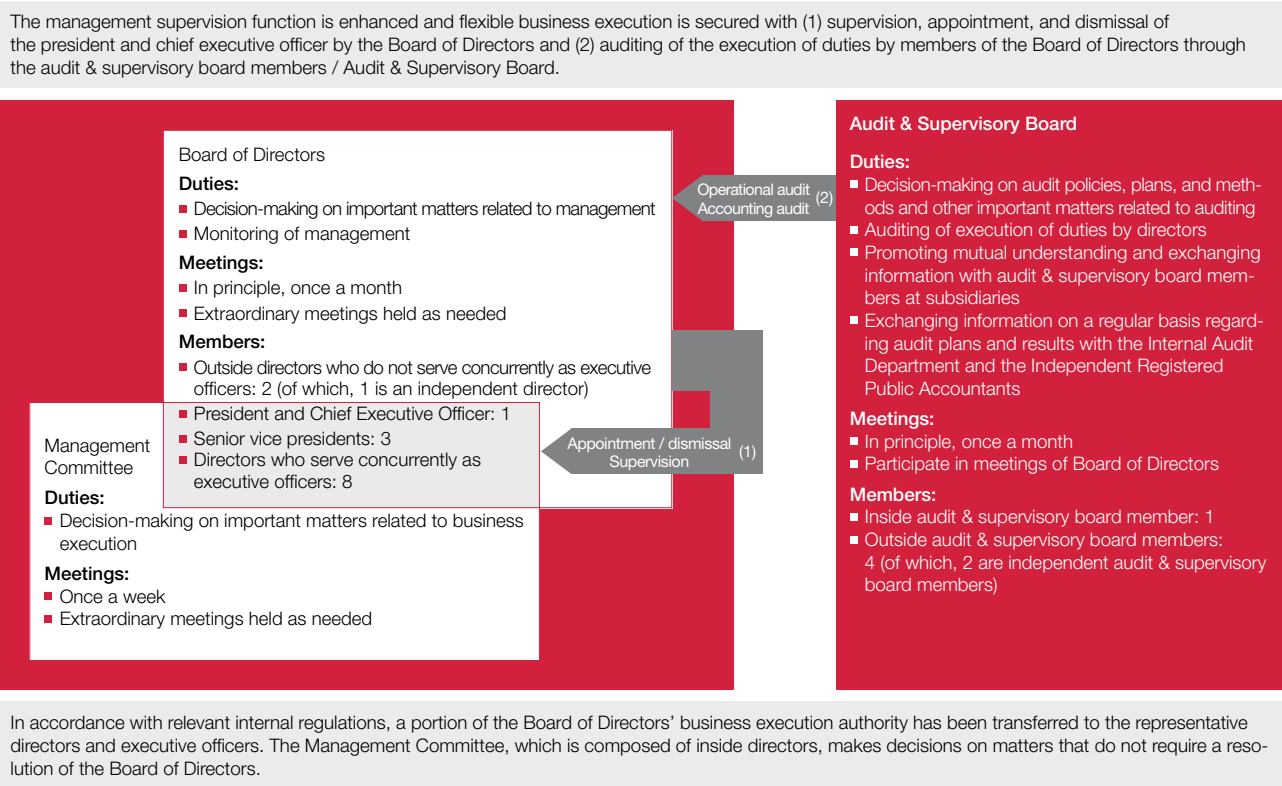
Directors, audit & supervisory board members, and the Audit & Supervisory Board. Similarly, we appoint outside directors and outside audit & supervisory board members with a view to further enhancing monitoring and audit functions.

In addition, we have introduced the executive officer system to clarify the roles of business execution and monitoring and to better reinforce business execution functions. This system enables rapid responses to changes in the operating environment.

Through these initiatives, we have established a corporate governance structure capable of both i) realizing consistent and stable business operations while increasing management speed and ii) strengthening the auditing and governance functions.

We have also transferred a portion of decision-making authority from the Board of Directors to the representative directors and executive officers to enable agile business execution by the responsible officers. In addition, more than half of the members of the Board of Directors serve concurrently as executive officers. This effectively enhances the mutual supervision of the members of the Board of Directors while simultaneously strengthening the management supervision function.

Two-Level Governance System Based on the Board of Directors and the Audit & Supervisory Board



Support System that Ensures the Effectiveness of Outside Officers

The Company has established the following framework so that outside directors and outside audit & supervisory board members can perform their duties by drawing on their management skills and insight as they participate in constructive discussions.

- Provision of explanations and materials prior to meetings of the Board of Directors
- Establishment of the Audit & Supervisory Board Members' Office as a specialized organizational unit to assist in audit & supervisory board member audits, and assignment of full-time personnel to that office
- Dialogue with current and potential institutional investors (when there are requests from investors or directors / audit & supervisory board members)
- Regular meetings between the outside directors and the audit & supervisory board members

Relationship with Parent Company

The corporate group led by the parent company, NIPPON TELEGRAPH AND TELEPHONE CORPORATION (NTT), operates the following main businesses: regional communications, long-distance and international communications, mobile communications, and data communications. As of March 31, 2015, NTT owned 66.65% of the voting rights of the DOCOMO Group and was in a position to influence the Company's management decision making through the exercise of majority shareholder rights. However, the Company retains its own management responsibility and conducts operations in accordance with its own decision-making authority.

In regard to the share repurchases made through a tender offer during the period from August 2014 through March 2015, from the viewpoint of protecting minority shareholders, the transaction details and conditions were decided through fair and appropriate procedures. To ensure fairness, in August 2014, written opinions were received from the Company's three independent officers, who do not have any interests with NTT and who are unlikely to have conflicts of interest with general shareholders. These written opinions stated that this tender offer was not disadvantageous to the Company's minority shareholders.

Also, the optical fiber broadband service that was commenced in March 2015 comprises optical fiber broadband circuits procured from NTT Group companies. However, the procurement transaction was conducted on the basis of fair conditions with other companies, presented no concern

about the emergence of a conflict of interest with the Company's general shareholders, and was highly transparent.

Major Measures Discussed at Meetings of the Board of Directors in Fiscal 2014

- Start of new billing plan
- Establishment of framework for share repurchase and implementation of share repurchase through tender offer
- Start of "docomo Hikari" optical-fiber broadband service
- Formulation of medium-term targets for fiscal 2017
- Other measures

Compensation of Directors and Audit & Supervisory Board Members

Matters regarding the compensation of directors are determined by the Board of Directors. The compensation of directors comprises monthly compensation as well as bonuses, with the monthly compensation based on the duties and responsibilities of each rank. Bonuses are paid in consideration of such factors as the Company's results. To reflect results over the medium-to-long term, a portion of monthly compensation is contributed to a director stock purchase plan through the Directors' Shareholders Association. The shares of the Company that are purchased through the plan are held throughout the term of office.

In consultation with audit & supervisory board members, it has been decided to pay only monthly compensation to audit & supervisory board members in order to ensure a high degree of independence.

The aggregate compensation paid to directors and audit & supervisory board members during fiscal 2014 was as follows:

Position	Number	Total compensation
Directors	21 <sup>1</sup>	¥524 million
Audit & supervisory board members	7 <sup>2</sup>	¥129 million
Total	28	¥654 million

<sup>1</sup> This figure includes seven directors who retired at the conclusion of the 23rd Ordinary General Meeting of Shareholders held on June 19, 2014.  
<sup>2</sup> This figure includes two audit & supervisory board members who retired at the conclusion of the 23rd Ordinary General Meeting of Shareholders held on June 19, 2014.

The total includes the following compensation paid to outside directors.

	Number	Total compensation
Total amount of compensation paid to outside directors	5	¥101 million

# Board of Directors and Audit & Supervisory Board Members

As of July 1, 2015



## Board of Directors

- 1 Kaoru Kato**  
President and Chief Executive Officer  
2008  
35,300 shares
- 2 Kazuhiro Yoshizawa**  
Senior Executive Vice President  
Chief Information Officer  
Chief Information Security Officer  
Chief Privacy Officer  
Responsible for:  
Technology  
Device  
Information strategy  
2011  
19,200 shares
- 3 Yoshikiyo Sakai**  
Senior Executive Vice President  
Managing Director of Sales and Marketing Division  
Responsible for:  
Global business  
Corporate  
2014  
8,800 shares
- 4 Akira Terasaki**  
Senior Executive Vice President  
Responsible for:  
Corporate business  
Improvement of business operations  
CSR  
2014  
2,900 shares



## Board of Directors

- 11 Hajime Kii**  
Executive Vice President  
Managing Director of Human Resources Management Department  
2014  
5,400 shares
- 12 Makoto Tani**  
Senior Vice President  
Managing Director of General Affairs Department  
Managing Director of Improvement Action Office  
2014  
3,800 shares
- 13 Teruyasu Murakami<sup>1, 3</sup>**  
Member of the Board of Directors  
Director of Research Institute for Industrial Strategy  
2013  
6,000 shares
- 14 Takashi Nakamura<sup>1</sup>**  
Member of the Board of Directors  
Senior Director of the Finance and Accounting Department,  
NIPPON TELEGRAPH AND TELEPHONE CORPORATION  
2013  
1,000 shares

## Board of Directors

- 5 Seizo Onoe**  
Executive Vice President  
Chief Technology Officer  
Managing Director of R&D Innovation Division  
2012  
17,400 shares
- 6 Kazuhiro Takagi**  
Executive Vice President  
Managing Director of Corporate Sales and Marketing Division  
Managing Director of TOHOKU Reconstruction Support Office  
2012  
9,000 shares
- 7 Hirotaka Sato**  
Executive Vice President  
Chief Financial Officer  
Managing Director of Accounts and Finance Department  
Responsible for:  
Finance  
Business alliance  
2012  
13,600 shares



## Audit & Supervisory Board Members

- 1 Tooru Kobayashi**  
Full-time Audit & Supervisory Board Member  
2014  
17,800 shares
- 2 Naoto Shiotsuka<sup>2</sup>**  
Full-time Audit & Supervisory Board Member  
2013  
4,900 shares
- 3 Toshimune Okihara<sup>2</sup>**  
Full-time Audit & Supervisory Board Member  
2014  
2,500 shares
- 4 Yutaka Kawataki<sup>2, 3</sup>**  
Full-time Audit & Supervisory Board Member  
2015  
1,000 shares
- 5 Eiko Tsujiyama<sup>2, 3</sup>**  
Audit & Supervisory Board Member  
Professor, Faculty of Commerce, Waseda University  
Outside Corporate Auditor of Mitsubishi Corporation  
Outside Director of ORIX Corporation  
Outside Corporate Auditor of Lawson, Inc.  
Outside Audit & Supervisory Board Member of Shiseido Company, Limited  
2011  
2,900 shares

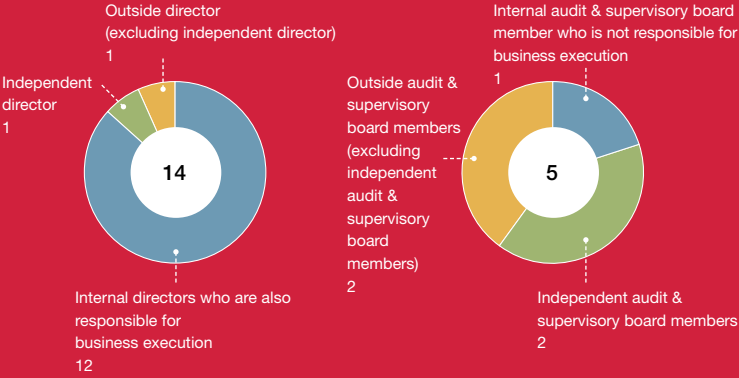


## Board of Directors

- 8 Hiroyasu Asami**  
Executive Vice President  
Managing Director of Corporate Strategy & Planning Department  
Responsible for:  
Broadband business  
2014  
11,600 shares
- 9 Kiyohiro Omatsuzawa**  
Executive Vice President  
Managing Director of Network Department  
Responsible for:  
Network  
Preparation for 2020  
2014  
15,500 shares
- 10 Toshiki Nakayama**  
Executive Vice President  
Managing Director of Smart-life Business Division  
Managing Director of Smart-life Solutions Department  
2014  
5,700 shares

■ Name	
Position	Organizational Responsibilities / Positions held concurrently at other companies by outside directors and outside audit & supervisory board members as of July 2015
Appointment year	
Number of shares held	
1 Outside director	
2 Outside audit & supervisory board member	
3 Independent director / audit & supervisory board member	

## Membership Compositions of Board of Directors and Audit & Supervisory Board





# Outside Directors and Outside Audit & Supervisory Board Members

Name and biography	Reason for appointment as outside director / outside audit & supervisory board member	Role expected by the Company	
Outside Directors			Number of attendances at meetings of the Board of Directors in fiscal 2014
<b>Teruyasu Murakami</b> Entered Nomura Research Institute, Ltd. (NRI) in 1968. Became Representative Director, Executive Managing Director, Member of the Board of NRI in 2001 and Chief Corporate Counselor of NRI in 2002. Senior Fellow of NRI from 2008, and Independent Director of Benesse Holdings, Inc. from 2008 to 2013. Director of Research Institute for Industrial Strategy from 2012 (current position). Doctor of Informatics at Kyoto University.	Appointed due to his long career on the frontlines of the telecommunications industry, his positions as a committee member and committee chair at MIC, METI, MEXT, etc., and his extensive experience and knowledge related to information industries, as well as his experience in corporate management as an inside director and an outside director.	Advice and checking as an expert well-acquainted with telecommunications policy, and in accordance with his knowledge as a business manager.	16 times out of 16
<b>Takashi Nakamura</b> Entered NIPPON TELEGRAPH AND TELEPHONE CORPORATION (NTT) in 1987. After working as Senior Director of Accounts and Finance Department and Senior Director of Personnel Department of NIPPON TELEGRAPH AND TELEPHONE WEST CORPORATION, became Senior Director of Finance and Accounting Department of NTT from 2011 (current position).	Appointed due to his wide range of experience and knowledge related to financial management at telecommunications companies.	Advice and checks in accordance with his knowledge as an expert in financial management.	15 times out of 16
Outside Audit & Supervisory Board Members			Number of attendances at meetings of the Board of Directors / Audit & Supervisory Board in fiscal 2014
<b>Naoto Shiotsuka</b> Entered NTT Public Corporation in 1977. After working as Senior Vice President, Senior Executive Manager of Finance Department of NTT DATA and Director and Senior Vice President, Senior Executive Manager of Finance Department (CFO) of NTT DATA, became Director and Executive Vice President, Senior Executive Manager of Finance Department (CFO), In charge of CSR of NTT DATA. President and Chief Executive Officer, NTT DATA MANAGEMENT SERVICE Corporation from 2011 to 2013.	Appointed due to a wide range of experience and knowledge related to finance and accounting based on his experience in corporate management and, in particular, his experience as CFO.	Management auditing and advice in accordance with his knowledge in financial / accounting management.	16 times out of 16 / 14 times out of 14
<b>Toshimune Okihara</b> Entered NTT Public Corporation in 1979. After working as Senior Vice President, General Manager of System Engineering Department, Member of the Board of Directors of NTT Communications Corporation, was President and Chief Executive Officer, Member of the Board of Directors of NTT Com Technology Corporation (currently, NTT Com Solutions Corporation) from 2011 to 2014.	Appointed due to his abundant experience in corporate management and knowledge in telecommunications technologies.	Management auditing and advice in accordance with his knowledge as an expert in telecommunications technologies.	12 times out of 16 / 9 times out of 14
<b>Yutaka Kawataki</b> Entered The Board of Audit of Japan in 1977. Became Deputy Secretary General of The Board of Audit of Japan in 2013. Secretary General of The Board of Audit of Japan from 2013 to March 2015.	Appointed due to his extensive experience and knowledge related to accounting auditing and legal auditing, acquired through work at The Board of Audit of Japan, and related to procurement and bidding systems for facilities, etc.	Management auditing and advice that reflects the public nature of a company that provides mobile services as social infrastructure.	Appointed in June 2015
<b>Eiko Tsujiyama</b> After working as Assistant Professor, Humanities Department, Ibaraki University and Professor, Faculty of Economics, Musashi University, became Professor, Faculty of Commerce, Waseda University in 2003 (current position). Outside Corporate Auditor of Mitsubishi Corporation from 2008, Outside Director of ORIX Corporation from 2010, Outside Corporate Auditor of Lawson, Inc. from 2011, and Outside Audit & Supervisory Board Member of Shiseido Company, Limited from 2012 (all current positions).	Appointed on account of her capacity as a certified public accountant and her extensive insight in finance, accounting, and corporate management developed through her long years of experience as a university professor and her experience at companies as an outside director and outside audit & supervisory board member.	Management auditing and advice based on her knowledge as an expert in finance and accounting and on her experience as an outside director and outside audit & supervisory board member at other companies.	15 times out of 16 / 14 times out of 14

# Messages from Outside Director and Audit & Supervisory Board Member

Independent and Outside Director

Teruyasu Murakami

Director of Research Institute for Industrial Strategy



After working as a representative director at a company specializing in system development and system construction support, from the 2000s, my personal mission has been to contribute to service innovation at Japanese companies. I also have experience in deliberations on information and communications policy at advisory councils of the Ministry of Internal Affairs and Communications (MIC) over an eight-year period from 2003. Under the Telecommunications Business Act, regulations prohibit DOCOMO from taking certain actions. These regulations apply only to DOCOMO and not to any other mobile telecommunications operator, and to a certain extent they have limited the Company's freedom in management. With my background, I recognize that this is a serious issue for DOCOMO.

However, the Company is facing a major transition. Since 2014, MIC has continued deliberations on the reevaluation of the competition policy, and as a result, the regulations preventing the Company from taking certain actions is expected to be significantly eased. There is no doubt that DOCOMO will change into a company that conducts free and open competition, and will stand on a new stage. The Company has a management strategy to become a “value co-creation company” and working toward the achievement of the medium-term targets. I have high expectations for this strategy, which leverages the timing of this regulatory easing and also emphasizes “co-creation,” which holds the key to service innovation.

The Company's strategies have been formulated from a comprehensive perspective by those involved in business execution. I believe that the role of an outside director is to question these strategies from an objective viewpoint. Going forward, I will draw on my specialized knowledge related to the information and communications industry as I strive to contribute to the Company's realization of innovation and to participate even more actively in management as an outside director.

Independent and Outside Audit & Supervisory Board Member

Eiko Tsujiyama

Professor, Faculty of Commerce, Waseda University  
Outside Corporate Auditor of Mitsubishi Corporation  
Outside Director of ORIX Corporation  
Outside Corporate Auditor of Lawson, Inc.  
Outside Audit & Supervisory Board Member of Shiseido Company, Limited



I have completed four years as an outside audit & supervisory board member, and in June 2015, I started my fifth year. Since I became an audit & supervisory board member, I have acted on behalf of shareholders and aggressively asked questions about management risks, and I have worked to contribute to thorough deliberations at meetings of the Board of Directors and to enhancing management decision-making from my position as a specialist in accounting. The president and other directors frequently listen to the opinions of audit & supervisory board members, and lively discussions are conducted. The question of whether or not audit & supervisory board members contribute to increasing the effectiveness of governance is not determined by the institution of the audit & supervisory board. Rather, I think the decisive factor is the manner in which the audit & supervisory board members themselves take responsibility and are highly motivated to contribute to management based on their specialized knowledge.

Over the past four years, in a regulatory environment that does not treat all mobile communications companies on an equal basis, DOCOMO has faced intense competition with other companies in the same industry. The Board of Directors has considered and made decisions regarding strategies and policies that enable DOCOMO to demonstrate its competitive advantage. I believe the goal of being a “value co-creation company” and working toward the achievement of the medium-term targets incorporates the discussions held to this point and clearly states the strategic direction that the Company must follow.

However, to achieve its targets in a business environment undergoing dramatic change, DOCOMO needs to continually reevaluate its tactics and dynamically guide management. Moving forward, I will strive to contribute to the realization of innovation and growth for DOCOMO through deliberations at meetings of the Board of Directors and the Audit & Supervisory Board.

# Initiatives to Strengthen the Governance System

## Changes in the Corporate Governance System

		Number of Members (Board of Directors)		Number of Members (Audit & Supervisory Board)	
		Total	Of which, outside directors	Total	Of which, outside audit & supervisory board members
February 1999	<b>Establishment of Advisory Board</b> From experts in various fields, we receive objective opinions and proposals in such areas as management issues and the role of communications technology in society.	23	0	4	0
December 2000	<b>Establishment of U.S. Advisory Board</b> We receive opinions and proposals from a global viewpoint in regard to the role of communications technology in society and information technology trends.	28	0	4	2
June 2002	<b>Appointment of outside director</b> The Company appointed one outside director from within the NTT Group.	27	1	4	2
June 2003	<b>Outside members account for majority of audit &amp; supervisory board members.</b> The Company exceeded the stipulations of the Companies Act, which calls for outside members to account for half or more of audit & supervisory board members, when outside members became a majority of audit & supervisory board members.	27	1	5	4
June 2005	<b>Introduction of the executive officer system</b> In conjunction with the introduction of this system, the number of members of the board of directors was reduced from 27 to 13.	13	1	5	3
June 2013	<b>Number of outside directors on Board of Directors increased by one</b> <b>Designated as an independent director</b> The Company appointed the first outside director from outside the NTT Group.	14	2 (Of which, 1 is an independent director)	5	3 (Of which, 2 are independent audit & supervisory board members)
June 2015	<b>Reelection of outside audit &amp; supervisory board members</b> One independent outside audit & supervisory board member retired, and one independent outside audit & supervisory board member was newly appointed.	14	2 (Of which, 1 is an independent director)	5	4 (Of which, 2 are independent audit & supervisory board members)

## Advice from Objective Experts

The Company periodically establishes advisory boards composed of experts in various fields, including prominent business leaders, university professors, commentators, and journalists. In this way, these experts can provide objective opinions and proposals in such areas as management issues and the role of communications technology in society, and DOCOMO can reflect those opinions and proposals in management. In fiscal 2014, four meetings of the Advisory Board were held.

### The 8th Advisory Board, Board Members

Dr. Motoshige Itoh	Professor, Faculty of Economics, The University of Tokyo President, National Institute for Research Advancement (NIRA)
Mr. Shin Kikuchi	Partner, Mori Hamada & Matsumoto
Ms. Main Kohda	Novelist
Mr. Masaaki Shintaku	Executive Vice President, Special Olympics Nippon
Mr. Jitsuro Terashima	CEO, Japan Research Institute President, Tama University
Mr. Taizo Nishimuro	Adviser to the Board, Toshiba Corporation President & CEO, Representative Executive Officer, Japan Post Holdings Co., Ltd.
Dr. Hideo Miyahara	Professor Emeritus, Osaka University


## U.S. Advisory Board

To receive advice from a more-global viewpoint in regard to management issues and the role of communications technology in society, the Company has established the U.S. Advisory Board, which has a chairman and a board member as well as a different guest speaker for each meeting. In fiscal 2014, two meetings of the U.S. Advisory Board were held.

### The 7th U.S. Advisory Board, Board Members

Board members	
Ambassador David A. Gross	Partner, Wiley Rein LLP Former Ambassador, U.S. Coordinator for International Communications and Information Policy
Mr. Matthew P. Goodman	William E. Simon Chair in Political Economy, Center for Strategic & International Studies (CSIS)
Guest speaker for the 3rd meeting	
Mr. Mark Lowenstein	Management Director, Mobile Ecosystem
Guest speaker for the 4th meeting	
Dr. T. Charles Clancy	Associate Professor of Electrical and Computer Engineering, Virginia Polytechnic Institute and State University

## Status of IR-Related Activities

	Supplementary explanation	Briefing by representative in person
Regular presentations held for individual investors	We hold presentations for individual investors, in which the president explains recent results, future initiatives, and the return of profits to shareholders, among other topics. In fiscal 2014, we held presentations in Tokyo and Nagoya in October 2014 and in Osaka in February 2015. More than 350 people attended each event.	Yes
Regular presentations held for securities analysts and institutional investors	Quarterly results are explained by either the president or the senior executive vice presidents, as well as by the corporate officers in charge of corporate finance, corporate planning, sales and other areas. We also hold presentations when announcing new products and services to provide detailed product or service explanations, and to explain sales forecasts, among other matters. Moreover, we brief investors on the status of our businesses at conferences sponsored by securities companies. We held four presentations during fiscal 2014.	Yes
Live streaming of financial results presentations for overseas investors made available and individual presentations held	We provide a live streaming broadcast of the aforementioned presentations for securities analysts and institutional investors that take place in Japan with simultaneous interpretation in English on our website. We also hold individual meetings as necessary, mainly in Western countries and Asia, to explain recent results, future initiatives, and the return of profits to shareholders, among other matters.	Yes
IR materials posted on the Company's website	We post a variety of information on our website, including quarterly operational and financial data, video (for PCs and smartphones), and presentation documents for results presentations, and we have a special website for individual investors. We also post earnings information, securities reports, and briefing documents. In addition, the president's comments on the 2Q and fiscal year results are provided through video streaming.  <b>DOCOMO's IR website:</b> <a href="http://www.nttdocomo.co.jp/english/corporate/ir/">http://www.nttdocomo.co.jp/english/corporate/ir/</a>	
IR-related department assigned (person in charge)	The departments involved with IR are the Investor Relations Department and the General Affairs Department. The corporate officers responsible for IR are a senior executive vice president and an executive vice president. The liaison officers are the Head of Investor Relations and the Senior Manager in the General Affairs Department.	

## Initiatives to Invigorate the General Meeting of Shareholders and Promote Efficient Voting

	Supplementary explanation
Early mailing of convocation notices for the general meeting of shareholders	In 2015, we mailed convocation notices six days before the statutory cut-off date (22 days before the general meeting date).
Scheduled the general meeting of shareholders so as to avoid days on which shareholder meetings are concentrated	In 2015, we held the Ordinary General Meeting of Shareholders on Thursday, June 19.
Electronic voting	We enabled voting from Internet-enabled mobile phones, smartphones and PCs.
Initiatives to facilitate a better voting environment for institutional investors, including participation in the electronic proxy voting platform	We enabled voting via the electronic proxy voting platform for institutional investors operated by Investor Communications Japan (ICJ).
Providing an English translation of the Notices of Convocation for the General Meeting of Shareholders	We made convocation notices available in both Japanese and English on our website.
Others	• Disclosure of the situation at the general meeting of shareholders over the Internet • On the day of the shareholders meeting, a PR room was set up in a separate meeting hall to introduce the Company's initiatives, services, etc.

# Major Management Risks and DOCOMO's Risk Management Measures

To fulfill its mission of providing communications infrastructure that is indispensable to society, the Group continues to identify risks and to implement countermeasures and management initiatives to reduce risks. At the same time, the Group recognizes that as it implements new initiatives as a “co-creator of added value,” it is possible that new risks will arise. Accordingly, the Group is pursuing a balance between a higher level of risk sensitivity and the spirit of taking on challenges.

The following is an overview of the Group's major risk management measures. Of the diverse risks related to business, financial, legal, and other areas, this overview presents those risks that are considered to have an especially strong connection to the Group's business strategies as of the end of July 2015.

Details of major risks	The Group's measures to reduce risk
Changes in the market environment in the telecommunications industry, such as intensifying competition from other businesses or other technologies, or the expansion of the areas of competition could limit the acquisition of new subscriptions and the retention of existing subscriptions by the Group, or it may lead to ARPU decreases or cost increases at greater than expected rates, etc.	<ul style="list-style-type: none"><li>• Implementing multifaceted research / analysis of market trends, etc.; developing new products and services that reflect market feedback (demand)</li><li>• Establishing billing plans that support the maintenance of customer loyalty based on detailed analyses of customer usage trends, sales, etc.</li><li>• Appropriately communicating to customers the Company's initiatives to strengthen network quality, easy-to-use billing plans, enhancement of after-sales service, and service convenience</li></ul>
If current and new services, usage patterns, and sales schemes proposed and introduced by the Group cannot be developed as planned, or if unanticipated expenses arise, the financial condition of the Group could be affected and our growth could be limited.	<ul style="list-style-type: none"><li>• Developing competitive new products and services by building an efficient development process that makes possible the timely provision of products and services with consideration for changes in the environment</li><li>• Building effective, efficient organizational systems targeting the realization of strategies, in line with new strategies that reflect changes in the environment</li><li>• Working to increase efficiency in management resources through selection and concentration of services, based on regular service evaluations with consideration for changes in the environment and customer usage trends</li></ul>
The introduction or change of various laws or regulations inside and outside of Japan, or the application of such introductions or changes to the Group, could restrict our business operations, which may adversely affect our financial condition and results of operations.	<ul style="list-style-type: none"><li>• Gathering information about changes in policies, such as administration/legislation policies that could affect business operations (policies related to the status of NTT, SIM unlocking, regulation that prohibits certain actions, etc.)</li><li>• Working to build understanding among stakeholders about the Group's opinions, including offering opinions in public comment initiatives implemented by ministries and other government agencies</li></ul>
Limitations in the amount of frequency spectrum or facilities made available to us could affect our ability to maintain and improve our service quality and level of customer satisfaction and could increase our costs.	<ul style="list-style-type: none"><li>• Operating and monitoring network systems through the introduction of a “monitoring program” for the prevention of problems</li><li>• In preparation for system malfunctions, building mechanisms that enable information to automatically bypass problems</li><li>• Building systems that can flexibly accommodate changes in capital expenditure plans through regular monitoring of traffic</li><li>• Through in-house training, rigorously implementing measures to prevent human errors as well as security countermeasures</li></ul>
Other mobile service providers around the world may not adopt the technologies and the frequency bands that are compatible with those used by the Group's mobile communications system on a continuing basis, which could affect our ability to sufficiently offer international services.	<ul style="list-style-type: none"><li>• Gathering and transmitting information through participation in the activities of organizations involved in international standardization and through alliances with overseas telecommunications operators</li><li>• Minimizing the influence on handset and service development by taking into account the frequency bands of other overseas operators, and promoting the adoption of the frequency bands used by the Group</li></ul>
Our domestic and international investments, alliances, and collaborations as well as investments in new business fields may not produce the returns or provide the opportunities we expect.	<ul style="list-style-type: none"><li>• Working to clarify revenues and profits from investments and alliances and to create and demonstrate synergies, in accordance with the Group's overall strategy</li><li>• Building an understanding of the distinctive legal systems, practices, specialized knowledge, etc., of industries in which we participate, and creating a system for the regular evaluation of the progress and risk status of alliance partners and companies in which we have invested, as well as establishing exit rules in the event that risks materialize</li></ul>
Malfunctions, defects or imperfections in our products and services or those of other parties may give rise to problems.	<ul style="list-style-type: none"><li>• Conducting quality checks before introducing handsets/applications</li><li>• Promoting the adoption of virus countermeasure services and phishing countermeasure services</li><li>• Establishing publication standards, building systems that facilitate the prompt removal of items judged to be inappropriate, and regularly confirming safety for content / services on platforms provided by the Group</li></ul>

Details of major risks	The Group's measures to reduce risk
Social problems that could be caused by misuse or misunderstanding of our products and services may adversely affect our credibility or corporate image.	<ul style="list-style-type: none"><li>• Encouraging customers to enroll in Packet Pack or flat-rate services and prompting customers to be careful about increases in packet communications charges, such as those due to the use of rich content</li><li>• Continuing to work toward the realization of a secure, safe mobile society by providing services and countermeasures, implementing educational activities, and encouraging customers to be careful</li></ul>
Inadequate handling of confidential business information, including personal information, by the Group, contractors, and others may adversely affect our credibility or corporate image.	<ul style="list-style-type: none"><li>• Rigorously implementing appropriate handling of management information through the use and updating of information management rules internally and externally (including business partners); implementing continued educational activities</li><li>• Building robust information systems and implementing regular testing in accordance with security standards</li></ul>
Owners of intellectual property rights that are essential for our business execution may not grant us a license for such intellectual property rights, which may result in our inability to offer certain technologies, products and/or services, and the Group may also be held liable for damage compensation if we infringe the intellectual property rights of others. In addition, the illicit use by a third party of the intellectual property rights owned by the Group could reduce our license revenues actually obtained and may inhibit our competitive superiority.	<ul style="list-style-type: none"><li>• Prior to the development of new products / services, securing the Group's rights and, through the investigation of the rights of other companies, taking measures necessary for the conclusion of licensing, etc.</li><li>• In regard to important technologies and services with a large impact on the Group's businesses, working to prevent the loss of licensing revenue opportunities by investigating the status of usage by other companies of rights, etc., held by the Group, and rapidly taking measures in the event that a rights infringement is discovered</li></ul>
Natural or human disasters, or other events or incidents, could cause damage to our networks, distribution channels, or other elements necessary for the Group's provision of service, and such incidents may adversely affect our credibility or corporate image, or lead to a reduction of revenues and/or increase of costs.	<ul style="list-style-type: none"><li>• Establishing basic matters related to responses at the time of natural disasters or other large-scale disasters and implementing training on a regular basis</li><li>• For important platforms and internal systems, formulating business continuity planning procedures manual and establishing backup systems</li></ul>
Concerns about adverse health effects arising from wireless telecommunication may spread and consequently adversely affect our financial condition and results of operations.	<ul style="list-style-type: none"><li>• Implementing continued investigation and research related to the effect of radio waves on people's health and announcing the results</li></ul>
Our parent company, NIPPON TELEGRAPH AND TELEPHONE CORPORATION (NTT), could exercise influence that may not be in the interests of our other shareholders.	<ul style="list-style-type: none"><li>• Appropriately sharing with NTT the opinions and demands of shareholders other than NTT and the opinions obtained from the Company's Advisory Board</li><li>• Building a system that makes it possible to reflect in business administration the opinions of independent outside directors</li></ul>

The Company's measures to reduce risk are not a guarantee that the corresponding risks will be avoided.



For detailed information about risk factors, please refer to the Company's annual report on Form 20-F, submitted to U.S. Securities and Exchange Commission (SEC).  
<https://www.nttdocomo.co.jp/english/corporate/ir/library/sec/index.html>



# Information Management

## ■ Enhancement of Information Management System

The DOCOMO Group has been entrusted with the personal information (customer information) of approximately 65 million people, and accordingly, ensuring information security is an important management issue.

As a telecommunications company with public-oriented operations, the rigorous management and protection of customer information and administrative information is our most important duty. In recognition of this, we have assigned the position of Chief Privacy Officer (CPO) and Chief Information Security Officer (CISO) to the senior executive vice president level. The CPO heads the Information Management Committee, which meets on a regular basis. The committee considers and promotes personal information protection measures. To advance integrated information management, we have established the Information Security Department and each work site has an employee who is responsible for information management. Outside contractors who perform work for the Company are required to designate a person responsible for the handling of that work for each organization and policy. We have established and are advancing a system that assigns responsibility for information management.

## ■ Formulation of Management and Administration Rules

To fulfill our obligations above, in regard to the handling of information of customers, shareholders, employees, etc., we have systematically formulated internal regulations in accordance with the Personal Information Protection Act and the guidelines of related government ministries and

agencies, clarified internal rules regarding information management, and formulated and announced a privacy policy that clarifies detailed handling policies in accordance with basic principles regarding customer information protection.

 <https://www.nttdocomo.co.jp/english/utility/privacy/>

## ■ Specific Initiatives

In working to strengthen information management, we are advancing and developing the following safety management measures:

### (1) Organizational Security

- 1. Establishment of Information Security Policy
- 2. Enhancement of system for information security
- 3. Formulation of basic guidelines for information security / Establishment and application of regulations and manuals
- 4. Tracking and management of information assets
- 5. Implementation / application of audits / security checks
- 6. Implementation of measures to deal with accidents and violations

### (2) Human Security

- 1. Mandatory written pledges regarding confidentiality
- 2. Mandatory information management compliance for outside contractors
- 3. Implementation of training and education for employees, contractors, and sales agents
- 4. Formulation and distribution of training tools, such as handbooks and DVDs

### (3) Physical Security

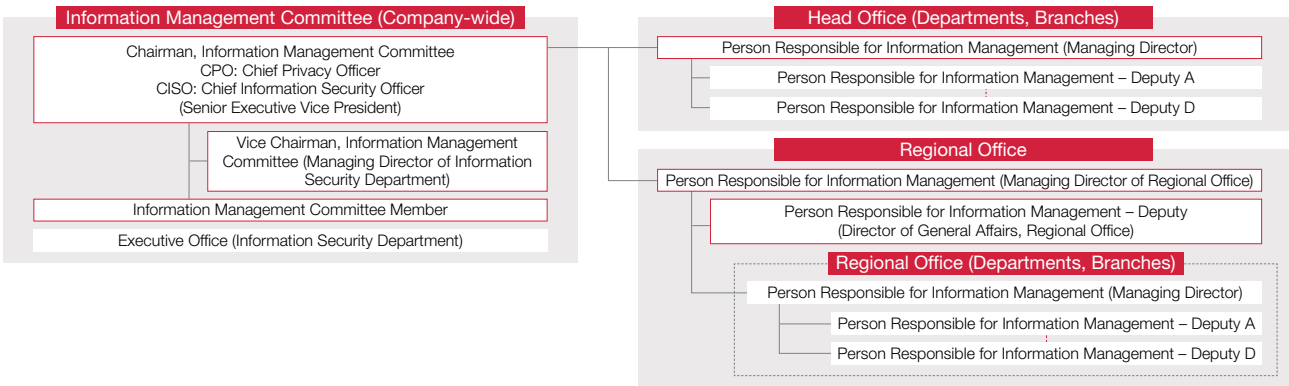
- 1. Restrictions on numbers of information management terminals and continuous optimization of installed locations and authorized people
- 2. Rigorous control of the lending and checking-out of portable equipment
- 3. Consolidation and special monitoring of terminals used to extract large amounts of customer information
- 4. Transition to paperless handling of documents, such as customer applications
- 5. Entrance/exit control in locations handling information.

### (4) Technical Security

- 1. Access control, access-log retention, and periodic checks
- 2. Introduction of biometric identity confirmation for use of systems
- 3. Stricter customer information search parameters
- 4. Introduction of encryption software for information system terminals and communication channels
- 5. Strict monitoring to prevent unauthorized removal of information out of the office
- 6. Cyber attack countermeasures and system surveillance

## Information management system

As of July 1, 2015



## DOCOMO's Handling of Big Data and Protection of Personal Information

DOCOMO has the largest customer base of any domestic mobile telecommunications operator. We collect large volumes of data generated from a variety of sources, such as mobile handsets, sensors, and SNS, and we anticipate the utilization of this “big data” in new business development initiatives.

One example is mobile spatial statistics, which DOCOMO began to apply on a commercial basis in October 2013. In this field, we are using data that is derived from the number of mobile phones per base station, which is periodically recorded in the nationwide DOCOMO LTE “Xi” and “FOMA” service areas in Japan. Through mobile spatial statistics, it is possible to determine population distribution by region as well as population composition, such as by age and gender. The field of mobile spatial statistics began with applications in the public sector, such as urban planning and disaster prevention. Currently, these statistics are also actively utilized in the academic and industrial

fields, such as in store-opening plans, marketing area and competing store analysis, and research into the number of overseas visitors to Japan.

Mobile spatial statistics are population statistics that show only the numbers of people in groups, and accordingly, it is not possible to specify individual customers. In addition, DOCOMO is paying careful attention to privacy protection, including the announcement of guidelines for basic matters that must be strictly observed when mobile spatial statistics are prepared or provided. The use of big data is also expanding in fields other than mobile spatial statistics. For example, data acquired through wearable devices, such as in health management and during exercise, is starting to be used in services related to health care. In this setting, DOCOMO has established rules for the protection of personal information and is rigorously implementing those rules.

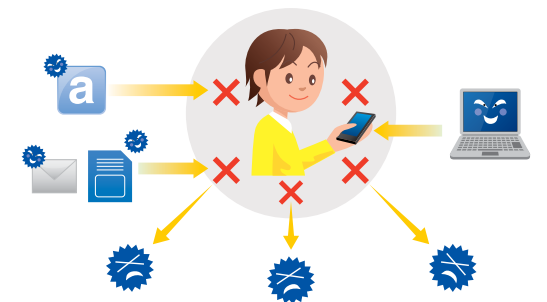
## Security-Related Services that Provide “Peace of Mind” to Customers

Smartphones and other mobile devices contain vast amounts of personal information. The establishment of an environment in which each individual customer can manage information appropriately and in which customers can use mobile devices with peace of mind are prerequisites for growth in the use of mobile communications services. DOCOMO is working to develop and provide services that enable customers to implement appropriate information management and protection, without regard to their proficiency in the use of mobile devices.

One example of those efforts is our provision of a service that combines security services for smartphones, including countermeasures for viruses, dangerous sites, and spam e-mail. This service has been highly evaluated because it eliminates concerns about the eliciting of personal information unbeknownst to the customer, and about inadvertently accessing dangerous sites.

We also offer services for corporations, such as a service that enables customers to control mobile device functions and to prevent unapproved application installation, as well as a service that enables direct connections between the corporate network and DOCOMO and the prevention of unauthorized access.

### Network security for “peace of mind”



## Internal Control

### ■ Basic Policy for Internal Control

In accordance with the Basic Policy on Fortifying Internal Control Systems, as approved by the Board of Directors, we maintain a system for the purpose of securing rigorous compliance with laws and regulations, business effectiveness and efficiency, and financial reporting reliability. These initiatives are centered on the Internal Control Committee. Furthermore, the Company's Internal Audit Department implements audits with the objective of contributing to the minimization of risks and increased corporate value for the entire DOCOMO Group (Head Office, branches, and Group companies worldwide). The department's work includes evaluating the effectiveness of the internal control system.

### ■ Risk Management

We strive to strengthen risk management with the basic policy of identifying and responding to business risk as early as possible. Specifically, in accordance with our Risk Management Principles, business risks are regularly identified, and the Internal Control Committee designates risks that require Company-wide management. Management policies for those identified risks are formulated, and appropriate efforts are made to prevent such risks from materializing and to prepare for a quick response should they occur.

### ■ Compliance (Ethics and Legal Compliance)

The foundation of our compliance management is to promote strict observance of the NTT DOCOMO Group Code

of Ethics among all employees while continuing to meet the steadily increasing demands and expectations of society based on high ethical standards, including respect for human rights. Accordingly, we have built a compliance promotion system, which is centered on Compliance Promotion Committees. Specifically, we have implemented rules that require employees to make a report if they notice any illegal or fraudulent incidents, and we have established avenues within and outside the Company for consulting on related issues. In addition, all divisions have employees with responsibility for compliance promotion, and we implement education and training in ethics and legal compliance for all employees. In these ways, we are implementing a range of compliance-related initiatives. Moreover, we have conducted a compliance and human rights awareness survey of every employee, the results of which have been reflected in our various measures to ensure compliance. Through such efforts, we are working to further advance ethical views.

### ■ Ensuring Reliability of Financial Reporting

To meet the requirements of the Sarbanes-Oxley Act and the Financial Instruments and Exchange Act of Japan, we employ the COSO (the Committee of Sponsoring Organizations of the Treadway Commission), 2013 framework for the design, operation, and evaluation of our internal control system related to financial reporting. In fiscal 2014, we evaluated the Company and 18 major consolidated subsidiaries and concluded that internal control over financial reporting was effective.

### Sarbanes-Oxley Act, Section 404 organization chart

As of July 1, 2015

