Sustainability of DOCOMO

DOCOMO will comprehensively pursue business and sustainability practices to contribute to the creation of a sustainable society.

14 Sustainability Governance System
15 Risk Management
16 Strategy
21 Metrics and Targets

Sustainability Governance System

In the DOCOMO Group's governance system, the Sustainability Promotion Committee, chaired by the president and CEO and comprised of executives and other members, convenes to discuss the Group's sustainability issues. In fiscal 2022, to further strengthen the Group's sustainability governance, we revised the system so that the committee reports to the Board of Directors twice a year on resolutions related to key sustainability matters and the status of activities.

Board of Directors

The Board of Directors decides on important matters related to sustainability and regularly reports and discusses the results of each KPI for the previous fiscal year, targets for the current year, and progress and activities during the term.

Date of Meeting	Discussion Topics
June 2022	・Sustainability Policy, materiality, and setting of KPIs ・Formulation of the Green Action Plan (environment-related initiatives and targets) ・Major initiatives for FY2022
January 2023	・Status of initiatives (Declaration for Carbon Neutrality, promoting female empowerment, improving employee engagement, community investments) ・Status of progress for each KPI and challenges

Sustainability Management Committee

The Sustainability Management Committee convenes twice a year to discuss the progress of sustainability management, share national and international topics, and review progress of addressing the material sustainability issues. The committee, chaired by the president and CEO, comprises the senior executive vice president, a representative of the Audit & Supervisory Board, executive vice presidents, and managers of relevant departments. To strengthen the initiatives of the DOCOMO Group following the integration of NTT Communications and NTT COMWARE, the senior executive vice presidents of the two companies have joined the Sustainability Management Committee as members.

Under the committee, there are the Climate Change Working Group, Circular Economy Working Group, Service/Solution Creation Working Group, Diversity Promotion Working Group, and Social Contribution Working Group. These groups meet to deliberate on key issues, and the results of their measures and challenges as well as topics for future activities are submitted to the Sustainability Management Committee for further discussion. To facilitate prompt and flexible operations of our sustainability governance system, issues discussed at the committee meeting are shared throughout the Company and with all Group companies during weekly meetings attended by senior executives, including those of Group companies, to make them known to all employees.

We have also established issue-oriented committees to deal with specific issues. These include the Disaster Countermeasures Committee, Compliance Committee, and Information Management Committee, which hold regular meetings to promote sustainability systematically and comprehensively.

The NTT Group CSR Committee, which had been meeting since fiscal 2015, was renamed as the NTT Group Sustainability Committee in November 2021. The new committee, chaired by the senior executive vice president and having chief sustainability officers (senior executive vice presidents and executive vice presidents) of major NTT Group companies, including NTT DOCOMO, Inc., as members, seeks to advance the sustainability management of the entire NTT Group. In addition, sustainability promotion members at each company periodically hold NTT Group Sustainability Liaison Meetings to share common challenges and successful examples from each company and to monitor the PDCA of activities for material sustainability issues, which have been determined recently. This ensures that sustainability initiatives are implemented with a sense of unity across the Group.

DOCOMO Sustainability Governance System

The Board of Directors

Sustainability Management Committee (Secretariat: Sustainability Promotion Office)

Meeting frequency	Roles	Members
Twice a year (special sessions may be convened as needed)	(1) Strategy discussions on material issues regarding sustainability management (2) Report progress of activities by each working group supervised by the committee (once a year) (3) Discussions on other sustainability-related material items, sharing of information on social trends, etc.	President and CEO (chairperson), senior executive vice presidents, representative of the Audit & Supervisory Board, the executive vice president, managers of relevant departments, etc. *Managers from relevant offices are summoned as necessary.

	Main Topic	Outline of the Initiatives
Climate Change Working Group	• Reduce CO_2 emissions • Promote power conservation • Introduce renewable energy	• Implement climate-related environmental measures as DOCOMO's corporate responsibility to realize a sustainable society
Circular Economy Working Group	• Promote the reuse and recycling of mobile phones • Reduce plastic • Promote the reduction and recycling of waste	• Promote the reuse and recycling of mainly communication devices to realize a circular economy • Commit to reducing plastic and waste
Service/Solution Creation Working Group	• Create and offer environmental service/solutions • Create and offer service/solutions that address social issues • B2B, B2B2X, and B2C	• Promote DX and utilize ICT to offer services and solutions that will contribute to addressing social issues while pursuing business growth
Diversity Promotion Working Group	• Promote diversity (female empowerment, LGBTQ, etc.) • Promote workstyle reform • Promote health and productivity management	• Pursue diversity and workstyle reform as DOCOMO • Pursue health and productivity management
Social Contribution Working Group	• Universal design (promote DOCOMO Hearty Style, smartphone classes, etc.) • Preserve ecosystems	• Advance universal design considering the needs of people with disabilities • Carry out ecosystem conservation activities

Issue-Oriented Committees Working in Collaboration with the Sustainability Management Committee

Disaster Countermeasures Committee	Human Rights Committee	Internal Control Committee
Communication Device Action Committee	Compliance Committee	Information Management Committee
Customer Satisfaction Promotion Committee	Crisis Management Committee	Win-d (working group for female empowerment)

(As of March 31, 2023)

Risk Management

Risks and opportunities associated with important matters related to sustainability are discussed by the Sustainability Committee, and then reported to the Board of Directors.

P. 129 Risk Management System

Strategy

The NTT Group established the NTT Group Sustainability Charter in November 2021.

The DOCOMO Group established its Sustainability Policy in July 2022. Under the New DOCOMO Group Medium-term Strategy, announced in October 2021, we are comprehensively promoting initiatives for business management and sustainability issues by redoubling our efforts to realize the Declaration for Carbon Neutrality by 2030 and to advance diversity and workstyle reform.

By following these approaches, DOCOMO will promote its initiatives on sustainability and contribute to the creation of a sustainable society in which no one is left behind.

NTT Group Sustainability Charter

In November 2021, the NTT Group established the NTT Group Sustainability Charter by restructuring its CSR Charter. The new charter will guide Group actions to achieve corporate growth and resolve social issues toward realizing a sustainable society. It lays out three themes, nine challenges, and 30 activities that NTT deems necessary for a sustainable society. The Group works as one in implementing these activities.

NTT Group Sustainability Charter

Sustainability Policy

In order to comprehensively pursue business and sustainable practices to contribute to the creation of a sustainable society, the DOCOMO Group established its Sustainability Policy and specified a collective approach, along with separate strategies for addressing the environment, society, human resources, and fairness.

Sustainability Policy

DOCOMO is committed to fulfilling its social responsibility for changing the world for the better. We will work with all stakeholders to address social issues and provide new value through our business as we contribute to the creation of a sustainable society in which no one is left behind.

Environment

We will reduce the environmental impact of our business activities, realize a decarbonized, resource-recycling society, play our part in preserving biodiversity and ecosystems, and contribute to environmental conservation along with our customers.

Society

We will provide new value and address social issues by conducting research and development and creating services while contributing to the realization of a more prosperous, safe, secure, and resilient society.

Human Resources

We will promote new working styles and advance diversity while actively cultivating and deploying individual abilities and implementing health and productivity management, thereby contributing to maximizing the well-being of all people in society as well as our employees.

Fairness

We will promote fair business activities while raising our own ethical standards, including respect for human rights, and share them with our business partners.

Materiality

There is a strong demand for global action to create a sustainable society as evidenced by the adoption of the Sustainable Development Goals (SDGs) and the Paris Agreement. With due consideration of these international trends and DOCOMO's business environment, we analyzed the environmental, social, and governance (ESG) aspects of our internal and related external environments and identified DOCOMO's material issues based on the processes stipulated in GRI Standards for sustainability reporting. We reviewed the material issues in July 2022 and determined the six areas of materiality.

Six Areas of Materiality

- Environmental Responsibility
- Research, Development, and Innovation
- Customer and Community Engagement
- Building a Safe and Resilient Society
- Diversity and Job Satisfaction
- Fair Business Practices

Identification of Material Issues

1. Confirmation of coverage and selection of issues

We have selected 16 sustainability issues that DOCOMO should address by reviewing external evaluations, guidelines, the NTT Group Sustainability Charter, and other topics related to sustainability.

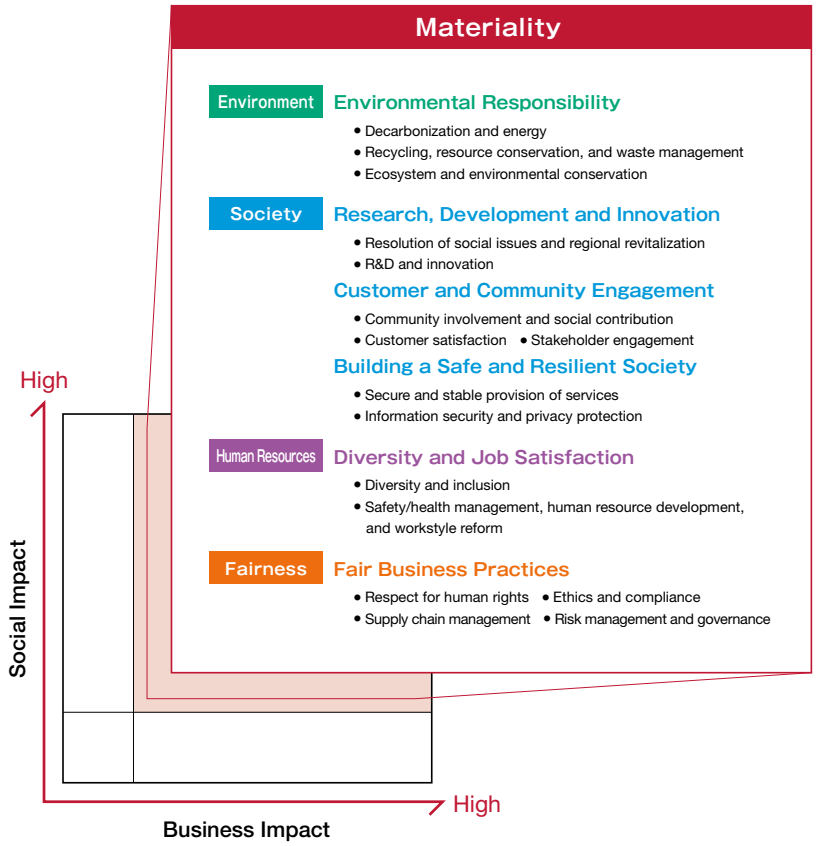
- External indicator: DJSI
- International guidelines: GRI Standards, SASB, ISO26000
- Domestic and overseas initiatives: SDGs

2. Priority assessment

With regard to the sustainability issues selected in 1, we evaluated our priorities based on two perspectives: social impact (external impact, such as to stakeholders) and business impact (impact within DOCOMO), with input from outside experts, in order to identify sustainability issues that are considered to be of high priority to DOCOMO. All of the 16 issues were rated high priority.

3. Materiality assessment and validation of issues

Regarding the 16 sustainability issues rated high priority in 2, we summarized the relevant issues, indicated the direction to be taken, assessed their materiality, and designated them as key issues. In addition, we validated a series of processes.



Materiality and the Sustainable Development Goals (SDGs)

As shown in the following diagram, material issues are linked to the associated SDGs. GSMA, an association of mobile communications carriers and device makers, has been implementing a variety of initiatives for resolving social issues related to the mobile industry and takes actions that recognize the importance of contributing to the promotion of SDGs. DOCOMO is a member of the GSMA and participates in and contributes to the efforts.

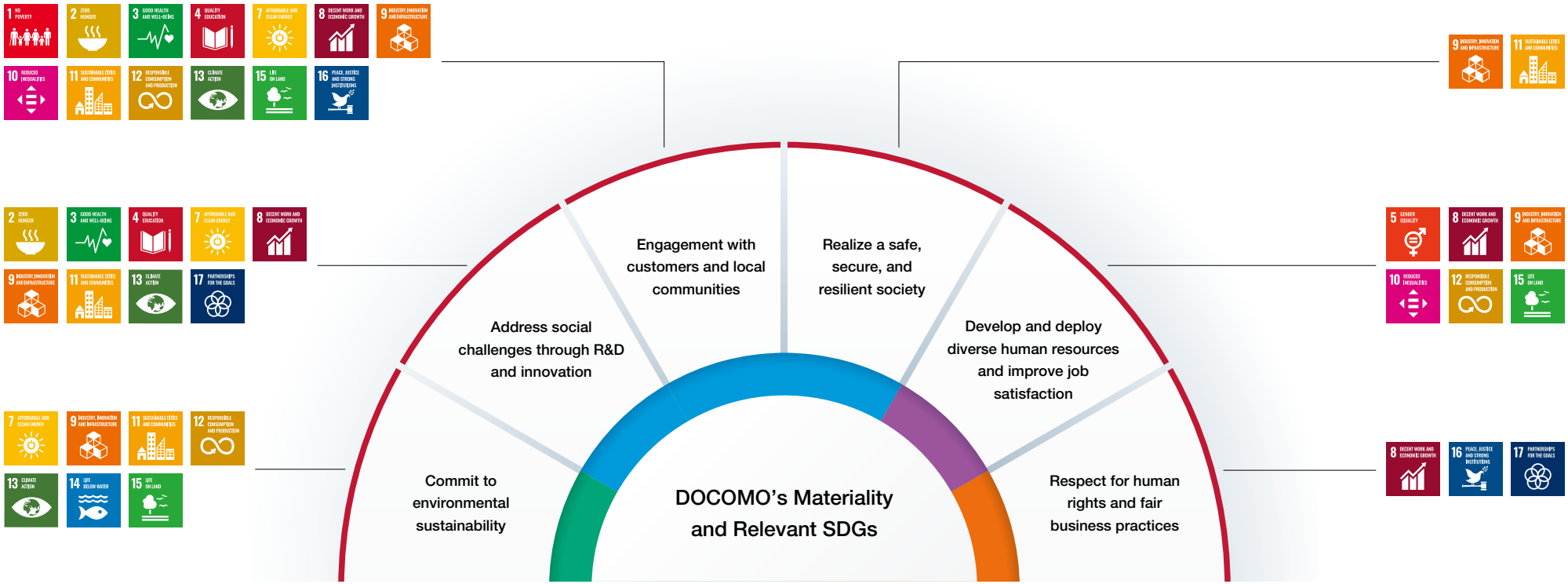
SDGs

GSMA #BetterFuture

Applicable Entities under Materiality

The most significant entities relevant to materiality are DOCOMO, NTT Communications, NTT COMWARE, and DOCOMO's 11 functional subsidiaries*, which are the main companies engaged in the DOCOMO Group's Enterprise Business, Smart Life Business, and Consumer Communications Business segments.

*DOCOMO CS, Inc., DOCOMO CS Hokkaido, Inc., DOCOMO CS Tohoku, Inc., DOCOMO CS Tokai, Inc., DOCOMO CS Hokuriku, Inc., DOCOMO CS Kansai, Inc., DOCOMO CS Chugoku, Inc., DOCOMO CS Shikoku Inc., DOCOMO CS Kyushu, Inc., DOCOMO Support Inc., and DOCOMO Technology, Inc.



Stakeholder Engagement

DOCOMO engages in appropriate business activities and determines ways to minimize negative impacts and maximize positive impacts for its stakeholders. Effectively engaging with each stakeholder, with due consideration for the nature of the relationship and relevant issues, is essential for developing the sustainability of our business. Additionally, as a member of the NTT Group, NTT DOCOMO adheres to the NTT Group guidelines on stakeholder engagement.

Stakeholder	Definition/Standard	Engagement	Major Themes	Activity
Customers (including children and the elderly)	Individual customers who subscribe to our services	docomo Shops, Information Centers, DOCOMO website, questionnaire survey, customer consultation desks, marketing research	Customer satisfaction, a safe and secure communications environment	Provide data security and privacy, products, apps, and services
Corporate customers	Corporate customers who subscribe to our services	Business solutions, special lines such as satellites and maritime telephone lines	Customer satisfaction, a safe and secure communications environment	Data security and privacy, M2M Service
Governments	Regulatory institutions and municipalities that grant approval for telecommunications and other DOCOMO businesses	Consultations and exchanges of opinions	Compliance with applicable regulations	Proposals on various regulations and easing of regulations
Financial institutions	Financial institutions that are connected to our businesses	Collaboration in payment and settlement	Fair transactions	Payment service for users and payment/ settlement operation with suppliers
Partner companies	Companies and public institutions that collaborate with DOCOMO	Consultations and exchanges of opinions	Fair and transparent transactions	Information exchange
Business partners (telecommunications-related manufacturers)	Manufacturers of telecommunications facilities, equipment, communication devices, etc., as well as business partners involved in construction work	Meetings to exchange opinions, meetings to improve operations, and sustainable procurement briefings	Fair and transparent transactions	Sustainable procurement
Business partners (content providers)	Business partners involved in systems and applications related to DOCOMO services	Meetings to exchange opinions and meetings to improve operations	Fair and transparent transactions	Production and improvement of contents
Business partners (sales agents)	docomo Shops and other business partners responsible for sales and contracts	Staff training, visits by the president, route sales activities of branch staff, discussions with sales representatives	Fair and transparent transactions	Information exchange
Telecommunications industry	Industry groups and competitors that consult on related regulations and fair competition	Councils and industry group meetings	Fair competition	Information exchange
Employees	Employees of the DOCOMO Group	Meetings with executives to exchange opinions, Intranet site, counseling, whistleblowing desk and labor management consultations	Securing and maintaining employment, appropriate and transparent evaluation, establishment of a working environment, labor-management consultations	Provide a safe and comfortable workplace
Local communities	Local communities where DOCOMO services are present	Meetings to exchange opinions, grants, brochures, Mobile Phone Safety Classes, collaboration in environmental education programs for children	Collaboration for the safety and sound development of local communities	Communicate with local communities
Nonprofit organizations and non-governmental organizations	NPOs, NGOs and citizens' groups involved in DOCOMO's social and environmental activities	Meetings to exchange opinions, grants and brochures	Collaboration for building a sustainable society	Information exchange
Global environment	The global environment for the survival of mankind	Green Action Plan	Minimize environmental impact	Effective use of energy

NTT Group's Stakeholder Engagement

Initiatives for SDGs and Spreading Sustainability

DOCOMO undertakes various initiatives to disseminate the concept of sustainability to contribute to achieving SDGs through business activities. The initiatives for fiscal 2022 are shown below.

Initiatives for FY2022

Category	Activity
Training	• Held e-learning training for all employees (monthly) • Held online training for newly hired employees
Collaboration with other companies	Collaborative agreements to promote the use of 5G and ICT in achieving the SDGs
Service development	Declared the intended SDGs we seek to achieve when developing new services
Dissemination of information	• Disseminated information on initiatives via a Company newsletter and reports for external readers • Disseminated information on initiatives via the corporate website • Exhibited the information at the Family Day event

DOCOMO × SDGs (in Japanese only)

The NTT Group Sustainability Conference is held once a year to highlight outstanding sustainability initiatives across the NTT Group. For the tenth conference, in fiscal 2022, applications were sought from Group companies in Japan and overseas for outstanding initiatives, and DOCOMO, NTT Communications, NTT COMWARE were among those participants.

In addition, in terms of contributing to the SDGs through our business, we begin development of new services by declaring the intended SDGs we seek to achieve through them.

We published the NTT DOCOMO Group SDGs Action Book to broadly share DOCOMO's SDG efforts with the general public.

NTT DOCOMO Group SDGs Action Book (in Japanese only)

Given the vital role of developing a shared awareness on the importance of sustainability to further enhance our activities, DOCOMO will continue to engage in diverse initiatives for disseminating sustainability to reach all employees and thereby contribute to achieving the SDGs.

Metrics and Targets

Based on the Sustainability Policy, we have determined six material issues and set KPIs. The results of the initiatives are reported and discussed at the Sustainability Promotion Committee meetings attended by board directors, and are used to improve initiatives for the next fiscal year.

Assessment of the FY2022 Initiatives

Materiality	Sustainability Issues	Items	Targets	Target FY	FY2022 Results	Linked to Director Compensation
Commit to environmental sustainability	• Decarbonization and energy • Recycle, save resources, and manage waste • Preserve ecosystems and the environment	Amount of GHG emissions	Carbon neutrality	2030	1.246 million tonnes	●
		Power efficiency of communication services (compared to FY2013)	Tenfold or more	2030	• DOCOMO: 14.2-fold • NTT Communications: 4.3-fold	
		Recycle rate	99% or higher	2030	97.5%	
		EV conversion rate of regular vehicles	50%	2025	26%	
			100%	2030		
		Number of biodiversity preservation projects, related expenditures, and number of participants	Disclose results	Every year	• DOCOMO—docomo Woods forest maintenance activities: 41, other ecosystem conservation activities: 90, communication of related information: 71 • NTT Communications—Activities to contribute to biodiversity conservation using ICT • COMWARE—Activities to contribute to biodiversity conservation through the use of the "Sasu Po" point system	
Address social challenges through R&D and innovation	• Address social challenges and revitalize local communities • R&D and innovation	Verify new value through field demonstrations focusing on DOCOMO technologies	At least 10 projects	Every year	18 projects	
Engagement with customers and local communities	• Participate in community activities and serve society • Customer satisfaction • Stakeholder engagement	Community investment	1% of profit	Every year	0.63% of profit	
		• Number of customer comments received • Number of employee feedback-driven service improvements completed	Disclose results	Every year	• Number of customer comments received: Approx. 3.61 million • Number of employee feedback-driven service improvements completed: 218	
Realize a safe, secure, and resilient society	• Deliver safe and stable services • Ensure information security and privacy	5G population coverage rate	90%	2023	Undisclosed	
		Stable communication service provision rate	99.99% or more	Every year	99.99%	
		Number of major accidents	0	Every year	3	
		Number of telecommunication service interruptions caused by a cyber-attack	0	Every year	0	
		Leakage of critical personal information	0	Every year	9	

Materiality	Sustainability Issues	Items	Targets	Target FY	FY2022 Results	Linked to Director Compensation
Develop and deploy various human resources	• Diversity and inclusion • Safety, health and productivity management, human resources development, and workstyle reform	Ratio of female managers	15%	2025	• DOCOMO: 12.5% • NTT Communications: 9.5%	
		Ratio of newly promoted female managers	30%	Every year	• DOCOMO: 30.5% • NTT Communications: 30.2%	●
		Ratio of female directors	25–30%	2025	• DOCOMO: 17.1% • NTT Communications: 7.1%	
		Ratio of male employees taking leave for childcare purpose	100%	Every year	• DOCOMO: 137% • NTT Communications: 133% • COMWARE: 110%	
		Use of external human resources	30%	2023	37%	
		Number of serious industrial accidents during telecom construction	0	Every year	0	
		Employee engagement rate	Higher than the previous fiscal year (medium-term target: 65%)	Every year	61%	●
		• Total training cost • Per employee training cost	Disclose results	Every year	• Total training cost: 5,021 million yen • Per employee training cost: 118,404 yen	
		Remote work (work from anywhere) implementation rate	70%	Every year	• DOCOMO: 70% • NTT Communications: 78% • COMWARE: 70%	
		Paper use	Reduce to zero in principle	2025	Office forms and invoices: 1,622.2t	
Pursue respect for human rights and fair business practices	• Respect for human rights • Ethics and compliance • Supply chain management • Risk management and governance	Number of confirmed human rights violations	0	Every year	12	
		Percentage of participation in human rights training	100%	Every year	• DOCOMO: 100% • NTT Communications: 96% • COMWARE: 100%	
		Participation (%) in ethical standard training	100%	Every year	• DOCOMO: 100% • NTT Communications: 99.1% • COMWARE: 100%	
		Number of anti-competitive illegal acts and bribery cases	0	Every year	0	
		Direct dialogue carried out with key suppliers (%)	100%	Every year	100%	