



# Fair Business Practices



DOCOMO seeks to enhance corporate value by ensuring quick, transparent, and sound management based on effective corporate governance.

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# Human Rights

We promote awareness of human rights to create workplaces that respect the rights of every employee in terms of freedom from discrimination and harassment due to social status, family origin, race, ethnicity, nationality, religion, disability, gender, sexual minority, pregnancy, and birth, and childcare or nursing care leaves.

## Basic Philosophy

Recognizing that respect for human rights is a key corporate social responsibility, the DOCOMO Group regards the NTT Group Human Rights Policy as the foundation for respecting human rights and practices the ideas expressed in the NTT DOCOMO Group's Basic Policies on Human Rights.

### NTT Group Human Rights Policy

As a corporate group operating business globally, the NTT Group recognizes that respect for human rights is a key corporate social responsibility. We therefore believe that due consideration must be given to human rights and that human rights management must be strengthened for everyone involved in the NTT Group value chain. In 2014, we established the NTT Group Human Rights Charter to confirm those principles. In November 2021, we incorporated the charter as part of the new NTT Group Global Sustainability Charter and established the NTT Group Human Rights Policy to achieve a sustainable society that provides greater security, safety, and prosperity. The NTT Group Human Rights Policy reflects the Universal Declaration of Human Rights and other international conventions and treaties and applies them to all NTT Group employees and officers. We also expect all of our suppliers and business partners to support this policy and to respect human rights.

## NTT Group Human Rights Policy (Outline)

### (1) Addressing to International Norms

The NTT Group discloses its global human rights policies both internally and externally, in addition to meeting the requirements\* of international laws and evaluation organizations.

\*International conventions and treaties adopted from a global perspective including Universal Declaration of Human Rights

### (2) Addressing Critically Important Human Rights Issues

The NTT Group will identify critically important human rights issues and take action on these priority themes through the following:

1. Promotion of Diversity & Inclusion  
(Prohibition of discrimination, respect for freedom and rights, fairness in the workplace, economic disparities, and poverty)
2. Promotion of Technology based on high ethical standards (technology, data bias, privacy, personal data protection, and security)
3. Promotion of Healthy Work in Daily Life (Health Management)  
(diverse work styles, prohibition of forced labor and child labor, workplace safety, freedom of association and the right to organize, living wage, enhanced benefits)
4. Promotion of appropriate expressions, speech, and other presentations with consideration for human rights (Freedom of expression and respect for human rights in advertising and other presentations)

### (3) Scope of Application

This policy applies to all employees and officers of the NTT Group. We also ask our suppliers and business partners to support this policy and strive to respect human rights.

### (4) Due Diligence

Based on the UN Guiding Principles of Business and Human Rights, we will use the human rights due diligence process to identify, prevent, mitigate, and correct human rights issues globally. And we will strive to improve human rights awareness and human rights management throughout the NTT Group.

In addition, due diligence will be conducted among the stakeholders in the entire business value chain, and a direct dialogue will be the basis of our efforts, especially with major suppliers. The status will be disclosed on our website, in our Sustainability Report, and in our Human Rights Report to evaluate and improve the process continuously.

### (5) Accusation and Remedy

The NTT Group has established internal and external contact points for whistle-blowing at each Group company to prevent human rights violations. We promise to protect whistle-blowers from unfair personnel actions (e.g., dismissal, demotion) or other disadvantages resulting from their reporting. In addition, consultations and reports received at the contact points will be reported to the Board of Directors appropriately to ensure transparency. We will take sincere measures to resolve problems.

## NTT DOCOMO Group's Basic Policies on Human Rights

The DOCOMO Group has established its Basic Policies on Human Rights (revised in 2016) to provide a more concrete policy for its initiatives and raise awareness of human rights.

### NTT DOCOMO Group's Basic Policies on Human Rights

Recognizing the importance of human rights, all NTT DOCOMO Group officers and employees are committed to taking the lead in creating a corporate culture that respects the human rights of all stakeholders while adhering to the NTT DOCOMO Group Code of Ethics, NTT Group Human Rights Charter and our CSR Policy with the aim of building a safer, more secure and richer society.

1. We will, through our business activities, strive for a solution on the Dowa issue and other human rights issues.
2. We will respect diversity and strive to create a healthy working environment that is free of harassment issues by deepening communication and fostering a sense of mutual gratitude.
3. We will, from the standpoint of respect to human rights, review our operations as needed and adapt and improve our business activities.
4. We will cooperate with other NTT DOCOMO Group companies in constructing a proper structure to initiate and execute human rights practices, including the establishment of the Human Rights Committee.

### Human Rights Due Diligence

The NTT Group established and has been implementing in stages its human rights due diligence process. In fiscal 2022, we have started strengthening supplier engagement through external evaluations such as Eco Vadis.

**2011** United Nations' Guiding Principles on Business and Human Rights

**2014** NTT Group Human Rights Charter

- Formulation of global policy

**2015** Pre-assessment

- Global information gathering

**2016** Human Rights Management Survey (Group companies in Japan and overseas)

- Grasped the management situation regarding human rights at each Group company

Risk assessment (human rights impact assessments)

**Potential human rights impact assessment**

- Applied numerical scores to risk areas and risk indicators
- Identified human rights indicators for the NTT Group

**2017**

Risk assessment (human rights impact assessments)

**Manifest human rights impact assessment**

- Gained an understanding of human rights issues in India

**2018**

**Human Rights Management Survey (Group companies in Japan and overseas, the second survey)**

- Identified Group human rights issues to prioritize

**2019**

**Human Rights Dialogue (Group companies in Japan and overseas)**

- Nurtured a shared understanding of human rights issues across Group companies

**2020**

**Established the NTT Group Human Rights Policy**

**2021**

**Strengthen Supplier Engagement**

- Strengthen risk assessment through direct dialogue with suppliers

**2022**

### Risk Assessments through Specialized External Institutions

Fiscal Year	Main Initiatives
2017	Conducted a potential human rights impact assessment and identified key human rights issues
2018	Conducted a manifest human rights impact assessment in the Asia region as a test case
2019	Conducted a management survey to reconfirm that the priority issues were closely aligned with impact assessment results
2020	<ul style="list-style-type: none"> <li>· Reviewed the priority issues with the help of external experts to nurture understanding across all NTT Group companies including those overseas</li> <li>· Conducted surveys on requirements for managing human rights as a corporation and the status of competitors to analyze gaps</li> </ul>

Going forward, we will continue to strengthen our management system to enhance due diligence across the NTT Group.

We annually assess our tier-one suppliers in regard to their sustainability risks, including human rights based on the Self-Assessment Questionnaire (SAQ). The SAQ enables us to monitor violations of workers' freedom of association and right to collective bargaining as well as child labor and forced labor. If an area of high risk is identified by the SAQ, DOCOMO dispatches staff to the supplier to confirm the situation on-site and responds with actions that include working together with the supplier on corrective measures. As a result of assessment by the SAQ, no high risk related to human rights was found among any of our suppliers in fiscal 2022.

In addition, for joint ventures (equity method affiliates) not under our control, DOCOMO has created another check sheet as a simplified version of the NTT Group's human rights management check list to identify human rights risks and confirm that corrective measures for such risks are being properly implemented.

## Management System

We established the Human Rights Committee to manage our human rights initiatives. Chaired by the senior executive vice president, it consists of executive vice presidents, branch general managers, the general manager of the General Affairs and Human Resources Management Department, the general manager of the Legal Department, the general manager of the Brand Communication Department, the general manager of the Sustainability Promotion Office, and Audit and Supervisory Committee members. The chairperson presides over the committee and is responsible for formulating and revising basic policies for promoting human rights awareness and taking action.

## Establishment of the Human Rights Committee


The Human Rights Committee is a Company-wide organization that promotes human rights awareness and handles the formulation and management of human rights education as well as training measures and plans. Compliance promotion managers and risk compliance leaders, who are in charge of human rights management in the workplace, are also designated at the unit level for activities rooted in their respective workplaces.

## Freedom of Expression and Protection of Privacy

DOCOMO gives due consideration to protecting the freedom of expression and privacy rights of people communicating via the Internet, social media, and digital communication devices, which are ICT, industry-specific issues that have been gaining recognition by most telecommunications carriers in Europe and the U.S. With reference to the Principles of Freedom of Expression and Privacy established in 2013 by the Global Network Initiative, a global network of telecommunications companies, we have taken the stance to fulfill our own responsibility to respect and protect the freedom of expression

and privacy of our users. This includes protecting the globally recognized rights of our users, even in situations where we need to provide customer information under special circumstances, such as matters of national security requested by the government. In particular, the Children's Rights and Business Principles calls for protecting children's rights in the areas of developing and offering products and services or in marketing or advertising activities. To ensure the safety of children in our products and services, DOCOMO provides the Kid's Keitai (mobile phone) and Filtering Services ( **P. 68** ). We also offer Smartphone and Mobile Phone Safety Classes ( **P. 75** ) as awareness-raising activities to encourage safe use. In addition, our in-house Advisory Specialists for Consumer Affairs review marketing and advertising expressions to avoid expressions that may be harmful to children ( **P. 73** ).

Furthermore, in 2018 we developed the Personal Data Charter, which represents our principles for using personal data to continuously provide new value to customers and society while ensuring optimum privacy protection and published it in 2019. Initiatives associated with information security and privacy protection are included as part of our risk management ( **P. 89** ).

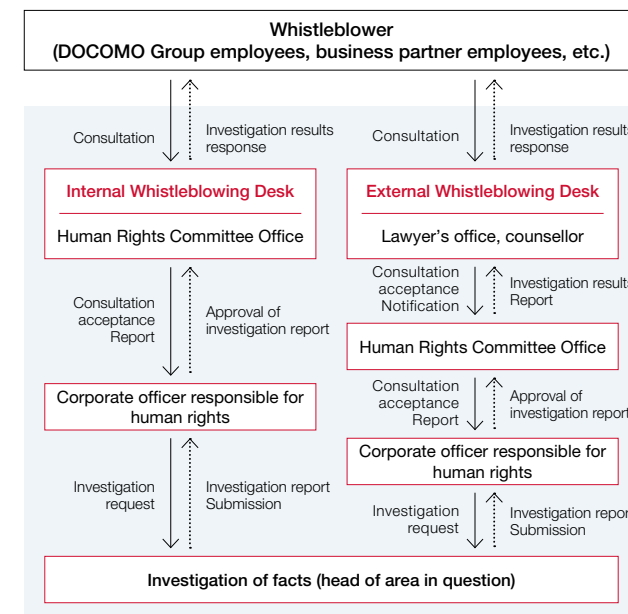
 Principles of Freedom of Expression and Privacy

## Whistleblowing Desk for Human Rights and Harassment

DOCOMO has established internal and external reporting channels for all employees, including temporary employees and employees of suppliers to consult with on problems or concerns related to human rights or harassment. These whistleblowing desks protect the privacy of the employees who consult with them and provide protection for whistleblowers while taking appropriate steps to resolve problems and concerns. For instance, the external channel provides an environment in which employees can have

complete peace of mind, such as by staffing it with counsellors from external specialist organizations to provide support, and it ensures that employees will not receive any disadvantageous treatment engaging in consultation or providing reports. In fiscal 2022, there were 12 reports related to human rights, and none involved serious violations of these rights.

### Whistleblowing Desk System for Human Rights and Harassment



## Human Rights Violations

Human rights violations are rigorously dealt with and subject to disciplinary action. From the standpoint of preventing recurrence, we notify DOCOMO Group employees every quarter of any human rights violations. In the event of any violation, we will help the victim by taking measures that include separation from the violator and prohibition of retaliation.

## Initiatives on Human Rights Practice

### Human Rights Message from Top Management

In conjunction with Human Rights Day (December 10) and Human Rights Week (December 4–10), which commemorate the UN's adoption of the Universal Declaration of Human Rights, the senior executive vice president and chair of the Human Rights Committee sends a message of respect for human rights to all employees every year.

The message is intended to raise awareness of the subject by promoting understanding of the spirit and purpose of the United Nations' Universal Declaration of Human Rights and to ensure that all employees are familiar with human rights issues.

### Human Rights Awareness Training

To further raise human rights awareness, we annually conduct training at each organization for all employees, including temporary workers, using web-based resources, video materials, and discussions. We also hold training suited to each career level (including executives) and training for risk compliance leaders.

The training is designed to cover a broad range of subjects, from the basics, such as why companies should address human rights, to discrimination, sexual harassment, power harassment and language sensitivity. We also implement a post-training survey to monitor improvements in awareness and the effectiveness of training.

### Human Rights Awareness Activities

At the DOCOMO Group, we solicit human rights slogans and poster ideas from employees and give awards to exceptional entries in conjunction with Human Rights Week every year. In fiscal 2022, 19,903 entries for the slogans and 95 entries for the posters were received. In addition, we use an internal Company website to regularly publish an email magazine on human rights as a tool for raising employee awareness.

### Participation in the Industrial Federation for Human Rights, Tokyo

DOCOMO participates in the Industrial Federation for Human Rights, Tokyo, a voluntary organization comprising Tokyo-based corporations. We also take part in activities that lead to social enlightenment and expand human rights networks, such as human rights awareness training for top management, presentations for group study, and seminars for employees in charge of human rights awareness. The federation promotes human rights awareness activities in other regions as well, and it convenes national conferences of the nationwide federation of corporations to battle discrimination against groups that have traditionally been targeted in Japan, where we actively participate and exchange information.

We also place high priority on cooperating with external organizations. We engage in a wide range of initiatives through interaction and collaboration with government agencies, business organizations, and civil rights movements involved in a broad spectrum of human rights issues, and we also participate in training provided by other groups.

## Compliance

### Basic Philosophy

The foundation of our compliance management is to promote strict observance of the Group's Code of Ethics and respect for human rights among all employees, and to continue to meet the ever-increasing demands and expectations of society based on high ethical standards.

We have established the Compliance Management System, centered on the Compliance Committee, and are implementing a range of compliance-related initiatives. For example, we have created a system to support employees seeking consultation or filing reports on the illegal or fraudulent

incidents they have observed, appointed compliance promotion managers in each organization, and implemented training in ethics and legal compliance for all employees.

Moreover, we conduct compliance and human rights awareness surveys for all employees and incorporate the results into various initiatives to further strengthen our ethical standards.

We also send out messages via our intranet and through the president's speeches on strengthening "defensive governance" to achieve thorough compliance and enhance corporate value. When an apparent conflict arises between ethics and the pursuit of profit, we place top priority on corporate ethics while balancing improving customer service and enhancing corporate sustainability.

### NTT DOCOMO Group Code of Ethics

The DOCOMO Group seeks to develop a shared awareness and thorough understanding of the basics of compliance as the foundation of management. To that end, we are developing our ethical standards through ten defining principles, including legal and ethical compliance; securing the transparency of business operations through information disclosure; fair, open, and free competition and trading; and respect for employee human rights. An English language version of this Code of Ethics has also been published for sharing across the Group internationally.

[NTT DOCOMO Group Code of Ethics](#)

### Compliance Management Regulations

The Compliance Management Regulations define the standards for promoting activities for ensuring legal compliance and corporate ethics, which are addressed as part of the Company's corporate social responsibility. The regulations apply to all individuals DOCOMO employs, including officers and outside directors, full-time employees, and temporary staff.



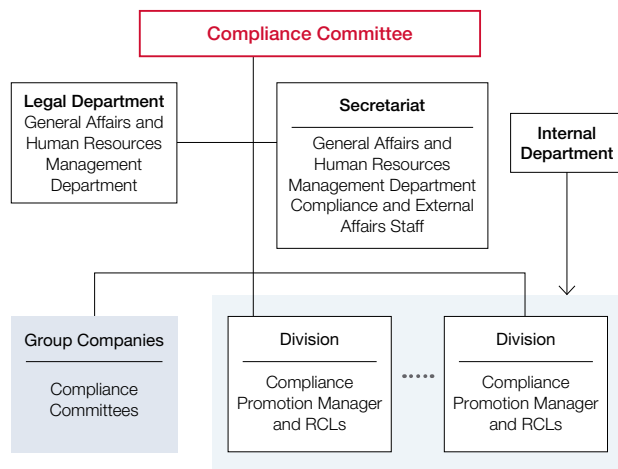
## Compliance Management System

DOCOMO established compliance committees at its head office, each branch office and Group company to ensure that employees know and understand the NTT DOCOMO Group Code of Ethics. Each committee decides on matters related to legal and ethical compliance and identifies issues and areas in need of improvement in terms of compliance management. They also monitor the progress of activities that promote compliance.

The committee at DOCOMO's head office is chaired by the president and CEO, and its members consist of the senior executive vice president, executive vice president, executive general manager of regional offices, general managers of each division, directors who are Audit & Supervisory Committee members, and others appointed by the chairperson as needed.

The committee deliberates on the results of the previous fiscal year's initiatives, details of the current fiscal year's initiatives, and analysis of the status and trend of the previous year's whistleblowing reports. The significant matters are then reported to the Board of Directors.

### Compliance Management System



## Compliance Promotion Managers

Assigned in all divisions to create an implementation plan for legal and ethical compliance for their respective organizations to identify compliance risks, deepen understanding of respect for human rights, and create improvement measures for any aspects deemed inadequate. Monitor the status of compliance within the assigned organization and report the results to the director responsible for corporate ethics (or the president of a regional office).

## Risk Compliance Leaders (RCLs)

Leaders appointed by compliance promotion managers, who promote risk management, compliance, and human rights awareness within their respective organizations. Conduct daily activities to promote compliance as well as human rights practice within their respective organizations and respond quickly and effectively when a compliance risk materializes.

## Compliance Committee Office and Human Rights Committee Office

Promote compliance and human rights awareness across the Group. Collaborate with each RCL to address individual issues and exchange information.

## Consultation and Reporting Mechanism

DOCOMO has established reporting channels, available to business partners and suppliers as well as DOCOMO Group employees and docomo Shop staff, for the prevention and early detection of compliance issues or risks related to human rights. Whistleblowing desks for compliance and human rights have been set up, including a channel at an external legal firm, to safeguard the anonymity of those seeking consultation. We maintain an environment that encourages employees to file reports by accepting them by email, letter, or fax in addition to stipulating rules to protect the privacy (anonymity)

of individuals seeking consultation and ensure that they are not treated unfairly for coming forward. The email addresses of the whistleblowing desks are published on our corporate website, and we actively disseminate information through email magazines and the distribution of posters.

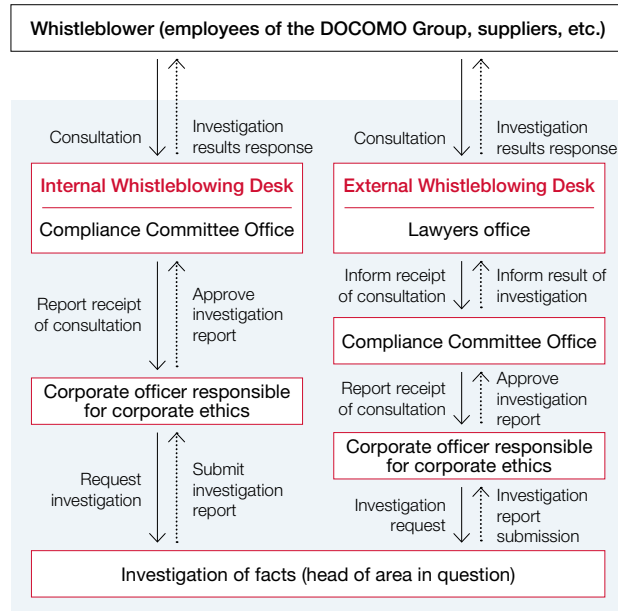
Cases that are the subject of consultations of reports are investigated as needed by the Compliance Committee Office and the Human Rights Committee Office in coordination with relevant compliance promotion managers (heads of organizations) and RCLs. Confirmed violations or misconduct are reported to the director responsible for corporate ethics and other members of management, as well as members of the Audit & Supervisory Committee. Necessary steps are then taken and measures put into place to prevent any future recurrence. Incidents are analyzed and trends are reported to employees across Japan at regular internal meetings and used as topics in compliance training.

A total of 39 cases were brought to consultation and reported in fiscal 2022. All confirmed compliance violations are subject to disciplinary action in accordance with Company regulations.

### Number of Consultations on Compliance over the Past Four Years

	FY2019	FY2020	FY2021	FY2022
Consultations on compliance	103	53	47	39
Compliance violations	47	24	17	27
Unauthorized use of expenses, etc.	3	2	2	2
Harassment	22	11	7	12
Other compliance violations	22	11	8	13
No violations	56	29	30	12

Compliance Whistleblowing Desk System



Status of Initiatives on Compliance

Ongoing Compliance Training

Training is conducted every year to raise awareness of compliance among corporate officers and employees (including temporary staff).

Web-based training is open to all Group employees, including those at branch offices and Group companies (19 out of all consolidated subsidiaries). After the training, employees participate in follow-up discussions to share their thoughts on compliance and human rights in an ongoing effort to raise overall awareness of compliance. We also have training for RCLs, who are tasked with promoting compliance activities in their respective departments, to establish a common awareness of the roles expected of leaders and

share information. Furthermore, we hold a compliance seminar exclusively for members of upper management.

In fiscal 2022, we continued to conduct anti-harassment training for newly appointed managers to guide them away from behaviors that could potentially lead to power harassment, and mitigate workplace harassment risks.

Dissemination of Compliance Violations and Educational Activities

We regularly issue the Human Rights Mini-Knowledge Series on the Company website, and conduct education and other activities based on the NTT DOCOMO Group Code of Ethics Handbook to enhance employee awareness of compliance and human rights.

Once a quarter, we summarize the status of compliance and human rights awareness-raising efforts across the Group into a Compliance Report, and report the number and details of actual compliance violations at regular meetings to request that each organization to take actions to prevent the occurrence and recurrence of such incidents. We also share information with all Group employees to raise awareness of compliance and human rights.

In addition, twice a year, directors remind all Group employees to review and comply with laws, regulations, rules, morals, and manners in both work and their private lives. This includes strictly avoiding any conduct that may lead to mistrust when interacting with external parties, by reviewing and complying with the regulations of their counterparts and never engaging in any inappropriate conduct involving alcohol.

Initiatives for Preventing Bribery

The DOCOMO Group, which operates business in Japan and overseas, is subject to the anti-bribery and anti-corruption laws of a number of countries, including Japan's own Unfair Competition Prevention Act, which prohibits activities such as providing unjust gains to foreign public officials, and the Foreign Corrupt Practices Act in the U.S.

To ensure thorough legal compliance, DOCOMO established the Guidelines on the Prevention of Bribery of Foreign Public Officials in October 2010, based on the NTT DOCOMO Group Code of Ethics, which seeks to unequivocally prevent illegal behavior. Since then, the guidelines have been revised as needed when the Bribery Act was implemented in the U.K., and when regulations were tightened in other countries.

In fiscal 2014, the NTT Group created the Anti-Bribery Handbook as a tool for raising employee awareness. It contains basic knowledge and examples of bribery and facilitation payments. It also covers broader themes than the Guidelines on the Prevention of Bribery of Foreign Public Officials. In fiscal 2015, the DOCOMO Group also distributed the Japanese and English language versions of this handbook to its Group companies in Japan and overseas to raise awareness. We intend to further strengthen our anti-bribery efforts among Group companies by encouraging them to construct compliance systems based on the Code of Ethics, guidelines, and the handbook while taking into account the each company's business and the legislation of the country in which they are located, and by holding training and organizing study groups to educate employees.

NTT Group Anti-Bribery Handbook

## Guidelines on the Prevention of Bribery of Foreign Public Officials (Established October 2010) Foreign Public Officials

### Introduction: Prohibition Against Acts of Bribery of Foreign Public Officials

#### 1. Foreign Public Officials to Whom the Guidelines Apply

- (1) Officials of central and local governments of foreign countries
- (2) Staff engaged in administrative work at institutions related to a foreign government
- (3) Staff engaged in administrative work at public corporations of foreign countries
- (4) Staff with official responsibilities at international organizations
- (5) Persons working under consignment from foreign governments and other entities
- (6) Political parties of foreign countries and their staff members, or candidates for public office
- (7) Agents or family members of persons defined under 1. to 6., or persons with equivalent status

#### 2. Prohibited Acts and Criteria for Judgment

- (1) Prohibited acts
- (2) Timing
- (3) Substance, monetary amount, and other aspects
- (4) Frequency
- (5) Transparency
- (6) Compliance with local laws

#### 3. Examples

- (1) Dinners and parties
- (2) Gifts
- (3) Golf excursions
- (4) Trips
- (5) Others

#### 4. Selection of Consultants, Consignees and Other Persons Entrusted with Contacting and Negotiating with Foreign Public Officials

#### 5. Individual Cases of Entertaining and Presenting Gifts

#### 6. FAQ

Reports on bribery in Japan and overseas are submitted by divisions with management responsibilities in each operating company. As for our overseas joint ventures, a reporting line has been established between DOCOMO's head office and the holding company of the joint venture to manage and share information concerning bribery.

In fiscal 2022, no legislative measures have been taken against us on bribery or facilitation payments and no charges were indicted.

Furthermore, prior to the season for sending summer gifts (ochugen) and winter gifts (oseibo), all Group employees are reminded to maintain ethical standards and to ensure legal and regulatory compliance when sending such gifts, and never to make any inappropriate payments to government officials or other public employees. They also must be especially careful not to violate laws such as the National Public Service Ethics Code, Unfair Competition Prevention Act, and Foreign Corrupt Practices Act when making payments to government officials.

With respect to political contributions, we make it absolutely clear that they must be given through legitimate channels in accordance with the Group Code of Ethics and Guidelines for Sustainability in Supply Chain, and in compliance with the Political Funds Control Law in Japan. In fiscal 2022, DOCOMO made political contributions totaling ten million yen in Japan.

Number of Legislative Measures and Exposures to Bribery and Facilitation Payments (Japan and Overseas)

	FY2019	FY2020	FY2021	FY2022
Number of legislative measures/exposures	0	0	0	0

DOCOMO's Political Contributions (million yen)

	FY2019	FY2020	FY2021	FY2022
Political Contributions (telecommunications administration)	12	12	10	10

### Initiatives on Fair Competition

In addition to the Antimonopoly Act, which constitutes the common rules of competition, DOCOMO is governed by articles of the Telecommunications Business Law, intended to promote fair competition in accordance with the special nature of the telecommunications business. To encourage new

entries and develop a fair and unrestricted competitive environment, the Fair Trade Commission and Ministry of Internal Affairs and Communication formulated the Guidelines for Promotion of Competition in the Telecommunications Business Field, which reflects their declared policies on the manner in which the Antimonopoly Act and Telecommunications Business Law are respectively applied.

Since the revised Telecommunications Business Law and related ministerial ordinances came into effect in October 2019, we are now required to promote fair competition in the mobile phone market through a complete separation of communication charges from terminal prices and the correction of excessive lock-in practices.

### Regulations Governing the Telecommunications Business

To ensure compliance with these laws and regulations, we continue to conduct annual web-based training and other learning opportunities for fair competition. We have also summarized practical considerations on fair competition into a manual that is made available for employees via the corporate intranet.

Moreover, when internally considering launching a new service, we seek to rigorously comply with laws and regulations by having the Corporate Strategy and Planning Department confirm that we are not in violation of the Telecommunications Business Law.

In August 2016, the Fair Trade Commission presented its views on issues concerning competitive policy in the mobile phone market, prompting the industry to review practices that may be problematic under the Antimonopoly Act. In June 2021, it published another report, which pointed out the following new competition policy issues: promoting competition through the entry of new MNOs; ensuring a competitive environment for MVNOs; issues related to sales agents (evaluation system, pricing of mobile phone devices, handling of original products). Furthermore, in response to emerging concerns over the extreme discount sales of mobile phone handsets (smartphones), the Fair Trade Commission



published a report in February 2023 on an “emergency fact-finding investigation on the low-priced sales of mobile phone handsets.” This report points out that selling mobile phone handsets (smartphones) at a price that would result in a loss may raise concerns under the Antimonopoly Law, setting too high a target for MNP acquisition for sales agents that may drive them to unjustifiably low price sales, and also setting sales targets without adequate consultation with sales agents, which could constitute an abuse of a supervisory position.

In October 2020, the Ministry of Internal Affairs and Communications announced the Action Plan for Creating a Fair Competitive Environment for the Mobile Market, in which it clarifies the way forward for the ministry to make the country’s mobile market fairer and more competitive. For instance, under the plan, the ministry will call on telecom carriers to redesign service plans so they are more closely aligned with the amendatory Telecommunications Business Act, adopt embedded SIM (eSIM) cards\* and remove SIM locks from all cellular phones, in addition to fulfilling its own responsibility for formulating and implementing rules on mobile number portability (MNP).

Keeping in line with these new developments, the DOCOMO Group will steadfastly comply with laws, regulations, and guidelines and will strive to provide pricing and services based on user needs.

\*A SIM card embedded in a mobile device whose profile can be activated online for accessing mobile network.

### — Avoiding Conflicts of Interest

Conflicts of interest are regulated by law in many countries from the standpoint of ensuring fairness. DOCOMO has established internal rules for avoiding such conflicts in accordance with Japan’s Companies Act and other relevant regulations.

For example, when a member of senior management seeks to engage in a business transaction that could result in a conflict of interest, the rules require prior approval by the Board of Directors if the member is a director or by the director responsible for corporate ethics if the member is not a

director. The director in question is not permitted to take part in decisions made by the Board of Directors.

By operating under this mechanism, we seek to ensure the fairness of business transactions and avoid conflicts of interest.

### — Refusing All Connections to Anti-Social Groups

DOCOMO long ago established its policy of refusing all connections to anti-social groups and has consistently upheld that policy over the years.

The Organized Crime Exclusion Ordinances was enforced throughout Japan (in all 47 prefectures) by October 2011. Following its full enforcement, we revised our policy on refusing all connections to anti-social groups and took steps such as adding exclusionary provisions to outsourcing and all other standard business agreement forms to reinforce our stance against such organizations.

### — Intellectual Property Training for Employees

Intellectual property has become increasingly important in recent years, and we are working on improving our competitiveness both in Japan and overseas by protecting and promoting our own businesses while respecting the rights of other companies. To help employees gain a deeper understanding of the significance and purpose of intellectual property, we provide ongoing training programs on intellectual property every year. Moreover, we have developed an intellectual property handbook, which is available on the corporate intranet and is a useful tool for enhancing awareness. It covers themes relevant to actual operations and guides employees in handling intellectual property through a Q&A format.

## Supply Chain

We value our relationship with other businesses that are important partners in our operations, and we strive to maintain

fair transactions and undertake sustainable procurement in view of our responsibilities to society.

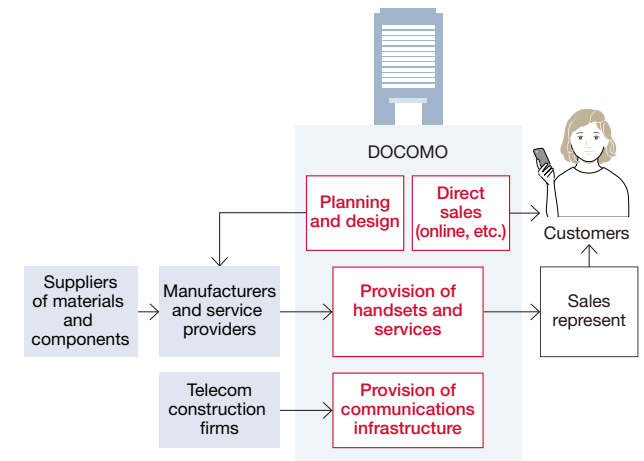
### Basic Philosophy

Effectively responding to global concerns associated with human rights, ethics, the environment, disasters and pandemics, and security has become a key issue due to the increasing globalization and complexity of supply chains. Consequently, DOCOMO conducts sustainable procurement activities based on its Basic Procurement Policies.

### DOCOMO’s Supply Chain

Relationships with other businesses are important for our ongoing operations.

DOCOMO’s business model is supported by business partners, including suppliers and construction firms related to telecommunications facilities and equipment, communication device manufacturers, and sales representatives such as docomo Shops. We effectively manage our supply chain throughout our business, including suppliers.





## NTT DOCOMO's Basic Procurement Policies

The NTT Group has established the NTT Group Global Sustainability Charter and promotes initiatives to realize a sustainable society by pursuing both corporate growth and solutions to social issues.

With the increasing globalization and complexity of today's supply chains, responding appropriately to global issues, such as human rights, ethics, the environment, disasters and pandemics, and security, has become a key challenge for us.

Consequently, the NTT Group is committed to deepening mutual understanding and building relationships of trust with all suppliers in the supply chain, and it will continue to work with them to build and maintain safe and secure supply chains under high ethical standards, including the protection of human rights and the global environment. This is how we will independently and proactively contribute to the realization of a sustainable society. Accordingly, DOCOMO conducts procurement based on the following Basic Procurement Policies.

### NTT DOCOMO's Basic Procurement Policies

1. NTT DOCOMO will strive to provide competitive opportunities with fairness to both domestic and foreign suppliers, and to build mutual trust and understanding.
2. NTT DOCOMO will conduct economically rational procurement of competitive goods and services that meet its business needs, deciding on suppliers based on quality, price, delivery times, and stable supply in a comprehensive manner
3. NTT DOCOMO will contribute to realizing a sustainable society by doing procurement with an emphasis on human rights, the environment, safety, and other issues to contribute to the realization of a sustainable society.

## Promotion of Sustainability Procurement

The NTT Group published the NTT Group Guidelines for Sustainability in Supply Chain and the NTT Group Green Procurement Standards to promote efforts to realize a sustainable society. In addition, under our procurement policies, DOCOMO restructured our existing NTT DOCOMO Guidelines for CSR in Supply Chain as the NTT DOCOMO Guidelines for Sustainability in Supply Chain in April 2022 to define the attitude and responsibilities we expect from our supply chain. By requesting suppliers to adhere to these guidelines, we hope to realize a sustainable supply chain and ultimately a sustainable society.

Our guidelines set forth requirements for suppliers (code of conduct) and items that require compliance in the seven sustainability-related areas: human rights and labor, health and safety, the environment, fair trade and ethics, quality and safety, information security, and business continuity planning. These apply to all suppliers with whom we deal directly. We also require our direct suppliers to communicate the content of these guidelines to their upstream supply chain members and promote their compliance with the guidelines through contracts.

In April 2022, we also established the NTT DOCOMO Green Procurement Standards, which require suppliers to commit to reducing environmental impact, particularly in the development and operation of an environmental management system, reduction of greenhouse gas emissions, promotion of resource recycling, and preservation of biodiversity.

- ✔ NTT Group Guidelines for Sustainability in Supply Chain
- ✔ NTT Group Green Procurement Standards
- ✔ NTT DOCOMO Guidelines for Sustainability in Supply Chain
- ✔ NTT DOCOMO Green Procurement Standards

## Implementation of the Guidelines and Monitoring System

Within the wide-ranging suppliers in our supply chain, DOCOMO defines those network facilities or mobile phone companies that supply a sizable quantity of products as tier-one suppliers who are particularly important for sustainable supply chain management. We request these suppliers to submit a self-assessment questionnaire (SAQ) via the EcoVadis\* platform to confirm the status of their compliance with the guidelines. In fiscal 2022, we received responses from 14 companies subject to the SAQ. The checklist covers a wide range of non-financial items, including the four areas related to sustainability: the environment, labor and human rights, ethics, and sustainable procurement.

As part of our initiatives to reduce environmental impact, we also request suppliers to complete the Environmental Activity Survey Sheet, the Response to the Identification of Chemical Substances Contained in Products, and the Substances Subject to RoHS, Non-use Certificate.

In line with the establishment of the NTT DOCOMO Guidelines for Sustainability in Supply Chain in April 2022, we have been conducting audits of our suppliers and requiring them to disclose necessary information to verify the status of their compliance with the guidelines. Any supplier deemed insufficient under the guidelines' requirements will be asked to make improvements and, depending on the status of their efforts, will be subject to further action, including a review of the business relationship.

DOCOMO's basic stance on sustainable supply chain management is to work together with its suppliers. Under the leadership of the senior executive vice president responsible for procurement, we work with our suppliers by setting and monitoring the progress of key performance indicators (KPIs). In addition, we periodically provide training for our procurement staff to ensure that these initiatives are implemented.

\*EcoVadis is an organization that evaluates a company's sustainability performance across its supply chains to facilitate improvement. To date, it has assessed more than 100,000 companies in 175 countries.



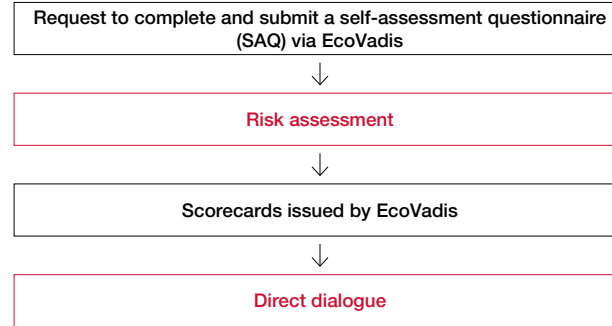
### Supply Chain Risk Assessment

Risk assessment of our suppliers is performed in two steps. Previously, we had distributed self-assessment questionnaires (SAQs) to our suppliers and required their response. In fiscal 2022, we switched our method to use the EcoVadis platform to distribute SAQs to our suppliers and receive their responses. If any high risk factors are found on the scorecard issued by EcoVadis, we conduct a direct dialogue to review the situation and take the necessary steps such as jointly preparing a corrective action plan. In fiscal 2022, no suppliers were found to have high sustainability risks as the result of the risk assessment.

With regard to the tier-two suppliers, as we believe it is also important to understand the risks associated with them, we regularly monitor the sustainability risks of manufacturers that supply sizable quantities and are responsible for a high proportion of general-purpose products used in network construction and customer systems, as well as manufacturers responsible for a high proportion of parts of the main communication control section, and companies supplying major components in mobile phones.

▶ Number of high-risk suppliers in relation to sustainability in fiscal 2021 **0**

#### Supplier Risk Assessment Process



### Participation in External Organizations

DOCOMO participated in the activities of the Global Compact Network Japan as a partner company in fiscal 2017 and 2018. We took part in the Supply Chain Subcommittee in both years to discuss and exchange opinions on resolving supply chain issues with other participating companies

### Conflict Minerals

Some of the minerals produced in the Democratic Republic of the Congo and other conflict areas are believed to be funding armed groups involved in crimes against humanity, thereby contributing to conflicts or abusing human rights. The U.S. government requires companies publicly listed in the U.S.\*1 to make disclosures regarding their usage of conflict minerals\*2 produced in the Democratic Republic of the Congo or neighboring countries.

In order to meet its procurement-related social responsibilities, the DOCOMO Group works with its suppliers to ensure supply chain transparency and promote initiatives to eliminate the use of conflict minerals that would fund the activities of armed groups.

In fiscal 2022, as in the previous year, we responded to requests from suppliers and business partners and surveyed tier-one suppliers regarding the country of origin for minerals

contained in their products. We used the Conflict Minerals Reporting Template and obtained a response rate of 100%, both on supplier basis and on product basis.

\*1 NTT DOCOMO, INC. delisted itself from the New York Stock Exchange in April 2018.  
\*2 Under the Dodd-Frank Act, conflict minerals include tantalum, zinc, gold, tungsten, and other minerals specified by the U.S. Secretary of State.

✔ NTT DOCOMO Group's Approach to Conflict Minerals

### Enhancing Procurement Skills

When negotiating with suppliers to procure goods, we are required to achieve continuous, stable procurement through equal, fair, and transparent transactions. Therefore, we annually conduct training for all employees on internal procurement regulations and procurement processes to improve internal procurement skills.

### Communication with Suppliers

DOCOMO endeavors to establish better partnerships with suppliers by mutually exchanging requests and suggestions. During direct dialogues with suppliers to verify their answers to the distributed self-assessment questionnaires (SAQs) or during on-site visits for selecting new suppliers, we conduct assessments based on factory survey sheets and also check the status of their BCP. Although the annual Business Partner Kickoff gathering was called off in 2021 and 2022 due to the COVID-19 pandemic, procurement briefings and briefings on the NTT DOCOMO Guidelines for Sustainability in Supply Chain and NTT DOCOMO Green Procurement Standards, established in April 2021, were held online through a web conferencing system. In these briefings, we explain the business environment surrounding DOCOMO and exchange views with the other participants to ensure the continuing stable supply of competitive high-quality products.



## Relationship with Telecom Construction Firms

DOCOMO offers its services through telecommunications facilities built by telecom construction firms. We thus have appropriate contracts with those that we work with as partners to ensure we have established a telecommunications environment that meets the needs of our customers.

Specifically, as a framework for preventing personal injuries and maintaining the required quality of telecommunications, we sign contracts in accordance with the Construction Business Act for all construction processes undertaken by the telecom construction firms, including design and construction work, and we establish our own standards and assign construction supervisors. Since telecom construction often involves working in high locations, we conduct rigorous assessments with a strong focus on safety, visit construction sites to check safety, and remotely monitor safety by installing more IP cameras. Furthermore, we present certificates of gratitude to telecom construction firms that have operated without accidents throughout the year.

DOCOMO maintains good relationships with partner companies by creating periodic opportunities for mutual communication, including policy briefing sessions, kickoff meetings, and presentations for improvement activities. We also seek Value Engineering Proposals on a quarterly basis and ask telecom construction firms to submit new technical proposals. Excellent proposals are presented with an award from the president. In fiscal 2022, 77 of the 113 proposals presented were adopted.

## Fair and Appropriate Agency Agreements

DOCOMO provides products and services to customers through docomo Shops and other sales representatives such as large-scale retailers.

As of the end of March 2023, there were 2,160 docomo Shops nationwide and about 3,000 other shops, including

large-scale retailers dealing with products and services of multiple carriers, and dealerships for our DOCOMO products. DOCOMO signs appropriate contracts, which include articles related to sustainability, with its partner dealerships so that we can provide services through them that meet the needs of our customers.

## Support for docomo Shop Staff

### Diversified Customer Services

In fiscal 2022, we worked to reduce in-store operations by completing orders over the phone and by accepting customer service online using a video conferencing system. In fiscal 2023, after COVID-19 was downgraded to a Class 5 disease, the volume of customer activities increased, and in response, we now accept customers without reservations at docomo Shops to meet a wider range of needs. We will promote and improve existing initiatives and continue to work on reducing in-store operations.

### Creating a Favorable Workplace and Providing Incentives

docomo Shop staff represent the frontline of our relationship with customers. While they are employed by the respective sales representatives, DOCOMO also provides the necessary education and training as well as incentives.

For our major sales networks, staff from the specialized divisions at the headquarters and branch offices regularly conduct inspections to exchange ideas and provide guidance on establishing a sound working environment.

We offer financial incentives for major sales networks such as docomo Shops. As for non-financial incentives, we offer awards for long-term employment to secure the stable employment of sales staff as a means of maintaining their motivation.

## Incentives for Major Sales Networks

Support	Incentive
Support for operational systems	Ensure the stable operation of sales representatives
Support for the acquisition of skill qualifications	Promote the acquisition of skill qualifications by sales staff
Incentive for sales activities	Raise the quality of sales activities
Incentive for after-sales support	Improve the quality of response to malfunctions
LTV incentive	Promote thoughtful and thorough explanations to customers to encourage the continued use of DOCOMO services

### Continuous Training and Qualification System

Keeping in line with the changes in the market environment of the telecommunications industry, we seek to make docomo Shops the total life support bases that make our customers' lives more convenient, fun and affluent. To achieve this, we revamped the skills qualification system in April 2019 for docomo Shop staff with the intention of improving the level of customer response, in addition to developing their product and service-related skills.

The basic philosophy of our staff training program is to acquire skills to deliver new value to customers that supports comfortable lifestyles. Under this principle, we will not only review our program to accommodate new products and services but constantly upgrade the content to reflect customer and staff requests for improvements connected to on-site service skills.

Qualifications and Skills of Shop Staff

Qualification	Skill
Front Specialist	Responsible for on-site operations
Grand Meister	Assesses customer needs and presents optimal proposals
Meister	Presents optimal proposals
Pre-Meister	Offers a friendly first response
Technical Advisor	Has an abundance of technical knowledge and is capable of promptly analyzing and responding to a wide range of queries, including those related to malfunctions

Under the leadership of these qualified staff, we will strive to make docomo Shops total life support bases by offering new value to customers and winning their trust and admiration. Over 94% of our staff are qualified in this way, with about 13% holding top-level qualifications.

By attending trainings and obtaining qualifications, our staff gain opportunities to realize personal growth. DOCOMO also pays allowances linked to each qualification so that staff can both develop their skills and increase their salaries and thus remain highly motivated.

**Customer Service Contest for docomo Shop Staff**

The docomo Shop Staff Customer Service Contest Meister of the Year National Competition, annually gathers docomo Shop staff from across Japan. The contest offers an opportunity for staff to demonstrate the customer service skills required in their daily operations, such as recommending products and services that best fit the needs of each customer and presenting an accurate knowledge of mobile phones and services. It was held 11 times up until fiscal 2019 and then

suspended since fiscal 2020 due to the COVID-19 pandemic. Future events are under consideration.



docomo Shop Staff Customer Service Contest—Meister of the Year 2019 National Competition

**Universal Design at docomo Shops (DOCOMO Hearty Style “Enhance Customer Support”)**

Following the concept of DOCOMO Hearty Style ( P. 69 ), we are creating barrier-free docomo Shops. Specifically, we are removing stairs at shop entrances, securing clear floor space to accommodate wheelchairs, installing wheelchair-accessible counters and restrooms, designating dedicated parking spaces for people with disabilities, and working on other improvements. As of the end of March 2023, over 90% of all docomo Shops in Japan were equipped with barrier-free entrances and ample indoor space, with over 80% offering barrier-free restrooms and dedicated parking spaces for people with disabilities.

- ▶ Barrier-free entrances 2,096 shops
- ▶ Clear floor space for wheelchairs 2,087 shops
- ▶ Dedicated parking spaces for people with disabilities 1,782 shops
- ▶ Wheelchair-accessible restrooms 1,937 shops

For people with impaired hearing, we installed sign-language support videophones at 621 docomo Shops (as of the end of March 2023) to facilitate communication between shop staff and customers by remote video interpreting. Many shops also have communication boards.

We also allow customers to experience the Raku-Raku PHONE series at our shops. In addition to making shops barrier-free and providing tools, we are working to ensure that personnel thoroughly understand the associated concepts. For example, all new docomo Shop staff attend the New Shop Staff Training, with about 3,500 employees nationwide participating during fiscal 2022.

**Reinforcing Disaster Preparedness at docomo Shops**

Following the Hokkaido Eastern Iburi Earthquake in September 2018, which caused power outages across Hokkaido, DOCOMO opened its office building and docomo Shops to public in the disaster-stricken area to offer free mobile phone charging services.

We had installed solar power generation systems as a disaster preparedness measure in 323 docomo Shops as of the end of March 2023 to strengthen our ability to provide free charging services during power outages. (DOCOMO'S disaster countermeasures: P. 84 ).



Free charging station





## Directors

Directors Who Are Not Audit and Supervisory Committee Members (as of June 30, 2023)

Name	Title/Position
Motoyuki Ii	President and Chief Executive Officer, Representative Member of the Board of Directors
Hozumi Tamura	Senior Executive Vice President, Representative Member of the Board of Directors
Hiroki Kuriyama	Senior Executive Vice President, Representative Member of the Board of Directors
Yoshiaki Maeda	Senior Executive Vice President, Representative Member of the Board of Directors
Masaaki Shintaku	Outside Member of the Board of Directors
Shin Kikuchi	Outside Member of the Board of Directors
Akemi Ishiwata	Outside Member of the Board of Directors
Toru Maruoka	Member of the Board of Directors
Masato Kuroiwa	Member of the Board of Directors
Natsuko Fujishiro	Member of the Board of Directors

Directors Who Are Audit and Supervisory Committee Members (as of June 30, 2023)

Name	Title/Position
Kikuko Shirakawa	Member of the Board of Directors (Full-time Audit & Supervisory Committee Member)
Kenjiro Saito	Member of the Board of Directors (Full-time Audit & Supervisory Committee Member)
Hironobu Sagae	Outside Member of the Board of Directors (Full-time Audit & Supervisory Committee Member)
Yoshitaka Ikeda	Outside Member of the Board of Directors (Full-time Audit & Supervisory Committee Member)
Michiko Chiba	Outside Member of the Board of Directors (Audit & Supervisory Committee Member)

## Business Execution and Audit System

The Board of Directors consists of 15 members, including 6 independent outside directors. Directors who are not members of the Audit and Supervisory Committee serve a single, one-year term. The board members meet monthly and as necessary to make decisions on key business matters.

Members also receive status reports as needed from directors with executive authority and executive officers to supervise management. The Management Committee was established to make decisions on key issues related to business execution and consists of the president and CEO, senior executive vice presidents, and executive vice presidents. The Management Committee meets in principle once a week and as necessary to facilitate flexible, rapid decision-making by the president and chief executive officer. In addition, we established the Internal Control Committee, which meets as needed and is chaired by the president, thus ensuring that the chief executive officer directly takes the initiative in supervising internal control.

The Audit and Supervisory Committee consists of five directors who serve one term of two years, and the committee also selects four full-time Audit and Supervisory Committee members. The Audit and Supervisory Committee Office is set up as a dedicated organization to assist with the execution of the committee's duties, with full-time employees assigned to implement the committee's instructions and orders.

The Audit and Supervisory Committee makes decisions on audit policies, plans, methods, and other important issues related to the audit of the Company. Following these decisions, members attend key meetings such as the Board of Directors, receive reports from directors, examine important documents, and conduct on-site examinations of the head office and major business offices and subsidiaries, thereby auditing the execution of duties by directors. Through these activities, they monitor and verify the maintenance and operational status of the Company's internal control system.

The Audit and Supervisory Committee reports on the results of internal audits by regularly meeting with the Internal Audit Department in principle once a month. They also promote mutual understanding and information-sharing with the auditors of subsidiaries. In addition, they maintain close contact with the Internal Audit Department and Independent Registered Public Accountants by regularly sharing information on audit plans and results to ensure the effectiveness of audits.

## Evaluation of the Effectiveness of the Board of Directors

With the goal of sustainably enhancing corporate value, the Company analyzes and evaluates the effectiveness of the Board of Directors to make continuous improvement, by identifying key issues or points to address related to the responsibilities, operation, composition, and other aspects of the Board of Directors.

### Results and Future Operating Policy

We confirmed that the duties, operation, and composition of DOCOMO's Board of Directors are appropriate and that the board is functioning effectively.

To increase corporate value, the Board of Directors will continue to regularly verify the progress of implementing the medium-term management strategies, the allocation of management resources, and our responses to changes in the business environment.

## Appointment and Dismissal of Directors and Developing Successors

With regard to the appointment and dismissal of directors, we provide details to the parent company and independent outside directors prior to the Board of Directors' meeting to gather appropriate advice. Nominees are then presented to the board meeting for approval, followed by deliberation at the shareholders meeting.

The Audit and Supervisor Committee verifies that candidates for directors who are not members of the Audit and Supervisory Committee are selected in accordance with the appropriate process, and it properly exercises its right to express its opinion on appointments, compensation, and other matters.

Future managerial candidates are given opportunities to deepen their knowledge of and experience in DOCOMO management by participating in the Board of Directors' meetings or Management Committee meetings and engaging in decision-making of material management matters through their

responsibilities as directors with executive authority or executive officer. They also develop the skills required for Company management through various training programs for officers.

## Board Diversity

A key DOCOMO management objective is to promote diversity in the workforce by establishing a working environment that allows individuals from diverse backgrounds and values to effectively demonstrate their abilities. Therefore, our Board of Directors consists of members that take into account the overall balance of expertise and diversity including gender and internationality. As of June 30, 2023, the membership of the Board of Directors includes four women.

Members of the Board of Directors are appointed while taking into account the balance and diversity in terms of their areas of expertise, and they are chosen from candidates with broad perspectives and experiences that contribute to the development of the DOCOMO Group with excellent management capabilities and leadership skills as well as sound business sense and enthusiasm.

With respect to members of the Audit and Supervisory Committee who are directors, individuals are appointed who can be expected to perform proper audits based on their professional expertise and knowledge of finance and accounting as well as paying due consideration to the same management capabilities.

## Corporate Advisor and Senior Advisor System

DOCOMO has a Corporate Advisor and Senior Advisor System in place, recognizing that it is advantageous to corporate management to have individuals with a wealth of experience and insights to take on external activities under DOCOMO's name, as this contributes to strengthening DOCOMO's presence in the market.

Matters to be entrusted to corporate advisors and consultants are defined in Article 19 of the Company's

Articles of Incorporation. Corporate advisors take on the role of answering questions from the president regarding overall management, and senior advisors answer questions regarding certain business operations. In addition, they mainly undertake external activities requested by the president and do not wield influence over the current management team beyond what is expected from them, nor do they engage in managerial judgements.

## Addressing Sustainability

DOCOMO incorporates sustainability into its management approach while also considering management strategies and the demands and changes posed by society. It strives to continuously strengthen its sustainability and contribute to the creation of a sustainable society in accordance with its policy of conducting business operations aligned with ESG initiatives.

Key risks such as those impacting sustainability are comprehensively managed by the Internal Control Committee and reported to the Board of Directors' meetings. Social and environmental risks are dealt with by the Sustainability Management Committee to ensure the implementation of plan, do, check, act (PDCA) cycles for sustainability efforts. In addition, organization heads participate in regular national conferences to report and discuss implementation of sustainability activities and challenges.

The Sustainability Management Committee is chaired by the president and CEO and composed of senior executive vice presidents, members of the Audit and Supervisory Committee who are directors, executive vice presidents, and the heads of relevant departments. Significant matters discussed by the Sustainability Management Committee are reported to the Board of Directors and/or Management Committee.

As for suggestions and requests from stakeholders, information is identified and gathered by the department responsible for each type of stakeholder, and dialogues are set up as needed.

# Risk Management

## Basic Philosophy

DOCOMO strives to strengthen risk management under the basic policy of identifying and responding to business risks as quickly as possible. We define risks as situations that may adversely affect our credibility or corporate image or lead to a reduction of revenues and/or increase of costs, such as natural and human-caused disasters, including natural calamities and power shortages, inadequate handling of confidential business information, including personal information, changes in the market environment surrounding the telecommunications industry, and intensifying competition from other businesses. We are making our best efforts to prevent and mitigate such risks.

## Risk Management Mechanism

In accordance with our Risk Management Principles, business risks are regularly identified, and the Internal Control Committee, headed by the president and CEO, designates risks that require Company-wide management. Management policies for the identified risks are formulated and appropriate efforts are made to prevent such risks from materializing and to prepare to quickly respond should they occur.

The Internal Audit Department conducts an audit to monitor the status of our response to risk and follow-up investigations as necessary. Environmental and social aspects, including compliance with laws and regulations, have been incorporated into our operational regulations and are also subject to an internal audit for monitoring. Furthermore, we implement sound risk management for aspects related to information management and compliance by establishing internal regulations and encouraging collaboration between relevant committees.

### Functions of the Internal Control Committee

The Board of Directors has established the Basic Policy on Fortifying Internal Control Systems. Under the policy, the Internal Control Committee takes the initiative in developing systems to ensure thorough legal compliance and effective, efficient business activities. The committee also identifies risks that require Company-wide management and formulates management policies for those risks. Based on these policies, appropriate efforts are made to prevent such risks from materializing and to prepare to quickly respond should they occur. In addition, the Company's Internal Audit Department supports the committee by liaising with the internal audit teams in each Group company to audit the effectiveness of the internal control system, minimize risks, and increase corporate value for the entire DOCOMO Group.

The committee reviews the risk management process to ensure it is functioning properly and confirms the status of the ongoing PDCA cycle. It also reviews specific risks as necessary. We consistently manage risk under this comprehensive management system.

### Risk Identification Process

DOCOMO annually reviews potential risks and methods for managing them to keep abreast of changes in the social environment. The first step in identifying risks is considering both internal and external circumstances in order to incorporate social change into an assessment of the current status and thereby extract new potential risks. After evaluation and analysis based on the level of impact and frequency of occurrence, we determine company-wide risks through a materiality assessment.

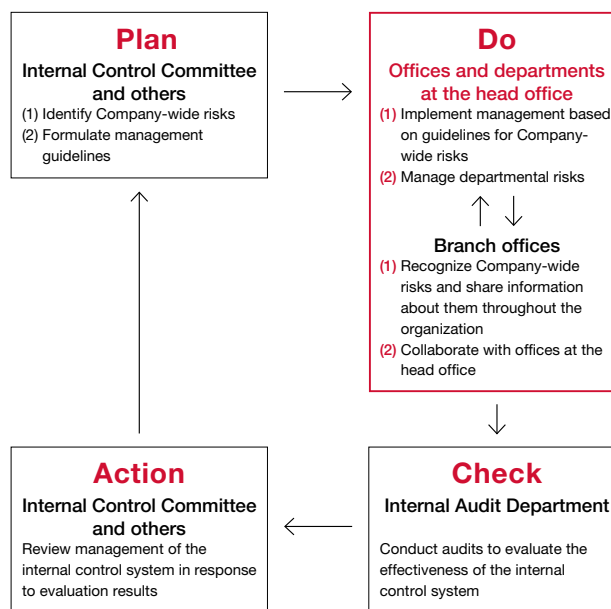
### Fostering and Expanding a Risk Management Culture

In accordance with our Risk Management Principles, risks are identified and designated by the Internal Control Committee headed by the president. The Board of Directors makes the final decision on management by paying due consideration to these risks.

Each year, we update our business risks to reflect social trends, which allows us to deal with emerging risks as a preventive measure. While these risks are appropriately addressed through Company-wide efforts, risks related to individual operations are appropriately handled by each division.

Measures taken to prevent or mitigate identified risks are regularly monitored by the Internal Audit Department to ensure that those controls have been properly implemented across the Company in accordance with management policies for those risks.

#### Risk Management Cycle



### Risks Relating to Subsidiaries

Risks relating to subsidiaries are handled in accordance with risk management principles. Risks inherent to the DOCOMO Group are managed accordingly, and subsidiaries conduct risk management based on their respective size and business.

## Response to the Business Continuity Plan (BCP)

Our key responsibility as a communications network operator is to secure communications networks when a disaster strikes. In order to ensure the continuity of operations or, in the event that services are lost during a disaster, to quickly restore operations to working order, DOCOMO has protocols for each department as outlined in its Disaster Preparedness Manual for maintaining operations.

The manual is updated as needed to incorporate past experiences, including lessons learned from the Great East Japan Earthquake, and thereby strengthen our preparedness for ensuring business continuity.

### Ensuring Employee Safety and Securing Communications in Times of Disaster

DOCOMO has been taking a number of steps to secure telecommunications services in the event of a major disaster. In addition to developing disaster-resistant communications networks (deploying large- and medium-zone base stations and implementing other measures), we conduct annual general disaster drills as well as drills designed to meet specialized regional needs. Furthermore, as a designated public institution under the Basic Act on Disaster Control Measures, we participate in joint disaster prevention drills with the national government, local governments, and the Self Defense Forces. We are enhancing the safety and reliability of our networks through these activities ( [P. 84](#) ).

In addition, we regularly conduct drills using DOCOMO's own employee safety confirmation system and earthquake response drill application to provide protection for our employees and their families and to construct systems for promptly confirming safety and restoring communications networks.