NTT DOCOMO GROUP SUSTAINABILITY REPORT

2019

The new of today, the norm of tomorrow

NTT docomo

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the norm of tomorrow

NTT docomo

Corporate Philosophy

DOCOMO enhances personal communication with
its customers through the creation of a new world of
communication culture while achieving customer satisfaction
by maximizing the capabilities of its human resources.

Brand Statement

DOCOMO has embarked on a new challenge:
connecting the separate elements of daily life
to achieve levels of convenience and enjoyment never seen before.
We call it "smart innovation."
Security and peace of mind, health, education,
and all the other pleasures that go to make up life—
we are proposing optimum connections for each individual,
taking the provision of information and enjoyment of life a giant step forward.
To make this a reality, we are supporting innovation across a wide range of businesses.
And beyond this, we are also actively developing novel solutions
to the challenges facing society.
This culture of challenge and innovation is deeply rooted at DOCOMO.
For us, however, it's not simply about creating products and
services that are new; it's about creating things that, before you know it,
become essential or even taken for granted in daily life.
We firmly believe the lifestyles that "smart innovation"
makes possible will become the standard, so deeply ingrained they are hardly noticed.
We envisage a time when the new becomes everybody's taken-for-granted standard,
and we are working towards that day with everything at our command.

Overview

DOCOMO is pursuing a broad range of activities to enhance its corporate value over the long term and realize a society in which people can live with security, safety, comfort and affluence.

Main Business Areas

Telecommunications Business

Mobile phone (LTE(Xi) and FOMA) services, optical-fiber broadband services, satellite communications services, international services and equipment sales related to these services

Smart Life Business and Other Businesses Segment

Smart Life Business
Distribution services for video, music and electronic books, etc., finance/payment services, online shopping service and other life-related services, etc.

Other Businesses
Mobile device protection service, commissioned development/sales and maintenance of systems, etc.

Number of Information Security Incidents
(FY2018 result)

0 cases

We achieved zero accidents by taking exhaustive measures against threats to information security.

Smartphone and Mobile Phone Safety Classes
(FY2018 result)

Approx. **1.39 million attendees**

We helped prevent problems related to smartphone and mobile use by children.

Contribution to the Reduction of CO_2 Emissions
(FY2018 result)

38.4 million tons

We contributed to reducing society's CO_2 emissions through our services to realize a low carbon future.

Large-Zone Base Station Coverage of Prefectural Capital Cities
(FY2018 result)

100 %

We set up at roughly two locations in each prefecture to secure communications during widespread disasters and power outages.

Stable Service Provision Rate
(FY2018 result)

100 %

We secured stable communication networks through measures such as establishing multiple routes for transmission lines and doubling transmission paths

Operating Revenues (Sales)

4,840.8 billion yen

Mobile Phone Subscriptions

78.45 million

(year ended March 2019)

Used Mobile Phone Collection
(cumulative total for FY2017–FY2018)

10.56 million units

We actively collected used mobile phones at nationwide docomo Shops to effectively use resources.

d POINT CLUB members
(FY2021 target)

Target **78 million**

We will expand our membership base to create revenue opportunities centered on our customer base.

Locations where Payment/Point Service Can Be Used
(FY2021 target)

Target **2 million**

Enterprise solution revenues
(FY2021 target)

Target **120 billion yen**

We will attain this target by creating solutions and pursuing initiatives to resolve social issues.

Amount of Cumulative investment for 5G infrastructure build-out etc.
(cumulative total for FY2019–FY2023)

Pre-commercial launch is scheduled for September 2019, and commercial service is scheduled to begin in spring 2020.

Target **1 trillion yen**

Number of Enterprise Partners
(FY2021 target)

Target **5,000 companies**

We will create new value by combining the assets of corporate partners and DOCOMO.

Transactions handled by the Finance/Payment Business
(FY2021 target)

Target **6 trillion yen**

Wait Time + Attendance Time
(Within FY2019)

Target **Roughly half the current level**

Overview

DOCOMO's CSR is directed at seeking a better tomorrow by creating new value through every facet of our business activities (Innovative docomo) and carrying out our corporate activities with the utmost integrity (Responsible docomo). This report provides a categorized overview of the initiatives we pursue to help resolve social issues based on these two resolutions.
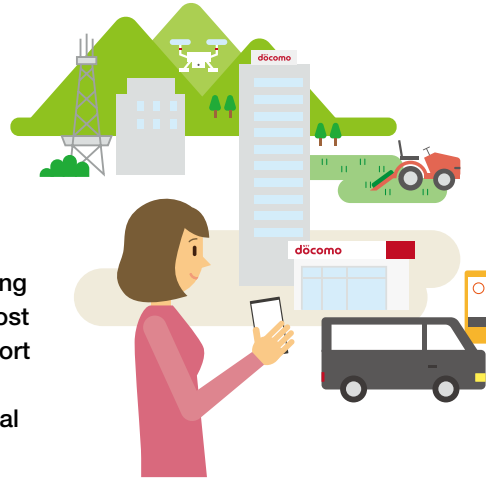
NTT DOCOMO Group CSR Policy

Society & DOCOMO — Engagement — For A Brighter Future

Our view of the future is a society in which people can live with greater security, safety, comfort and affluence across national and regional borders and across generations.
With a deep sense of mission, DOCOMO is working diligently toward a better tomorrow in increasingly innovative ways.

Innovative docomo

We will create new value through every facet of our business activities.

Target
Addressing social issues across six value-creation domains

Action
Providing services that employ DOCOMO's ICT and co-creation with partners

Education & Learning · Health & Medical Care · Mobility · Productivity Improvement · Workstyle Reform · Climate Change

+d Co-creation of social value

Responsible docomo

We will carry out our corporate activities with the utmost integrity.

Labor Practices · Fair Operating Practices · Community Involvement · Organizational Governance · Consumer Issues · Human Rights · The Environment

Target
Establishing a corporate culture that customers trust

Action
Promoting business activities across seven core subjects

Network Reliability

Fulfilling our social responsibility

Innovative + Responsible = Sustainable

Innovation
Addressing Social Issues through DOCOMO Innovation
Guided by our R&D vision, "Keep creating new futures in pursuit of all 'connections,'" we engage in R&D for providing 5th generation (5G) mobile communication and developing communication networks, devices, and services based on AI and IoT. In addition, DOCOMO actively seeks to strengthen collaboration with external corporate partners.

Environment
Contributing to Environmental Conservation and Reducing Environmental Impact for All of Society
Under the environmental goals of our Green Action Plan 2030, we seek to help society adapt to climate change by developing and delivering ICT services that reduce CO_2 emissions for society as a whole. DOCOMO also strives for energy efficiency in its communications network including the use of renewable energy, waste reduction, and conservation of ecosystems, to fulfill its responsibilities.

Network Reliability
Fulfilling Our Mission as a Lifeline Provider
We ensure safe and stable connectivity for our customers anytime, anywhere, by monitoring the network around the clock, all year round and by expanding coverage to remote, less populated areas. We also take action to secure connections during a disaster, including setting up large- and medium-zone base stations and deploying mobile base station vehicles.

Overview

Customer Services
Providing Services that Satisfy All Our Customers
DOCOMO exercises particular care in providing its products and services, with stringent quality management and proper disclosure of information from design to after-sales service. We also make improvements based on customer feedback. We are committed to enhancing customer satisfaction by providing products and services that can be used by anyone, regardless of age, nationality, or disability.

Human Resources and Labor Practices
Nurturing a Corporate Culture that Allows People to Fully Demonstrate Their Own Abilities
Recognizing that individual growth promotes "Declaration beyond," DOCOMO is nurturing a corporate culture in which all employees can fully demonstrate their aptitude. Furthermore, we are pursuing Workstyle Reform based on the three pillars of diversity management, workstyle choices and health, and productivity management to instill a sense of independence and spirit of challenge among our employees.

Human Rights
Respecting the Human Rights of Every Individual
DOCOMO seeks to create workplaces that respect human rights by establishing its Basic Policies on Human Rights and raising human rights awareness. We set up a whistleblowing desk, conduct human rights awareness training, and regularly monitor our entire supply chain to ensure full compliance with the prohibition of child labor and forced labor.

Supply Chain
Due Consideration for CSR in Managing the Supply Chain
DOCOMO is aware of the importance of its relationship with other businesses in its ongoing operations, such as communication device manufacturers and the docomo Shops. We implement effective supply chain management throughout our business by establishing the NTT DOCOMO Guidelines for CSR in the Supply Chain and undertaking CSR procurement commensurate with our responsibilities to society.

Community Investment
Striving to Bring Comfort and Fulfillment to the Local Community
DOCOMO operates businesses with local roots and engages with the local community in the public and private domains as a good corporate citizen. We collaborate with a variety of stakeholders to pursue diverse initiatives for addressing issues faced by each community such as by providing support for areas affected by disasters and nurturing the next generation.

Corporate Governance
Establishing a Management Structure to Maximize Corporate Value
DOCOMO enhances its corporate value by ensuring speedy, transparent, and sound management through effective corporate governance. We also actively strengthen risk management that underpins these activities, practice stringent compliance as the foundation of management, ensure information security, and protect privacy.

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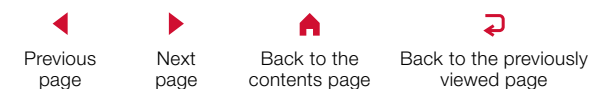
Top-level Commitment

DOCOMO partners with its stakeholders to address social issues by promoting 5G technology.

Kazuhiro Yoshizawa
President and Chief Executive Officer

CSR is Synonymous with Our Business Activities

In 2015, the Sustainable Development Goals (SDGs) were adopted at a UN summit and the Paris Agreement was adopted at COP21[1], sparking a growing global trend of confronting social and environmental issues and seeking solutions.

In Japan too this trend is gaining further momentum from this year's G20 Osaka Summit and the upcoming Tokyo 2020 Olympic and Paralympic Games, requiring companies to direct greater efforts toward their contributions to the sustainable development of society through their business operations.

In this context, I have strengthened my conviction that CSR is indeed synonymous with our business activities. DOCOMO's business is guided by two major aspirations: to continuously provide stable and reliable telecommunication services for our customers, which is our mission as a telecommunication service provider, and to continuously deliver new value for our customers and society as a whole. CSR is therefore at the crux of all our business activities.

DOCOMO is carrying out its Medium-Term Strategy 2020 "Declaration beyond," which envisions the future beyond 2020. We intend to provide new value for society that exceeds expectations by promoting "+d," in which we seek to augment the strengths of a broad range of partners by adding DOCOMO's assets into the mix. We will deliver value and excitement in the form of benefits and convenience, enjoyment and surprise as well as satisfaction and peace of mind to individual customers while co-creating solutions for social issues with our partners.

In October 2018, we announced our concrete strategies and quantitative targets based on "Declaration beyond," our

Top-level Commitment

medium-term management strategy. This signals a shift toward re-centering our business operations on membership as well as rolling out 5G and creating new businesses.

DOCOMO pursues ESG management guided by its basic CSR policy, which consists of two key aspirations. One is "Innovative docomo," through which we seek to resolve social issues by providing new value, and the other is "Responsible docomo," with which we aim to create a trustworthy company that fulfills its social responsibilities.

"Innovative docomo"—Contributing to Addressing Social Issues by Delivering New Value

▶ Pre-Commercial Launch of 5G and Co-Creation with Partners

We launched a pre-commercial 5G service in September 2019 in anticipation of the full-scale introduction of 5G services, set to begin in early spring of next year. During Rugby World Cup 2019 in Japan and at stadiums, we showcased new styles of viewing, reporting, and broadcasting sports that leverage the strengths of 5G. This initiative included multi-angle viewing that allows the audience to watch a match from multiple angles simultaneously, and also high-presence live viewing, whereby multiple data streams such as high-definition video and audio are transmitted at high speeds with little delay.

The "DOCOMO 5G Open Partner Program," intended to create new services for the 5G era, has more than 2,900 partners from diverse sectors as of August 2019. We expanded the "DOCOMO 5G Open Lab," a permanent testing

environment for 5G technology, to four locations in Japan and abroad. We also constructed the "DOCOMO Open Innovation Cloud" to enable the verification of services connected to a cloud infrastructure. These are examples of how we are directing greater resources into co-creating 5G services with our partners.

Furthermore, we have launched the IoT×5G×SDGs Partner Co-Creation Project to accelerate the pace of co-creating solutions in the area of IoT. We are working with our partners to address social issues in the three areas of rising medical costs and burden of nursing care, the labor shortage and handing down of technology in the manufacturing industry, and ensuring safety and security amid an increase in nuclear families and dual-income households.

▶ Offering New Value by Utilizing AI and Other Technologies

In the area of voice and image recognition, we are actively co-creating AI-based solutions for social issues by making the docomo AI agent API available to our partners.

In April 2019, we began operating an AI-operated bus service. The system offers on-demand transportation in areas that are under-populated, under-served by public transport, or experiencing a rapidly aging population. It calculates the optimal ride-sharing circuit from real-time user requests to determine vehicle allocation and operation. In tourist spots, the service overcomes transportation challenges for visitors arriving by rail or cruise ship as well as event participants.

In addition, we began providing the Mieru Denwa service in March 2019, which caters to hearing impaired customers by converting the words spoken by a caller into text and displaying the results on a smartphone. The service was conceived and developed by an employee with a hearing impairment who had

experienced the difficulty of handling phone calls.

"Responsible docomo"—Fulfilling Our Social Mission

▶ Providing Safety, Security and Comfort in Daily Life

DOCOMO is responsible for sustaining the social infrastructure of mobile networks, and we believe our mission is to continuously provide stable and reliable telecommunication services.

Even in times of emergency, we strive to provide telecommunication services that connect people by swiftly engaging in recovery work and responding in other necessary ways. To prepare against the increasing frequency of heavy rains and typhoons, we are securing uninterruptible power supplies to key base stations. In the event of a disaster, we work to swiftly recover telecommunications by dispatching mobile base station vehicles and power generation vehicles to affected areas, loaning satellite mobile phones to local governments, and setting up alternative routes for transmission. During the Hokkaido Eastern Iburi Earthquake of 2018, we activated a large-area base station for the first time in part of Kushiro City to help restore communications over a wide area.

We support those in affected areas by providing a battery charging service at no cost and actively setting up Wi-Fi hotspots to maintain communications at emergency shelters, and we also opened a charity site for donating money and d POINTs.

DOCOMO is now implementing additional measures

Top-level Commitment

against disasters. These are worth 20 billion yen and include the installation of batteries and solar power generators at docomo Shops to prepare for wide-area, long-term power outages, increases in the number of emergency base stations, and multiple alternative transmission routes.

People of all ages are using mobile phones and smartphones, giving rise to a variety of issues, especially among young and elderly users. DOCOMO seeks to ensure safety, security, and comfort for customers through measures such as conducting smartphone and mobile phone safety classes by age group, from children to adults, and we will continue such efforts to reflect developments in society.

‣ Strengthening Governance to Enhance Corporate Value

I am aware that for DOCOMO to maximize its corporate value while meeting stakeholder expectations, the company must strengthen its systems in line with each principle of the Corporate Governance Code to ensure the effective functioning of its corporate governance. Accordingly, we have formulated the NTT DOCOMO Basic Policy on Corporate Governance towards achieving sustainable growth for the Group and enhancing corporate value over the medium to long term. Last year, we responded to revisions in the Corporate Governance Code, and we will work to strengthen our governance consistently.

Thorough compliance is the foundation for executing sound business. We conduct employee awareness surveys twice a year to ascertain the current status and issues and prevent problems from arising. I have repeatedly conveyed to all employees that if we had to choose between corporate profit and corporate ethics, we would choose corporate ethics.

Meanwhile, as a company that possesses information from over 78 million customers, DOCOMO places the highest priority on information security. We pay the utmost care when handling customer information in the course of our operations, including at the docomo Shops, and implement security measures.

Furthermore, in August 2019 we released the NTT DOCOMO Personal Data Charter to achieve optimal privacy protection for the purpose of reassuring our customers using DOCOMO services. We realize that how we utilize data is unique to DOCOMO, which values harmony with society.

‣ Response to Climate Change

We recognize global environmental issues, as represented by climate change, as a key management concern. As a countermeasure to global warming, DOCOMO strives to reduce the CO_2 emissions of all society. In addition, we have established expert subcommittees on issues such as conserving and reducing electricity consumption and the effective use of resources. In these subcommittees we have also set targets and implemented action plans. Starting this fiscal year, we began disclosing information on climate change in line with recommendations by the TCFD[2], which is increasingly being required both in and outside of Japan.

To expand the use of renewable energy, we promote initiatives such as establishing "green" base stations that incorporate solar panels and large-capacity batteries into existing base stations and building solar power generation systems in unused areas on the grounds of our wireless stations.

Since climate change is a global issue, DOCOMO will pursue activities in step with the GSMA[3], of which it is a member.

DOCOMO has been promoting the reuse and recycling of mobile phones as an ongoing effort to realize a sustainable society. As part of its activities as a Gold Partner of the Tokyo 2020 Olympic and Paralympic Games in the telecommunications service's category, DOCOMO applied its experience in the "Tokyo 2020 Medal Project: Towards an Innovative Future for All," sponsored by the Tokyo Organising Committee. We collected used mobile phones at nationwide docomo Shops and secured the amount of metal required to produce the medals. We are grateful to everyone who participated in the project.

To sustain these corporate activities, DOCOMO is aggressively driving workstyle reform based on the three pillars of diversity management, workstyle choices, and health and productivity management. At the same time, we are helping to raise productivity for society as a whole by providing solutions for other companies, including tools they can use to promote their own initiatives.

Conclusion

Through initiatives that equate CSR with business activities, DOCOMO will fully consider and resolve the issues of each individual person and society at large to deliver new value for society continuously while also striving to improve customer service and achieve sustainable social development.

*1 21st Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change

*2 Financial Stability Board's Task Force on Climate-related Financial Disclosures

*3 The GSM Association is a global industry group representing mobile network operators and related manufacturers.

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DOCOMO's Vision

Looking to the year 2020 and beyond, the DOCOMO Group will strive to create a richer future by acting on the six declarations it upholds in its "Declaration beyond" Medium-Term Strategy to 2020, with the aim of achieving new value and excitement for customers and new value co-creation with partners through 5G. And through the transformation of our business structure, we will both improve customer service and achieve the sustainable growth of society.

DOCOMO's Corporate Philosophy and Corporate Vision

Corporate Philosophy

DOCOMO enhances personal communication with its customers through the creation of a new world of communication culture while achieving customer satisfaction by maximizing the capabilities of its human resources.

We create a new communication culture.

We satisfy our customers.

We fully utilize individual potential.

Concept Tree
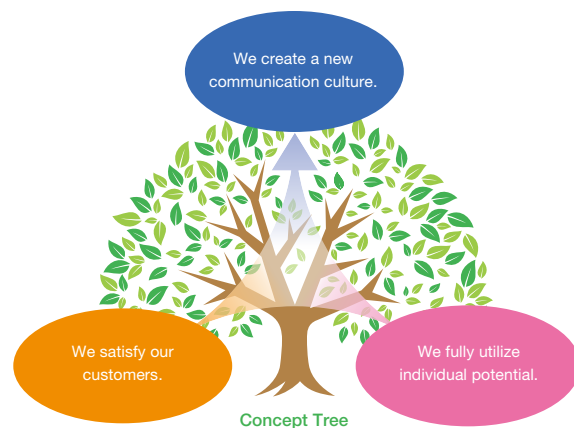
Creating New communications Culture

DOCOMO is working to deliver and strengthen these benefits by improving service quality, aggressively moving forward with the development of new services, and researching and developing more user-friendly communications interfaces. In addition, services and technologies are being provided in a diversifying range of business fields and platforms.

Satisfying Customers

DOCOMO strives to fulfill the expectations of its customers through industry leadership in service quality, advanced networks, functionality and service area coverage. In addition, diversifying customer needs are being satisfied with an increasingly broad range of upgraded services at competitive rates.

Utilizing Human Resources

DOCOMO empowers individuals to achieve their utmost capabilities and thereby discover new potential. The Company motivates employees not only by providing a dynamic workplace, but also by offering enlightened labor conditions and enhanced health and welfare benefits.

Corporate Vision "HEART: Pursuing Smart Innovation"

In 2010, DOCOMO established its corporate vision for 2020, called "HEART: Pursuing Smart Innovation" and has been broadly expressing DOCOMO's future direction to both inside and outside the Company.

Going forward, DOCOMO will strive to realize this corporate vision by expanding the possibilities of communication and seeking fun and surprise together with our customers, and by actively engaging in efforts to provide solutions to various social issues. Also, we intend to continue contributing to bring about a society where people lead prosperous lives by pursuing smart evolution in our daily lives and society at large.

|HEART: Pursuing Smart Innovation

"Pursuing Smart Innovation"

HEART

Harmonize	Social contribution beyond borders, across generations	
Evolve	Evolution of service and network	
Advance	Advance industries through convergence of services	
Relate	Creating joy through connections	
Trust	Support for safe, secure, and comfortable living	

Challenging the Mobile Frontier

MAGIC

Mobile Multimedia
Anytime, Anywhere, Anyone
Global Mobility Support
Integrated Wireless Solution
Customized Personal Service

◤ HEART

Harmonize: Social contributions beyond borders and across generations

DOCOMO is strengthening and adding value to industries and daily lives through further evolution of mobile technologies. The aim is to help realize a modern society in which people interact more closely and experience the richness of life.

Evolve: Evolution of services and networks

Leveraging its vast mobile-centered technologies and knowhow, DOCOMO is helping to create ever-faster and higher-capacity broadband networks, easy-to-use services and truly seamless devices and connections.

Advance: Industrial advancement through convergence

Diverse devices are being interconnected for ever-increasing convenience. By converging devices, networks, services and companies, DOCOMO facilities smart innovation and the advancement of industries and mobile infrastructure.

Relate: Relationships created through connections

DOCOMO enables users to connect with people, machines and information—free of time and space limits—in order to create and enjoy new value anywhere, anytime.

Trust: Customer trust based on safety, security and comfort

DOCOMO provides timely assistance and support for greater safety, security and comfort not only in daily life, but also special fields such as the environment, healthcare and education.

Smart Innovation

DOCOMO will strive to bring about continuous innovation to realize a society in which everyone can live in safety, security and prosperity beyond borders and across generations.

DOCOMO's Strategy

"Declaration beyond" Medium-Term Strategy to 2020

Looking ahead to the year 2020 and beyond, we will aim to amaze and inspire our customers and create new values hand-in-hand with our partners by exceeding customers' expectations. The word "beyond" reflects our will to transform ourselves to realize a richer future with 5G.

For our customers, we will offer enhanced benefits and convenience as well as value and inspiration, such as enjoyment, surprise, satisfaction and peace of mind. For our partner, we will realize the co-creation of new values through "+d" initiatives such as making contributions to industries, solving social issues and expanding our partners' businesses.

We formulated "Declaration beyond" as initiatives toward these goals. By delivering "Declaration beyond," we will aim to reform our business structure, strengthen our business foundation by improving returns to our customers and investing in growth, and fuse and evolve various types of added value using 5G technology.

Declarations 1 to 3, which are focused on our customers, and Declarations 4 to 6, which address our business partners, as outlined below.

Declaration 1: Market Leader

DOCOMO aims to lead the market in value propositions by further integrating and evolving its services, actively returning value to customers through a wide array of tangible benefits, including strengthened loyalty programs and attractive billing plans. By fiscal 2020, the total number of "d POINT" partners will be increased to more than 300 partners, with the aim of establishing "d POINT" as one of Japan's largest point programs.

Declaration 2: Style innovation

Leveraging the strengths of 5G, DOCOMO will launch a wide range of exciting and unexpected services under a company-wide project called "empower+d challenge" (empowered challenge), which will enable customers to realize their aspirations and achieve greater affluence. In particular, through the creative application of virtual reality, artificial intelligence (AI) and IoT technologies, DOCOMO will offer all-new innovation for customer experiences, lifestyles and work styles. Initiatives will target nine sectors in three fields: Experience innovation—New entertainment, Next-generation mobility and Sharing; Life style innovation—AI agent, FinTech and Total healthcare; and Work style innovation—Drone robotics, Work innovation and Work matching.

Declaration 3: Peace of mind and comfort support

DOCOMO will use AI to develop all-new customer contact points for the provision of optimal, stress-free support for each customer, anytime and anywhere, with a special emphasis on reducing customer wait times. A new system will enable customers to consult their smartphones about a wide range of issues, and measures for enhanced communication will be implemented for issues requiring specialized assistance.

Declaration 4: Industry creation

DOCOMO, the leader in emerging 5G technologies and services, will collaborate with partners across a wide range of industries to contribute to social and industrial development through 5G technologies. From late May 2017, 5G trial sites will be launched to enable partner companies and DOCOMO to collaborate in creating standard-setting new services that leverage 5G strengths including low latency, ultra-high speed, ultra-large capacity and massive device connectivity.

Declaration 5: Solution co-creation

DOCOMO also will collaborate with partners in six key fields—primary industries, education, sports, healthcare, mobility and work style reform-aiming to contribute to further growth and prosperity in Japan, including through the vitalization of regional economies. In the case of work style reform, collaborations will facilitate telework environments and share offices, to be introduced this year.

Declaration 6: Partner business expansion

The plan's sixth declaration is the further enhancement and evolution of DOCOMO's business platforms for loyalty points, customer referrals, FinTech, AI agents, IoT, drones and other business areas, which partners will use to expand transaction flows, develop new business and realize higher levels of productivity.

Going forward, DOCOMO will steadily implement its "Declaration beyond" medium-term strategy to establish an increasingly innovative business structure. At the same time, the company will continue to strengthen its business platform, aiming to pass on value to customers and invest in further growth, as well as leverage advanced 5G technologies for the ongoing evolution of its value propositions.

Medium-Term Management Strategy

In October 2018, we announced specific strategies and quantitative targets as our medium-term management strategy based on "Declaration beyond." In this medium-term management strategy, we set our new basic policy that takes a new direction focusing on "transformation into a business foundation centered on our membership base" and "5G rollout and business creation."

Under this basic policy, while we will reinforce our customer base through new efforts to return to customers through our new rate plans in FY2019, we will leverage our customer base to create new revenue opportunities in business areas such as smart life business, enterprise business and 5G business by promoting digital marketing. We will also continue to improve cost efficiency to achieve sustained growth in the 2020s.

Through these measures, we plan to achieve ¥5 trillion in operating revenue in FY2021, and ¥990 billion in operating profit in FY2023, equivalent to the level of FY2017. Our shareholder return policy in this medium-term management strategy will be to accelerate shareholder returns through continuous dividend increases and our expeditious share purchase.

| 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | ...... |

Strategy

"Declaration beyond" Medium-term Strategy to 2020

Initiatives and quantitative targets to achieve sustainable growth in the 2020s

Medium-Term Management Strategy
"Transformation into business management pivoted on membership base"
"5G rollout and business creation"
・Revenue opportunity creation centered on customer base
・Growth driven by 5G
・Execution of customer returns and evolution of customer touchpoints

Target

◤ Revenue opportunity creation centered on customer base

Promotion of +d

By focusing on expanding the number of "d POINT CLUB" members and corporate partners, we aim to reach 78 million members and 5,000 corporate partners in FY2021. We will link our membership base and corporate partners through DOCOMO's assets to provide new value and create revenue opportunities in business areas such as smart life business and enterprise business.

Growth of Finance/Payment Business

For finance/payment business in the smart life business segment, we plan to expand the number of locations where "d POINTs," "d Payment," and "iD" can be used to two million locations in FY2021 with a view to improving customer convenience, and aim to reach ¥6 trillion in transactions.

Growth of Enterprise Business

In the enterprise business, our customers, the Corporate Sales and Marketing team and the R&D unit will work together as one in small "Top Gun" teams. Furthermore, we will conduct measures such as the "DOCOMO 5G Open Partner Program." Through these efforts, we aim to bring in ¥120 billion in enterprise solutions revenue in FY2021.

◤ Growth driven by 5G

Construction of 5G network

We will invest a total of ¥1 trillion in 5G network construction between FY2019 and FY2023. We will start offering 5G pre-services from September 2019, and aim to launch commercial services in spring of 2020.

In April 2019, three 5G frequency bands, "3.7 GHz band," "4.5 GHz band" and "28 GHz band," were allocated.

5G Services and Solutions

For general customers, our 5G-based services and solutions will include stadium solutions and new sensory experience services such as VR, AR and MR. For corporate customers, we will work on remote medical services, disaster prevention and disaster mitigation, remote operation of construction machines and other services together with our diverse partners to contribute to the development of society and industry.

◤ Execution of customer returns and evolution of customer touchpoints

Providing returns to customers through new rate plans

In order for DOCOMO to continue being the choice of customers, we will offer the simple and great-value new rate plans "Gigaho" and "Gigalight" at rates up to 40% lower than previous plans from June 2019. The special features of the new rate plans are as follows.

(1) Combines the Basic Plans, ISP and Packet Pack in one package
(2) Simple structure offers choice of "Gigaho" with maximum 30GB data usage (available network access at speeds of up to 1Mbps after exceeding 30GB) or "Gigalight" with billing based on data usage
(3) Stepped up benefits for family members through "Minna DOCOMO Wari" and "docomo Hikari bundle discount," which give lasting discounts to everyone if just one family member/relative is a docomo or docomo Hikari subscriber

Providing customers with comfortable experiences
In addition to the drastic simplification of our billing plans, we will carry out measures such as expanding use of our store visit reservations, reviewing and revising our methods of providing explanations, assigning specialists (initial settings, data migration) at docomo shops, improving our docomo Smartphone classes, enhancing our website, promoting micro-marketing, and carrying out cross-channel integration. We aim to reduce docomo shop wait and attendance time, which exceeds two hours on average* , to less than half that amount during FY2019.

*Wait and attendance time represents the average time required for a
 customer to purchase a smartphone, calculated based on DOCOMO's
 independent shop survey (conducted in 2018 with a sample size of
 approximately 850 shops.

FY2019 Priority Initiatives

Our Group expressed in the medium-term management strategy its new basic policy that takes a new direction focusing on "transformation into a business foundation centered on our membership base" and "5G rollout and business creation," and positioned FY2019 as the "year to execute 'change' to propel further growth." In the fiscal year ending March 31, 2020, we will transform ourselves so that we can grow in the future. In order to respond to the dramatic changes in the competitive environment, such as the entry into the market of enterprises from other business fields, in June 2019, we introduced new rate plans "Gigaho" and "Gigalight" and other measures aimed at reinforcing our customer base. This is expected to cause a temporary decline in profit, but we will conduct business management as outlined below by promoting digital marketing, with the aim of achieving sustained growth during the 2020s.

(1) Enhancement of our competitive strengths to be continuously chosen by customers based on trust and persuasiveness
As the market leader, we will provide new rate plans as well as review and revise our handset sales methods. In conjunction with this, we will make sweeping changes to docomo shop operations and will halve the wait and attendance time compared with FY2018 to create comfortable experiences for customers. Furthermore, we will comprehensively propose a variety of services to match our customer lifestyles, actively promote changeovers from 3G feature phones to smartphones, and reinforce our customer base.

(2) Creation of new revenue opportunities through marketing model transformation
We will expand our customer touchpoints by growing our "membership base" and increasing the number of customers who regularly use "d POINTs". We will use optimized approaches for each customer to create new revenue opportunities and secure our customer base. We will also develop deep relationships with partners, combining our assets with theirs to create new businesses.

(3) Further growth of smart life area and acceleration of preparations for 5G commercialization
In our smart life business, we will enhance our payment platforms and achieve further finance/payment business growth, particularly by expanding the number of places where d Payment and d POINTs, etc. can be used and by promoting their use. In our enterprise business, we will create new solutions and business opportunities through co-creation with partners, leveraging the "DOCOMO 5G Open Partner Program" and other resources. With regard to 5G, we will start offering

preliminary services with the "Rugby World Cup 2019TM," which will be held in September 2019, and will accelerate our preparations for a smooth commercial rollout. In conjunction with this, we will also enhance our video services to expand new video businesses.

(4) Process reforms and thorough cost efficiency improvement
In all activities, our Group will work as one to thoroughly improve cost efficiency. We will also focus efforts on business processes reform through digital transformation and transforming work styles through self-discipline and a challenging mindset.

DOCOMO's Value Creation Story

Management Strategies toward Sustainable Growth

DOCOMO aims to drive change and therefore sustainable growth by realizing new value for customers and partners through efforts to commercialize advanced technologies such as 5G and to create new business models and expand business fields.

◤Future Business Model Due to Revenue Structure

DOCOMO aims to expand our customer base by reinforcing connections with customers and will provide new value by creating new revenue opportunities and expanding the smart life area through co-creation with members and partners.
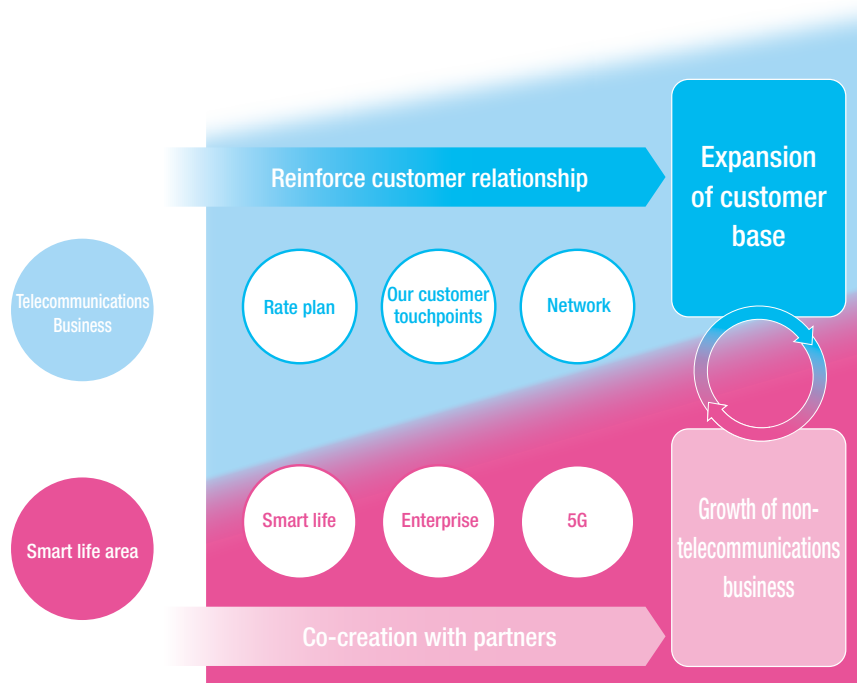
◤Initiatives toward Expansion of Business Fields

DOCOMO is working to expand business fields from various perspectives in order to boost our customer base centered on members and strengthen the value we provide to them.

Business Promotion Centered on Our Membership Base

DOCOMO seeks to expand business with our partners by delivering "benefits, convenience and amazement" at an even greater level to customers who are members of the d POINT CLUB through the business foundation centered on our membership who are not affected by the presence or absence of mobile phone subscriptions.
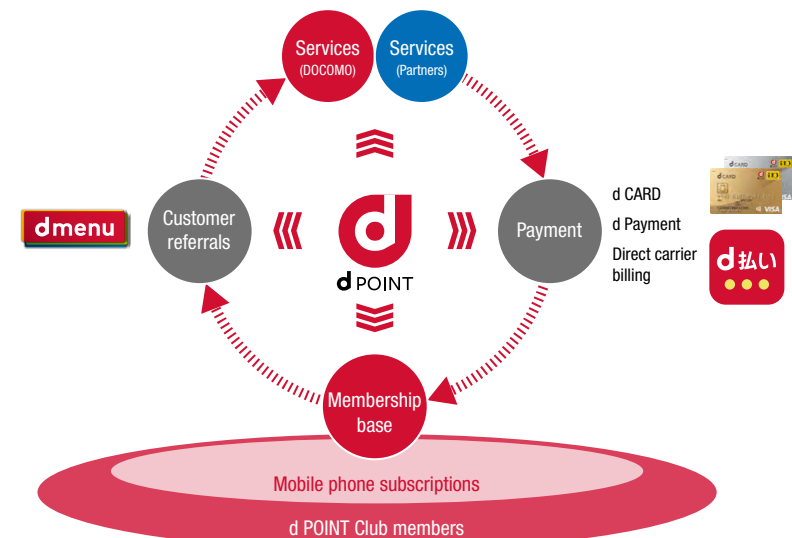
Value Creation Process

To realize "the creation of a new world of communications culture," DOCOMO promotes a business model aimed at driving sustainable growth in the 2020s and in the process provides a variety of value to stakeholders. This business model is based on the strengths that we have built up throughout our history and on our CSR Policy, the bedrock of all of our corporate activities.

Docomo's Management Resources

Strengths

Financial capital
Total equity attributable to shareholders of NTT DOCOMO, INC.
¥5,371.9 billion

Human capital
Number of employees
26,564

Intellectual capital
Research and development costs
¥91.0 billion

Production capital
Number of LTE base stations
208,500

Number of docomo shops
2,336 shops

Social capital
DJSI World

- Customer base
- Financial foundation
- Human resources
- Partnerships
- R&D capabilities
- Network
- Brand and social reputation

INPUT

Medium-Term Strategy 2020 "Declaration beyond"

beyond

Connecting dreams, for a richer future with 5G

5G

Value and excitement to our customers
- Benefits and convenience
- Enjoyment and surprise
- Satisfaction and peace of mind

Value co-creation with +d partners
- Contribution to industries
- Solution of social issues and regional vitalization
- Expansion of partners' business

Toward sustainable growth in 2020s

CSR Policy

I (nnovative) + R (esponsible) = Sustainable

Eight Sustainability Focuses

Innovative docomo
We will create new value through every facet of our business activities.

Responsible docomo
We will carry out our corporate activities with the utmost integrity.

We identify Eight Sustainability Focuses from the standpoints of stakeholders and the DOCOMO Group. In this process, consideration was also given to the requirements of various guidelines and outside rating agencies as well as the Sustainable Development Goals (SDGs) and other aspects of the external environment.

IMPACT

Value DOCOMO Delivers

- Customers — Creation of value and excitement
- Shareholders and Investors — Medium- to long-term improvement of corporate value
- Employees — Diversity (diverse working styles)
- Partners — Co-creation of new value
- Local communities — Secure and safe local communities
- Global environment — Reduction in environmental impacts

OUTCOME

Corporate Philosophy

The creation of a new world of communications culture

Roadmap for Value Creation

DOCOMO is making steady progress along our roadmap toward "the creation of a new world of communications culture" by setting specific strategies and quantitative medium-term targets based on our Medium-Term Strategy 2020 "Declaration beyond" and further solidifying corporate foundations through initiatives relating to Sustainability Focuses.

2017	2018	2019	2020	2021	2022	2023

Corporate Philosophy

FY2017 to 2020s Medium-Term Strategy 2020 "Declaration beyond"

Declaration 1	Declaration 2	Declaration 3	Declaration 4	Declaration 5	Declaration 6
Market leader offering visible benefits and convenience	**Style innovation** for a richer future for all	**Peace of mind and comfort support** always by our customers' side	**Industry creation** jointly pursing innovations with 5G	**Solution co-creation** to solve social issues	**Partner business expansion** leveraging business platforms

FY 2019 to 2023   Medium-Term Management Strategy

Growth strategies toward sustainable growth in 2020's

Telecommunications Business
Business providing stable telecommunications services to customers anytime, anywhere, and with peace of mind through smartphones, etc.

Smart Life Business and Other Businesses Segment
Services that create synergies through integration with mobile telecommunications centered on finance/payment services via d Payment, etc., and the corporate solutions field focused on co-creation with +d partners, as pillars of growth

Medium-Term Operational Indicators
Revenue opportunity creation centered on customer base

	FY2018 Results	FY2021 Targets
• "d POINT CLUB" members	70.15 million	78 million
• Corporate partners	2,487	5,000
• Locations where payment/point service can be used	1.05 million	2 million
• Transactions handled by finance/payment business	¥3.9 trillion	¥6 trillion
• Enterprise solution revenues	¥73.0 billion	¥120.0 billion

Growth driven by 5G
• Cumulative investment for 5G infrastructure bold-out, etc. (total of FY2019 to FY2023): ¥1 trillion

Evolution of customer touchpoints
• Wait time + attendance time (within FY2019): Roughly half the current level

CSR Policy

Innovative docomo   **R**esponsible docomo   SUSTAINABLE DEVELOPMENT G**O**ALS

FY2017 to FY2020 CSR Medium-Term Target

FY2020 Achievement of CSR Medium-Term Target and Key Performance Indicators (KPIs)

Eight Sustainability Focuses specified under the CSR Medium-Term Target

1 Contribute to society and environment through ICT	2 Information security measures	3 Strengthen corporate governance	4 Ensure stability and reliability of telecommunications services
5 Enhance customer satisfaction and protect children	6 Promote safety, health and welfare	7 Respect human rights and diversity	8 Address climate change and effectively use resources

The creation of a new world of communications culture

019

3

Sustainability of DOCOMO

▶**NTT DOCOMO Group CSR Policy** NTT Group CSR Charter CSR Mid-Term Target Sustainability Management System
Instilling Awareness of CSR and SDGs Initiatives for SDGs Stakeholder Engagement Commitment to External Initiatives
Participation in External Organizations

For DOCOMO, CSR is synonymous with its business activities. We contribute to the sustainable development of society through our business, guided by our two major goals of continuously providing new value for our customers and for society, and fulfilling our responsibility to society, which includes consistently ensuring stable communication for our customers.

NTT DOCOMO Group CSR Policy

Guided by the NTT Group CSR Charter, the DOCOMO Group seeks to create new services with social value and achieve sustainable growth and development alongside society by formulating the CSR Policy to promote our initiatives. Under the policy, we have defined both aspects of our initiatives: "Innovative docomo" and "Responsible docomo." The diagram on the right explains DOCOMO's CSR activities.

Approach to CSR Policy

CSR is inseparable from our business activities; it is synonymous with our business activities. The foundation of our business lies in serving society by providing new value. And we are pursuing our CSR Policy on two fronts: "Innovative docomo" and "Responsible docomo."

DOCOMO's CSR consists of creating a sustainable society by incorporating these two aspects. By linking them to the SDGs and engaging in dialogues with our stakeholders, we will actively pursue our initiatives to resolving various social issues and advancing society in general, thereby increasing our corporate value.

NTT DOCOMO Group CSR Policy

(established in December 2015 and revised in May 2017)

Innovative docomo

"Innovative docomo" represents our attempts at co-creating new value through our "+d" initiatives to address education, health and medicine, workstyle reform and other social issues. In accordance with our philosophy that we serve society at large as our customers, we provide new value through collaboration with our partners.
We will deliver value and inspiration for our individual customers, such as benefit and convenience, enjoyment and surprise as well as satisfaction and peace of mind, while providing services and solutions for social issues for society at large.

Responsible docomo

"Responsible docomo" represents our commitment to creating a trustworthy company that fulfills its social responsibilities. Throughout all of our business undertakings we will engage in activities with integrity and meet those responsibilities as a leading company in the mobile and IT industries.

| NTT DOCOMO Group CSR Policy
https://www.nttdocomo.co.jp/english/corporate/csr/about/message/index.html

NTT Group CSR Charter

NTT Group has been working to achieve sustained growth through the resolution of social issues by referring to the NTT Group CSR Charter as its basic principles. This charter consists of a statement of our commitment to corporate social responsibility and also the four CSR goals that outline specific priority aspects of our CSR activities, which we strive to promote in a united effort.

Safety and Security
United NTT
Help create a sustainable society by solving social challenges through business activities
Enrich Society
Protect Environment

NTT Group CSR Charter

CSR Message

We as the NTT Group will take initiatives in solving social issues through our business activities, as "Your Valued Partner", and will contribute to creating a safe, secure and sustainable society.

CSR Theme

1. Enrich Society

We will contribute to creating a more prosperous and smarter society with a sustainable development focus and by solving various current social issues resulting from future innovation around the world by enabling our clients digital transformation.

2. Protect Environment

We will reduce our environmental impact throughout our business, and will take the initiative in reducing the current environmental issues of society by using Information and Communication Technology (ICT) to help resolve this worldwide challenge.

3. Safety and Security

We provide ICT services that support society and help ensure safety, information security and privacy and will provide reliable ICT solutions that are resistant to physical or cyber attacks and designed for fast recovery from any disasters.

4. United NTT

We, as NTT, will always work with a high ethical perspective, respect for human rights and awareness of our partners as well as creating a safe working environment with respect for diversity and individual growth, and the creation of healthy communities.

(revised on May 24, 2019)

CSR Mid-Term Target

The CSR Mid-Term Target outlines the goals to be attained by 2020 toward realizing "a society in which people can live with security, safety, comfort and affluence," a goal stated in the DOCOMO Group's CSR Policy. We determined our Mid-Term CSR Target by identifying the Eight Sustainability Focuses that DOCOMO must address to fulfill its social responsibility, and then we set specific mid-term targets and KPIs for each issue.

| Roadmap for the CSR Mid-Term Target
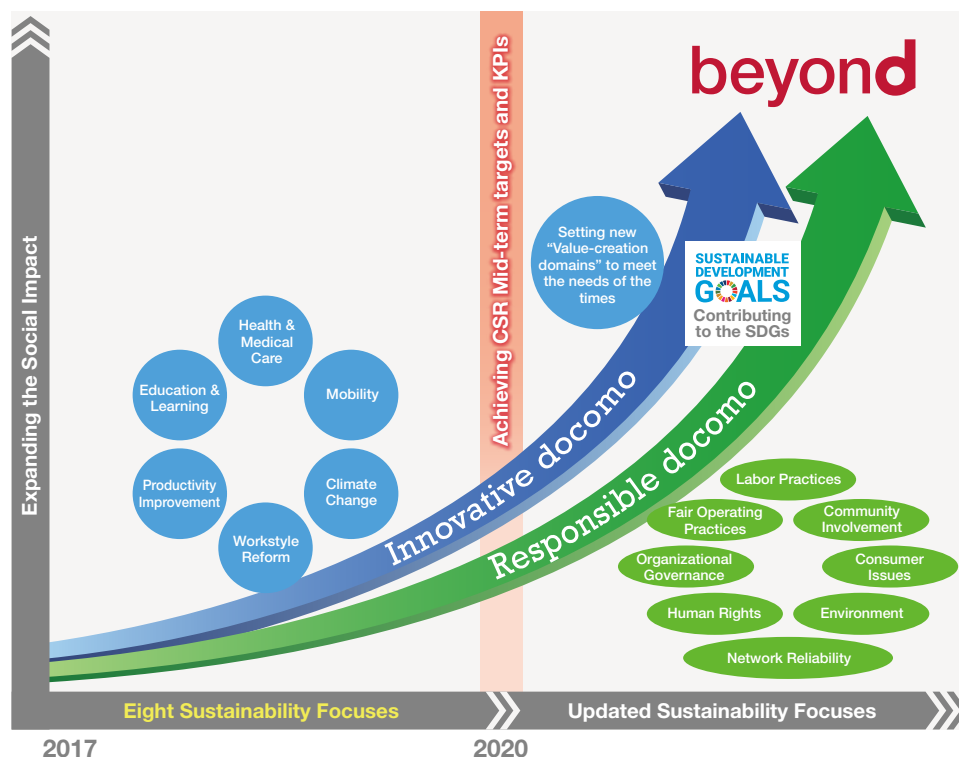
Eight Sustainable Focuses

Sustainability Focus	Related CSR Policy Areas
1. Contribute to society and environment through ICT	All six areas
2. Information security measures	Consumer issues, fair operating practices
3. Strengthen corporate governance	Organizational governance, fair operating practices
4. Ensure stability and reliability of communication services	Consumer issues, network reliability
5. Enhance customer satisfaction and protect children	Consumer issues, community involvement
6. Promote safety, health and welfare	Labor practices
7. Respect human rights and diversity	Human rights, labor practices, fair operating practices
8. Address climate change and effectively use resources	The environment

Note: We provide detailed information on the process of identifying the eight sustainable focuses, mid-term targets and KPIs on pages 23 to 31.

In fiscal 2020, the final year of the Mid-Term Target, we will verify the progress and results of our activities addressing the Eight Sustainable Focuses to derive our new Sustainable Focuses for 2021 and beyond. Under the CSR Policy, the value creation domains of the "Innovative docomo" initiative will be reviewed as required to meet the needs of the times while at the same time we reference global targets, which include the SDGs for taking on the challenges of creating new value toward developing a sustainable society. As for the Seven Core Issues laid out to guide us in our "Responsible docomo" initiative, through which we aim to become a reliable company with our goal of achieving network reliability, we will continue our pursuit beyond 2020 to expand our social impact.

Materiality Analysis

In recent years, we have observed strong demand for global action to create a sustainable society, as evidenced by the adoption of the Sustainable Development Goals (SDGs) by the UN General Assembly and the Paris Agreement at COP21.

With due consideration of DOCOMO's business environment, we conducted a materiality analysis on the environmental, social and corporate governance (ESG) aspects of our internal and related external environments following the process based on the GRI Standards for sustainability reporting.
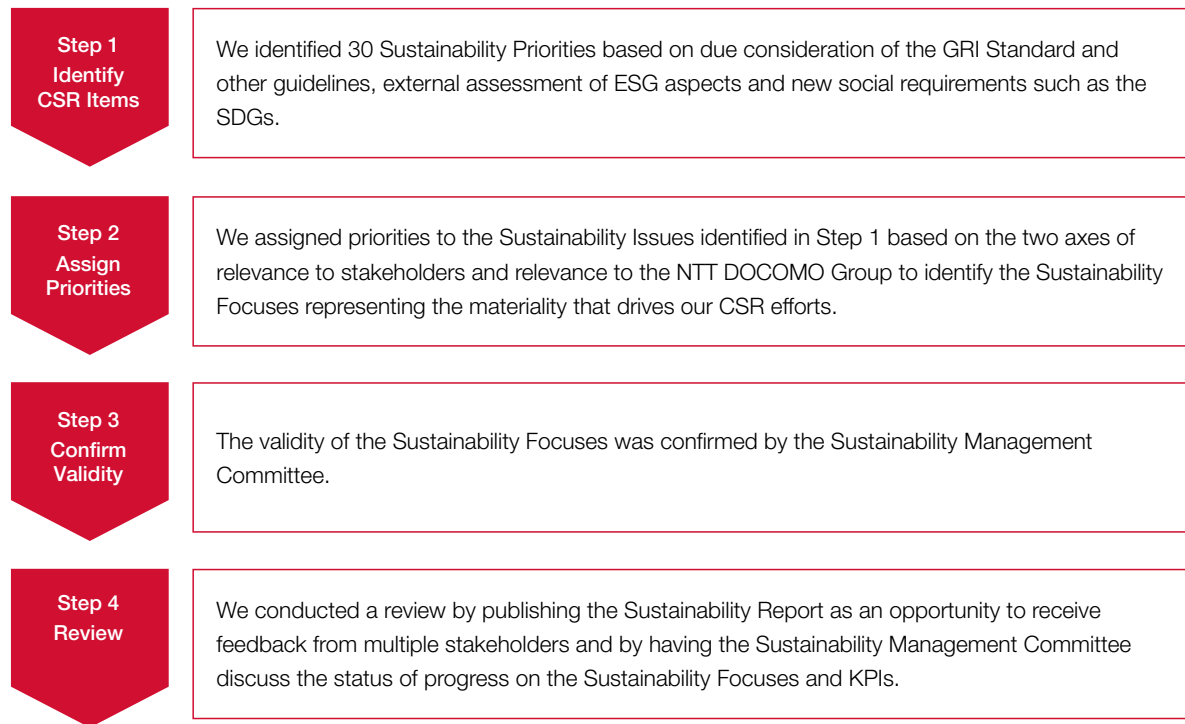
■ Step 1: Identification of Sustainability Priorities

We identified 30 Sustainability Priorities based on extensive consideration of various guidelines, including the GRI Standards and ISO 26000 (social responsibility) guidelines, external ESG assessments, such as the Dow Jones Sustainability Index (DJSI), and industry benchmarks, as well as new issues related to sustainability, such as the SDGs.

Step 1 Identify CSR Items	We identified 30 Sustainability Priorities based on due consideration of the GRI Standard and other guidelines, external assessment of ESG aspects and new social requirements such as the SDGs.
Step 2 Assign Priorities	We assigned priorities to the Sustainability Issues identified in Step 1 based on the two axes of relevance to stakeholders and relevance to the NTT DOCOMO Group to identify the Sustainability Focuses representing the materiality that drives our CSR efforts.
Step 3 Confirm Validity	The validity of the Sustainability Focuses was confirmed by the Sustainability Management Committee.
Step 4 Review	We conducted a review by publishing the Sustainability Report as an opportunity to receive feedback from multiple stakeholders and by having the Sustainability Management Committee discuss the status of progress on the Sustainability Focuses and KPIs.

Guidelines
- GRI Standards
- ISO 26000
- SASB

External Assessment
- DJSI
- FTSE
- MSCI

30 Sustainability Priorities

Industry Benchmarks

External Environment
- SDGs
- IoT
- Big Data
- Cyberattacks

NTT DOCOMO GROUP
SUSTAINABILITY REPORT 2019

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Participation in External Organizations

30 Sustainability Priorities Identified by the Analysis

Using the above process, we categorized the 30 Sustainability Priorities into "Economy (including governance)," "Environment" and "Society."

No.	Category	Sustainability Priorities
1	Economy	Contribute to society and environment through ICT
2		Improve access to ICT
3		Generate innovation
4		Offer indirect contribution to regional economies
5		Brand management
6		Co-create with partners
7		Strengthen corporate governance
8		Stakeholder engagement
9		Identify materiality issues and firmly implement the PDCA cycle
10		Enhance reliability and disclose ESG data
11		Control negative incidents and disclose information
12		Pursue initiatives to promote long-term shareholding
13		Manage intellectual property
14		Participate in various initiatives
15		Systemize management and supervision to improve ESG performance
16	Environment	Address climate change and effectively use resources
17		Reduce environmental impact of business operations
18	Society	Promote safety, health and welfare
19		Ensure stability and reliability of communication services
20		Information security measures
21		Respect human rights and diversity
22		Enhance customer satisfaction and protect children
23		Create attractive working environments
24		Fair advertising and sponsorship
25		Apply quantitative assessment to human resource development
26		Promote Group-wide activities for community investment
27		Maintain favorable labor-management relationship
28		Media ethics
29		Maintain dialogue with regional communities on negative effects of EMF
30		Address conflict mineral issues

▰ Step 2: Prioritization

We prioritized the 30 Sustainability Issues identified in Step 1 from the standpoints of stakeholders and the NTT DOCOMO Group, and the results were mapped on the matrix to identify the NTT DOCOMO Group Sustainability Focuses.

In prioritizing these issues we also sought to reflect the results of the DOCOMO Group employee satisfaction survey and feedback from customers and other stakeholders.

Prioritization from the Standpoint of Stakeholders

We determined the priorities from the standpoint of stakeholders after developing a broad understanding of their expectations toward the ICT industry, by referencing the DJSI, FTSE, ISO 26000, UN Global Compact (Advanced COP), RBA (Responsible Business Alliance)[1], GSMA[2], OECD Guidelines for Multinational Enterprises and analysis conducted by other companies in the ICT industry.

[1] Formerly EICC (Electronics Industry Citizenship Coalition Code of Conduct); name changed in October 2017.

[2] The GSM Association is a trade organization comprising around 750 mobile communications companies and more than 400 related firms. The GSMA spearheads various initiatives to address challenges facing the industry and promotes SDGs as a major initiative.

Prioritization from the Standpoint of DOCOMO

DOCOMO reconfirmed its identification process for materiality related to CSR. For the risk aspects, we used the risk identification process we apply to risk management, and for the opportunity aspects we envisioned the following business scenarios, including the smart life business domains that reflect our medium-term targets, and assessed their impact on the 30 related themes. We identified the priorities for DOCOMO by considering both the risks and opportunities.

Envisioned Business Scenarios

- Impact assessment for each aspect: economic, environmental and social
- Impact assessment for business management: networks, devices, charges and services
- Impact assessment for each business domain: media, commerce, finance, healthcare and the environment
- Impact assessment for Sustainability Issues: safety and security, education, IoT, climate change, declining birthrate and aging population, and disparities

NTT DOCOMO GROUP
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Step 3: Validation

Once identified, the Sustainability Focuses were examined by the Sustainability Management Committee chaired by the president (CEO) and comprised of senior executive vice presidents, members of the Board of Directors, Audit & Supervisory Board members, and the general managers of relevant departments. The committee confirmed the validity of these priorities based on how well they reflected the expectations of stakeholders and whether they covered all issues of importance to the DOCOMO Group.

Based on the results of this materiality analysis, eight related themes deemed as high priority were designated as the Sustainability Focuses of the DOCOMO Group.

In addition, we formulated the CSR Mid-Term Target along the lines of the Eight Sustainable Focuses that were identified, setting the concrete Mid-Term Goals and KPIs, which we intend to accomplish by 2020 in order to carry out effective CSR activities.

How to View the Materiality Map	Economy	Environment	Society

The relevant field will appear by using the mouse to position the pointer over each of the circles to the right section.

Step 4: Review

The Sustainability Management Committee meets twice a year to deliberate on the status of progress of our Sustainability Focuses and KPIs through discussions with management. We conduct a review based on the results and revise the Mid-Term CSR Target for the next fiscal year. The Board of Directors receives reports on the committee's discussions and provides oversight to ensure management effectiveness, including materiality. Furthermore, we create opportunities for receiving feedback from our stakeholders by publishing the information in our Sustainability Report and on our website.

DOCOMO Group's Sustainability Focuses (Materiality)

Relevance to Stakeholders

Relevance to the NTT DOCOMO Group

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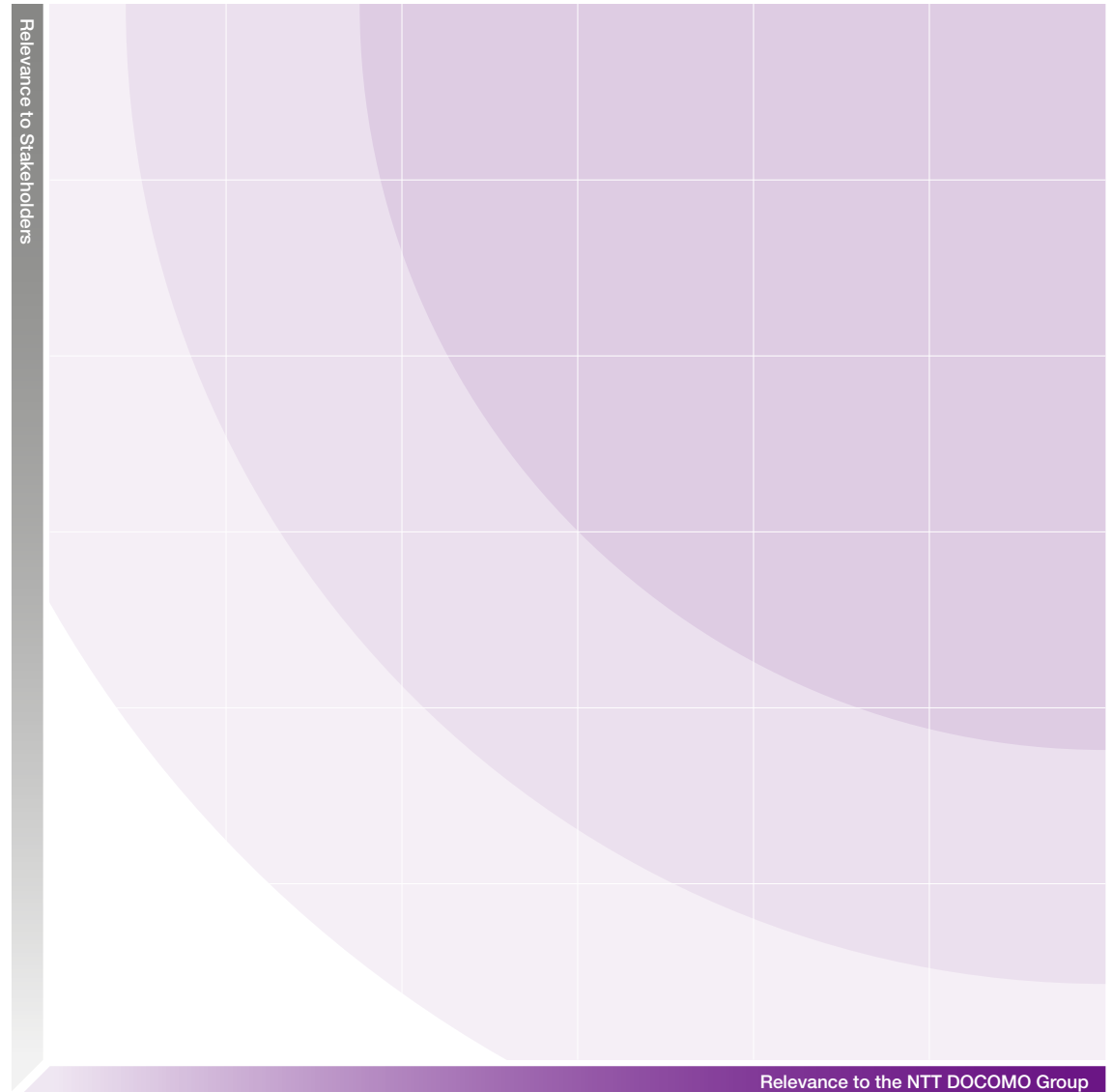
🔻 Reasoning for Identification of Materiality

Material Topic	Reasoning behind Materiality	Scope of Impact
❶ Contribute to society and environment through ICT	It is important for our business activities to develop and deliver services that help address social issues as a way to contribute through our main business.	NTT DOCOMO Group, customers, corporate customers, business partners, partner companies, employees
❷ Information security measures	As a telecommunications service provider, it is highly important that we address the increasingly serious threats to security and protect customer information assets.	NTT DOCOMO Group, customers, corporate customers, business partners, employees
❸ Strengthen corporate governance	It is important for our business activities to enhance corporate value by ensuring rapid and transparent management through the effective functioning of corporate governance.	NTT DOCOMO Group, shareholders and investors, customers, corporate customers, business partners, partner companies, employees
❹ Ensure stability and reliability of communication services	It is important to fulfill our mission as a telecommunications service provider by consistently providing users with a safe communication environment.	NTT DOCOMO Group, customers, corporate customers, partner companies, governments, telecommunications industry
❺ Enhance customer satisfaction and protect children	It is important for our business activities to enhance customer satisfaction while also protecting children from problems related to the use of smartphones and mobile phones, which have become a social issue.	NTT DOCOMO Group, customers, business partners, employees
❻ Promote safety, health and welfare	It is important for our business activities to promote the safety and health of employees to engage in business operations vigorously.	NTT DOCOMO Group, business partners, employees
❼ Respect human rights and diversity	We are aware of the importance of respecting the human rights of all stakeholders across our business activities.	NTT DOCOMO Group, customers, business partners, employees, nonprofit organizations and non-governmental organizations, local communities
❽ Address climate change and effectively use resources	It is important to fulfill our mission as a corporate citizen by recognizing global environmental issues as a key management concern and by mitigating the environmental impact not only of our business activities but of society as a whole.	NTT DOCOMO Group, global environment, business partners, employees, nonprofit organizations and non-governmental organizations, local communities

Relationship between Sustainability Focuses and the SDGs

DOCOMO identifies the Eight Sustainability Focuses through the process of determining its materiality and links them with the SDGs. The Company is also a member of the GSMA, which pursues various initiatives aimed at resolving issues related to the ICT industry and takes actions that recognize the importance of contributing to the promotion of SDGs. DOCOMO actively participates and contributes to the GSMA as a significant initiative.

❙Sustainable Development Goals (SDGs)
https://www.un.org/sustainabledevelopment/

❙GSMA #BetterFuture
https://www.gsma.com/betterfuture/

Scope of the Sustainability Focuses

Since the communications services undertaken by DOCOMO and its 12 functional subsidiaries constitute the Group's main business, the most important scope covers DOCOMO and its 12 functional subsidiaries.

Related SDGs

Relationship between DOCOMO's Sustainability Focuses and the SDGs

1. Contribute to society and environment through ICT
2. Information security measures
3. Strengthen corporate governance
4. Ensure stability and reliability of communication services
5. Enhance customer satisfaction and protect children
6. Promote safety, health and welfare
7. Respect human rights and diversity
8. Address climate change and effectively use resources

*In view of our recent business activities, we reviewed the relationship between our Sustainability Focuses and the SDGs in August 2019.

DOCOMO's Sustainability Focuses and Initiatives

Assessment of FY2018 Initiatives on KPIs for FY2020 Goals

To measure the results of CSR activities and later apply them in our efforts, we have designated mid-term goals and KPIs for fiscal 2020 that are based on the Eight Sustainability Focuses disclosed in the Mid-term CSR Target in fiscal 2017. We rate the results of our initiatives for the Eight Sustainability Focuses in three stages, as shown in the list. The assessment of fiscal 2018 results is reported for deliberation by the Sustainability Management Committee, attended by the Board of Directors, and will be used to improve our initiatives for the following fiscal year.

★★★: Goal attained. Results achieved.
★★: Efforts are ongoing to attain the goal. Some positive results were achieved.
★: Ongoing efforts to attain the goal have yet to show results.

4. Ensure stability and reliability of communication services

5. Enhance customer satisfaction and protect children

3. Strengthen corporate governance

6. Promote safety, health and welfare

2. Information security measures

7. Respect human rights and diversity

1. Contribute to society and environment through ICT

8. Address climate change and effectively use resources

Assessment of FY2018 Initiatives on KPIs for FY2020 Goals

Monitor cases outside the scope of assessment

Level of progress   ★★★   ★★   ★   ★   ★★   ★★★   Level of progress

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List of KPIs and FY2018 Results

Sustainability Focuses	Mid-term Goals	KPIs for FY2020 Goals		Major Results for FY2018	Assessment
1. Contribute to society and environment through ICT	Provide ICT services that contribute to resolving social issues	(1) Cases in which ICT services contribute to resolving social issues	Monitor cases	Collected and submitted reports on cases of social solutions directly linked to the "Innovative domains" of the CSR Policy	—
2. Information security measures	Protect customer information assets by addressing increasingly sophisticated and serious security risks	(1) Number of information security incidents	0 cases	0 cases	★★★
		(2) Conduct information security training	At least once a year for all employees	Conducted training for all employees	
		(3) Information security management carried out by subcontractors	Monitor the situation	Implemented compliance by creating a manual that defines information management rules for subcontractors	
3. Strengthen corporate governance	Establish a corporate culture that society trust	(1) Organize more stakeholder dialogues	More than in the previous year	Held 42 meetings with shareholders and investors led by executives (FY2017: 39 meetings*)	★★★
		(2) Appoint two or more independent outside directors	Two or more	Two outside directors	
		(3) Percentage of participation in compliance training	Monitor the situation	Conducted training for all employees, with 92.9% attendance	
		(4) Number of compliance violations	Monitor the situation	56 cases of violations out of a total of 114 consultations on compliance	

*Fiscal 2017 data was updated in accordance with a revised calculation method.

★★★: Goal attained. Results achieved.   ★★: Efforts are ongoing to attain the goal. Some positive results were achieved.   ★: Ongoing efforts to attain the goal have yet to show results.

NTT DOCOMO Group CSR Policy   NTT Group CSR Charter   ▶CSR Mid-Term Target   Sustainability Management System
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Sustainability Focuses	Mid-term Goals	KPIs for FY2020 Goals		Major Results for FY2018	Assessment
4. Ensure stability and reliability of communication services	Provide stable communication services and promptly resume operations in the event of a disaster or other emergencies	(1) Stable service provision rate	100%	100%	★★★
		(2) Number of major accidents	0 cases	0 cases	
		(3) Increase in percentage of population covered by LTE	Higher than in the previous year	99.8% (FY2017: 99.8%)	
		(4) Large-zone base station coverage of prefectural capital cities	100%	100%	
5. Enhance customer satisfaction and protect children	Enhance customer satisfaction and protect children from problems related to smartphone and mobile phone use	(1) Customer satisfaction and quality of customer service surveys	Monitor the results*1	• Customer Feedback: approx. 5.1 million cases • Improvements originating from employee feedback: approx. 300 cases	★★★
		(2) Smartphone and mobile phone safety classes	1.3 million attendees per year	Approx. 1.39 million attendees	
6. Promote safety, health and welfare	Promote employee safety and wellness to maintain vigorous business operations	(1) Enhance level of employee satisfaction*2	Target: 7.7 points	Job satisfaction: 7.2 points	★★
		(2) Total annual hours worked	Around 1,800 hours	1,827.9 hours	
		(3) Number of serious industrial accidents during construction work (involving heavy injuries)	0 cases	3 cases	
		(4) Implementation rate of specific health guidance	60%→37%*3	28.4%	
		(5) Implementation rate of stress checks	95%	97.0%	

*1 We collected and analyzed customer feedback and effectively used it in the development and improvement of our products and services, and we enhanced the quality of our response.
*2 We conducted a survey on employee attitudes (job satisfaction), workplace environment (conduciveness to work), and other aspects.
*3 We changed the KPI for fiscal 2020 in 2019 in accordance with the change in target by Japan's Ministry of Health, Labor and Welfare.

★★★: Goal attained. Results achieved.   ★★: Efforts are ongoing to attain the goal. Some positive results were achieved.   ★: Ongoing efforts to attain the goal have yet to show results.

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Instilling Awareness of CSR and SDGs　Initiatives for SDGs　Stakeholder Engagement　Commitment to External Initiatives
Participation in External Organizations

Sustainability Focuses	Mid-term Goals	KPIs for FY2020 Goals		Major Results for FY2018	Assessment
7. Respect human rights and diversity	Respect the human rights of all stakeholders across all aspects of business activities	(1) Ratio of female managers	7.5%	5.9%	★★
		(2) Ratio of persons with disabilities	2.2%	2.38%[1]	
		(3) Number of confirmed human rights violations	Monitor cases	15 cases	
		(4) Percentage of participation in human rights training	Monitor the situation	88.7%	
8. Address climate change and effectively use resources	Steadily implement Green Action Plan 2030 and pursue the most advanced environmental management	(1) Amount of contribution to the reduction of CO_2 emissions	39 million tons	38.4 million tons	★★
		(2) Electrical efficiency of the communication services	Sevenfold increase	Increased by 7.9 times	
		(3) Final disposal ratio of waste	1.4% or below	1.6%	
		(4) Used mobile phone collection	16 million units (cumulative total for fiscal 2017–2020)	10.56 million units (cumulative total for fiscal 2017–2018)	
1. to 8. Items common to all the Sustainability Focuses (for customers and local communities)	Develop DOCOMO's image as a company that actively engages in CSR activities	(1) CSR-related corporate rankings in Japan	Maintain high position	• Number one in the overall category of the Toyo Keizai CSR Company Ranking • Obtained five stars in the Nikkei Smart Work Survey	★★
		(2) Community investment	1% of profit	0.87% (approx. 8.83 billion yen)	
		(3) Number of employees participating in volunteer activities	More than in the previous year	Number of participants: 31,493 employees (FY2017: 34,944 employees)	
1. to 8. Items common to all the Sustainability Focuses (for shareholders and investors)	Earn high marks from investors and other stakeholders in Japan and abroad by meeting the growing needs of ESG investment	(1) Major ESG investment indexes[2]	Selection to indexes	Selected to the following indexes: • Dow Jones Sustainability World Index (DJSI World) • FTSE4Good Index Series • MSCI ESG Leaders Indexes • FTSE Blossom Japan Index • MSCI Japan ESG Select Leaders Index • MSCI Japan Empowering Women (WIN) Select Index • S&P/JPX Carbon Efficient index	★★★

*1 As of June 1, 2019
*2 In view of recent trends in ESG investment, indexes in Japan and abroad have been combined under the same category.

★★★: Goal attained. Results achieved.　★★: Efforts are ongoing to attain the goal. Some positive results were achieved.　★: Ongoing efforts to attain the goal have yet to show results.

NTT DOCOMO Group CSR Policy   NTT Group CSR Charter   ▶CSR Mid-Term Target   Sustainability Management System
Instilling Awareness of CSR and SDGs   Initiatives for SDGs   Stakeholder Engagement   Commitment to External Initiatives
Participation in External Organizations

🚩 **Initiatives for Contributing to Society and the Environment through ICT**
Please click on the example to see the related article.
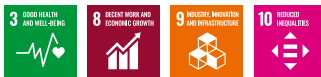
Education and Learning

Mobility

Workstyle Reform

Health and Medical Care

Productivity Improvement

Climate Change

*Also categorized under Mobility.

Others

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033   NTT DOCOMO Group CSR Policy   NTT Group CSR Charter   CSR Mid-Term Target   ▶Sustainability Management System
Instilling Awareness of CSR and SDGs   Initiatives for SDGs   Stakeholder Engagement   Commitment to External Initiatives
Participation in External Organizations
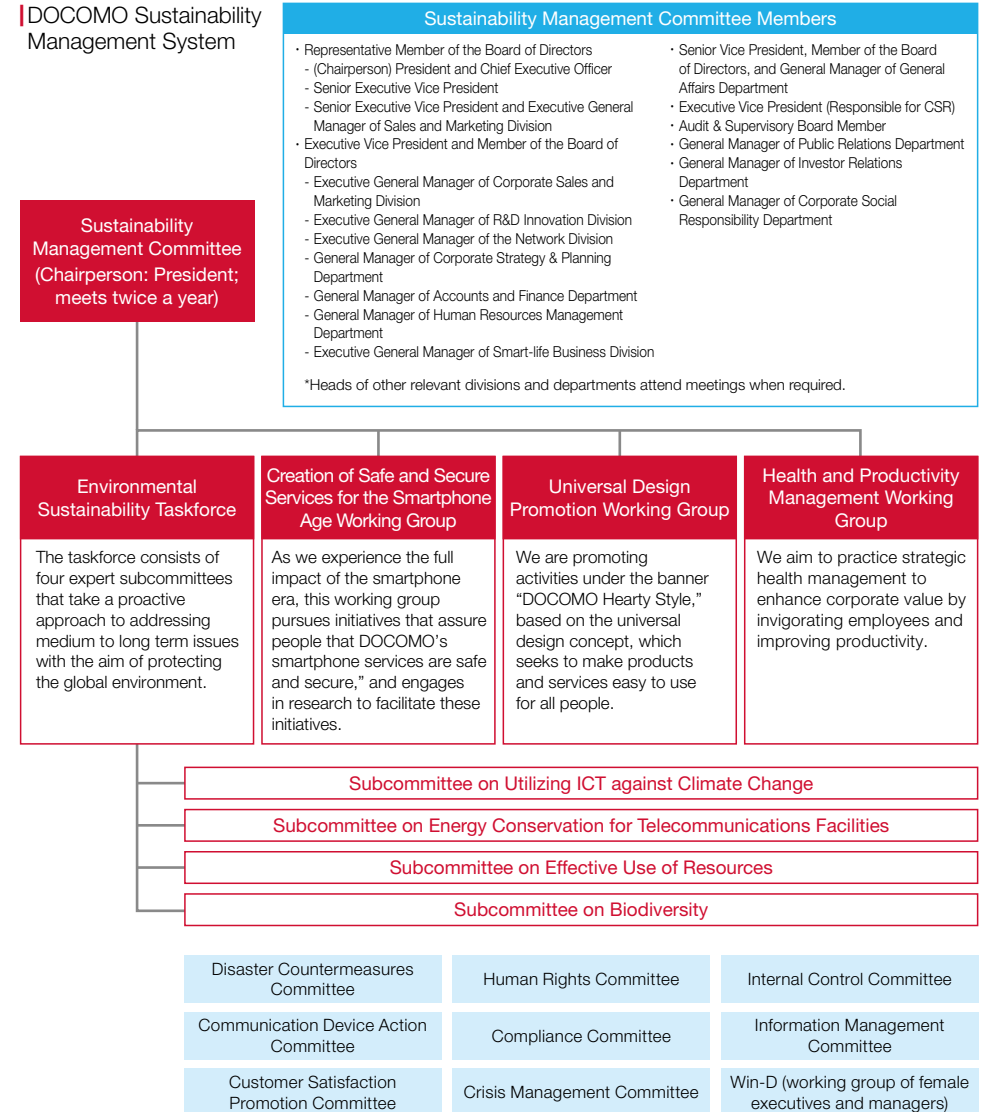
Sustainability Management System

DOCOMO convenes a meeting of the Sustainability Management Committee twice a year to discuss integrating CSR with management, share national and international topics and review progress on material CSR issues. The committee, chaired by the representative director and president, comprises senior executive vice presidents, members of the Board of Directors, Audit & Supervisory Board members, and managers of the relevant departments. The committee serves as the supervisory organ for the Environmental Sustainability Taskforce, Creation of Safe and Secure Services for the Smartphone Age Working Group, Universal Design Promotion Working Group and the Health and Productivity Management Working Group. These groups meet to deliberate on important CSR issues, and the results and challenges of their activities, together with themes for future activities, are submitted to the Sustainability Management Committee for further discussion. 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, and ensure that all employees clearly understand it.

We have also established committees to deal with other major issues. These include the Customer Satisfaction Promotion Committee, Disaster Countermeasures Committee, Compliance Committee and Information Management Committee, which hold regular meetings to promote CSR in a systematic and comprehensive way.

Also, since fiscal 2015, we have sought to advance NTT Group CSR management by holding meetings of the Group CSR Committee, chaired by the chairperson of NTT's CSR Committee (representative director and senior executive vice president) and comprising chief CSR officers (senior executive vice presidents, executive vice presidents or other officers) of major NTT Group companies in Japan, including NTT DOCOMO, Inc. In addition, CSR promotion members at each company hold Group CSR Liaison Meetings on a regular basis to share common challenges and successful examples from each Group company and to monitor progress on the implementation of NTT Group CSR Priority Activities with respect to PDCA cycles and further promote a sense of unity across the Group.

*Major Group companies: NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION, NIPPON TELEGRAPH AND TELEPHONE WEST CORPORATION, NTT Communications Corporation, NTT DATA Corporation, NTT COMWARE CORPORATION, NTT FACILITIES, INC., NTT Urban Development Corporation, and NTT DOCOMO, Inc.

DOCOMO Sustainability Management System

Sustainability Management Committee Members

- Representative Member of the Board of Directors
  - (Chairperson) President and Chief Executive Officer
  - Senior Executive Vice President
  - Senior Executive Vice President and Executive General Manager of Sales and Marketing Division
- Executive Vice President and Member of the Board of Directors
  - Executive General Manager of Corporate Sales and Marketing Division
  - Executive General Manager of R&D Innovation Division
  - Executive General Manager of the Network Division
  - General Manager of Corporate Strategy & Planning Department
  - General Manager of Accounts and Finance Department
  - General Manager of Human Resources Management Department
  - Executive General Manager of Smart-life Business Division
- Senior Vice President, Member of the Board of Directors, and General Manager of General Affairs Department
- Executive Vice President (Responsible for CSR)
- Audit & Supervisory Board Member
- General Manager of Public Relations Department
- General Manager of Investor Relations Department
- General Manager of Corporate Social Responsibility Department

*Heads of other relevant divisions and departments attend meetings when required.

Sustainability Management Committee (Chairperson: President; meets twice a year)

Environmental Sustainability Taskforce
The taskforce consists of four expert subcommittees that take a proactive approach to addressing medium to long term issues with the aim of protecting the global environment.

Creation of Safe and Secure Services for the Smartphone Age Working Group
As we experience the full impact of the smartphone era, this working group pursues initiatives that assure people that DOCOMO's smartphone services are safe and secure," and engages in research to facilitate these initiatives.

Universal Design Promotion Working Group
We are promoting activities under the banner "DOCOMO Hearty Style," based on the universal design concept, which seeks to make products and services easy to use for all people.

Health and Productivity Management Working Group
We aim to practice strategic health management to enhance corporate value by invigorating employees and improving productivity.

- Subcommittee on Utilizing ICT against Climate Change
- Subcommittee on Energy Conservation for Telecommunications Facilities
- Subcommittee on Effective Use of Resources
- Subcommittee on Biodiversity

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 of female executives and managers)

(as of March 2019)

🚩 PDCA Cycle Enforcement by Each Committee

Each committee formulates an annual action plan and presents a report detailing its progress and plans to the Sustainability
Management Committee in the first half of the fiscal year. The committees practice PDCA using the following approach.

Committees	Major Initiatives
Environmental Sustainability Taskforce	In fiscal 2018, we set up the following expert subcommittees to pursue initiatives in four areas. **Subcommittee on Utilizing ICT against Climate Change** Contribute to the reduction of CO_2 emissions across society **Subcommittee on Energy Conservation for Telecommunications Facilities** Reduce environmental impact in network construction **Subcommittee on Effective Use of Resources** Initiatives aimed at reducing the final disposal rate of waste and increasing the collection of used mobile phones **Subcommittee on Biodiversity** Strengthen the docomo Woods program and public relations activities
Creation of Safe and Secure Services for the Smartphone Age Working Group	• Reduce risks for smartphone use by children (filtering services, etc., for situations including the use of Wi-Fi connections) • Address the issue of preventing phone use while walking, a newly identified social issue, from a service standpoint • Considering services to prevent the criminal use of smartphones and mobile phones
Universal Design Promotion Working Group	Personnel responsible for developing products and services such as apps, billing plans and discount services, and for providing support to frontline staff participate as members of the group in order to share information and initiatives related to universal design. • Consider developing products and services that are both easy and safe to use for the elderly and persons with disabilities • Promote barrier-free docomo Shops (shop equipment, support with sign language and other measures) • Enhance accessibility (website, tools and other areas) **URL** https://www.nttdocomo.co.jp/english/utility/term/web_accessibility/index.html • Hold DOCOMO Hearty Classes to support persons with disabilities in learning how to use smartphones
Health and Productivity Management Working Group	• Encourage employees to develop an even higher level of awareness on health issues • Grasp the current situation by publishing a "Health White Paper" • Set targets for promoting health and productivity management, implement measures and monitor progress on target attainment

Note: Underlined phrases are linked to related pages.

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Participation in External Organizations

Instilling Awareness of CSR and SDGs

DOCOMO organizes training and lectures for each career level to instill the principles of CSR. In fiscal 2018, we held the following programs.

Fiscal 2018 CSR and ESG Training Programs by Career Level

Target	Program	Content
President, directors and others in top management positions (Sustainability Management Committee members)	ESG Study Group	Lectures by experts and discussions on CSR trends. Held twice in fiscal 2018 under the themes of "Thinking about Ideal ESG Management" and "SDGs and Corporate Management."
Senior managers	ESG Seminar	Lecture "What is Sustainability Management?" attended by one or more senior managers from each organization in the headquarters. Held twice in fiscal 2018.
Employees in the Corporate Sales and Marketing Division	Business Seminar on SDGs and Resolving Social Issues	Employees responsible for corporate sale participated to develop their understanding of SDGs and acquire the critical thinking and other skills necessary for capturing the demand that lies behind social issues. Aimed at generating successful cases by gaining the ability to engage in proposal-based sales activities that offer solutions to social issues inspired by the SDGs.
All employees	CSR Training	This web-based program promotes understanding of the importance of contributing to CSR and SDGs as well as DOCOMO's ongoing CSR activities. It also aims to raise employee awareness towards seeking solutions to social issues.

Furthermore, in our effort to contribute to the SDGs through our business, we begin our development projects by declaring the intended SDGs we seek to achieve through the new service.

Each year, the NTT Group CSR Conference is held to share superior CSR initiatives across the NTT Group. In the sixth conference, held in fiscal 2018, applications were sought from Group companies in Japan and abroad for outstanding initiatives under the categories of: (1) CSV and (2) Social contribution. DOCOMO offered a presentation on: (1) Simple Flick app (page 93) and (2) Smartphone and Mobile Phone Safety Classes (page 136).

In January and February 2019, the NTT Group also sought ideas for future contributions to society with the objective of raising employee awareness and discovering social contribution activities that would be unique to the NTT Group.

Given that developing a shared awareness on the importance of CSR is essential to further enhance our CSR, DOCOMO will continue to engage in diverse initiatives for disseminating CSR for all employees, including directors.

Initiatives for SDGs

DOCOMO is committed to helping achieve the SDGs through its business activities.

In fiscal 2018, we engaged in our business activities while also pursuing the following major initiatives.

Initiatives for Fiscal 2018

Category	Activity
Training	Held seminars for top management
	Held training for all employees
	Held the "Business Seminar on SDGs and Resolving Social Issues" for the Corporate Sales and Marketing Division
Collaboration with other companies	IoT×5G×SDGs Partner Co-Creation Project (page 45)
	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
	Conveyed contribution to specific SDGs for all services via docomo Open House (page 47)
Dissemination of information	Disseminate information on initiatives via a company newsletter and reports for external readers

DOCOMO's SDG-related Initiatives: Activity Highlight
https://www.nttdocomo.co.jp/english/corporate/csr/activity_highlight/index.html

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Stakeholder Engagement

DOCOMO engages in appropriate business activities and makes decisions to minimize negative impacts and maximize positive impacts for its stakeholders.

Engaging with each stakeholder in an appropriate manner that is in line with the nature of the relationship and relevant issues is essential for developing the sustainability of our business.

And as a member of the NTT Group, NTT DOCOMO adheres to the guidelines on stakeholder engagement established by the NTT Group in fiscal 2015.

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 Services
Governments	Regulatory institutions and municipalities that are responsible for granting approval for telecommunications and other DOCOMO businesses	Consultations and exchanges of opinions	Compliance with applicable regulations	Proposals on various regulations and easing of regulations
Shareholders and investors	Shareholders and investment institutions that directly or indirectly own DOCOMO shares and investment institutions that influence their decisions	General meetings of shareholders, financial results presentations, IR website, annual reports, DOCOMO Tsushin (shareholders newsletter), email newsletter, response by the IR Department	Achieve sustainable growth, enhance corporate value over the mid to long term and return profits to shareholders	Disclose information in a timely manner and appropriately communicate with shareholders
Financial institutions	Financial institutions that are connected to our businesses	Collaboration in account settlement	Fair transactions	Payment service for users and payment/settlement operation with suppliers
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 CSR procurement briefings	Fair and transparent transactions	CSR 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
Partner companies	Companies and public institutions that collaborate with DOCOMO in +d and other initiatives	Consultation, exchange of opinions	Fair and transparent transactions	Information exchange
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
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	From 2016: "Green Action Plan 2030"	Minimize environmental impact	Effective use of energy
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	Safety for the local community and appropriate collaboration for social development	Communicate with local communities

NTT Group's Stakeholder Engagement

URL http://www.ntt.co.jp/csr_e/groupcsr/stakeholder.html

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▶Participation in External Organizations

◥ Agreements with Local Governments

We have entered into collaborative agreements with local governments in which we seek to make use of DOCOMO's ICT services and AI technology for regional revitalization. As of June 30, 2019, we have signed collaborative agreements with 16 local governments in Japan (fiscal 2018: 11 agreements; fiscal 2019 (as of June 30): 2 agreements).

In fiscal 2018, the Agreement on Collaboration between Osaka Prefecture and NTT DOCOMO, Inc. was signed with the objective of reinforcing collaborative and co-creative activities to revitalize the region and improve public services for those living in Osaka.

In fiscal 2019, the Agreement for Collaboration and Cooperation on Smart City Development was signed with Kyoto Prefecture. We will work closely to solve regional issues by making use of ICT and also promote the development of the smart city envisioned by the Kyoto Prefectural Government.

We will also collaborate with local governments nationwide to pursue business activities that contribute to resolving issues faced by a region and its citizens and to enhancing the quality of their lives.

Commitment to External Initiatives

DOCOMO refers to the following external initiatives when accounting for environmental, social and economic impacts in our businesses.

We specifically look to international guidelines that contain measures companies should take against potential social and environmental risks in formulating our own NTT DOCOMO Group CSR Policy, NTT DOCOMO Group Code of Ethics and NTT DOCOMO Guidelines for CSR in Supply Chain.

External Initiatives Used as References for CSR Activities

• ISO 26000
• OECD Guidelines for Multinational Enterprises
• ISO 14001
• RBA (Responsible Business Alliance)
• SDGs
• TCFD (Task Force on Climate-related Financial Disclosures)
• ILO conventions

Participation in External Organizations

DOCOMO actively participates in external groups and organizations to exchange information and thereby develop a common awareness of social issues that transcends the corporate framework.

Membership in External Groups (Major Groups Only)

• KEIDANREN (Japan Federation of Business, incorporated association)
• Association of Radio Industries and Businesses (ARIB, incorporated association)
• Japan Mobile Communications Infrastructure Association (JMCIA, incorporated association)
• Telecommunications Carriers Association, general incorporated association
• GSM Association (GSMA)
• Next generation mobile networks
• Japan Climate Initiative (JCI)
• TCFD Supporters
(as of August 31, 2019)

038

4

Innovation

NTT DOCOMO GROUP
SUSTAINABILITY REPORT 2019

039 ▶Promoting R&D and Innovation   Promoting Open Innovation   Promoting Process Innovation (Top Gun)
Examples of Resolving Social Issues   Awards for Innovation

DOCOMO's R&D has been leading the mobile scenes not only in Japan but the world over. It has continuously created new technologies and new services by exercising its creativity and innovativeness. We strive each day in our R&D to overcome any stress factors that could strain communication or act as walls that hamper a smart life so as to achieve DOCOMO's goals for the 2020s of providing new value to customers and bringing structural change to the industry.
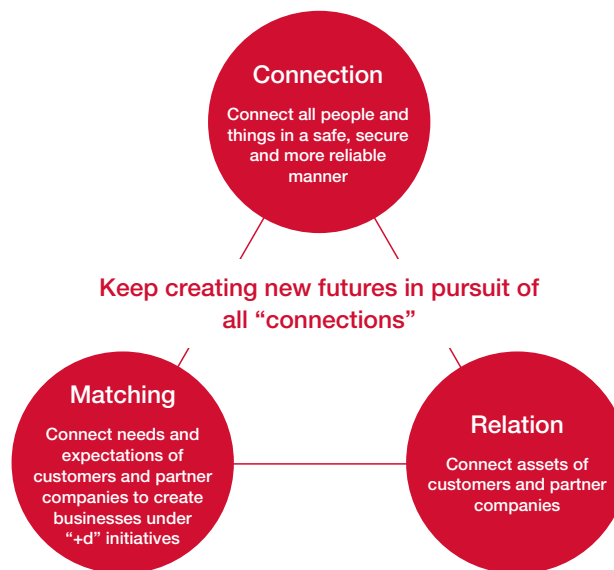
Promoting R&D and Innovation

Basic Policies and Philosophy

Advances in the information and communications industry are being made rapidly with the potential of having a major social impact through new technologies and ideas. DOCOMO believes that in addition to the area of mobile communications central to our business, such as devices and networks, there is a need to nurture the ability to bring about innovation toward quickly delivering services that enhance customer convenience and industrial efficiency.

DOCOMO has been bringing innovation to society ever since it began offering services. To define our role in our "Declaration beyond," we formulated the R&D vision: "Keep creating new futures in pursuit of all 'connections.'" Under the vision, we are actively pursuing R&D into telecommunications networks, devices, and services to provide 5th generation (5G) mobile communications and to develop businesses based on AI, IoT, and drones. Also, we are deeply engaged in open innovation toward creating new value in collaboration with external corporate partners. We will seek further growth and solutions for social issues through services based on an open-ended pursuit of all "connections."

R&D Vision

Connection
Connect all people and things in a safe, secure and more reliable manner

Keep creating new futures in pursuit of all "connections"

Matching
Connect needs and expectations of customers and partner companies to create businesses under "+d" initiatives

Relation
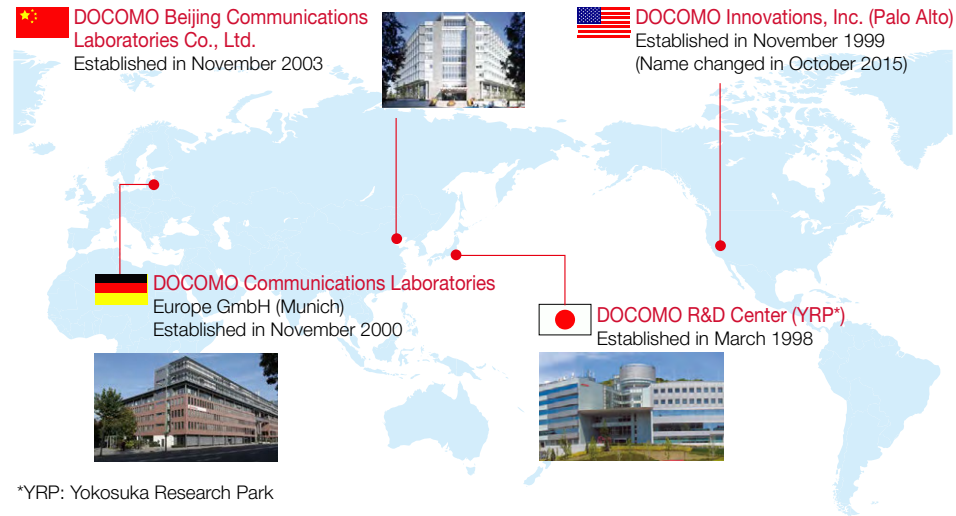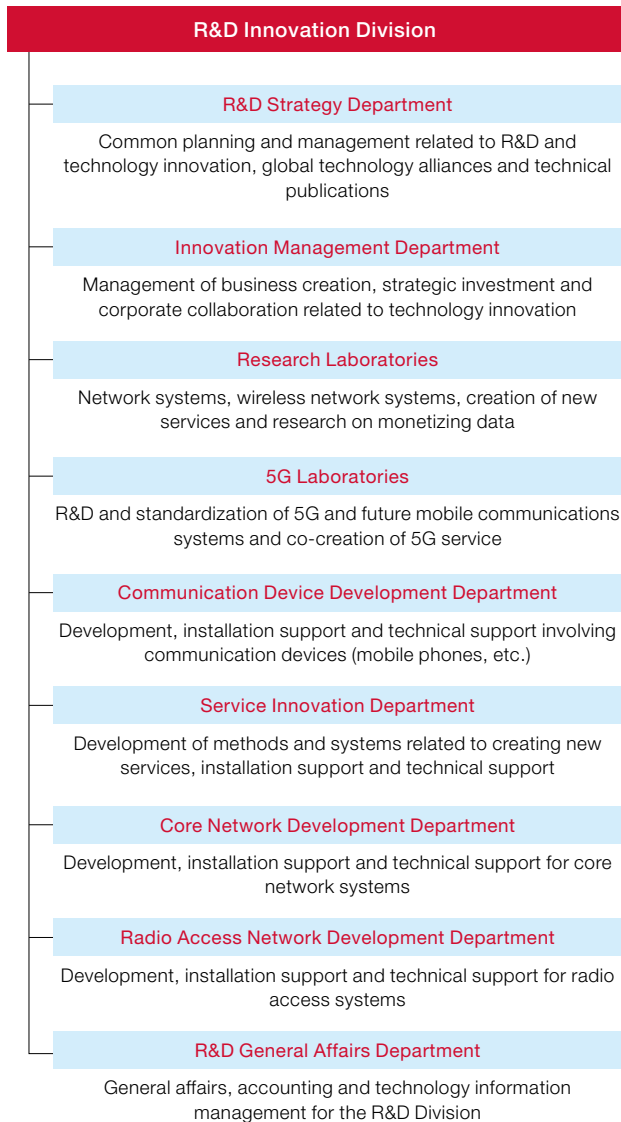Connect assets of customers and partner companies

R&D System

DOCOMO conducts R&D on mobile communications systems and new products and services primarily at the Yokosuka Research Park. The R&D Division leads our efforts, while the R&D Strategy Department is responsible for overall supervision. As part of our ongoing R&D activities and to further enhance the Group's devices, networks and services, each R&D division collaborates with other divisions. We also conduct joint development with major manufacturers toward realizing ideas for new services conceived by business divisions and promote an open innovation strategy that maximizes our diverse relationships with external entities. We publicize the results of our R&D efforts, such as new technologies, by making strategic announcements to the media and in other ways.

In response to technological innovations overseas, we have established R&D bases in the U.S., Germany, and China. These bases particularly contribute to international standardization activities for 5th generation (5G) mobile communications and virtual network technology in collaboration with the R&D Division at the DOCOMO head office. Along with DOCOMO Innovations, Inc. and the Silicon Valley branch of NTT DOCOMO Ventures, Inc., we also collaborate with and invest in startup ventures in North America, with the objective of investing in startups possessing advanced, innovative technologies that can be applied to mobile communications services.

▶**Promoting R&D and Innovation**　Promoting Open Innovation　Promoting Process Innovation (Top Gun)
Examples of Resolving Social Issues　Awards for Innovation

R&D Innovation Division

R&D Strategy Department

Common planning and management related to R&D and technology innovation, global technology alliances and technical publications

Innovation Management Department

Management of business creation, strategic investment and corporate collaboration related to technology innovation

Research Laboratories

Network systems, wireless network systems, creation of new services and research on monetizing data

5G Laboratories

R&D and standardization of 5G and future mobile communications systems and co-creation of 5G service

Communication Device Development Department

Development, installation support and technical support involving communication devices (mobile phones, etc.)

Service Innovation Department

Development of methods and systems related to creating new services, installation support and technical support

Core Network Development Department

Development, installation support and technical support for core network systems

Radio Access Network Development Department

Development, installation support and technical support for radio access systems

R&D General Affairs Department

General affairs, accounting and technology information management for the R&D Division

DOCOMO Beijing Communications Laboratories Co., Ltd.
Established in November 2003

DOCOMO Innovations, Inc. (Palo Alto)
Established in November 1999
(Name changed in October 2015)

DOCOMO Communications Laboratories
Europe GmbH (Munich)
Established in November 2000

DOCOMO R&D Center (YRP*)
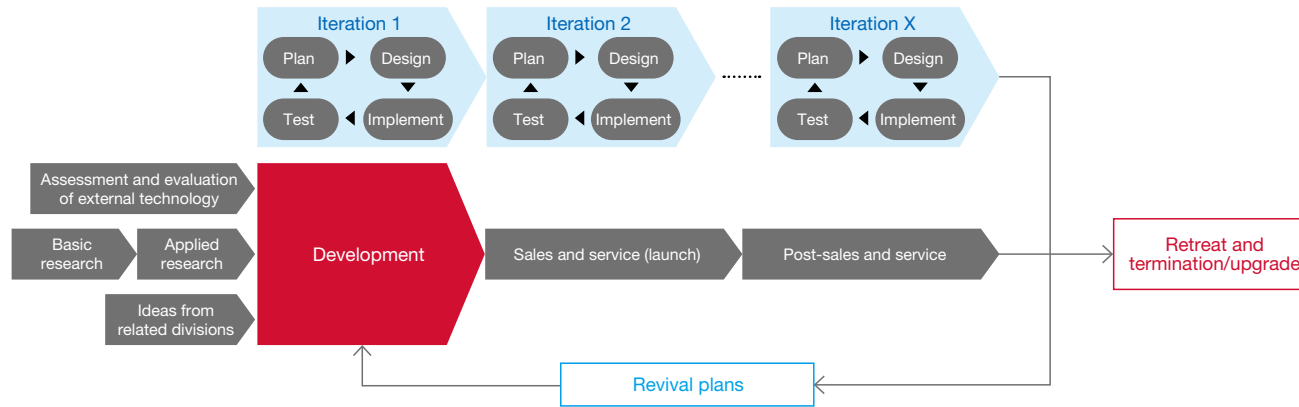Established in March 1998

*YRP: Yokosuka Research Park

Changes in R&D Expenses and Number of R&D Employees

Since the late 1990s, we have maintained a workforce of between 900 and 1,100 researchers for research and development and have spent around 80 billion yen to 100 billion yen annually from the year 2000. We continue to lead in the global mobile communications business and provide innovations that serve as the backbone of sustainable development.
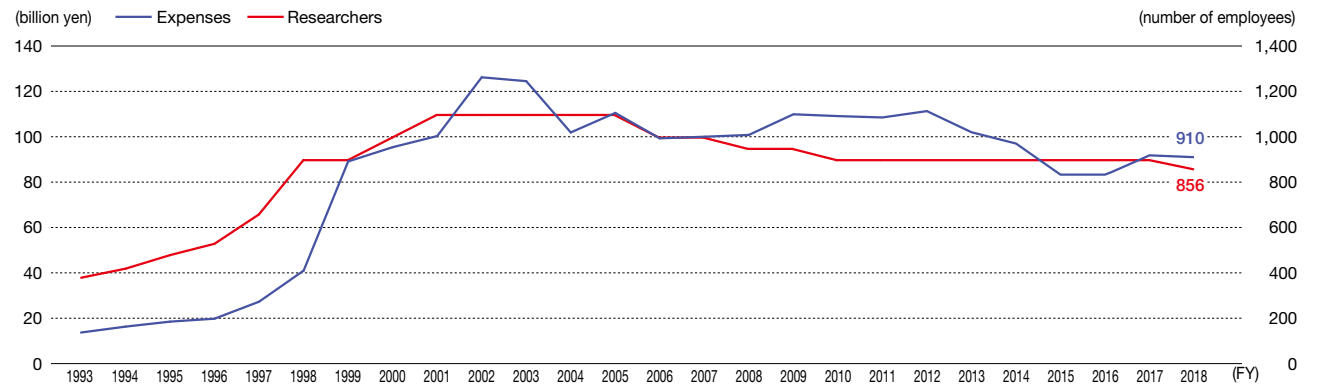
(billion yen)　— Expenses　— Researchers　(number of employees)

910
856

▶Promoting R&D and Innovation   Promoting Open Innovation   Promoting Process Innovation (Top Gun)
Examples of Resolving Social Issues   Awards for Innovation

Innovation Chain

Iteration 1: Plan → Design → Implement → Test
Iteration 2: Plan → Design → Implement → Test
Iteration X: Plan → Design → Implement → Test

Assessment and evaluation of external technology
Basic research
Applied research
Ideas from related divisions

Development → Sales and service (launch) → Post-sales and service → Retreat and termination/upgrade

Revival plans

Basic Research

We established our R&D system by comprehensively taking into account social conditions, trends in technological development, interaction with external research entities including universities, and the results of customer marketing. The Research Laboratories play a central role in undertaking basic research in collaboration with external institutions. As a major operating company of the NTT Group, DOCOMO supports NTT's R&D system for basic technologies. The R&D divisions of NTT and DOCOMO maintain close cooperation in their research to ensure that DOCOMO's business activities benefit from technological achievements made through these efforts. As an example of how we have applies such technological achievements, the laboratories of the holding company conducted basic research on voice recognition and intention interpretation technologies, which were then moved to the applied R&D phase at DOCOMO. This has led to the creation of various new services in recent years.

Applied Research and Development

In the area of infrastructure, we engage in technological exchanges with major overseas operators and formulate strategies in response to external trends. We are therefore contributing to the establishment of global standards and leading the industry in ecosystem-related efforts by conducting PoC (Proof of Concept) experiments with major manufacturers. Even as we play a role in the advancement of this industry, we also ensure that we enjoy competitive advantages in developing our own businesses. Furthermore, the Core Network Development Department and the Radio Access Network Development Department are heading up our involvement in joint development with major manufacturers to provide equipment and systems with internationally recognized functions.

As for services, we are striving to create new offerings by establishing an agile development system to promptly respond to market needs. Service ideas created by the business divisions are taken up by the Service Design Department to develop system infrastructure, while the Communication Device Development Department develops applications installed on the device. The Innovation Management Department is responsible for creating businesses related to technological innovations, extending strategic investments and bolstering collaboration with other companies. The Service Innovation Department develops element technologies and systems related to the creation of new services. As we create services, we accelerate the pace of introducing them and their value to markets by incorporating element technologies developed by NTT and the latest technologies developed elsewhere, in addition to DOCOMO's own technologies. Furthermore, we are striving to further expand into new markets for services based on DOCOMO technologies.

Sales and Service

Relevant divisions at DOCOMO actively present proposals that reflect social conditions, trends in technological development, and circumstances at shops as well as ideas for improvement from shops and the results of exchanges with external companies and customer marketing activities.

We convene screening meetings as part of our deliberations to launch new services. This cross-sectional meeting structure and an ongoing, comprehensive assessment process allow us to make decisions quickly.

Post-sales and Post-service

Each business promotion division regularly monitors the situation of services and formulates revival plans for services that appear unlikely to meet their initial targets.

▶**Promoting R&D and Innovation**   Promoting Open Innovation   Promoting Process Innovation (Top Gun)
Examples of Resolving Social Issues   Awards for Innovation

Promoting the Creation of Innovation

To accelerate the development of services that help address social issues, we create innovation by starting small. As the challenges faced by society and customers become more diversified and complex and as business competition intensifies, it has also become increasingly important to understand the locations where we do business in order to discover potential issues and needs and quickly turn them into solutions and profit. Adopting this small start method allows us to reach the commercial trial stage more quickly than by using a standard development process and more rapidly develop businesses that address social issues.

docomo LAUNCH CHALLENGE

docomo LAUNCH CHALLENGE is an initiative for commercializing new business ideas proposed by NTT DOCOMO Group employees with advice from a diverse group of mentors, each representing specialized areas of strength, such as entrepreneurs and designers. Each idea goes through a stage of considering which issues could be resolved by the business, verifying the real need, and determining the optimal solution while also reconfirming against feedback from the markets at every step. The ultimate goal is to instill confidence in each employee through the initiative, encouraging them to rise to the challenge of creating businesses that generate new revenue flow for DOCOMO or have an impact on society. In fiscal 2018, there were 186 applications, and verification is underway towards commercializing some of these projects.

In-House Venture System

The In-House Venture System of the DOCOMO Group serves as a means for encouraging the creation of new businesses by supporting employees who aspire to set up and manage an enterprise based on their own business concepts or technology. Business ideas submitted by employees are screened, and DOCOMO invests in ideas that pass the screening by establishing a company led by the employee who came up with the idea. During the screening process, the business idea is honed with the support of external mentors by conducting market analysis and verifying potential issues. Once a venture is set up, it continues to receive support from relevant departments of the DOCOMO Group as it seeks to grow. This program is intended to create businesses that provide synergies and impact for DOCOMO Group businesses.

Process of docomo LAUNCH CHALLENGE

NTT DOCOMO GROUP
SUSTAINABILITY REPORT 2019
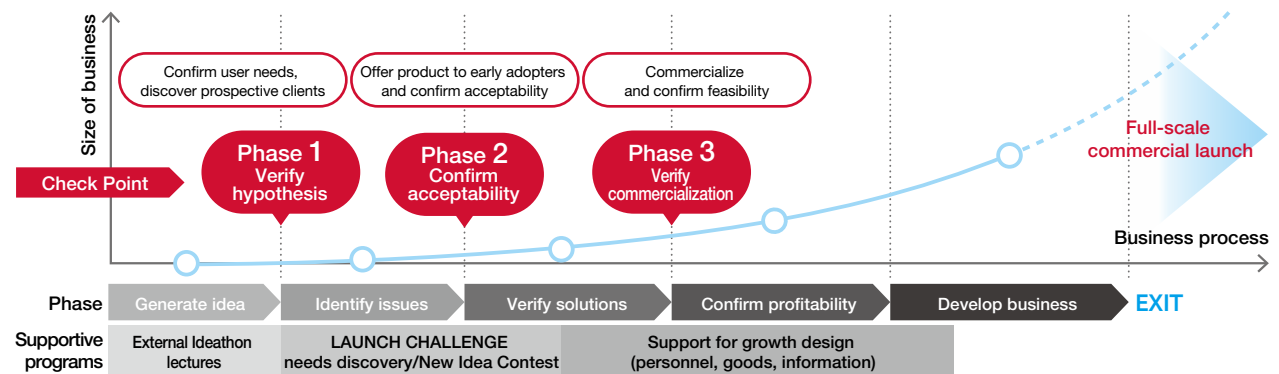
043   Promoting R&D and Innovation   ▶Promoting Open Innovation   Promoting Process Innovation (Top Gun)
Examples of Resolving Social Issues   Awards for Innovation

Promoting Open Innovation

DOCOMO is seeking to make the transition from a conventional mobile communications company to a "Value Co-Creation Company." DOCOMO possesses diverse business assets such as its mobile networks and customer base, secure settlement systems and customer referrals. We believe that we can create new businesses by making these assets available to partners with expertise and knowledge, and this in turn will lead to the co-creation of new social values.

We will particularly focus on 5G, AI, and IoT, promoting co-creative innovation by applying various mechanisms to the technologies of DOCOMO and its partners to create new value for customers through the "+d" process while also seeking to address social issues. In the process of creating new businesses, we identify challenges facing customers, including social issues, and conduct trials with customers before commercializing the business and seeking growth. We offer diverse mechanisms for co-creative innovation, such as 39works (page 45), in which we nurture an idea from zero by conducting verification and commercialization with our business partners, and Top Gun (page 47), in which we proceed with verification and product development with our corporate customers.
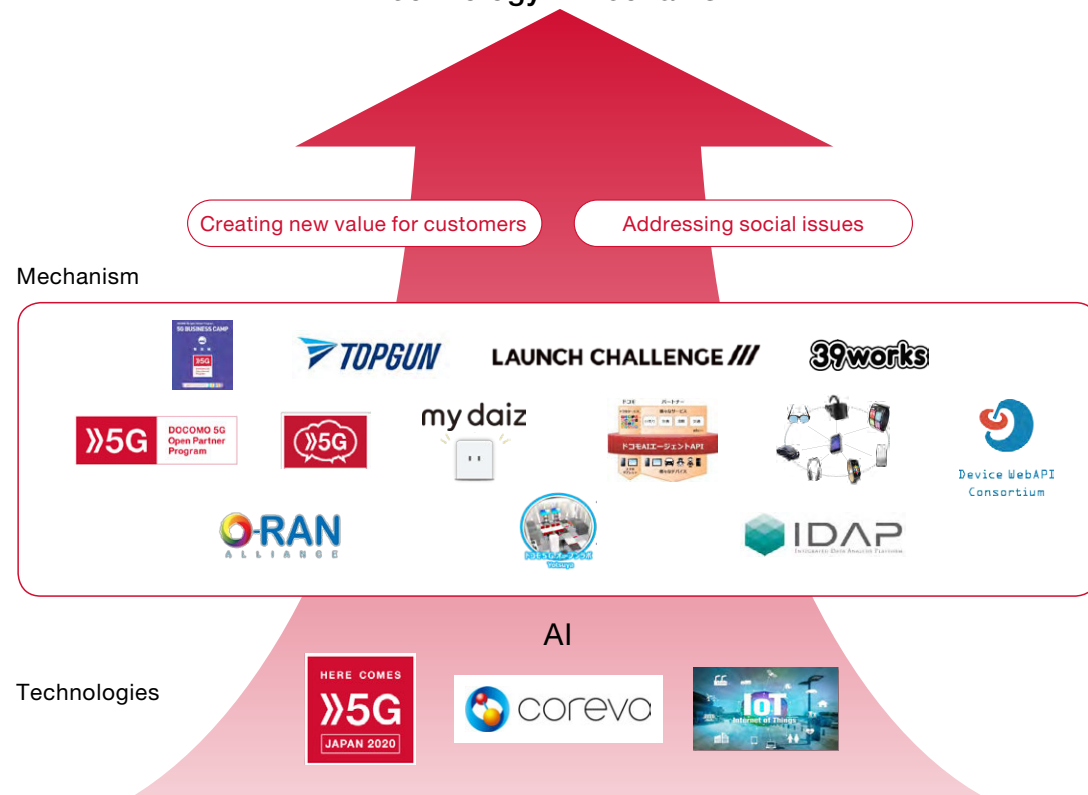
As part of this initiative, the "DOCOMO 5G Open Partner Program," launched in February 2018, will drive the development of new applications with a broad range of partners so that customers will be able to enjoy 5G services from the start of the 5G era. As of August 2019, about 2,900 partners have joined the program. Furthermore, in April 2018 we set up the "DOCOMO 5G Open Lab," a permanent testing environment for 5G technology, in four locations in and outside of Japan for companies and organizations participating in the program. We also constructed the "DOCOMO Open Innovation Cloud" as a testing environment connected to a cloud infrastructure. We are forging ahead with initiatives for creating new 5G applications in collaboration with a wide range of partners.

| Mechanism for Promoting Co-creative Innovation

Promoting Co-creative Innovation through Technology × Mechanism

Creating new value for customers   Addressing social issues

Mechanism

AI

Technologies

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Co-creation with External Partners

Through collaboration with partners in various areas, including local governments, companies, and research institutions, we will offer greater convenience for the daily lives of our customers and engage in initiatives aimed at revitalizing regional communities and resolving social issues. Specifically, we are pursuing "+d" initiatives in the areas of 5G, AI, and IoT.

Initiatives Undertaken with Diverse Partners in Principal R&D Projects in Fiscal 2018 and Fiscal 2019

Technology	Project	Alliance Partner	Objective
5G	Joint trial for 5G-based cellular V2X	• Continental Automotive Japan K.K. • Ericson Inc. • Nissan Motor Corporation • Oki Electric Industry Co., Ltd. • Qualcomm Technologies, Inc.	Conduct verification testing for cellular V2X, a highly reliable, low latency communication technology for connected cars, by applying direct communication technology defined by the 3GPP in their Release 14 specifications and commercial LTE networks ▸ For more information
AI	AI traffic jam prediction	• East Nippon Expressway Company Limited	Conduct field trials on traffic jam prediction through "AI traffic jam prediction" based on demographic statistics using our mobile phone network system and historic congestion records held by East Nippon Expressway ▸ For more information (in Japanese only)
AI	Yokohama MaaS—AI Bus field trial	• New Energy and Industrial Technology Development Organization • Yokohama City • Mirai Share Co., Ltd. • National Institute of Advanced Industrial Science and Technology • East Japan Railway Company	Conduct a large-scale MaaS field trial for the "AI Bus" on-demand public transport system in the bay area of Yokohama City to improve the route and revitalize the local economy by combining collaboration with about 500 local commercial facilities and authentication using the Suica card ▸ For more information (in Japanese only)
IoT	Mirainoie Project	• Yokohama City • and factory, Inc.	Implement the Mirainoie Project to visualize and thereby raise public awareness of the living conditions of residents and to consider and promote the creation of comfortable indoor environments ▸ For more information (in Japanese only)
IoT	docomo Smart Parking System	• Prestige International Inc. • Premier Mobile Solution Inc.	• Provide a solution for parking lot operators utilizing IoT and ICT technologies to ease the chronic shortage of parking spaces in urban areas by using small lots and other land not facing main streets • Continue providing the commercial service started in the second half of fiscal 2017 following verification tests; currently underway in two areas of Tokyo and Osaka ▸ For more information (in Japanese only)

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Collaborating with Startup Companies — 39works

Based on an open innovation strategy that leverages diverse relationships with external entities, the 39works program for "co-creative business development" organizes joint projects with external partners and together engages in BizDevOps, which encompasses the entire process, from planning and development to operations and maintenance. The program aims for a quick start of small businesses and nurturing them by repeating improvements of their service quality in accordance with market response through a high-speed PDCA approach. Also, the program is inclusive and creates products and services that are better and more useful for people by continuously determining whether they fit the needs of markets and society. We launched five new businesses in fiscal 2017 and three more in fiscal 2018.

Co-creation with Ventures

Considering future social environments and industry trends, DOCOMO is supporting the growth of venture companies and promoting co-creation with them through investments via DOCOMO Ventures, Inc., a DOCOMO subsidiary, and DOCOMO Innovation Village activities.

As for investment activities, we focus on the business domains stated in our "Declaration beyond" Medium-Term Strategy 2020 and are making strategic investments in anticipation of generating synergies with our business.

In terms of DOCOMO Innovation Village activities, we support ventures mainly through three programs (Village Alliance, Village Community, and Village Social Entrepreneurs). Specifically, we match our businesses with those of ventures, promote exchanges between our employees and entrepreneurs, and support entrepreneurs who take on social issues.

In one of these developments, DOCOMO is expanding "dmarket."

The entertainment business requires the development of an optimal system by integrating various aspects, such as content and devices. Therefore, it is vitally dependent on co-creating with business partners. We hope to forge a partnership that enables us to effectively disseminate venture assets through our infrastructure.

For example, we have collaborated with a Finnish venture company that provides a game streaming service that allows users to enjoy games without downloading them. Users can also enjoy new games from around the world, compete against each other for higher game scores, and use the multiplayer features. It enhanced the services of "dgames" to be suitable for the 5G era.

IoT×5G×SDGs Partner Co-Creation Project

DOCOMO will contribute to achieving the Sustainable Development Goals (SDGs) adopted by the United Nations in 2015 by focusing on the "connecting" technologies of IoT and 5G. We are integrating the strengths of multiple partners in their respective areas of expertise to create solutions for social issues included in the SDGs while also seeking to develop new, sustainable businesses.

As part of these initiatives, we launched the IoT×5G×SDGs Partner Co-Creation Project in December 2018 to explore new business possibilities. We will partner with companies and organizations participating in the "DOCOMO 5G Open Partner Program" that are willing to collaborate with us in co-creating solutions, particularly in the area of IoT, to achieve the SDGs.

Specifically, we will set up working groups with our partners, with each group seeking to create new businesses for achieving each SDG. We will also organize joint workshops to share information among the groups. The working groups are managed by DOCOMO and a co-leader who will play a central role in each project. We have established an effective scheme for co-creation through the participation of many companies. DOCOMO will support its corporate partners through measures such as providing verification environments and advanced use of communication devices; expanding sales through its corporate channels; publishing information on its corporate website; and jointly exhibiting at trade shows.

Moreover, we are taking action by setting up three working groups addressing three themes selected from key social issues: rising medical costs and burden of nursing care; the labor shortage and handing down of technology in the manufacturing industry; and ensuring safety and security amid an increase in nuclear families and dual-income families. As of June 2019, the three companies working with DOCOMO as co-leaders of these working groups are Fujitsu Ltd., UNIADEX, Ltd., and ELIIY Power Co., Ltd., respectively.

In the years ahead, we will ask diverse companies and organizations to participate in the project, and by bolstering collaboration with partners across a broad range of industries, we will accelerate the pace of our efforts to create new IoT solutions for the 5G era towards achieving the SDGs.

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3 Working Groups and Co-lead Companies

Targeted SDG	3 GOOD HEALTH AND WELL-BEING	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	11 SUSTAINABLE CITIES AND COMMUNITIES
Co-lead Company	Fujitsu Ltd.	UNIADEX, Ltd.	ELIIY Power Co., Ltd.
Working Group Outline	Create solutions for social issues surrounding the elderly towards realizing a society in which everyone, including elderly citizens, can live soundly with a sense of connection to society.	Address issues faced by industry, such as the labor shortage and difficulty of handing down skills, by creating solutions such as services for inspecting and diagnosing issues.	Create solutions based on highly safe rechargeable batteries to develop comfortable towns towards ensuring security and safety amid changing family structures.

docomo AI Agent Open Partner Initiative

DOCOMO is developing an AI Agent API that will provide a new foundation for its strategy of helping customers realize innovative lifestyles with new AI agents, a pillar of its "Declaration beyond." The API will be the basic system for building new AI agents consisting of a proactive support engine, multipurpose dialogue engine and IoT access control engine. The engines are based on corevo™ AI technologies developed by the NTT Group.

We have made this API openly available through the docomo AI Agent Open Partner Initiative, which promotes the joint development of new services based on a speech interface.

By opening up the use of services cultivated by DOCOMO and the API for device providers, we intend to create speech- and text-based services that provide new experiences for end-users, forge win-win business relationships with partners, and

reduce the development period for AI-agent services.

As of 2019, we have been working with seven companies, and collaborations with partners in diverse areas have allowed us to create applied products based on the specialized standpoints of these areas that would not have been possible for DOCOMO to accomplish alone. For example, the robotic assistant for visiting nurses is a product specialized for the domain, including its purpose, which was only possible through collaboration. We also worked with a local government to introduce a chatbot using AI conversation technology that provides guidance on sorting garbage. This resulted in raising the efficiency of responses to queries on garbage sorting, and we learned from a verification trial conducted with Yokohama City that 30% of the queries were from citizens accessing the service outside of business hours.

We will realize new AI agents to familiarize users with the diverse services offered by partners through natural communication supported by AI to deliver benefits, satisfaction, and security for every customer.

Mirai Translator

Going forward, machine translation technology is expected to mature, more tourists will visit Japan, and a larger number of Japanese companies will expand their business overseas. Given these trends, we established Mirai Translate, Inc. in October 2014. We are currently providing machine translation solutions by leveraging the large volume of translation corpus, ongoing tuning by professional engineers, and our mobile terminal development capabilities and sales network, in which NTT DOCOMO, NTT Communications Corporation, Panasonic Corporation, and Honyaku Center Inc. all maintain strengths.

In December 2017, we launched the Mirai Translator™ as a cloud machine translation service that can be accessed

on the Internet using a web browser. It is equipped with a neural machine translation (NMT) engine with a proficiency in writing English equivalent to levels higher than a TOEIC score of 960 (as of April 2019) in Japanese-English translation. We also sell the translation engine to NTT Group companies and affiliates. Through sales of Mirai Translator™, our machine translation engine, and speech translation solutions, as well as the provision of machine translation platform services and their related consulting services, we expect to achieve 1 billion yen in operating revenues in fiscal 2019.

Mirai Translator™, a web browser-based cloud machine translation service translates text data as well as Microsoft Office format files (PowerPoint, Word, Excel), or PDF format, while keeping the layout unchanged, by a simple drag-and-drop operation. To realize stress-free communication between different languages in various business settings, including daily conversations and documents with many technical terms, such as agreements and internal documents, we are promoting our machine translation platform service, which is safe and scalable and can be customized for the business domains of our customers. With this service, we are helping to globalize Japan.

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DOCOMO R&D Open House

We hold a DOCOMO R&D Open House every year to showcase the DOCOMO Group's latest R&D efforts and promote our +d initiatives. The event's main purpose lies in its broad appeal to stakeholders related to DOCOMO's efforts to deliver added value to customers and create social value through our mid- to long-term R&D initiatives in order to co-create value with our corporate clients.

In fiscal 2018, we organized a multi-faceted program for DOCOMO Open House 2018, including 241 exhibits of the latest technologies such as 5G, AI, and IoT as well as lectures by DOCOMO's partners in co-creation. We also indicated specific SDGs for all services exhibited there in order to communicate to visitors how our services are contributing to the achievement of the SDGs. There were 14,176 visitors in fiscal 2018, representing an increase of roughly 70% from the 8,406 visitors in fiscal 2017. The Open House is a key opportunity to inform a broad audience about DOCOMO's initiatives on creating social value through R&D and to strengthen our collaboration with diverse partners.

Promoting Process Innovation (Top Gun)

In October 2017, DOCOMO began its Top Gun initiative, in which the R&D and Corporate Sales and Marketing departments have formed an elite team and work as one with customers to address challenges. This involves a swift process that encompasses identifying issues and needs, creating solutions, developing business projects and monetizing them. We also established a maintenance and operation system for our solutions, which are sold nationwide as a packaged product for corporate customers. Ten months after the initiative's launch, we are pursuing ten projects, as of July 2018.

Top Gun collaborations between R&D and Corporate Sales and Marketing are not limited to the departments at the head office. Corporate Sales and Marketing staff at DOCOMO's regional offices and branches in Japan can voluntarily join the initiative to solve issues faced by companies and governments, and the number of participants is rising. We set up a system so that the head office can share information about Top Gun with the regional offices and branches, and at the head office we provide space where staff working at that location can meet for discussions with colleagues from regional offices and branches. These efforts encouraged greater interaction and collaboration between the R&D departments and corporate sales departments at our regional offices and branches nationwide.

We will create solutions at a much faster pace by having R&D members responsible for developing the technology visit customers to make on-the-spot decisions as to whether or not it will be useful for resolving a particular issue and to present even better solutions. In fiscal 2017, we began work on eight projects, and launched ten more in fiscal 2018.

Having R&D staff responsible for developing the technology visit customers together with Corporate Sales and Marketing staff allows for the connecting of needs with potential solutions. We can also verify and resolve issues simultaneously and with speed, and to turn technological possibilities into value for customers while making full use of the cutting-edge technologies we provide them with solutions. We will pursue this initiative to accelerate the pace of "+d" co-creation toward achieving Declaration 4: Industry creation and Declaration 5: Solution co-creation under our "Declaration beyond" Medium-Term Strategy to 2020. As of July 2019, we had engaged in 22 projects, of which six have been commercialized and 14 are ongoing. We intend to further accelerate the pace of our Top Gun initiative.

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Examples of Resolving Social Issues

DOCOMO has leveraged the unlimited potential of ICT to develop innovative solutions that address issues facing society.

Education & Learning × ICT

🚩 English 4skills

DOCOMO cooperates with EduLab, Inc. to provide schools and language schools with "English 4skills," an online English education service that teaches the four skills of reading, listening, speaking, and writing in English.
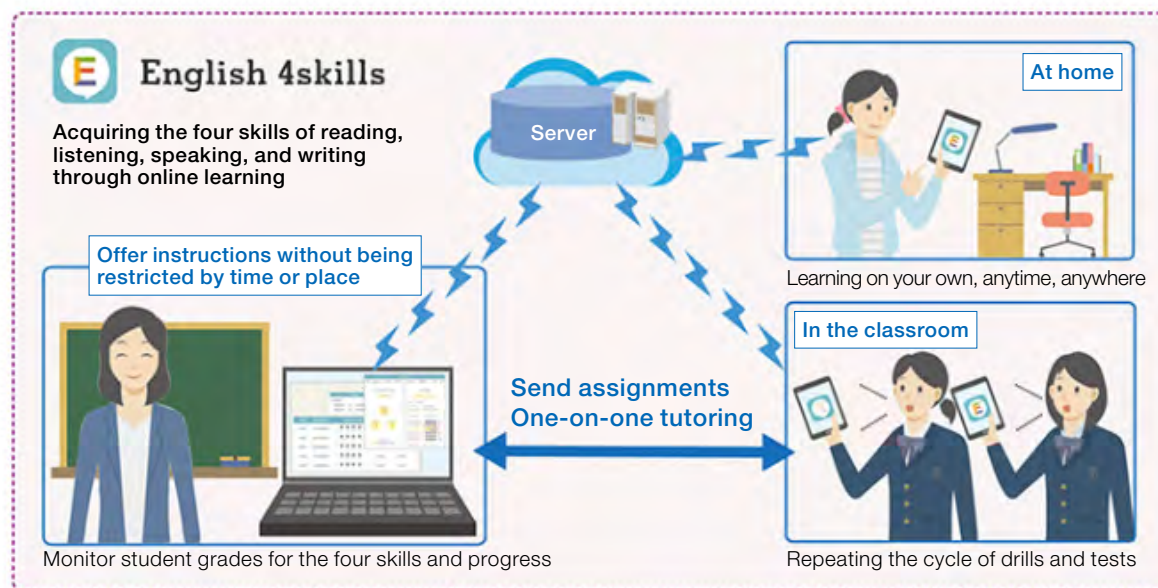
Following revisions in Japan's official curriculum guidelines, a new standardized university entrance exam will be introduced starting with the 2020 academic year, which will use privately administered English proficiency tests. In addition to reading and listening skills, students will be evaluated on speaking and writing skills as well. This has given rise to the need for guidance at educational institutions such as schools, including English language schools. English 4skills has attracted attention as a tool for helping students acquire these key language skills.

With the service, students use computers, smartphones, and tablet devices to learn the four skills through a repeated cycle of drills and tests. It is equipped with voice recognition and automatic grading functions to evaluate proficiency in each skill. We have earned significant recognition and positive feedback from schools that have adopted English 4skills such as: "There was a rise in the number of students passing the Eiken® English proficiency test," and: "It makes continuing to learn fun and easy."

We also support teachers in providing guidance and instructions with online assignment and feedback functions and a grade management function that enables them, for example, to check student progress at a glance. We also offer an outsourcing service for correcting English composition so that teachers can focus their attention on tutoring students.

Moreover, English 4skills helps overcome regional disparities by providing an environment in which everyone has equal access to quality education, while it also contributes to addressing workstyle reform in educational institutions.

English 4skills

Acquiring the four skills of reading, listening, speaking, and writing through online learning

Offer instructions without being restricted by time or place

Monitor student grades for the four skills and progress

Server

Send assignments
One-on-one tutoring

At home

Learning on your own, anytime, anywhere

In the classroom

Repeating the cycle of drills and tests

Promoting R&D and Innovation   Promoting Open Innovation   Promoting Process Innovation (Top Gun)
▶**Examples of Resolving Social Issues**   Awards for Innovation

Health & Medical Care × ICT

🚩 Mieru Denwa

Despite the widespread use of email and social networking sites for communication today, we continue to make phone calls on a daily basis. We tend to need our phones more when we have particularly important information to convey such as providing instructions to delivery companies; dealing with household problems involving water, electricity, and other services; and contacting a hospital or other emergency services.

DOCOMO's Mieru Denwa is capable of converting the caller's spoken words into text and displaying them on a smartphone screen in real time. This allows those with hearing impairments or those who find it difficult to discern speech to use the phone comfortably. It is also equipped with a function for converting text into a voice message. Additionally, standard messages can be registered beforehand, thereby facilitating communication for individuals who have difficultly vocalizing their thoughts.

The idea for the Mieru Denwa originated with an employee with hearing difficulties and was commercialized after repeated verification trials. Users with hearing difficulties fear being misunderstood when communicating information and feel they cannot use a phone. Mieru Denwa relieves their anxiety and ensures security and safety. Looking ahead, we will seek to develop greater public understanding to promote the wider use of this service.

We provide guidance at the start of the phone call to inform the person at the receiving end that the call is being made through Mieru Denwa.

A Mieru Denwa call can be made to users of other carriers as long as the caller uses a DOCOMO handset.

*Some phone numbers are not compatible with the service.

Average number of calls made via Mieru Denwa per day (compared with the number of calls made on smartphones)
Approx. 1.5 times

When the receiver is transmitting a voice

Service user	Mieru Denwa system	Person on the other end
Voice + Text		Voice
We'll redeliver at around 15:00.	← Communicate by text	We'll redeliver at around 15:00.
	Communicate by voice →	
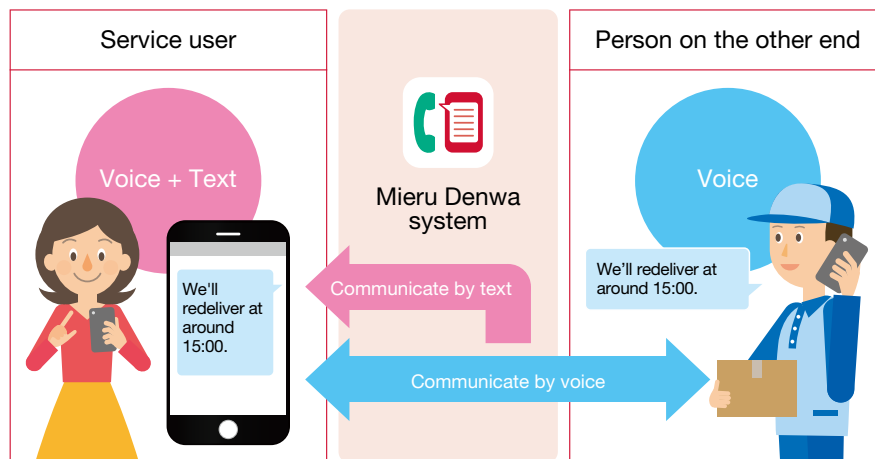
When the service user is conveying a message

Service user	Mieru Denwa system	Person on the other end
Voice + Text		Voice
Thank you. 発話	Enter text message → Communicate by voice →	Thank you.

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Mobility × ICT

8 DECENT WORK AND ECONOMIC GROWTH　9 INDUSTRY, INNOVATION AND INFRASTRUCTURE　11 SUSTAINABLE CITIES AND COMMUNITIES

🚩 AI-operated Bus

Bus service routes are drawn to support mass transit between fixed points but cannot meet diverse individual transportation needs. Meanwhile, while taxis are capable of serving individual needs, they are costly and tend to place a larger burden on traffic and the environment. On-demand ride-share transport services are gaining attention as a solution to these issues.

　　DOCOMO has been conducting joint development with Mirai Share Co., Ltd. to commercialize and broaden the use of the service, which combines the features of a bus route and taxi service. The AI-operated bus integrates Mirai Share's AI technology for optimizing the supply of transportation with DOCOMO's peopl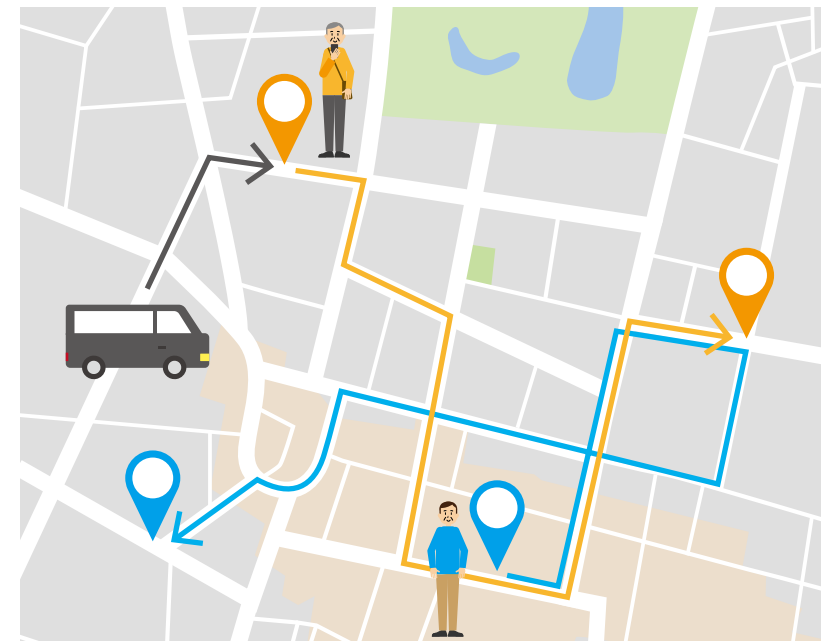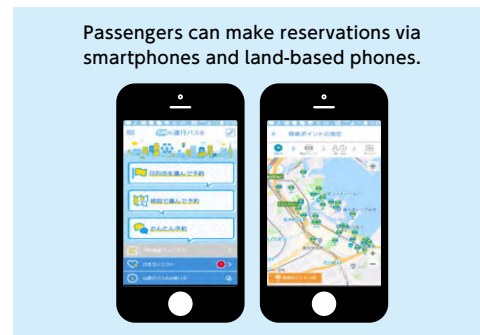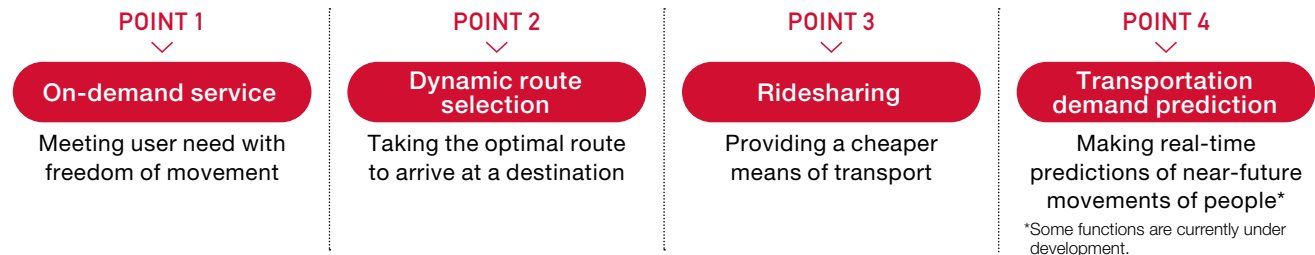e flow prediction technology. This on-demand public transport system determines optimal ride-sharing patterns based on real-time requests from users to allocate vehicles and issue operational instructions. It also adds to the convenience of passengers and alleviates the burden of vehicle allocation for operation managers. Moreover, it contributes to solving transport problems faced by areas that are under-populated, under-served by public transport, or facing a rapidly aging population. With the conclusion of verification trials, we launched commercial service in April 2019, and we will continue to make improvements with the goal of introducing the system to 100 areas by fiscal 2020.

🚌 Commercial launch target by fiscal 2020　**100** areas

| Outline of AI-Operated Bus

POINT 1
On-demand service
Meeting user need with freedom of movement

POINT 2
Dynamic route selection
Taking the optimal route to arrive at a destination

POINT 3
Ridesharing
Providing a cheaper means of transport

POINT 4
Transportation demand prediction
Making real-time predictions of near-future movements of people*
*Some functions are currently under development.

Passengers can make reservations via smartphones and land-based phones.

Promoting R&D and Innovation   Promoting Open Innovation   Promoting Process Innovation (Top Gun)
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Productivity Improvement × ICT

🚩 Drone-based Farming Support System

DOCOMO is collaborating with AIRSTAGE Inc. in a social demonstration* for realizing efficient farming based on drones and ICT, involving verification trials and introduction to farmers. Japanese agriculture is facing challenges due to aging farm workers and a lack of new entrants. While there are many issues, such as reducing the labor and burden of farm work and handing down skills, the industry also needs to become more competitive.
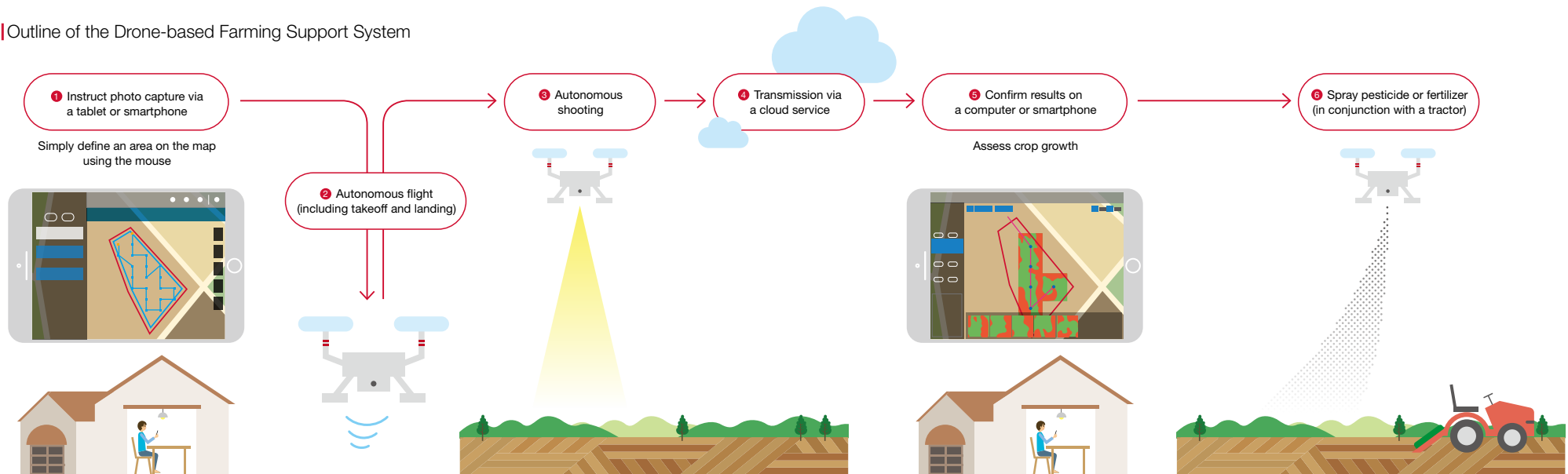
In the drone-based farming support system, drones are autonomously flown to determine the status of crop growth and spray pesticides and fertilizer. The use of near-infrared photography makes it possible to monitor the crop growth of an entire farm accurately and efficiently and without having to depend on years of experience. The system also realizes effective and efficient farm work by automatically adjusting and pinpoint spraying the correct amount of pesticides and fertilizers according to crop growth. Farmers can easily enter instructions for the photo capture and confirm results on their computers, smartphones, and tablet devices.

This low-cost system improves productivity in primary industries and boosts the earning power of the region. Starting with verification trials in Hokkaido, DOCOMO seeks to contribute to revitalizing regions by expanding the use of advanced agricultural ICT services.

*Conducted as part of the Social Demonstration Trials for Near-Future Technologies Project, a regional revitalization project led by the Cabinet Office of Japan.

Outline of the Drone-based Farming Support System

1. Instruct photo capture via a tablet or smartphone
   Simply define an area on the map using the mouse
2. Autonomous flight (including takeoff and landing)
3. Autonomous shooting
4. Transmission via a cloud service
5. Confirm results on a computer or smartphone
   Assess crop growth
6. Spray pesticide or fertilizer (in conjunction with a tractor)

Promoting R&D and Innovation   Promoting Open Innovation   Promoting Process Innovation (Top Gun)
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Productivity Improvement × ICT

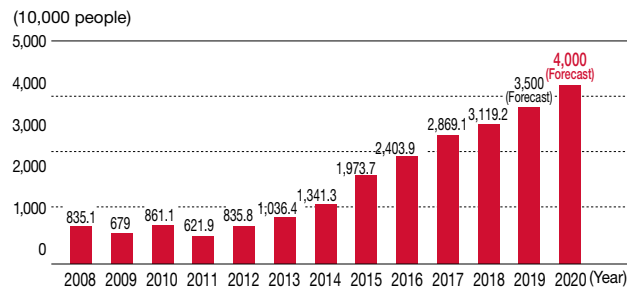**8** DECENT WORK AND ECONOMIC GROWTH   **10** REDUCED INEQUALITIES

🚩 Touch de Kaiwa

As Japan welcomes more visitors of diverse nationalities, a number of issues are emerging, such as the need for multilingual displays at various facilities and staff proficient in foreign languages. DOCOMO is seeking to help with the situation by promoting the use of Touch de Kaiwa, an iOS app for facilitating communication with foreigners that was developed as part of the Top Gun initiative (page 47).

The app contains pre-entered sentences in various languages that are translated in text and voice by tapping the display. The app does not require a fresh transmission with each use and therefore offers a quick response while avoiding unintentional translation mistakes. In addition, it has been significantly upgraded from previous versions to respond to multiple languages, allowing users to customize translations and other aspects, and links to other speech translation apps are also provided.

Touch de Kaiwa will expand the possibilities of interacting with visitors to Japan. It is expected to alleviate the labor shortage and enhance labor productivity in various locations, including regions that lack human resources. In addition, raising the satisfaction of foreign visitors can lead to repeat visits and increases of visitors via social media, while expanding visits to local regions will revitalize these areas through tourism. There are many other applications for Touch de Kaiwa, such as facilitating communication with persons with disabilities and the elderly.

The influx of visitors to Japan is projected to exceed 40 million by 2020, the year of the Tokyo Olympic and Paralympic Games. We will address the steady increase and expansion of inbound tourists by seeking wider use of the service and its broader application.

Number of Foreign Visitors to Japan

(10,000 people)

Year	Value
2008	835.1
2009	679
2010	861.1
2011	621.9
2012	835.8
2013	1,036.4
2014	1,341.3
2015	1,973.7
2016	2,403.9
2017	2,869.1
2018	3,119.2
2019	3,500 (Forecast)
2020	4,000 (Forecast)

✈ Projected number of visitors to Japan in 2020 **Over 40 million**

Offers a Choice of Sentences Depending on the Situation

Three modes used in different situations

Information Mode (User: Foreigner)	Hearing Mode (User: Staff)	Announcement Mode (User: Staff)
Foreigners obtain information	**Staff asks a foreigner a question**	**Communicate with foreigners in multiple languages**
Example: facility guide, events, restaurant menus	Example topics: medical examination at a hospital, circumstances surrounding lost articles or children	Example: emergency broadcasts during a disaster, explanations by tour guides

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Workstyle Reform × ICT
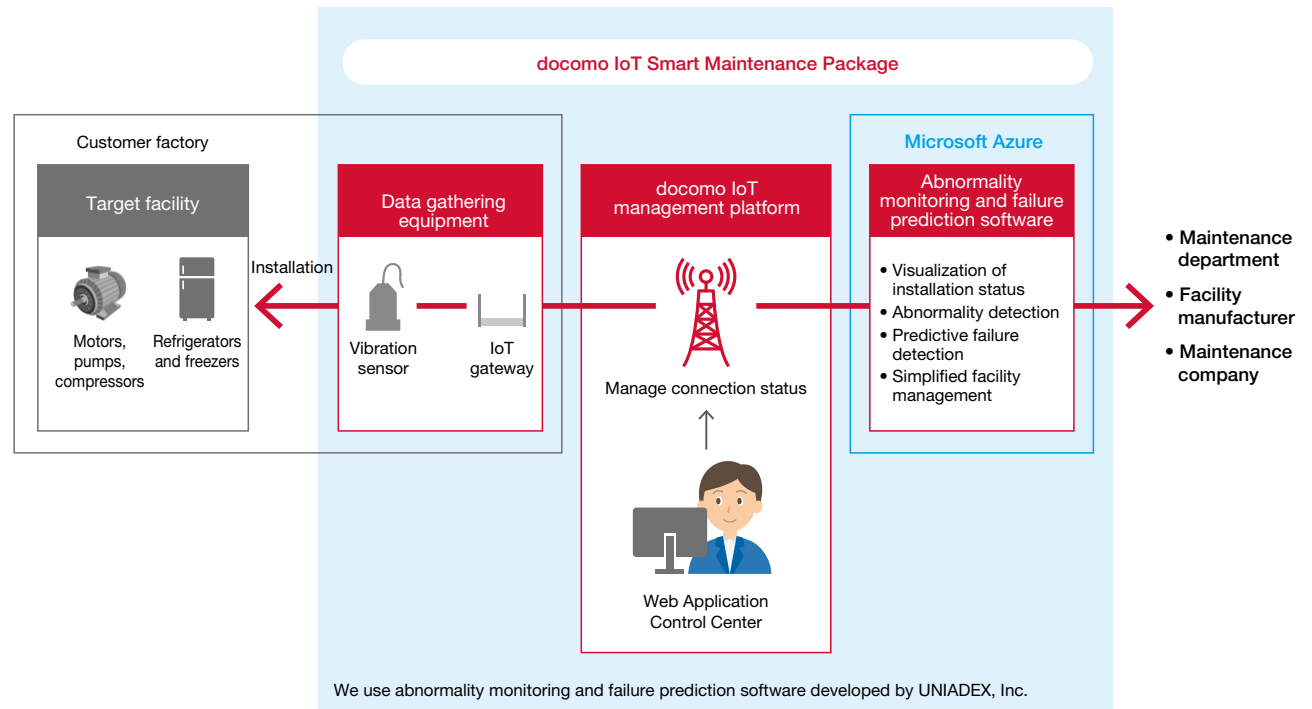
🚩 docomo IoT Smart Maintenance Package

The falling number of veteran staff is exacerbating the labor shortage in maintenance operations at industrial facilities. To address this universal issue facing the manufacturing sector, DOCOMO developed the docomo IoT Smart Maintenance Package, which uses IoT to raise the efficiency of maintenance operations and achieve uniform levels of inspection quality.

The docomo IoT Smart Maintenance Package is the latest solution for introducing IoT, machine learning, and AI to facility inspection and diagnostic operations. It provides in a single package UNIADEX, Inc.'s AirInsight™ Maintenance and DOCOMO's LTE/3G connections for IoT together with vibration sensors, IoT gateways, and facility inspection software. Vibration sensors installed at customer facilities such as factories collect and analyze vibration data during operations to conduct facility inspections and diagnosis. Customers will be able to semi-automate daily inspections, detect abnormal vibration data, and conduct predictive failure detection based on the data. It will also be possible to reduce operations as required for preventive maintenance and maintenance operations by obtaining long-term data using DOCOMO's secure mobile connections and UNIADEX's advanced facility diagnostic technology. We provide a comprehensive one-stop service encompassing response to queries about problems related to maintenance operations, selection of target facilities, analysis of vibration data, and the necessary equipment to facilitate the system's introduction. We use add-on sensors and gateways that offer the advantage of installation at facilities. Looking ahead, DOCOMO will provide this package to assist in introducing IoT to industrial and other facilities in order to address the various social issues faced by our customers.

| docomo IoT Smart Maintenance Package Service Overview

We use abnormality monitoring and failure prediction software developed by UNIADEX, Inc.

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Climate Change × ICT

🚩 Energy-saving Communication Method for IoT Services

DOCOMO began providing LTE-M in October 2018 and NB-IoT in April 2019. Both are communication methods for cellular LPWA (Low Power Wide Area) IoT services for conserving power.

LTE-M and NB-IoT enable the use of battery-powered IoT equipment when there is no access to the commercial power grid. They can be applied for such purposes as helping solve diverse social issues, including remote monitoring of river water levels and ground conditions to prepare against natural disasters and monitoring position information to track the movement of elderly individuals. Saving power consumed by IoT devices reduces CO_2 emissions caused by power generation, whereas remote monitoring lessens the need for onsite visual confirmation and reduces CO_2 emissions involved in transportation, thereby helping address climate change.

🚩 Example of LTE-M Use

We launched a verification trial in May 2019 for a solution that visualizes the operational status of transportation vehicles in the United States. The growing demand for delivery businesses makes difficult the permanent installation of IoT devices for monitoring operational status when vehicles are not owned by the company. The LTE-M standard for low-power communication is used to equip vehicles with IoT terminals that run on batteries or solar power to grasp their operating status for more efficient delivery management.

Configuration Example of LTE-M Use

Applied where there is no access to the commercial power grid

- Monitoring of river water levels and ground conditions
- Monitoring of position information for tracking people
- Monitoring of heat stress (WBGT)

LTE-M compatible communication module → DOCOMO LTE-M network → DOCOMO base station → Customer and user servers → Customer
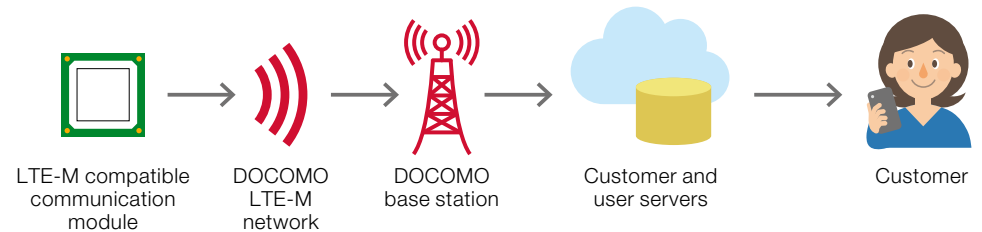
Outline of Verification Trial

- Position information
- Frequency of braking

Sensor → Cloud → Delivery recipient / Computer

Information can be viewed via computer

ITOCHU LOGISTICS / Computer
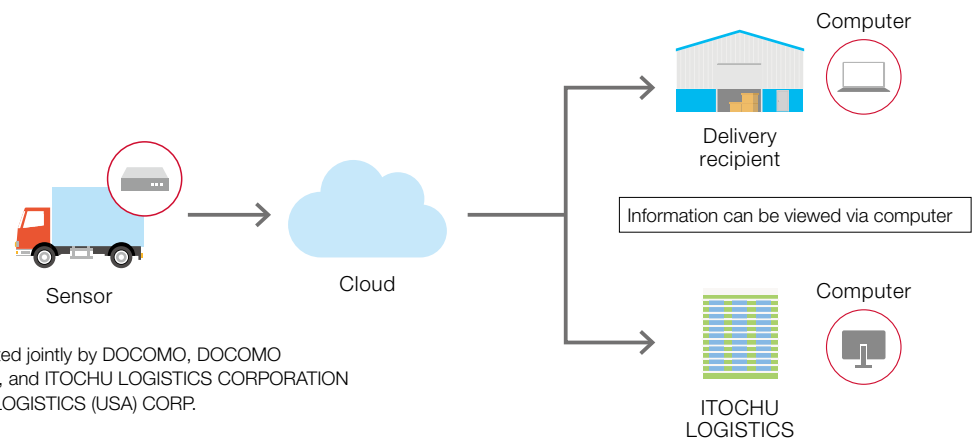
The verification trial is being conducted jointly by DOCOMO, DOCOMO subsidiary NTT DOCOMO USA, Inc., and ITOCHU LOGISTICS CORPORATION along with its U.S. affiliate ITOCHU LOGISTICS (USA) CORP.

Promoting R&D and Innovation   Promoting Open Innovation   Promoting Process Innovation (Top Gun)

Examples of Resolving Social Issues   ▶Awards for Innovation

Awards for Innovation

NTT DOCOMO received the following awards for innovation in fiscal 2018 and 2019.

Host	Award		Award-winning Project and Rationale (affiliations as of the time of winning the awards)	Date
Cabinet Office	Medal with Purple Ribbon		"Development of radio access control technology for the 3rd and 4th generation mobile phone system" Seizou Onoe (R&D Innovation Division) Recognized for developing radio access control technology for the 3rd and 4th generation mobile phone system, thereby helping to realize and spread of 3G and 4G in and outside of Japan and achieving more comfortable communication using smartphones, which helped improve the convenience of daily life.	April 28, 2018
Institute of Electronic, Information and Communication Engineers (IEICE)	Achievement Award		"Commercialization of network virtualization technology capable of running the EPC software of multiple vendors" Hiroyuki Oto (R&D Strategy Department) Yasuyuki Uchiyama (Core Network Development Department) Kazuaki Obana (NTT Network Innovation Laboratories) Recognized for their extraordinary contribution to the mobile communication industry through this commercialization, the world's leading example in network virtualization, and for their distinguished achievement.	June 7, 2018
	Yasuharu Suematsu Award		"Standardization of radio access network architecture and radio interface protocols for mobile communication systems" Anil Umesh (Radio Access Network Development Department) Recognized for contributions to establishing standard specifications, mainly in 3GPP, for 3.5th (HSPA), 4th (LTE and LTE-A), and 5th (5G) generations, as well as contributions to the O-RAN Alliance that enables the use of a common interface between the parent device in the 5G base station and wireless devices in the latest advances towards 5G standardization.	June 6, 2019
Ministry of Education, Culture, Sports, Science and Technology	The Commendation for Science and Technology by the Minister of Education, Culture, Sports, Science and Technology	Prize for Science and Technology (Development Category)	"Development and commercialization of world-leading VoLTE with high-quality sound and high efficiency" Kazuo Sugiyama (Core Network Development Department) Akihiro Maebara (Radio Access Network Development Department) Toshiyuki Futakata (Communication Device Development Department) Recognized for their outstanding achievements in their project in terms of R&D and understanding the enhancement of science and technology.	April 17, 2018
Tsushinbunka Association	Hisoka Maejima Award		"Contribution to the international standardization of a ground-based radio communication system through ITU-R" Akira Hashimoto (Network Department) Recognized for being active on the front lines of international standardization in the radio communication field by participating in ITU radio communication department meetings as a Japanese representative as well as for significantly contributing to the improvement of Japan's global competitiveness.	April 10, 2018
			"Commercialization of 3.5 GHz-band TD-LTE service realizing carrier aggregation with FDD" Toshiro Kawahara (Radio Access Network Development Department) Kenji Furukawa (Network Department) Kenji Hashimoto (Communication Device Development Department) Recognized for standardizing TDD-FDD CA, commercializing a Japan-invented service through carrier aggregation of the 3.5 GHz TDD and FDD methods and also for developing a technology that enables quicker, higher capacity and smoother communications, leading to expansion into a new market, including promoting the use of rich content (using videos and sound) in the mobile network.	

056　　　Promoting R&D and Innovation　Promoting Open Innovation　Promoting Process Innovation (Top Gun)

Examples of Resolving Social Issues　▶Awards for Innovation

Host	Award		Award-winning Project and Rationale (affiliations as of the time of winning the awards)	Date
Tsushinbunka Association	Hisoka Maejima Award		"Commercialization of network virtualization technology capable of running the EPC software of multiple vendors" Hiroyuki Oto (Core Network Development Department) Yasuyuki Uchiyama (Core Network Development Department) Kazuaki Obana (NTT Network Innovation Laboratories) Recognized for their extraordinary contribution to the mobile communication industry through this commercialization, the world's leading example in network virtualization, and for their distinguished achievement.	April 10, 2019
ITU Association of Japan	Celebration of World Telecommunication and Information Society Day	TU-AJ Accomplishment Award	Kozo Sakae (Core Network Development Department) Contributions to enhancing the management interface for SDH/ATM transmission equipment in ITU-TI as well as streamlining and enhancing virtual network management in ETSI and 3GPP.	May 17, 2018
			Lan Chen (R&D Strategy Department, Beijing Labs) Recognized for contributions to the standardization of 5G in 3GPP and promotion of Japan-China frequency harmonization.	
		ITU-AJ Encouragement Award	Hiroki Harada (Communication Device Development Department) Recognized for contributions to standardizing LTE/LTE-Advanced and 5G within 3GPP.	
			Toru Uchino (Radio Access Network Development Department) Recognized for contributions to standardizing LTE-Advanced, IoT, and 5G within 3GPP.	
			Motohiro Abe (Core Network Development Department) Recognized for contributions to standardizing VoLTE roaming methods and M2M roaming guidelines.	
		ITU-AJ Accomplishment Award	Toshiro Kawahara (Radio Access Network Development Department) Recognized for contributions to expanding the scope of multimedia communication protocols for mobile communication in the ITU-TI, standardizing an error-resilient video and audio communication system in MPEG-4, and standardizing and commercializing LTE in 3GPP as well as efforts made in the founding of O-RAN, a standardization body for mobile communication protocols.	May 17, 2019
		ITU-AJ Encouragement Award	Yuya Kuno (Core Network Development Department) Recognized for contributions to promoting discussions on interface specifications in a multi-vendor configuration of a network function virtualization system from the standpoint of actual operation, for the early finalization of interface specifications, and for promoting discussions on testing specifications for interoperability.	May 17, 2019
			Kazuki Takeda (5G Laboratories) Recognized for taking the lead in specifying the physical-layer control channel that forms the basis of the 5G system, contributing significantly to standardizing 5G based on commercial requirements, and compiling component technologies underlying the 5G physical layer as an editor of 5G technical specifications.	
			Masahide Murakami (Core Network Development Department) Recognized for taking the lead in revising the documentation for the VoLTE roaming system and drafting the documentation of IP interconnection in GSMA.	

Promoting R&D and Innovation   Promoting Open Innovation   Promoting Process Innovation (Top Gun)

Examples of Resolving Social Issues   ▶Awards for Innovation

Host	Award		Award-winning Project and Rationale (affiliations as of the time of winning the awards)	Date
Association of Radio Industries and Businesses (ARIB)	The Meritorious Award on Radio	The Award of the Minister of Internal Affairs and Communications	"Commercialization of the power-saving technology eDRX for IoT communication equipment" Power-saving Technology eDRX Commercialization Team leader Toshiyuki Futakata (Communication Device Development Department) Recognized for providing eDRX technology in LTE areas throughout Japan by promoting the commercialization and standardization of technology that can significantly extend the intervals of intermittent se ding and receiving by connecting a core network to a wireless network and also for extending battery life by about 10 times by developing a low power consumption UIM in combination with the above.	June 27, 2018
		The Award of the Chairman of the Board of ARIB	"Commercialization of Network Functions Virtualization (NFV), which enables the running of multiple vendor software" Network Virtualization Base Development Team leader Kazuo Sugiyama (Core Network Development Department) Recognized for the world's first commercialization in March 2016 of network virtualization technology that improves usability through the integrated and flexible control of various vendor products as well as for his active contribution to international standardization.	
		The Award of the Minister of Internal Affairs and Communications	"Formulation of international standard specifications for the commercialization of 5th generation mobile communication systems" Satoshi Nagata (5G Laboratories) Recognized for taking the lead in formulating international standards for 5G, including specifications for large-capacity transmission, by actively participating in 3GPP standardization conferences and serving as the chairperson and vice-chairperson of the 3GPP TSG-RAN Working Group.	June 25, 2019
		The Award of the Chairman of the Board of ARIB	"Open development of wireless access network specifications" Open Wireless Access Network Promotion Team leader Sadayuki Abeta (Radio Access Network Development Department) Recognized for contributing to the establishment of the O-RAN Alliance with four overseas carriers in February 2018 to realize an open, flexible, and intelligent wireless access network (RAN) and sharing the specifications in March 2019, which led to the adoption of its specifications by major global operators and vendors.	
Telecommunication Technology Committee	Telecommunication Technology Award	TTC Chairperson's Award	"Achievements in standardization activities related to mobile communication network architecture" Takashi Koshimizu (R&D Strategy Department) Recognized for contributing to the standardization of core networks for 3G, LTE, and 5G in 3GPP, serving in positions including chairperson of the TTC's 3GPP Expert Committee and promoting standardization in Japan through upstream and downstream work for the ITU-T document.	June 19, 2018
			"Achievements related to standardizing and promoting demonstration of network virtualization architecture in mobile communication networks" Motoi Tamura (Network Department) Recognized for taking the lead in establishing standards in and outside of Japan for mobile communication networks, including ALL-IP, CS-IP, IMS service (RCS and others), and network virtualization/Openflow.	June 18, 2019

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5

Environment

NTT DOCOMO GROUP
SUSTAINABILITY REPORT 2019

059 ▶ Environmental Vision and Action Plan Environmental Management Response to Recommendations by the TCFD Creation of a Low-Carbon Future
Formation of a Sustainable Society Reducing Water Consumption Preservation of Biodiversity Environmental Communication
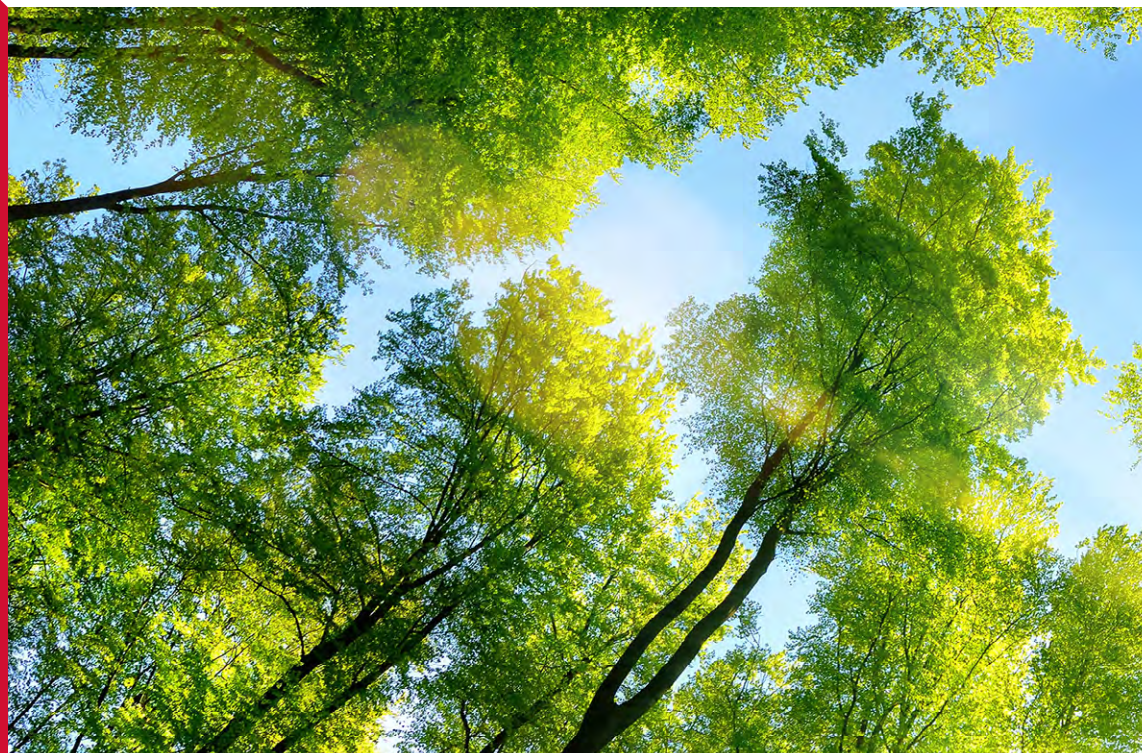
We recognize global environmental issues and climate change as key management concerns. Moreover, we believe our mission as a corporate citizen is to acknowledge the environmental impact associated with our business activities and make the utmost effort to work alongside our customers toward reducing the impact of society as a whole.

Environmental Vision and Action Plan

Basic Policies and Philosophy

We established the DOCOMO Global Environment Charter as a set of guidelines for promoting environmental protection efforts. The charter clarifies our commitment to helping solve global environmental problems by providing ICT services.

ICT can help to control the generation of CO_2 by reducing the consumption of materials and energy for the production of books and music as well as visual media; reducing work processes through increased operational efficiency; reducing the movement of people through network utilization; and reducing the movement and storage of goods through information digitization.

In these ways, ICT brings innovation to various areas while contributing to reducing environmental impacts in our daily lives and on society.

Moreover, at the COP21 in December 2015, the international community adopted the Paris Agreement as the new framework for addressing climate change beyond 2020. In response, the DOCOMO Group is pursuing activities in accordance with the DOCOMO Group Environmental Declaration, which presents its vision for the future, and the Green Action Plan 2030, which summarizes its environmental targets through to 2030.

Looking ahead, the DOCOMO Group will uphold these guidelines and environmental targets as it continues to make a Group-wide effort to carry out its activities to protect the environment.

Significance of the Environmental Charter and Environmental Targets

DOCOMO Group Environmental Charter	DOCOMO Group's basic philosophies and policies concerning global environmental protection
DOCOMO Group's Environmental Declaration	DOCOMO Group's vision for global environmental protection
Green Action Plan 2030	DOCOMO Group's environmental targets through to 2030

◤ DOCOMO Group Environmental Charter

DOCOMO Group's basic philosophies and policies concerning global environmental protection

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DOCOMO Group Environmental Charter
(Enacted on June 1, 2007; revised on October 17, 2016)

Basic Philosophy

The NTT DOCOMO Group views global environmental problems as important issues to be addressed by management. By developing and providing services centered on the mobile ICT, we will stimulate innovation in diverse aspects of lifestyle and business, and work with customers to support society's efforts to protect the environment. We will also work to reduce the environmental impacts of our business activities.

Basic Policy

Conduct Business with the Environment in Mind
- Actively promote businesses contributing to reducing environmental impact through the provision of ICT services.
- In all business activities, curb emissions of greenhouse gases, conduct proper management of hazardous materials, and encourage resource conservation by promoting the "three Rs" (reduce, reuse, and recycle).

Strengthen Environmental Management
- Comply with all environmental laws and regulations and through environmental management systems avoid risk and continuously improve performance.

Promote Environmental Communication
- Promote environmental activities in cooperation with business partners, throughout all processes: procurement, research and development, sales, and after-sales services.
- Disclose accurate environmental information to help others understand the DOCOMO Group's environmental activities, and use feedback received to improve these activities.
- Enhance environmental awareness through the environmental training of employees and communication among all corporate levels and departments.

Preserve Biodiversity
- Understand the relationship between biodiversity and our business activities and promote initiatives to preserve biodiversity for future generations.

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SUSTAINABILITY REPORT 2019

060 ▶Environmental Vision and Action Plan   Environmental Management   Response to Recommendations by the TCFD   Creation of a Low-Carbon Future
Formation of a Sustainable Society   Reducing Water Consumption   Preservation of Biodiversity   Environmental Communication

◣ DOCOMO Group's Environmental Declaration
DOCOMO Group's vision for global environmental protection

DOCOMO Group Environmental Declaration

DOCOMO will lead successful environmental management systems for the future of people, society and the Earth.

» We will create new value for environmental protection by providing mobile ICT services.
» We will ensure that our businesses are conducted with honesty in harmony with the global environment.

Themes of Our Initiatives and Actions

The DOCOMO Group takes on challenges to achieve environmental goals for 2030 with three focuses.

Realizing a Low Carbon Future
We are contributing to the reduction CO₂ emissions and facilitating adaptation to climate change.

Implementing Closed-Loop Recycling
We are working toward more effective resource allocation.

Planning a Future of Natural Harmony
We are contributing to the preservation of biodiversity.

◣ Themes and Actions of the Initiatives Based on the Environmental Declaration
We will strive to achieve the environmental targets for 2030 with the following themes and actions set on the basis of the Environmental Declaration.

Themes	Actions
Realizing a low carbon future	We are contributing to the reduction of CO_2 emissions and facilitating adaptation to climate change.
Implementing closed-loop recycling	We are working toward more effective resource allocation.
Planning a future of natural harmony	We are contributing to the conservation of biodiversity.

◣ DOCOMO Group's Environmental Targets— Green Action Plan 2030

The Paris Agreement was adopted at the COP21 in Paris in 2015. Under the agreement, each country will work on initiatives to achieve the targets set for combating climate change for the year 2030 and even further into the future.

Taking into account such global trends, DOCOMO is pursuing activities in accordance with the DOCOMO Group Environmental Declaration, which presents its vision for global environmental protection, and Green Action Plan 2030, which summarizes the Group's environmental targets through to 2030.

The DOCOMO Group's Environmental Targets, the Green Action Plan 2030, which embodied the actions for the three initiative themes, were classified into two categories from the perspectives of "innovative docomo" and "Responsible docomo," which are the DOCOMO Group's CSR policy. One is Green Actions of Innovative docomo and the other is Green Actions of Responsible docomo. We will work to achieve the five targets set under these actions toward 2030.

Guided by the DOCOMO Group Environmental Declaration, "DOCOMO will lead successful environmental management systems for people, society and the Earth," and the environmental targets through to 2030 set out in the Green Action Plan 2030, we are striving to attain five goals that include contributing to society by reducing CO_2 emissions by at least 40 million tons and bringing about at least a ten-fold increase in power efficiency in the communications business compared to fiscal 2013.

DOCOMO will continue to improve customer services and achieve sustainable growth for the Company by creating a society in which people can live with greater security, safety, comfort and affluence across national and regional borders and across generations.

NTT DOCOMO GROUP
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061   ▶ Environmental Vision and Action Plan   Environmental Management   Response to Recommendations by the TCFD   Creation of a Low-Carbon Future
Formation of a Sustainable Society   Reducing Water Consumption   Preservation of Biodiversity   Environmental Communication

| Green Action Plan 2030

Green Action Plan 2030

Targets to be achieved by 2030 are set on the basis of our CSR Policy of
"Innovative docomo" and "Responsible docomo".

Green Actions of Innovative docomo

We will contribute to create a low-carbon society and minimize climate change risks by providing DOCOMO's services to customers.

Quantitative Target
» Amount of contribution to the reduction of CO_2 emissions across society: at least 40 million tons

Qualitative Target
» We will promote various initiatives to contribute to adaptation to climate change. We will also make collaborative efforts with our stakeholders.

Reduction of CO_2 emissions by 40 million tons

Adaptation to climate change

+d

Main Actions
» Development and provision of the services and technologies contributing to the reduction of CO_2 emissions
» Development and provision of the services and technologies contributing to the adaptation to climate change

Green Actions of Responsible docomo

We will fulfill our responsibility to reduce environmental impact. We will also actively participate in environmental contribution activities as a corporate citizen.

Quantitative Target
» Electrical efficiency of the communications services: at least a tenfold increase compared to fiscal 2013
» Final disposal ratio of waste: achieve zero emissions (under 1%)

Qualitative Target
» We will promote initiatives through various activities for conservation of biodiversity. We will also make collaborative efforts with our stakeholders.

At least a tenfold increase in electricity efficiency

Achieve zero emissions

Activities for conservation of biodiversity
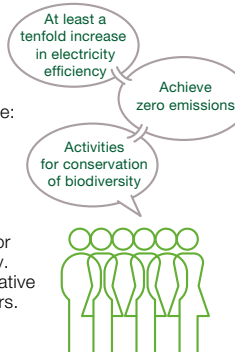
Main Actions
» Energy conservation for communications network facilities
» Promoting 3R activities
» Promoting activities for conservation of biodiversity such as tree planting, promoting employee training

Green Actions of Innovative docomo

We will contribute to creating a low-carbon society and minimizing climate change risks by providing DOCOMO's services to customers.

| Themes	Actions
Realizing a low carbon future	Amount of contribution to the reduction of CO_2 emissions across society: at least 40 million tons
	We will promote various initiatives to contribute to the adaptation to climate change, and we will make collaborative efforts with our stakeholders.

Green Actions of Responsible docomo

We will fulfill our responsibility to reduce environmental impact. We will also actively participate in environmental contribution activities as a corporate citizen.

Themes	Actions
Realizing a low carbon future	Power efficiency of the telecommunications services: at least a ten-fold increase compared to fiscal 2013
Implementing closed-loop recycling	Final disposal ratio of waste: achieve zero emissions (under 1%)
Planning a future of natural harmony	We will promote initiatives through various activities for conservation of biodiversity, and we will make collaborative efforts with our stakeholders.

Proceeding with the Green Action Plan 2030

We will announce the results of the Green Action Plan 2030 for each fiscal year and consider taking measures such as improvements concerning the initiatives and target values of the plan based on the results every five years.

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062   Environmental Vision and Action Plan   ▶ Environmental Management   Response to Recommendations by the TCFD   Creation of a Low-Carbon Future
Formation of a Sustainable Society   Reducing Water Consumption   Preservation of Biodiversity   Environmental Communication

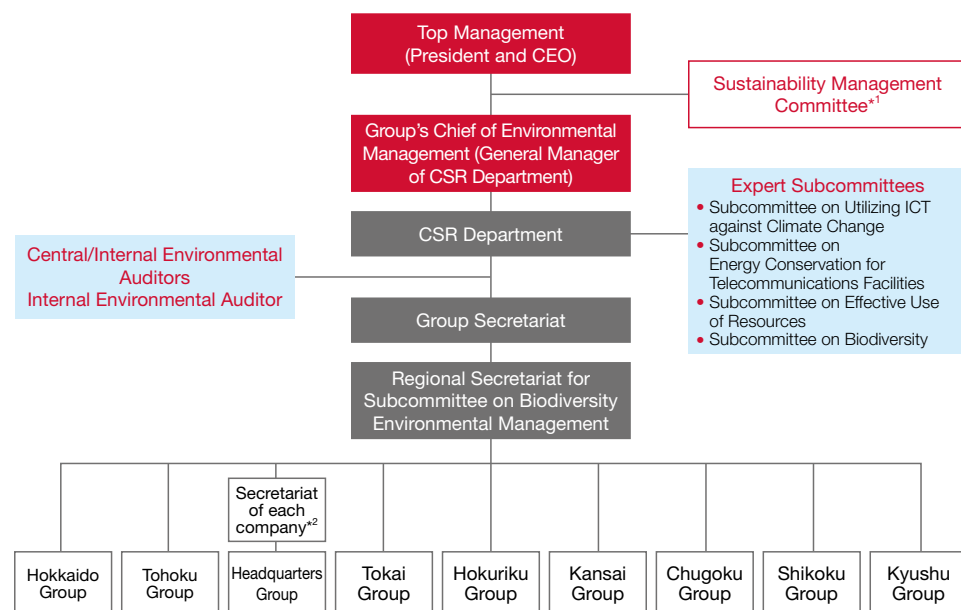# Environmental Management

◤ Environmental Management System

Under the DOCOMO Global Environmental Charter, the DOCOMO Group established the Environmental Management Systems (EMS), which is led by the president and CEO of NTT DOCOMO to implement Group-wide environmental protection efforts.

The EMS is administered by a number of organizational units. The Sustainability Management Committee is the highest decision-making body related to the EMS and is chaired by the president and CEO. Expert subcommittees of the Group set common environmental targets for the Group as a whole, and the Environmental Managers' Council is involved in administration of the EMS. Progress toward environmental goals is reviewed and a debate is conducted on solving environmental issues.

Organizational Structure for Environmental Management

```
                Top Management
              (President and CEO)
                      |                    Sustainability Management
                      |--------------------    Committee*1
         Group's Chief of Environmental
         Management (General Manager
            of CSR Department)
                      |                    Expert Subcommittees
                 CSR Department            • Subcommittee on Utilizing ICT
                      |                      against Climate Change
Central/Internal Environmental            • Subcommittee on
         Auditors                            Energy Conservation for
Internal Environmental Auditor               Telecommunications Facilities
                      |                    • Subcommittee on Effective Use
              Group Secretariat              of Resources
                      |                    • Subcommittee on Biodiversity
         Regional Secretariat for
       Subcommittee on Biodiversity
       Environmental Management
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Hokkaido Group | Tohoku Group | Secretariat of each company*2 / Headquarters Group | Tokai Group | Hokuriku Group | Kansai Group | Chugoku Group | Shikoku Group | Kyushu Group

(As of April 2019)

*1 Including meetings attended by top management.
*2 DOCOMO CS, Inc., DOCOMO Support Inc., DOCOMO Systems, Inc., and DOCOMO Technology, Inc.

◤ EMS Organizations

Sustainability Management Committee
A committee responsible for reporting matters related to EMS and composed of Sustainability Management Committee members (with the president as chairperson and senior executive vice president and including members of the Board of Directors, Audit & Supervisory Board members, and managers of relevant departments) and that includes the management team (and top management).

Corporate Social Responsibility Department
Planning, proposal and management of the EMS.

Expert Subcommittees
Planning, proposal and management of initiatives for achieving environmental targets.

Central/Internal Environmental Auditor
Oversees internal environment auditing, senior manager of CSR Department.

Group Secretariat and Regional Secretariat for Environmental Management
Secretariat responsible for the management and practical tasks involving each organization's EMS.

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◤ ISO 14001 Certification

DOCOMO acquired ISO 14001 certification for its EMS to more efficiently execute Group-wide environmental management, such as energy conservation for telecommunications facilities and the recycling of used mobile phones.

In fiscal 2018, it was once again confirmed based on the results of an external audit that the EMS is being operated effectively, and DOCOMO maintained its ISO 14001 certification.

◤ Organizations with ISO 14001 and Scope of Certification

Certification and Registration Body
Lloyd's Register Quality Assurance Limited

Date of Registration
January 1, 2008

Scope of Certification
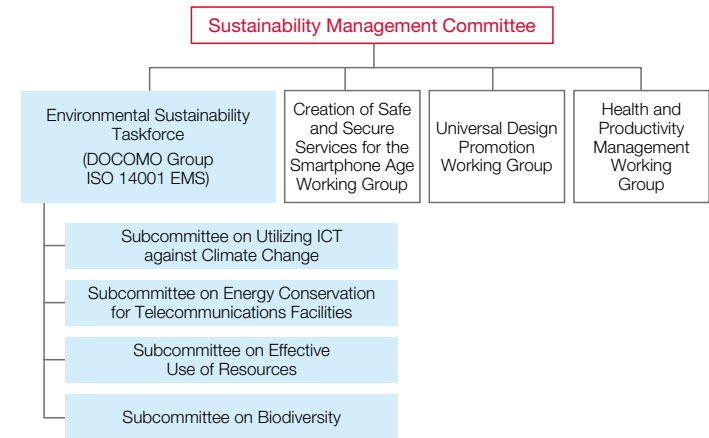Telecommunications business and related services

Organizations Covered by the Scope of Certification
16 Group companies (NTT DOCOMO, 12 functional subsidiaries*1, and another 3 subsidiaries*2)

*1 See page 167.
*2 docomo Healthcare, Inc., DOCOMO BIKE SHARE, Inc. and DoCoMo TAMETAN, Inc.

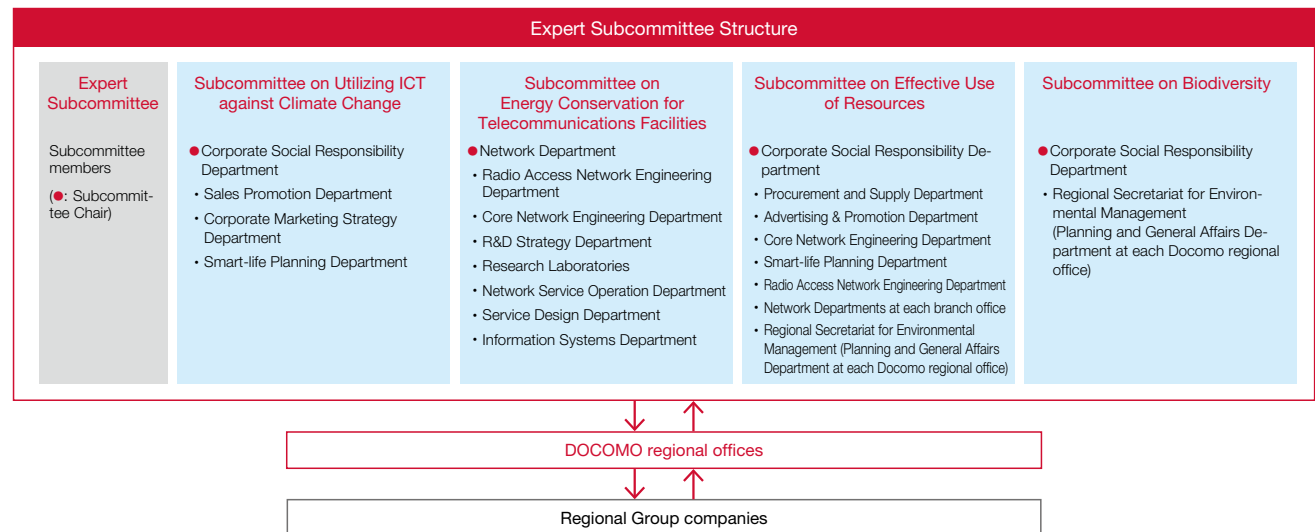### Certification and Registration Number
ISO14001-0067788

Expert Subcommittees of the Group

Specific action targets are determined once a year on the basis of discussions by each expert subcommittee of the Environmental Sustainability Taskforce. We have four subcommittees: the Subcommittee on Utilizing ICT against Climate Change, Subcommittee on Energy Conservation for Telecommunications Facilities, Subcommittee on Effective Use of Resources, and Subcommittee on Biodiversity. To accomplish the DOCOMO Group's environmental purposes and targets, each subcommittee chair appoints an action plan group leader from among the subcommittee's members. The appointed group leader promotes the initiatives in collaboration with group leaders from each region.

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Sustainability Management Committee
├── Environmental Sustainability Taskforce (DOCOMO Group ISO 14001 EMS)
│   ├── Subcommittee on Utilizing ICT against Climate Change
│   ├── Subcommittee on Energy Conservation for Telecommunications Facilities
│   ├── Subcommittee on Effective Use of Resources
│   └── Subcommittee on Biodiversity
├── Creation of Safe and Secure Services for the Smartphone Age Working Group
├── Universal Design Promotion Working Group
└── Health and Productivity Management Working Group
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◤ Expert Subcommittee Structure

▌Expert Subcommittee Structure

Expert Subcommittee Structure				
Expert Subcommittee Subcommittee members (●: Subcommittee Chair)	**Subcommittee on Utilizing ICT against Climate Change** ●Corporate Social Responsibility Department ・Sales Promotion Department ・Corporate Marketing Strategy Department ・Smart-life Planning Department	**Subcommittee on Energy Conservation for Telecommunications Facilities** ●Network Department ・Radio Access Network Engineering Department ・Core Network Engineering Department ・R&D Strategy Department ・Research Laboratories ・Network Service Operation Department ・Service Design Department ・Information Systems Department	**Subcommittee on Effective Use of Resources** ●Corporate Social Responsibility Department ・Procurement and Supply Department ・Advertising & Promotion Department ・Core Network Engineering Department ・Smart-life Planning Department ・Radio Access Network Engineering Department ・Network Departments at each branch office ・Regional Secretariat for Environmental Management (Planning and General Affairs Department at each Docomo regional office)	**Subcommittee on Biodiversity** ●Corporate Social Responsibility Department ・Regional Secretariat for Environmental Management (Planning and General Affairs Department at each Docomo regional office)

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↓↑
DOCOMO regional offices
↓↑
Regional Group companies
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NTT DOCOMO GROUP
SUSTAINABILITY REPORT 2019

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Formation of a Sustainable Society   Reducing Water Consumption   Preservation of Biodiversity   Environmental Communication

Fiscal 2018 Results and Fiscal 2019 Targets and Action Plans for Expert Subcommittees

▌Subcommittee on Utilizing ICT against Climate Change

Mid-term Targets (for 2020)	FY2018 Targets	Main Action Plans for Targets		Results	FY2019 Targets
Amount of contribution to the reduction of CO$_2$ emissions across society: at least 40.0 million tons	Amount of contribution to the reduction of CO$_2$ emissions across society: at least 37.5 million tons	· Monitor progress on contribution to CO$_2$ reduction (semiannual) · Communicate information on contribution to CO$_2$ reduction · Gather information on mitigation and adaptation cases, communicate information (official website, SNSs, external websites, exhibits at events, etc.)		Amount of contribution to the reduction of CO$_2$ emissions across society: 38.4 million tons	Amount of contribution to the reduction of CO$_2$ emissions across society: 39.7 million tons
		Contribute to CO$_2$ reduction by encouraging migration to smartphones		○	
		Contribute to CO$_2$ reduction by promoting the use of ubiquitous modules		○	
		Contribute to CO$_2$ reduction by promoting the use of bicycle sharing services		○	

*We revised the Mid-term Target (for 2020) in view of the actual results of each action plan.

▌Subcommittee on Energy Conservation for Telecommunications Facilities

Mid-term Targets (for 2020)	FY2018 Targets	Main Action Plans for Targets	Results	FY2019 Targets
Power efficiency of the telecommunications services: at least a seven-fold increase compared to fiscal 2013	Reduce power consumption of various facilities	Actively install high-efficiency, low-power consumption equipment and replace equipment during upgrades	△	Reduce power consumption of various facilities
		Implement measures that reduce power consumption by reviewing the operations of network facilities	○	
	Reduce environmental impact by making use of commercial technology	Reduce power consumption by installing intelligent air conditioning systems	△	Reduce environmental impact by making use of commercial technology
	Use of energy sources with zero environmental impact	Reduce power consumption by constructing verification facility for green base stations	△	Use of energy sources with zero environmental impact
	Simulate electricity demand	Formulate mid-term projections for electricity demand	○	Simulate electricity Demand
	Develop highly energy-efficient network equipment	·Compliance with the NTT Group Energy Efficiency Guidelines ·Promote the development of highly energy-efficient equipment	○	Develop highly energy-efficient equipment

▌Subcommittee on Effective Use of Resources

Mid-term Targets (for 2020)	FY2018 Targets	Main Action Plans for Targets	Results	FY2019 Targets
Final disposal ratio of waste: achieve zero emissions (under 1.4%)	Final disposal ratio of waste: achieve zero emissions (under 1.5%)	· Monitor progress to lower the final disposal ratio of office waste to below 1.2% · Consider internally sharing cases promoting initiatives such as sorting waste · Monitor progress to lower the final disposal ratio of construction waste to below 3.1% · Monitor progress to lower the final disposal ratio of decommissioned telecommunications equipment to below 0.5%	Final disposal ratio achieved: 1.6%	Final disposal ratio of waste: achieve zero emissions (under 1.5%)
—	Weight of promotional tools: under 7,500 tons	Monitor progress of weight and disposal rate of promotional tools and provide feedback to relevant departments	Weight of promotional tools achieved: 7,676 tons	Weight of promotional tools: under 7,500 tons
Collect used mobile phones: 16 million units (FY2017–2020 total)	Collect 10.4 million units (cumulative total for FY 2017–2018)	Create and publicize opportunities for collection aimed at reuse and recycling	Number of used mobile phones collected: 10.56 million units (FY2017-2018) 4.68 million units (FY2018)	Collect used mobile phones: 14.6 million units (2017–2019)

▌Subcommittee on Biodiversity

Mid-term Targets (for 2020)	FY2018 Targets	Main Action Plans for Targets	Results	FY2019 Targets
—	Conduct forest maintenance activities (more than once a year) Review the implementation and expansion of activities on biodiversity (once a year)	Monitor progress of maintenance activities	○	Conduct forest maintenance activities (more than once a year) Review the implementation and expansion of activities on biodiversity (once a year)
	Gather and communicate information on biodiversity activities (once a quarter)	·Communicate information on biodiversity ·Plan and implement events outside the Company	○	Gather and communicate information on biodiversity activities (once a quarter)

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Internal Environmental Audits

The DOCOMO Group conducts internal environmental audits to ensure the effective implementation of the EMS. We dispatch internal auditing staff with expert knowledge from the head office to each business base (branch office and Group companies) and conduct audits with a focus on the activities of the secretariat and organizations under their supervision based on the following three aspects.

(1) Compliance with auditing standards and effective implementation (system audit)

(2) Alignment with the DOCOMO Global Environmental Charter and the DOCOMO Group's environmental purposes and targets, effective implementation and continuous improvement (performance audit)

(3) Appropriate application of and compliance with environmental laws and regulations including ordinances (legal audit)

Well-trained internal environmental auditors conduct strict, impartial audits to ensure the EMS is functioning appropriately. Audit findings are used to revise the system and make improvements on an ongoing basis.

In fiscal 2018, we intended to achieve a higher level of effectiveness in auditing priority items in line with ISO 14001: 2015. Specifically, we focused on checking the current status of monitoring the impact of operations on the environment conducted by each organization and their ongoing initiatives for addressing their respective risks. We also examined whether business activities are being carried out from the perspective of life-cycle management, particularly with respect to outsourced operations. As a result, the audits found that every organization was in compliance with the requirements of ISO 14001 and that activities were generally being conducted appropriately in conformance with environmental procedure manuals and other guidelines.

Compliance with Environmental Laws and Regulations

◤ Compliance with Various Environmental Laws and Regulations

DOCOMO is committed to complying with prevailing environmental laws and regulations under its current EMS framework. Specifically, it endeavors to comply with environmental laws and regulations, including the Act on the Rational Use of Energy (Energy Conservation Act), the Act on the Promotion of Sorted Collection and Recycling of Containers and Packaging (Containers/Packaging Recycling Act), the Waste Management and Public Cleansing Act (Waste Management Act) and the Act for Rationalized Use and Proper Management of Fluorocarbons (Fluorocarbons Emission Control Law), as well as environment-related municipal ordinances, such as the Tokyo Metropolitan Government's mandatory reduction scheme, and other municipal ordinances related to global warming.

In fiscal 2018, there were no violations of environmental regulations.

◤ Proper Management of PCB Waste

DOCOMO has voluntarily established the PCB Item Management Procedure Manual based on the Act on Special Measures concerning Promotion of Proper Treatment of PCB Wastes (PCB Special Measures Act) to guide its management of PCB. The manual stipulates items subject to storage and management, storage and management methods, storage locations, disposal methods, and emergency response procedures. Under the PCB Special Measures Act, companies that store PCB waste are required to dispose of the material appropriately, either directly or through a subcontractor, and by the deadline designated for each region.

The NTT Group, including DOCOMO, is engaged in an ongoing effort to systematically remove and store equipment containing PCB by that deadline.

Green Procurement

Under the NTT Group Guidelines for Green Procurement, revised in January 2018, DOCOMO conducts green procurement by prioritizing materials, parts and products that are safe and less harmful to the environment. In our green procurement, we select new suppliers and evaluate those with which we have already worked, based on the following two assessment focuses that we define as matters required to be addressed and those requested to be addressed.

(1) Development of an Environmental Management System (Measures Taken by Suppliers)

DOCOMO has established a system to ensure compliance with environmental regulations across the entire supply chain. We require suppliers to obtain third-party certification, such as ISO 14001, EMAS, KES, Eco-Action 21 and Eco Stage, and assess the effectiveness of their environmental management when they start a business by examining the establishment's status as well as the operation of their environmental management system, including the formulation of environmental policies by the suppliers themselves.

(2) Reduced Environmental Impact Related to Products (Product Assessment)

To reduce the environmental impact of our products, DOCOMO conducts an assessment at the design stage to gauge the product's impact on the environment in the design, manufacturing, and distribution phases. We then make design modifications as necessary in order to reduce the product's environmental impact. Particularly with new procurements, in addition to the above assessment, we request that our suppliers adhere to the RoHS Directive* and other relevant agreements, laws, and regulations. We also ask them to submit an Environmental Activity Survey Sheet and a response to the Identification of Chemical Substances Contained in Products in an effort to restrict the use of specified hazardous substances.

*The RoHS Directive is a European Union regulation banning the inclusion of harmful substances in electrical and electronic devices.

❙ NTT DOCOMO Guidelines for Green Procurement
https://www.nttdocomo.co.jp/english/binary/pdf/corporate/procure/policy/csr_procurement/green.pdf

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Environmental Accounting

DOCOMO uses environmental accounting to track the costs and benefits of its environmental protection initiatives and guide environmental management strategy.

Scope of Environmental Accounting

• Period: April 1, 2018 to March 31, 2019
• Coverage: 16 companies in the DOCOMO Group
• Standards: Ministry of Environment's Environmental Accounting Guidelines 2005 and DOCOMO Environmental Accounting Guidelines

Environmental Protection Costs

(million yen)

Category	Major Transactions	FY2017 Investment	FY2017 Expense	FY2018 Investment	FY2018 Expense	YoY Change Investment	YoY Change Expense
(1) Internal business area costs		466	14,341	826	14,412	361	71
(1)-1 Pollution prevention costs	Prevention of water contamination, proper PCB disposal	0	2	0	36	0	34
(1)-2 Global environmental protection costs	Development and operation of an e-billing service, etc.	466	13,010	804	12,747	339	-263
(1)-3 Resource recycling costs	Reuse of dismantled telecommunications facilities, etc.	0	1,329	22	1,629	22	300
(2) Upstream/ downstream costs	Recovery of used terminals, etc.	438	557	257	409	-182	-148
(3) Management costs	ISO certification/ renewal, etc.	14	1,840	15	2,348	1	508
(4) R&D costs	Research on energy/ resource efficient telecommunications facilities, etc.	359	1,397	342	981	-18	-416
(5) Community Investments costs	docomo Woods and other tree planting initiatives, etc.	0	20	0	24	0	4
(6) Restitution for environmental damage costs	Not applicable						
Total		1,278	18,156	1,440	18,174	162	18

Note: Totals may not be exact due to rounding.

Environmental Protection Benefits

Benefits		Major Benefit Indicators			
		Category (unit)	FY2017	FY2018	YoY Change
(1) Benefits derived from internal business area costs	1. Benefits related to resources invested in business activities	Electricity usage (including CGS power) (MWh)	3,037,221	3,084,765	47,544
		Paper usage (tons)	11,280	13,905	2,625
		Paper reduced by e-billing (tons)	6,759	6,574	-185
	2. Benefits related to environmental impacts and waste from business activities	Greenhouse gas reduction (tons-CO$_2$)*	1,585,502	1,552,568	-32,934
		Industrial waste reduction related to telecommunications facilities and buildings (tons)	33,413	23,483	-9,930
(2) Benefits derived from upstream/ downstream costs	Benefits related to goods/ services produced by business activities	The number of used mobile phones, etc., collected (10,000 units)	1,061	905	-156

*Combined volume of CO$_2$ emissions by energy source and other greenhouse gas emissions.
Note: Totals may not be exact due to rounding.

Economic and Practical Benefits of Environmental Protection Measures

(million yen)

Major Benefits		FY2017	FY2018	YoY Change
Revenues	Sales revenues associated with dismantling telecommunications facilities and building	1,088	1,101	12
Cost reductions	Reduced fuel costs from low-emission vehicles	10,673	10,196	-477
	Reduced purchasing costs from reuse of dismantled telecommunications facilities	28,050	19,293	-8,756
Total		39,811	30,590	-9,221

Note: Totals may not be exact due to rounding.

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Response to Recommendations by the TCFD

About the TCFD

In June 2017, the TCFD* presented its final report, "Recommendations of the Task Force on Climate-related Financial Disclosures." Accordingly, DOCOMO conducted an analysis of climate-related scenarios during the period from November 2018 to March 2019.

*Established in 2015 by the Financial Stability Board in response to a request from the G20, the TCFD has aimed to assess and rate appropriately the corporate risks and opportunities associated with climate change. Its final report recommended disclosing information in the four core elements of organizational management: governance, strategy, risk management, and metrics and targets.

Governance

The DOCOMO Group established the Sustainability Management Committee as an organ for top management to regularly confirm and discuss issues related to climate change.

The committee is chaired by the president and CEO and consists of the main members of the Board of Directors. The board receives reports on the current status of climate change initiatives and future policies to supervise progress and provide instruction.

Deliberations by the committee on issues, including the Group's response to climate change, are thereby reflected in any revisions made to business strategies and instructions issued by the Board of Directors.

Risk Management

In accordance with our Risk Management Principles, business risks are regularly identified every fiscal year. The Internal Control Committee, headed by the president and CEO, then designates risks that require Company-wide management. Specifically, the CSR Department, responsible for Company-wide environmental activities, monitors changes in the external and internal environments affected by climate change in order to identify the risks and opportunities that may have an impact on the business.
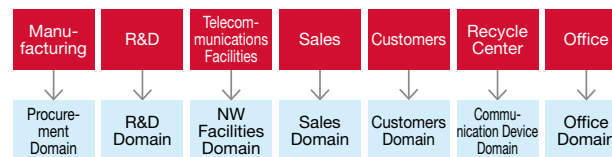
The Internal Control Committee then designates Company-wide risk through an evaluation and analysis of the degree of their impact and the frequency of occurrence.

The CSR Department will then examine those Company-wide risks as well as climate-related risks, which were not designated as Company-risks, to determine risks and opportunities that we must emphasize. The committee then makes a list of registered risks and opportunities.

In addition, we have organized the DOCOMO Group's activities, products and services into seven domains and identified issues that need to be addressed by determining whether or not they adversely impact on the environment in these seven domains.

The results are sent to the relevant expert subcommittees and related measures are then implemented in their action plans.

Seven Domains

Manufacturing → Procurement Domain
R&D → R&D Domain
Telecommunications Facilities → NW Facilities Domain
Sales → Sales Domain
Customers → Customers Domain
Recycle Center → Communication Device Domain
Office → Office Domain

Major Risks and Opportunities Associated with Climate Change

Risks

Types of Risk	Risk Factors	Details of Risks
Transition risks	Policies and laws	Our businesses can be affected by the price pass-through to electricity prices, etc., due to an increase in the Tax for Climate Change Mitigation.
Transition risks	Reputation (stakeholders)	If our stakeholders consider that our GHG emission-related efforts are too passive, a reputational risk can result in losing customers, falling stock prices and damage to the corporate image.
Physical risks	Rise in average temperature	Electricity costs can increase due to the rising average temperature and thus air conditioners at our facilities can cost more to operate.

Note: "Transition risks" refers to risks affected by climate change-related regulations, technological development and changes in the market environment. "Physical risks" refers to acute and chronic risks arising from climate change.

Opportunities

Types of Opportunities	Opportunity Factors	Details of Opportunities
Products and services	Development and expansion of low-pollution products and services	It is expected that regulations of GHG emissions will become stricter due to the ratification of the Paris Agreement, which may encourage consumers to choose means of transportation that are environmentally friendly, thus increasing demand for the DOCOMO Group's bicycle sharing business.
Resilience	Increasing demand through new products and services related to ensuring resilience	Due to frequent damage caused by flooding, lightening, power outages, more frequent heavy rains and typhoons induced by climate change, demand for our early recovery services for companies and mobile telecommunications services including satellite phones will increase.
Products and services	Increasing demand through low-emission products and services	Due to the stricter environmental regulations requiring that companies reduce GHG emissions, demand for DOCOMO's AI Taxi®, which operates in accordance with taxi demand predictions, is expected to increase.

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◥ Management Process of Risks

Reputational Risk (Transition Risks)

With regard to risks associated with the transition to a low-carbon society, including regulatory, technological and market changes, the DOCOMO Group believes that a decrease in revenues due to lowered customer confidence and corporate image is a significant material risk, as it could have a substantive financial impact on our business.

From this standpoint, the Internal Control Committee designated "lowered reputation due to failing to achieve the targets of the Green Action Plan 2030" as a Company-wide risk.

Subsequently, the CSR Department formulated a risk management policy plan as a method for managing that type of risk. The plan includes the establishment of expert subcommittees under the Environmental Management System, formulation of action plans for each expert subcommittee, and reporting on the progress, discussing and making decisions related to the measures to be taken at the Sustainability Management Committee meetings attended by all representative directors. In response, and to determine the necessary actions for mitigating transition risks, the Internal Control Committee set out a concrete management policy of "achieving the 2030 targets without fail." Moreover, the CSR Department promoted the implementation of action plans and reported on their progress to the Sustainability Management Committee. Looking ahead, the committee will continue to monitor areas associated with transition risks in order to minimize the negative impact they may have on our businesses.

◥ Management Process of Risks

Global Average Temperature Increase Risk (Physical Risks)

While there are apparent physical risks due to climate change, such as the frequent occurrence of natural disasters, including flooding triggered by extreme weather events and the rise in sea level caused by a prolonged rise in global temperature, DOCOMO deems any increase in electricity costs due to the rising average temperature, which requires us to consume more electricity to maintain the optimum temperatures of our facilities, as a physical risk. Communication facilities and data center equipment responsible for DOCOMO's telecommunications services are installed and operated throughout Japan. These facilities and equipment are being operated at all times under optimum temperatures of between 10°C and 35°C. When the temperature rises above that range, operating system shutdowns and malfunctions may make service provision difficult, thereby leading to the risk of affecting approximately 78 million customers. Including these risks, the Internal Control Committee of the DOCOMO Group designated "profit deterioration due to the delayed response to failures/malfunctions" as a Company-wide risk.

As a method of managing such risk, the committee set out a concrete management policy to undertake appropriate measures. These include the establishment of an optimal backup system and development of equipment with high availability as well as the measures currently being implemented and undertaken by the Network Department. Any occurrence of risk will be handled by the Network Department through various operations. Related measures could include the establishment of technical support and emergency systems, early recovery measures for failures, dissemination of information to frontline departments and customers, and reporting to executives. Physical risks need to be managed from a long-term perspective, and the committee will continue to implement the monitoring necessary to minimize those risks.

◥ Opportunities Arising from Climate Change

Bicycle Sharing Business

DOCOMO BIKESHARE, INC., a Group company, is expanding its bicycle sharing business to maximize the opportunities associated with changes in consumer preferences for environmentally friendly means of transportation.

We are strengthening our ties with municipalities in order to maximize opportunities to increase demand for our bicycle sharing services. Furthermore, we have successfully expanded to 30 stores throughout Japan, with approximately 10,800 bicycles and 1,160 bicycle ports. Annual bicycle usage has reached approximately 8.1 million rides as of the end of fiscal 2018. Expecting a further increase in demand due to the rising number of tourists visiting Japan, we are working to expand and enrich our bicycle sharing services.

◥ Working Toward Achieving the Two-degree Target

In formulating our new long-term strategies targeting beyond 2020, the DOCOMO Group Environmental Declaration, Green Action Plan 2030, we have taken into consideration the two-degree target outlined under the Paris Agreement, and we have set our own goals to contribute to the reduction of CO_2 emissions from society as a whole and adapt to climate change toward the creation of a low-carbon society by way of providing ICT services and advanced technologies.

From a risk perspective, we are making efforts under the policy of promoting energy conservation as a top priority by reducing CO_2 emissions and minimizing operational costs with measures aimed at improving efficiency in our electricity consumption, which accounts for the majority of the energy used

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by our businesses (95% of the cause of our CO_2 emissions).

Meanwhile, the stability and reliability of communication services is affected by the growing frequency and scope of natural disasters caused by climate change. In today's society, where communications infrastructure is essential to industry and people's lives, the growing frequency and scope of natural disasters caused by climate change may result in communication service interruptions.

For DOCOMO, which primarily operates its many base stations and other facilities along the coast or in mountainous areas of Japan, an increase in powerful typhoons as well as sporadic heavy rains accompanied by frequent flooding and landslides have raised the risk of direct damage. This could result in instabilities in sharing its telecommunication services, and therefore frequent flooding and landslides may pose a major risk of service interruptions. Also, instabilities in our service may cause significant damage to our customers, consequently lowering our reputation and damaging our brand while leading customers to choose other carriers.

DOCOMO has sought to respond to such risks by making appropriate investments in facilities and developing technologies that can meet such needs as high-speed transmission, stable service and reasonable pricing. In addition, we are promoting the construction and maintenance of networks that are more resilient to natural disasters or less vulnerable to their impact. And we are implementing measures aimed at prompt recovery in the event of a disaster. We have established basic rules related to our response to major disasters and conduct regular drills while formulating procedures for BCPs with regard to important platforms and internal systems.

The DOCOMO Group has developed a solution business that leverages its reliable track record and expertise in business continuity planning over years of protecting and sustaining Japan's telecommunications, which we cannot allow to be interrupted in the event of a disaster. We therefore believe that climate change may lead to an expansion in business opportunities.

Additionally, we anticipate opportunities from a further increase in social demand for decarbonization, the introduction of renewable energy sources, and the expansion of low-carbon related markets. In view of these circumstances, we believe it will become increasingly urgent to analyze the impact of climate change scenarios on our strategies.

Strategy
◥ Scenario Analysis
Approach to Scenario Settings

DOCOMO upholds the "Declaration beyond" Medium-Term Strategy to 2020 as well as its guiding slogan of "Connecting dreams for a richer future with 5G" while it strives to provide new value with a vision of the future beyond 2020. To generate value consistently, we are putting "Declaration beyond" into practice by placing CSR at the base of our business and paying due consideration to the diverse risks and opportunities surrounding the DOCOMO Group.

With respect to risks and opportunities, we had been addressing climate change in particular under the "DOCOMO Group's Environmental Targets—Green Action Plan 2030." Following the TCFD recommendations, we decided to examine the impact on our business and resilience of our strategies under various climate-related scenarios.

Here we will report on the results of our scenario analysis for the most extreme cases of physical risks transition risks.

❶ **Scenario in which physical risks materialize**
(a future in which the average temperature has risen by 4°C)
❷ **Scenario in which the decarbonization of society is rapidly achieved**
(a future where the target increase of 2°C (1.5°C, for example) has been attained)

Boundary and Time Frame
Boundary: All operations of the DOCOMO Group
Time frame: Set at years up to 2030 based on the pace of technological innovations and other environmental changes in the telecommunications industry

Methodology
We referred to the following in constructing each scenario.
1. Scenario in which physical risks materialize: IPCC[*1] Fifth Assessment Report, and IPCC Special Report on Global Warming of 1.5°C
2. Scenario in which decarbonization of society is rapidly achieved: IEA[*2] World Energy Outlook 2018—Sustainable Development Scenario (SDS), and IEA Energy Technology Perspectives 2017—Beyond 2°C Scenario (B2DS)

*1 Intergovernmental Panel on Climate Change
*2 International Energy Agency

Applying the above methodology, we identified the impact on DOCOMO by considering possible future events and its future business development. Using the results as a premise, we categorized DOCOMO's initiatives for responding to the assumed impact.

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Results of Scenario Analysis

A world where average temperatures rise by 4°C

In a world of rising average temperatures, factors such as heavy rains and typhoons are expected to result in various risks and opportunities, giving rise to initiatives and opportunities focused on dealing with disasters.

Physical Aspects of the Scenario		DOCOMO's Risks	DOCOMO's Initiatives and Opportunities
Acute	Heavy rains, torrential downpours Increased flooding Increased typhoons	• Suspension of transmission at base stations • Unstable supply of telecommunication services • Decline in reliability • Decrease in demand for products and services, decrease in sales	• Construction of disaster-resilient telecommunication networks Specific Examples - Area coverage using multiple base stations - Establishment of medium and large-zone base stations - Elevation of base station facilities - Remote control of service areas - Reinforcement of emergency power sources, doubling of transmission paths and other measures • Formulation of the Disaster Preparedness Manuals
		• Damage to base stations	• Installation of batteries at docomo Shops • Reinforcement of emergency power source at base stations
		• Suspended operations at sales representatives and decline in revenue	
		• Cancellation of products and services due to interruptions in the supply chain	Diversified suppliers
Chronic	Increased days with temperatures above 30°C	Higher electricity costs due to increased consumption of power used for cooling facilities	Improved energy efficiency of air conditioning at telecommunications facilities and data centers (high-efficiency air conditioning equipment for improved air flow using outside air)

A future where the rise in temperatures is capped below 2°C (1.5°C, for example)

In a world where the rise in average temperature is capped, we expect stricter regulations aimed at decarbonization and reputational damage for companies that fall behind. We also expect having to respond to a transition scenario, which may include improving power efficiency in the telecommunications service and efforts to help reduce CO_2 emissions through ICT services.

Transition Scenario		DOCOMO's Risks	DOCOMO's Initiatives and Opportunities
Government Policies and Regulations	Tighter regulations (improvement in energy efficiency, carbon pricing and others)	• Higher global warming taxes • New carbon pricing systems • Rise in electricity costs due to the introduction of regulations for improving energy efficiency	• Promotion of higher energy efficiency in the telecommunications industry (raising the energy efficiency of equipment, research on highly efficient devices, introduction of intelligent air conditioning, installation of green base stations) • Optimal contracts with electric power companies
	Recommendations by industry groups such as the GSMA	Obstacles to transition to 5G, expansion of IoT and other aspects posed by recommendations proposing "zero CO_2 emissions by 2050" and other requirements	
Markets	Heightened demand for decarbonization from customers and corporate customers (procurement requirements)	Fewer new subscriptions and more cancellations if corporate efforts are deemed insufficient	• Development and delivery of services and technologies that help reduce CO_2 emissions • Active advertisement of actual CO_2 emissions reductions achieved by using ICT services • Transmission of information on energy-efficient initiatives by the telecommunications service
Reputation	Rise in reputational risk concerning climate change actions	Loss of customers and impact on stock price, and decline in corporate image if corporate efforts are deemed passive	

Future Initiatives

With respect to the possible future impact of climate change on DOCOMO derived from our scenario analysis, we found that such impacts were generally being addressed through DOCOMO's ongoing initiatives and preparations for achieving the "Declaration beyond" Medium-Term Strategy to 2020 and "DOCOMO Group's Environmental Targets—Green Action Plan 2030." Looking ahead, we will expand our analysis to incorporate the financial impact based on the results of the scenario analysis.

Metrics and Targets

Disclosures on our targets and results for managing climate-related risks and opportunities are as follows. Please refer to pages 73-74 for actual data on GHG emissions.

Target 1

Amount of contribution to the reduction of CO_2 emissions across society

FY2030 target: 40 million tons or more

FY2018 result: 38.4 million tons

Target 2

Electrical efficiency of telecommunications services (compared to FY2013)

FY2030 target: 10 times more

FY2018 result: 7.9 times more

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Creation of a Low-Carbon Future

Basic Policy

Reducing CO_2 and other greenhouse gas emissions, which are known causes of global warming, is an important issue for society. Advances in ICT have been accompanied by a rise in electricity consumption, which has also led to increasing calls for energy conservation. Conversely, ICT also possesses the potential to help realize lower society-wide energy consumption and CO_2 emissions.

The DOCOMO Group will contribute to reducing the CO_2 emissions of society as a whole and adapting to climate change toward the creation of a future low-carbon society by way of providing ICT services and advanced technologies.

Five Green Projects

Looking ahead to the new era of 5G arriving in 2020, we are promoting the five green projects.

Purpose	Project
To reduce CO_2 emissions by improving electricity efficiency in the telecommunications business	1. Energy conservation for facilities 2. Introduction of technologies to reduce environmental impact 3. Improvement of storage capacity 4. Utilization of renewable energy
To reduce CO_2 emissions, etc., by developing networks that contribute to the realization of an efficient society	5. Development of a network that contributes to the reduction of CO_2 emissions in society

Initiatives for the Creation of a Low-Carbon Society

CASE

▶ **Next-generation Base Stations that Use Renewable Energy**
About 70% of the electricity that DOCOMO consumes is used at base stations nationwide. Therefore, to reduce CO_2 emissions generated by electricity consumption at base stations, we are upgrading to next-generation green base stations by installing solar panels and high-capacity rechargeable batteries at our existing base stations. As of March 2019, we had 200 green base stations in operation. Electricity generated by solar panels is used to supply the equipment, and lithium-ion batteries store surplus generated electricity in preparation for a possible power disruption.
In March 2016, we confirmed that our weather forecast-linked green base stations equipped with solar panels and lithium-ion batteries can produce the following advantages compared to conventional green base stations.

During normal operations

During power outages due to natural disasters and other causes

Commercial electricity usage:

10% reduction

Base station operation time:

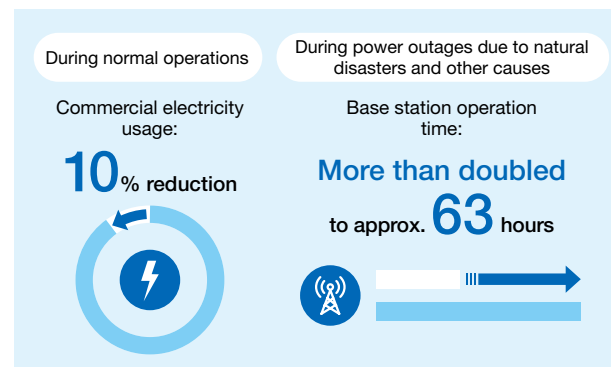**More than doubled**

to approx. **63** hours

▶ **Solar Panel Installation in an Unused Area of a Base Station**
In May 2018, we installed 400 solar panels on unused Company land in Yokohama City, Kanagawa Prefecture and began operating a large-scale solar power generation system. Part of the power generated from the system is supplied to the base station, and the remainder is sold to an electric power company through the Feed-in Tariff Scheme for Renewable Energy. We are pursuing this plan with other base stations to achieve a total output of about 400 kW by the end of fiscal 2019.

Total electricity output by 2020: **2,000** kW

▶ **Energy-saving in Communication Devices**
As for smartphone and tablet models launched in fiscal 2018, we were able to reduce electricity consumption and prolong the standby period of batteries by an average of approximately 9% per battery capacity compared to products launched in fiscal 2017.

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◥ Environmental Solution Label

The NTT Group is implementing a labeling system for environmental solutions toward developing a deeper understanding by quantifying the effects of CO_2 reductions achieved through the use of ICT services. The criteria for obtaining certification is to demonstrate that the ICT service results in more than a 15% reduction of CO_2 emissions compared to when the service is not used. DOCOMO has obtained the Environmental Solution Label for its LTE service and the docomo LoRa® solution.

Certified Solutions	CO₂ Reduction Effect
LTE service	**98.9**% reduction
LoRa® Solutions	**35.6**% reduction
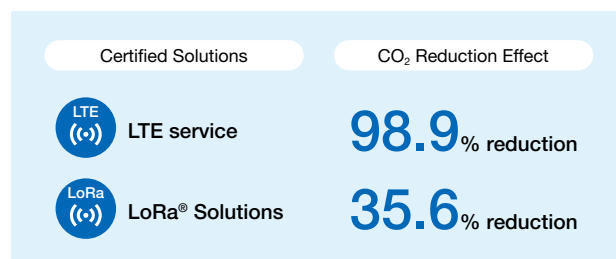
We will continue to expand our LTE service actively in order to provide customers with a convenient and comfortable communications environment and various ICT-based solution services while also seeking to help reduce environmental impact for all of society.

Identifying Environmental Impacts

▍CO_2 Emissions for the Entire Supply Chain

Scope	Category (Scope 3)	Method of Calculation	Emissions (t-CO_2)	Ratio (%)
Scope 1: Direct emissions			54,171	1.4
Scope 2: Indirect emissions			1,496,386	39.8
Scope 3: Other indirect emissions			2,213,807	58.8
	1. Purchased goods and services	Calculated by multiplying the number of units of mobile phones purchased (major purchased items) by the upstream emissions intensity	102,493	2.7
	2. Capital goods	Calculated by multiplying the amount of capital expenditures by the emissions intensity for information and communications equipment	1,614,864	42.9
	3. Fuel-and energy-related activities not included in Scope 1 and 2	Calculated by multiplying the volume of fuel used and volume of electricity purchase by their respective emissions intensity	108,703	2.9
	4. Upstream transportation and Distribution	Calculated by multiplying the number of mobile phones sold by the emissions intensity of transportation per unit	9,283	0.2
	5. Waste generated in operations	Calculated by multiplying the weight of waste by the emissions intensity for each type of waste and disposal method	953	0.0
	6. Business travel	Calculated by dividing the amount of travel expenses in proportion to the ratio of transportation method used, and multiplying the figures by the respective emissions intensity	4,567	0.1
	7. Employee commuting	Calculated by dividing the amount of commuting expenses in proportion to the ratio of transportation method used, and multiplying the figures by the respective emissions intensity	2,613	0.1
	8. Upstream leased assets	(Calculation not applicable)	—	—
	9. Downstream transportation and distribution	(Calculated by inclusion in upstream transport under Category 4)	—	—
	10. Processing of sold products	(Calculation not applicable)	—	—
	11. Use of sold products	Calculated by multiplying the number of mobile phone subscriptions by the emissions intensity per line	266,740	7.1
	12. End-of-life treatment of sold products	Calculated by multiplying the number of mobile phones sold by the emissions intensity per unit for each type of disposal method	831	0.0
	13. Downstream leased assets	(Calculation not applicable)	—	—
	14. Franchises	Calculated by multiplying the total floor area of docomo Shops by the emissions intensity per floor area	102,761	2.7
	15. Investments	(Calculation not applicable)	—	—
Total			3,764,364	100

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Greenhouse Gas Emissions

■ Electricity　■ Fuel and others　■ Other greenhouse gas emissions

(t-CO$_2$)
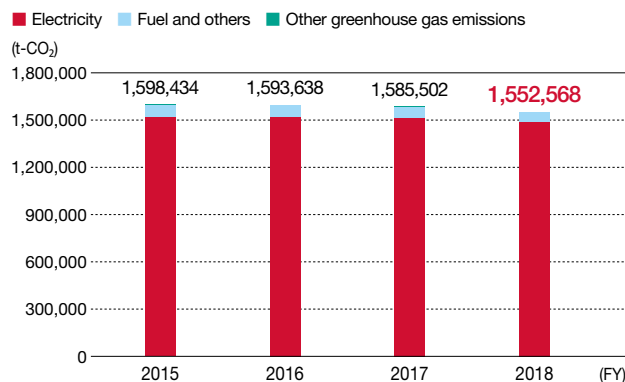
	FY2015	FY2016	FY2017	FY2018
Electricity	1,522,292	1,519,231	1,518,377	1,489,503
Telecommunications facilities	1,456,315	1,454,863	1,455,415	1,428,561
Fuel and others	73,613	71,940	64,947	61,052
Other greenhouse gas emissions	2,530	2,466	2,178	2,011
Total	1,598,434	1,593,638	1,585,502	1,552,568

(t-CO$_2$)

Note: Electricity figures are calculated with conversion coefficients provided by the power companies.

Fuel/Heat Use

	Unit	FY2015	FY2016	FY2017	FY2018
Gas	thousand m³	27,265	26,842	23,602	21,652
Heavy oil	kℓ	63	101	79	64
Diesel oil	kℓ	275	103	142	157
Gasoline (automobile)	kℓ	1,665	1,485	1,280	1,199
Heat	GJ	94,768	94,745	109,838	120,746

Electricity Consumption

■ Purchased electricity　■ Generated electricity

(thousand kWh)
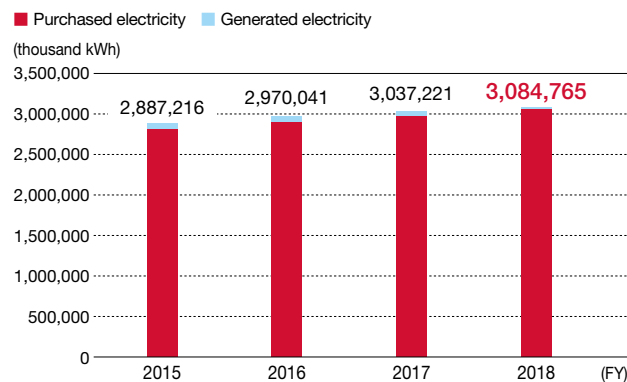
	FY2015	FY2016	FY2017	FY2018
Purchased	2,806,921	2,892,091	2,969,695	3,023,296
Communications facilities	2,674,757	2,757,076	2,833,699	2,891,167
Generated	80,295	77,950	67,526	61,469
Solar and wind power	524	668	779	1,066
Total	2,887,216	2,970,041	3,037,221	3,084,765

(thousand kWh)

Formation of a Sustainable Society

Basic Philosophy

While our high turnover "consume and dispose society" based on mass production, consumption and disposal has brought us a rich and convenient lifestyle, it has also raised serious issues, such as the creation of massive volumes of waste, illegal dumping and the depletion of natural resources.

Addressing these issues requires a review of corporate management as well as social and economic systems in order to shift to a sustainable society capable of managing resources.

The DOCOMO Group will contribute to the responsible use of resources by promoting 3R initiatives for communications equipment and utilizing ICT to create a recycling society.

Reducing Waste and Promoting Recycling

■ Proactive Waste Reduction and Recycling

DOCOMO uses a substantial amount of resources in developing and selling mobile phones, constructing and operating network facilities, managing shops and conducting administrative work at offices. We are currently striving to reduce waste by accurately tracking resources and using them efficiently. When waste is generated despite these efforts, we do our best to reuse or recycle it, with the goal of drawing near to a final disposal volume of zero. For example, optical fiber, scrap metal, concrete poles and other waste produced when old facilities are dismantled is reused or recycled to the extent possible.

Additionally, our Green Design Guidelines for Buildings are put into practice when constructing or upgrading telecommunications facilities and buildings. We actively use

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recycled materials and materials capable of being recycled or reused.

With regard to providers of recycling services, we make every effort to ensure that they appropriately handle all waste, prevent illegal dumping of waste materials, and carefully manage manifest slips.

In fiscal 2018, waste from telecommunications facilities, such as optical cable, switching equipment, and power facilities, totaled 15,917 tons, while the final disposal volume was 79 tons. Going forward, we plan to actively limit the amount of waste generated while also effectively utilizing the waste that is produced.

◤ Amount of Waste Reduced and Recycled

| Amount of Waste and Final Waste Disposal

■ Construction   ■ Transmission equipment   ■ Office related   —●— Amount of waste
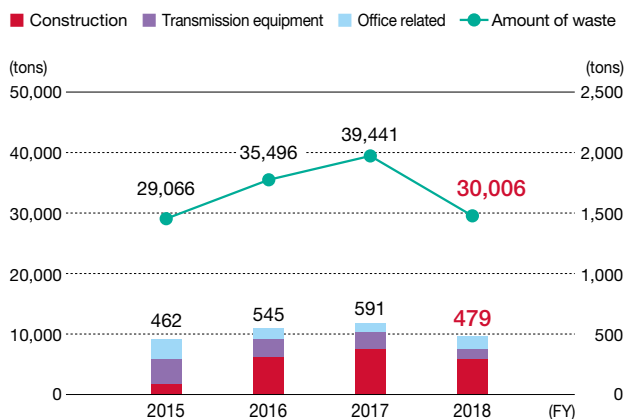
| | (tons) |
	FY2015	FY2016	FY2017	FY2018
Amount of waste	29,066	35,496	39,441	30,006
Office related	6,080	6,544	6,027	6,523
Telecommunications equipment	17,600	17,960	18,194	15,917
Construction	5,386	10,993	15,220	7,565
Final waste disposal	462	545	591	479
Office related	162	82	70	101
Transmission equipment	204	143	137	79
Construction	95	320	384	299
Final disposal rate (%)	1.6	1.5	1.5	1.6

- Recycled Containers and Packaging (Volume Reported in Fiscal 2018)
  · Plastic containers: 251 tons
  · Paper bags: 1,506 tons

| Total Recycled Volume of the DOCOMO Group

Final disposal volume
479 tons

Total volume
30,006 tons

Recycled volume
29,527 tons
(FY2018)
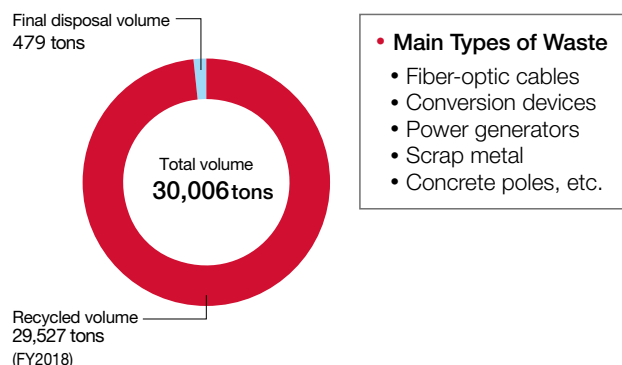
- **Main Types of Waste**
  - Fiber-optic cables
  - Conversion devices
  - Power generators
  - Scrap metal
  - Concrete poles, etc.

◤ Mobile Phone Recycling for Effective Utilization of Valuable Resources

Mobile phones contain gold, silver, copper, palladium and other materials, all of which are valuable recyclable materials, particularly in light of Japan's relative lack of mineral resources. Therefore, DOCOMO has addressed collecting and recycling used mobile phones since 1998.

In 2001, we partnered with the Telecommunications Carriers Association, a trade organization of telecommunications carriers, and built the Mobile Recycle Network, which collects and recycles mobile phones mainly at docomo Shops regardless of the original provider. In fiscal 2018, we collected roughly 4.68 million phones and have now collected a cumulative total of about 111.36 million phones.

DOCOMO participates in the "Tokyo 2020 Medal Project: Towards an Innovative Future for All," and gold, silver and bronze recycled from mobile phones collected since April 2017 are donated to the Tokyo Organising Committee of the Olympic and Paralympic Games. In addition to circuit boards in which rare metals are used, we also recycle plastic body parts using plastic liquefaction technology.

◤ Tokyo 2020 Medal Project: Towards an Innovative Future for All

As a Gold Partner of the Tokyo 2020 Olympic and Paralympic Games, DOCOMO has been participating in the "Tokyo 2020 Medal Project: Towards an Innovative Future for All," an initiative that was launched across Japan in April 2017. The project is now set to secure the target volume of metals. Accordingly, DOCOMO ended its collection campaign for the medal project on March 31, 2019. We would like to thank everyone for participating in the project. DOCOMO will continue its recycling initiatives as our contribution to realizing a sustainable society.

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The medal project is the first attempt by the Tokyo Organising Committee of the Olympic and Paralympic Games to seek the production of nearly 5,000 gold, silver and bronze medals, for the Tokyo 2020 Games, using recycled metals extracted from old mobile phones, computers and small appliances.

Used Mobile Phone Collection (by Fiscal Year and Figures)

(10,000 units)

	2015	2016	2017	2018
	417	520	588	468

(FY)
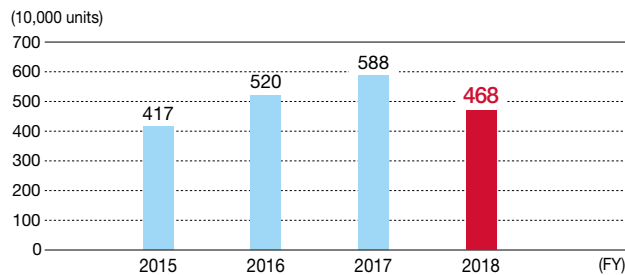
- **FY2018 Statistics**
  - Mobile phones: 4.68 million
  - Batteries: 3.40 million
  - Chargers: 0.97 million
- **Principal Resources Recycled through**
  - Copper: 15,553 kg
  - Gold: 58 kg
  - Silver: 234 kg
  - Palladium: 0.4 kg

Response to Plastics

DOCOMO recognizes the effective use of resources, including plastics, as a key environmental concern and is actively recycling waste to achieve its reduction target for final waste disposal (fiscal 2030 target: final waste disposal ratio of 1% or below). We are working to recycle containers and packaging delivered to customers in accordance with the law and in collaboration with the Japan Containers and Packaging Recycling Association. The Telecommunications Carriers Association (TCA), which represents the industry in Japan, is also considering setting an industry environmental target for plastics. Looking ahead, DOCOMO will continue to pursue its initiatives with an eye on such external developments.

Reducing Paper Resources

Reducing Paper Consumption with Electronics Bills and Statements

In our e-billing service, customers paying their monthly mobile phone usage charges via bank transfer or credit card can view their monthly bill on i-mode, sp-mode or a personal computer, instead of receiving monthly bank transfer and account statements through a postal service. We have made e-billing the standard mode of providing information on monthly usage charges to customers starting in February 2015, covering mobile phone use for January.

As of the end of fiscal 2018, subscriptions to the service were approximately 23 million. In terms of A4-size paper, our e-billing service has saved around 560 million sheets of paper in a year.

Web Statement Service (dCARD Credit Service)

DOCOMO provides the Web Statement Service to let customers view their dCARD credit service usage statements via the Internet.

Starting with billing statements for February 2015, we strived to further reduce paper usage to protect the natural environment by designating Web-based statements as the default option. As a result, almost all of our customers have signed up for the Web-based Service as of the end of fiscal 2018, which has led to an approximately 98% reduction in paper usage.

Reducing Paper for User Manuals with Digitization and Thinner Copies

Beginning in fiscal 2011, user manuals for all newly introduced Android smartphones and tablet devices as well as DOCOMO mobile phones (sp-mode) have been provided in digital form accessible as an application (e-manuals) on these products. DOCOMO's i-mode mobile phones also continue to carry a user manual app since 2009. Through these initiatives, we were able to slim down our user manuals and thereby reduce the CO_2 emissions associated with paper usage and transport of the 2015 winter model products by at least 50% compared to before. We will continue to promote the use of digital media for user manuals and optimize the content of the paper-based manuals to reduce paper consumption further.

### Environmental Approaches Taken at Offices and Shops

DOCOMO is working to reduce paper usage and boost waste recycling rates at its offices and shops.

In fiscal 2018, we visually communicated monthly paper usage per person in each division and branch to promote greater employee awareness of the need to reduce paper usage. As a result, the average amount of office paper used per employee declined by 7.7% compared to the previous

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fiscal year. Additional measures such as the promotion of paper-less meetings by using the internal web conferencing system, personal computers, tablets and other devices will be pursued to further reduce paper usage.

Moreover, to reduce paper consumption in individual shops, DOCOMO is making every effort to accurately determine the number of promotional tools to prepare and distribute to each shop by utilizing an analysis system specifically designed for this purpose. We also made the customer management system accessible from both conventional desktop computers and newly distributed tablets at the docomo Shops to meet customer needs by providing electronic forms, thereby reducing paper usage. While the use of promotional tools has increased to meet the requirement of laws and regulations in fiscal 2018, we will continue our management and other efforts to reduce paper use.

Paper Usage

■ Promotional tools   ■ Billing   ■ Office use

(tons)
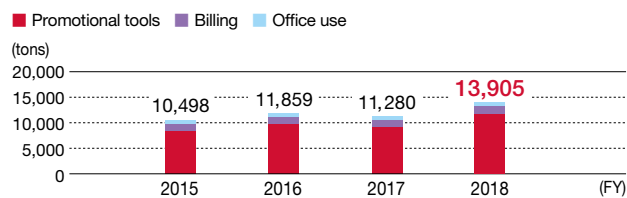
	FY2015	FY2016	FY2017	FY2018
Office use	699	704	672	619
Billing	1,439	1,399	1,402	1,381
Promotional tools	8,360	9,756	9,206	11,905
Total	10,498	11,859	11,280	13,905

Reducing Water Consumption

We take initiatives to reduce water consumption at our offices. We will strive to increase employee awareness of water conservation by establishing new water conservation measures and visualizing their efforts.

Water Consumption

(thousand m^3)

	FY2015	FY2016	FY2017	FY2018
Total consumption	1,491	1,567	1,508	1,486
Tap water	1,400	1,472	1,408	1,398
Recycled wastewater	91	95	100	88

Note: Figures for fiscal 2014 and fiscal 2015 have been readjusted due to the expansion in the scope of calculations.

Reducing Water Consumption in Eco-Friendly Facilities

DOCOMO has been reducing the environmental impacts associated with water consumption in its facilities in line with the NTT Group Green Design Guideline for Buildings. The guideline provides basic building design considerations aimed at protecting the global environment in terms of construction and operation with the goal of reducing impacts to the greatest extent possible over a building's life cycle. Various efforts are underway at the NTT DOCOMO Yoyogi Building, which was constructed under the guideline, to reduce environmental impacts, such as controlling water consumption and recycling rain water. Beginning with its own facilities, DOOMO is striving to reduce water consumption to ensure the overall well-being of the environment.

◤ Rainwater Harvesting

By reducing the volume of water instantaneously discharged at times of heavy rain, we strive to relieve the environmental impact on local areas subject to seasonal downpours and also reduce the impact on sewerage systems.

◤ Recycled Water Facility

We collect wastewater from toilets and kitchens in an underground water tank, filter it for recycling, and reuse it for flushing toilets. In addition, we recycle some of the harvested rainwater, mentioned above, through our recycled water facility to further reduce environmental impact.

◤ Water Conservation Appliances

We use water conservation appliances for plumbing fixtures and toilet-noise maskers (Otohime) in women's toilets to reduce the frequency of flushing.

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Preservation of Biodiversity

Basic Philosophy

As the basic policy toward preservation of biodiversity, DOCOMO will promote initiatives to preserve biodiversity for future generations by understanding how our business activities are related to biodiversity. Specifically, we will promote activities to preserve biodiversity while striving to pursue initiatives in collaboration with stakeholders.

Forest Maintenance Activities in All docomo Woods

DOCOMO is involved in the docomo Woods program to plant and improve forests throughout Japan. It has been established on the basis of the Forestry Agency's corporate forest program[1], the National Land Afforestation Promotion Organization's Green Fund[2], as well as corporate forestry support programs[3]. In fiscal 2018, these activities were held 47 times and about 1,720 people participated in them.

Forest Maintenance Activities in docomo Woods	FY2015	FY2016	FY2017	FY2018
Activities held	47	45	38	47
Participants (approximate)	2,200	1,880	1,470	1,720

The nature conservation program docomo Woods aims to raise awareness of environmental conservation and volunteerism. It provides opportunities for employees and their family members to experience nature and participate in various forest maintenance activities such as clearing underbrush and cutting limbs. As of the end of March 2018, docomo Woods have been established in 49 locations in all 47 prefectures and cover roughly 190 hectares, which corresponds to an area of approximately 146 baseball fields (each with an area of 1.3 hectares). In addition, land blessed with rich nature can filter rainwater naturally and produces clean groundwater. To pass on the beautiful nature to the next generation, we intend to continue the program so as to contribute to the protection of the natural environment and biodiversity preservation.

[1] The corporate forest program is a system under which the Forestry Agency and private-sector companies plant and manage forestland and share income earned from harvesting the trees.
[2] The Green Fund raises money for preserving green spaces, improving forests, promoting tree planting and contributing to international afforestation projects.
[3] Programs established primarily by prefectural governments and prefectural tree planting promotion committees.

Tree planting in the DOCOMO Tanzawa Clear Stream Forest in Kanagawa Prefecture

Opening ceremony at the DOCOMO Komono Forest in Mie Prefecture

Consortium for Promoting Okinawa's World Natural Heritage Candidate Sites

NTT DOCOMO, Inc., together with Japan Transocean Air Co., Ltd., the Okinawa Regional Office of Japan Post Co., Ltd. and NPO Dobutsutachi no Byoin Okinawa (Hospital for Animals Okinawa), founded the Consortium for the Promotion of World Natural Heritage in May 2019 with the goal of preserving the environment and developing communities in World Natural Heritage candidate sites and other regions in Okinawa Prefecture.

The consortium will seek to build momentum for the World Natural Heritage campaign by engaging in promotional activities and addressing a variety of problems such as protecting rare species and the natural environment as well as poaching and smuggling. Participating companies will also provide maximum support to studies and research while also cooperating with local government efforts. As of July 31, 2019, 32 companies have declared their intention to participate, and we expect to receive backing from the Ministry of the Environment's Okinawa and Amami Natural Environment Office, Okinawa Prefecture, the University of the Ryukyus, as well as cities and towns across Okinawa. Additionally, the consortium will seek to contribute to the region and develop communities through the effective preservation of rare species and the natural environment towards selection as a World Natural Heritage site in summer 2020 and the establishment of a sustainable model for environmental preservation and regional development.
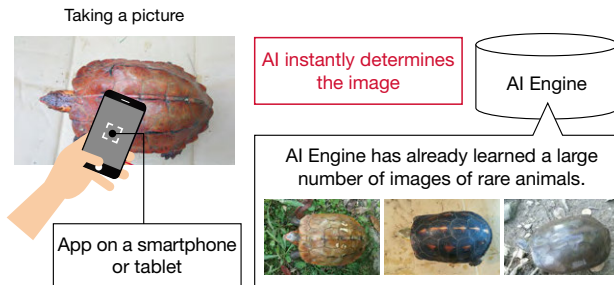
Major Activities

- Protection of rare species and the natural environment
- Promotional activities related to World Natural Heritage, studies and research
- Measures to prevent poaching and smuggling
- Regional contribution and community development based on the effective preservation of rare species and the natural environment
- Contribution to sustainable social development by promoting the SDGs
- Other activities for achieving the consortium's goals

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Verification Experiment on Using AI to Prevent the Poaching and Smuggling of Rare Species

The northern region of Okinawa Island and Iriomote Island in Okinawa Prefecture are inhabited by numerous rare species of animals and plants (hereafter "rare species"). In recent years, illegal gathering of rare species has emerged as a social issue that needs to be urgently addressed. In this context, DOCOMO and the Ministry of Environment began a verification experiment on May 21, 2019 with the cooperation of the Okinawa branch of Japan Airlines Co., Ltd. and Okinawa Regional Office of Japan Post Co., Ltd. It involves using DOCOMO's Image Recognition Engine image recognition AI at airports and post offices in Okinawa to prevent the poaching and smuggling of three rare species of turtles, including Ryukyu Yama-game (*Geoemyda japonica*).

The Image Recognition Engine used in the experiment is incorporated into an application that enables patrol staff at the sites of poaching or illegal digging, luggage inspection staff at airports and ferry stations and post office staff to determine whether a turtle photographed on their smartphone is a rare species or not based on AI analysis. The app even allows users without extensive knowledge to identify a rare species immediately, thereby preventing the animal from being taken off the island or out of the country. We will continue to use ICT to help protect rare species and the natural environment, which are precious regional and national assets.

App Utilizing an Image Search Engine

Taking a picture

App on a smartphone or tablet

AI instantly determines the image

AI Engine

AI Engine has already learned a large number of images of rare animals.

How to use the app

Take a picture of an animal or plant with a smartphone camera

Determines

Display the results with the photo

Certainty factors in numeric value
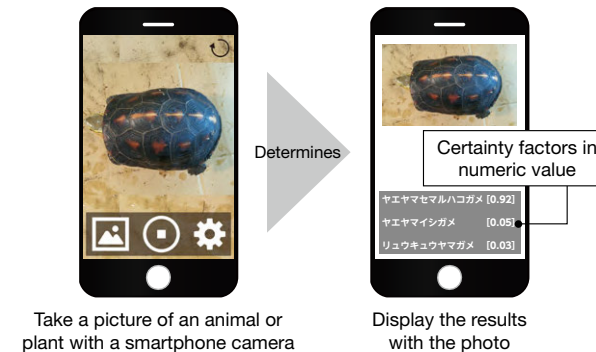
Rare turtle species targeted in this experiment

Ryukyu Yama-game (*Geoemyda japonica*), Ryukyu black-breasted leaf turtle

Yaeyama Semaru Hakogame (*Cistoclemmys flavomarginata evelynae*), yellow-margined box turtle

Yaeyama Ishi-game (*Mauremys mutica kami*), Asian brown pond turtle

Environmental Communication

DOCOMO Open House 2018

We presented the DOCOMO Group Environmental Declaration and environmental targets at the DOCOMO Open House 2018, which offered a varied program of over 200 exhibits, including the latest technologies and business solutions based on 5th generation (5G) mobile communications as well as AI and IoT, as well as talks by DOCOMO's partners in co-creation projects.

We also introduced visitors to our environmental initiatives on decarbonization, reduction of environmental impact and preservation of biodiversity (see below).

Exhibits:
(1) docomo LTE service (contribution to reducing society's CO_2 emissions)
(2) Green base stations (power efficiency in the telecommunications business)
(3) docomo Woods (contribution to preserving biodiversity)
   Dates: December 6 and 7, 2018 (9 a.m. to 6 p.m.)
   Site: Tokyo Big Sight (East Exhibition Hall)
   Admission: Free (advance registration)

6

Network Reliability

As a provider of telecommunications services, DOCOMO pursues its mission of providing a communication environment that enables customers to use their mobile phones anytime and anywhere, and it strives to enhance customer security, safety, and comfort. In 2017, we set up the Network Division to spearhead our initiatives to ensure a consistently reliable network for customers by constructing and operating a total network service that includes communication devices and applications as well as to secure communication during disasters and guarantee the safety of radio waves used by mobile phones.

Provision of Network Services

Basic Polices and Philosophy

DOCOMO seeks to provide constantly improving network services that consistently satisfy customers. Building base stations to expand our service areas offers connectivity to our customers wherever they are, in the city, on the subway or in a remote location or relatively unpopulated area. We also work to maintain a system that ensures connectivity around the clock, all year round, regardless of any specific circumstances that may arise in the course of a normal day or special event.

We are improving connectivity during spikes in service demand and raising the reliability of our telecommunications services during network failures by implementing the network functions virtualization technology. In addition to increasing communication speeds, we are constructing a robust lifeline based on DOCOMO's Three Principles of Disaster Preparedness, which we can rely on in times of disaster.

Overall Layout of DOCOMO's Network

The DOCOMO network comprises the radio access network, core network, service platform, various mission-critical systems and the operation system.

**DOCOMO's Network Layout**
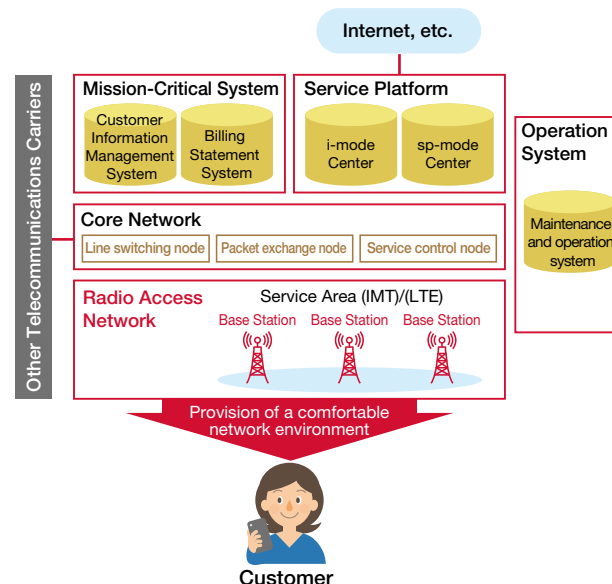
Expansion of the Service Area
Building Base Stations

We are building base stations to enhance voice communication and data transmission as well as to expand our service area. We have been setting up new base stations every year for both LTE and FOMA (see the graphs on the right). As for LTE, we are increasing the number of base stations capable of handling higher communication speeds offered by PREMIUM 4G, and we provided the service in 1,684 cities nationwide in fiscal 2018.

In research and development, we have maintained a workforce of between 900 and 1,100 researchers since the late 1990s and have spent around 80 billion yen to 100 billion yen annually since the year 2000. We continue to provide innovations that serve as the backbone of sustainable development as the leader in the global mobile communications business. We will focus on base station maintenance with an eye on the launch of 5th generation (5G) mobile communications in spring 2020.

Number of LTE (Xi) Base Stations
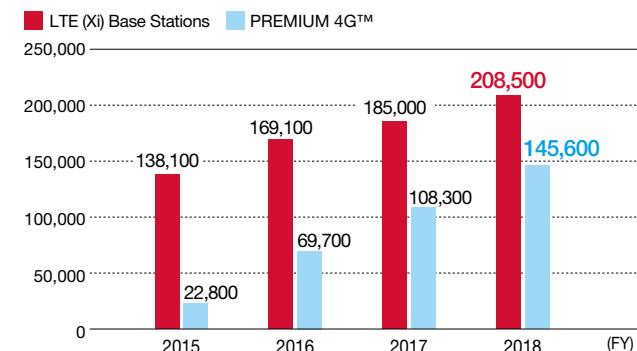
Number of FOMA Base Stations
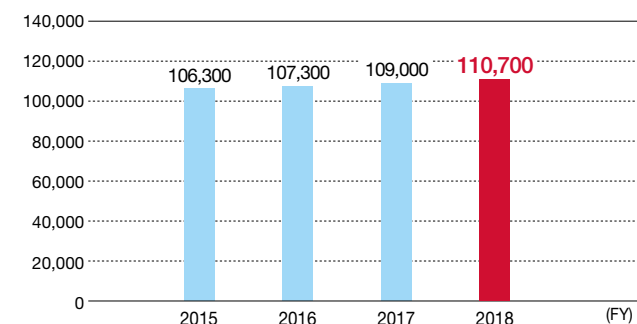
◤ DOCOMO's Approach to Installing Base Stations

Before building a new base station, we provide detailed explanations to local residents in accordance with the rules stipulated by relevant laws and regulations as well as to those living in areas designated by DOCOMO's internal rules where such laws and regulations do not apply. Some residents are concerned about the effects of electromagnetic waves, while others are ambivalent about the construction of antenna towers. We make an earnest effort to explain and place top priority on the security and safety of local residents when conducting construction work.

◤ Activities for Inspecting and Improving Reception Quality

In order to ensure coverage quality and expand our coverage area, DOCOMO widely solicits information from customers on reception quality. We will continue to improve reception quality by using this feedback while building more base stations in an effort to ensure a more stable environment for our mobile phone users.

In fiscal 2018, we received about 57,000 customer inquiries. In general, we sincerely respond to these inquiries and strive to make improvements by conducting reception quality tests on vehicles and on foot throughout Japan.

For customers who request better indoor reception quality, we offer them solutions by installing DOCOMO repeaters that amplify signals or compact femtocell base stations that transmit signals.

◤ Ensuring the Quality of Communications Services during Large Events

Major events and exhibitions gather large numbers of customers in a single location. Local base stations may experience intermittent overloads causing spotty phone service when these customers use their mobile phones at the same time. We prepare for such potential problems by proactively implementing special measures. In addition, we are systematically expanding the facility capacity of our networks in response to the usage status of our customers.

Example 1. Events such as fireworks and concerts

- Disperse communication loads by installing mobile base stations and docomo Wi-Fi Spots
- Secure communication capacity by setting up base station facilities to cover the venue and modifying the software that controls the facilities

Example 2. Concentration of greeting calls and mail during the New Year holiday

- Plan in advance to meet service demand
- Enhance telecommunications equipment monitoring system and control traffic

◤ Enabling Communications in Remote or Relatively Unpopulated Areas

DOCOMO has drawn up its Basic Policy on Area Expansion to strategically develop base stations in remote or relatively unpopulated areas. Our service coverage ratio in Japan for 3G FOMA has reached nearly 100%. We also achieved a coverage ratio of nearly 100% for 4G LTE by the end of fiscal 2018.

We also respond to temporary spikes at locations such as tourist spots that experience intermittent increases in demand from visitors. These measures have helped climbers make rescue calls when they are hurt or lost and has increased the number lives saved.

Example 1. During the Mt. Fuji climbing season

- Provide stable telecommunications services by installing a temporary base station at the summit

Example 2. Mountain trails where radio waves are blocked by the surrounding terrain or foliage

- Install special antennas along mountain trails or compact base stations on the roofs of mountain huts

◤ Overseas Use of Mobile Phones

DOCOMO is enhancing its international roaming service so that customers can enjoy the convenience of their mobile phones overseas. Our WORLD WING service allows customers to continue using the DOCOMO mobile phones they use in Japan within the areas covered by our overseas carrier partners while retaining the same phone number and e-mail address. We have been expanding the number of countries and regions covered by our LTE-based, high-speed communication, LTE international roaming services, and our VoLTE international roaming services that offer high audio quality. As a result, DOCOMO's mobile phones can be used in over 220 countries and regions as of July 2019.

DOCOMO's Other Major International Services

- Packet Pack Kaigai Option

In 204 countries and regions, representing the largest coverage among Japanese telecommunications service providers, we offer a 24-hour flat-rate packet option for overseas use. In February 2019, we also started offering flat rate options for 1 hour, 3 days, 5 days, and 7 days in 62 countries and regions.

- Overseas Packet Suspension Service

Packet communication is automatically cut off once the volume of communication not covered by the fixed-rate packet plan exceeds a certain amount in order to prevent communication charges from becoming too expensive.

・DOCOMO World Counter
Support desks are available for customers preparing for a departure or on an overseas trip. Counters have also been set up at airports in Japan and overseas (in Hawaii) to provide complimentary phone charging services and explanations for mobile phone fees and usage.

Seeking Even Faster Speeds

We continue to increase transmission speeds to realize comfortable communication for our customers. The maximum downlink transmission speed, which was 75 Mbps when we began providing LTE service in December 2010, reached 1,288 Mbps by May 2019, following the introduction of high-speed technologies such as carrier aggregation, 256 QAM and 4×4 MIMO. We plan to achieve even faster speeds of up to 1,576 Mbps starting in the winter of 2019.

　　We are monitoring customer traffic volume and expanding our service areas in major cities in Japan where traffic is concentrated. DOCOMO will aim to provide networks that can be used to enjoy various types of content such as video, music and SNS, by closely following the needs of each individual customer.

Download speed (median speed) **191** Mbps

Upload speed (median speed) **31** Mbps
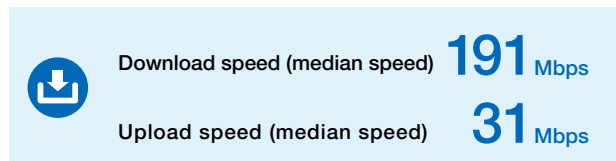
*Measured according to the guidelines on effective speed, formulated by the Ministry of Internal Affairs and Communications
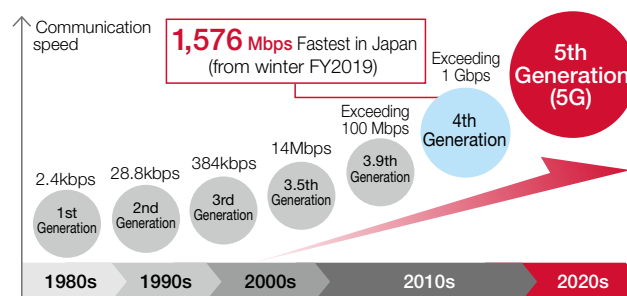*Data was obtained by the company on March 31, 2019
*Median speeds of Android and iOS

Toward the Launch of 5G Services

We are advancing research on 5th generation (5G) mobile communications to achieve transmission speeds exceeding 10 Gbps, about 1,000 times the capacity of LTE, in response to the increasing number of communication devices and varied services that accompany the spread of M2M communication toward the launch of services in spring 2020.

　　Since 2013, discussions on 5G have been picking up steam at international research organizations and conferences. As an enterprise engaged in 5G research since 2010, DOCOMO is playing a leading role in global research efforts. Since 2014, we have been conducting a joint experiment on 5G in collaboration with 13 major global vendors, which has steadily yielded results in verification tests. DOCOMO will continue to lead global innovation toward realizing ever higher speeds by leveraging its network operations know-how and leading-edge technical development capabilities cultivated for more than 20 years.

Communication speed

1,576 Mbps Fastest in Japan (from winter FY2019)

Exceeding 1 Gbps

5th Generation (5G)

Exceeding 100 Mbps

4th Generation

14Mbps

3.9th Generation

384kbps

3.5th Generation

28.8kbps

2.4kbps

1st Generation　2nd Generation　3rd Generation

1980s　1990s　2000s　2010s　2020s

Ensuring a Stable Network

◤ Network Surveillance and Response to Network Failures

DOCOMO strives to construct mechanisms for minimizing the impact on its service when a problem arises in order to provide a reliable network that customers can use anytime, anywhere.

Providing Year-round Surveillance and Response for Network Facilities

DOCOMO maintains network operation centers in Tokyo and Osaka that ensure connectivity by conducting surveillance of our network facilities and equipment, such as base stations, as well as monitoring the status of our service to customers nationwide on a 24-hour, 365-day basis. When informed of an abnormality, operators promptly respond by remotely controlling network facility and traffic routes to prevent any disruption in service. They also investigate the cause of the problem, and when the facility requires repairs due to physical or other damage, maintenance staffs are dispatched to the site to replace and repair the network equipment quickly.

◤ Preventing Service Interruptions Caused by Network Facility Failures

DOCOMO seeks to maintain mechanisms for taking preemptive action against potential failures in network facility that could cause interruptions in our service to customers.

　　For example, we have been operating commercial network communication that uses network functions virtualization technology since March 2016. Through it we are making improvements in terms of connectivity during network congestion caused by disasters and are better ensuring continued connectivity during facility failures. Going forward, we will gradually expand the area covered by the said technology and work toward virtualization of the entire network.

　　Every day, we collect data on network facilities under normal operating conditions. When an anomaly is detected, we can conduct an analysis to determine whether or not it is a

warning sign of an impending failure, and we respond through measures such as replacing faulty equipment in advance.

In March 2019, we began deploying a remote-controlled surveillance system equipped with AI to identify failures that had been difficult to detect.

◤ Minimizing the Negative Impact of Network Facility Failures on Customers

Ensuring the Reliability of Network Facilities

We are developing a mechanism for maintaining service to our customers even in the event of a failure in our network facilities.

DOCOMO uses a combination of network facilities so that in case one base station fails, other facilities can continue to operate and provide uninterrupted service. For example, we seek to ensure that other base stations are capable of covering the radio waves by positioning the base stations and adjusting the coverage area in an effort to deliver high reliability to our customers.

No facility failure that meets the criteria for serious accidents designated by Japan's Ministry of Internal Affairs and Communications occurred in fiscal 2018.

Incidents of Serious Facility Failures

FY2015	FY2016	FY2017	FY2018
0	1	0	0

DOCOMO's Disaster Preparedness

Striving to Secure Communications in Times of Disaster Based on the Three Principles of Disaster Preparedness

Mobile phones play a critical role in rescue operations, reconstruction and confirmation of personal safety during disasters and emergencies. Since its founding, DOCOMO has been continuously working to secure communications during disasters in accordance with its Three Principles of Disaster Preparedness: enhance system reliability, ensure essential communications, and rapidly restore communications services.

Applying lessons learned from the Great East Japan Earthquake, which occurred in 2011, we formulated new measures for disaster preparedness and implemented them by the end of February 2012. In view of subsequent developments in the internal and external environment, such as advances made to our networks and changes in customer usage, we announced additional measures amounting to 20 billion yen in fiscal 2018 to bolster preparedness against frequent natural disasters.

Three Principles of Disaster Preparedness

Enhance system reliability

Enhance reliability by creating redundancies
- Establish multiple and double routes, as well as loops, for relay transmission paths (long-range transmission lines)
- Create backups and geographically disperse telecommunications facilities
- Maintain and operate satellite communication facilities

Reinforce facilities
- Upgrade the seismic system of structures and towers
- Upgrade the seismic system and anchor equipment
- Confine cables inside cable tunnels
- Bury cables underground

Ensure essential communications
- Provide priority phone service to disaster prevention agencies during disasters
- Control networks efficiently
- Lend mobile phones and satellite phones to local government authorities, etc.

Rapidly restore communications services

Measures for "hard" aspects (physical infrastructure, etc.)
- Deploy mobile base station vehicles
- Deploy mobile power generation vehicles
- Secure supplies for restoration

Measures for "soft" aspects (operations, organization, etc.)
- Prepare disaster-response manuals
- Plan for an emergency response headquarters and make other institutional arrangements
- Conduct disaster prevention training

Disaster Countermeasures for the Next Two Years (Announced in October 2018)

Preparation for wide-area, hours-long power outage

- **Install storage batteries and solar power generation systems at docomo Shops**
- Reinforce emergency power supply for base stations and buildings

Securing important communication and reliability enhancement

- Expand roll-out of medium-zone base stations
- Enhance reliability by employing flood disaster prevention and other measures at key base stations
- Promote use of multiple transmission routes

Early restoration of communications services

- **Increase deployment of emergency base stations (portable satellite equipment, etc.)**
- Expand bandwidth of satellite links

Strengthen support for disaster-stricken areas

- Improve the level of sophistication of restoration area map
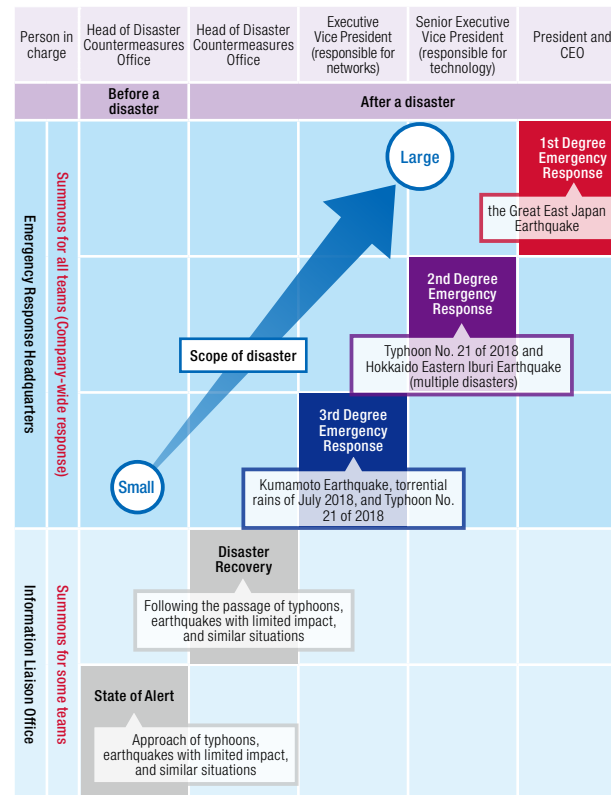- Increase no. of rental smartphones/tablet devices

Monetary amount of additional disaster countermeasures for the two-year period:

20 billion yen

Disaster Management System

Under the NTT Group Disaster Preparedness Plan, we stand ready with a system that enables us to efficiently conduct initial operations in accordance with the scope of the disaster and recovery efforts. Our system is organized across departments to facilitate response to disasters even in times of uncertainty.

Internal System at the Time of a Disaster

Person in charge	Head of Disaster Countermeasures Office	Head of Disaster Countermeasures Office	Executive Vice President (responsible for networks)	Senior Executive Vice President (responsible for technology)	President and CEO
	Before a disaster	After a disaster			

Emergency Response Headquarters — Summons for all teams (Company-wide response)

Information Liaison Office — Summons for some teams

- **1st Degree Emergency Response** — the Great East Japan Earthquake
- **2nd Degree Emergency Response** — Typhoon No. 21 of 2018 and Hokkaido Eastern Iburi Earthquake (multiple disasters)
- **3rd Degree Emergency Response** — Kumamoto Earthquake, torrential rains of July 2018, and Typhoon No. 21 of 2018
- **Disaster Recovery** — Following the passage of typhoons, earthquakes with limited impact, and similar situations
- **State of Alert** — Approach of typhoons, earthquakes with limited impact, and similar situations

Scope of disaster — Small → Large

Use of Emergency Base Stations in Response to the Magnitude of a Disaster

DOCOMO maintains emergency base stations to secure its networks in the event of a disaster. Depending on the level of damage incurred, we implement measures such as setting up temporary base stations and remotely adjusting the transmission angle of radio waves from base stations.

DOCOMO's Emergency Base Stations

	Mobile base station vehicles and portable base station devices	Medium-zone base stations	Large-zone base stations	
Key feature	**Respond to diverse natural disasters** Mobile base stations (vehicles and portable devices) that provide pinpoint relief for specific areas	**Respond to diverse natural disasters** Base stations that boost the capacity of existing stations to provide coverage for surrounding areas during a disaster	**Dedicated to major disasters** Provides wide-area coverage only when operations at most other base stations in the vicinity have been disrupted	
Operation Overview	Normal state → Emergency	Normal state (Activated) → Emergency (Activated (wider coverage))	Normal state (Suspended) → Emergency (Activated)	
Area size (radius)	Small (up to about 1 km)	Small (about 1 km)	Medium (between 3 km to 5 km)	Large (about 7 km)
Emergency operation	Requires time to transport and install	Instantly activated by remote control		Instantly activated by remote control

◤ Large-Zone Base Stations

Large-zone base stations are specialized for use in times of disaster to secure communications in heavily populated areas during widespread disasters and power outages. It provides 360-degree coverage across a seven kilometer radius, which is wider than a standard base station. Since 2011, DOCOMO has installed large-zone base stations at 106 locations around Japan. All are compatible with LTE, which boosts capacity by about three times. During the Hokkaido Eastern Iburi Earthquake, which struck in September 2018, we activated a large-zone base station for the first time, helping to restore communication to a wide area of Kushiro City.

◤ Medium-Zone Base Stations

Apart from large-zone base stations that provide coverage for urban areas such as prefectural capital cities, we also promote nationwide deployment of medium-zone base stations to secure a means of communication in coastal and mountainous regions. At the same time, we are transforming base stations that cover disaster base hospitals into medium-zone base stations. We plan to install more than 2,000 of these stations by March 2020 with the aim of securing communications for designated disaster base hospitals in 731 locations.

Emergency power supply systems are also being upgraded at medium-zone base stations that cover disaster base hospitals. We are working towards our target of maintaining telecommunications services for 72 hours during a power outage at 712 locations throughout Japan by March 2020 to support the medical assistance activities of the disaster base hospitals.

Definition of a Medium-Zone Base Station

- Built with foundations that are more robust compared to those of standard base stations and used as standard base stations under normal circumstances.
- Capable of remotely adjusting the antenna angle to expand its service area in the event that a disaster interrupts service at neighboring base stations.
- Equipped against power outages to continue operating for over 24 hours after losing the power source.
- Transmission paths are doubled to ensure communication even in the event that one path is interrupted.

Target Areas for Installing Medium-Zone Base Stations

- Standard base stations capable of covering areas expected to incur damage based on hazard maps.

◤ Shipboard Base Stations

To diversify emergency recovery options in times of a disaster, DOCOMO is developing the use of shipboard base stations. This involves installing temporary base stations on vessels anchored offshore to enable the construction of a temporary service area on land. DOCOMO will utilize shipboard base stations to recover the lifeline quickly and provide support to the victims.

Major Initiatives for the Use of Shipboard Base Stations in Recent Years

- November 2016: DOCOMO became the first carrier in Japan to obtain a license for mobile communication base stations from the Ministry of Internal Affairs and Communications' Kyushu Bureau of Communications, and it is conducting drills under this license.

- April 2018: We concluded the Mutual Cooperation Agreement Regarding Disaster Prevention and Disaster Response Activities with Shinnihonkai Ferry Co., Ltd. to enable prompt service recovery and support victims at times of disaster. This was the first attempt in Japan to operate a shipboard base station on a passenger ship. The Shinnihonkai Ferry operates regular routes between major ports in Hokkaido, Tohoku, Hokuriku, and Kansai. Under our agreement, we will further strengthen the framework of cooperation for disaster response activities.

Overview of DOCOMO's Response to Disasters

In 2018, service was disrupted in many locations due to the multiple disasters caused by Typhoon No. 21 and the Hokkaido Eastern Iburi Earthquake. DOCOMO promptly set up an emergency response headquarters, and about 2,500 personnel worked to secure and restore communication services in a united effort involving the DOCOMO Group and its affiliates.

The disaster in Hokkaido was characterized by a large-scale blackout of the commercial power grid. The prolonged power outage caused batteries to run out at the base stations, disrupting services across a wide area in Kushiro City. This prompted us to activate the large-zone base station and rescue an area for the first time throughout Japan. During the blackout of the entire Hokkaido region, we offered recharging services free of charge at emergency shelters, docomo Shops, and at the DOCOMO building, which was opened to the public. We also sought to closely serve our customers in various affected areas by opening public LAN services and delivering information in various languages via SNS for foreign visitors.

Working with National and Local Governments

The NTT Group Disaster Preparedness Plan was established to facilitate the appropriate implementation of preparedness and response measures as a designated public body under Japan's Disaster Measures Basic Law. Under the plan, we prepare for disasters during normal circumstances and offer emergency response in the event of a disaster. During a disaster, we cooperate with government institutions through measures such as loaning mobile phones to local governments to maintain essential communication. In addition, DOCOMO has signed agreements with Japan's Ministry of Defense, the Ground Self-Defense Forces and the Japan Coast Guard to allow for quick recovery and relief activities during natural disasters.

Under these agreements, DOCOMO lends satellite phones and mobile phones used in disaster recovery activities, and its emergency response equipment and personnel are quickly transported to affected areas by the Ground Self-Defense Forces and other public institutions. Apart from offering cooperation based on the agreements, DOCOMO also supports local governments and national government institutions by lending mobile phones and satellite phones in times of disaster.

In May 2019, DOCOMO, Sendai city and Tohoku University signed a joint experiment agreement on the effective use of electricity at designated emergency shelters. We have begun trials for the effective use of power, especially in times of disaster, such as visualizing the battery level at emergency shelters. We hope to continue offering our assistance to the strengthening of disaster preparedness of regional communities.

Responding to a disaster

Radio Wave Safety

Basic Policies and Philosophy

DOCOMO complies with related laws and regulations and ensures that the level of radio wave emissions from base stations and mobile phones remains below the limits specified in the Radio-Radiation Protection Guidelines. Emissions below these levels are recognized around the world as having no adverse effect on human health, so users need not be concerned.

Compliance with Radio-Radiation Protection Guidelines

◥ Radio-Radiation Protection Guidelines

The health effects of radio waves from mobile devices have been researched for over 50 years in Japan and abroad. As a safety standard for the effect of radio waves on the human body, the World Health Organization has published its recommended guidelines, while the Radio- Radiation Protection Guidelines serves as their equivalent in Japan. DOCOMO is fully committed to complying with the relevant laws and regulations and has ensured that the level of radio waves emitted by its base stations and mobile phones meets the requirements indicated in the guidelines. Furthermore, DOCOMO discloses the Specific Absorption Rate (the rate at which energy emitted by radio waves is absorbed by the human body) for each mobile phone on its corporate website, and it strives to make mobile phones safe for customers to use.

Specific Absorption Rate (SAR) of Mobile Phones
https://www.nttdocomo.co.jp/english/product/sar/

◤ Collaborative Research on Radio Wave Safety

Since 2002, DOCOMO has conducted experiments in collaboration with KDDI Corporation and SoftBank Corp. related to the possible impacts of radio waves on the human body at the cellular and genetic levels. Following an interim report issued in 2005, we released a final report in 2007 stating that the research had identified no impact. This report provided scientific evidence against the argument that radio frequency radiation has an impact on cell structure and function, which may cause cancer, and reconfirmed the safety of radio waves from mobile phones.

　　Currently, the Electromagnetic Environment Committee of the Association of Radio Industries and Businesses (ARIB) is engaged in surveys and research concerning the safety of mobile phone radio waves in an effort to enhance public welfare associated with the use of radio waves. In support of the ARIB, DOCOMO is actively involved in these initiatives as a regular member. We will continue to pursue initiatives related to radio wave safety, which we recognize as an important social responsibility for mobile phone operators.

| Radio Wave Safety (in Japanese only)
https://www.nttdocomo.co.jp/corporate/csr/network/radio/index.html

◤ Effect on Medical Electronic Devices and Ongoing Measures

Japan's Ministry of Internal Affairs and Communications and the Electromagnetic Compatibility Conference have confirmed the effects of mobile phones and other wireless devices on the movement of medical electronic devices, including heart pacemakers, and have widely published their safety guidelines. Accordingly, the DOCOMO Group seeks to develop user awareness of the required care by providing information in the mobile phone users' manual and via the DOCOMO website.

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7

Customer Services

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DOCOMO is committed to the safety of mobile devices and user-friendly design, from the design stage to actual use, and it steadfastly strives to deliver safe, reliable and comfortable communication to our customers. Moreover, we continue to improve customer satisfaction by incorporating feedback from docomo Shops, an Information Center and other sources to improve our products and services.

Corporate Responsibility for Products and Services

Basic Polices and Philosophy

DOCOMO is dedicated to maintaining the quality of products with due consideration for safety at every stage, from design to after-sales service. We formulate our own standards concerning the safety of mobile phones at the design stage, examine the safety of the products by testing prototypes, and make a final decision on the launch of a product only after safety is confirmed. Our products are thoroughly examined at every stage to ensure they meet our standards. We stand by the quality of our products even after they are purchased by providing after-sales services.
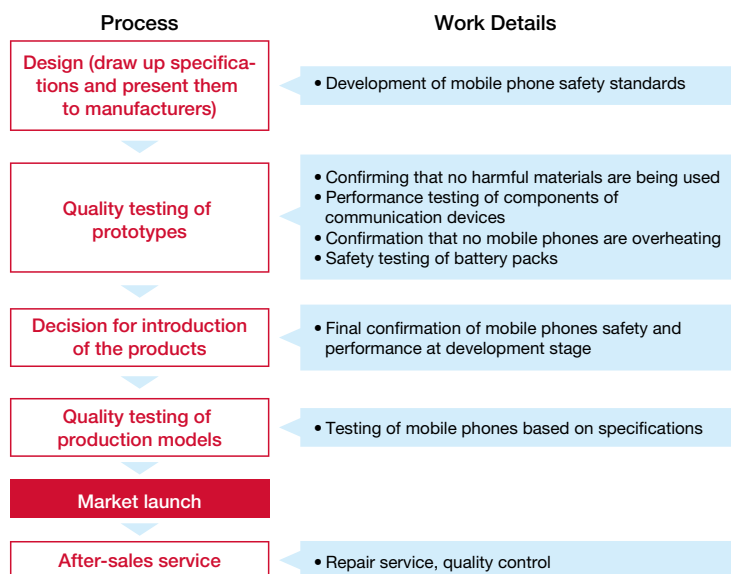
In addition, we offer products and services that incorporate universal design principles so they can be used by anyone, children or senior citizens, regardless of disability or nationality. As for current social issues related to mobile phone use, such as criminal behavior, addiction and other unethical issues, we are partnering with Japan's Ministry of Internal Affairs and Communications as well as other relevant organizations to sincerely address these concerns as an important corporate social responsibility.

Product and Quality Control

DOCOMO conducts thorough and strict quality processes to ensure that our products can be used safely, reliably and conveniently by customers at all times. We work with communication device manufacturers to develop products that are safe and thoroughly monitor product safety based on strict evaluation standards at every step of the way up to market launch. In addition, we fully comply with all regulatory requirements for labeling during shipping and delivery and use packaging materials based on our green procurement standards. Our products are delivered to customers only after fully meeting these rigorous standards for product safety.

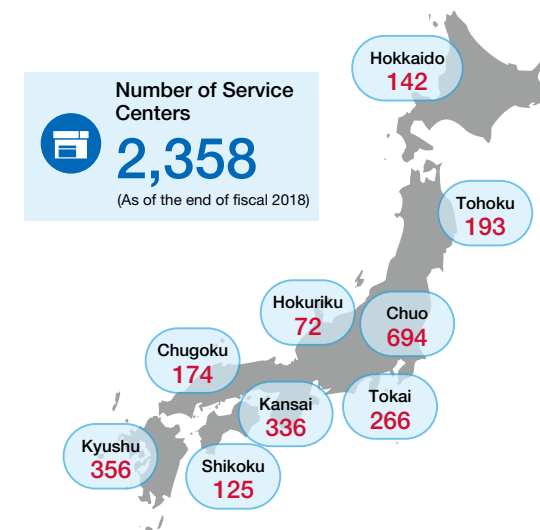We aim to respond to any problems with our products once they are on the market by setting up repair and service centers throughout the country and an online system for accepting customer requests for repairs. Also, we promptly respond to customer feedback on quality by investigating causes and probing various ways of making improvements to enhance product quality. In the event of a major malfunction, the Communication Devices Action Committee, chaired by the senior executive vice president, is convened to identify the nature of the problem, isolate its causes and determine the policies for addressing it. This ensures that the entire organization will immediately respond to customer inquiries and that customers are continually informed of any issues that arise.

NTT DOCOMO's Corporate Sales and Marketing Division and two of its functional subsidiaries* have acquired ISO 9001 certification and have built a quality management system based on ISO 9001.

*DOCOMO Datacom, Inc. and DOCOMO Technology, Inc.

Flowchart of Standard Product Quality Flow

Process	Work Details
Design (draw up specifications and present them to manufacturers)	• Development of mobile phone safety standards
Quality testing of prototypes	• Confirming that no harmful materials are being used • Performance testing of components of communication devices • Confirmation that no mobile phones are overheating • Safety testing of battery packs
Decision for introduction of the products	• Final confirmation of mobile phones safety and performance at development stage
Quality testing of production models	• Testing of mobile phones based on specifications
Market launch	
After-sales service	• Repair service, quality control

Number of Service Centers

Number of Service Centers
2,358
(As of the end of fiscal 2018)

Hokkaido **142**
Tohoku **193**
Hokuriku **72**
Chuo **694**
Chugoku **174**
Kansai **336**
Tokai **266**
Kyushu **356**
Shikoku **125**

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Ensuring Product Safety through Software

DOCOMO updates its software as necessary to increase product safety and user friendliness, fix software-related defects, improve usability, apply current security patches, and for other purposes. Since updates are implemented through data transmission, customers can update their devices in a timely manner and such updates can be applied to products still in the factory or in shop inventories, which enables customers to receive products improvements promptly. Models equipped with a software update function are always updated with the latest version. Software updates that follow OS upgrades will apply to the latest OS version.

▎Product Update Information
https://www.nttdocomo.co.jp/english/support/utilization/product_update/

Disclosing Information on Products and Services

To ensure the safe and convenient use of our products and services, DOCOMO strives to provide timely and relevant information to customers at docomo Shops across Japan and through our website. Some docomo Shops have videophones that support different languages, including sign language for foreign people and the hearing impaired so that those requiring these services can obtain information on DOCOMO's products and services.

A support page on DOCOMO's official website provides product support information such as on device use, default settings and after sales services, billing and discounts, and service areas. The docomo Online Procedure service on the website allows customers to select billing plans and submit various applications, request repairs and file a report when their mobile phone has been lost or stolen. Apart from the website, we also provide contact points for submitting various applications and queries by phone and e-mail.

For customers living in areas where there are no docomo Shops or who cannot get to one for some reason, the docomo Online Shop provides quality content at all times, and customers can purchase smartphones and chargers through the website.

We will continue to find creative ways to provide information that is more appealing to customers in a manner that is convenient and easy to understand while also seeking to enhance our customer contact points.

▎Support through Videophone
https://www.nttdocomo.co.jp/english/support/shop/service/

▎DOCOMO Online Procedures (in Japanese only)
https://www.nttdocomo.co.jp/mydocomo/apply/

▎Online Shop (in Japanese only)
https://onlineshop.smt.docomo.ne.jp/
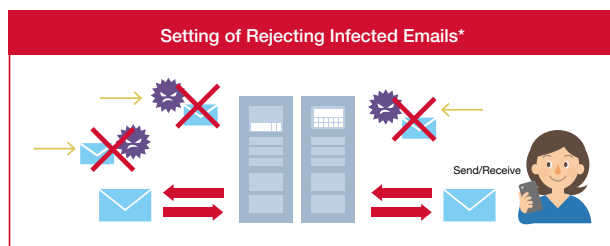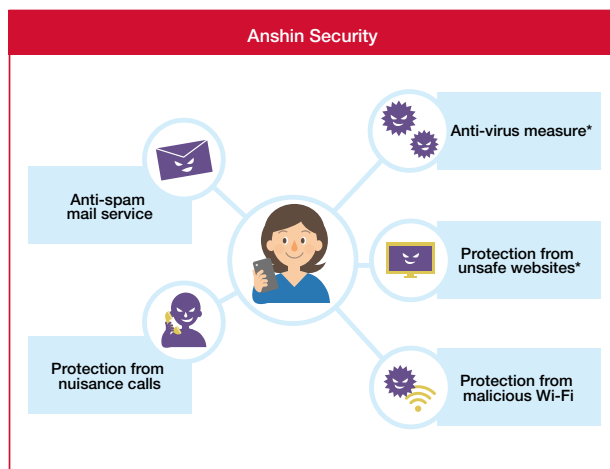
Services that Ensure Device Security
◤ Security Countermeasure Services

We have recently been seeing growing threats to Internet and telephone communications, such as spread of spam mails, computer viruses, malware and harmful websites, and increases in other scam operations that take advantage of new policies and regulations as well as current social developments. More people are suffering from problems caused by such nuisances using mobile phones and smartphones, and DOCOMO is proactively working to provide countermeasure services to deal with them.

Anshin Security is a security service package that includes detecting viruses, blocking harmful websites, anti-spam mail, distinguishing suspicious incoming calls and other services to safeguard smartphones from various threats. We also offer an e-mail virus check that detects viruses when sending/receiving docomo mail or sp-mode mail. The combined use of these services provides a safe communication environment for our customers.

Safe Wi-Fi service is another feature of Anshin Security provided for protection when using unsecured Wi-Fi networks. While public wireless LAN services that increased as we move towards the year 2020 are convenient, they are subject to the risk of connecting to fake Wi-Fi hotspots allowing strangers view your text. The safe Wi-Fi service protects information leakage when customers are connected to malicious Wi-Fi spots by displaying a warning message on the screen.

DOCOMO offers several free services to block malicious e-mail messages such as phishing e-mails by rejecting e-mails sent from the specified senders and removing viruses attached to such e-mail. These services can be used together with Anshin Security to provide a safer communication environment for mobile phone and smartphone users.

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Anshin Security

- Anti-spam mail service
- Anti-virus measure*
- Protection from unsafe websites*
- Protection from nuisance calls
- Protection from malicious Wi-Fi

Setting of Rejecting Infected Emails*

Send/Receive

*The service does not apply to iOS.

Considerations for Children, the Elderly and Persons with Disabilities

Considerations for Children

🚩 **Smartphone and Mobile Phone Safety Classes for Ensuring Safe and Secure Use by Children**

To protect users against the dangers and other problems associated with smartphone and mobile phone use, DOCOMO holds free Smartphone and Mobile Phone Safety Classes to teach users how to handle such matters. Launched in 2004, the classes have been attended by many people across Japan, including elementary, junior high and high school students, students with special needs, parents, teachers and the elderly. For more information on these classes, please see page 136.

🚩 **Filtering Service to Prevent Access to Illegal or Inappropriate Websites and Use of Harmful Apps**

While using the Internet, a child could be exposed to illegal or inappropriate information that may be harmful to their development. The viewing of illegal or inappropriate websites and use of harmful apps also raise the risk of involvement in criminal activity. According to a survey conducted by the National Police Agency and Ministry of Education, Culture, Sports, Science and Technology[1], a record-breaking number of children became victims to crimes through social media in 2017. More than 90 percent of these children did not use filtering. DOCOMO offers a Filtering Service to prevent these negative encounters and in principle requires that the subscribers who are younger than 20 years old and users 18 years old or younger using smartphones or mobile phones are registered with the Filtering Service[2].

Anshin Filter for docomo can permit or restrict access to individual websites and apps based on each child's school age

and needs. It can limit when apps can be used depending on the time of the day[3].

[1] Based on "2018 Many dangers lie behind Internet—it can happen to you" issued by the National Police Agency and Ministry of Education, Culture, Sports, Science and Technology.
[2] Stipulated in the "Act on Establishment of Enhanced Environment for Youth's Safe and Secure Internet Use."(revised on February 1, 2018)
[3] Content of the Filtering Service differs according to the requirements of each model. Functions offered by the "Anshin Filter for docomo" differ depending on the OS.

Filtering Service (in Japanese only)
https://www.nttdocomo.co.jp/service/filtering/

🚩 **Released Video Content Entitled "Children × Information Morality"**

Use of smartphones has spread among children, and now over 90% of high school students and over 70% of junior high school students use them*. While they function as a tool to oversee children's daily safety, many problems and incidents are occurring from their use as a result of a lack of proper knowledge of information morality among children.

DOCOMO considers this as a social issue and has released a video content based on the theme "children and information morality" in order to prompt discussion between children and guardians about smartphone use. The video clip is based on a real incident and shows the problems that lie behind the casual day-to-day communication, giving viewers the sense that they are the ones suffering from them. We are engaged in these activities to propel people toward dealing with social issues related to children and information morality, thereby creating a society where people can lead a safe, peaceful, comfortable and affluent

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life.

*Data based on the Cabinet Office's 2018 survey on the Internet use by youth.

Video content on the theme "children and information morality" (in Japanese only)
https://www.nttdocomo.co.jp/corporate/csr/safety/educational/manual_download/docudrama.html

🔴 Looking after Children from a Distance with imadoco-search

To protect children from being targeting by criminal activity, which remains rife, we have been providing parents and guardians with the imadoco-search service, enabling them to locate children and remotely monitor their activities. The GPS on their Kid's Keitai (mobile phone) or smartphone allows parents to find out where their children are on a map. In addition, it incorporates an emergency buzzer that a child can press when they are in danger and a function to automatically transmit a child's whereabouts when the power is interrupted. The service can be also used to track elderly adults who live away from their families.

Imadoco-search (in Japanese only)
https://www.nttdocomo.co.jp/service/imadoco/

Features of Imadoco-search

- Indicates a child's location on a map as necessary
- Sends a notification to a family member about the user's location at a preset time

- Sends a notification to a family member about the user's location when the user presses an emergency buzzer or when power is switched off

The emergency buzzer went off! I wonder if he's OK.

- Sends a notification about the user's location when the battery is low
- Provides information about nearby incidents (service is limited to 34 prefectures as of July 1, 2019)

Consideration for the Elderly and Persons with Disabilities (DOCOMO Hearty Style)

🔴 DOCOMO Hearty Style Products and Services with Universal Design Features

DOCOMO carries out activities under the banner DOCOMO Hearty Style based on the universal design concept, with which we seek to make products and services easy to use for all people. The activities aim for universal design from the three standpoints of promoting product and service development, enhancing customer support and disseminating safe and secure use.

DOCOMO Hearty Style Initiatives

Principles	Initiatives
Promote Product and Service Development	Develop and provide products and services that are easy to use for all types of customers (1) Develop and provide mobile phones incorporating universal design, such as the Raku-Raku (page 93) (2) Offer Hearty Discounts and other discount services on subscriptions (page 93) (3) Issue Braille phone charge statements (page 93) (4) Provide apps and services designed for persons with disabilities such as Mieru Denwa, Simple Flick and Move&Flick (page 93-94)
Enhance Customer Support	Improve customer service desks that are easy to use for all users and enhance response to customers (1) Make docomo Shops barrier-free (page 131) (2) Operate docomo Hearty Plaza (Marunouchi) (3) Install videophones supporting sign language (page 131) (4) Conduct training for docomo Shop staff (page 130)
Disseminate Safe and Secure Use	Organize classes on using smartphones and tablets for persons with disabilities (1) Organize nationwide DOCOMO Hearty Class lectures for organizations serving persons with disabilities (page 94) (2) Organize free Smartphone and Mobile Phone Safety Classes for special-needs schools nationwide (page 136) (3) Participate in exhibitions for persons with disabilities

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Raising Employee Awareness of Universal Design

We conduct training sessions for employees familiar with universal design to deepen their understanding of it. To facilitate understanding of conditions faced by the elderly and people with disabilities, participants have engaged in daily activities and experienced using a wheelchair, learned communication methods such as sign language and studied examples of ICT utilization.

In August 2018, 24 employees participated in the "Dialogue in Silence", an activity in which participants are guided by a person with impaired hearing to engage in group work in an environment without any sound.

In May 2019, we invited the person who participated in the establishment of DOCOMO PlusHearty, Inc., DOCOMO's special subsidiary company, to deliver a lecture on intellectual and developmental disabilities, including ways to work with people who have disabilities.

Through such programs, DOCOMO will continue to actively organize activities aimed at raising employee awareness of universal design.

Developing Universal Design Products

With universal design as a primary consideration, DOCOMO focuses on developing products and services that are easy for everyone to use and understand regardless of age or ability. Specifically, we have adopted universal design fonts for the Raku-Raku PHONE series. We continue to enhance product features in response to customers' diversifying interests, including easy-to-read enlarged text menus on models other than the Raku-Raku PHONE series, simplified menus for user-friendliness, and voice-activated operation. Going forward, we will continue to incorporate universal design elements into a wide array of models to provide mobile phones that are easy to use for a broad range of customers.
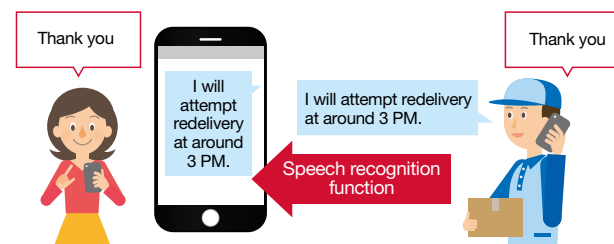
Braille Billing Services

In fiscal 2018, 32,000 braille billing statements were issued, providing billing amounts, statement details and other information for people with visual impairments. Going forward, we will work to provide even better braille billing services by taking into account customer feedback and other advice.

Mieru Denwa* (Service for People with Hearing Loss)

In March 2019, we launched Mieru Denwa, which converts spoken words received on a telephone into text which is then displayed on the smartphone screen in real time. The service can also deliver a user's message as a machine voice by converting the entered text. It is useful for those who have difficulty listening or speaking as well as those with impaired hearing and the elderly.

*Read the story behind the development of the Mieru Denwa service on page 49.

Mieru Denwa (in Japanese only)
https://www.nttdocomo.co.jp/service/mieru_denwa/

Thank you

I will attempt redelivery at around 3 PM.

I will attempt redelivery at around 3 PM.

Thank you

Speech recognition function

Simple Flick (for persons with an upper limb disability)

Simple Flick is an operation support app that was developed in response to feedback from customers who have commented on the difficulty they have tapping the correct icons on a smartphone screen. Simple Flick enables users to activate frequently used menu items simply by flicking any part of the operation screen. Provided for iOS and Android at no additional charge, the service allows users to implement frequently used e-mail addresses and other items with two flicks to any part of the operation screen by first assigning screen positions at the top, bottom, left, or right of the phone, for designated e-mail, app, or bookmark functions. It also has a voice output function for customers who are visually impaired. In May 2019, we added a function to some iOS devices that supports smartphone operation through eye movements.
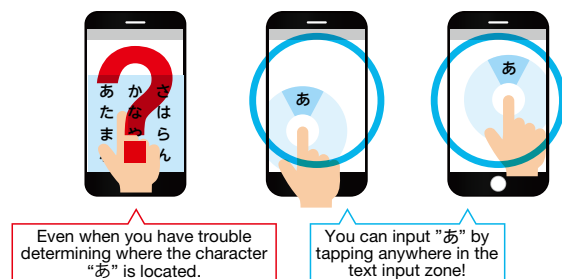
Simple Flick (in Japanese only)
https://www.nttdocomo.co.jp/service/simple_flick/

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Move&Flick
(service for those with visual impairments)

Move&Flick is a free text input app for iOS that assist the user to input text without having to worry about the location of the text keys as long as their fingers are inside the designated text input zone.

Because smartphone operations are difficult for visually impaired people due to the lack of surface indentations on the flat screen, this app for flick input makes text input easier. The app reads the input text and also offers audio manuals and a sample version so that they can understand the screen's layout.

Move&Flick (in Japanese only)
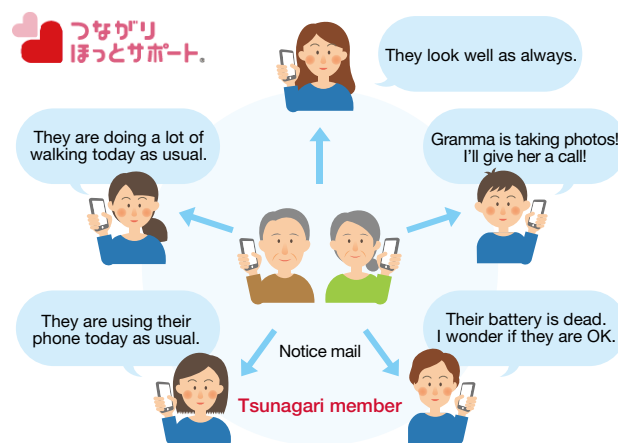https://www.nttdocomo.co.jp/service/move_flick/

Even when you have trouble determining where the character "あ" is located.

You can input "あ" by tapping anywhere in the text input zone!

Tsunagari Hotto Support

Tsunagari Hotto Support is a service that enables users to inform pre-registered members about their well-being based on mobile phone usage (number of steps on the pedometer, activation or deactivation of the screen lock function and remaining battery power). The service will help family members who live far away know how the others are doing

and encourage conversations between parents and children. Information indicating that a mobile phone or smartphone has not been on for a long period can alert distant family members to potential emergencies such as deteriorating health. This has led to growing demand for a tool for looking after the elderly. Tsunagari Hotto Support is offered through Raku-Raku PHONE and Raku-Raku SMART PHONE.

Tsunagari Hotto Support (in Japanese only)
https://www.nttdocomo.co.jp/service/tsunagari_hotto_support/

They look well as always.

They are doing a lot of walking today as usual.

Gramma is taking photos! I'll give her a call!

They are using their phone today as usual.

Their battery is dead. I wonder if they are OK.

Notice mail

Tsunagari member

Anshin Remote Support

This service supports customers who are not familiar with smartphones and tablets, helping them to easily use the devices by having a technical operator provide usage instructions through the remote sharing of user smartphone or tablet screens. In addition to advising on operations as well as device and app settings, we offer support on using

apps provided by operators other than DOCOMO (such as LINE, Facebook, Twitter, and Instagram) and on connecting peripheral equipment such as routers and headphones. The service, with the operator handling the operation on behalf of the customer just as if they were guiding them in person, was well received by customers, with more than 20 million people signing up for the service by December 2018.

Anshin Remote Support (in Japanese only)
https://www.nttdocomo.co.jp/service/remote_support/

DOCOMO Hearty Classes

We hold DOCOMO Hearty Classes for organizations that serve those with special needs to offer instruction on the use of mobile phones and smartphones. DOCOMO employees with disabilities serve as lecturers, and we strive to achieve solid results by implementing programs that meet the special needs of customers. Our curriculum covers a broad range of topics, including basic operations and useful functions, sending and receiving e-mail and using mobile phones during a disaster. We planned to hold 100 workshops in fiscal 2018 but actually conducted 97, with 1,044 participants. In addition, at events and an exhibition for people with a visual or hearing impairment we set up an exhibit and introduce ways to utilize smartphones and apps such as Mieru Denwa. (In fiscal 2018, we exhibited at 20 events for a total of 34 days.)

Our target for fiscal 2019 is to hold and/or participate in a total of over 120 DOCOMO Hearty Classes and events.

DOCOMO Hearty Classes (in Japanese only)
https://www.nttdocomo.co.jp/corporate/csr/hearty/service/challenged/guide/

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Customer Satisfaction

Basic Policies and Philosophy

New technologies and services are constantly being generated in the telecommunications and ICT industries, and with equipment such as smartphones and mobile phones evolving almost daily, new services for mobile phones are constantly under development. Advances in technology and services have been accompanied by an increase in customers contacting us to confirm or inquire about various aspects of our services, such as equipment malfunctions, billing plans and service menus, as well as to share opinions and requests. As a result, DOCOMO receives approximately 5.1 million feedback comments from customers every year through its docomo Shops, Customer Help Desk, corporate website and others. Also, we annually receive about 60,000 entries of employee feedback from those who are in daily contact with customers.
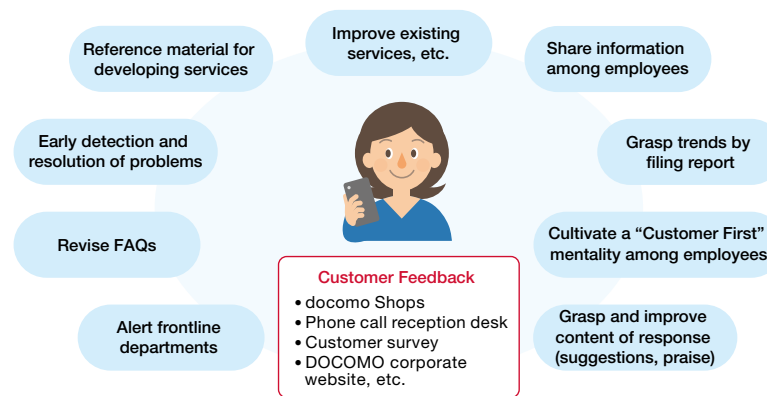
Under its "Declaration beyond" Medium-Term Strategy to 2020, DOCOMO pledges to remain "always by our customers' side" to help them attain "peace of mind and comfort." And with a renewed awareness of the importance of adopting a customer-oriented stance, we are striving to reflect the voice of our customers in our R&D and service improvements in order to both enhance customer convenience and raise the level of their satisfaction with our products and services.

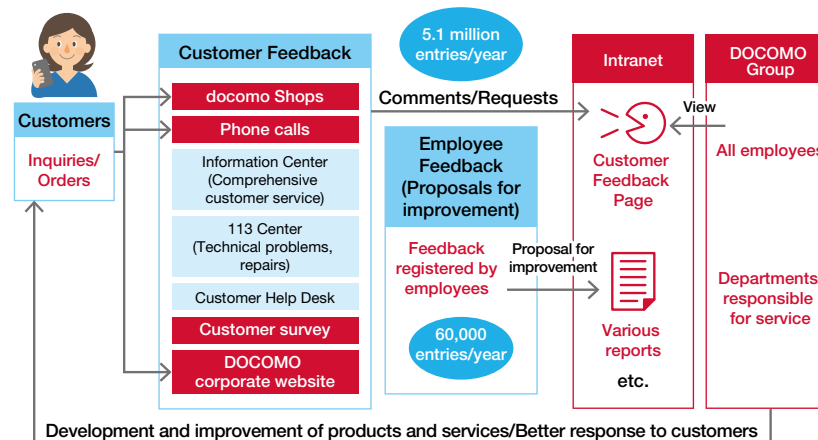### Strategies for Increasing Customer Satisfaction

DOCOMO utilizes customer feedback for such purposes as improving products and services and enhancing customer response capabilities at docomo Shops. This feedback, as well as perceptive feedback submitted by our staff, are communicated via our in-house system on a near real-time basis to be shared with all DOCOMO Group employees and can be viewed at any time.

Moreover, we strive every day to improve customer satisfaction, always mindful that customers are at the center of our products and services.

Capitalizing on Customer Feedback to Achieve Customer Satisfactions

Reference material for developing services

Improve existing services, etc.

Share information among employees

Early detection and resolution of problems

Grasp trends by filing report

Revise FAQs

Cultivate a "Customer First" mentality among employees

Alert frontline departments

Grasp and improve content of response (suggestions, praise)

Customer Feedback
- docomo Shops
- Phone call reception desk
- Customer survey
- DOCOMO corporate website, etc.

Improvement of Service and Response to Customers by Incorporating Customer and Employee Feedback

Customers — Inquiries/Orders

Customer Feedback
- docomo Shops
- Phone calls
- Information Center (Comprehensive customer service)
- 113 Center (Technical problems, repairs)
- Customer Help Desk
- Customer survey
- DOCOMO corporate website

5.1 million entries/year

Comments/Requests

Employee Feedback (Proposals for improvement)

Feedback registered by employees

60,000 entries/year

Proposal for improvement

Intranet

Customer Feedback Page

Various reports

etc.

DOCOMO Group

View

All employees

Departments responsible for service

Development and improvement of products and services/Better response to customers

*Fiscal 2018 actual

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◤ Increasing Customer Satisfaction through Customer Feedback

We collect customer feedback at docomo Shops, through phone calls to the Information Center and Customer Help Desk and through Customer Support on our website. The information is immediately shared through our in-house system, and the Customer Satisfaction Department compiles a report for internal circulation. DOCOMO takes seriously the opinions and requests of customers regarding its products and services and strives to develop and improve its products and services and enhance its response to customers. In addition to feedback received through customer contact points, we also conduct quantitative and qualitative research to explore relevant issues in order to enhance overall customer satisfaction.

We introduce initiatives that have incorporated customer feedback on our corporate website.

❘Initiatives incorporating customer feedback (in Japanese only)
https://www.nttdocomo.co.jp/support/cs_case/index.html

◤ Increasing Customer Satisfaction through Employee Feedback

To further increase the level of customer satisfaction, DOCOMO has been implementing improvement strategies that incorporate employee feedback. Requests and suggestions related to product or service improvement and gathered through daily interaction with customers are collectively referred to as "employee feedback." This information comes from staffs or individual employees working at docomo Shops, phone call reception departments such as information centers, or other related offices and is sent directly to the relevant department of the headquarters through an internal system and then used to improve products, services and administrative processes.

📖 CASE

The following are major examples of improvements resulting from interaction between customers and DOCOMO employees in fiscal 2018.
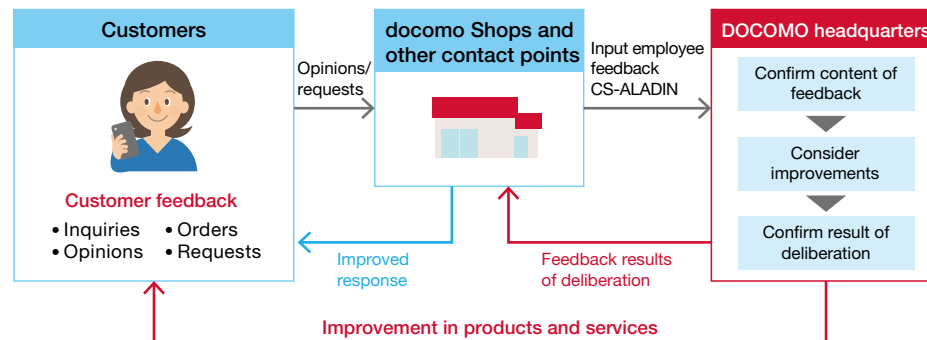
▸Changed the unit of donation by d POINT to 1-point increments.
In response to requests from customers who want to use their points to donate to disaster relief in smaller increments, we changed the unit of donation by d POINT from increments of 100 points to 1-point increments beginning in September 2018.

▸Enhanced Mieru Denwa services, an app for customers who have difficulty hearing voices on the telephone, and launched it as a full-fledged service.
The Mieru Denwa service converts words spoken by a person on the other end of a phone call into text and displays them in real time on the user's smartphone screen. After a trial of the service, which started in 2016, and improvements were made using customer feedback and requests, we began offering the service officially in March 2019.

❘Flow of Employee Feedback

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◥ Improvements through Customer Feedback

DOCOMO conducts a survey of customers who have subscribed for any of a variety of services at docomo Shops and retailers or made inquiries at our Information Center. In fiscal 2018, we received around 4.10 million comments from customers from across the nation, and all comments and evaluations are sent back to docomo Shops, call centers and retailers.

Customer feedback serves as an indicator of our customer response capability, and we seek to make good use of such information to raise the level of our customer response by further enhancing the positive aspects while improving aspects that have been pointed out to us by customers.

Moreover, we carry out regular customer surveys on the status of network communication and strive to improve quality by setting specific targets. For example, with respect to locations within our service area that receive weak radio signals causing poor communication quality, such as faulty connections and slow transmission speeds, we collect customer feedback through the Kikasete (tell us about) DOCOMO Reception Quality on our website and continue to improve our coverage area.

▌Kikasete (tell us about) DOCOMO Reception Quality
 (in Japanese only)
https://www.nttdocomo.co.jp/support/area/feedback/

▌Flow of Customer Survey

◥ Advisory Specialists for Consumer Affairs Ensure Customer Perspectives are Reflected in Advertisements and Services
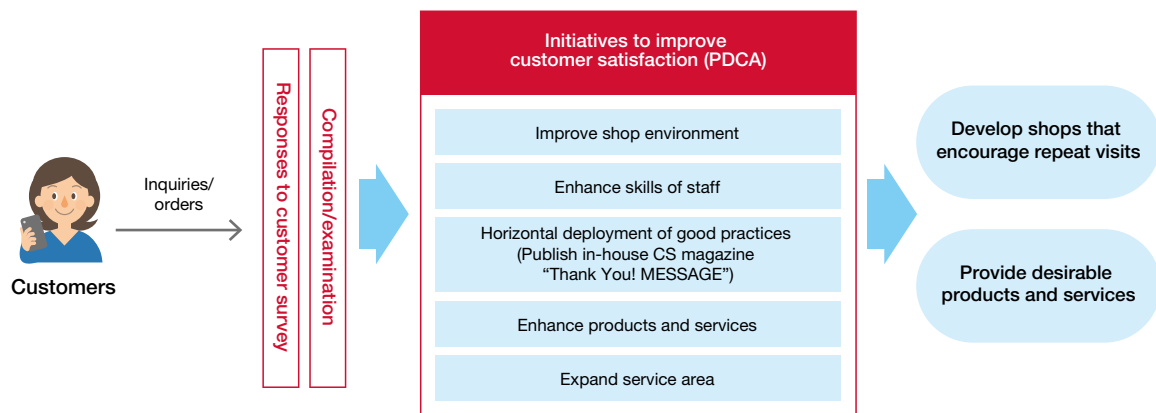
To promote customer-first management, NTT DOCOMO has carried out initiatives led by employees qualified as Advisory Specialists for Consumer Affairs* since 2006. They are primarily operators at customer help desks and staff involved in creating promotional tools. As of March 31, 2019, the DOCOMO Group has about 200 advisors, who apply their knowledge to enhance their response at customer help desks and create tools for communicating with customers, such as the "DOCOMO Tsushin" shareholder report and "KEITAI (mobile phone) Q&A." Their knowledge is also being used to review the content and expressions in advertisements and pamphlets as well as products and services from the customer perspective.

*Advisory Specialists for Consumer Affairs contribute to society in wide-ranging areas by serving as a bridge that connects consumers with companies and government agencies. To that end, they ensure that consumer suggestions and opinions are effectively reflected in corporate management and in proposals presented to government institutions. Moreover, they offer timely, appropriate responses to customer complaints and consultation.

◥ Enhancing Customer Satisfaction Based on d POINT Club Surveys

Since fiscal 2015, we have been analyzing customer satisfaction levels by surveying d POINT Club members (71.31 million as of the end of June 2019). In addition to customer feedback on perceptions and customer surveys, the d POINT Club survey facilitates analysis by segment based on subscription status of lines and services, usage status and other data. It also helps us to understand the impact of customer satisfaction levels by survey item on their overall level

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of satisfaction with DOCOMO.

We plan to continue using the d POINT Club surveys for point-in-time snapshots of customer satisfaction and seek to provide greater satisfaction to customers by analyzing the importance they place on each aspect of our products and services when deciding whether or not to maintain their subscription. Also, we examine correlations between customer satisfaction level and their intent to continue using DOCOMO.

🔻 Understanding Customer Needs through "Minna de Tsukuru DOCOMO Iinkai"

"Minna de Tsukuru DOCOMO Iinkai"(Committee on Creating DOCOMO by Everyone) is a community that has been created to allow customers and DOCOMO employees to directly exchange views on an Internet bulletin board. Customers who wish to have their views reflected in the creation of better DOCOMO services are asked to register. About 1,000 participants were registered as of June 2019, and the committee is used to improve products and services by identifying needs, evaluating concepts and gathering impressions of the website and collecting ideas from customers. In contrast to conventional d POINT Club surveys, the initiative allows us to engage in two-way discussion to better reflect customer needs and preferences in DOCOMO products and services.

Customers participating in "Minna de Tsukuru DOCOMO Iinkai"

Approximately 1,000
(as of June 2019)

Services for Safety and Consumer Education

Promoting Good Manners for Mobile Phone Users and Safe Charging

🔻 Functions and Services Relating to Mobile Phone Etiquette

DOCOMO mobile phones include functions called Public Mode (Drive Mode)* and Public Mode (Phone OFF).

Public Mode (Drive Mode)
Plays a message to the caller and terminates the call when a customer does not wish to use their mobile phone. There is no indication on the phone that a call has come in (no ringtone, vibration or lighting up).

Public Mode (Phone OFF)
A network service provided at locations where mobile phones must be turned off, such as on airplanes or in hospitals. When someone calls a phone in this mode, a message is played to inform the caller about the situation, and the call is then disconnected.
*Smartphones (except for certain models) cannot be set to Public Mode (Drive Mode).

🔻 Preventing Smartphone-Distracted Walking

Smartphone-distracted walking has recently emerged as a social concern. In addition to being inconsiderate, it is extremely dangerous and can lead to serious accidents involving not only the person doing it but others nearby as well. DOCOMO regards the issue as a matter it should address as a company and has engaged in various activities to raise awareness about it. We will continue to warn the public that using smartphones while walking can be unsafe while also

carrying out initiatives to make smartphone use safer.

Main Measures to Prevent Smartphone-Distracted Walking

Measures to prevent smartphone-distracted walking	Details	Year launched
Established smartphone manner mark and developed a design manual	Use the smartphone manner mark on advertising materials and store promotional tools for raising customer awareness.	Fiscal 2012
Sticker for raising awareness	Posted stickers in the Company to promote employee awareness.	Fiscal 2012
Offer a function that prevents smartphone-distracted walking	Provide Anshin Filter for docomo and Secure Mode apps free of charge. Smartphone with the apps installed and set up will detect when a user is walking while looking at their smartphone and display a screen alert. Users are prevented from operating the smartphone while the alert screen is displayed.	Fiscal 2013
Alert users through TV commercials, posters, and a website	Renew efforts to alert users about various smartphone-distracted walking incidents, including falling accidents caused by playing smartphone games while walking.	2016

危険です、歩きスマホ。

Using a smartphone while walking is dangerous

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Customer Satisfaction   ▶Services for Safety and Consumer Education

◤ Promoting Safe Charging

A terminal may generate an abnormal amount of heat when the connector on the phone being charged is wet or coated with foreign particles. We are therefore issuing special precautions in the manuals, on the DOCOMO website, and on labels displayed on mobile phones, warning users to charge their phones properly and safely.

An industry-wide effort led by the Mobile Computing Promotion Consortium is underway to promote proper charging. Additionally, a video and the caution marks below have been created to alert customers to the issue.

キケン！
水ぬれ充電

Do Not Charge Phone When It Is Wet!

あぶない！
電池への衝撃

Physical Damage to a Battery is Dangerous!

Measures Against Fraud

Although the reported number of specific types of fraud such as remittance-soliciting fraud has decreased by 9.4% in 2018 compared to the previous year, after having increased for seven consecutive years, the absolute number of reported incidents remains high* and fraudsters are becoming more sophisticated year after year. Due to the fact that cell phones are used in many unique scams as a communication device, DOCOMO cooperates with the government and other mobile providers to promote preventative measures against this form of fraud.

*Data on a special type of fraud from the Metropolitan Police Department's website.

Main Measures to Prevent Remittance Soliciting Fraud

Overview	Details
Tougher Screening upon Subscription	Payment methods for usage charges for individual subscriptions are limited to credit card or direct account withdrawal in principle. Applicable credit cards and ATM cards can be confirmed at a docomo Shop or other outlets.
	Information on customers who fail to confirm their identity when requested by the police, and to whom services are discontinued, is commonly shared among all mobile providers and utilized in screening procedures.
	In order to prevent large volumes of fraudulent subscriptions under the same name, individual subscriber lines under the same name have been limited. In addition, tougher screening measures are being applied to corporate subscribers. Failure to meet the standards results in restricting the maximum number of lines they can use.
Cooperation with the Police	Information is provided to the police when there is suspicion of fraudulent identification, such as a fake driver's license, after informing the customer in advance.
Implementation of Network Use Restriction	At the request of the police, we cancel the subscription of, or reject for a certain period, any additional subscription requested by a rental operator who is found to have violated the Act for the Prevention of Illegal Mobile Phone Use.
	We use the network use restriction system* as a means for preventing the criminal use of mobile phones that have been stolen from docomo Shops or other retail outlets or obtained through fraud or other criminal behavior; or by forging identification or submitting applications with false information (name, address, birthdate, etc.).
	*The system enables customers to restrict the use of a mobile phone, including both incoming and outgoing calls and network usage, by registering its phone number (serial number) with DOCOMO.

8

Human Resources and Labor Practices

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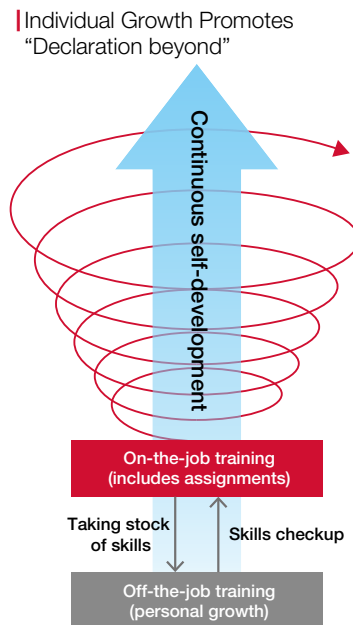101 ▶Human Resources Strategy ▶Employment and Compensation Human Resource Development DOCOMO Workstyle Reform
Promoting Diversity Management Workstyle Choices Health and Productivity Management Health and Safety in the Workplace
Labor Relations Human Resources Data

DOCOMO respects diversity in its myriad forms—diversity of gender, age, nationality and values. We strive to create a corporate culture in which all employees can feel comfortable and secure in their jobs and demonstrate their aptitude regardless of their diverse attributes.

Human Resources Strategy

Under our "Declaration beyond" Medium-term Strategy to 2020, we will look to the year 2020 and beyond, and work with our business partners to exceed customer expectations toward our goal of providing surprise and excitement to customers and co-create new value with our partners. In order to ensure the achievement of the declaration, we must develop a working environment in which each of our diverse employees can grow and be active. DOCOMO will strive to enhance its human resource development programs to bring out the abilities of each individual by promoting its personnel system and employee development system as an integrated whole.

Individual Growth Promotes "Declaration beyond"

Continuous self-development

On-the-job training
(includes assignments)

Taking stock of skills | Skills checkup

Off-the-job training
(personal growth)

Employment and Compensation

Basic Policies and Philosophy

DOCOMO incorporates its human resource strategy into personnel systems and works to maximize the abilities and motivation of every employee by assigning the right jobs to the right people, promoting skill development and conducting appropriate performance assessments.

We strive to treat our employees fairly through the provision of equal opportunities and equal compensation while engaging in employment practices that involve assessing only the characteristics we deem reasonable, such as personal ability, aptitude or accomplishments.* We do not treat one employee different from another in regard to promotions, compensation, training and the like. We do, however, disseminate through our official site messages related to our philosophy on respecting both employees and our recruitment practices. Furthermore, we are aware not only of the importance of complying with the legal minimum wage but also that of paying sufficient living wages so that employees and their families can afford a decent standard of living. DOCOMO's current average salary is 468% of the minimum wage in their respective regions.

*Characteristics that tend to form the basis for discrimination: race, ethnicity, nationality, regional origin, skin color, age, gender, sexual orientation, mental or physical disability, religion, political beliefs, labor union membership, marital status, etc. Medical examinations and pregnancy tests are also considered as aspects of discriminatory practices when used to hinder equal opportunity or fair treatment.

Respecting Employees (in Japanese only)
https://www.nttdocomo.co.jp/corporate/csr/about/management/employee/index.html#p01

Human Resource Management System
Respecting Individual Capabilities and Promoting Employees of Diverse Nationalities

DOCOMO is committed to hiring people for their skills and abilities, not their nationality. Our hiring process is based on the principles of "Declaration beyond," and in fiscal 2018 we hired 6 non-Japanese new graduates, who are now pursuing careers at the Company, in Japan and overseas, including in the Global Business Division, the Research and Development Division and the Corporate Sales and Marketing Division. Our medium-term target for supporting women's careers is to retain the ratio of female hires among new graduates at 30% or more, and we are currently meeting that goal.

Ratio of female hires among new graduates for fiscal 2018 **32.7**%

Appropriate Performance Assessments

The purpose of assessing employee performance is to develop skills and increase motivation to ultimately enhance corporate performance. All DOCOMO employees are evaluated on their performance and career development twice a year. To ensure fairness, assessments are conducted in three stages by several people, including primary and secondary evaluators and a coordinator. Organizational objectives are broken down into individual goals, on which we base our assessments of each employee's performance. Assessments involve interviews on setting goals, progress reviews, discussions on achievements and the evaluations of results as well as feedback to produce a comprehensive appraisal and examination of overall performance. Additionally, any employee who disagrees with their assessment can submit an objection to the Human Resources Management Department through the consultation desk of each organization.

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Promoting Diversity Management   Workstyle Choices   Health and Productivity Management   Health and Safety in the Workplace
Labor Relations   Human Resources Data

Multidimensional Performance Appraisals Give Managers Insight

Once a year managers of all areas, including departments, offices, branches and other sections, engage in self-evaluations as well as reviews by supervisors, colleagues and subordinates by way of 360-degree assessment.

Multifaceted assessments particularly address management competencies such as developing a vision, coaching and demonstrating leadership. Evaluation results are conveyed to the managers and their supervisors and serve to highlight any discrepancies between self-perceptions and the perceptions of others. This is done through qualitative evaluations in the form of advice from others on strengths and areas requiring attention and quantitative evaluations based on performance ratings. The program is intended to raise awareness and hone managerial skills by encouraging managers to develop a deeper insight into the attitudes and behavior expected of them and make continuous improvements with clear goals. We will continue to cultivate an environment that encourages employees to be open and humble in respect to the evaluations and opinions of those around them.

Strategic Recruiting and Development of Human Resources

DOCOMO established its Senior Professional system in April 2019. In order to create new business, we will hire human resources with prominent expertise in specific areas such as AI and digital marketing for the smart life business (a DOCOMO business domain that deals with content and lifestyle services) and R&D. We will also secure human resources capable of leading in the Company's growth areas, mainly from the external human resource market. These employees will be offered remuneration commensurate with their market value.
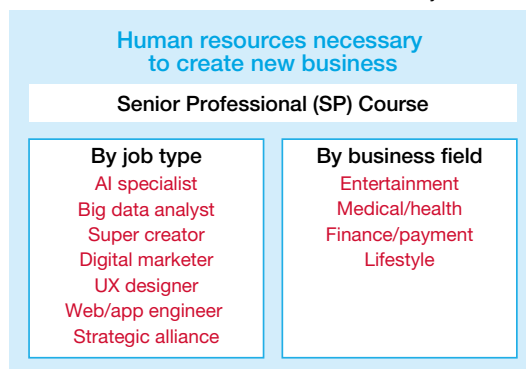
In addition, to develop human resources with high levels

of expertise, we established the Junior Professional system in fiscal 2018 to certify human resources who demonstrate expertise in a specific field or type of job, from among the current rank-and-file employees. Employees certified as a Junior Professional will continue their career to become specialists in their fields, and those who demonstrate a higher level of expertise will be offered a different compensation plan and certified as a Senior Professional. This program is intended to foster internal Senior Professionals, and fields that will implement it will be selected in accordance with our medium-term strategy and will be reviewed side by side with future management policies.

Looking ahead, we will increase the number of personnel working under the program.

Hiring and Certifying Specialized Personnel

Senior Professional	Junior Professional
5 (as of April 2019)	About **100** (total)

| Establishment of the Senior Professional System

Human resources necessary to create new business

Senior Professional (SP) Course

By job type	By business field
AI specialist	Entertainment
Big data analyst	Medical/health
Super creator	Finance/payment
Digital marketer	Lifestyle
UX designer	
Web/app engineer	
Strategic alliance	

Employee satisfaction

DOCOMO conducts an employee attitude survey every year to understand the state of the workplace as well as employee awareness, or job satisfaction, and to identify current issues.
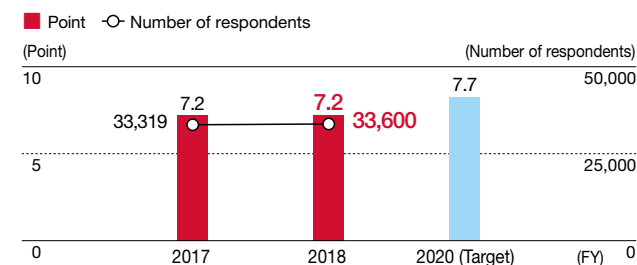
Since 2017, we have been improving details of the survey as necessary by reviewing the questions and answer scale on the survey form, increasing the number of questions regarding job satisfaction and comfortable working environment and others to allow for attribution analysis.

We consider a decline in the results for job satisfaction and/or comfortable working environment as a risk and strive to make improvements by visualizing each employee's relative satisfaction/dissatisfaction through the survey and performing attribution analysis on an organizational basis, such as at the level of Group, company, or company group. We respect LGBT respondents by including an "other/no answer" option to the gender question in the questionnaire in addition to the "male" and "female" options.

| Overview of Employee Attitude Survey

Frequency	Annually (conducted between October and November in fiscal 2018)
Target	Covers all employees at DOCOMO Group and its 12 shared services subsidiaries
Method	Questionnaire via the Internet in general (10-point scale)

| Job Satisfaction Results for FY2018 and Target for FY2020 (on a 10-Point Scale)

■ Point   -O- Number of respondents

(Point)   (Number of respondents)

	2017	2018	2020 (Target)
Point	7.2	7.2	7.7
Number of respondents	33,319	33,600	

(FY)

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Human Resource Development

Basic Policies and Philosophy

To further strengthen the development of human resources who will implement "Declaration beyond" Medium-term Strategy to 2020 in fiscal 2017, DOCOMO has once again identified competencies required for employees to perform in line with our business policies and the Medium-term Strategy.

Competencies Required for DOCOMO Employees

The word "competency" refers to the effective application of knowledge and skills.

Knowledge and skills × Competency → Develop behavior and make achievements
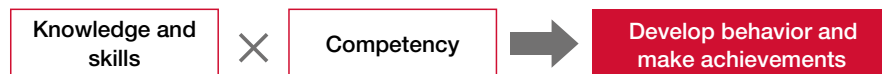
Competency is defined as the ability to facilitate innovation and creation and is considered the key criteria for DOCOMO's corporate culture. By establishing a human resource development framework and a set of curriculums for a development program that conforms to competency, we aim to realize a coherent and consistent development system while encouraging each employee to strive for personal growth and develop their skills.
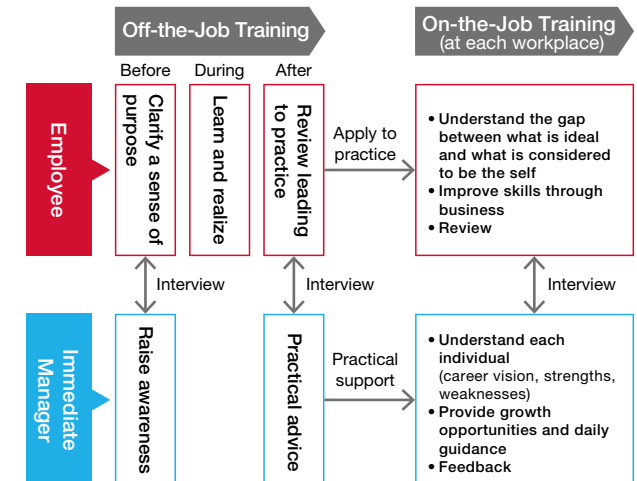
In 2018, we reviewed the required competency after an employee attitude survey. Also, we will be holding training programs for managers to spread competency throughout the organization. We also plan to perform reviews at appropriate intervals such as when changes are made to the medium-term management policy and to review risks relating to the development of human resources.

◤ Human Resource Development Management

In employee education, we emphasize a PDCA cycle that begins with learning and understanding through training and is followed by practice and review. We conduct follow-up activities both before and after all of our training programs to maximize the impact of the training and create an environment where employees can apply what they have learned at their respective worksites. At the same time, by reinforcing the link between Group-based training and on-the-job training, we will appropriately evaluate the attitudes and behavior of employees and encourage further development of individuals by supporting them in enhancing their performance as well as realizing their dreams.

With regard to the development of new employees, in particular, we carry out training programs based on length of service until the third year. We do this with the intention of increasing motivation and developing human resources capable of continuously providing new value.

Link between Off-the-Job Training and On-the-Job Training

	Off-the-Job Training				On-the-Job Training (at each workplace)
	Before	During	After		
Employee	Clarify a sense of purpose	Learn and realize	Review leading to practice	Apply to practice →	• Understand the gap between what is ideal and what is considered to be the self • Improve skills through business • Review
	↕ Interview		↕ Interview		↕ Interview
Immediate Manager	Raise awareness		Practical advice	Practical support →	• Understand each individual (career vision, strengths, weaknesses) • Provide growth opportunities and daily guidance • Feedback

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Programs in Support of the Development of Various Abilities

We promote medium- to long-term development of human resources through programs designed to support ability development that follow the career path of each employee while also paying due consideration to individual aptitudes. In order to respond to the increasingly diverse and sophisticated needs of customers, we designed training programs for specific purposes, such as training that are suited to each career level, training to develop specific areas of expertise and elective training programs. We review these programs and work to enhance them as necessary.

Main Review of Programs in Support of the Development of Various Abilities
- Fiscal 2015: integrated the training framework to create an efficient system for organizing the training
- Fiscal 2017: reinforced our development programs and curriculums to accommodate the required employee competencies

System for Supporting Self-Development

We have offered various programs to support the self-development of each employee under a unified menu for the DOCOMO Group. To support each employee in building their skills, we have established an environment that allows them to challenge each program at their own pace.
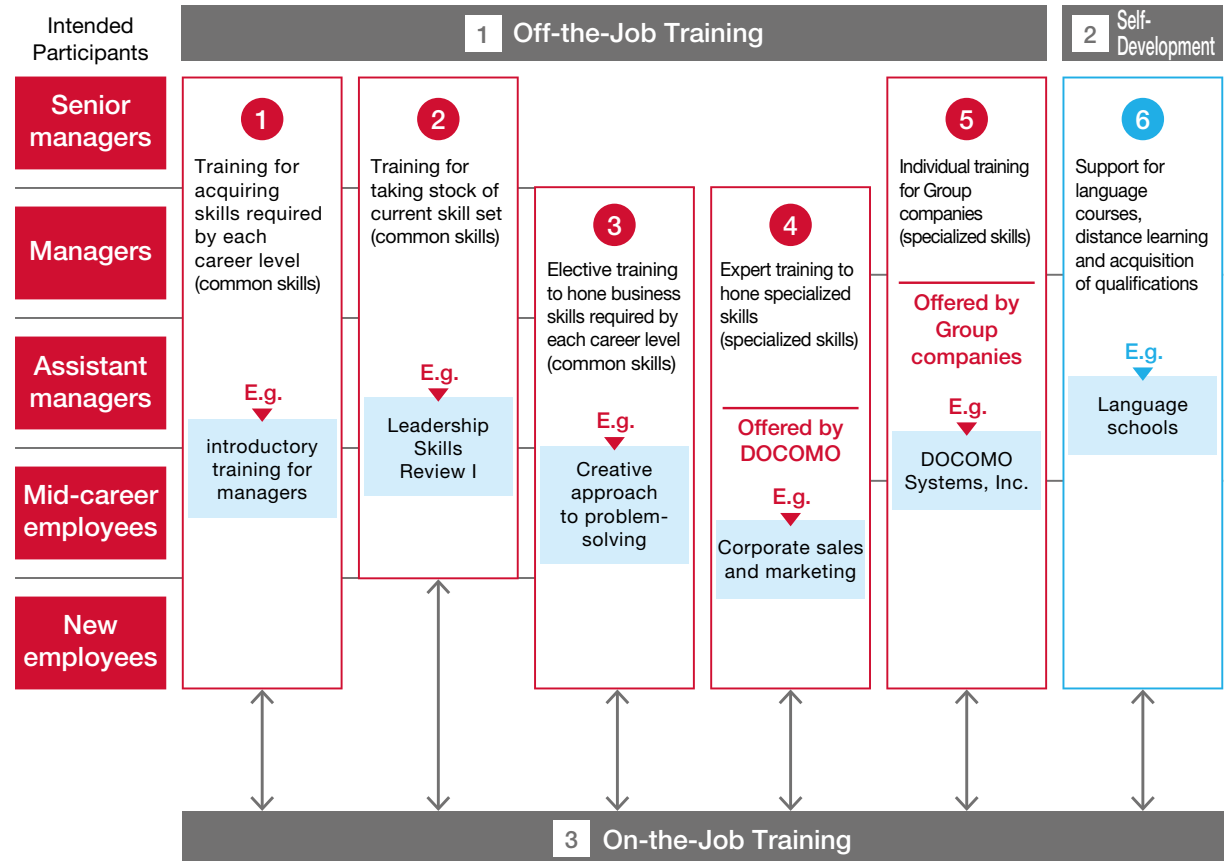
In 2018, approximately 1,700 employees who used the support program acquired private and public qualifications.

■ Support Program Examples
Support for acquisition of qualifications (approx. 140 qualifications), distance learning programs (approx. 700 courses), language skill check support, and semi-annual subsidies for language school tuitions

Business Skill Development Programs

From the DOCOMO Group's unified menu, we offer six categories of training and self-development programs based on career position and level of participant.

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Implementation of Major Business Skill Development Programs

Description of Program	Outline and Purpose	Participants (Approximate)
1. Training for acquiring skills required by each career level	Training intended for new employees, newly appointed senior managers, managers and assistant managers as well as for newly enrolled area-limited employees, aimed at acquiring necessary skills.	1,700
2. Training for taking stock of current skill set	Training aimed at gauging the current level of acquired skills.	2,000
3. Elective training to hone business skills required by each career level	Varied training courses that cater to individual skill needs and skills required by each career level. Participants attend the courses of their choice.	1,800
4. Expert training to hone specialized skills	Training aimed at acquiring specialized skills required by each area of operations.	1,900
5. Support for self-development (support for language courses, distance learning acquisition of qualifications)	Support for language courses, acquisition of qualifications, distance learning and other programs aimed at supporting self-initiated ability development.	4,000

Implementation of Employee Training

Category	FY2015	FY2016	FY2017	FY2018
Number of training programs	1,040	1,095	1,715	1,240
Cost of training per person (ten thousand yen/person)	7.42	7.12	10.33	12.2
Hours of training per person (approximate)	50	30	37	37

*Figures for FY2016 and after are shown for 13 companies, including service subsidiaries.

Providing Opportunities to Support Employee Motivation through a Job Posting System

DOCOMO posts jobs internally to provide opportunities for ambitious employees. Employees are free to apply for openings on their own initiative. The jobs that come up tend to require specific skills or are associated with new business activities. A total of 1,720 employees had applied by the end of fiscal 2018, and of this total, around 314 are currently working in their department of choice.

Dispatching Employees to Companies in Different Industries and Participation in Joint Training

In April 2016, we launched the "DOCOMO Degeiko Project" (on-the-job training at companies in different industries). Under the main theme of co-creating new value through co-creation with partner companies, employees are dispatched to companies in different industries for a year in principle and are given an opportunity to acquire forward-looking, cutting-edge skills such as the utilizing of big data and IoT.

Twenty-seven employees have been dispatched so far and are sharing their new perspectives and skills through the in-house system and at meetings for reporting on their activities. We will expand these opportunities to strengthen our human resource development.

DOCOMO also encourages employees to participate in joint training among several companies from different industries. Such training not only offers opportunities for learning about the distinct culture and thinking of each company; it also offers valuable opportunities for employees to engage in friendly rivalry while exchanging information. In fiscal 2018, a total of 57 employees participated in eight types of joint training.

Employee Development Program for Generating Innovation

DOCOMO has been continuously offering a practical development program within R&D Innovation Division to bolster the generation of fresh ideas that serve as the basis of new products and services.

Program's main structure
- Seek applications from employees who wish to take part in generating new services
- Organize teams
- Hold a boot camp to provide an overview of the program
- Invite an external lecturer to learn about the methods and basic knowledge that are necessary for creating services
- Conduct interviews with target users

*DOCOMO supports development by each team according to their respective status of progress.

DOCOMO will continue to seek to provide new value for society with a sense of speed by continuing to focus its efforts on developing human resources that can consistently generate innovation.

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🚩 Developing Specialized Human Resources in Areas Such As AI, IoT, and Drones

After launching AI research in 1999, DOCOMO has continued to develop many human resources in this area. Securing human resources in fields such as AI, data analysis, and digital marketing is a business concern that needs to be addressed in order to expand business domains and create businesses. Relevant initiatives under way are summarized as follows.

Program's main structure

- Increase the number of new graduate hires and quickly train them, strengthen mid-career hires and in-house human resource development through training programs and on-the-job training at each department
  - Training programs related to the development of digital marketing human resources (data analysis skills, marketing skills)
  - Training programs related to the development of core human resources capable of conducting data analysis using BI* tools
- Set up the Digital & Marketing Office in July 2017, changed to the Digital & Marketing Department in July 2018
- Establish a personnel system to secure highly specialized human resource and encourage career development in each employee's area of expertise (page 102)
- Mutually exploit DOCOMO's big data and that of partner companies to gain experience on resolving actual issues in practice

*Business intelligence is a process for collecting and gathering actionable information in the company to improve management decisions.

🚩 Development of Global Human Resources

We are conducting more practical programs to respond to the globalized needs of our domestic operations, such as product development with overseas vendors and cooperation and negotiation with "over-the-top" players. Moreover, we are convening exchange gatherings for employees to boost their motivation.

	Programs	Overview
Enhance practical skills	Overseas study	Enrollment in MBA/LLM courses at top schools (1 to 2 years)
	Global OJT	Work experience at overseas subsidiaries and local affiliates (6 months to 1 year)
	Skill check (TOEIC SW, Versant, TOEFL)	Encourage assessment of speaking and writing skills that cannot be measured by TOEIC, to attain more advanced and practical English proficiency
Enhance language skills	Support for attending language schools	Support the mastery of skills needed for day-to-day conversation and business conversation
	Skill check (TOEIC LR)	Encourage mastery of basic skills by measuring listening and reading skills
	Distance language learning	Provide self-learning opportunities for listening skills, business English, preparation for TOEIC
	Financial incentives for acquiring qualifications	Provide financial incentives according to TOEIC score
	Guidance on study methods	Provide information on recommended study methods, textbooks and apps via the in-house system to encourage a sustained effort
Enhance mindset	Exchange meetings	Raise the motivation of employees seeking international careers by providing opportunities to meet employees through overseas study or Global OJT experience and those working at overseas sites

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Overseas Study

DOCOMO seeks to develop human resources suitable for global careers by providing an overseas study program in which employees with over six years of experience are enrolled in coursework offered by overseas graduate schools of business (MBA) for one to two years. We plan to continue offering the program while closely observing the business environment and social circumstances.

Global OJT

We provide a Global OJT program in which employees with over four years of experience are dispatched overseas. Participants are sent to overseas local affiliates, subsidiaries, investee companies and corporate partners to improve negotiating skills with overseas vendors, who have become increasingly important.

In addition to developing foreign language skills, the program is intended to nurture business skills, such as international sensitivity and business practices. The program is provided across a wide area that includes sales, service planning and development, depending on the background of each employee, and offers an opportunity to gain valuable experience that cannot be obtained in Japan.

Number of Employees Dispatched Overseas in 2018

Overseas study	8 (1–2 years)
Global OJT	6 (to different overseas companies)

DOCOMO Workstyle Reform

DOCOMO seeks to resolve various issues at workplaces by promoting the DOCOMO Workstyle Reform based on three frameworks since fiscal 2017 to ensure that everyone can work energetically at DOCOMO.

Basic Policies and Philosophy

To realize workstyles that promote autonomy and a passion in each employee with an eye toward enhancing productivity and providing new value, DOCOMO is making an effort based on the three pillars of diversity management, workstyle choices, and health and productivity management.

Efforts for DOCOMO Workstyle Reform

DOCOMO strives to implement reform based on three frameworks to achieve workstyles that promote autonomy and passion.

Three Frameworks of DOCOMO Workstyle Reform

Realizing Workstyles that Promote Autonomy and a Passion for Taking on New Challenges

1 Diversity Management

Platinum Kurumin certification

Eruboshi certification (grade 3)

Nadeshiko Brand

Gold rating and Best Practice Company in the PRIDE Index (LGBT)

2 Workstyle Choices

Top Hundred Telework Pioneers and Minister for Internal Affairs and Communications' Award

Five-star rating in the NIKKEI Smart Work Survey

3 Health and Productivity Management

White 500 Recognition for Excellence in Health and Productivity Management 2019

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Specific Initiatives for Workstyle Reform (Priority Issues)

	Pillars of the Initiatives	Keywords for Action	Description of Activities
Diversity Management	Nurture awareness of diversity	Mutual understanding and creative thinking	• Communicating the top commitment (dispatch of message) • docomo EVERYDAY (intranet with messages from the head of the Diversity Promotion Office and introductions of employees from different departments) • Distribute awareness survey to all employees • Activities of the Diversity Promotion Working Group • Support the activities of a diverse workforce (persons with disabilities, LGBT allies, foreign citizens and collaboration with various mom and dad communities) • Diversity training for specific career level (managers upon appointment) • Promoting hiring of persons with disabilities • Understanding and promoting diversity for persons with disabilities and LGBT, non-Japanese and other employees (web-based training) • Hold seminars and training based on the theme "unconscious bias"
	Promote women's careers	Raise awareness of career development	• Set and disclose numerical targets for female management, monitor progress • Win-d activities (for setting a role model for female employees) (women's innovative network at DOCOMO) (1) Win-d First (new employees) (2) Win-d Start (mid-career employees) (3) Win-d Next (managers) • Career development training for female employees • Diversity Forum (for managers, new employees and students) • Reinforce training of managers already in positions
Workstyle Choices	Promote the work-life balance	Eliminate concerns and encourage male and female participation	• Support for maintaining contact with the workplace during childcare leave (docomo Smile Relay) (1) Interviews prior to maternity leave and reinstatement (2) Forum for employees on childcare leave (3) Seminars to support employees balancing work with parenthood (immediate manager and employee following reinstatement) • Family Day (workplace visits by family members) • Seminars to support employees balancing work with nursing care • Tools for supporting employees in balancing work with nursing care • Promotion of male participation in childcare (encouraging male employees to take childcare leave)
	Utilize systems	Effective operation	• Consideration for versatile workstyles that enhance productivity and efficiency (1) Promote Work from Home Program (2) Apply the flex-time systems at more organizations (3) Implement sliding working hours (shifting the start and end times of working hours of employees with childcare and/or nursing care responsibilities) (4) Encouraging employees to take a life planning vacation (for childcare and nursing care) • Reengagement of former employees who left for childcare or spouse's transfer
Health and Productivity Management	Ensure occupational health and safety Manage employee health	Raise awareness of health	• Promote occupational health and safety • Mental healthcare • Internal competition for the most steps walked (DOCOMO Let's Walk Campaign) • Health promotion seminars

Promoting Diversity Management

Basic Policies and Philosophy

DOCOMO accepts differences in race, nationality, gender (including gender identity and sexual orientation), time constraints, physical or mental disability, diverse professional abilities and values and promotes diversity management to maximize the abilities of each individual employee. We aspire to achieve sustainable corporate growth by paying respect to positive heterogeneity and use that growth to provide new value.

Promoting Diversity Management

Seeking to continue providing attractive value for customers by meeting diversified market needs and keeping ahead of the curve in a fast-changing competitive environment, DOCOMO will consistently pursue diversity management that respects the diverse value and positive heterogeneity of our workforce and ensures that they will firmly take root as our corporate culture and derive our corporate strength therefrom.

Diversity Management System

In July 2006, we established the Diversity Development Office as a dedicated organization and have been working on establishing diversity, empowering women, helping employees balance work with childcare and nursing care and raising awareness of diversity.

In fiscal 2017, we continued to cultivate a corporate culture that respects diversity, collaborating with diversity promotion managers at each regional office and Group company to work on each measures. In fiscal 2018, we carried out a Group-wide initiative to create a culture that will perceive diversity and inclusion in a natural way. We also worked to establish the foundation of such an environment that upholds diversity and inclusion.

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Nurturing Diversity Awareness

To encourage a greater understanding of diversity, DOCOMO has been pursuing various efforts such as creating initiatives for promoting women's careers (see chart on page 108). Using the keywords "deeper understanding of diversity" and "high quality working styles," we will work toward our goal of becoming a company that harnesses the power of its diverse workforce to continuously provide new value to society.

◤ Initiatives for LGBT and Sexual Minorities

In April 2016, the NTT Group clearly expressed the following.

The Group intends to develop its organization and realize a society in which everyone can live and work based on who they are, regardless of their orientation or gender identity by promoting the creation of an environment in which diversity is embraced, motivation to maximize each employee's ability is strengthened, and an effective workstyle is facilitated.

In addition, we have been making progress in maintaining and applying programs related to important life events, such as providing benefits as a family allowance and childcare and nursing care leave to employees with same-sex partners and whose relationship is socially regarded as the same as that of a married couple, or accepting the use of byname within the Company by transgender individuals.

At DOCOMO, we have been organizing training for managers and web-based training for all employees toward establishing a working environment in which LGBT employees can be themselves and work with vigor.

In terms of services for our customers, we apply family discounts to same-sex partners and intend to continue promoting understanding of sexual minorities.

DOCOMO Receives Gold Rating in the PRIDE Index

The PRIDE Index is a framework for evaluating corporate initiatives related to LGBT[1] and sexual minorities. DOCOMO received "Gold," the highest rating, in October 2018 for the third consecutive year.

In 2017, we were also selected as the "Best Practice" company in the Index E (Engagement/Empowerment: Social Contributions and Public Relations Activities) category. This was due to our activities that were highly commended or considered unique by the PRIDE Index Administration Committee.

work with Pride
Gold 2018

[1] LGBT stands for "lesbian," "gay," "bisexual" and "transgender."

Index E: Engagement/Empowerment

In fiscal 2016, DOCOMO broadcasted a television commercial entitled "For ONEs" in which we called on the viewers to realize that 1 in every 13 people in Japan is a sexual minority. We also showed it on our website, so the impact of having it there and on television produced a knock-on effect allowing for the message to be widely recognized, and this is what led to our being selected as a Best Practice Company.

In addition to our web-based training and LGBT ally community[2] activities offered to all employees, expansion of our activities to communities such as cosponsoring and participating in LGBT events in Tokyo and the Kansai area also received recognition.

[2] A voluntary community within DOCOMO that is organized to support sexual minorities such as LGBTs and extend the circle of support both within the Company and externally.

◤ Focus on Expanding Employment Opportunities for People with Disabilities

DOCOMO proactively hires persons with disabilities with the intention of diversifying its human resources to create new value.

DOCOMO PlusHearty, Inc., a special purpose company that cleans office buildings, maintains a high retention rate by providing learning support and guidance to improve the physical functions of employees.

Employment ratio of people with disabilities **2.38%** [3]
(as of June 2019)
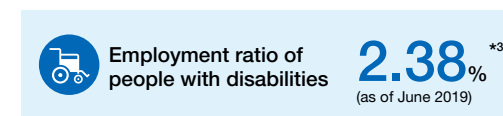
[3] Includes employees at special purpose subsidiaries DOCOMO CS, Inc., DOCOMO CS Hokkaido Inc., DOCOMO CS Tohoku, Inc., DOCOMO CS Tokai, Inc., DOCOMO CS Hokuriku, Inc., DOCOMO CS Kansai, Inc., DOCOMO CS Chugoku, Inc., DOCOMO CS Shikoku Inc., DOCOMO CS Kyushu, Inc., DOCOMO PlusHearty, Inc., DOCOMO Support Inc., DOCOMO Systems, Inc., DOCOMO Technology, Inc., MAGASEEK, Business Expert Inc. and eEngineering Inc., as well as employees on loan.

LGBT & ALLY
NTT Group

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Promoting Women's Careers

Among all of our diversity-related efforts, we have been making a particularly forceful drive to promote women's careers toward achieving our goal of increasing the ratio of female employees in managerial positions to 7.5% by the end of fiscal 2020.

Female Employees in Managerial Positions

	FY2015		FY2016		FY2017		FY2018	
Male	3,939	96.4%	3,873	95.6%	4,013	94.7%	3,926	94.1%
Female	149	3.6%	178	4.4%	224	5.3%	247	5.9%

Annual Number of New Managerial Appointments and Female Managers

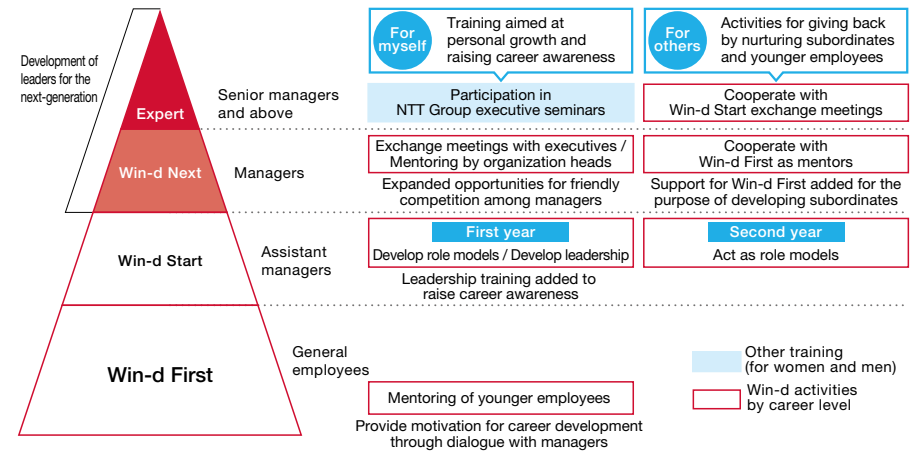|	FY2015		FY2016		FY2017		FY2018	
Male	242	90.0%	237	88.4%	210	81.1%	249	89.2%
Female	27	10.0%	31	11.6%	49	18.9%	30	10.8%

🚩 Support for Women's Career Development (Promoting Women's Careers)

At DOCOMO we are accelerating our drive to promote successful careers for women, raise their awareness of career development, and develop an environment in which they can fully demonstrate their abilities. Relevant activities include the Win-d* framework created in 2006 to provide support for the professional development of women at each stage of their career (see chart on page 108).

We set up Win-d Next for female senior managers in fiscal 2015 and Win-d First for younger employees in fiscal 2016 as an ongoing effort to bolster career awareness and build a stronger vertical pipeline. Moreover, we took the initiative to raise the awareness of supervisors overseeing female staff members in order to focus on each individual when developing employee careers. We did this by implementing a training program for supervisors through which they could learn and practice how to support career designing and skill building for career development support.

*Women's innovation network at DOCOMO (programs for promoting the careers of female managers)

Win-d Activities by Career Level

For myself Training aimed at personal growth and raising career awareness

For others Activities for giving back by nurturing subordinates and younger employees

Development of leaders for the next-generation

| Expert — Senior managers and above |
| Win-d Next — Managers |
| Win-d Start — Assistant managers |
| Win-d First — General employees |

Participation in NTT Group executive seminars
Cooperate with Win-d Start exchange meetings

Exchange meetings with executives / Mentoring by organization heads
Cooperate with Win-d First as mentors
Expanded opportunities for friendly competition among managers
Support for Win-d First added for the purpose of developing subordinates

First year
Develop role models / Develop leadership
Second year
Act as role models
Leadership training added to raise career awareness

Mentoring of younger employees
Provide motivation for career development through dialogue with managers

Other training (for women and men)
Win-d activities by career level

Activities by Win-d Members

Win-d First mentoring training

Win-d Start training

Meeting with directors during Win-d Next

Follow-up training on Win-d Subordinate Development training

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Workstyle Choices

Basic Policies and Philosophy

DOCOMO is seeking to enhance productivity by taking gradual steps to expand the workstyle choices that it offers its employees. These are centered on initiatives for balancing work and parenting as well as on promoting diverse workstyles.

Promoting the Work-Life Balance

◣ Balancing Work with Childcare

DOCOMO aspires to be a company and workplace where employees with children can demonstrate their maximum performance within a limited period of time and continue working with vigor. To that end, we are creating programs and frameworks that allow employees to pursue versatile workstyles while also seeking to change the perception of how we work and take vacations, which is the most important part of the reforms.

One of these programs is the docomo Smile Relay, which aims to enable women returning from childcare leave to develop successful careers by helping them maintain contact with the workplace while on childcare leave. It also supports them in continuing their careers after they return. In addition to holding three-party meetings between the employee, her immediate manager and the Diversity Development Office, we provide support for maintaining a connection with the workplace by sharing in-house information during childcare leave. Our support for workstyles and career development for employees after they return to work begins from the point before maternity leave and is offered at every step of the way, throughout the period on leave and immediately before and after returning to work.

| Docomo Smile Relay

Prior to leave	**Three-party meeting** Explain the system, clear up any concerns and motivate employees to continue developing their career
During childcare leave	**Share in-house information and remain in contact with the immediate manager** Utilize mobile devices ➡ Offer opportunities for communication and various forums
Before and after returning to work	**Three-party meeting** Clear up any concerns regarding child rearing, workstyles and working environment in terms of balancing work and parenting

◣ Family Day

Since 2010, DOCOMO has been holding Family Day, when family members of employees visit the Company as part of an effort to strengthen their relationship with the workplace by reconfirming a sense of mutual gratitude felt among the employees, their relatives and coworkers. Every year during summer vacation, the family members of DOCOMO Group employees are invited to Family Day. This includes visits to workplaces as well as an area that offers firsthand experiences of DOCOMO products and projects, smartphones and mobile phone safety classes, and tours of showrooms, mobile base stations, R&D facilities and other areas of interest. The event has not only instilled a deeper understanding among family members of the work being done at DOCOMO; it has also promoted the balancing of work with parenting. Moreover, it has significantly benefited efforts to create a comfortable workplace environment through direct communication between employee supervisors, colleagues and family members. In fiscal 2018, although the head office was open to families for only one day due to a typhoon, some 1,175 families visited, marking the highest attendance ever recorded for a single day.

◣ Encouraging Male Participation in Childcare

To dispel preconceived ideas of gender roles and accelerate initiatives for male participation in childcare and the promotion of the work-life balance, we sought to attain our target of 50% for the ratio of men taking childcare leave and a life planning vacation (for childcare). The result for fiscal 2018 was 49.0%. Activities we offer to encourage male participation in childcare include holding diversity training for younger employees soon after they join the Company in order to nurture an awareness of their life plans including marriage, family planning and careers, and holding lunch meetings and lectures.

◣ Balancing Work with Nursing Care

We regularly hold seminars on nursing care at DOCOMO's regional offices and Group companies as part of our initiatives to promote the balance of work and nursing care. We distribute information on nursing care by posting related contents on our intranet site and publish pamphlets with the aim of supporting nursing care, allowing employees to develop their knowledge in this area while encouraging a deeper understanding across the entire workplace and thereby helping to enhance the workstyles of employees who provide care for family members.

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🔻 Enhancing the Benefit Programs and Supporting Employee Life Plans

We seek to enhance our benefit programs to make them useful for balancing work and family. Under DOCOMO's benefit system, employees select the programs they need or that best fit their lifestyles from an assortment of benefits. In fiscal 2018, we introduced the NTT Benefit Package to attain the following objectives for employees and their families: (1) support efforts to maintain and promote health, (2) subsidize the cost for using various support services related to childcare and nursing care, and (3) enrich the support for refreshing the mental and physical health of employees as well as opportunities for recurrent education.

	Content	FY2018 Results
Life Planning Seminar	Life planning seminars are held for new hires and employees nearing retirement. They provide information on the various benefits we offer and help employees plan for life after retirement.	3 seminars with 465 participants
Life Design WEB Learning	This learning program provides basic knowledge about life planning to employees through video and other sources and seeks to motivate employees to think about their life plans and career vision.	Target: all employees
Life Design Office	This office provides information and advice to employees on drawing up life plans.	Used by 165 people

In April 2018, we partnered with company-sponsored nurseries in Tameike-Sanno (where DOCOMO head office is located) and Akasaka to support employees who return to work earlier from maternity and childcare leave and to provide a rewarding workplace where they can continue working without missing opportunities to grow.

Systems that Support Versatile Workstyles

As a major aspect of our diversity management, we are seeking to offer more options in working styles in response to the shift to increasingly diverse lifestyles. By introducing programs such as personalized shifts (sliding working hours), regular work hours augmented by early morning shifts (priority work), a flex-time system, and working from home, we have created a working environment where employees can choose from a broad range of options.

In fiscal 2017, we implemented the "Selective Course Personnel System," which allows employees to choose their own workstyles, such as limiting the regions to which they can be transferred. The working environment at DOCOMO has been improved so that diverse human resources can demonstrate their individuality and abilities to grow and play an active part in their line of work.

🔻 Promoting the Work-Life Balance

In 2008, DOCOMO received the Kurumin certification mark from the Minister of Health, Labour and Welfare as an enterprise that implements measures in accordance with Japan's Act on Advancement of Measures to Support Raising Next-Generation Children. In May 2018, we received Platinum Kurumin certification, which recognizes Kurumin-certified enterprises that are making high-level efforts in their work-life balance support systems and whose employees are actively using them.

In future, we intend to further promote the work-life balance by seeking further enhancements to our system in order to allow employees to choose their workstyles from a wider range of options so that they can make full use of the limited time available to each of them.
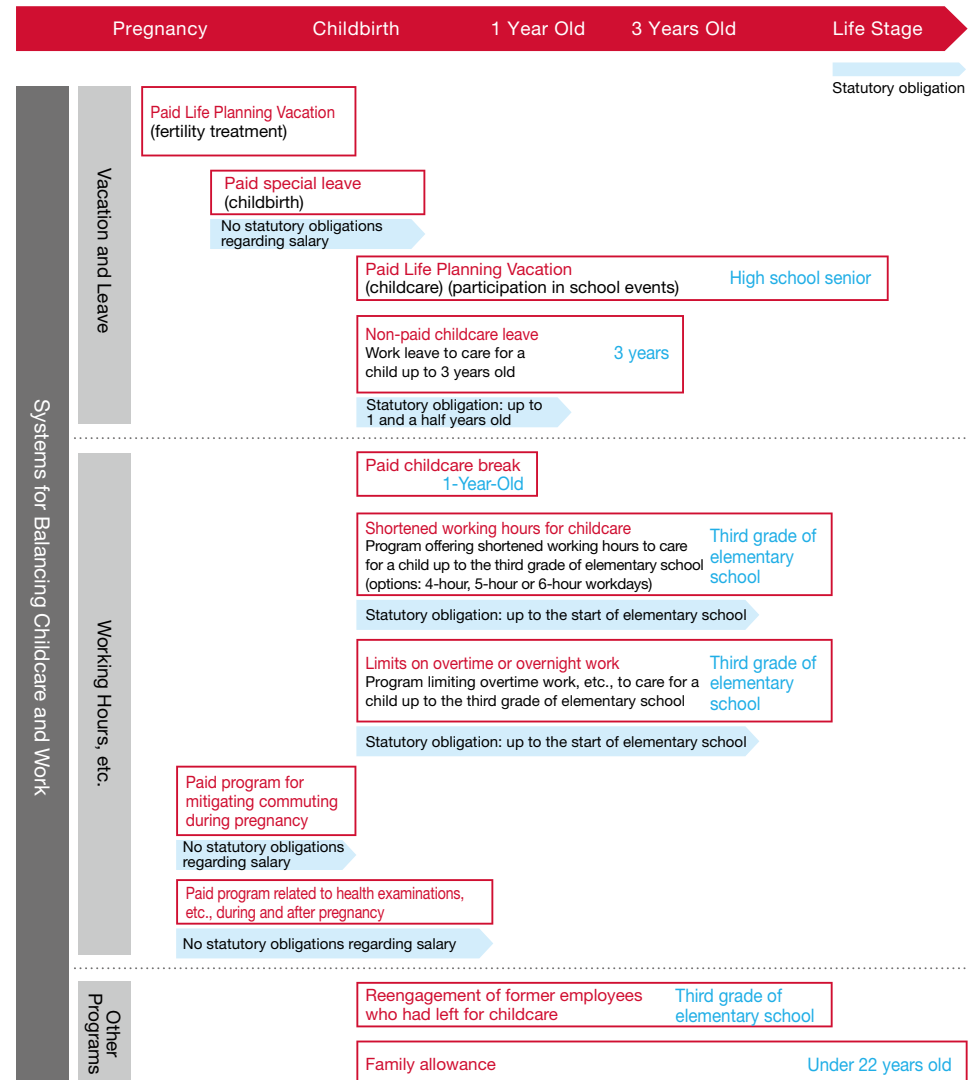
🔻 Normalizing Working Hours

DOCOMO has adopted practices such as working from home, setting up satellite offices and applying a flex-time system at more organizations in order to increase work productivity and realize more flexible workstyles that meet the lifestyle of each employee. In addition, by reviewing the cross-organizational operation system and work processes, in fiscal 2018, all DOCOMO Group companies attained the labor-management target set in 2003 for two consecutive years, which aimed to achieve total annual working hours in the range of 1,800 to 1,900 hours. We regularly share information regarding total annual working hours between organizations in an attempt to create awareness of workstyle reform. Furthermore, we regularly hold meetings between labor and management attended by directors and other top management so that they can grasp the actual conditions of employee working hours and exchange ideas. These meetings will help us with our ongoing effort to normalize working hours from the perspective of improving productivity.

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Representative Programs

Category	System	Description
Childbirth	Mitigation of commuting during pregnancy	Paid program that exempts pregnant employees from working at the start or end of the workday for up to 60 minutes per day
Childbirth	Measure related to health examinations, etc., during and after pregnancy	Paid program that exempts employees from working to attend health guidance or a health examination during pregnancy or within a year after pregnancy
Childbirth	Special leave (maternity leave)	Six-week paid leave before childbirth (14 weeks for multiple pregnancies) and eight-week paid leave after childbirth
Childcare	Childcare break	Paid program that provides a break of up to 45 minutes from work twice per day for female employees who need to care for a child under one year old
Childcare	Life planning vacation (for childcare)	Paid program that enables employees with children up to high school senior age to take a vacation for childcare
Childcare	Childcare leave	Program that enables employees with a child under three years old to take non-paid leave for childcare
Childcare	Shortened working hours for childcare	Program that offers shortened working hours for employees with a child below the third grade of elementary school (options: four hour, five-hour and six-hour workdays)
Childcare	Sliding working hours for childcare	Program that offers individualized shifts (moving up or moving down the starting/ending hours of the workday) to secure time for dropping off and picking up children from daycare centers up to the end of elementary school
Childcare	Limits on overtime or overnight work	Program that limits overtime, etc., for employees who need to care for a child below the third grade of elementary school
Childcare	Reengagement of former employees who left for childcare	Program for rehiring former employees who left to care for a child, within a certain period of time since leaving the Company
Nursing care	Life planning vacation (care for a family member)	Paid program that enables employees to take more than one week off to care for a family member
Nursing care	Nursing care vacation	Program that provides non-paid leave of up to five days per year to care for a family member (sick child, spouse giving birth, etc.)
Nursing care	Nursing care leave	Program that enables employees to take non-paid leave to look after a family member in need of nursing care
Nursing care	Shortened working hours for nursing care	Program that offers shortened working hours for employees with a family member in need of nursing care (options: four-hour, five-hour and six-hour workdays)
Nursing care	Sliding working hours for nursing care	Program that offers individualized shifts (moving up or moving down the starting/ending hours of the workday) to secure time for nursing family members
Nursing care	Limits on overtime or overnight work	Program that limits overtime, etc., for employees who need to care for a family member
Working from home Program		Program that allows an employee to temporarily work at a location other than their regular worksite as a means of supporting the work-life balance, encouraging independence and creativity, or increasing productivity

Systems for Balancing Childcare and Work

Life Stage timeline: Pregnancy — Childbirth — 1 Year Old — 3 Years Old — Life Stage

Statutory obligation

Vacation and Leave
- Paid Life Planning Vacation (fertility treatment)
- Paid special leave (childbirth) — No statutory obligations regarding salary
- Paid Life Planning Vacation (childcare) (participation in school events) — High school senior
- Non-paid childcare leave: Work leave to care for a child up to 3 years old — 3 years — Statutory obligation: up to 1 and a half years old

Working Hours, etc.
- Paid childcare break — 1-Year-Old
- Shortened working hours for childcare: Program offering shortened working hours to care for a child up to the third grade of elementary school (options: 4-hour, 5-hour or 6-hour workdays) — Third grade of elementary school — Statutory obligation: up to the start of elementary school
- Limits on overtime or overnight work: Program limiting overtime work, etc., to care for a child up to the third grade of elementary school — Third grade of elementary school — Statutory obligation: up to the start of elementary school
- Paid program for mitigating commuting during pregnancy — No statutory obligations regarding salary
- Paid program related to health examinations, etc., during and after pregnancy — No statutory obligations regarding salary

Other Programs
- Reengagement of former employees who had left for childcare — Third grade of elementary school
- Family allowance — Under 22 years old

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Usage of Leaves and Programs (DOCOMO Group, Fiscal 2018)

	Male Employees	Female Employees	Total
Paid vacation days			
Average number of paid vacation days taken	18.1	16.2	17.4
Average percentage of paid vacation days taken*	90.6%	81.0%	87.1%
Maternity and childcare leave			
Maternity leave	–	275	275
Childcare leave	43	596	639
Shortened working hours for childcare	10	782	792
Sliding working hours for childcare	38	334	372
Nursing care			
Nursing care leave	8	14	22
Short-term leave for nursing care	18	15	33
Shortened working hours for nursing care	5	5	10
Sliding working hours for nursing care	2	3	5
Life Planning Vacation			
Childcare	761	343	1,104
Nursing care	953	188	1,141
Volunteering activities	230	38	268
Rehiring program			
Rehired after childcare leave	0	1	1
Rehired after transferring	0	2	2
Rehired after nursing care leave	0	0	0

*The percentage is almost 100% when including employees who used a program to allocate their paid vacation days up to three days a year to their Life Planning Vacation.

Employees Utilizing Versatile Systems (DOCOMO)

	Number of Employees
Flex-time system	Approx. 7,900
Shortened working hours for childcare	256
Working from Home Program	6,349

Transition from Fixed-Term to Permanent Employment

In April 2014, we introduced to our functional subsidiaries throughout Japan a system of transferring the status of their area-limited employees, who work in areas where they live, from fixed-term employment to permanent employment.

About 4,000 employees became area-limited permanent employee in the five years since fiscal 2014.

Rehiring Program for Former Employees

Employees have left the Company as a result of a spouse's transfer to another location or their own desire to focus on caring for children. Many of these former employees would like to return to DOCOMO. A rehiring program for former employees was created to accommodate this desire and effectively utilize the skills and experience previously gained on the job.

The program is open to former employees who have worked for at least three years and left the Company after March 31, 2010 because their spouse was transferred or accepted a new position elsewhere, they relocated after getting married, or they wanted to concentrate on caring for children. Three former employees were rehired under the program in fiscal 2018.

Reemployment Program for Post-Retirement Age Workers

DOCOMO's continued employment scheme is to rehire employees over 60 years old and who have reached the mandatory retirement age. The scheme enables these older employees to continue using their extensive experience and polished skills for the benefit of the Company and society.

Employees who declare their intent to be reemployed at their mandatory retirement age can work until age 65. Under the program, we reemployed 95 of the 109 employees who retired in fiscal 2018.

Pension Plan

DOCOMO maintains two corporate pension plans: the NTT Employee Pension Fund and a defined contribution corporate pension plan.

The NTT Employee Pension Fund is a defined benefit plan and a life annuity resourced by a premium contributed by labor and management.

We adopted the defined contribution pension plan in April 2014 in view of changes in the public pension program that serves as the pillar of post-retirement income, including raising the age at which pension payments begin. In addition, the increasingly diverse lifestyles of employees require a pension plan that can flexibly respond to their postretirement income needs. We have also sought to minimize the impact of fund management performance on pension financing to ensure a stable, long-term corporate pension program. Following the introduction of the defined contribution pension plan, funds for April 2014 and after, under the former defined benefit type, contract-based corporate pension plan, were transferred to the defined contribution plan.

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Health and Productivity Management

Philosophy and Basic Policies

In light of changes in the environment such as the extension of employment until age 65, DOCOMO recognizes the necessity of improving the working environment to maintain a workplace in which employees can work in good health and demonstrate high productivity from when they join the Company until they retire. As such, we decided to expand the scope of our health and productivity management, that is, management to maintain and promote health, to include "prevention" in its current policy of early detection and early treatment of disease.

Our initiatives will include nurturing health awareness and improving health literacy to maintain and promote mental and physical wellbeing as well as preventative measures such as mental healthcare.

Health and Productivity Management Promotion System

We operate our the Health and Productivity Management Work Group, a cross-organizational system to examine and realize the following health-related measures.

Roles of Health and Productivity Management Working Group
- Work as a company to enhance employee health and vigor to increase productivity (Increasing Company profit)
- Address the social issue of increasing healthcare expenditures as a company (Promotion of collaborative health management by insurer and company)
- Widely present and provide advanced examples of ICT-based medical treatment and insurance (Expanding the healthcare business domain)

We will ensure employee mental and physical health and work to increase their enthusiasm and productivity by encouraging employees to develop an even higher level of awareness on health issues, publishing a "Health White Paper," setting targets for promoting health and productivity management such as KPIs, and monitoring progress on target attainment.

Action Plan for the Health and Productivity Management Group

		FY2018 Initiatives	FY2019 Action Plan
Physical Healthcare	(1) Specified healthcare guidance	Conduct a trial for remote specified healthcare guidance using ICT	Conduct a trial for remote specified healthcare guidance using ICT
		Provide specified healthcare guidance Strict management of employee medical examinations	Provide specified healthcare guidance Strict management of employee medical examinations
	(2) Measures against secondhand smoking	Notifying employees and putting up posters of World No Tobacco Day and No Smoking Week	Implement no smoking time by enforcing No Smoking Week on a trial basis at the Sanno Office
	(3) Measures against lifestyle-related disease	Hold the Let's Walk Campaign	Hold the Let's Walk Campaign
		Distribute a health-related column	—
		Hold a health seminar	Hold a health seminar
Mental Healthcare		Conduct a stress check for all employees	Conduct a stress check for all employees
		Self-care web-based training for all employees	Self-care web-based training for all employees
		Provide mental health seminars to managers	Provide mental health seminars to managers
		Mental health seminar for immediate managers of employees requiring a health observation	Self-mental care using an AI chatbot
		Test on mental health management for managers	Test on mental health management for managers
Other Initiatives		Receive Recognition for Excellence in Health and Productivity Management 2019	Receive Recognition for Excellence in Health and Productivity Management 2020
		Publish a Health White Paper	Publish a Health White Paper
			Support for increasing the number of registrants to Health Portal Navi

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Mental Healthcare

We provide preventive care based on the "Four Cares" guidelines* proposed by the Ministry of Health, Labour and Welfare. Principal mental healthcare approaches include self-care, in which employees perform stress checks; "line care," which consists of various training programs for managers; and care by in-house industrial healthcare staff and related staff. For this final type of care, workplace monitoring and physical exams form a foundation after which follow-ups and interviews, and interviews and guidance sessions are conducted for those working long hours. Also, we have set up an external counseling desk as care provided through services of external Employee Assistance Programs (EAPs). In 2013 we unified our EAP Service to provide the same service to all DOCOMO Group employees in Japan.

In addition to conducting stress checks to promote self-care by employees, we conduct a group analysis of the results to determine the status of stress in each organization and its causes. The information is relayed to each organization as feedback to be used for improvements in the workplace environment by implementing necessary training and measures. The content and results of the stress checks are handled on a strictly confidential basis to protect employee privacy.

Also, we monitor changes in the number of employees taking leave to deal with mental health issues. In fiscal 2018, the total number of employees in the DOCOMO Group who took leave was 262.

*Guidelines for Promoting Mental Healthcare in Enterprises

❘Guidelines for Promoting Mental Healthcare in Enterprises by the Ministry of Health, Labour and Welfare (in Japanese only)
https://www.mhlw.go.jp/www2/kisya/kijun/20000809_02_k/20000809_02_k.html

❘Number of Employees on Leave for Mental Health Reasons (DOCOMO Group)

	FY2015	FY2016	FY2017	FY2018
Employees on leave	155	188	199	262

Improving Employee Health

DOCOMO provides regular physical examinations annually for all employees in compliance with Japan's Industrial Safety and Health Act. For employees who have reached a certain age, we provide physical examinations that cover additional checkpoints beyond those legally mandated commensurate with their respective stage in life as well as brain scans. Employees who want a more detailed examination can undergo a complete medical examination partially subsidized by the Company. Industrial healthcare staff provides healthcare guidance with specific detail based on the results of physical examinations, in collaboration with the health insurance association. Furthermore, DOCOMO has been publishing Health White Paper annually since fiscal 2017 with the aim of visualizing the status of its initiatives on health management and the working conditions and health of employees toward considering various measures for improvement.

On a specific theme basis, we promoted no smoking measures to enhance employee health. Specifically, in May 2019, we implemented no smoking time on a trial basis at the DOCOMO head office as an endeavor to increase the ratio of non-smokers while we also improved the smoking rooms with a support of office management staff to prevent non-smokers from breathing secondhand smoke.

We implement the Let's Walk Campaign to promote the wellbeing of DOCOMO Group employees and docomo Shop staff. The campaign utilizes the healthcare services offered by DOCOMO Healthcare, and employees can deepen their understanding of these services while enjoying participation in the competition. Each workplace implement own promotional plan, thereby boosting their internal communication. About 26,000 employees joined the campaign in fiscal 2018, and the top place award went to the team that walked an average of 22,000 steps a day.

❘Poster for the Let's Walk Campaign

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Initiatives for Health, Safety and Wellbeing

Information on Mental Health

We conduct stress checks to each employee and give feedback on the results of the organizational analysis to the relevant organization to be used for improving the working environment. Moreover, we share information on overtime with the organization and employees and also hold interviews with employees who work long hours where necessary. We also share information on the current use of flextime and work-from-home programs so that diverse human resources can maintain and improve their mental and physical wellbeing. From the standpoint of creating a working environment in which employees can raise their motivation and vigor and continuously develop their careers, we are reviewing our work regulations to offer greater options that meet diverse workstyles and lifestyles.

Mental Health Seminars

We provide mental health seminars for all employees through web-based training and other seminars suited to each career level such as "line care" seminars for newly assigned managers and seminars on physical and mental aspects for new employees. Consultations on health issues with industrial physicians and public health nurses, an EAP-based counseling service, and other follow-up actions are conducted in addition to seminars.

Healthy Workplace Environment

▶Ergonomic working environment

Sections of our offices are barrier-free. We measure indoor air quality and conduct workplace inspections by industrial physicians. Also, we have established the Health Management Rules and bylaws that comply with Japan's Industrial Safety and Health Law.

▶Lighting

With cooperation from the building management company, we measure the intensity of illumination together when measuring the air environment. The air environment is measured once every two months, both in the morning and in the afternoon. When the results exceed the limit, we investigate the cause and make improvements.

▶Noise

With respect to noise caused by construction, any work involving noise levels that exceed the 80 decibel limit, as stipulated by regulations on designated construction work, are conducted on holidays or at night.

▶Indoor air quality

With cooperation from the building management company, we measure airflow, carbon dioxide, carbon monoxide and airborne dust together when measuring the air environment. The air environment is measured once every two months, both in the morning and in the afternoon. When the results exceed the limit, we investigate the cause and make improvements.

> **Example of an initiative**
>
> If the measured amount of carbon dioxide exceeds 1,000 ppm, we collaborate with the building management company to take measures such as resetting the air conditioning to increase ventilation. In addition, when the amount of airborne dust, carbon monoxide or airflow exceeds the limit, we make improvements by resetting the air conditioning, adjusting the output from the vent and taking other actions.

▶Temperature and humidity

We collaborate with the building management company to measure the temperature and relative humidity when we measure the air environment (air environment measured once every two months, once each in the morning and afternoon). In case the results exceed the limit, we investigate the causes and make improvements.

> **Example of an initiative**
>
> If the level of indoor humidity declines, we make adjustments such as changing the humidity settings to appropriate levels.

Health and Nutrition

We offer periodic health checkups to all employees and a comprehensive health checkup if requested by an employee. Special health checkups equivalent to comprehensive examinations are provided to employees at 30, 35, 40, 45, 50, and 55 years of age.

- DOCOMO manages employee health from business management standpoint and was certified "White 500" Recognition for Excellence in Health and Productivity Management 2019 for three consecutive years.
- We support the purchase of devices for health and fitness such as move bands and body composition monitors.

Flextime Program

We introduced a flextime program to promote flexible workstyles in which employees can choose their daily work hours.

Working from Home Program

We promote flexible and varied workstyles that are not restricted by location or time.

Childcare Facilities and Allowances

We provide programs for supporting the lives of employees, such as family allowances and subsidies for hiring babysitters.

Women's Paid Leave for Childbirth and Childcare (above the Stipulated Limit)

We provide a program in which employees can reserve their unused paid leave as Life Planning Vacations that can be taken for childcare and school events or when a spouse gives birth. We also offer special maternity leave for six weeks prior to and eight weeks after childbirth.

Men's Paid Leave for Childbirth and Childcare (above the Stipulated Limit)

We provide a program in which employees can reserve their unused paid leave as Life Planning Vacations that can be taken for childcare, school events or when a spouse gives birth.

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Health and Safety in the Workplace

Basic Policies and Philosophy

DOCOMO seeks to ensure the safety of employees and others and to facilitate implementation of its operations in accordance with its Safety Management Rules. These rules stipulate that we establish a working environment where industrial accidents are prevented, provide instructions so that employees can safely engage in operations and rigorously carry out inspections and maintenance. We also pay due consideration to managing the health of our employees and have established the Health Management Rules to implement appropriate health management and thereby facilitate our business operations.

◣ Health and Safety Management

DOCOMO has established a health and safety management system at each worksite and appointed a general health and safety manager, who oversees the safety supervisors and health supervisors (health and safety officers at small-scale worksites). Safety Committees are set up at worksites having more than 100 staff. Worksite Health Committees with industrial physicians are also in place where there are more than 50 employees.

With respect to specific aspects of operations undertaken at each individual worksite, we ensure that all needs are properly met in accordance with the Ministry of Health, Labour and Welfare regulations, and that we fulfill our obligation to provide physical examinations for all DOCOMO Group employees. We also implement measures for monitoring, managing and reducing long working hours.

Health and Safety Management System
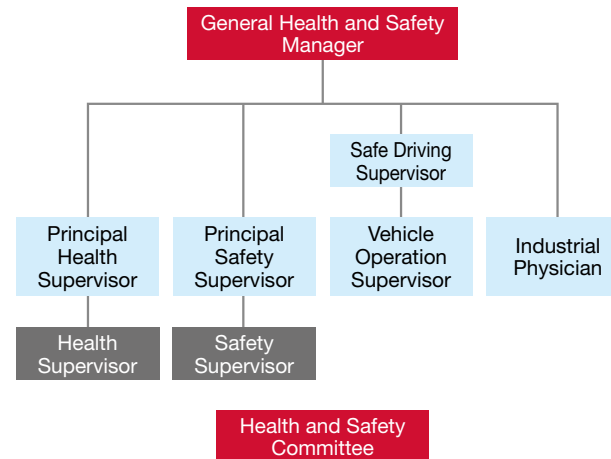
Initiatives for a Healthy and Safe Workplace
◣ Promoting Health and Safety in the Workplace

In order to provide an environment in which every individual employee can play an active role, DOCOMO Group is focusing on creating workplaces where employees can work in safety and good health. Also, it is carrying out activities toward its goal of achieving zero serious industrial accidents.

The DOCOMO Group is involved in construction work related to network facility maintenance that is done in high places. Consequently, we conduct operations in compliance with prevailing laws and safety regulations, and we implement safety measures in accordance with the DOCOMO Safety Manual for Construction Work, which are also extended to our business partners. We instruct workers to remain fully alert during assembly and disassembly of scaffolding, and when working on steel pillars, steel towers and rooftops. We also discuss Hiyari-Hatto (close call) incidents, consider

countermeasures and record data to alert employees of workplace hazards and dangerous actions.

Our health and safety management system is led by the head of the organization that supervises matters related to safety and serves as the general health and safety manager. Our centralized industrial accident control system enables us to manage and track labor accident data for the entire Group.

For DOCOMO safety is always the top priority. Our system for preventing work-related accidents and injuries includes the Health and Safety Committees at each business office as well as the DOCOMO Safety Council and DOCOMO Safety Committee at the headquarters.

Overview of the Health and Safety Committees
- Consists of members from both management and labor; meet once a month
- Examine and deliberate on basic measures to prevent DOCOMO employees from being exposed to various dangers and health problems
- Analyze the results of health and safety management, consider measures, record data, and provide information to employees

Overview of the DOCOMO Safety Council and DOCOMO Safety Committee
- Include members from both management and labor including telecom construction firms
- Share information to prevent work accidents

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Consideration for Employee Health Risk upon Starting New Business

When we launch a new business, we hold talks between labor and management to discuss job details and determine the appropriate number of personnel to be assigned to avoid any health risk to employees.

Furthermore, overworked employees must meet with industrial physicians for counseling to determine their physical and mental condition. Feedback on the results of the counseling are provided to the employee's workplace.

Safety Management in Maintenance Work for Base Stations

Construction or maintenance work at a base station is associated with a risk of falling during aerial work and electrocution. As a company that outsources construction work to telecom construction firms, the DOCOMO Group strives to fulfill its responsibility of ensuring on-site safety.

In fiscal 2018, there were three serious industrial accidents. In response to the occurrence of such accidents, we investigated and analyzed each set of circumstances, and optimal measures for preventing the recurrence have been formulated and implemented.

As a new initiative, we introduced our original drone technologies when carrying out inspection from high places to ensure the safety of the staff. Looking ahead, we plan to focus on research and development in this area to expand implementation. Other initiatives include simulation-based learning about occupational accidents using VR technology and simulation tools as well as carrying out safety patrols at P-BTS (mobile base station vehicles) set up at sites with smart glasses to facilitate double-checking by a checker on-site and another at a remote location.

Safety Management within the Group

- Hold the DOCOMO Safety Training program for all DOCOMO Group employees across Japan to enhance safety management skills
  - Build knowledge of hazard prediction exercises, relevant laws and regulations, aerial work exercises, and vehicle features
- Conduct skill development training with telecom construction firms
  - Strive to raise the level of response at the worksite in view of past accidents involving special vehicles and aerial work

Safety Management of External Telecom Construction Firms

- Safety patrols by DOCOMO Group companies are carried out for dangerous processes such as aerial work
- Ensure the thorough implementation of on-site hazard prediction, full safety checkups, and other safety measures
- Establish standard applications and rules for safety equipment
- Conduct safety awareness surveys for frontline workers at each site on topics such as recognition of past accidents

Number of Serious Accidents during Construction Work over the Past Four Fiscal Years

	FY2015	FY2016	FY2017	FY2018
Serious industrial accidents	2	4	3	3

Labor Relations

Labor Relations in the DOCOMO Group (Japan)

DOCOMO ensures workers' freedom of association and the right to collective bargaining. Labor and management cooperate to continually improve the workplace and have established different committees that meet several times a year to discuss issues raised by labor and management. In terms of the labor-management relationship, we believe that (1) labor and management should have equal footing, in principle, and their relationship should be based on the principle of self-governance in order for it to be built independently and responsibly, and be founded upon trust, and (2) focus on discussion and strive to resolve matters by gaining a mutual understanding and consent. Any conclusion achieved by labor and management on a particular matter should be respected by both groups. Union membership of the 13 DOCOMO companies in Japan is roughly 100%.

Types of Committees and Topics Discussed

- Negotiation Committee (working conditions, etc.)
- Management Council (management policies, etc.)
- Work-Life Balance Committee (normalizing overtime, promotion of diversity, etc.)

Reference: All NTT Workers Union of Japan, Docomo Headquarters
https://www.ntt-union.or.jp/english.html

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Human Resources Data

Employee Data (DOCOMO)

	FY2016			FY2017			FY2018		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Number of employees (excluding loaned employees)[*1]	5,988	1,621	7,609	6,065	1,702	7,767	6,118	1,766	7,884
Of the above, number of foreign nationals[*1]	50	36	86	49	46	95	47	47	94
Employees									
Average age[*1]	40.8	37.1	40.0	41.1	37.3	40.2	41.0	37.5	40.2
Average years of continued service (excluding persons seconded to DOCOMO)[*1]	17.8	14.4	17.1	18.1	14.6	17.3	17.9	14.7	17.2
Average salary (yen)[*2]	—	—	8,739,000	—	—	8,737,000	—	—	8,720,000
Average total annual hours worked	1,927.2	1,831.5	1,905.3	1,874.4	1,766.7	1,849.3	1,868.0	1,717.4	1,827.8
Average overtime hours worked	285.8	191.5	264.3	237.6	153.1	217.8	233.8	159.8	215.4
Employment									
Number of people hired	147	64	211	192	109	301	272	127	399
Recent college graduates	143	58	201	154	91	245	226	110	336
Of the above, number of foreign nationals	9	6	15	7	4	11	3	3	6
Number of mid-career hires	4	6	10	38	18	56	46	17	63
Of the above, number of people reengaged	0	3	3	1	4	5	0	3	3
Turnover									
Number of job leavers (only for voluntary termination)	120	35	155	150	36	186	126	40	166
Turnover rate (only for voluntary termination)	—	—	1.16%	—	—	1.37%	—	—	1.20%

*1 As of the end of each fiscal year.
*2 Ratio of DOCOMO's average salary to regional minimum wage is 4.7:1. (The regional minimum wage is calculated as follows: 985 yen/hour (minimum wage for Tokyo) × 7.5 hours × 21 days × 12 months = 1,861,650 yen.) Since DOCOMO bases its compensation on employee qualifications and rank, amounts of salaries and bonuses do not differ between males and females or by region if employees are at the same level of qualifications or rank.

Starting Salaries (DOCOMO)

	Monthly Salary (Yen)	Difference from Minimum Wage[*2]
Junior University Graduate	191,470	123.4%
Technical College Graduate	194,020	125.1%
University Graduate	217,960	140.5%
Graduate with an M.A.	240,020	154.7%
Graduate with a Ph.D.	289,820	186.8%

(as of April 1, 2019)

Number of Mid-Career Hires (DOCOMO)
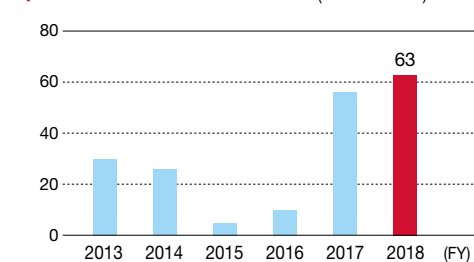
Number of Employees Who Are Citizens of Countries Other than Japan (DOCOMO)
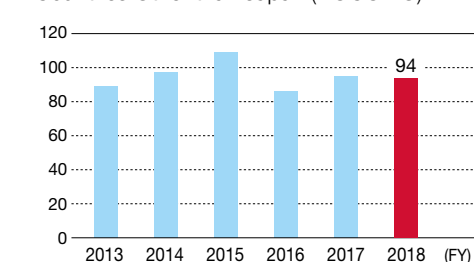
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9

Human Rights

NTT DOCOMO GROUP
SUSTAINABILITY REPORT 2019

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Initiatives on Human Rights Practice

We engage in activities that promote the awareness of human rights to create workplaces that respect the rights of every employee, free of discrimination or harassment due to social status, family status, race, ethnicity, nationality, religion, physical or mental disability, sex, sexual minority, pregnancy and birth, or childcare and nursing care leaves.

NTT Group's Human Rights Charter

In accordance with the Universal Declaration of Human Rights and other references, the NTT Group has long endeavored to address the Dowa issue (discrimination based on ancestry in Japan) and other human rights issues and to create a corporate culture opposed to any form of discrimination. In recent years, businesses have become more global, and the international community is strongly urging companies to implement measures aimed at ensuring that human rights are respected. Amid this rising emphasis on human rights, the NTT Group unveiled its NTT Group Human Rights Charter in June 2014. This charter embodies our commitment toward fulfilling our social responsibilities as a company that is growing on the global stage.

The NTT Group supports the ideals within ISO 26000, the international standard for social responsibility published in 2010, as well as the Guiding Principles on Business and Human Rights endorsed by the United Nations Human Rights Council in 2011. These ideals were incorporated into the NTT Group Human Rights Charter.

NTT Group's Human Rights Charter

We recognize that respect for human rights is a corporate responsibility and aim to create a safe, secure and rich social environment by fulfilling that responsibility.

1. We*1 respect internationally recognized human rights*2, including the Universal Declaration of Human Rights in all company activities.
2. We responsibly respect human rights by efforts to reduce any negative impacts on human rights holders. We respond appropriately when negative impacts on human rights occur.
3. We aim not to be complicit in infringing human rights, including being involved in discrimination, directly or indirectly.
4. When negative impacts on human rights are done by a business partner and are linked to a product or service of the NTT Group, we will expect them to respect human rights and not to infringe on them.

*1 "We" means the NTT Group and its officers and employees.
*2 "Internationally recognized human rights" refers to the declarations and rules considered to be the minimum standards that warrant international protection, and specifically include the following.
United Nations:
The Universal Declaration of Human Rights and the Two Covenants on Human Rights
• Universal Declaration of Human Rights (adopted by the U.N. General Assembly in 1948)
• "International Covenant on Economic, Social and Cultural Rights" and "International Covenant on Civil and Political Rights" (adopted by the U.N. General Assembly in 1966; came into effect in 1976)
International Labor Organization (ILO):
Fundamental principles laid out in the eight Core Conventions of the ILO Declaration
·The eight Core Conventions (adopted at the 86th Session of the International Labour Conference in 1998) are: Forced Labour Convention, Freedom of Association and Protection of the Rights to Organise Convention, Right to Organise and Collective Bargaining Convention, Equal Remuneration Convention, Abolition of Forced Labour Convention, Discrimination (Employment and Occupation) Convention, Minimum Age Convention, and Worst Forms of Child Labour Convention.

NTT DOCOMO Group's Basic Policies on Human Rights

Basic Policies and Philosophy

DOCOMO upholds the NTT Group Human Rights Charter, which was established by the NTT Group and is based on the Universal Declaration of Human Rights and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work. The charter also incorporates ideas from the United Nations Guiding Principles on Business and Human Rights. Moreover, the NTT DOCOMO Group formulated its Basic Policies on Human Rights (revised in 2016) to define a more concrete policy for its initiatives and raise human rights awareness.

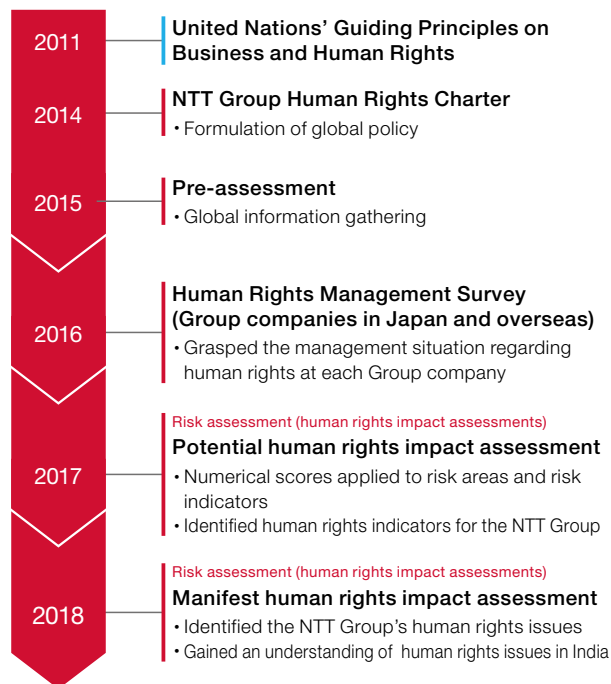### NTT DOCOMO Group's Basic Policies on Human Rights

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 employee-focused human rights practices, including the establishment of the Human Rights Committee.
*Owing to discrimination, which had been formed based on the structure of social status in the course of the historical development of Japanese society, some Japanese people have been forced to accept a lower status economically, socially and culturally, and they are subject to various kinds of discrimination in their daily lives even today. This is the Dowa issue, a human rights problem in Japan.

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Initiatives on Human Rights Practice

Human Rights Due Diligence

In accordance with the NTT Group Human Rights Charter, the NTT Group has developed its due diligence process for human rights, which it has been gradually introducing and implementing.

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

2017 | Risk assessment (human rights impact assessments)
Potential human rights impact assessment
・Numerical scores applied to risk areas and risk indicators
・Identified human rights indicators for the NTT Group

2018 | Risk assessment (human rights impact assessments)
Manifest human rights impact assessment
・Identified the NTT Group's human rights issues
・Gained an understanding of human rights issues in India

| Human Rights Due Diligence Processes (NTT Group)
https://www.ntt.co.jp/csr_e/communication/team-ntt/02.html

In fiscal 2015, the NTT Group sought to understand the social circumstances faced by its global business operations and determine the current human rights issues by conducting a pre-assessment. The results were used to create a human rights management check sheet which was in turn applied to conduct a human rights management survey to the 52 Group companies under NTT DOCOMO Group's control. From the survey, we identified priority human rights issues at all the Group companies and confirmed that 96.2% of them were providing employee education on human rights, including items identified as priority issues.

In addition, using the results of past internal surveys, the NTT Group has been conducting risk assessments through a specialized external institution. In fiscal 2017, we conducted a potential human rights impact assessment and identified key human rights issues. In fiscal 2018, a manifest human rights impact assessment was conducted in the Asian region as a pilot case. Going forward, we will re-examine the results of risk mapping in all regions where we conduct business and also strengthen our management system to enhance the due diligence process across the NTT Group.

As for our tier-1 suppliers, each year we assess them in regard to their sustainability risks, including human rights based on the NTT Group's Supply Chain CSR Promotion Check Sheet. The Check Sheet 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 Check Sheet, 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 NTT Group CSR Promotion Check Sheet, no high risk related to human rights was found among any of our suppliers in fiscal 2018.

With respect to 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 check if corrective measures for such risks are being properly implemented.

Moreover, DOCOMO gives careful 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 more 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 take a 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 a matter 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. At DOCOMO, we provide the "Kids'" phones and filtering service (page 91) as well as the "Smartphones and Mobile Phones Safety Class"(page 136) to ensure that children are safe when using them. Regarding marketing or expressions used in advertisements, we consult with in-house consumer affairs advisors to avoid any expressions that may result in harm to children (page 97) .

| Principles on Freedom of Expression and Privacy
https://globalnetworkinitiative.org/gni-principles/

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Initiatives on Human Rights Practice

Management System

We established the Human Rights Committee for the management of our human rights initiatives, which is chaired by the senior executive vice president.

Establishment of the Corporate Human Rights Committee

The Corporate Human Rights Committee is a Company-wide organization that promotes human rights awareness and handles the formulation and management of human rights training 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 respective workplaces.

Monitoring Human Rights Activities

DOCOMO conducts an annual human rights survey based on the NTT DOCOMO Group Code of Ethics.

In recent years there has been increased demand, mainly in Western countries, for companies to promote initiatives aimed at mainstreaming human rights throughout their supply chains. This has been reflected in various laws, including the UK Modern Slavery Act 2015, which came into force in 2015, and the California Transparency in Supply Chains Act, enacted in 2012. In consideration of this trend, we distributed an English version of the NTT Group's Human Rights Charter and NTT DOCOMO Group's Basic Policies on Human Rights in March 2016, and we also conducted human rights management surveys at our overseas subsidiaries in August 2016.

Results of the surveys are summarized by DOCOMO and reported to NTT Holdings. Feedback of the analysis results from NTT Holdings is then reflected in our activity plans.

In terms of domestic and overseas investments, we consider regulatory restrictions on human rights from the above-mentioned perspectives and assess risks during the decision-making phase using a checklist that includes criteria such as the working environment, terms of employment and the relationship between labor and management. Final investment decisions are made after hearing expert opinions.

Whistleblowing Desk for Human Rights and Harassment

DOCOMO has established points of contact inside and outside Company channels for all employees, including temporary employees and employees of business partners to consult with when they have 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. Employees can also consult the point of contact outside Company channels, which is manned by counselors affiliated with an outside, specialized organization so as to ensure an environment where employees can have complete peace of mind and know that they will not receive any disadvantageous treatment as a result of engaging in consultation or whistleblowing.

In fiscal 2018, there were 15 cases of violations of human rights and harassment. All 15 cases were associated with harassment and none with the violation of any other human rights.

| Whistleblowing Desk System for Human Rights and Harassment
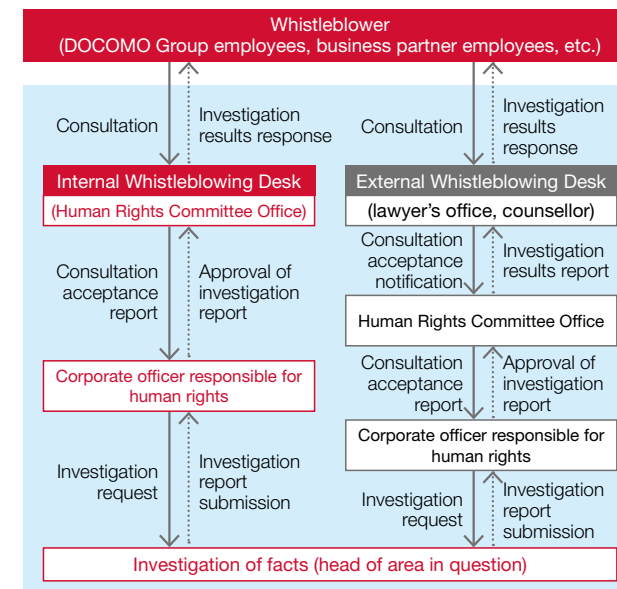
Human Rights Violations

Human rights violations are rigorously dealt with through disciplinary action. From the standpoint of preventing recurrence, we alert employees of DOCOMO and its functional subsidiaries on a quarterly basis of any disciplinary actions taken.

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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 an understanding as regards the spirit and purport 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 actively conduct training at each organization for all employees every year, including temporary workers, using web-based training, video materials, and through discussions. We also hold training suited to each career level (including executives) and training for risk compliance leaders.

Starting with the basic question of "Why are companies addressing human rights issues now?" the training courses teach participants about a broad range of subjects, including discrimination, 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

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 2018, we received 25,147 entries for the slogans and 148 entries for the posters. In addition, we utilize an internal Company website to regularly publish an e-mail magazine on human rights, as a tool for raising the awareness of all employees.

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 attend training sessions, such as human rights awareness training for top management, presentations for group study, and training for employees in charge of human rights awareness. At the same time, we engage in activities to enlighten the public and expand human rights networks. Furthermore, we established a nationwide federation of corporations to battle discrimination against groups who have traditionally been targeted in Japan. This partnership, which includes regional industrial federations, convenes national conferences and exchanges information.

As part of our initiative to cooperate with external organizations and groups, 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 also participate in training provided by various other groups.

10

Supply Chain

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Relationship with Sales Representatives

We value our relationship with other businesses that are important partners in our operations, and we strive to maintain fair transactions and undertake CSR procurement in view of our responsibilities to society.

DOCOMO's Supply Chain

Relationships with other businesses are important for our ongoing operations.

DOCOMO's business model is sustained by business partners, including suppliers and construction firms related to telecommunications facilities and equipment, communication device manufacturers and sales representatives such as docomo Shops. DOCOMO effectively manages its supply chain throughout its business, including suppliers.
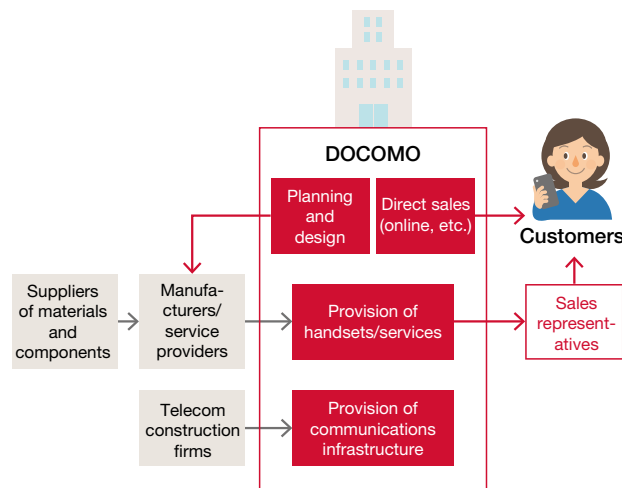
Relationship with Suppliers

Basic Policies and Philosophy
DOCOMO conducts procurement under the following policies.

NTT DOCOMO's Basic Procurement Policies
1. DOCOMO will strive to provide competitive opportunities with fairness to both domestic and foreign suppliers, and to build mutual trust and understanding.
2. 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. DOCOMO will conduct procurement in a manner that follows laws and regulations as well as social norms, and takes the environment, human rights and other issues into account, to contribute to society.

CSR Procurement
DOCOMO has a basic policy of providing domestic and overseas suppliers with opportunities to compete in a fair and open manner and procuring competitive products and services in line with business needs on the basis of sound economic principles. We believe that it is important to fulfill social responsibilities during the whole production process of products procured from suppliers, i.e., respecting human rights, upholding labor practices in production processes, and ensuring occupational health and safety, and so we formulated the NTT DOCOMO Guidelines for CSR in Supply Chain, and use it effectively. The first version, established in 2009, was updated and renamed in December 2013 under the

aforementioned title.

In the guidelines, which apply to suppliers of telecommunications equipment and communication devices, we itemized rules that require compliance in the seven CSR-related areas. These are human rights and labor, occupational health and safety, the environment, fair trade and ethics, product quality and safety, information security, and contribution to society.

In January 2018, we revised the NTT DOCOMO Guidelines for Green Procurement, which we apply for CSR procurement. They now include new provisions concerning the reduction of environmental impact and approaches to the upstream supply chain in terms of integrating environmental considerations into business activities.

NTT DOCOMO Guidelines for CSR in Supply Chain
https://www.nttdocomo.co.jp/english/binary/pdf/corporate/procure/policy/supply_chain.pdf

NTT DOCOMO Guidelines for Green Procurement
https://www.nttdocomo.co.jp/english/binary/pdf/corporate/procure/policy/csr_procurement/green.pdf

Implementation of the Guidelines and Monitoring System
Within its wide supply chain, DOCOMO regards the network facilities and mobile phone companies that supply a sizable quantity of products or mission-critical products as tier-one suppliers, and it views them as particularly important to its sustainable supply chain management. We request that these suppliers submit an NTT Group CSR Promotion Check Sheet (a self-assessment questionnaire) to confirm the status of their compliance with the guidelines. In fiscal 2018, we received responses from 51 companies, accounting for 100% of all tire-one suppliers. The checklist contains up to 140 items

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Relationship with Sales Representatives

in the seven areas related to CSR: human rights and labor, occupational health and safety, the environment, fair trade and ethics, product quality and safety, information security, and contribution to society.

Following the revision of the Guidelines for Green Procurement, and as an initiative particularly for reducing environmental impact, we request that our suppliers complete the Environmental Activity Survey Sheet. New questions added to the survey are related to the conservation of water resources and consideration for biodiversity, Response to Identification of Chemical Substances Contained in Products, and Substances Subject to RoHS, Non-use Certificate.

Under the leadership of the senior executive vice president responsible for procurement, DOCOMO adheres to its basic stance of working together with suppliers in sustainable supply chain management. We have set our key performance indicators (KPIs) to manage our progress. Also, we regularly provide education for our procurement staff as a means of ensuring that these initiatives are implemented.

| Green Procurement Survey Sheets
https://www.nttdocomo.co.jp/english/corporate/procure/policy/csr_procurement/index.html

◣ Supply Chain Risk Assessment

Risk assessment of our suppliers is performed in two steps. First, we request that each supplier complete and submit an NTT Group CSR Promotion Check Sheet. If any supplier reports a high-risk factor based on the contents of the survey, we dispatch staff to the supplier to assess the situation and take the necessary measures, such as formulating a corrective action plan together with the supplier. In fiscal 2018, the results of the CSR Promotion Check Sheet indicated that no suppliers were at the level of high risk in terms of CSR. Also, we provide feedback to each supplier on the content of the check sheet without revealing the company name and conduct regular training for procurement staff toward ensuring that CSR actions are being taken.

From the standpoint of sustainability, we believe that understanding the risks associated with tier-two suppliers are important. Accordingly, we regularly monitor the sustainability risks of manufacturers that supply sizable quantities of general-purpose products used in network construction and customer systems, of manufacturers responsible for a high proportion of parts of the main communication control section and of companies supplying major components in mobile phones.

> **Number of high-risk suppliers in relation to CSR in fiscal 2018**   **0**

| Supplier Risk Assessment Process

| Distribution/request to complete CSR Promotion Check Sheet |
| Implementation of risk assessment |
| 1. High risk | 2. Not high risk |
| On-site inspection |
| Feedback to suppliers |
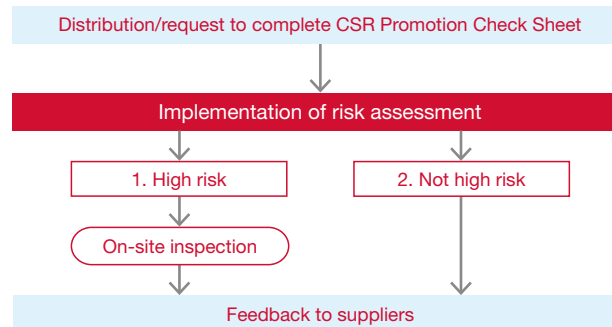
◣ Participation in External Organizations

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

Conflict Minerals

Some of the minerals produced in the Democratic Republic of the Congo and other areas subject to ongoing conflict are believed to be funding inhuman activities by armed groups and thereby extending conflict or are thought to be otherwise implicated in human rights violations. 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 advances initiatives aimed at preventing the use of conflict minerals that would fund the activities of armed groups.

In fiscal 2018, in accordance with suppliers' request, we 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%.

[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 Approaches to Conflict Minerals
https://www.nttdocomo.co.jp/english/corporate/procure/policy/csr_procurement/index.html

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▶Relationship with Sales Representatives

Enhancing Procurement Skills

Our procurement operations entail ongoing negotiations with various suppliers and are required to achieve sustainable, stable procurement by equal, fair and transparent transactions. We therefore conduct web-based training on seven areas related to CSR for all employees. Moreover, we encourage employees to become Certified Procurement Professionals (CPP)* as a means of enhancing their procurement and purchasing skills.

*Qualification for gauging the level of knowledge required in materials procurement operations.

Communication with Suppliers

DOCOMO endeavors to establish better partnerships through exchanges of requests and proposals.

When we make on-site visits to verify a supplier's response to the NTT Group CSR Promotion Check Sheet or to select new suppliers, we conduct an assessment in accordance with a factory checklist while also checking the status of their BCP.

As in the previous year, we held a Business Partner Kickoff gathering in fiscal 2018 with 170 participants from 56 companies involved in DOCOMO's businesses, including 33 major suppliers, 12 telecom construction firms and 11 NTT Group companies. At these meetings, we explain the business environment surrounding DOCOMO and exchange views with the participants to ensure the continuing stable supply of competitive high-quality products.

Relationship with Telecom Construction Firms

Basic Policies and Philosophy

DOCOMO offers its services through telecommunications facilities mostly built by telecom construction firms. DOCOMO maintains a communications infrastructure to respond closely to customer needs based on proper contracts with the 12 telecom construction firms we work with as partners.

Specifically, we sign contracts covering the entire process from design to construction undertaken by the telecom construction firms in accordance with the Construction Business Act. In addition, DOCOMO designates its own standards and assigns supervisors to secure its management system for preventing accidents involving personal injury or death and for ensuring the quality of the communications we require. Since telecom construction often involves aerial work, we conduct rigorous assessments, particularly of safety, and visit construction sites for safety inspections. 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 regular opportunities for mutual communication, including briefing sessions on our policies, kickoff meetings and presentations for improvement activities. Also, we 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.
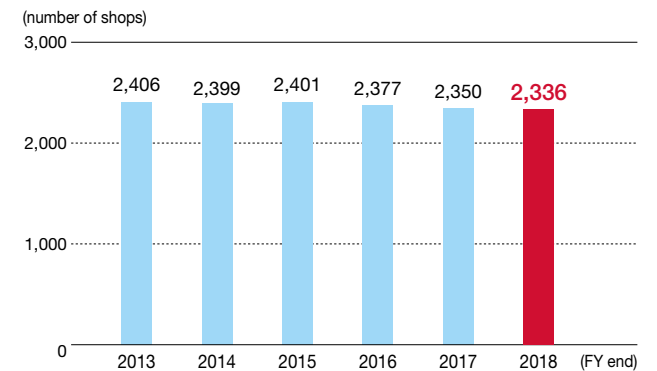
Relationship with Sales Representatives

Fair and Appropriate Agency Agreements

DOCOMO provides products and services to customers through docomo Shops, which are specialized stores that deal with the Company's products and services, and other sales representatives such as large-scale retailers.

As of the end of March 2019, there were 2,336 docomo Shops nationwide, while other shops, including large-scale retailers dealing with products and services of multiple carriers, and also dealerships for our DOCOMO products, totaled approximately 3,000. DOCOMO signs appropriate contracts, which include articles related to CSR, with its partner dealerships in order to provide shops that represent important points of contact between DOCOMO and its customers.

Number of docomo Shops

(number of shops)

FY end	2013	2014	2015	2016	2017	2018
Shops	2,406	2,399	2,401	2,377	2,350	2,336

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▶Relationship with Sales Representatives

Support for docomo Shop Staff

◤ Strengthening the Support System

In fiscal 2019, docomo Shops will work to reduce customer waiting time and attendance time to about half of current levels. To this end, we are undertaking initiatives such as promoting a new style of service provision at the shop using tablets installed with a new reception system, expanding use of the shop visit reservation system, and assigning dedicated staff to our initial settings for data transfers.

In connection with these initiatives, we are also strengthening the support system for staff at docomo Shops and other retail outlets to assist with paperwork or respond to customers on defects as well as the provision of services related to devices and network services that have become increasingly sophisticated. For example, we are enhancing our customer service support system, enriching the content of learning and testing video, and strengthening the call center capability dedicated to sales staff. We intend to increase customer satisfaction further through these initiatives.

◤ Continuous Education and Training and Qualification System

In conjunction with the change in the market environment of the telecommunications industry, docomo Shops are seeking to become a "total life support base that will make our customers' lives more convenient, fun, and affluent." Under this concept, 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 the product and service-related skills of docomo Shop staff.

Acquiring skills to deliver new value to our customers that supports comfortable lifestyles is at the heart of our training program. Adhering to this principle, we will not only review our

program to accommodate new products and services but will also constantly upgrade the content to reflect requests from customers and staff for improvements connected to on-site service skills. In addition, we have organized our qualification system into categories: the Front Specialist, who is responsible for on-site operations; the Grand Meister, who presents optimal proposals that meet customer needs; the Meister, who recommends products and services to customers based on their field of interest; the Pre-Meister, who offers a friendly first response; and the Technical Advisor, who has an abundance of technical knowledge and is capable of offering prompt analysis and responses to a wide range of queries, including those related to malfunctions. Under the leadership of these qualified staff, we will strive to offer new value to customers in an effort to become the total life support base that wins their trust and affection. Over 90% of our staff are qualified in this way, with 9% holding the top-level qualification.

Attending seminars and obtaining qualifications provide our staff with opportunities to realize personal growth. DOCOMO pays allowances linked to each qualification so that staff can increase both their skills and their salaries and thus remain highly motivated.

◤ Customer Service Contest for docomo Shop Staff

docomo Shop staff from across Japan got together in December 2018 to demonstrate their customer service skills in the "docomo Shop Staff Customer Service Contest-Meister of the Year 2018 National Competition." Fiscal 2018 is the tenth year of the contest, which offers an opportunity for staff to demonstrate customer service skills required in their daily operations, such as recommending the products and services that best fit the needs of each customer, in addition to an accurate knowledge of mobile phones and services.

◤ Raising Staff Motivation and Providing Incentives

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

We conduct employee satisfaction surveys on a regular basis to gauge the level of satisfaction among these employees. Moreover, we strive to maintain favorable workplace environments by seeking solutions to the problems faced by DOCOMO and its sales representatives.

With regard to our major sales networks, regular inspection tours are carried out by specialized divisions at the headquarters and by staff at the branch offices of DOCOMO to provide guidance on creating favorable working environments.

We provide incentives for major sales networks such as docomo Shops through various supportive measures aimed at bolstering operational systems to ensure stable operation of sales representatives, securing stable long-term employment of sales staff and enhancing their response to customers, promoting acquisition of skill qualifications by sales staff, raising the quality of sales activities and response to malfunctions, as well as an LTV incentive offered to staff to promote thoughtful and scrupulous explanations to customers in order to encourage the continued use of DOCOMO services. As for non-financial incentives, we offer awards for long-term employment to ensure stable long-term employment of sales staff. Also, we organize training trips for competent sales staff as a means of maintaining their motivation.

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▶Relationship with Sales Representatives

Environmental Efforts at docomo Shops

Responding to the expectations of our customers and society, we cooperate with our sales representatives to advance the eco-friendly measures of docomo Shops and promote greater infrastructure-related electricity conservation. As part of these efforts, we converted about 2,336 docomo Shops throughout Japan to indoor LED lighting by March 31, 2019 .

Reinforcing Disaster Preparedness at docomo Shops

After the blackout that spread across Hokkaido following the Hokkaido Eastern Iburi Earthquake in September 2018, DOCOMO opened its office building and docomo Shops to the public in the disaster-stricken area to offer free mobile phone charging service.

As a measure against natural disasters, we completed deploying storage batteries to all shops in June 2019 and strengthened our system to provide free charging services in case of a power outage. We will also begin installing photovoltaic power generation systems in the shops (about DOCOMO'S disaster countermeasures: page 83).

Free charging station set up

Universal Design at docomo Shops

Following the concept of DOCOMO Hearty Style (see page 92), we are eliminating steps at shop entrances, installing wheelchair-accessible counters and restroom facilities, designating dedicated parking spaces for people with disabilities, and taking other steps as well to make docomo Shops barrier-free.

As of the end of March 2019, over 90% of all docomo Shops in Japan were equipped with barrier-free entrances, and over 80% with barrier-free restroom facilities and dedicated parking spaces for people with disabilities.

For people with hearing impairments, we are moving forward with installing sign-language support videophones to docomo Shops to assist communication by remote video interpreting. As of the end of March 2019, 653 docomo Shops are equipped with the system, while many other shops have communication boards.

The shops are also ready to help customers try out the latest models of the RakuRaku PHONE series.

Going beyond the implementation in our facilities of barrier-free design based on the Hearty Style concept, we are working to ensure that personnel understand the concept thoroughly. One way we do this is by having all new docomo Shop staff participates in the New Shop Staff Training. In fiscal 2018, about 10,000 employees nationwide took part in this training.

Promoting Workstyle Reform at docomo Shops

To promote workstyle reform at docomo Shops, DOCOMO is creating a comfortable working environment for staff while also taking into account the trends of customers visiting each location.

◤Changing the Business Hours of docomo Shop

docomo Shops nationwide, except those unable to because of tenancy conditions, are taking the following measures for work style reform. (The numbers indicate the percentage of shops where the measures have been implemented.)

• Shorter business hours (shop closes by 7:00 PM): 98%
• docomo Shops setting one non-business day for each month: 96%
• Two-consecutive non-business days that include New Year's Day: 100%

◤Contributing to the Opening of Daycare Facilities to Support docomo Shops

To create an environment in which female staff at docomo Shops can continue working regardless of changes in their life circumstances such as child birth and child rearing, we have since April 2018 supported the opening of new daycare facilities by paying part of the initial cost.

As of the end of May 2019, female staff members accounted for approximately 44% of all staff at docomo Shops, and balancing child care and work is a serious issue for them. Opening daycare facilities is one measure we are taking to provide an environment where experienced and highly skilled female staff can continue working for a long time. Looking ahead, we will continue to support docomo Shops by helping to open daycare facilities in convenient locations and that can be used by female staff working on the weekends, holidays and at night as well, so they can smoothly return to work after child birth and work full-time.

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▶Relationship with Sales Representatives

docomo Shops and Local Communities

Valuing the relationships developed by docomo Shops and local communities as well as customers, we are working to strengthen our engagement with customers across all age groups.

◤ Holding a Job Experience Event for Elementary School Children

As an initiative to provide children with opportunities to learn about what it is like to be a member of society through job experience, we held a job experience event, the Oshigoto (Job) Challenge! for elementary school children at 219 docomo Shops in the Kanto-Koshinetsu region during their 2018 summer vacation. The event was attended by 1,349 children, and all of them could experience working at a docomo Shop.

◤ Facilitating Communication with Local Residents through docomo Smartphone classes

To bring docomo Shops closer to local residents, we are committed to providing docomo Smartphone classes with the aim to make the daily life of people, particularly senior citizens, more enjoyable and comfortable. We offer classes at all levels of the curriculum, from introductory to advanced classes, and approximately 1,840 thousand customers participate in a year, which is far beyond our annual goal of one million customers set for fiscal 2018. According to the results of our survey, 92% of the customers who attended the classes indicated that they were satisfied with them, and 96% indicated that they would like to participate again. The classes additionally create an opportunity for participants to talk to each other. We will continue to facilitate communication with local residents through docomo Smartphone classes at docomo Shops.

docomo Smartphone classes

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11

Community Investment

NTT DOCOMO believes that building a sound relationship with society is essential for developing a sustainable business. As a good corporate citizen, DOCOMO contributes to realizing a prosperous and peaceful society by collaborating with diverse stakeholders to effectively address regional and social concerns.

Initiatives on Community Investments

Basic Policies and Philosophy

Policies for Community Investments

The DOCOMO Group seeks to engage with the local community in the public and private domains and actively strive to bring comfort and fulfillment to the local community.

We also strive to eliminate the negative aspects associated with smartphones and mobile phones amid the rapid development of ICT, with the aim of being a company that contributes to the sound development of society.

We will specifically center our efforts on the following five priorities areas.

DOCOMO Group's Priority Areas
❶ Safety and Security
❷ Nurturing the Next Generation
❸ Disaster Prevention and Response
❹ The Environment
❺ The Local Community

Management System

We have established a system for promoting CSR, by which DOCOMO's head office sets out the basic policies and overall direction of activities and a CSR officer, assigned by each Group company, independently develops activities tailored specifically to the business operation and regional characteristics of each company.

To further enhance the effectiveness of community investment initiatives, each CSR officer develops activities to address the challenges and needs facing the region and meets with other officers periodically to obtain the results of DOCOMO Group activities as well as the annual action plan for the fiscal year. Our community investments guideline encourages advocacy by the One-Percent Club* that proposes a voluntarily contribution of at least 1% of the organization's ordinary profit or after-tax income to community investments. In fiscal 2018, we set aside about 8.83 billion yen for community investment expenses.

In addition, we annually review our donations to ensure that they are closely aligned with the needs of the local communities in a broad range of areas.

*The One-Percent Club was established by Nippon Keidanren (Japan Business Federation) and its members are companies and individuals including DOCOMO who contribute to social activities.

Social Investment Activities by the DOCOMO Group in Fiscal 2018

Major Areas of Our Community Investments	Number of Activities*	Number of Participants	Expenditures (million yen)
Environmental conservation	240	24,413	1,408
Social welfare	255	455	1,544
Support for disaster-stricken areas	84	349	220
Education and cultural promotion	116	162	2,060
Local community development and dialogue	430	5,748	1,140
Sports promotion	115	365	2,448
International exchange activities and others	9	1	9
Total	1,249	31,493	8,828

*Each monetary donation, donation of goods, and free use of facilities is counted as one activity.

The DOCOMO Group is engaged in business activities rooted in local communities. We believe that facilitating dialogue with these communities through our community investments will eventually benefit us in the form of business opportunities and risk avoidance. We therefore engage and invest in the following areas proactively.

Social Investment Projects

Category		Ratio*	Major Projects
Investment in local communities	Medium and long-term community investments that address social issues concerning both the DOCOMO Group and local Communities	59.9%	Cooking classes, etc., provided to support the mental health of victims of the Great East Japan Earthquake Implementation of the Tohoku Relief Fund for DOCOMO Group employees Initiatives through the Mobile Communication Fund (page 139)
Charities	Donations or community investments conducted on a one-time basis or short-term basis	11.5%	Implementation of the Online Fundraising Site (donation site) (page 137)
Commercial initiatives	Community investments that generate profit	28.6%	Installment of product PR booths at our sponsored regional events

*Based on expenditure amount for the community investments

Encouraging Employees to Participate in Volunteering Activities

DOCOMO encourages its employees to take part in volunteer activities.

Every year on the anniversary of the Company's founding, the President's Award for Community Investments is given to employees who have become outstanding role models in their steadfast participation in community investments.

President's Award for Community Investments Awarded in the Past Three Years

Fiscal Year	Award Recipients	Initiative Types
2016	2 initiatives	• Contributing to the community by taking part in the preservation of the Aomori Nebuta music festival • Providing musical entertainment performances at care facilities for the elderly and people with disabilities
2017	1 initiative	• Educating youth through baseball and providing overseas support
2018	2 initiatives	• Supporting youth through Little League Baseball activities • Popularizing and promoting winter sports in the prefecture where the business is located

In addition to annual paid holidays, DOCOMO has introduced "life planning vacations (volunteering)" to encourage employees to engage in volunteer activities. In fiscal 2018, 59 employees took these vacations. We also provide employees with information about volunteer activities, which we support through the NTT Group Volunteer Portal Site, set up in April 2017. The site was established to promote Group-wide strategic community investments. As of the end of March 2019, the number of employees registered on the portal site Group-wide is approximately 9,200, consisting of approximately 1,000 DOCOMO Group employees.

For the areas affected by the Great East Japan Earthquake that require long-term assistance, we established the TOHOKU Reconstruction Support Office in 2011 to provide help that goes beyond short-term volunteer projects and donations (page 138).

We continue to provide support for reconstruction of the affected areas through the TOHOKU Reconstruction Support Office, which seeks to listen to local citizens and work with them to help local communities solve problems and develop a model for local revitalization.

Connecting Smiles—Rainbow Project for the Recovery and Rebirth of Tohoku (in Japanese only)

http://rainbow.nttdocomo.co.jp/

▶Initiatives on Community Investments   Disaster Relief Provided by DOCOMO   NPO Mobile Communication Fund (MCF)

KPIs for Community Investments

Priority Themes of Community Investments	Purpose	KPI	FY2018 Results	Relevant SDGs	Sustainability Focuses
1. Safety and Security	To avoid danger and other problems associated with mobile phone use	Number of smartphone and mobile phone safety classes provided Number of classes: 7,000 or more per year Number of attendees: 1 million or more per year	Approximately 7,600 classes, 1.39 million attendees	4 QUALITY EDUCATION	Sustainability Focus 5
2. Nurturing the Next Generation	To promote ICT literacy education for the next generation	Supporting 40 exchange students from Asian countries every year as a human resources development program for the next generation, which will lead future telecommunications businesses in Asia	32 students	4 QUALITY EDUCATION 10 REDUCED INEQUALITIES	Sustainability Focus 1
		Achieving the goal of holding classes 100 times or more to teach about smartphone and mobile phone use for people with disabilities (DOCOMO Hearty class)	97 times, 1,044 participants		
3. Disaster Prevention and Response	To respond in a disaster	Implementing practice-based disaster training, including activities required in all the stages from restoring communications to supporting shelters at least once a year telecommunications businesses in Asia	1 time	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 13 CLIMATE ACTION	Sustainability Focus 4
4. The Environment	To reduce CO_2 emissions	Number of docomo Woods programs held (49 areas and at least once a year) (except for the cultivation period after planting and periods during which activities cannot be held due to natural disaster, etc.)	47 times	13 CLIMATE ACTION	Sustainability Focus 8
5. The Local Community	Community investments that employees participate in	Achieving a higher number of people compared to the previous fiscal year, who participate in cleaning around the company building and along a nearby riverside and in local events	31,493 participants		Items common to all Sustainability Focuses

Smartphone and Mobile Phone Safety Classes

Free smartphone and mobile phone safety classes provided throughout Japan represent one of our efforts to provide safe and secure services. In these classes, users are instructed on how to manage the risks and problems related to the use of smartphones and mobile phones in order to prevent their occurrence. The classes are arranged into levels by various segments of users: an introductory class for elementary school students, advanced class for junior high and high school students as well as classes for parents and teachers, for special-needs schools and for the elderly. Many people have attended the classes since their launch in July 2004.

Our video (documentary drama) was awarded the 2018 Excellence Award for consumer education instructional materials. This commendation is given for excellent instructional materials that contribute to the enrichment and development of consumer education in schools.

2018
公益財団法人 消費者教育支援センター 主催
優秀賞
消費者教育教材資料表彰2018
優秀賞
公益財団法人
消費者教育支援センター

Fiscal Year	2014	2015	2016	2017	2018
Number of Classes Provided (Approximate)	7,000	6,900	7,900	7,900	7,600
Number of Attendees (Approximate)	1.03 million	1.05 million	1.26 million	1.35 million	1.39 million

Smartphone and Mobile Phone Safety Classes | Cumulative number in the 15 years since 2004 (as of the end of March 2019)

Approx. 78,900 classes   Approx. 12.11 million participants

Shinagawa Student City

As part of our initiative to support the development of the next generation of leaders, we participate in "Shinagawa Student City" in which fifth-grade elementary school students living in Tokyo's Shinagawa Ward learn through social interaction. The curriculum that Student City provides enables students to acquire the skills to be socially independent by learning about their relationship with society, economic systems, money, jobs and more.

The DOCOMO booth provides students and their guardians opportunities to learn about our initiatives for communications networks, the environment and safe and secure services through our business operations.

In fiscal 2018, Student City was held 24 times and engaged about 2,400 participants along with 35 DOCOMO employees who volunteered.

Disaster Relief Provided by DOCOMO

Disaster Relief Fundraising

DOCOMO has been raising funds to support peoples' lives and to reconstruct communities of disaster-stricken areas by setting up a charity site and encouraging users to donate through DOCOMO. Our online fundraising site also accepts d POINTs to raise additional funds from more people.

Details of our fundraising activities for fiscal 2018 are as follows.

Disaster Relief Fundraising for Fiscal 2018

Fundraising Campaign	Raised (Yen)	By d POINTS	Number of Donations	Average Amount (Amount/Number of Donations)	Fundraising Period
Northern Osaka Prefecture Earthquake in 2018	13,641,669	12,282,100	20,685	659	June 22–July 31
Heavy rainfall disaster in July 2018	69,043,189	59,953,100	74,847	922	July 10–August 31
The 2018 Hokkaido Eastern Iburi Earthquake	31,988,120	27,952,342	33,753	948	September 7–30
Total funds in fiscal 2018	114,672,978	100,187,542	129,285	887	

Supporting Tohoku's Recovery

◣ **Contribution to the Local Economy and Reconstruction of Industry through Business**

In December 2011, the year the Great East Japan Earthquake struck, DOCOMO set up the TOHOKU Reconstruction Support Office (Team RAINBOW) to construct a system for business management that would enable us to contribute more promptly to the reconstruction of affected regions. We have continued to take actions aimed at the recovery and rebirth of mainly the Iwate, Miyagi and Fukushima regions. Characteristics of the Team RAINBOW are the way it harnesses DOCOMO's business assets as an ICT company while its members make frequent visits to these areas to think about the true needs of the region, and how it maintains its activities by exploring solutions together with the locals.

We aspire to provide support aimed at recovery and rebirth of the entire region with an eye on the long-term future and without having to focus on resolving only the issues at hand. Moreover, we seek to ensure the continuity and sustainability of our activities by offering support through our business.

In fiscal 2018, we put into practice the principles underlying the Medium-Term Strategy 2020 "Declaration beyond" through relief activities by engaging in community support programs for creating a +d model of addressing social issues and community rebirth.

〈Vision of the TOHOKU Reconstruction Support Office〉
Connecting People and Society for Tohoku Smile

〈Mission〉
• We will stay close to the local community as we connect them through mobile and ICT to create services for Tohoku smile.
• We will use the know-how acquired in Tohoku to provide solutions to the problems that Japanese society faces.

We will further accelerate this initiative and push forward with various activities to create social value from the aspect of reconstruction and local revitalization.

Three Action Themes for Creating a Future Homeland

Action Theme	Main Initiatives in Fiscal 2018
Agriculture that moves people, work and nature into the future	**Promoting ICT-based agriculture** • Demonstrate cultivation of rice without any fertilizer or pesticide, mainly in Miyagi and Fukushima Prefectures (second year) • Promote joint research with academia and the spread of natural farming by adopting ICT-based smart agriculture
Solutions that move the Tohoku region into the future	**Measures against crop damage by wild animals** • Develop a prototype of a trap vibration detection sensor • Conduct a joint verification experiment with the hunter's association in various areas of Tohoku **Support forestry** • Develop a prototype communication system that transmits an alert when workers are in danger • Conduct a joint verification experiment with a forestry company in Minami Sanriku Town **Support disaster prevention learning** • Exhibit the Mechanism of Tsunami Learning System that applies DOCOMO's R&D technology in Inochi wo Tsunagu Miraikan (earthquake and tsunami memorial museum) in Kamaishi City
Stay close to the local community and think about the future together	**Reviving the community** • Offer a hometown community system using tablets in four municipalities of Fukushima Prefecture, hold community gatherings 200 times a year with the aim of maintaining and reviving the community and to serve as a place where users can informally interact with each other • Show the virtual teleportation video lecture entitled "Virtual Field Trip to Hometown" to elementary school children in Futaba Town **Increasing interaction as well as the number of people who maintain some connection to the region without residing there** • Conduct employee training in Naraha Town in Fukushima Prefecture on the themes of solving social issues and thinking about local revitalization **Shop to boost the local economy** • Hold a reconstruction support march inside the building of DOCOMO's Tohoku Regional Office at the largest scale ever to bring together the people in the Sendai area and local producers in Tohoku

📖 CASE

▸ Case 1: Supporting Agriculture with ICT

We use paddy sensors that control water level to conduct verification tests of a cultivation method which controls weeds without the use of herbicides. We are encouraging the dissemination of this method as well and are seeking to provide the seeds of economic reconstruction and revitalization of the region's town and farming villages by producing safe and high-quality rice through natural farming. For the past two years, we have been working with farmers who belong to the council for promoting paddy field agriculture in Minamisanriku Town. Recently, interaction has expanded to include interested producers in and outside of Tohoku. We hold seminars for them and have seen a gradual increase in the number of farmers as well as rice paddy acreage.

Paddy sensors

▸ Case 2: Reconstruction Support with the Michinoku Marche

DOCOMO has been hosting a market to support reconstruction of Tohoku since 2014, which is called the "Reconstruction of Tohoku—Michinoku Marche." Through our efforts to overcome various challenges faced by primary industries in Tohoku, the industry that characterizes the region, we were blessed with opportunities to meet many people and learn about the wonderful products they make. We hold the Michinoku Marche with a passion to become the bridge that connects customers and the cultures of Tohoku, to introduce products unfamiliar in other areas and to many people, to provide opportunities for touching and tasting them. We will be able to stimulate new consumption by making local products known to the people in the metropolitan area, which we believe will ultimately support reconstruction.

Lively setting for the "Reconstruction of Tohoku—Michinoku Marche"

📖 CASE

▸ **Case 3: Hometown Community System Using Tablets**
In Fukushima Prefecture, the Great East Japan Earthquake and nuclear accident displaced many people from their homes, forcing them to live in evacuation shelters over a prolonged period of time. Several municipal governments in Fukushima Prefecture have distributed tablets to each household with the aim of maintaining and reviving the community.

The tablets are being used to transmit timely government information and maintain two-way communication between friends from the hometown and family members who now live apart. We also hold regular seminars for elderly citizens who are not used to operating tablets.

📱 **Number of tablet users under the Hometown Community System as of the end of March 2019**

Approximately **6,000** households

in **4** municipalities

Resident with a tablet

🚩 Creating a Purpose to Live and Contributing to Reviving Local Communities

Eight years have passed since the Great East Japan Earthquake and the extended period of being uprooted is causing concern for the psychological and emotional wellbeing of the evacuees. To solve this problem, we have sought to provide evacuees a place for social interaction and encourage communication through DOCOMO's services by offering free cooking classes in community centers near temporary housing. This was launched as an initiative under the Reconstruction Agency's project for supporting victims through coordinated efforts, as the needs of local organizations matched with the CSR activities of NTT DOCOMO. Five classes were held in fiscal 2018, during which 121 participants enjoyed their meals.

Moreover, we held a trial presentation of dTV, a streaming video service provided by DOCOMO. At the presentation, we played a video through a monitor installed in the venue. The event contributed to facilitating interaction between people by allowing them to share time together. In addition, we have been calling for donations for the Tohoku Relief Fund since fiscal 2012 from employees of Group companies. We collect a monthly donation of 311 yen from per employee who want to help, and we donate it with an additional donation from DOCOMO. In fiscal 2018, about 8,200 DOCOMO Group employees participated in the program, and the amount of donations totaled 58.70 million yen.

NPO Mobile Communication Fund (MCF)

Supporting Activities in Academia, Welfare and Other Civic Fields

DOCOMO established an NPO, the Mobile Communication Fund (MCF), in 2002 as a means to commemorate its tenth anniversary and contribute to society by supporting academia, social welfare and other civic fields.

The MCF awards the DOCOMO Mobile Science Awards for outstanding research achievements and research papers on mobile communications technologies, gives scholarships to exchange students from Asian countries as well as those from an orphanage and provides grants to support the funding of community groups engaged in activities for the sound development of children or supports children who need financial assistance.

DOCOMO Mobile Science Awards

The DOCOMO Mobile Science Awards was established to encourage young researchers and promote further development of mobile communications technologies in Japan.

The prize recognizes research excellence in advanced technology, basic science and the social sciences, and recipients are selected from among researchers affiliated with a Japanese university or research institute.

The 17th awards ceremony was held in Tokyo in October of fiscal 2018. We presented Excellence Awards (with a six-million-yen prize) in each of the advanced technology and basic science categories, and two Honorable Mentions, with a three-million-yen prize, in the social sciences.

DOCOMO Scholarships

The MCF grants scholarships to international students from Asia to facilitate greater understanding of Japan and help maintain good relations with Japan's neighbors.

The scholarships go to international students from Asia who are studying in master degree programs in Japan at their own expense and engaged in research related to information and communications technology. The scholarship program provides 1.44 million yen in a year per person for two years. It was awarded to 32 international students in fiscal 2018, and the number of students that the MCF has supported to date is 328.

Additionally, in fiscal 2018, we began offering DOCOMO Scholarships to children from orphanages or in foster care. It is financial aid that requires no repayment and provides both financial and emotional support so that they can study at university or other schools with less anxiety and work towards their hopes and dreams. Annual scholarships in the amount of 960 thousand yen each were awarded to 10 children.

Supporting Community Groups

The MCF provides grants to support community groups engaged in the healthy development of children, who are the world's future leaders.

|NPO Mobile Communication Fund (MCF) (in Japanese only)
http://www.mcfund.or.jp/

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Corporate Governance

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▶Corporate Governance　Risk Management　Response to BCP　Information Security and Privacy Protection　Compliance　Tax Planning Strategy
Strategic Shareholding　Brand Management

DOCOMO seeks to enhance corporate value by placing priority on the customer's perspective; rigorous and efficient operational execution; and quick, transparent and sound management based on effective corporate governance.

Corporate Governance

Basic Policies and Philosophy

In accordance with our corporate philosophy of "the creation of a new world of communications culture" and our Medium-Term Strategy 2020 "Declaration beyond," DOCOMO is aiming to contribute to the realization of a rich and vigorous society and to improve our corporate value in order to win greater trust and recognition from our shareholders and customers.

Under this management policy, we recognize that to maximize corporate value while meeting the expectations of our various stakeholders including our shareholders, customers, employees, partners and local communities. It is essential that we ensure the effective function of corporate governance through the reinforcement of the governance structure in line with the objectives of each principle of the "Corporate Governance Code." Based on this approach, we have established the "NTT DOCOMO Basic Policy on Corporate Governance" for the purpose of attaining the sustained growth of our corporate group and the medium- to long-term improvement of corporate value. The basic policy was revised in December 2018 in response to the revision of the "Corporate Governance Code" in June 2018.

| NTT DOCOMO Basic Policy on Corporate Governance (in Japanese only)
https://www.nttdocomo.co.jp/corporate/ir/binary/pdf/management/governance/governance_rule_181221.pdf

| DOCOMO Corporate Governance Report (in Japanese only)
https://www.nttdocomo.co.jp/corporate/ir/binary/pdf/management/governance/governance_190625.pdf

Overview of the Corporate Governance Structure

We have adopted a corporate governance structure consisting of the Board of Directors, Audit & Supervisory Board members and the Audit & Supervisory Board, aiming both to realize consistent and stable business operations and to bolster auditing and governance functions, while striving to boost management speed. We have adopted this structure because it reflects a desire for directors to play a key role in important business execution matters from the standpoint of realizing consistent and stable business operations through the effective utilization of management resources. From the perspective of ensuring sound and efficient management, this configuration also reflects a desire for a structure in which directors who concurrently serve as executive officers supervise each other for their respective actions, while Audit & Supervisory Board members perform audits of overall management.

The monitoring function of the Board of Directors is strengthened through the framework in which independent outside directors are appointed and encouraged to fulfill their ability and insight, under the supportive arrangements such as in-depth prior briefing on the proposals to be discussed at the Board of Directors meetings and holding of periodical meetings with representative directors and internal officers. With respect to the auditing function, all audit & supervisory board members (including independent outside audit & supervisory board members) attend important meetings such

as the Board of Directors meetings, while conducting effective audits over directors' execution of duties in coordination with the independent auditor and internal audit staff, to ensure management soundness.

In addition, we have introduced the executive officer system (27 of whom are men, 3 of whom are women and 8 who serve concurrently as directors) to clearly delineate the roles of business execution and monitoring and to better reinforce business execution functions. This system enables speedier responsiveness to changes in the operating environment.

| Governance Structure (as of June 30, 2019)

(Number of members)

Category	Male	Female	Total
Directors*[1]	12 (including 1 outside director)	2 (including 1 outside director)	14
Executive Officers*[2]	20	2	22
Audit & Supervisory Board Members	4 (including 3 outside members)	1 outside member	5

*1 Includes 8 directors who concurrently serve as executive officers.
*2 Excludes 8 executive officers who concurrently serve as directors.

| Meetings of the Board of Directors

Category	Fiscal 2018
Number of Meetings	15
Attendance Rate of Directors	99.5%
Attendance Rate of Outside Directors	100%
Attendance Rate of Audit & Supervisory Board Members	98.7%
Attendance Rate of Outside Audit & Supervisory Board Members	98.3%

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Strategic Shareholding   Brand Management

Corporate Governance System
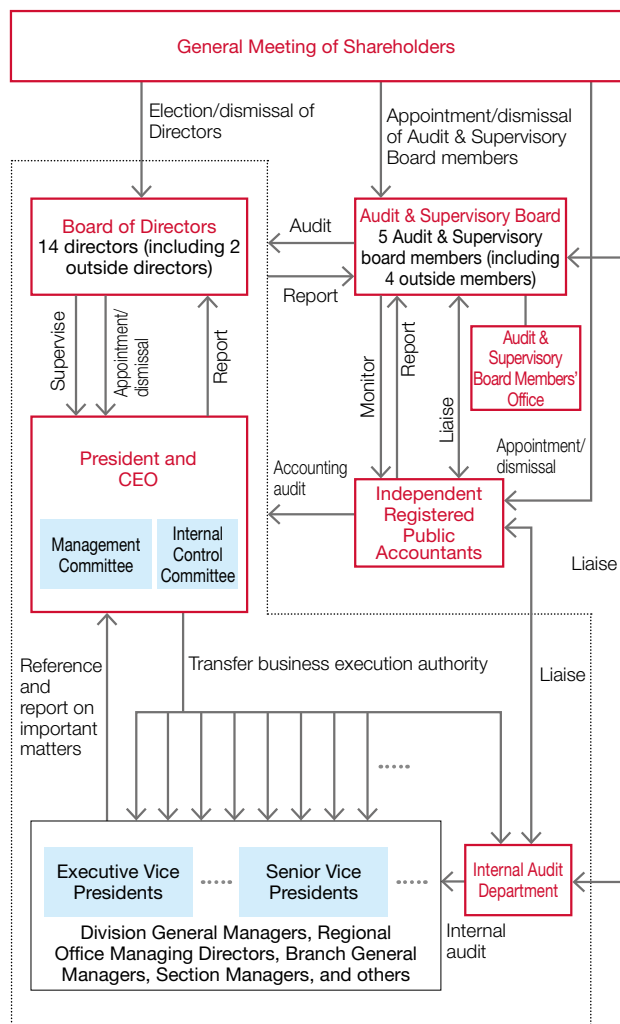
(as of June 30, 2019)

Directors and Audit & Supervisory Board Members

Directors (as of June 30, 2019)

Name	Title/Position	Attendance Rate of Board of Directors Meetings for FY2018 (Number of Meetings Attended)	Number of Principal Concurrent Positions
Kazuhiro Yoshizawa	President and Chief Executive Officer, Representative Member of the Board of Directors	100% (15/15)	0
Hiroshi Tsujigami	Senior Executive Vice President, Representative Member of the Board of Directors	100% (15/15)	0
Seiji Maruyama	Senior Executive Vice President, Representative Member of the Board of Directors	100% (15/15)	0
Hiroshi Nakamura	Executive Vice President, Member of the Board of Directors	100% (15/15)	0
Hozumi Tamura	Executive Vice President, Member of the Board of Directors	100% (15/15)	0
Osamu Hirokado	Executive Vice President, Member of the Board of Directors	100% (13/13)	0
Shigeto Torizuka	Executive Vice President, Member of the Board of Directors	100% (13/13)	0
Kenichi Mori	Executive Vice President, Member of the Board of Directors	100% (13/13)	1
Kouji Tsubouchi	Executive Vice President, Member of the Board of Directors	—	0
Michio Fujiwara	Executive Vice President, Member of the Board of Directors	—	0
Mayumi Tateishi	Senior Vice President, Member of the Board of Directors	—	0
Teruyasu Murakami	Outside Member of the Board of Directors (Independent Director)	100% (15/15)	1
Noriko Endo	Outside Member of the Board of Directors (Independent Director)	100% (15/15)	4
Katsumi Kuroda	Member of the Board of Directors	—	1

Audit & Supervisory Board (as of June 30, 2019)

Name	Title/Position	Attendance Rate of Board of Directors Meetings for FY2018 (Number of Meetings	Attendance Rate of Audit & Supervisory Board Meeting for FY2018 (Number of Meetings Attended)	Number of Principal Concurrent Positions
Shoji Suto	Full-time Audit & Supervisory Board Member	100% (15/15)	100% (14/14)	0
Hironobu Sagae	Full-time Outside Audit & Supervisory Board Member	100% (15/15)	100% (14/14)	0
Mikio Kajikawa	Full-time Outside Audit & Supervisory Board Member (Independent Board Member)	100% (13/13)	100% (9/9)	0
Katsumi Nakata	Full-time Outside Audit & Supervisory Board Member	—	—	0
Eiko Tsujiyama	Outside Audit & Supervisory Board Member (Independent Board Member)	93.3% (14/15)	100% (14/14)	4

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Business Execution and Audit System

The Board of Directors consists of 14 members, including two outside directors who are independent officers appointed in accordance with the rules and regulations of the Tokyo Stock Exchange, Inc. In principle it meets once a month and renders decisions on important business matters. Extraordinary meetings are convened as necessary. The directors serve one two-year term. The Board of Directors also receives status reports as needed from members of the Board of Directors who have been assigned responsibility for business execution, thereby conducting management supervision. For decision making on key issues related to business execution, the Company established the Management Committee, which includes the president and CEO as well as senior executive vice presidents, executive vice presidents and full-time Audit & Supervisory Board members. The Management Committee meets in principle once a week and extraordinary meetings are convened 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 himself takes the initiative in supervising internal control.

The Audit & Supervisory Board consists of five members, including four outside members, of whom two are independent officers appointed in accordance with the rules and regulations of the Tokyo Stock Exchange, Inc. They serve one four-year term. The board meets in principle once a month to make decisions on audit policies, plans, methods and other important issues related to the audit of the Company. In accordance with audit policies and audit plans determined by the Audit & Supervisory Board, members attend key meetings, such as those of the Board of Directors, and receive reports from directors, examine important documents and conduct on-site examinations of the head office, regional office and major subsidiaries. In this way, the Audit & Supervisory Board members effectively audit the execution of duties by directors and report on the status of audit implementation to the Audit & Supervisory Board. They also promote mutual understanding and information-sharing with the auditors of subsidiaries by holding the DOCOMO Group liaison meeting of auditors three times a year and DOCOMO Group training for new auditors once a year. In addition, they remain in close contact with the Internal Audit Department 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 aim of achieving sustainable enhancement of its corporate value, the Company conducts an analysis and evaluation of the effectiveness of the Board of Directors in an ongoing effort to make improvements by identifying issues or points to be improved with respect to the responsibilities, operation, composition, etc., of the Board of Directors.

Assessment Method

- All directors and Audit & Supervisory Board members completed the Directors' Self-Assessment Questionnaire Survey conducted from December 2018 to January 2019.
- A discussion based on the results of the above survey took place in March 2019 during a meeting of the Corporate Governance Council, which consists of all members of the Board of Directors and Audit & Supervisory Board.

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 effective.

Furthermore, it was confirmed that the effectiveness of the Board of Directors was improved as a result of regular verification of the state of measures used to implement the Medium-Term Strategy 2020 "Declaration beyond" and "business foundation centered on our membership base," which had been identified as issues requiring improvement during the previous effectiveness evaluation, as well as the enhancement of governance functions, reflecting the revisions to the Corporate Governance Code.

In order to further increase our corporate value, we will continue to implement the Medium-Term Strategy 2020 "Declaration beyond" and "business foundation centered on our membership base," and will also promote the medium-term management strategy we announced in October 2018. To this end, the Board of Directors will regularly verify the state of measures used to achieve these aims, the allocation of management resources, and our responses to changes in the management environment, and will also create governance functions appropriate for the Company.

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 meeting of the Board of Directors in order to gather appropriate advice. Nominees are then presented to the board meeting for approval followed by deliberation at the shareholders meeting.

Future managerial candidates are given opportunities to deepen their knowledge of and experience in DOCOMO management by participating in the meeting of the board or the management meeting 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.

Outside Directors and Outside Auditors

The name and reason for the appointment for two outside directors and four Audit & Supervisory Board members is as below.

Outside Director	Reason for Appointment
Teruyasu Murakami (Independent Director)	We appointed him due to his long engagement and career in corporate management and information industries. Excellent both in character and judgment, we also expect that he will reinforce our supervisory function for business execution by incorporating management insight from a broader perspective based on his extensive experience and knowledge.
Noriko Endo (Independent Director)	We appointed her due to her wealth of experience and insight gained through her career as an editor of an economic magazine and her academic studies in public policy. Excellent both in character and judgment, we expect that she will reinforce our supervisory function for business execution and provide us with diverse and broad-based advice from a woman's standpoint, and we trust that she is capable of adequately fulfilling the responsibilities of an outside director.

Outside Audit & Supervisory Board Member	Reason for Appointment
Hironobu Sagae	We appointed him due to his experience in corporate management and extensive knowledge on finance and accounting that he gained from his position in the Finance Department at NTT DATA Corporation, and we expect that he will use his experience and extensive knowledge when performing audits.
Mikio Kajikawa (Independent Board Member)	We appointed him due to his long career in the Ministry of Finance and the Company's expectation that he will perform an audit and supervisory function based on his rich experience and insights as a specialist, accumulated throughout his career. We also trust that he is capable of properly carrying out auditing duties as an outside Audit & Supervisory Board member.
Katsumi Nakata	We appointed him due to his experience in corporate management and long career in the telecom business, and we expect that he will use his extensive insights based on his experience while performing audits.
Eiko Tsujiyama (Independent Board Member)	We appointed her because we expect that she will use her extensive insights on finance and accounting, developed through years of experience as a university professor and outside director of private companies as well as a certified public accountant, when performing audits. We also trust that she is capable of properly carrying out auditing duties as an outside Audit & Supervisory Board member.

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Independence Criteria

DOCOMO appoints individuals who are free of any conflicts of interest with shareholders as independent outside directors or Audit & Supervisory Board members from the perspective of enhancing supervision and fairly conducting audits of the execution of duties of directors. In designating outside directors and Audit & Supervisory Board members as independent directors, DOCOMO complies with the independence criteria of the Tokyo Stock Exchange, Inc. (Guidelines on Listing Management, etc. III 5 (.3)-2) as well as DOCOMO's own criteria for ensuring independence. A detailed explanation of the independence standards is provided below.

Independence Standards Stipulated by NTT DOCOMO

In order to meet the independence standards, a person may not fall under any of the categories below in the last three fiscal years.

1. A person who executes business in a partner company that exceeds NTT DOCOMO's standards[1]
2. A person who executes business in a lending company that exceeds NTT DOCOMO's standards[2]
3. A consultant, accountant, lawyer, or any other person providing professional services, who received monetary payments or any other gain in assets equal to or more than 10 million yen, excluding the Board members' or Audit & Supervisory Board members' compensation, from NTT DOCOMO or its major subsidiaries[3] in any of the last three fiscal years
4. A person who executes business in an organization that received donations exceeding NTT DOCOMO's standards[4] Even if any of (1) through (4) applies to a person, where it has been decided that a person meets the independence standards, the reasons shall be explained and disclosed at the time of that person's appointment as the independent member of the Board or Audit & Supervisory Board member.

[1] "A company that exceeds NTT DOCOMO's standards" is defined as a company that has had any business dealing with NTT DOCOMO and its major subsidiaries[3] in any of the last three fiscal years equal to or more than 2% of the total operating revenues of NTT DOCOMO and its major subsidiaries for the respective fiscal year.
[2] "A lending company that exceeds NTT DOCOMO's borrowing standards" is defined as a company in which the total amount of borrowings on a consolidated basis in any of the last three fiscal years equals to or is more than 2% of the total operating revenues of NTT DOCOMO's consolidated total assets for the respective fiscal year.
[3] The major subsidiaries are DOCOMO CS, Inc., DOCOMO Support Inc., DOCOMO Systems, Inc., DOCOMO Technology, 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., and DOCOMO CS Kyushu, Inc.
[4] An "organization that received donations exceeding NTT DOCOMO's standards" is defined as an organization that received donations from NTT DOCOMO and its major subsidiaries[3] in any of the last three fiscal years exceeding 10 million yen or 2% of the total income of the organization, whichever is larger, during the respective fiscal year.

NTT DOCOMO has appointed outside directors Teruyasu Murakami and Noriko Endo as well as Outside Audit & Supervisory Board Members Mikio Kajikawa and Eiko Tsujiyama as independent officers in accordance with the rules stipulated by the Tokyo Stock Exchange, Inc.

Board Diversity

A key DOCOMO management objective is to promote diversity in the workforce by creating a working environment in which individuals are exposed to enriching experiences and values and can effectively demonstrate their abilities.

As of June 30, 2019, the membership of the Board of Directors includes two women and the Audit & Supervisory Board includes one woman.

Members of the Board of Directors are appointed with due consideration for ensuring 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 good business sense and enthusiasm.

With respect to members of the Audit & Supervisory Board, we appoint individuals who can be expected to perform proper audits based on their professional expertise and knowledge on finance and accounting.

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Policy on Compensation for Directors

The maximum aggregate compensation amount for the Company's directors and that of the Company's Audit & Supervisory Board members and any change in the amount is decided based on a resolution at a general meeting of shareholders. Matters regarding director compensation are determined by the Board of Directors.

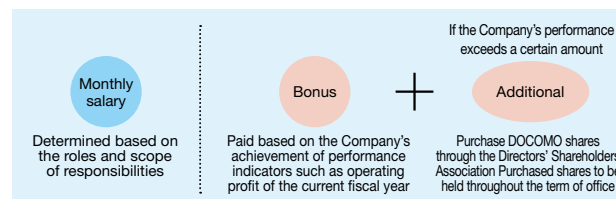### Basic Policy on Corporate Governance (Article 16) Revised on December 21, 2018

In consideration of the Company's business performance over the medium to long term, we have determined the following policy with respect to directors' compensation.

1. The Company has determined that directors' compensation will consist of monthly compensation and bonuses. Monthly compensation is based on each director's roles and responsibilities, and bonuses reflect factors such as the Company's performance for the current fiscal year. The Company has a stock-based compensation plan, where, if the Company's business performance exceeds a certain level, the Company will pay the director an amount equivalent to the purchase of the Company's shares as part of their bonuses and require directors to contribute the amount to the Directors' Shareholders Association.

2. To reflect the Company's medium- to long-term business performance, directors with executive authority must contribute any monthly compensation above a certain amount to a director stock purchase plan through the Directors' Shareholders Association. The shares of the Company that are purchased through the plan are held throughout the term of office.

3. To maintain a high degree of independence among our independent outside directors, we do not link the compensation of these directors to our performance, and thus they receive only monthly compensation.

4. We explain the details of compensation to the parent company and independent outside directors to receive appropriate advice prior to the meeting of the Board of Directors, where a decision is made on the amount within the limit approved at the general meeting of shareholders.

〈Determining Director Compensation〉

(1) DOCOMO's Compensation for directors (excluding independent outside directors) consists of a monthly salary and bonuses. The Company pays monthly salaries based on the scope of roles and responsibilities of each director, and bonuses by taking into account the Company's achievement based on performance indicators such as operating profit for the current fiscal year. In addition, from the perspective of reflecting medium- to long-term business results, directors with executive authority over operations make monthly contributions of at least a certain amount, out of their monthly salaries and bonuses, for the purchase of the Company's shares through the Director Shareholding Association, and all purchased shares are held by the directors during their terms in office. In the case of standard business performance, compensation is composed of "approximately 70% fixed compensation and 30% performance-based compensation." The Company will also consider expanding the percentage of performance-based compensation, including stock-based compensation, in total compensation for the purpose of fostering stronger awareness with regard to achieving the medium-term management strategy and sustained growth, as well as enhancing medium- to long-term corporate value.

Composition of Director Compensation*

Monthly salary	Bonus	+	Additional
Determined based on the roles and scope of responsibilities	Paid based on the Company's achievement of performance indicators such as operating profit of the current fiscal year		If the Company's performance exceeds a certain amount — Purchase DOCOMO shares through the Directors' Shareholders Association Purchased shares to be held throughout the term of office

Composition of Director Compensation (When the Company's Performance Is Average)*

Fixed compensation: approximately 70%	Performance-based compensation: approximately 30%

Linked to medium-to long-term performance
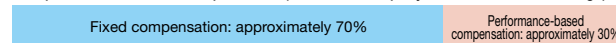
*Independent outside directors are excluded.

To be expanded to promote an increase in medium- to long-term corporate value

(2) In order to ensure a high level of independence, the Company pays only monthly salaries as compensation for independent outside directors with no links to business results.

Compensation for Audit & Supervisory Board members is determined through consultation with the members, and in order to ensure a high level of independence, only monthly salaries are paid with no links to business results.

The ratio between compensation per director in Japan, which constitutes an important base for the organization, and compensation per employee, is 3.4 to 1 (the ratio between the aggregate compensation paid to directors during fiscal 2018 divided by the number of directors and the average salary of employees at NTT DOCOMO, INC.).

We do not employ compensation consultants, independent legal counsel when making decisions on compensation for any of the members of the Board of Directors or of the Audit & Supervisory Board.

Aggregate Amount of Compensation for Directors and Audit & Supervisory Board Members

Category	Aggregate Amount of Compensation for Directors and Audit & Supervisory Board Members)	Aggregate Compensation Amount by Category (Million Yen)		Number of Basic Eligible Persons
		Fixed Compensation	Performance-based Compensation	
Directors (excluding outside directors)	481	336	145	16
Audit & Supervisory Board members (excluding outside directors)	30	30	—	1
Outside Directors	126	126	—	7
Total	637	492	145	24

*1 No director received total consolidated compensation of 100 million yen or more in fiscal 2018. Therefore, no names are listed for disclosure purposes.

*2 The above figures include compensation for five directors who retired at the conclusion of the 27th Ordinary General Meeting of Shareholders on June 19, 2018.

*3 The above figures include compensation for an outside auditor who retired at the conclusion of the 27th Ordinary General Meeting of Shareholders on June 19, 2018.

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Corporate Advisor and Senior Advisor System

DOCOMO has a Corporate Advisor and Senior Advisor System in place, as we believe that, in terms of increasing DOCOMO's presence in the market, we can benefit from the activities of individuals with a wealth of experience and insights who take on external activities under DOCOMO's name, and we therefore acknowledge that the Corporate Advisor and Senior Advisor System is advantageous to corporate management.

Matters to be entrusted to corporate advisors and consultants are defined in Article 25 of the Company's Articles of Incorporation. Corporate advisors take on the role of answering questions from the president regarding overall management, and Senior Advisor answer questions regarding certain business operations. Also, they mainly undertake external activities requested by the president and do not wield influence over the current management, beyond what is expected from them, nor engage themselves in managerial judgements.

Relationship with Parent Company

The corporate group led by the parent company, NIPPON TELEGRAPH AND TELEPHONE CORPORATION (NTT), operates the following main businesses: regional communications, long-distance and international communications, mobile communications and data communications.

As of March 31, 2019, NTT owned 64.10% of the voting rights of the DOCOMO Group and was in a position to influence the Company's management decision-making through the exercise of majority shareholder rights. However, the Company retains its own management responsibility and conducts operations in accordance with its own decision-

making authority. (As of March 31, 2019, the Japanese Finance Minister owns 35.42% of NTT shares.)

Addressing Sustainability

In order to properly address various social, environmental and other sustainability issues through business activity, DOCOMO incorporates CSR activities into its management approach while also considering management strategies and the demands and changes posed by society, regularly revising our Sustainability Management System, and striving to continuously improve CSR activities.

Important risks such as those impacting sustainability are managed comprehensively by the Internal Control Committee and reported to the meeting of the Board of Directors. Social and environmental risks are dealt with by establishing a Sustainability Management Committee dedicated to ensuring the enforcement of Plan, Do, Check, Act (PDCA) cycles for CSR efforts. In addition, organization heads participate in regular national conferences to report and discuss implementation of CSR activities and challenges.

The Sustainability Management Committee is chaired by the president and CEO and composed of senior executive vice presidents, directors, members of the Audit & Supervisory Board, executive vice presidents, and the heads of relevant departments. Major issues discussed by the Sustainability Management Committee are reported to the Board of Directors and/or Management Committee depending on each topic. In fiscal 2018, the discussed agenda included the status of initiatives on CSR Medium-term strategy, initiatives and topics related to the environment, the status of initiatives of each working group, SDG initiatives, and the status of the ESG index and rating.

As for suggestions and requests from stakeholders,

information is identified and gathered by the department responsible for each stakeholder, and dialogues are set up as needed. The content of dialogues is shared by the Management Committee.

Risk Management

Basic Policies and Philosophy

DOCOMO strives to strengthen risk management under the basic policy of identifying and responding to business risk 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 for 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 surveys as necessary. Environmental and social considerations, including regulatory compliance, have been incorporated into our operational regulations and are also subject to an internal audit

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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. Furthermore, the Company's Internal Audit Department conducts audits to minimize risks and increase corporate value for the entire DOCOMO Group.

The department's work includes evaluating the effectiveness of the internal control system. 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 reviews the potential risks and its methods for managing such risks on an annual basis 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. We extract component risks for the entire Group through evaluation and analysis based on the level of impact and frequency of occurrence, which are identified by conducting a materiality assessment. Group-wide risks are reflected in the Risk Factors disclosed in Form 20-F and other documents in view of their impact on financial performance.

In recent years, we have expanded consideration of the risks DOCOMO should address to encompass our response to issues arising in relation to initiatives towards achieving the medium-term management plan and provision of the 5G service, increasing competition due to new competitors entering the market, and changes in policy and requirements in laws and regulations.

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, and this allows us to incorporate emerging risks as a preventive measure. While these risks are addressed appropriately through a Company-wide response, risks related to individual operations are handled in an appropriate manner by each division.

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 its size and business.

Risks that have been identified are appropriately monitored as auditing targets. We have been working to foster and expand our risk management culture by including compliance-related risks in the criteria for employee performance assessment and disseminating information on responses to related risks through compliance education and training.

| Risk Management Cycle

Plan
Internal Control Committee and others
(1) Identify Company-wide risks
(2) Formulate management guidelines

Do
Offices and departments at the head office
(1) Implement management based on guidelines for Company-wide risks
(2) Manage departmental risks

Branch offices
(1) Recognize Company-wide risks and share information about them throughout the organization
(2) Collaborate with offices at the head office

Check
Internal Audit Department
Conduct audits to evaluate the effectiveness of the internal control system

Action
Internal Control Committee and others
Review management of the internal control system in response to evaluation results

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 its size and business.

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Response to Risks and Opportunities Surrounding DOCOMO

To realize our medium-term management strategy for sustainable growth in the 2020s, DOCOMO has selected five major risks from a comprehensive list created based on an analysis of the business environment. We are taking various steps to provide new value as measures to address these risks.

For more details about business risks, please refer to the Company's Annual Securities Reports.
https://www.nttdocomo.co.jp/english/corporate/ir/library/report/index.html

Major Risks in FY2019

1. Risk associated with intensifying competition due to new market entrants

The market environment is changing dramatically due to such factors as new market entrants and an increase in users choosing low-cost services provided by Mobile Virtual Network Operators (MVNOs). This could limit the acquisition of new subscriptions and the retention of existing subscriptions by the Group, or it may lead to average revenue per user (ARPU) diminishing at a greater than expected rate.

2. Risk associated with the smart life area and 5G business

If current and new services and usage patterns proposed and introduced by the Group cannot be developed as planned, or if higher than expected expenses arise, the ensuing intensifying competition with other operators could affect the financial condition of our corporate group and limit our growth.

3. Risk associated with the use of personal data and other information

Inadequate handling of confidential business information including personal information by the Group, partners and otherwise may adversely affect our credibility or corporate image.

4. Risk associated with the provision of stable network and other factors

Natural and manmade disasters and other events and incidents could cause failure in our networks, distribution channels and other business necessary for the provision of service, which may adversely affect our credibility or corporate image or lead to a reduction of revenues or an increase of costs.

5. Risk associated with laws, regulations and systems

The introduction or revision of various laws, regulations or systems inside and outside of Japan, or the application of such laws and regulations to the Group, could restrict our business operations, which may adversely affect our financial condition and results of operations.

Measures to Reduce Risks and Create Opportunities

- We will aim to be a company continually chosen by customers through new rate plans started in June 2019; the quality of our networks and services, including after-sales services; and our comprehensive capability to utilize various assets such as our membership base.
- We will maintain and reinforce our customer base by further bolstering our competitiveness through new rate plans and swiftly offering great value to DOCOMO customers.

- We will steadily grow the smart life business by creating new markets in line with the introduction of 5G and becoming a market leader in addition to focusing on fields with remarkable growth in recent years, particularly finance/payment services and enterprise solutions services.
- We will accelerate commercial transactions, strengthen relationships with customers, provide solutions to other companies in collaboration with partners and create a new revenue model by promoting digital marketing based on our membership base.

- We will conduct comprehensive company-wide security management that includes the thorough management of confidential information such as personal information, employee education and the supervision of subcontractors and business partners.
- We will formulate and publicize the NTT DOCOMO Personal Data Charter with the aim of clarifying the appropriate handling of personal data to our customers and enabling them to use our services with peace of mind. We will also make our privacy policy easier to follow in terms of composition and expressions used, and provide tools enabling our customers to design to a certain degree their own policy regarding the internal use and third-party provision of personal information.

- We will endeavor to achieve reliability and stability, expand service area, inspect and improve reception quality, and enhance telecommunications speed. We will also make preparations for wide-area protracted power outages, ensure essential telecommunications and improve reliability, rapidly restore telecommunications services and reinforce our support of disaster-stricken areas.
- We will refine quality in 5G services we will start to provide in 2020 in the same manner as always.
- We will identify trends in cyberattacks, examine our preparations to counter such attacks, strengthen measures against unauthorized access and notify our customers of such problems so they can use our services safely and with peace of mind.

- We will present public comment gathered by the relevant authorities and work to build understanding of the Groups' opinions among stakeholders with regard to changes in administrative and legislative policies and other matters, and the economic climate affecting our business operations.

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Response to the Business Continuity Plan (BCP)

Response to the Business Continuity Plan (BCP)

DOCOMO strives to strengthen initiatives relating to its BCP. In particular, as a communications network operator, our key responsibility is to secure communications networks when disaster strikes. In order to ensure the continuity of operations or, in the event that service is lost, to quickly restore operations to working order, DOCOMO has protocols for each department, outlined in its Disaster Preparedness Manual, for maintaining operations should a disaster occur.

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 the Safety of Employees and Securing Communications in Times of Disaster

DOCOMO has been making various efforts to secure telecommunications services in the event of a major disaster. In addition to developing communications networks (deploying large- and medium zone base stations and implementing other measures) that are resilient against disasters, 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.

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.

Information Security and Privacy Protection

Ensuring Information Security

◢ Information Security Policy Management

DOCOMO recognizes that proper management of information is an important management issue, and to offer secure services to customers we have declared our Information Security Policy as guidelines for the DOCOMO Group's initiatives on information security, and we are committed to thoroughly complying with the Information Security Policy and Privacy Policy. Our Information Security Policy applies to information assets that consist of any information we obtain or learn in the course of our corporate activities, and all information we possess for the purpose of our operations.

To manage such information, we set up the Information Management Committee chaired by the senior executive vice president who also serves as Chief Information Security Officer (CISO) and Chief Privacy Officer (CPO), and an employee responsible for information management has been assigned to each worksite. By establishing a system for speedily implementing information security measures, we are protecting and appropriately managing all information assets in our possession.

If an information security incident occurs, we obtain details about the incident and its impact and inform the Information Security Department about it as well as the General Affairs Department of the head office. A designated committee chaired by the president may be set up depending on the degree of impact.

The use without justifiable reason of confidential communications or confidential and/or personal information that has come to one's knowledge in the course of their duties or leaking or attempting to leak the aforementioned will be subject to disciplinary action in accordance with company regulations.

We are also raising employee awareness of information security using a poster in the offices of all departments and at all docomo Shops that illustrates our CEO's commitment to pursuing information security.

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Information Management System

Information Management Committee (Company-wide)

Chairman, Information Management Committee
CPO: Chief Privacy Officer
CISO: Chief Information Security Officer
(Senior Executive Vice President)

Vice Chairman, Information Management Committee (Managing Director of Information Security Department)

Information Management Committee Member

Executive Office (Information Security Department)

Head Office (Departments, Branches)

Person Responsible for Information Management (Managing Director)

Deputy A

Deputy D

Regional Office

Person Responsible for Information Management (Managing Director of Regional Office)

Deputy (Director of General Affairs, Regional Office)

Regional Office (Departments, Branches)

Person Responsible for Information Management (Managing Director)

Deputy A

Deputy D

(as of July 1, 2019)

🔻 Specific Security Measures

Vulnerability Analysis

At each important stage in the system life cycle from construction to operation, we address vulnerabilities in the in-house system by implementing major security measures in accordance with internal regulations. The division responsible for the system and the division supervising security each monitors progress on the implementation of measures required to address vulnerable information. By following this process we seek to prevent the occurrence of unauthorized access, destruction, leaks and falsification related to our information assets and to minimize damage in the event of such incidents.

Information Security Training and Fostering Awareness

We provide continuous education and training to enhance information security literacy among all employees to implement appropriate management of information assets. These include web-based training and group-based training for raising awareness regarding information security and cyber security. They are provided in accordance with the learning program framework laid down under the General View of DOCOMO Security Education. Top management, other managers, and employees are all required to participate in the program. In fiscal 2018, we conducted training and educational activities focused on dealing with targeted attack and applying information management rules such as the increase in risks associated with environmental change, ways to address relevant regulations, and trends in information security.

Furthermore, we have designated the month of November as "Information Security Awareness Month" to raise employee awareness.

Security Measures by Category

(1) Organizational Security

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

(2) Human Security

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

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(3) Physical Security

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

(4) Technical Security

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

| Information Security Policy
https://www.nttdocomo.co.jp/english/utility/security/

🔻 Major Initiatives for Fiscal 2018

Information including personal information is rigorously managed in accordance with the Information Management Rules and detailed regulations and manuals established in line with the Personal Information Protection Act and other guidelines as stipulated by relevant authorities. Such rules, regulations, and manuals apply to DOCOMO's outside contractors and partner companies as well.

In addition, we are pushing ahead with initiatives to address changes in the environment surrounding information security such as the General Data Protection Regulation (GDPR) in the E.U. and the revised Installment Sales Act (relevant to the Payment Card Industry Data Security Standard). As for countermeasures to cyber-attacks, we have set up an organization dedicated to implementing necessary security measures to monitor attacks, make internal and external contacts, and carry out other measures in response to incidents.

We are continuing to develop experts on information security and raising employee awareness in the field.

During Information Security Awareness Month in fiscal 2018, the senior executive vice president who also serves as chief information security officer (CISO) and the managing director of the Information Security Department sent out heads-up messages to employees, and we also conducted web-based training as well as drills simulating targeted email attacks on specific individuals or organizations. The drill was carried out from September to November 2018.

We seek to reinforce information security across the DOCOMO Group through these initiatives that promote maintaining and increasing each employee's understanding of information security while also attempting to foster an awareness of compliance.

Protection of Data Privacy

🔻 Establishing the Guidelines and Structure for Protecting Personal Information

DOCOMO believes that recognizing the importance of personal information and ensuring thorough protection represent its chief responsibility in its business. We strive to protect personal information by creating guidelines on providing security and reliability to customers, stipulating and disclosing our Privacy Policy, and applying these guidelines and policy to all Group companies, including subsidiaries.

When obtaining, using or providing personal information or handling anonymized information, we comply with the Personal Information Protection Act and other relevant laws and regulations and respond promptly to revisions under an established management system for protecting personal information. Also, we appropriately and carefully handle the information in accordance with internal rules. We inform our customers about the content of the personal information handled by the DOCOMO Group, clauses requiring customer approval for the use of data, policy on disclosure to third parties and other information by publishing them in the Privacy Policy. At docomo Shops, we only collect and retain customer information required for signing telecommunications business contracts and information within the scope approved by customers after clearly stating the intended use of such information. Also, any information we provide to a third party is strictly limited to the scope approved by the customer.

In compliance with the EU General Data Protection Regulation (GDPR), a new framework for personal information in the E.U. that sets out rules pertaining to personal data, we identified the services that fell under the scope of the regulation, held various GDPR-related training sessions to establish a firm awareness among all employees and formulated a GDPR Compliance Manual in May 2018 to reinforce the internal system.

There were no incidents warranting administrative guidance or legal violations related to information leakage incidents or complaints within the DOCOMO Group in fiscal 2018.

The number of cases involving leakage of personal information and theft or misplacement of data is shown in the following chart. DOCOMO reports on the occurrence of such incidents through its corporate website.

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Number of cases involving leakage, theft, or misplacement of personal information

(Cases)

	2015	2016	2017	2018
Number of Cases	0	1	0	0

Privacy Policy
https://www.nttdocomo.co.jp/english/utility/privacy/index.html

◤ Use of Personal Data

A Progress related to artificial intelligence (AI) and IoT has brought forth diverse products and services that utilize big data. We are seeing that initiatives which work toward creating new value are gaining speed throughout our society. Guided by its corporate philosophy of "creating a new world of communications culture," DOCOMO is continuing its challenge to create innovation in order to realize a rich future. We will leverage our customers' personal data and data on various things and experiences as well as technologies such as AI that create various types of wisdom through the gathered data. Then we will give or return the data to our customers and society by generating new value.

　Meanwhile, we consider it our mission to protect and pay due consideration to our customers' privacy as well as to comply with laws and regulations when using the customers' particularly important personal data. DOCOMO has and will act upon a strong faith to continue living up to the trust of its customers by handling personal data with responsibility.

　We established the Personal Data Charter in May 1, 2018 as a company policy on the use of data. Also, we set out the following six principles of action which we comply with when using the data to offer optimum privacy protection for customers and continuously offer new value to customers and society by leveraging data.

◤ NTT DOCOMO Personal Data Charter

NTT DOCOMO Personal Data Charter
Behavioral Principles for Innovation Creation

Guided by its corporate philosophy of "creating a new world of communications culture," DOCOMO is continuing its challenge to create innovation in order to realize a rich future. We view our innovation as connecting every experience and everyday items in order to offer comfort and aspirations to our customers and also as generating new solutions for the various challenges in our society to create a future where all people, regardless of nationality, region or age, can lead rich and comfortable lives. We will provide every customer with the optimum information and happiness they can discover while keeping a step ahead in terms of safety and security, health, and learning how to enjoy life. Moreover, we will support business innovation that leads to realizing our philosophy and initiatives for addressing social issues.

　We are committed to making things better and seeking harmony with society as well as creating an ideal future together with customers. Furthermore, we will leverage our customers' personal data and data on various things and experiences as well as technologies such as AI that create various types of wisdom through the gathered data. Then we will give or return the data to our customers and society by generating new value.

　DOCOMO recognizes its duty as protecting and paying due consideration to customer privacy as well as complying with laws and regulations when using the particularly important personal data. While some customers may feel uncomfortable or experience concern over the use of their personal data, DOCOMO has and will act in good faith to keep living up to the trust of its customers and to continue providing a sense of security by responsibly handling personal data. Also, we will further cherish our bond with customers and earnestly listen to them. We will not stop on our path to discover new value that can be offered to customers and society by leveraging data and to find the best answers for protecting the privacy of every customer. We believe that the key lies in constantly considering and communicating with customers.

　In order to offer optimum privacy protection for customers and continuously offer new value to customers and society by leveraging data, we will abide by the following principle of action as a basis of decision-making whenever we handle the personal data of customers in the course of our business activity.

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🚩 Six Principles of Action of the NTT DOCOMO Personal Data Charter

Principle of Action

Value Communication with Customers and Ensure Transparency
- We will ensure transparency to promote customer understanding of how we collect and use personal data.
- We will use plain language, information summaries and videos to simply explain how we collect and use personal data to promote customer understanding.
- We will offer sufficient communication to eliminate customer's anxiety or concerns and ease their minds.

Consider Customer Benefits and Serving Society
- We will offer new value to customers and society by leveraging personal data.
- Before using personal data, we will consider whether such use will benefit customers or contribute to society and will not use it in any way that may damage the trust of our customers.
- We will pay due consideration to customer feelings when collecting and using personal data and will properly and legally conduct such activities.

Respect Each Customer's Desire
- In view of the fact that each customer feels differently about the use of personal data, we will take into account the nature of personal data and the way it is used and then offer options such as an opt-out that allows customers to personally decide on the use of personal data.
- We will strive to provide options that are simple and easy to understand.

*Details of the Principle of Action and its use will be constantly examined and reviewed as necessary to ensure our ability to continue living up to the trust of our customers.

Pay Due Consideration to Customer Privacy in the Same Way as Collaborating with Partners
- In our effort to deliver new value to customers and society through cooperation with partners, such as open innovation, we will not only comply with laws but also pay due consideration to customer privacy when providing personal data, de-identified, or statistical data to partners.
- We will provide information to our partners in an appropriate manner while conforming to the nature of the information that is to be provided, for example, by confirming the reliability of the partner or limiting the use of or provision of information by each partner.

Implement Appropriate Security Measures to Protect the Personal Data of Customers
- We will protect customer information from leakage, theft, alteration, or other incident by adopting appropriate organizational, personal, physical, and/or technical approaches.
- We will regularly assess information security and implement measures to mitigate security risks.

Maintain and Operate a System to Promote Customer Privacy Protection
- We will abide by the principle of Privacy by Design and pay due consideration to the privacy of our customers when developing new products or services.
- We will rigorously pay consideration to privacy matters by continuing to conduct internal training, including education and information-sharing for those who handle the personal data of our customers.
- We will maintain and operate a system for assessing the impacts on customer privacy that accompany the use of personal data by establishing an advisory body within the Company to conduct a privacy impact assessment.

NTT DOCOMO Personal Data Charter (in Japanese only)
https://www.nttdocomo.co.jp/utility/personal_data/charter/index.html

🚩 Personal Information Management and Employee Education

The number of employees with access to systems that manage customer information is kept to the minimum, and the information accessible to each employee is specified and limited. Biometric authentication* is required to use the system and access logs are regularly reviewed. Moreover, information is encrypted, rendering it useless in the event of unauthorized removal. We seek to ensure the accuracy and security of personal information by implementing these and other rational measures that address risks such as illegal access to personal information and leakage, loss and damage of personal information.

Along with these measures, we provide training at least once a year for all employees and executives, including temporary staff, and web-based training suited to each career level to ensure that security management measures are implemented and personal information is being handled in an appropriate manner.

*Biometric authentication confirms the identity of an individual by identifying physical characteristics such as fingerprints and facial features as well as voice.

Further Reinforcement of Information Security and Data Privacy Protection to Address the Increasingly Sophisticated and Serious Threats to Security

Threats against information security is increasing year after year as can be seen in malware that initiates targeted attacks by accessing company systems or illegal access made through Internet. One pillar for expanding the smart life business is "+d," a collaborative effort with other industries for addressing social issues. As the sharing of information with +d partner companies increase, cyberattacks targeting our partners

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may emerge as an information security risk for DOCOMO. DOCOMO is further reinforcing information security by building an advanced information security system, holding cyber-attack drills, and carrying out information security education to address information threats that have become more sophisticated and serious.

In addition, treatment of personal data, or data privacy, has become more complex over time. Upon the enactment of the General Data Protection Regulation (GDPR) in the E.U. in May 2018, we formulated response manuals, held training, implemented a privacy impact assessment and initiated other measures. We will continue our efforts to protect data privacy by pursuing the protection and appropriate handling of personal data.

◤ Security Measures at docomo Shops and Subcontractors

We provide training focused on information security at least once a year for docomo Shop staff and also support educational activities by issuing "Security News," a compilation of security issues the shops are likely to experience. Also, since the risk of information leakage is highest at the point of sales, we conduct rigorous audits to check whether information is being managed appropriately, including quarterly branch audits and monthly self-inspections. We select subcontractors after confirming that they handle personal information appropriately, and our outsourcing agreements include clauses on security management measures, confidentiality, conditions for recommissioning and other issues related to the handling of personal information, and we provide the necessary and appropriate supervision.

◤ Security Measures at +d Partners

DOCOMO carries out appropriate management against "+d" partner companies by requesting that they comply with the Personal Information Protection Law and follow guidelines issued by ministries and agencies as well as public organizations. Other measures taken to protect personal information include obtaining a customer's consent prior to sharing their personal information with partner companies.

Compliance

Basic Policies and Philosophy

The foundation of our compliance management is to promote strict observance of the NTT DOCOMO Group Code of Ethics and respect for human rights among all employees while continuing to meet the steadily increasing demands and expectations of society based on high ethical standards.

We have built a Compliance Management System, centered on the Compliance Committee, and we are implementing a range of compliance-related initiatives. For example, we have created a system to support employees seeking consultation or filing a report on illegal or fraudulent incidents they have observed, assigned employees with responsibility for compliance promotion in all divisions, and implemented training in ethics and legal compliance for all employees. Moreover, we have conducted a compliance and human rights awareness survey of every employee, the results of which have been reflected in our measures to ensure compliance. Through such efforts, we are working to further advance ethical views.

We delivered messages through our intranet and the president's speech on the thorough enforcement of compliance aimed at achieving the "Declaration beyond" as

well as reinforcing defensive governance measure to enhance corporate value. Furthermore, when there is a conflict between ethics and the pursuit of profit, we will place top priority on corporate ethics. We believe that these initiatives will find a balance between customer service improvement and corporate sustainable development.

NTT DOCOMO Group Code of Ethics

The DOCOMO Group seeks to develop a shared awareness and thorough understanding of the basics of compliance, which should serve as the foundation of management. To that end, we are developing our ethical standards through ten defining articles, 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 developed as a standard to be observed globally.

❙NTT DOCOMO Group Code of Ethics
https://www.nttdocomo.co.jp/english/corporate/about/group_ethic/index.html

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Compliance Management Regulations

The Compliance Management Regulations define the standard issues for promoting activities aimed at establishing legal compliance and corporate ethics, which DOCOMO pursues from the standpoint of its corporate social responsibility. These regulations apply to all individuals employed by DOCOMO, including officers and outside directors, full-time employees and temporary staff.

Compliance Management System

DOCOMO has established the Compliance Committee at its head office and each branch and Group company to ensure that employees know and understand the NTT DOCOMO Group Code of Ethics. The committee decides on policies related to legal and ethical compliance and identifies issues and areas in need of improvement in terms of compliance management.

It also monitors the progress of activities that promote compliance. The committee at DOCOMO's head office is chaired by the president and CEO and comprises the executive vice president, executive general manager of regional offices, general manager of each division and Audit & Supervisory Board members and others appointed by the chairperson as needed.

The Compliance Committee deliberates on matters such as the details of initiatives for the current fiscal year while reflecting the results of the previous year's initiatives as well as the situation or trend analysis based on whistleblowing reports made during the prior year. Important matters, including the foregoing, are reported at the meeting of the Board of Directors.

|Compliance Management System
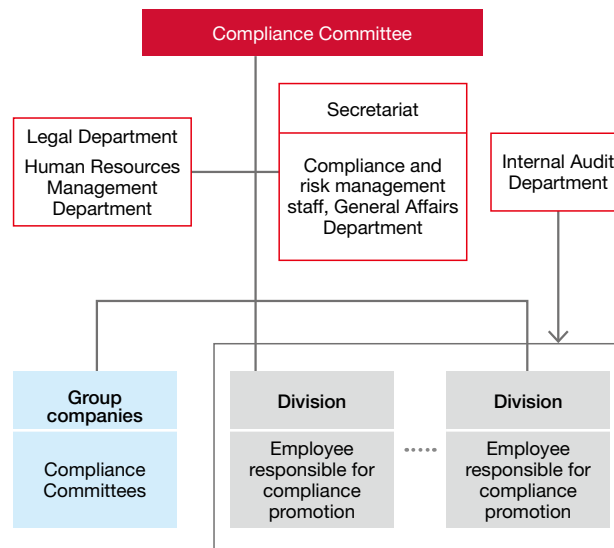
• **Employees responsible for compliance promotion**
Assigned in all divisions to create an implementation plan for legal and ethical compliance for their respective organizations to identify compliance risks, to develop deeper sense of respect for human rights as well as to create measures for improving inappropriate aspects.

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 (RCL)**
Appointed by employees responsible for compliance promotion to take the initiative in promoting risk management, compliance and human rights practice 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 suppliers as well as DOCOMO Group employees and docomo Shop staff, for the prevention and early detection of compliance or risks related to human rights. Whistleblowing desks for compliance and human rights have been set up, as has an external channel at a legal office outside the Company for the purpose of ensuring 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 by delivering email magazines and distributing posters. The topic of the consultation or report is investigated as needed by the Compliance Committee Office and Human Rights Committee Office in coordination with relevant employees responsible for compliance promotion (heads of organizations) and RCLs. Any confirmed incidence of noncompliance is immediately reported to the director responsible for corporate ethics and

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other members of management, as well as members of the Audit & Supervisory Board. 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 while also being used as topics in compliance training.

A total of 114 cases were brought to consultation in fiscal 2018. While the efforts for the workstyle reform have successfully promoted autonomy in the work environment, the number of reports relating to time and attendance management issues increased. However, the number of reports on misconduct involving economic incentives, such as the personal use of equipment, continues to decline.

All confirmed compliance violations are subject to disciplinary action in accordance with company regulations.

❘ Number of Consultations on Compliance over the Past Four Years

	FY2015	FY2016	FY2017	FY2018
Consultations on compliance	83	111	111	114
Compliance violations	39	50	57	56
Unauthorized use of expenses, etc.	2	9	5	2
Harassment	26	18	17	15
Other compliance violations	11	23	35	39
No violations	44	61	54	58

❘ Compliance Whistleblowing Desk System
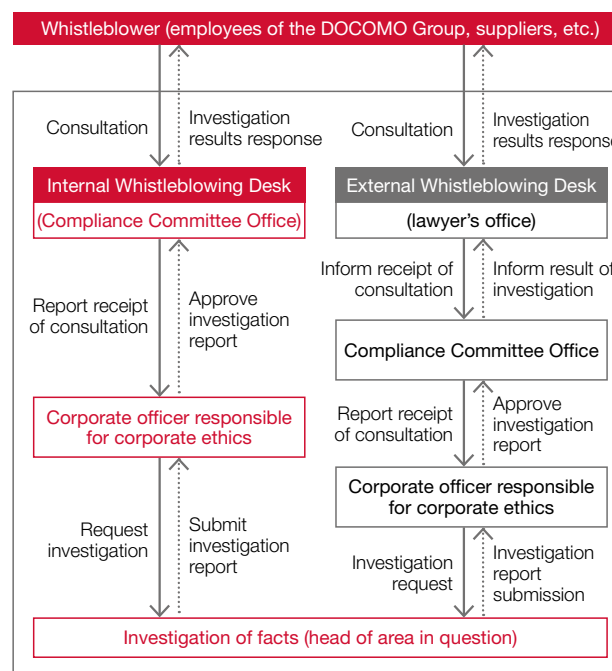
Status of Initiatives on Compliance
◤ Ongoing Compliance Training
Training is conducted every year to raise awareness of compliance among corporate officers and employees (including temporary staff).

In web-based training for all employees of branches and Group companies (20 out of all consolidated subsidiaries), employees take part in discussions afterward to share their thoughts on compliance and human rights in an ongoing effort to raise awareness of compliance among all employees. RCLs, tasked with promoting compliance activities in their respective departments,

are trained to create a common awareness of the roles expected of leaders and share information. A compliance seminar exclusively for members of upper management is also held.

In fiscal 2018, we held training programs for newly appointed senior managers in addition to newly appointed managers and employees on loan to subsidiaries and Group companies. In light of the large number of reports on supervisor harassment of subordinates, we conducted training for some supervisors for the first time with the objective of pushing them to recognize potential power harassment through individual counselling in order to prevent and reduce the problem.

◤ Dissemination of Compliance Violations and Educational Activities
We regularly issue the Human Rights Mini-Knowledge Series on an internal 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.

Also, we review the status of our Group-wide initiatives on compliance and human rights education in the quarterly "Compliance Report" and report on the number and details of actual compliance violations at regular meetings to request that each organization implement measures that may prevent the occurrence and recurrence of such incidents. And we seek to spread awareness of both compliance and human rights by sharing that information with all Group employees.

In addition, directors twice a year call for special attention to all Group employees, from whom compliance with laws, regulations, rules, morals and manners are expected. This initiative includes not only engaging in inappropriate conduct that accompanies alcohol but also no smartphone-distracted walking as a DOCOMO Group employee.

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🔻 Survey on Compliance and Human Rights

The DOCOMO Group conducts a unified employee survey on compliance and human rights every year.

Analysis of the survey conducted to all Group employees including temporary staff—a total of about 40,000 persons—showed that positive results have been maintained at high levels for each surveyed item, including communication.

In consideration of comments such as "nothing is being done to address our claims in surveys against harassment or compliance violations," and "please find a way to receive an SOS from those who cannot come forward to the whistleblowing desk even if they want to," we accepted consultation and reports in fiscal 2018 on matters related to compliance and human rights along with the survey. As a result, 85 cases were reported and 15 were investigated and addressed.

▌Employee Survey

Category	Content		(Previous) Aug. 2017	(Latest) Oct. 2018
Communi-cation	Res-pondent	(1) Seeks to communicate with the colleague by initiating the conversation	96.2	96.0
		(2) Seeks to communicate with the supervisor by initiating the conversation	92.1	91.0
	Supervisor	(3) Seeks to communicate with subordinates by initiating the conversation	94.2	93.7
	Organization head	(4) Seeks to communicate with subordinates by initiating the conversation	91.6	92.2

🔻 Initiatives for Preventing Bribery

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

To ensure thorough compliance with these laws, DOCOMO established its 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 bribery. These guidelines were revised after the Bribery Act was implemented in the U.K. and regulations were tightened in some other countries.

In fiscal 2014, the NTT Group created the "Anti-Bribery Handbook" as a tool for raising employee awareness. The handbook contains basic knowledge and examples of bribery and facilitation payments. It also covers even broader themes than the Guidelines on the Prevention of Bribery of Foreign Public Officials. The DOCOMO Group has sought to encourage understanding by distributing the Japanese and English language versions of the handbook to Group companies in and outside Japan in fiscal 2015. We have sought to bolster our efforts against bribery among Group companies by encouraging them to construct a system of compliance in accordance with the Code of Ethics, guidelines and the handbook while paying due consideration to the business models of each company and to the laws of the countries in which they are located. We will further bolster our efforts against bribery by holding training and organizing study groups to fully educate our employees.

▌NTT Group Anti-Bribery Handbook
https://www.ntt.co.jp/csr_e/governance/pdf/anti_bribery_handbook.pdf

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

Table of Contents
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

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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.

No legislative measures were taken against us, nor were we exposed to bribery or facilitation payments in fiscal 2018. Furthermore, prior to the season for sending summer gifts (ochugen) and winter gifts (oseibo), directors warn all Group employees to refrain from making any inappropriate payments to government officials or other public employees. This is to make them aware of compliance with regulations and to uphold ethics regarding gifts such as ochugen. 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 donations, we make it absolutely clear that donations are to be extended through legitimate channels in accordance with the NTT DOCOMO Group Code of Ethics and NTT DOCOMO Guidelines for CSR in Supply Chain, and in compliance with the Political Funds Control Law in Japan. In fiscal 2018, DOCOMO made political donations totaling 7.0 million yen in Japan.

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

	FY2015	FY2016	FY2017	FY2018
Number of legislative measures/exposures	0	0	0	0

Political Donations (million yen)

	FY2015	FY2016	FY2017	FY2018
Political Donations (telecommunications administration)	7.0	7.0	7.0	7.0

◤ Initiatives on Fair Competition

In addition to the Antimonopoly Act, which constitutes the common rules of competition, NTT DOCOMO is also governed by articles of the Telecommunications Business Law, which are intended to promote fair competition in accordance with the special nature of the telecommunications business. To develop a fair and unrestricted competitive environment, the Fair Trade Commission and the Ministry of Internal Affairs and Communication formulated the "Guidelines for Promotion of Competition in the Telecommunications Business Field," which reflects their declared policy on the manner in which the Antimonopoly Act and the Telecommunications Business Law are respectively applied.

Regulations Governing the Telecommunications Business
Specific problems are shown below.

Telecommunications Business Law	Antimonopoly Act
Regulations governing dominant market operators ・Obligation to ensure interconnection ・Obligation to formulate report, and disclose Articles of Agreement ・Concerning interconnection ・Obligation to disclose accounting information ・Ban on anti-competitive practices　　・Obligation to ensure interconnectivity	・Ban on private monopolies ・Ban on unreasonable restraint of trade ・Ban on unfair business practices, etc.

Dominant carriers in the telecommunications market	Other telecommunications operators

Fleshed out in the Guidelines for Promotion of Competition in the Telecommunications Business Field

To ensure compliance with these laws and regulations, the NTT DOCOMO Group has consistently conducted training on fair competition online and by other means for all employees at its headquarters as well as employees at functional subsidiaries that bear some responsibility for corporate marketing and marketing through sales representatives. About 27,000 participants took part in the most recent training.

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 December 2017, the Ministry of Internal Affairs and Communications held an "Investigative Commission on Promoting Fair Competition in Mobile Market." The commission requests the promotion of fair competition in the mobile phone market, including MVNO, through approaches such as revising the renewal method of a two-year subscription to a more reasonable contract.

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 2018, it again issued a report that pointed out practices that may create anti-monopoly issues, such as the practice of selling communications services and mobile terminals in a single package, a contract that states a contract period restriction and automatic renewal, plans based on a presupposition that the subscriber will trade in an old mobile phone or continue their subscription in the same program, a SIM lock, and the distribution of used devices.

In view of these developments, the DOCOMO Group will continue to provide pricing and services that comply with laws, regulations and guidelines as it strives to maintain and promote free and fair competition in the telecommunications market.

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◥ Avoiding Conflicts of Interest

Conflicts of interest are regulated under national laws 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.

A specific case may be when a member of senior management seeks to engage in a business transaction that may result in a conflict of interest. This requires prior approval by the Board of Directors if the member is a director or by the director responsible for corporate ethics. The director in question is not permitted to take part in the decision made by the Board of Directors.

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

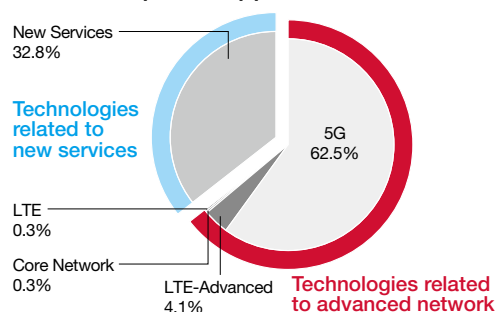### ◥ Intellectual Property Initiatives

DOCOMO respects the intellectual property rights of other companies, even as we expand the scope of our own intellectual property management to increase the domestic and international competitiveness of our business.

For example, DOCOMO has promoted the research and development of technologies related to upgrading its networks such as W-CDMA, LTE, LTE-Advanced, and 5G as well as technologies related to new services such as AI and IoT, with the ultimate goal of enhancing mobile experiences for customers. As a result of encouraging patent applications for these technologies, as of March 31, 2018, DOCOMO holds around 4,100 patents in Japan and 7,200 patents overseas.

❘Patent Applications

Number of patent applications: 939

- New Services 32.8%
- Technologies related to new services
- LTE 0.3%
- Core Network 0.3%
- LTE-Advanced 4.1%
- 5G 62.5%
- Technologies related to advanced network

Intellectual Property Training for Employees

In view of the growing importance of intellectual property, DOCOMO has been encouraging employees to gain a deeper understanding of their relationship with intellectual property and its impact on daily operations through ongoing web-based training and annual group seminars. Moreover, we have developed an intellectual property handbook, which is available on the corporate intranet site 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.

Tax Planning Strategy

Tax Planning Principles

All executives and employees of the NTT DOCOMO Group, regardless of the country in which they operate, will not only comply with laws, social norms and internal rules but will also adhere to the highest ethical standards in both their public and private activities. With this fundamental principle we handle practical tax matters by establishing internal rules and strive to maintain and enhance compliance through measures such as employee training.

In accordance with the Tax Policy, established by the NTT Group, all DOCOMO Group companies (consolidated subsidiaries) strive to maintain and improve their tax compliance by providing employee education and supervision and improving operational efficiencies to comply with regulations and fulfill their tax obligations. With respect to the application of preferential tax treatment, we will not interpret, apply or seek tax savings in a manner that is unlawful or not presumed by the laws and regulations. We strive to optimize the tax burden for the DOCOMO Group as a whole through the appropriate and effective use of tax incentives for research and development and other preferential tax treatment. In addition, with respect to transactions that carry potentially high taxation risks, we strive to reduce taxation risks by studying the transaction thoroughly before engaging in the business.

In view of the increasingly multinational nature of the NTT DOCOMO Group companies and rise in international transactions in and outside of the Group, as well as a strengthening of taxation by the tax authorities of countries, the importance of risk management has increased for transfer pricing taxation, tax haven countermeasures and other important tax systems related to international taxation, for which we will take the measures described below.

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▶Strategic Shareholding   ▶Brand Management

(1) Transfer Pricing Taxation
- Transaction prices applied in the NTT DOCOMO Group's international transactions will be calculated in accordance with the laws and regulations of each country and the Transfer Pricing Guidelines published by the Organization for Economic Cooperation and Development as well as in accordance with the arm's length principle.
- When the laws and regulations of countries and regions require documentation of the method of price calculation or where such documentation is required due to factors such as the size of the transaction or possible taxation risks, we will prepare the relevant documentation in an appropriate manner.

(2) Anti-Tax Haven Rules
- When investing in a low-tax country or when a country or region in which we operate is newly categorized as a low-tax country due to the lowering of the tax rate, we will determine whether or not the anti-tax haven rules apply to the investment or operation based on the laws and regulations of the country or region. Where the rules do apply, we will make our tax payments by self-assessment in an appropriate manner by adding the income of the target company to that of the parent company. Where we are exempted from anti-tax haven rules, we clarify the process that has led to such a decision.

These guidelines are being observed by all consolidated subsidiaries of the NTT DOCOMO Group. Furthermore, in order to reduce the long-term tax burden ratio, we are working with the Japanese business community to request tax reform that contributes to the sustainable growth and strengthening of international competitiveness of Japanese companies.

Relationship with Tax Authorities

The DOCOMO Group strives to communicate with the tax authorities and maintain good relations with them while also providing them with explanations based on facts and responding in good faith and with sincerity.

We will respond to any issue indicated by the authorities by promptly identifying the cause and then implementing appropriate measures for correction and improvement to prevent a recurrence except in the events that we are filing a formal objection or seeking litigation against measures and opinions taken by the tax authorities.

Tax Payment Track Record and Reporting

The DOCOMO Group pays the taxes associated with its business management in an appropriate manner by complying with the related laws and regulations. Income taxes after adjustments for fiscal 2018 were 337,784 million yen, and the tax burden ratio to pretax income was 33.6%.

Strategic Shareholding

DOCOMO seeks to bolster ties with partner companies in various industry and works to strengthen cooperation as well to increase its medium- to long-term corporate value. In light of these initiatives, DOCOMO's Board of Directors examines the effect of holding or reducing strategic shares on the Company's medium- to long-term corporate value. DOCOMO does not and will not engage in cross-shareholding as a means of creating long-term shareholder relationships.

Brand Management

Corporate Identity
◤ **Origin of the Company Name**
The Company name is an abbreviation for "Do Communications Over The Mobile Network" and reflects the aspiration and commitment of all our employees to seek customer satisfaction wherever they are and in whatever situation.

◤ **Corporate Logo**
The logo is written in small letters and in the custom color of "DOCOMO red." It expresses DOCOMO's new brand image of "Human Touch," "Glimpse into the Future" and "Security and Reliability" as well as our desire to encourage people to feel an even greater affinity with the brand and a sense of expectation for the changes that DOCOMO will undergo.

We chose red for its dynamic, uplifting impression as a vigorous statement of our corporate stance on innovation.

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SUSTAINABILITY REPORT 2019

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　　　　Strategic Shareholding　▶Brand Management

Brand Slogan and Statement

DOCOMO upholds "the new of today, the norm of tomorrow" as its brand vision. Our slogan reflects the spirit of challenge with which we pursue innovations to provide greater convenience and comfort to the daily lives of our customers.

◥ Brand Slogan

The new of today, the norm of tomorrow

◥ Brand Statement

DOCOMO has embarked on a new challenge:
connecting the separate elements of daily life
to achieve levels of convenience and enjoyment never seen before.
We call it "smart innovation."
Security and peace of mind, health, education,
and all the other pleasures that go to make up life—
we are proposing optimum connections for each individual, taking the provision of information and enjoyment of life a giant step forward. To make this a reality, we are supporting innovation across a wide range of businesses. And beyond this, we are also actively developing novel solutions to the challenges facing society. This culture of challenge and innovation is deeply rooted at DOCOMO. For us, however, it's not simply about creating products and services that are new; it's about creating things that, before you know it, become essential or even taken for granted in daily life.
We firmly believe the lifestyles that "smart innovation" makes possible will become the standard, so deeply ingrained they are hardly noticed.
We envisage a time when the new becomes everybody's taken-for-granted standard, and we are working toward that day with everything at our command.

Brand System

NTT DOCOMO Corporate Brand (Carrier Brand)

Service Brands

Network Services
Premium 4G, Xi, FOMA, docomo Hikari, etc.

Communications Services/New Service Domains (Provided by DOCOMO, Inc.)
iD, Anshin Security, Ichioshi Pack, Sugotoku-Content, DAZN for docomo, d account, d anime store, d apps & review, d enjoy pass, d car sharing
　　d CARD, d kids, d gourmet, d game, d shopping d job, dTV, dTV channel, d delivery, d travel, d Payment, d hits, d fashion, d photo, d book, d healthcare, d POINT CLUB, d market, d magazines, d meal kit, d music, d menu, Disney DELUXE, docomo anshin-scan, docomo Service Pack, docomo Map Navi, Hikari TV for docomo, FACE LOG, +Message, Point Investment, my daiz, etc.

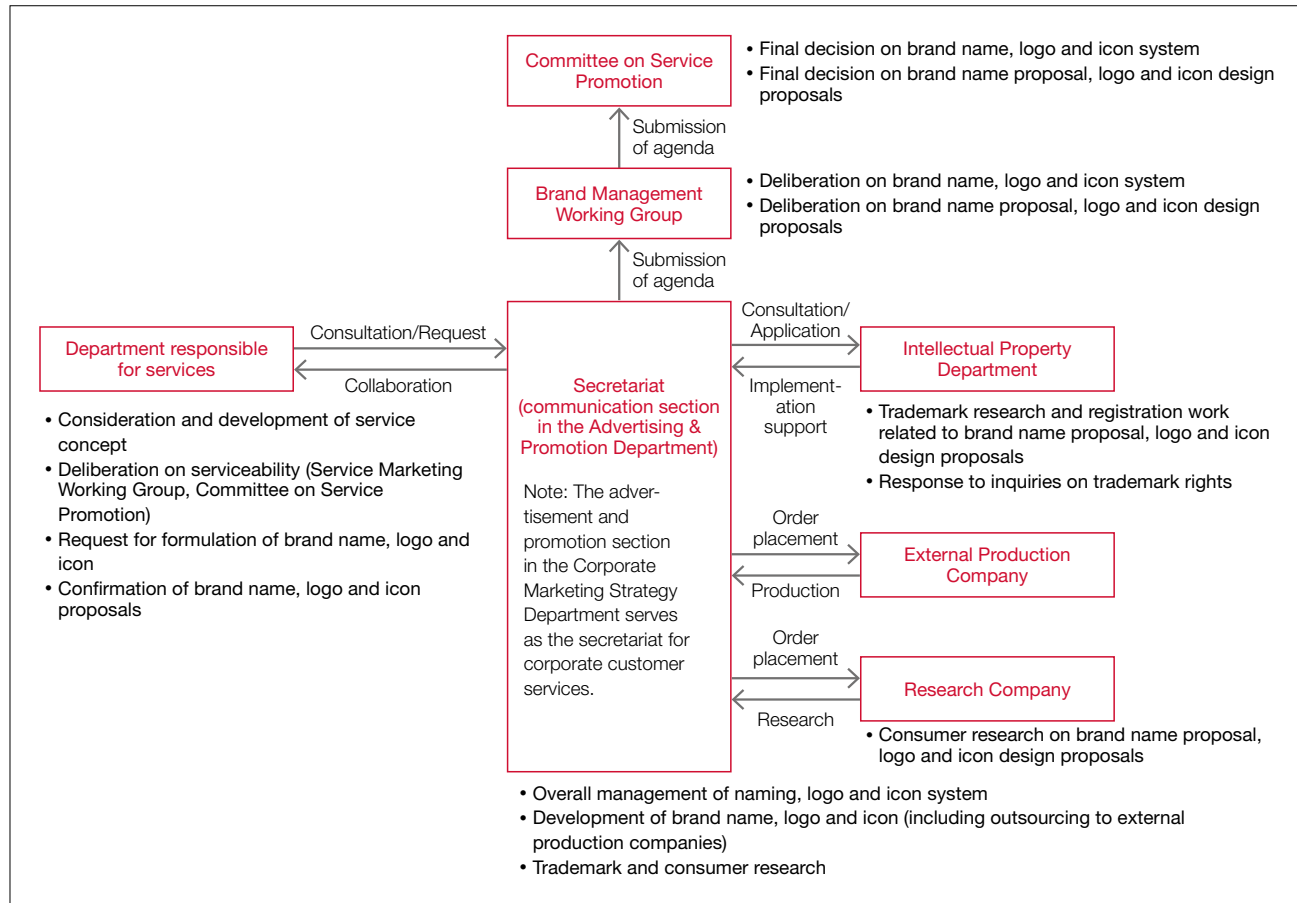**New Service Domains (Provided by Subsidiaries)**
Karada no Tokei WM, Karada no Kimochi, Shop Japan, Tower Records, MAGASEEK, ModuleApps, Mirai Translator^{TM}, etc.

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       Strategic Shareholding   ▶Brand Management

Management of Names, Logos and Icons

We formulated the Guidelines on Naming, Logos and Icons to systematically manage these aspects of services provided by DOCOMO, with implementation confirmed by the Brand Management Working Group and secretariat.

▌Management of Names, Logos and Icons

Committee on Service Promotion
- Final decision on brand name, logo and icon system
- Final decision on brand name proposal, logo and icon design proposals

Submission of agenda

Brand Management Working Group
- Deliberation on brand name, logo and icon system
- Deliberation on brand name proposal, logo and icon design proposals

Submission of agenda

Department responsible for services
Consultation/Request →
Collaboration

- Consideration and development of service concept
- Deliberation on serviceability (Service Marketing Working Group, Committee on Service Promotion)
- Request for formulation of brand name, logo and icon
- Confirmation of brand name, logo and icon proposals

Secretariat (communication section in the Advertising & Promotion Department)

Note: The advertisement and promotion section in the Corporate Marketing Strategy Department serves as the secretariat for corporate customer services.

Consultation/Application →
Implementation support

Intellectual Property Department
- Trademark research and registration work related to brand name proposal, logo and icon design proposals
- Response to inquiries on trademark rights

Order placement →
Production

External Production Company

Order placement →
Research

Research Company
- Consumer research on brand name proposal, logo and icon design proposals

- Overall management of naming, logo and icon system
- Development of brand name, logo and icon (including outsourcing to external production companies)
- Trademark and consumer research

Brand Management Indicators

With regard to our corporate brand, we closely monitor indicators such as the TOYO KEIZAI, INC.'s CSR Company Ranking (ranked first in 2018), Health and Productivity Management (White 500) recognition for personnel-related issues, and ESG indices such as the Dow Jones Sustainability Indices for investor relations and corporate social responsibility.

Brand Recognition and External Assessment

The DOCOMO brand is highly regarded in Japan.

▌Top Five Japanese Brands Recognized in Japan

2019 Ranking	2018 Ranking	Brand Name	Sector	Brand Value (USD million)
1	1	NTT DOCOMO	Tele-communication	9, 732
2	2	SoftBank	Tele-communication	5,523
3	3	au	Tele-communication	4, 685
4	4	Recruit	Media	3,947
5	5	Rakuten	Internet Service	2,626

Source: Interbrand Japan, "Japan's Best Domestic Brands 2018"

▌Political Donations

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Strategic Shareholding   ▶Brand Management

Use of Social Media

When using social media as a communication tool with customers, the NTT DOCOMO Group will conduct operations based on the social media policy on the right.

NTT DOCOMO Group's Social Media Policy

NTT DOCOMO Group will abide by the code of conduct and basic rules defined below as the social media policy when using official social media.

1. Purposes of this policy

(1) To promote communication by appropriate means

(2) To always have self-awareness and responsibility as a DOCOMO Group member when using social media

2. Definition of social media

Social media is defined as media that allows the general public to communicate with each other through information posted by individuals using the Internet and web technologies.

3. Basic rules to follow when using social media

(1) To always respect and listen carefully to those you communicate with

(2) To clarify the purpose of communication and provide valuable information

(3) To use easy to understand language

(4) To understand the characteristics of digital tools, such as instant transmission and inability to cancel it

(5) To fully respect privacy

(6) To fully respect copyrights

4. Information for customers

Information posted on a social media site by an administrator who operates an account approved by DOCOMO is not always posted after it has been verified due to the characteristics of social media. In that regard, such information should not be regarded as official announcements and statements from DOCOMO. Please note that such information may be corrected later. Official announcements and statements from DOCOMO are posted on DOCOMO's website.

Specific operations (support hours and whether or not or how to respond to inquiries) vary depending on the account.

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Editorial Policy and Organizational Profile

Editorial Policy

Editorial Points

The NTT DOCOMO Group has been issuing an annual CSR Report to further dialogue with stakeholders. It summarizes DOCOMO's philosophy and initiatives relating to corporate social responsibility (CSR). In fiscal 2014, we reviewed past content from the standpoint of information disclosure and revised it so that readers could better understand DOCOMO's potential for value creation into the future, and we produced the Sustainability Report 2014. The publication of the Sustainability Report 2019 marks the sixth year of our efforts. For the reports, we compiled data based on boundaries related to our core communications business to provide a comprehensive report on our CSR philosophy and various initiatives in accordance with the GRI Sustainability Reporting Guidelines. New content in this 2019 report includes an overview of DOCOMO's business as well as highlights of its activities related to sustainability (pages 3–5).

Detailed information on our initiatives and data that are not contained in this PDF can be found on our corporate website. We have also created a CSR website named For ONEs to facilitate a better understanding of our CSR initiatives.

For customers who use NTT DOCOMO Group products and services, we also issued the NTT DOCOMO Group CSR Communication Book, a concise printed report in a reader-friendly format on topics we are particularly keen to communicate.

For detailed information on DOCOMO's business strategies and activities, please see the Integrated Report.

| Integrated Report
https://www.nttdocomo.co.jp/english/corporate/ir/library/annual/index.html

Period Covered

The report generally covers fiscal 2018, from April 1, 2018 to March 31, 2019, although some information pertains to time periods before or after fiscal 2018.

Report Scope of Organizations

The report applies to the DOCOMO Group, which consists of NTT DOCOMO, INC. and its 12 functional subsidiaries.

Where there are exceptions to this rule, the names of applicable companies are clearly identified, and "DOCOMO" refers to NTT DOCOMO, INC.

Twelve functional subsidiaries (as of March 31, 2019):
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., DOCOMO Systems, Inc., DOCOMO Technology, Inc.

Reference Guidelines

• GRI Sustainability Reporting Standards 2016/2018
• Environmental Reporting Guidelines FY2018 Version, Japan Ministry of the Environment
• ISO 26000 (Guidance on Social Responsibility)
• SASB Sustainability Accounting Standards

Published

October 2019
(previous report: November 2018; next report: October 2020)

Contact Information

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Tel: +81-3-5156-1111
csr@nttdocomo.com
(Clicking the link will launch your email software.)

Company names, product names and service names included in the report are the trademarks or registered trademarks of NTT DOCOMO, INC. or their respective organizations.

DOCOMO Overview

NTT DOCOMO, INC. (Company with Audit & Supervisory Board members) is a mobile telecommunications carrier of the NTT Group, for which NIPPON TELEGRAPH AND TELEPHONE CORPORATION (NTT) serves as the holding company.

Corporate Profile

Company Name	NTT DOCOMO, INC.
Headquarters	Sanno Park Tower, 11-1, Nagata-cho 2-chome, Chiyoda-ku, Tokyo 100-6150, Japan
Common Stock	949,679,500,000 yen (as of March 31, 2019)
Start of Business	July 1, 1992
Stock Listing*	Tokyo Stock Exchange *The Company delisted itself from the New York Stock Exchange in April 2018.
Employees	Consolidated: 26,564 (as of March 31, 2019)
Subsidiaries and Affiliates	125 companies (as of March 31, 2019)

Business Segment	Description of Main Businesses
Telecommunications Business	Mobile telecommunication services (LTE(Xi) services and FOMA services), optical-fiber broadband services, satellite mobile communications services, international services and the equipment sales related to those services, etc.
Smart Life Business	Distribution services (video, music, electronic books, etc.), finance and payment services, online shopping services, and various other services to support the daily lives of our customers
Other businesses	"Mobile Device Protection Service," commissioned development/sales and maintenance of systems, etc.

Financial and Non-Financial Results

Operating Revenues (Sales)

(billion yen)
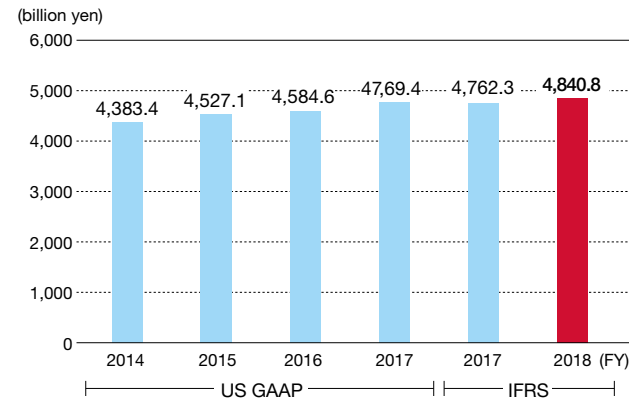
DOCOMO's financial results were compiled in accordance with U.S. accounting standards through FY2017 and IFRS after FY2018.

Net Income Attributable to the Shareholders of NTT DOCOMO

(billion yen)
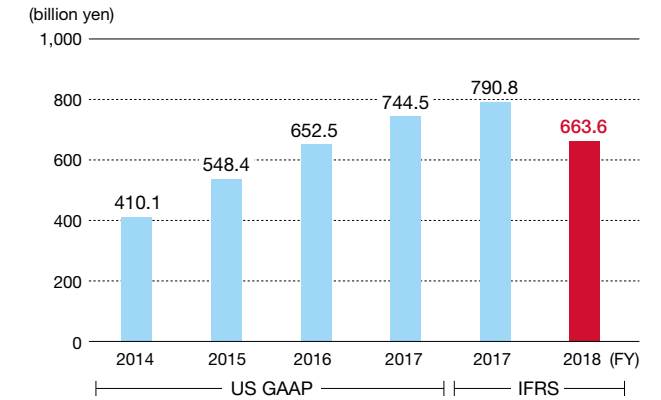
Shown under "Net Income Attributable to NTT DOCOMO Inc." in reports prepared under the US GAAP.

Patent Applications

Number of patent applications: 939

Technologies related to new services

New Services 32.8%

LTE 0.3%

Core Network 0.3%

LTE-Advanced 4.1%

5G 62.5%

Technologies related to advanced network

(Breakdown of patents applied for in Japan in FY2018)

Mobile Phone Subscriptions

■ FOMA subscriptions ■ LTE (Xi) subscriptions
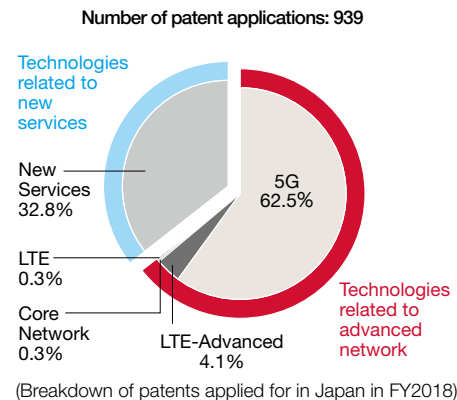
(million contracts)

Number of d POINT CLUB Members

(million)
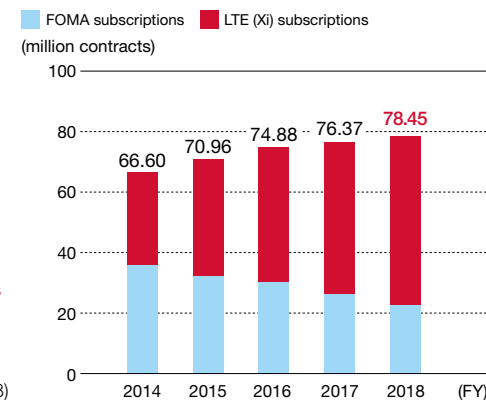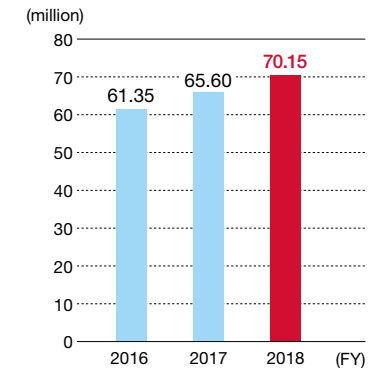
Profit Distribution

NTT DOCOMO believes that providing adequate returns to shareholders is one of the most important issues in corporate management as it strives to develop and expand its business to enhance corporate value. The Company plans to pay dividends in a stable and continuous manner by taking into account its consolidated results, financial condition and consolidated dividend payout. It will also continue to pursue a flexible approach regarding share repurchases in order to return profits to shareholders. We will consider retiring all of the repurchased shares while also taking into account the need to hold them.

    The Company will allocate its internal reserves to research and development, capital expenditures, strategic investments and other activities aimed at creating innovative technologies, providing attractive services and expanding its business domains.
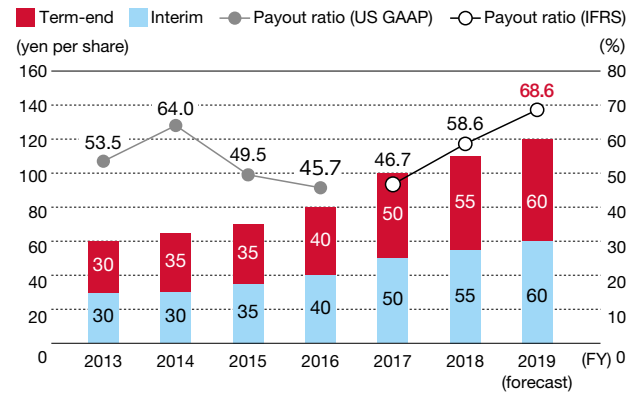
Dividend Payout

■ Term-end　■ Interim　●— Payout ratio (US GAAP)　○— Payout ratio (IFRS)

(yen per share)　(%)

FY	2013	2014	2015	2016	2017	2018	2019 (forecast)
Term-end	30	35	35	40	50	55	60
Interim	30	30	35	40	50	55	60
Payout ratio	53.5	64.0	49.5	45.7	46.7	58.6	68.6

The dividend above reflects the effects of a 1:100 stock split executed on October 1, 2013.
Figures after FY2017 are calculated in accordance with IFRS.

Stock Price

■ Operating revenues　■ Operating income/Operating profit　●— Stock price

(billion yen)　(thousand yen)

* Stock price takes into consideration the stock splits conducted in FY1999, FY2002 and FY2013.

Internal Reserves (Consolidated)

(billion yen)

FY	2013	2014	2015	2016	2017	2017	2018
	4328.4	4397.2	4413.0	4656.1	4789.2	4908.4	4160.5

US GAAP　　　IFRS

Evaluations by Outside Parties

DOCOMO's CSR and ESG initiatives have earned high marks from research organizations in Japan and overseas.
(The following information is accurate as of September 30, 2019.)

DJSI is an index for sustainability investment developed by S&P Dow Jones Indices and SAM, the business unit within RobecoSAM. DOCOMO has been selected to the Dow Jones Sustainability World Index (DJSI World) for three consecutive years.

DOCOMO received Silver Class distinction in SAM Sustainability Award 2019, which presents awards to companies by industry sector for their excellence in sustainable initiatives.

DOCOMO is a constituent of the MSCI ESG Leaders Indexes, a globally recognized index created by U.S.-based MSCI.

DOCOMO is a constituent of the MSCI Japan ESG Select Leaders Index selected by U.S.-based MSCI for excellence in ESG performance from each industry.

DOCOMO is included in the MSCI Japan Empowering Women Index selected by U.S.-based MSCI, representing Japanese companies that are leading their respective industries in seeking participation and promotion of women as well as diversity, and promoting gender diversity in the workforce.

*THE INCLUSION OF NTT DOCOMO, INC. IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF NTT DOCOMO, INC. BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

DOCOMO is selected as a designated company for the FTSE4Good Index Series, a share index of socially responsible investments created by U.K.-based FTSE Russell.

In fiscal 2018, DOCOMO received a score of A-from CDP (headquarters: London, U.K.), which is a nonprofit organization carrying out environmental assessment of major companies and cities worldwide.

DOCOMO was selected as a constituent for the Bloomberg Gender-Equality Index, which evaluates excellent companies based on their efforts to build environments of gender-equality for their employees, encompassing areas such as information disclosure, policies and achievements.

DOCOMO is a constituent of the Ethibel Sustainability Index for socially responsible investment created by the Belgium-based SRI advisory agency Forum Ethibel.

DOCOMO has been included in the FTSE Blossom Japan Index of companies that excel in their response to ESG selected by U.K.-based FTSE Russell.

DOCOMO received Prime status within the ESG Corporate Rating of ISS ESG, the responsible investment arm of Institutional Shareholder Services.

DOCOMO is a constituent of the STOXX Global ESG Leaders Index created by STOXX, one of the world's leading developers and providers of indexes based in Switzerland.

DOCOMO is a constituent of the S&P/JPX Carbon Efficient Index, created by U.S.-based S&P Dow Jones Indices using carbon emission data compiled by Trucost, a company that conducts environmental analysis.

▶ **Overall Number One in TOYO KEIZAI, INC.'s CSR Company Ranking**

NTT DOCOMO has been ranked first in TOYO KEIZAI, INC.'s 2019 CSR company ranking for two consecutive years. Toyo Keizai evaluates companies from four perspectives of utilization of human resources, environmental performance, corporate governance and social performance, in addition to financial performance.

▶ **Rated as Five Stars in the Nikkei Smart Work Survey for Fiscal 2018**

DOCOMO ranked among the top group with a five-star rating in the Nikkei Smart Work survey, which ranks companies based on their capability to utilize human resources, achieve innovation and develop new markets, as well as their management foundation.

▶ **Received the Award for Excellence in the Internet IR Award 2018 from Daiwa IR**

DOCOMO received the Award for Excellence in the Internet IR Award 2018, presented by Daiwa Investor Relations Co., Ltd., which commends listed companies for effectively using IR websites for information disclosure and communication.

▶ **Obtained Eruboshi (Grade 3) Certification**

DOCOMO obtained the Eruboshi ("L Star" with "L" standing for Lady, Labour and Laudable) Grade 3 certification from Japan's Ministry of Health, Labour and Welfare as an excellent company promoting women's careers based on the Act for Promoting Women's Participation and Advancement in the Workplace.

http://www.mhlw.go.jp/stf/houdou/0000123991.html
(in Japanese only)

▶ **Obtained Platinum Kurumin Certification**

DOCOMO received Platinum Kurumin certification from Japan's Ministry of Health, Labour and Welfare as a Kurumin-certified enterprise that is making high-level efforts with an adequate level of work-life balance support in the form of a system that employees actively use.

http://www.mhlw.go.jp/stf/seisakunitsuite/bunya/kodomo/shokuba_kosodate/kurumin/
(in Japanese only)

▶ **Named to the List of "Top Hundred Telework Pioneers" for Fiscal 2017**

DOCOMO was among the "Top Hundred Telework Pioneers" announced by Japan's Ministry of Internal Affairs and Communication, which recognizes enterprises and organizations that are proactively introducing and utilizing telework in their operations.

http://www.soumu.go.jp/menu_news/s-news/01ryutsu02_02000151.html
(in Japanese only)

▶ **Received the PRIDE Index Gold Award for Fiscal 2017 and 2018**

DOCOMO received the PRIDE Index Gold Award for fiscal 2017 and 2018 from the nonprofit organization Work with Pride, which recognizes companies and organizations pursuing initiatives that aim to create working environments supportive of sexual minorities including LGBT.

http://www.workwithpride.jp/pride.html
(in Japanese only)

▶ **Received White 500 Recognition for Excellence in Health and Productivity Management in Fiscal 2019**

DOCOMO was selected as one of 2019s White 500 large enterprises recognized for excellence in health and productivity management in a certification system jointly managed by Japan's Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi (Japan Health Conference).

http://www.meti.go.jp/policy/mono_info_service/healthcare/kenkoukeiei_yuryouhouzin.html
(in Japanese only)

▶ **Selected as a Nadeshiko Brand in March 2019**

DOCOMO was selected as a Nadeshiko Brand by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange under their joint initiative to present investors focusing on medium- to long-term growth in corporate value with attractive listed enterprises for their outstanding efforts in encouraging the empowerment of women in the workplace.

https://www.meti.go.jp/policy/economy/jinzai/diversity/nadeshiko.html
(in Japanese only)

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Appendix

NTT DOCOMO GROUP
SUSTAINABILITY REPORT 2019

173 ▶ESG-Related Policies at DOCOMO   Disclosure in Line with TCFD Recommendations   Independent Assurance Statement   GRI Content Index

ESG-Related Policies at DOCOMO

CSR/ESG

Category	Policy/Philosophy/Guideline	Page Number in this Report	Link for Reference
CSR, ESG	NTT DOCOMO Group CSR Policy	20	https://www.nttdocomo.co.jp/english/corporate/csr/about/message/index.html

Environment

Category	Policy/Philosophy/Guideline	Page Number in this Report	Link for Reference
Environment (overall)	DOCOMO Group Environmental Charter	59	https://www.nttdocomo.co.jp/english/corporate/csr/ecology/charter_object/
	DOCOMO Group's Environmental Declaration	60	https://www.nttdocomo.co.jp/english/corporate/csr/ecology/green2030/
	Green Action Plan 2030	60–61	https://www.nttdocomo.co.jp/english/corporate/csr/ecology/green2030/
Low-Carbon Society	Creation of a Low-Carbon Future—Basic Philosophy	71	
	NTT Group Energy-Efficiency Performance Guidelines	64	https://www.ntt.co.jp/kankyo/management/img/energy/guidelinever8_e.pdf
	Formation of a Sustainable Society—Basic Philosophy	73	
	Green Design Guidelines (NTT DOCOMO Interpretation)	73, 76	https://www.nttdocomo.co.jp/binary/pdf/corporate/csr/ecology/environ_management/guideline/guideline.pdf (in Japanese only)
Biodiversity	Preservation of Biodiversity—Basic Philosophy	77	
Green Procurement	NTT DOCOMO Guidelines for Green Procurement	65	http://www.nttdocomo.co.jp/english/binary/pdf/corporate/procure/policy/csr_procurement/green.pdf

Society

Category	Policy/Philosophy/Guideline	Page Number in this Report	Link for Reference
Innovation	Promoting R&D and Innovation	39	https://www.nttdocomo.co.jp/english/corporate/technology/rd/
Network	Provision of Network Services—Basic Policies and Philosophy	80	https://www.nttdocomo.co.jp/area/effort.html (in Japanese only)
	DOCOMO's Disaster Preparedness	83	https://www.nttdocomo.co.jp/special_contents/disaster/ (in Japanese only)
	NTT Group Disaster Preparedness Plan	84	https://www.ntt.co.jp/saitai/pdf/NTTbousai.pdf (in Japanese only)
	Radio Wave Safety	86	http://www.nttdocomo.co.jp/english/product/sar/index.html
Customer	Corporate Responsibility for Products and Services—Basic Policies and Philosophy	89	
	Customer Satisfaction—Basic Policies and Philosophy	95	https://www.nttdocomo.co.jp/support/cs_promotion/ (in Japanese only)

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Society

Category	Policy/Philosophy/Guideline	Page Number in this Report	Link for Reference
Human Resources/ Labor Practice	Employment and Compensation—Basic Policies and Philosophy	101	https://www.nttdocomo.co.jp/corporate/csr/about/management/employee/index.html#p01 (in Japanese only)
	Human Resource Development—Basic Policies and Philosophy	103	
	DOCOMO Workstyle Reform—Basic Policies and Philosophy	107	
	Promoting Diversity Management—Basic Policies and Philosophy	108	https://www.nttdocomo.co.jp/english/corporate/csr/about/diversity/index.html
	Workstyle Choices—Basic Policies and Philosophy	111	
	Health and Productivity Management—Philosophy and Basic Policies	115	
	Health and Safety in the Workplace—Basic Policies and Philosophy	118	
Human Rights	NTT Group Human Rights Charter	122	https://www.ntt.co.jp/csr_e/communication/team-ntt/02.html
	NTT DOCOMO Group's Basic Policies on Human Rights	122	
Supply Chain	NTT DOCOMO's Basic Procurement Policies	127	https://www.nttdocomo.co.jp/english/corporate/procure/
	NTT DOCOMO Guidelines for CSR in Supply Chain	127	https://www.nttdocomo.co.jp/english/binary/pdf/corporate/procure/policy/supply_chain.pdf
	NTT DOCOMO Guidelines for Green Procurement	127	https://www.nttdocomo.co.jp/english/binary/pdf/corporate/procure/policy/csr_procurement/green.pdf
	Relationship with Telecom Construction Firms—Basic Policies and Philosophy	129	
	Relationship with Sales Representatives	129	
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	Stakeholder Engagement Activity	36	

Governance

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	Independence Standards Stipulated by NTT DOCOMO	146	
	Policy on Compensation for Directors	147	
Risk Management	Risk Management—Basic Policies and Philosophy	148	
Information Security/ Privacy	Information Security Policy	151	https://www.nttdocomo.co.jp/english/utility/security/
	Privacy Policy	154	https://www.nttdocomo.co.jp/english/utility/privacy/index.html
	NTT DOCOMO Personal Data Charter	154	https://www.nttdocomo.co.jp/utility/personal_data/charter/index.html (in Japanese only)
Compliance	NTT DOCOMO Group Code of Ethics	156	https://www.nttdocomo.co.jp/english/corporate/about/group_ethic/index.html
	Compliance—Basic Policies and Philosophy	156	
	NTT DOCOMO Guidelines for CSR in Supply Chain	160	https://www.nttdocomo.co.jp/english/binary/pdf/corporate/procure/policy/supply_chain.pdf
	Guidelines on the Prevention of Bribery of Foreign Public Officials	159	
Tax	Tax Planning Principles	161–162	

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Disclosure in Line with TCFD Recommendations

Overview of the TCFD Recommendations		Contents Disclosured	Page Number
Governance	Disclose the organization's governance around climate-related risks and opportunities.		
a	Describe the board's oversight of climate-related risks and opportunities.	・Governance	67
b	Describe management's role in assessing and managing climate-related risks and opportunities.	・Governance	67
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.		
a	Climate-related risks and opportunities the organization has identified over the short, medium, and long term.	・Risk Management 　—Management Process of Risks 　—Opportunities Arising from Climate Change ・Strategy 　—Scenario Analysis	67–70
b	Impact of climate-related risks and opportunities on the organization's business, strategy and financial planning.	・Risk Management 　—Working Toward Achieving the Two-degree Target ・Strategy 　—Scenario Analysis	68–70
c	Resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	・Strategy 　—Scenario Analysis	69–70
Risk Management	Disclose how the organization identifies, assesses, and manages climate-related risks.		
a	Organization's processes for identifying and assessing climate-related risks.	・Risk Management	67
b	Organization's processes for managing climate-related risks.	・Risk Management 　—Management Process of Risks	67–68
c	How processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	・Risk Management 　—Management Process of Risks	67–68
Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.		
a	Metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	・Metrics and Targets	70
b	Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	・Identifying Environmental Impacts	72
c	Targets used by the organization to manage climate-related risks and opportunities and performance against targets.	・Initiatives for the Creation of a Low-Carbon Society ・Identifying Environmental Impacts	71–73

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Independent Assurance Statement

Independent Assurance Statement

September 18, 2019

Mr. Kazuhiro Yoshizawa
President and Chief Executive Officer, NTT DOCOMO, INC.

1. Purpose

We, Sustainability Accounting Co., Ltd., have been engaged by NTT DOCOMO, INC., ("the Company") to provide limited assurance on the Company's performance indicators during the fiscal year 2018 reported in NTT DOCOMO Group Sustainability Report 2019, which indicate 122 thousand yen and 37 hours for the cost and hours of training per person, 5.9% for the ratio of female employees in managerial positions, 2.38% for the employment ratio of people with disabilities (as of June 1, 2019), 3,764 thousand tons for the amount of CO_2 emissions (scope 1, 2 and 3), 1,066 thousand kWh for the solar and wind power generated by the Company, 30 thousand tons for the amount of waste and 1,486 thousand m^3 for the water consumption (collectively, "the Performance Indicators"). The purpose of this process is to express our conclusion on whether the Performance Indicators were calculated in accordance with the Company's standards. The Company's management is responsible for calculating the Performance Indicators. Our responsibility is to independently carry out a limited assurance engagement and to express our assurance conclusion.

2. Procedures Performed

We conducted our assurance engagement in accordance with International Standard on Assurance Engagement 3000 (ISAE 3000) and International Standard on Assurance Engagement 3410 (ISAE 3410). The key procedures we carried out included:

- ・ Interviewing the Company's responsible personnel to understand the Company's standards and reviewing the Company's standards
- ・ Visiting to one of the Company's sites
- ・ Performing cross-checks on a sample basis and performing a recalculation to determine whether the Indicators were calculated in accordance with the Company's standards.

3. Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the Indicators have not been calculated in all material respects in accordance with the Company's standards.

We have no conflict of interest relationships with the Company.

Takashi Fukushima
Representative Director, Sustainability Accounting Co., Ltd.

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GRI Content Index

NTT DOCOMO Group Sustainability Report 2019 is prepared in accordance with the core section of the GRI Sustainability Reporting Standards 2016/2018.

Click the page numbers in the below list to see the related information available in this report.

GRI 102: General Disclosures 2016

● : Items that are required to disclose in the core option

		Content	Page Number
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●	102-2	Activities, brands, products, and services	168
●	102-3	Location of headquarters	168
●	102-4	Location of operations	167–168
●	102-5	Ownership and legal form	168
●	102-6	Markets served	168
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●	102-10	Significant changes to the organization and its supply chain	Not applicable
●	102-11	Precautionary principle or approach	148–151
●	102-12	External initiatives	37
●	102-13	Membership of associations	37
		2. Strategy	
●	102-14	Statement from senior decision-maker	7–9
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		3. Ethics and Integrity	
●	102-16	Values, principles, standards, and norms of behavior	11–12, 21, 122
	102-17	Mechanisms for advice and concerns about ethics	157–158
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102-33	Communicating critical concerns	33, 142–143
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102-37	Stakeholders' involvement in remuneration	147
102-38	Annual total compensation ratio	—
102-39	Percentage increase in annual total compensation ratio	—

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●	102-41	Collective bargaining agreements	119
●	102-42	Identifying and selecting stakeholders	36
●	102-43	Approach to stakeholder engagement	22–31, 36, 134–140
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●	102-46	Defining report content and topic boundaries	167
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●	102-50	Reporting period	167
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○: The material issues identified by the company

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●		GRI-306: Effluents and Waste 2016	
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	306-2	Waste by type and disposal method	73–74

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	306-4	Transport of hazardous waste	Not applicable
	306-5	Water bodies affected by water discharges and/or runoff	Not applicable
●		GRI-307: Environmental Compliance 2016	
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GRI400: Social Topics

○: The material issues identified by the company

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	405-2	Ratio of basic salary and remuneration of women to men	120
●		GRI-406: Non-discrimination 2016	
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●		GRI-407: Freedom of Association and Collective Bargaining 2016	
	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	119, 123–125, 127–128
		GRI-408: Child Labor 2016	
	408-1	Operations and suppliers at significant risk for incidents of child labor	Not applicable
		GRI-409: Forced or Compulsory Labor 2016	
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Not applicable
		GRI-410: Security Practices 2016	
	410-1	Security personnel trained in human rights policies or procedures	Not applicable
		GRI-411: Rights of Indigenous Peoples 2016	
	411-1	Incidents of violations involving rights of indigenous peoples	Not applicable
●		GRI-412: Human Rights Assessment 2016	
	412-1	Operations that have been subject to human rights reviews or impact assessments	123
	412-2	Employee training on human rights policies or procedures	31, 125
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Not applicable
●		GRI-413: Local Communities 2016	
	413-1	Operations with local community engagement, impact assessments, and development programs	30, 36–37, 134–140

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	413-2	Operations with significant actual and potential negative impacts on local communities	Not applicable
●		GRI-414: Supplier Social Assessment 2016	
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●		GRI-416: Customer Health and Safety 2016	
	416-1	Assessment of the health and safety impacts of product and service categories	89–90
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		GRI-417: Marketing and Labeling 2016	
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	417-2	Incidents of non-compliance concerning product and service information and labeling	Not applicable
	417-3	Incidents of non-compliance concerning marketing communications	Not applicable
●		GRI-418: Customer Privacy 2016	
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	29, 153–154
		GRI-419: Socioeconomic Compliance 2016	
	419-1	Non-compliance with laws and regulations in the social and economic area	Not applicable

NTT DOCOMO Group refers to the Sustainability Accounting Standard of Technology and Communications Sector prepared by Sustainable Accounting Standards Board (SASB).

SASB Sustainability Disclosure Topics and Accounting Metrics

Topic	Accounting Metric	Page Number
Environmental Footprint of Operations	(1) Total energy consumed (2) Percentage grid electricity (3) Percentage renewable	73
Competitive Behavior & Open Internet	Average actual sustained download speed of (1) owned and commercially-associated content and (2) non-associated content	82