

NTT Communications Modern Slavery Statement (April 2019- March 2020)

This statement is published by NTT Communications Corporation (“NTT Communications”) in accordance with section 54 of the Modern Slavery Act 2015. Following on the Modern Slavery Statement for the 2018 financial year, this statement sets out the actions NTT Communications has taken during the 2019 financial year (ending March 31, 2020) and the plans for the 2020 and subsequent financial years to ensure that slavery and human trafficking are not taking place in our business operations or in our supply chain. In addition, this statement reports that NTT Communications was affected by COVID-19 at the end of FY2019 and mentions the current situation.

1. Our business and supply chains

- NTT Communications and its group companies provide a wide range of global information and communications technology (ICT) solutions including cloud, network and security services. The NTT Group has offices in 88 countries/regions and provides network services in more than 190 countries/regions.
- As a result of a major restructuring initiative by the NTT Group in July 2019, NTT Europe Limited and Gyron Internet Limited, which had been providing services in the United Kingdom as members of NTT Communications’ group of companies, were transferred and placed under the control of another NTT Group company.
- Through a business relationship with suppliers all over the world based on good faith and sustainability, we procure high quality services and products in an effective and timely manner, and, together with our suppliers, avoid forced labour and human trafficking in our supply chain.

2. Policies related to slavery and human trafficking

- Based on the [NTT Group’s Human Rights Charter](#), which includes the need to prevent forced labour and human trafficking, we have the [NTT Communications Basic Policy on Human Rights Education](#) in place and are promoting human rights education as a globally operated company.
- We have also established the NTT Communications Group Global Compliance Rules to strengthen corporate ethics. Based on the Rules, we have engaged in various measures to establish corporate ethics, including developing an organisational structure for compliance promotion, implementation of corporate ethics education for employees, and establishment of a corporate ethics help line.
- On the basis of the [NTT Communications Group’s Fundamental CSR Policy](#), we ensure high ethical standards and awareness of human rights in our work.
- The [NTT Communications’ Basic Policy on Procurement](#) includes the need for ‘compliance with laws, regulations and social norms’, ‘protecting the environment’ and ‘respecting human

rights'. Based on this Basic Policy, to clarify our expectations and strengthen relationships of trust with our suppliers, we have the [NTT Communications Guidelines for CSR in Supply Chain](#) in place. These Guidelines include the need to prevent forced labour and child labour, and to manage wages and working times.

- We report our activities based on these policies, rules and guidelines annually in our [CSR report](#).

3. Our due diligence processes and activities to prevent forced labour and human trafficking

i. Organisational and management structure

- We have established the Human Rights Education Promotion Committee and the Compliance Committee that are responsible for raising awareness of human rights and corporate ethics, which enables us to deal appropriately with reported issues on forced labour and human trafficking.

ii. Communications on policies and guidelines

- We conduct annual surveys for officers, employees or temporary staff (“Employees”) of our group companies regarding human rights and harassment at work, and their awareness of corporate ethics.

iii. Supplier screening and contracts

- We are appraising a screening criterion before selecting new suppliers for business. Starting in the 2017 financial year, we have added CSR actions in the areas of human rights and labor, and have been making transaction decisions based on declarations from suppliers.
- Also starting in the 2017 financial year, we have included in our contract with suppliers a clause stipulating our requirement for their compliance with the NTT Communications Guidelines for CSR in Supply Chain, to ensure that suppliers respect human rights and are taking actions to create an appropriate working environment.
- In addition, as part of our effort to prevent slavery and human trafficking after transactions begin with suppliers, we select approximately ten (10) major suppliers every year and conduct surveys to understand the extent our suppliers meet the expectations in the NTT Communications Guidelines for CSR in Supply Chain. The prevention of forced labour and human trafficking are included as questionnaire items.

iv. Reporting contact point

- We have established reporting contact points for Employees of our group companies, and accept any concerns and reports on violations of human rights and corporate ethics. Additionally, NTT Group has established a [NTT Group-wide Corporate Ethics Help Line \(External Contact Point\)](#). This Help Line is open to any external stakeholders including but not

limited to our suppliers or business partners (See [the number of reports made to the Help Line and its breakdown](#)).

v. Training to raise awareness on human rights and compliance

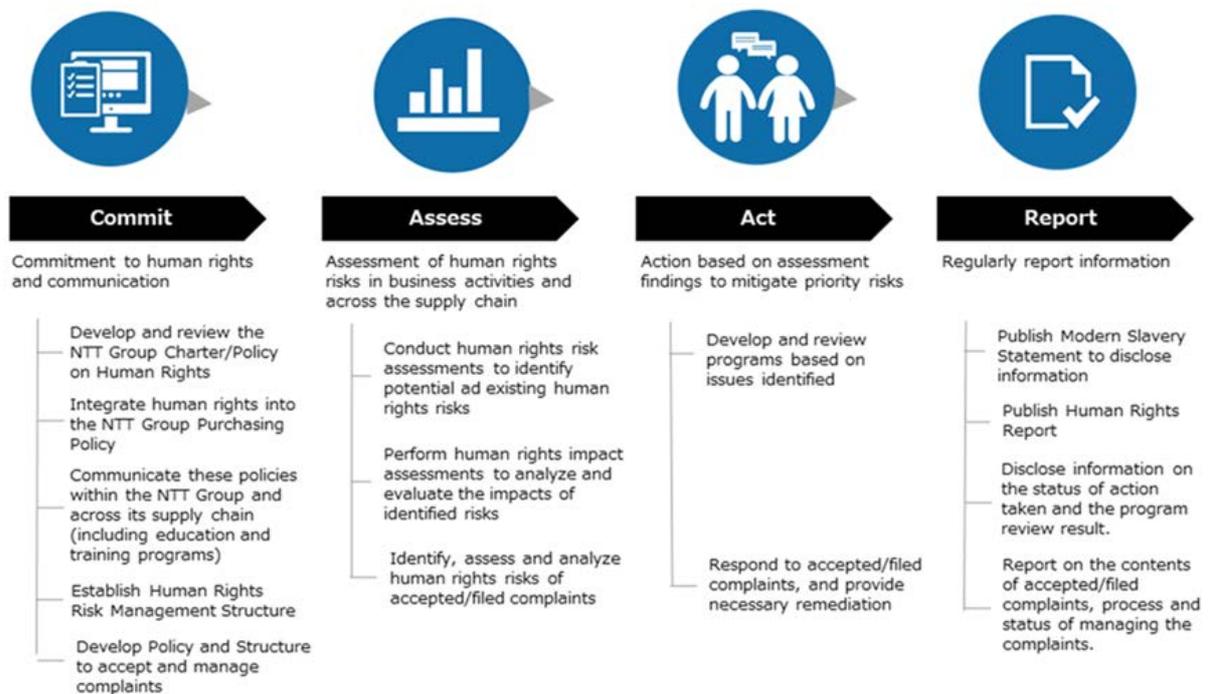
- We implement annual training programs regarding human rights and compliance for Employees of our group companies in Japan, to raise awareness on and deepen understanding of human rights and compliance. We also provide seminars for staff at various levels. In our training programs for raising awareness about human rights for the 2019 financial year, we provided our Employees with an overview of the Modern Slavery Act and NTT Communications' actions for preventing slavery and human trafficking.

vi. Human rights risk assessment

- In FY2019, NTT (the holding company) conducted NTT Group's 2nd Human Rights Management Survey to take stock of the status of human rights management within NTT Group, including NTT Communications. A total of 263 NTT Group companies responded, including NTT Communications and 11 other NTT Communications group companies. The companies from NTT Communications group are undertaking a wide range of businesses, including long-distance and international telecommunications (cloud services and OCN), data communication (system integration), finance, online marketing, networks and data centers, security, IP services, data search and analysis, AI solutions, call centers, home-visit services, app development, and undersea communication cables.
- The results of the survey showed that all of our group companies that responded were aware of the NTT Group's Human Rights Charter and that all had departments, units, or individuals assigned to be in charge of matters related to human rights. NTT Communications and one other group company had a staff dedicated to human rights, and the other group companies had a staff who oversaw matters related to human rights in addition to other tasks. One of our subsidiaries had inter-departmental cooperation on matters of human rights among the business operations, legal, and people engagement departments. On the other hand, while the NTT Group's Human Rights Charter proclaims respecting human rights of all stakeholders involved in our businesses, the survey results showed that there was still room for us to promote better understanding of the stakeholders who must be respected in our business and human rights activities, including clearly identifying who those stakeholders are.
- As for human rights due diligence, the survey results showed that many of our group companies were taking steps to respond to grievances, provide relief to victims and take corrective action, and reply to inquiries from outside of the company. On the other hand, it was implied from the survey that for "identification of stakeholders", "selection of partners", and "information disclosure", NTT Communications could more actively gather information on grievances fielded

- by, and activities carried out by, our group companies and use that information to improve disclosure and human rights education within NTT Communications and our group as a whole.
- As for education, all of our group companies that responded to the survey had conducted human rights training for their executives and employees, but there was still room for improvement in human rights training and communication for suppliers and contractors.
 - As for the grievance mechanism, the survey results showed that almost all of our group companies had established multiple contact points for listening to workers’ grievances and that about half of the companies had additionally established similar mechanisms for workers employed by their suppliers and contractors.
 - A request from our group companies was that they wanted information provided on business and human rights so that they could “learn from other good practices within the NTT Group” and “try to identify human rights themes most relevant to their business.” As for the future, we will implement “business and human rights” appropriate to our group’s businesses by continuing to work with NTT, the holding company that conducted the survey, to gather information about business and human rights from both inside and outside the company and share the information with our group companies.

Figure1: Human rights due diligence process



4. Plans to strengthen our approach in the future

- Based on hypotheses obtained from the assessment on potential human rights risks, we plan to conduct, for the 2020 financial year and beyond, actual human rights impact assessment through interviews and stakeholder engagement. Following up on the impact assessment, we will identify human rights topics that NTT Group should prioritise, and draw up and implement action plans for the identified human rights issues.
- We will deepen the collaboration with our suppliers to deal with any issues in our supply chain.

Addendum: On the effect of COVID-19

Although not required under the scope of the Statement, this section has been added to the Statement.

COVID-19, which was declared a pandemic by WHO in March 2020, has had an impact on our business activities as well as our supply chains since the beginning of FY2020. We are working to ensure safety of our workers and to sustain and continue our business activities, which help provide a basic public service infrastructure, while following the guidelines of the Japanese government, in the case of NTT Communications and its group companies, and the guidelines of respective governments, in the case of our local places of business overseas. While the end of the pandemic is not yet in sight, we hope to give due, sincere consideration to the viewpoints of the Modern Slavery Act in our handling of the effects of COVID-19 on our supply chains.

※This statement is prepared based on the situation as of March 31,2020.

This statement was approved and signed by:



Toru Maruoka
President and CEO
NTT Communications Corporation
30 September, 2020