# NTT Communications Corporation Guidelines for Sustainability in Supply Chain

Ver 1.1 November 2022



### Introduction

#### [NTT Group Initiatives]

NTT Group has established the "NTT Group Global Sustainability Charter" and is conducting a number of initiatives to realize a sustainable society, with the aims of "growing as corporations" and "solving societal issues".

As the supply chain of NTT Group has become more global and complex in recent years, it has become a crucial issue for us to respond appropriately to global issues including disasters, pandemics, the environmental, human rights, and security.

In these circumstances, based on our procurement policies, with concern for the attitude and responsibilities of our supply chain, we have restructured our existing "NTT Guidelines for CSR in Supply Chain" as the "NTT Group Guidelines for Sustainability in Supply Chain". By requesting that our suppliers follow these guidelines, we hope to realize a sustainable supply chain, and by extension realize a sustainable society.

#### [NTT Group Procurement Policies]

NTT Group has established the "NTT Group Global Sustainability Charter" and is conducting initiatives to achieve both "growth as corporations" and "solving societal issues," in order to realize a "sustainable society." Modern supply chains are rapidly becoming more global and complex, and it has become critical issue for us to respond to global problems involving human rights, ethics, the environment, disasters, pandemics, and security. In response to these issues, NTT Group intends to contribute independently and proactively to the realization of a sustainable society. We will do this by deepening mutual understanding and building relationships of trust with all suppliers that comprise our supply chain. Furthermore, we will continue to work with all our suppliers toward building and maintaining a safe and secure supply chain, including protecting human rights and conserving the global environment, based on our high ethical standards.

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



#### [NTT DOCOMO Group Initiatives]

The NTT DOCOMO, INC. (hereinafter referred to as "NTT DOCOMO") Group has established the "NTT DOCOMO Guidelines for Sustainability in Supply Chain" (hereinafter referred to as "These Guidelines") based on the "NTT Group Guidelines for Sustainability in Supply Chain", and is working to build a sustainable supply chain and, by extension, a sustainable society.

#### [NTT Communications's Initiatives]

NTT Communications Corporation (hereinafter referred to as "NTT Communications"), which is responsible for the corporate business of the NTT DOCOMO Group, recognizes that building a supply chain for the realization of a sustainable society is an important issue and makes requests to our suppliers based on These Guidelines.

These Guidelines describe matters that each company comprising our supply chain should actively address in order to realize a sustainable society. In These Guidelines, the term "suppliers" refers to any business entity that provides products, human resources, or services directly and/or indirectly to NTT Communications. Requirements described in These Guidelines apply to all suppliers with whom we have direct and/or indirect transactions. One responsibility of suppliers with whom we have direct transactions to communicate the contents of These Guidelines to other suppliers who constitute their upstream supply chain and promote their compliance with These Guidelines, as well as confirm their compliance status, based on contracts. (In this Guidelines, "other suppliers who constitute their upstream supply chain" means our suppliers' suppliers and subcontractors)

NTT Communications may conduct audits to confirm that all suppliers are implementing the matters requested of them in These Guidelines. To that end, NTT Communications may require suppliers to disclose necessary information. We ask that suppliers guarantee the accuracy and completeness of such information, and to provide it without delay. When actions or events that do not satisfy the matters described in These Guidelines are identified through an audit or the like, NTT Communications will request all suppliers to make improvements. If no improvements are made, then we will take appropriate measures, including canceling transactions.

If we at NTT Communications establish its own guidelines other than These Guidelines, or if requests are made that differ from These Guidelines due to the laws of the countries where NTT Communications are located, or ordinances and rules of local governments, or requests from customers, then priority shall be given to the guidelines of NTT Communications.

We at NTT Communications ask our suppliers to understand and support NTT Communications procurement policies and sustainable supply chain initiatives, as well as cooperate with active promotion of these guidelines.

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## [NTT Communications's Unique Initiatives (Environmental Statement and Formulating Eco Strategy 2030)]

NTT DOCOMO has created its own environmental energy vision and is promoting efforts to reduce greenhouse gas emissions. The "NTT DOCOMO Green Procurement Standards", which are referenced in These Guidelines, provide specific content and target values, as well as NTT DOCOMO's procurement policy to achieve these goals.

The "NTT DOCOMO Green Procurement Standards" referred to in These Guidelines shall be applied to items that suppliers should consider, refer to, and strive for, laws and regulations, and evaluation items for suppliers and products in procurement, except for items independently determined by NTT Communications.

The NTT Communications Group, as its own initiative, formulated The NTT Communications Group Environmental Statement and Eco Strategy 2030 in November 2016 after reviewing past environmental activities in light of social trends related to the global environment. In fiscal 2020, we revised Eco Strategy 2030 in response to the growing role and responsibilities of companies in meeting the challenges posed by global climate change.

The NTT Communications Group's Environmental Statement and Formulating Eco Strategy 2030 can be found on <u>our website</u>. If the NTT Communications Group's Environmental Statement and Formulating Eco Strategy 2030 specify target values or indicators that are different from the "<u>NTT DOCOMO Green Procurement Standards</u>", the NTT Communications Group will make environmental efforts in accordance with the target values or indicators specified in the NTT Communications Group's Environmental Statement and Formulating Eco Strategy 2030.

(Major initiatives of NTT Communications)

[NTT Communications Group's Greenhouse Gas Emission Reduction Targets (Excerpt from Eco Strategy 2030)]

- Scope 1 and Scope 2: Reduction CO2 emissions in the NTT Communications Group by 50% compared to fiscal 2018 by fiscal 2030
- Scope 3: Reduction CO2 emissions from the supply chain by 15% compared to fiscal 2018 by fiscal 2030

[(Reference) NTT DOCOMO's Greenhouse Gas Emission Reduction Targets]

- Scope 1 and Scope 2: 50% reduction from fiscal 2018 levels by fiscal 2030 (1.5°C level)
- Scope 3:
  14% reduction from fiscal 2019 levels by fiscal 2030



#### **Supplementary Provisions**

- With the establishment of these guidelines, the "NTT Communications Guidelines for CSR in Supply Chain", which were revised in July 2021, will be abolished.
- As a result of the establishment of These Guidelines, the "NTT Communications Green Procurement Guidelines", which were revised in April 2021, will be abolished, and the "NTT DOCOMO Green Procurement Standards", which are referred to in These Guidelines, will be applied to matters that suppliers should consider, refer to, and strive for, laws and regulations, and evaluation items for suppliers and products in procurement, except for items independently determined by NTT Communications.
- This "NTT Communications Guidelines for Sustainability in Supply Chain" will be revised as necessary, according to changes in societal conditions and newfound knowledge.

[Inquiries]

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<u>Contact Form | NTT Communications</u>