

## **NTT Communications Modern Slavery Statement (April 2017 - March 2018)**

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 2016 financial year, this statement sets out the actions NTT Communications has taken during the 2017 financial year (ending March 31, 2018) and the plans for the 2018 and subsequent financial years to ensure that slavery and human trafficking are not taking place in our business operations or in our supply chain.

### **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. We are headquartered in Tokyo, Japan, and have offices in over 110 cities in more than 40 countries/regions. We are a wholly owned subsidiary of Nippon Telegraph and Telephone Corporation (NTT).
- NTT Europe Limited and Gyron Internet Limited, our wholly-owned subsidiaries, have published separate statements in compliance with the Modern Slavery Act 2015 (see NTT Europe’s Modern Slavery Statement and Gyron Internet’s Modern Slavery Statement).
- 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 all 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 2017 financial year, we provided all 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 the 2017 financial year, NTT Group, including NTT Communications, conducted assessment of potential human rights risks by taking into consideration NTT Group's business statuses and domains. The assessment was based on country risks and industry risks identified with the support of independent specialist organisations (CRT Japan and Verisk Maplecroft). Based on the assessment, we selected Asia as a region we should prioritise and established human rights challenges for each stakeholder.

**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 2018 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.

This statement was approved and signed by:



Tetsuya Shoji  
President and CEO  
NTT Communications Corporation  
28<sup>th</sup> September, 2018