

Transformation to a New Management Style

Remote Trend During COVID-19



Lifestyle (Individuals)

Spread and acceleration of digital services (including delivery and video transmission)

Workstyle (Companies)
Rapid shift to

remote work

Social Infrastructure

Necessity of accelerating the shift to online/digitalization

Arrival of a Remote/Online-Using Society

NTT Will Continue to Practice Remote Work

Transformation to a New Management Style (5) NTT



Transformation to a New Style Premised on Remote Work

(1) General **Improvements**

② Promotion of DX

Promotion of Remote Work

3 Re-Examination of Systems



Promotion of "work-in-life" (health management) Open, global and innovative business operations



1 General Improvements

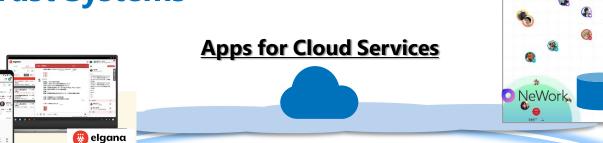
New Style Premised on Remote Work





Introduction of Cloud-Based Systems/ Zero-Trust Systems





Enhancement of Presence Management



Optical

Lines









Enhancement of



Increasing NW Sophistication (Reliability/ Seamlessness)







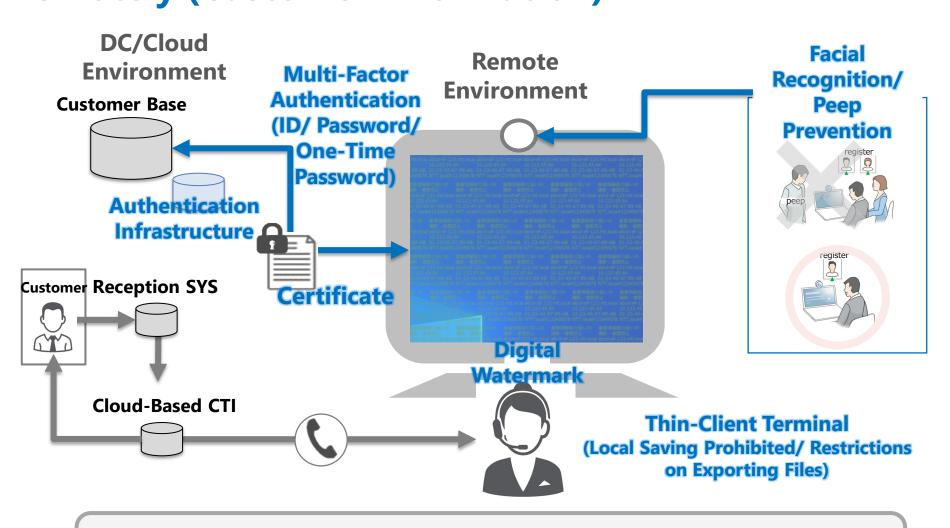




Staff and Sales Teams of Major Companies: to be completed in FY2022

Enabling Remote-Difficult Tasks to be Done Remotely (Customer Information)

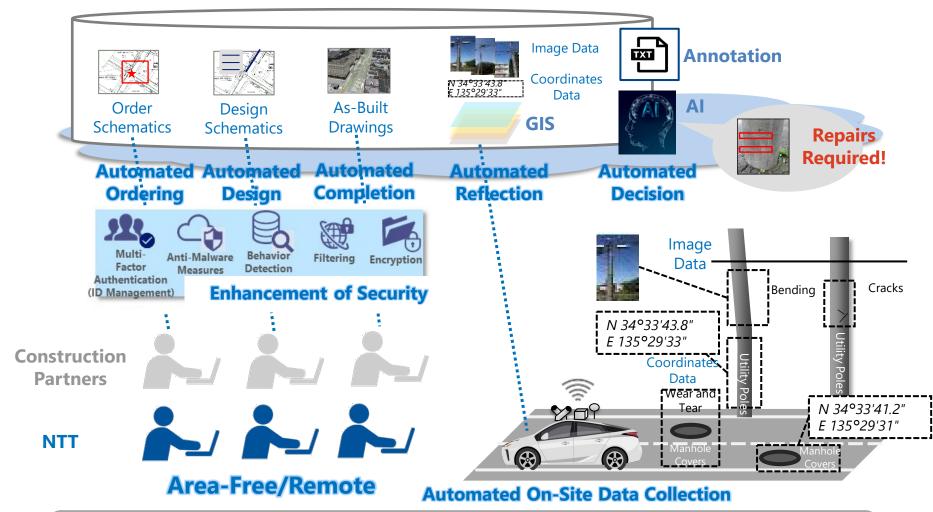




To be Completed in FY2021 for Major Contact Centers

Enabling Remote-Difficult Tasks to be Done Remotely (Equipment Operations)





Automating Inspection Work: On-site operations to be reduced by 50% (FY2023)

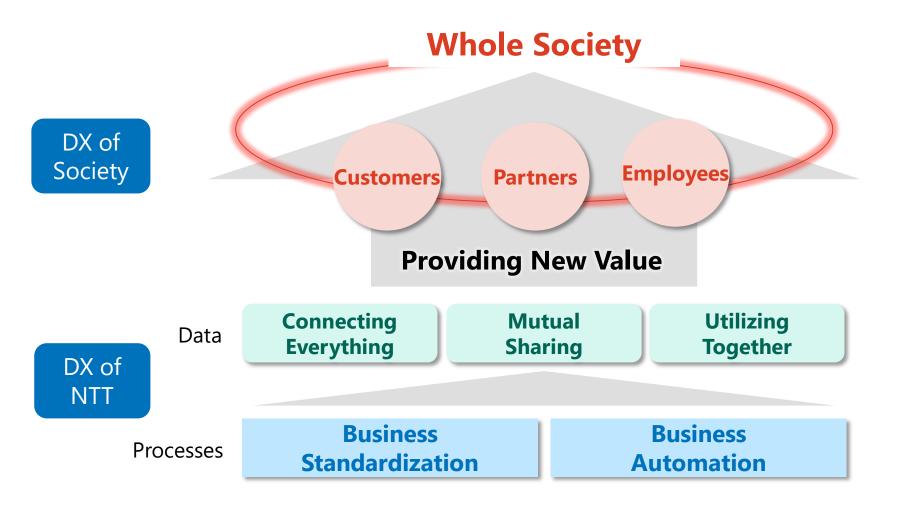
Automating Equipment Diagnostics Work (AI): Intensive operations to be reduced by 50% (FY2025)



2 Promotion of DX

Overview of DX Transformation





Standardization/ Automation



Standardization of ID/Codes

Unified Common Code

 Global uniformization of IDs, codes and data formats

Standardization of Business Processes

Business Process Consolidation

- Less labor-intensive processes through remote work
- Fit To Standard

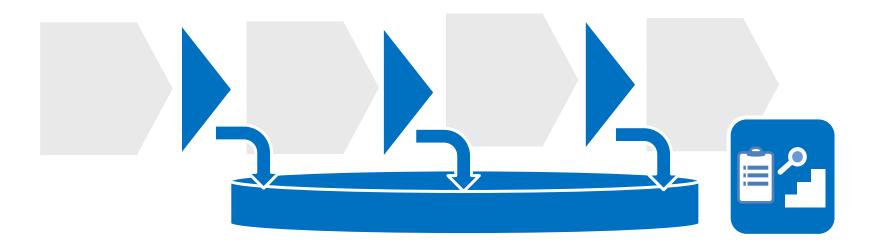
Standardization of Data Management

Master
Data
Governance

- Consolidated management of master data
- Data linkage through API

Connecting, Sharing and Utilizing Data







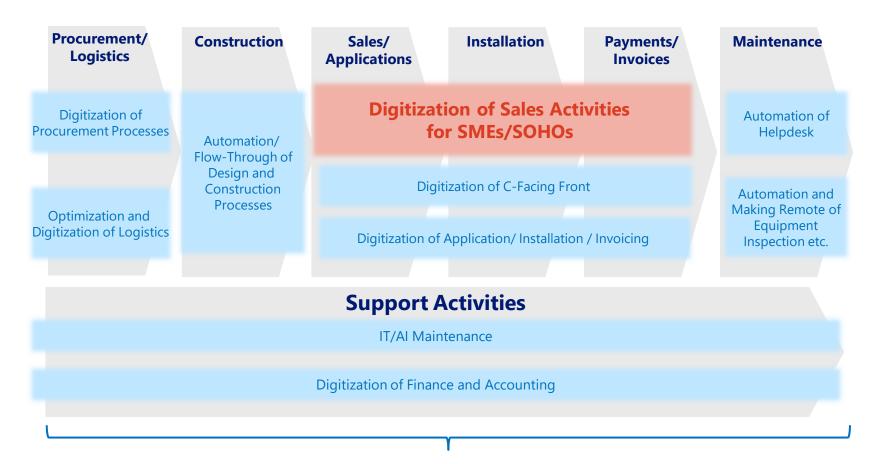




- Master data conversion
- Data linkage through API
- Access control
- Anonymized information
- Define necessary data from the dashboard and reflect in the design

Main DX Initiatives



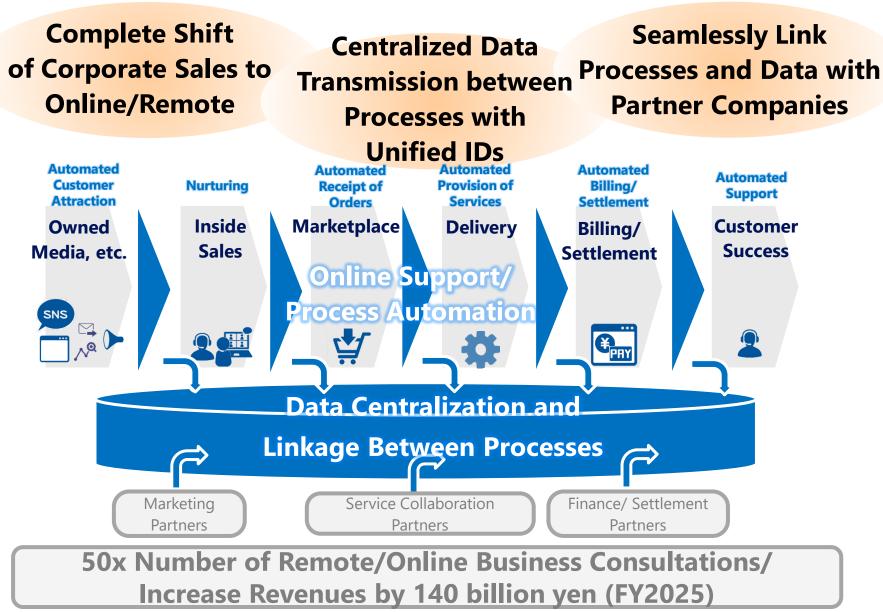


Approximately 100 automated processes for 10 DX initiatives

Improvement of Service Providing Operations Productivity: 1.7x (FY2025)

Business for SMEs/SOHOs







3 Re-Examination of Systems

Directionality of Re-Examination of Systems/ General Improvements



Pre-COVID

Uniform Management Style
Premised on
Office Work

- Work in officesRequired relocations
- 9-to-5 working hours
- Company-driven personnel assignments

Premised on Remote Work

- Choice of workplace and residence (released from relocations/unaccompanied assignments)
- Choice of working hours
 (released from fixed working hours)
- Choice of careers
 (released from seniority system)
- Enhancement of Governance in Consideration of Conduct Risks

Choice of Workplace and Residence



ReExamination
of Systems
To-Date

Recommendations for Remote Work

Work-from-home (limited frequency) Remote work (unlimited)
Commuting allowance (fixed payments)

Commuting allowance (payment of actual costs)

No work-from-home stipends No

New remote work stipends

Flex (with Core Times)

Super Flex (without Core Times)

Future Initiatives

No Need for Relocations and
Unaccompanied Assignments
Recruitment of Remote-Based Employees

(From FY2022)

Decentralization of the Organization (Including Head Officers and Back-Offices)

(From FY2021)

Expansion of Satellite Offices

(FY2022 260 or more locations)

Re-Examination of the Office Environment

increase the amount of space per person in the office by 1.5x, and enhance the space for idea creation and co-creation

(From FY2022)

Examples of Initiatives at Operating Companies (NTT East)



Promotion of Work-in-Life (Health Management) through the Workplace-Residence Proximity

 Working at head offices while living in regional cities (From FY2021)

<u>Decentralization of the</u> <u>Organization (Including Head</u> <u>Officers and Back-Offices) 1</u>

• Distribution of regional revitalization businesses to regional areas (From FY2022)

<u>Decentralization of the</u> <u>Organization (Including Head</u> <u>Officers and Back-Offices) 2</u>

• Strengthening decentralization of disaster countermeasure functions, including those related to BCP (From FY2022)

Re-Examination of the Office Environment

- In connection with the Shinagawa redevelopment, merged Shinagawa and Hatsudai headquarters (During FY2021)
- Enhance the spaces for idea creation and co-creation (From FY2022)

Choice of Careers



ReExamination
of Systems
To-Date

Introduction of job-based employment for high-ranking managers
Utilization of voluntary personnel job challenges/ job offerings
Introduction of various trainings according to level

Future Initiatives

Promotion of Autonomous Career Development

(FY2022)

Foreigners and External Personnel

(Mid-Career Hire Ratio*: 30%

Active Recruitment of

in FY2023)

* External personnel

Advancement of the Promotion of Female Managers and Directors

(Female Directors: 25-30% in FY2025)

Development of Global Management Personnel

(FY2025 Total Number: 200 persons)



Promotion of "work-in-life" (health management)
Open, global and innovative business operations



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