

[English Translation: Reference Purposes Only]

May 8, 2026

To whom it may concern:

Company Name: NTT, Inc.  
Name of Representative: Akira Shimada, President and  
Chief Executive Officer  
(Securities Code: 9432, the Prime Market of the Tokyo Stock Exchange)

**Notice Regarding the Partial Revision and Other Changes of the Medium-Term Management Strategy**

NTT, Inc. (“NTT”) hereby announces that at the Board of Directors’ meeting held May 8, 2026, the following partial revision of the Medium-Term Management Strategy announced on May 12, 2023, were resolved. Accordingly, it is hereby also announced that changes to the performance-linked stock compensation system for Members of the Board and officers of NTT and its subsidiaries were also resolved at the Board of Directors’ meeting held on May 8, 2026.

**1. Partial Revision of the Medium-Term Management Strategy**

(1) Details of the Revision

NTT has decided to revise the medium-term financial targets announced on May 12, 2023 as follows, and partially revise the Medium-Term Management Strategy.

Looking ahead, we aim to further broaden growth areas (Value-added Areas) by expanding our business from the perspective of value provided to customers – specifically through AI-related businesses in the Domestic Corporate Businesses, the growth of overseas businesses centered on data centers, and the expansion of personal services with a focus on finance offerings. Additionally, within existing areas (connectivity areas), we will promote the transition to AI-native next-generation infrastructure “AIOWN“, optimized for GPU, network, and power. Through these initiatives, we aim to achieve EBITDA of 4 trillion yen in FY2030.

In addition to the above, sustainability-related targets also remain unchanged.

Medium-term financial targets

Targets Indicators	Target Levels (FY2030)
EBITDA (Consolidated)	4 Trillion Yen
ROIC (Excluding Financial Businesses*)	5.5%

\*NTT DOCOMO Financial Group consolidated figures.

## (2) Reasons for the Revision

Under the Medium-Term Management Strategy, we have intensified our focus on growth areas and driven transformative initiatives to enhance corporate value. While profits in growth areas are expanding steadily through aggressive investment and the realization of its results, in existing areas we are strengthening the customer base as traffic increases in an ever more intense and competitive environment.

Given these changes in the business environment, and to achieve both mid to long-term growth and a stable financial foundation, NTT has decided to partially revise the Medium-Term Management Strategy.

<Related Materials>

Attachment 1 Presentation Slides

### 2. Partial Revision of the Performance-Linked Stock Compensation System for Members of the Board and Officers of NTT and its Subsidiaries

In conjunction with the partial revision of the Medium-Term Management Strategy, we will make certain revisions to the details of the performance-based stock compensation system for Members of the Board and Officers. Please refer to Attachment 2 for further details.

<Related Materials>

Attachment 2 Partial Revision to the Details of the Performance-Linked Stock Compensation System for Members of the Board and Officers of NTT and its Subsidiaries

### 3. Other (Revision of Key Performance Indicator for Executive Bonuses)

Based on the review of our medium-term financial targets, we plan to revise the key performance indicator for bonuses in fiscal year 2026 as follows.

Category	Performance Indicators	Evaluation Weight	Evaluation Method
Financial indicators	EBITDA	25%	Year-on-Year Improvement
	EPS (Earnings Per Share)	10%	
	EBITDA	25%	Achievement level of plan
	Operating Profit	10%	
	ROIC (Excluding financial businesses)	7.5%	
	Capital Expenditures	7.5%	

Category	Performance Indicators	Evaluation Weight	Evaluation Method
Sustainability indicators	Customer Engagement	5%	Year-on-Year Improvement
	Greenhouse Gas Emissions	5%	Achievement level of plan
	New Female Manager Promotion Rate	2.5%	
	Employee Engagement Rate	2.5%	

- (1) ROIC excludes NTT DOCOMO Financial Group consolidated figures.
- (2) GHG emissions are for GHG protocol Scope 1 & 2.

- (3) The scope of aggregation for the percentage of female employees among newly appointed managers is for NTT, NTT DOCOMO\*, NTT EAST, NTT WEST, and NTT DATA Group\*.  
\* Figures for NTT DOCOMO include NTT DOCOMO BUSINESS. NTT DATA Group also includes figures for NTT DATA and NTT DATA, Inc.
- (4) The employee engagement rate is the percentage of respondents who provide positive answers to the four indicators set as the NTT Group KPIs for measuring engagement. The scope of aggregation for the employee engagement rate includes NTT, NTT DOCOMO\*, NTT EAST, NTT WEST, NTT DATA Group, NTT Urban Solutions, NTT Anode Energy, and their designated subsidiaries\*\*.  
\* Figures for NTT DOCOMO include NTT DOCOMO BUSINESS.  
\*\* In addition to designated subsidiaries, the employee engagement survey is being expanded sequentially, and from fiscal year 2024, has also been conducted at overseas NTT group companies.
- (5) Customer Engagement Indicator is calculated by using NPI (Next Purchase Intention) and NPS® (Net Promoter Score®). NPI is an index that measures continued usage intention and NPS® is an index that measures recommendation likelihood. The focus of NTT's customer engagement efforts is on services for small and medium-sized businesses, a key priority area for NTT EAST, NTT WEST, and NTT DOCOMO\*\*, consumer services as well as NTT DATA and NTT DOCOMO BUSINESS's services targeted towards large enterprises.  
\* Net Promoter Score and NPS are registered trademarks of Bain & Company, Inc., Fred Reichheld, and Satmetrix Systems, Inc. (currently NICE Systems, Inc.).  
\*\* Figures for NTT DOCOMO include NTT DOCOMO BUSINESS.
- (6) In this note, "NTT DOCOMO," "NTT EAST," "NTT WEST," "NTT DATA Group," "NTT DOCOMO BUSINESS," "NTT DATA," "NTT DATA, Inc.," "NTT Urban Solutions," and "NTT Anode Energy" refer to NTT DOCOMO, INC., NTT EAST Inc., NTT WEST Inc., NTT DATA Group Corporation, NTT DOCOMO BUSINESS, Inc., NTT DATA Japan Corporation, NTT DATA, Inc., NTT Urban Solutions, Inc., and NTT Anode Energy Corporation, respectively.

(Note) The forward-looking statements and projected figures concerning the future performance of NTT and its subsidiaries and affiliates contained or referred to herein are based on a series of assumptions, projections, estimates, judgments and beliefs of the management of NTT in light of information currently available to it regarding NTT and its subsidiaries and affiliates, the economy and telecommunications industry in Japan and overseas, and other factors. These projections and estimates may be affected by the future business operations of NTT and its subsidiaries and affiliates, the state of the economy in Japan and abroad, possible fluctuations in the securities markets, the pricing of services, the effects of competition, the performance of new products, services and new businesses, changes to laws and regulations affecting the telecommunications industry in Japan and elsewhere, and other changes in circumstances that could cause actual results to differ materially from the forecasts contained or referred to herein.

End

For further inquiries, please contact:  
Terajima or Ooshima  
Investor Relations Office  
Finance and Accounting Department  
NTT, Inc.  
Contact us by email: <https://group.ntt/en/ir/contact/>



# **Toward Medium-Term Profit Growth**

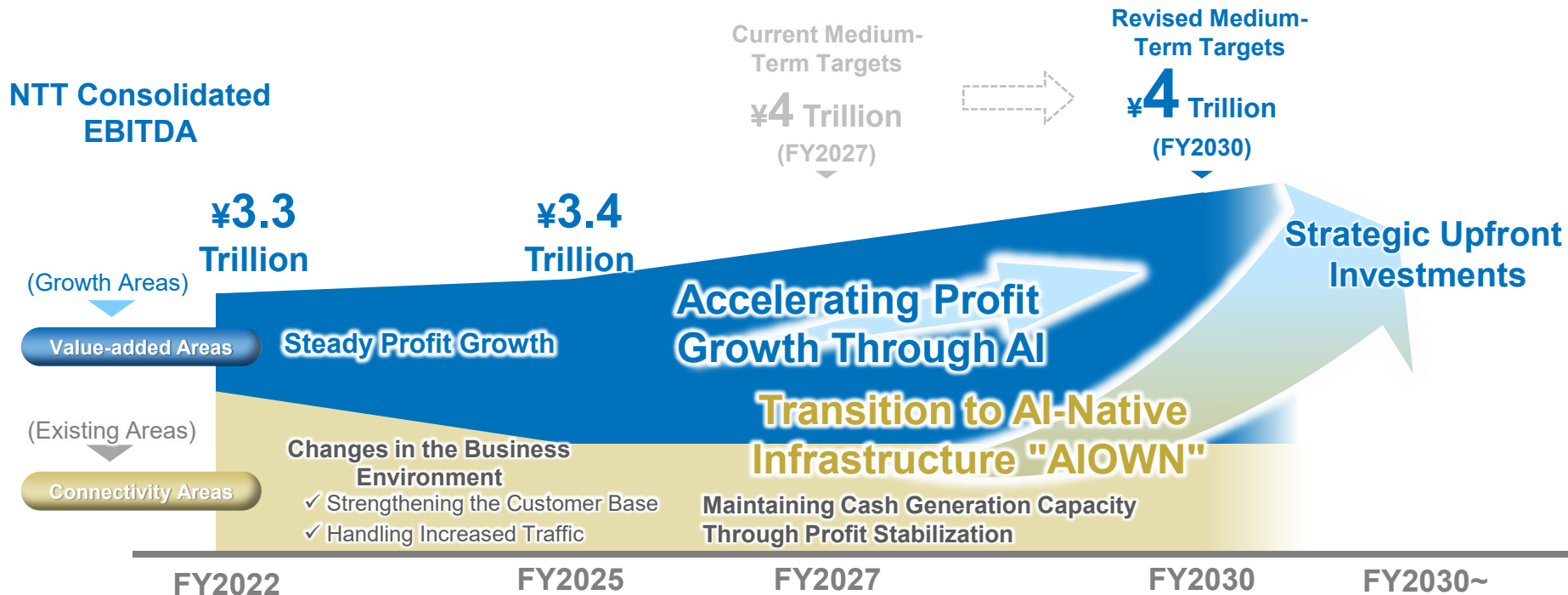
## **(Revision of Medium-Term Financial Targets)**

**May 8, 2026**

- **Toward Medium-Term Profit Growth (Revision of Medium-Term Financial Targets)**
- **Initiatives Aimed at Achieving EBITDA of ¥4 Trillion in Fiscal Year 2030**
- **Medium-Term Financial Targets**
- **Basic Policy on Shareholder Returns**
- **Financial Policy**

# Toward Medium-Term Profit Growth (Revision of Medium-Term Financial Targets)

- While profits are steadily increasing in Growth Areas, changes in the business environment in Existing Areas have resulted in consolidated EBITDA falling below expectations, making it difficult to achieve the FY2027 target.
- We aim to achieve EBITDA of 4 trillion yen by FY2030 by accelerating growth in the Value-added Areas and transforming the Connectivity Areas into an AI-native infrastructure.



## <Value-added Areas>

### Accelerating Profit Growth Through AI

- ① Expansion of the domestic corporate business by maximizing customer value
- ② Acceleration of the growth of our overseas business, with a focus on AI and data centers
- ③ Further expansion of our personal business, with a focus on financial services

## <Connectivity Areas>

### Transition to AI-Native Infrastructure

Medium Term

Near Term

- ④ Transition to AI-native next-generation infrastructure

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- ⑤ Toward the realization of next-generation AI-native infrastructure
- ⑥ Maintaining cash generation ability through the stabilization of telecommunications business profits

## Strategic Upfront Investments to Support Continued Growth

- ⑦ Early commercialization of new business areas

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### Transition to AI-Native Infrastructure

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Near Term

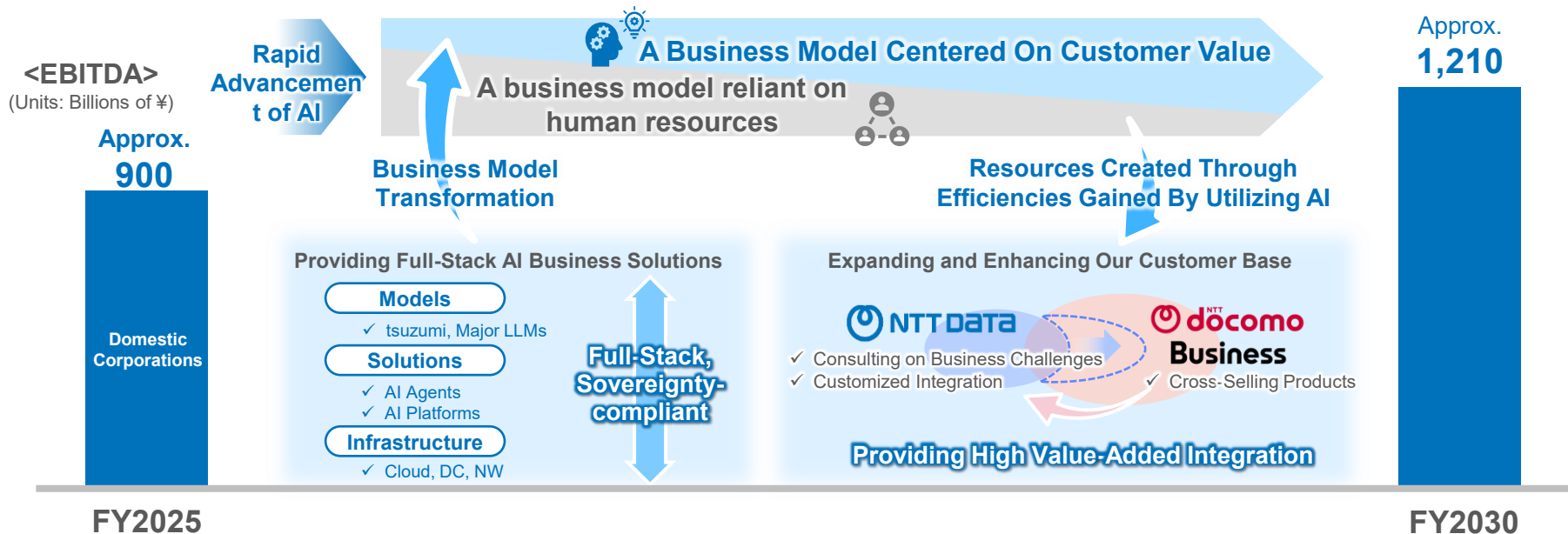
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## Strategic Upfront Investments to Support Continued Growth

- ⑦ Early commercialization of new business areas

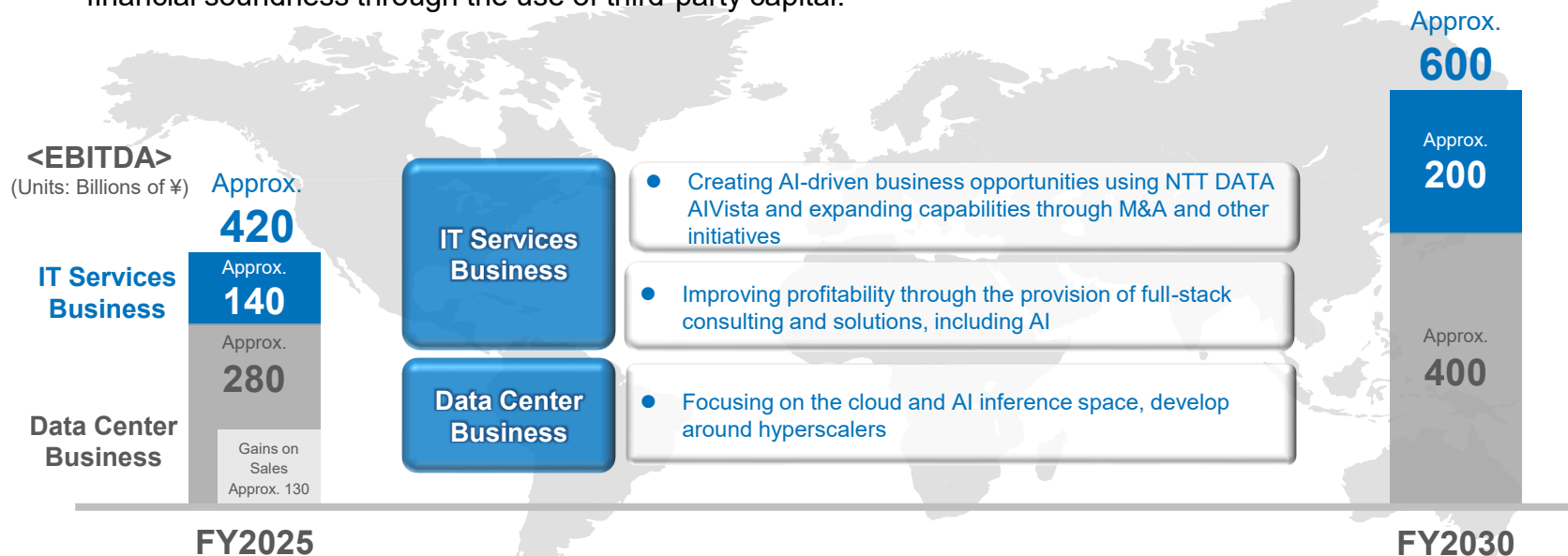
# ① Expansion of the Domestic Corporate Business by Maximizing Customer Value

- In light of the rapid advancements in AI, we are shifting our business portfolio from a model reliant on human resources to one centered on customer value.
- By promoting the provision of high value-added integration services by NTT DATA, we will expand our customer base.



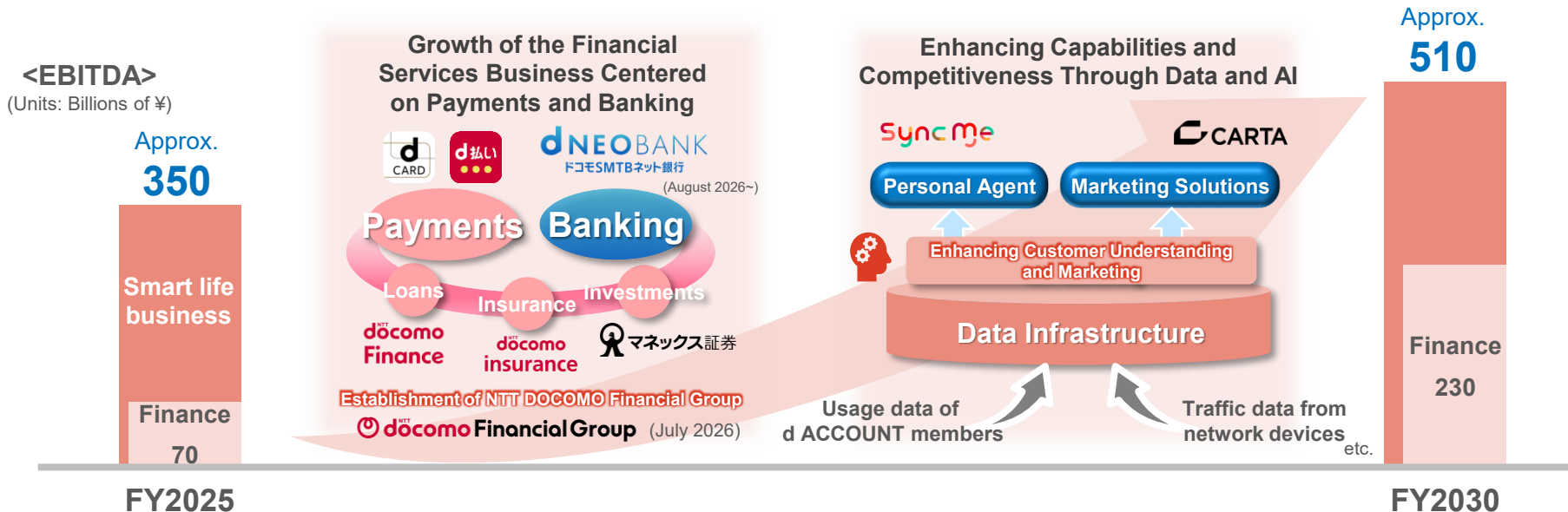
## ② Acceleration of the Growth of Our Overseas Business, With a Focus on AI and Data Centers

- Accelerating the growth of our overseas business by providing full-stack services, with AI and data centers as key growth drivers.
- In the IT services business, we will promote the creation of AI-native businesses, while also expanding capabilities through M&A and other initiatives.
- In light of robust demand, the data center business will continue to make growth investments while maintaining financial soundness through the use of third-party capital.



### ③ Further Expansion of Our Personal Business, With a Focus on Financial Services

- Expansion of financial customer base with settlement and banking as a starting point and growth of financial business through promotion of investments and loans and insurance utilization.
- We will enhance our marketing capabilities by combining one of the largest membership bases in Japan and vast and diverse data with AI.



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Strategic Upfront Investments to Support Continued Growth

- ⑦ Early commercialization of new business areas

## ④ Transition to AI-native next-generation infrastructure

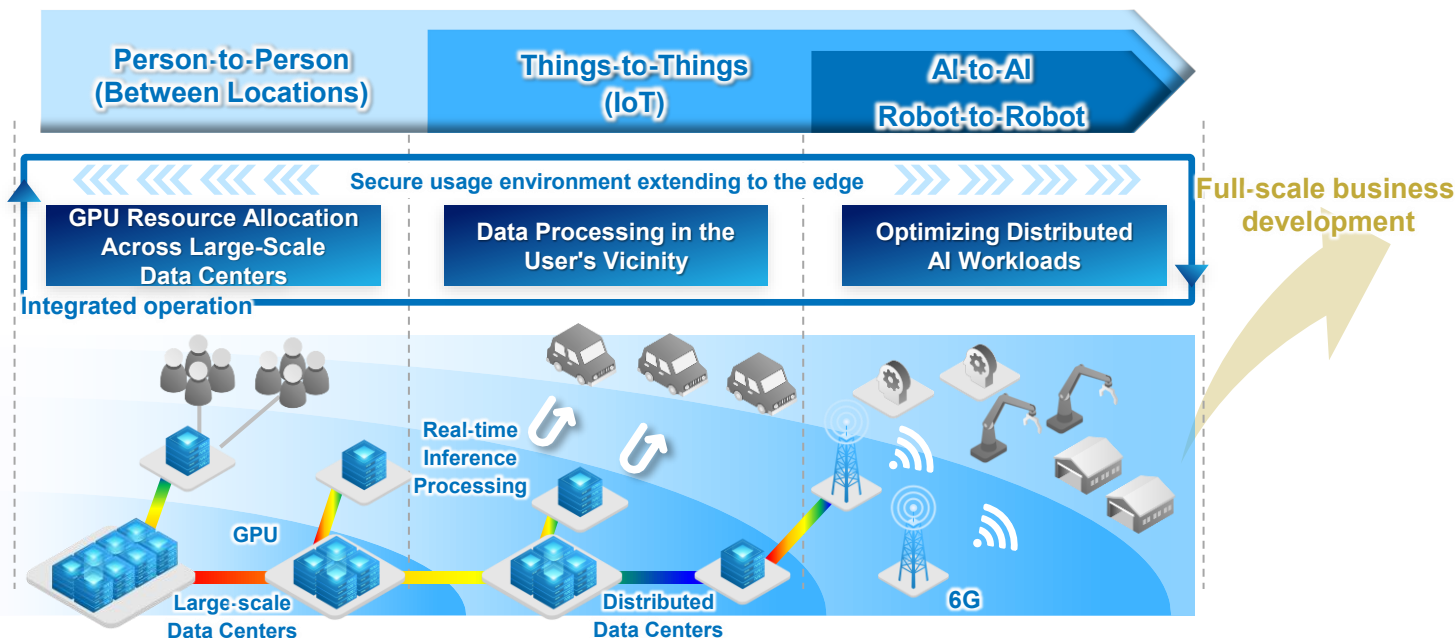
- By optimizing resources such as GPUs, networks, and power, and realizing the conversion to AI native infrastructure “AOWN” in Japan, which handles operations including the edge, we aim for full-scale business development.

# AOWN

AI × IOWN



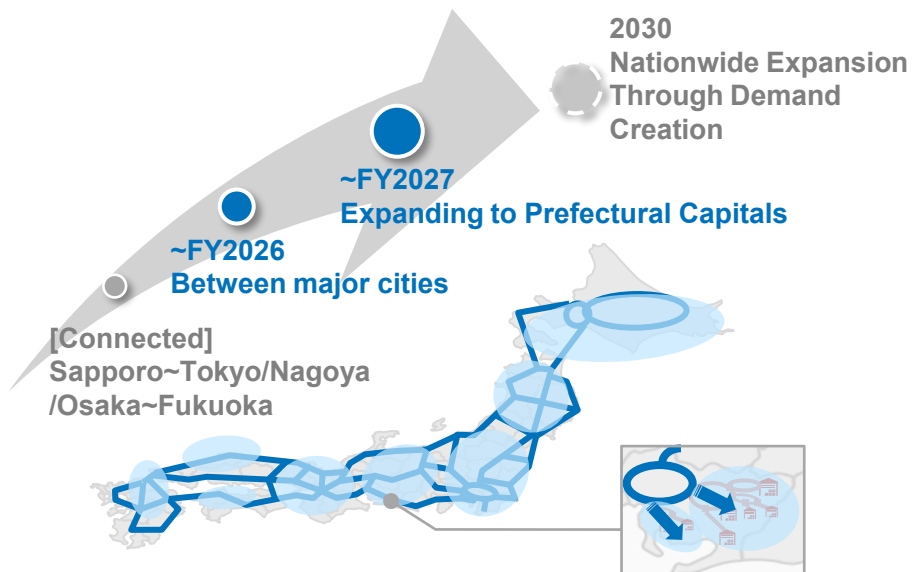
"AOWN" is currently under trademark application in Japan.



## ⑤ Toward the Realization of AI-native next-generation infrastructure

- To realize AI-native next-generation infrastructure "AIOWN", we will accelerate the social implementation of IOWN by expanding IOWN APN nationwide and expanding the ecosystem of photonic-electronic convergence devices through cooperation with various partners.

### Deployment of the IOWN APN



### Deployment of IOWN Photonic-Electronic Convergence Devices



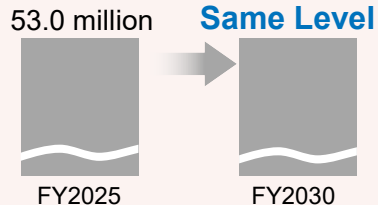
## ⑥ Maintaining Cash Generation Capacity Through the Stabilization of Telecommunications Business Profits

- Maintain cash generation capacity by securing stable profits through measures such as improving productivity via AI-driven operational transformation and strengthening customer engagement across all business areas.

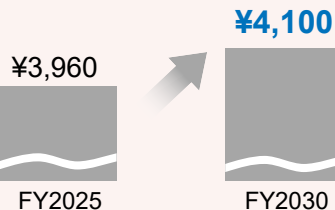
### Consumer Communications Business



#### Number of Handset Subscriptions



#### Mobile ARPU



### Maximize LTV

#### Strengthening Customer Engagement

- Enhance engagement channels
- Optimize offerings using AI

#### Product Evolution

- Enhance the experiential value through digital and physical integration

#### Operational Transformation and Productivity Improvement Utilizing AI

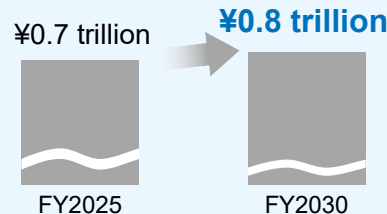
- Transformation of customer operation and network architecture

※Figures include corporate subscriptions.

### Regional Communications Business



#### EBITDA



#### Operational Transformation

- Improving productivity through process optimization using DX and AI
- Reskilling of redeployed human resources and shifting toward growth areas

**Achieve profit growth**



#### Increasing Profits in Hikari Business, Corporate Business and New Businesses

- Expansion of the optical customer base through initiatives such as the "Hikari Collaboration Model" and the "All- Apartment Units Business"
- Improving profit margins through focusing resources on key customers and in-house production
- Strengthen profitability in new business areas by solving regional issues

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**Strategic Upfront Investments to Support Continued Growth**

- ⑦ Early commercialization of new business areas

## ⑦ Early Commercialization of New Business Areas

- To achieve sustainable profit growth beyond 2030, we will continue to make strategic growth investments in fields such as mobility, space, and photonic quantum computing.

### Near Term

### Medium to Long Term

## Mobility

- Services supporting the introduction and operation of autonomous vehicles (such as buses and taxis)

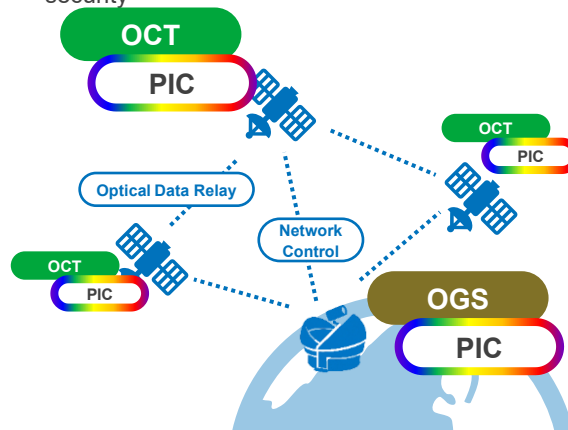


- Infrastructure collaborated Mobility AI and Communications Platform



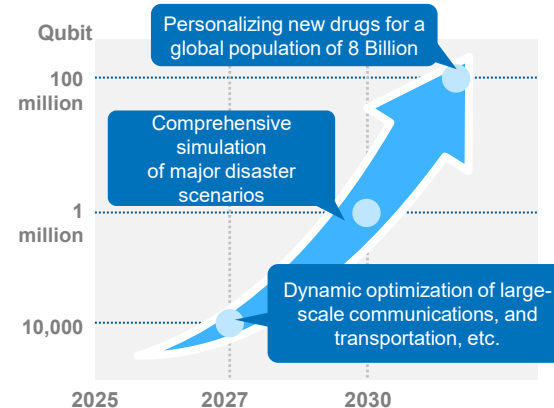
## Space

- Applications of IOWN Technology
- Utilized for disaster prevention and economic security



## Optical Quantum Computing

- Research and development of scalable and highly reliable optical quantum computers
- Accelerate commercialization through partner collaborations



Continue Strategic Growth Investments

# Medium-Term Financial Targets

Target Indicators	Target Levels (FY2030)	〔Reference〕 FY2026 Forecast
EBITDA(consolidated)  ROIC(Excluding Financial Businesses*)	¥ 4 Trillion  5.5%	¥ 3.4 Trillion  5.0%

\*NTT DOCOMO Financial Group

## ■ Sustainability-related targets(remain unchanged)

- New Female Manager Promotion Rate : at least 30% each year
- Greenhouse Gas Emissions : targeting carbon neutrality in 2040, as well as Net-Zero
- Engagement Rate : To be improved

# Basic Policy on Shareholder Returns



- We will continue to follow our existing policies regarding both dividends and share buybacks.

## Dividend Policy

Our basic policy is to implement steady increases in dividends

## Share Buybacks

We will flexibly conduct share buybacks to improve capital efficiency

# Financial Policy

- Our policy is to ensure a certain level of financial soundness, and in the medium term, we aim to reduce the Interest-bearing liabilities / EBITDA (excluding the financial businesses) to approximately 3.5x.

## Interest-bearing liabilities / EBITDA(Excluding Financial Businesses)

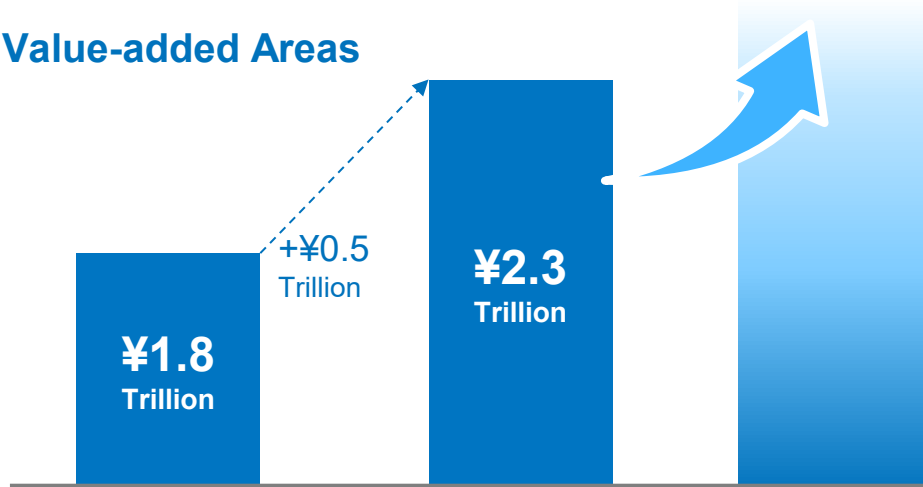


# [Attachment] EBITDA by Business Segment

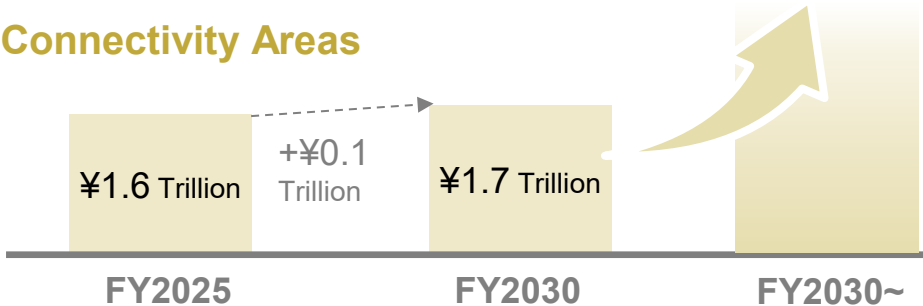


Integrated ICT    Global Solutions    Regional Communications

## Value-added Areas



## Connectivity Areas



FY2025    FY2030

A complex network of white and light blue lines connecting various nodes, set against a dark blue background with a subtle teal glow. The nodes are represented by small white and light blue dots of varying sizes.

# New value creation & Sustainability 2030 powered by **AIOWN**

# **Innovating a Sustainable Future for People and Planet**



(Attachment 2)

## Partial Revision of the Performance-Linked Stock Compensation System for Members of the Board or Officers

### (1) Summary

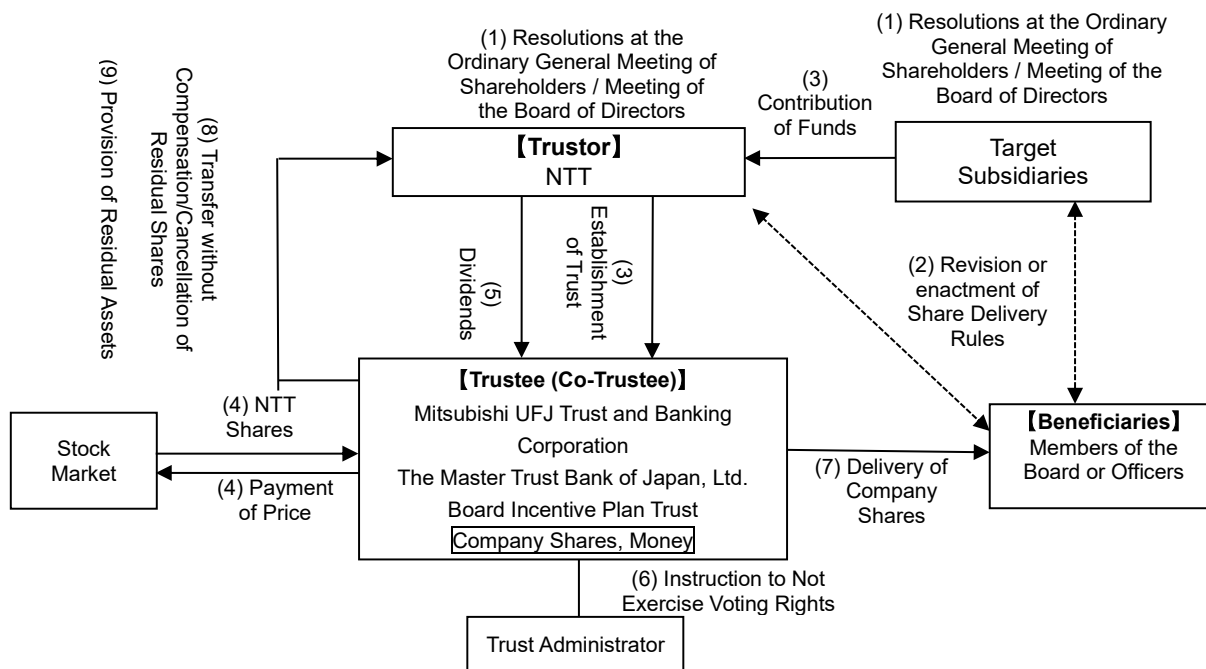
With the aim of achieving the our Medium-Term Management Strategy, NTT has introduced a performance-based stock compensation system for the Members of the Board or Officers (the “Stock Compensation System”) to more clearly link the compensation of Member of the Board or Officers of NTT and its major subsidiaries designated by NTT (the “Target Subsidiaries”) (excluding outside directors, directors serving as members of the Audit and Supervisory Committee, and non-residents of Japan, the “Members of the Board or Officers”) with the NTT Group’s corporate value, further enhance the motivation of Members of the Board or Officers to achieve financial targets under the Medium-Term Management Strategy, and encourage ownership of the Company’s shares by Members of the Board or Officers to further align their interests with shareholders.

In conjunction with the partial revision of the Medium-Term Management Strategy (the “Revision”), to align the content of the Revision with the Stock Compensation System, the following revisions to the Stock Compensation System will be made, subject to approval at NTT’s 41st Annual General Meeting of Shareholders scheduled for June 18, 2026: (1) revision of the target period under the Stock Compensation System (in line with the extension of the Medium-Term Management Strategy to fiscal year 2030, the target period for the Stock Compensation System will also be extended to fiscal year 2030), and (2) revision of the method for calculating the number of shares of NTT to be granted to Members of the Board or Officers (limited to the target period up to fiscal year 2030 following the revision of this Stock Compensation System, for cumulative points earned over the two fiscal years ending March 31, 2025 and March 31, 2026, the number of shares to be granted or otherwise provided shall be determined by applying a performance-linked coefficient based on the degree of achievement of the financial targets set forth in the Medium-Term Management Strategy prior to the Revision, as of the end of fiscal year 2027, which was designated as the final fiscal year of the Medium-Term Management Strategy prior to the Revision. In addition, for the cumulative points earned over the five fiscal years from the fiscal year ending March 31, 2027, through the fiscal year ending March 31, 2031, the number of shares of NTT to be granted will be calculated by applying a performance-linked coefficient based on the degree of achievement of financial targets and other factors as of the end of fiscal year 2030, which is the final fiscal year following this Revision.)

In addition, NTT’s major subsidiaries, NTT DATA Group Corporation, NTT DATA Japan Corporation, NTT DATA, Inc., and NTT DOCOMO Financial Group, Inc. (scheduled to commence operations on July 1, 2026), (the “New Target Companies ;” and together with NTT, the “Target Companies”) shall be designated as Target Companies under this Stock Compensation System.

Please note that partial revisions to this Stock Compensation System at the Target Subsidiaries (excluding New Target Companies) are subject to approval at each company’s general meeting of shareholders, and the introduction of this stock Compensation System at New Target Companies is subject to approval at each company’s general meeting of shareholders.

(2) Overview of the Revised Compensation System



- ① NTT will obtain resolutions approving the changes to the Stock Compensation System for the Members of the Board at the Ordinary General Meeting of Shareholders. Each Target Subsidiary (excluding New Target Companies) will seek approval at its respective General Meeting of Shareholders for the revision of its Stock Compensation System for Members of the Board or Officers. In addition, each New Target Company will seek approval at its respective General Meeting of Shareholders for the introduction of this Stock Compensation System.
- ② NTT and the Target Subsidiaries will revise or enact the share delivery rules of the Stock Compensation System at the Boards of Directors meeting of each company.
- ③ NTT contributes funds that constitute the source of the funds for the stock compensation of the Members of the Board or Officers and established the trust under which the Members of the Board or Officers who satisfy the beneficiary requirements are beneficiaries.
- ④ Pursuant to instructions from the trust administrator, the trust will acquire the Company Shares from the stock market. The number of shares to be acquired by the trust for delivery to the Members of the Board or Officers and the amount of funds equivalent to the conversion price of such shares (each, a “delivery”), will not exceed the scope approved at the shareholder meetings of each Target Company.
- ⑤ Dividends on the Company Shares held by the trust will be paid in the same manner as dividends on other Company Shares.
- ⑥ Voting rights for the Company Shares held by the trust will not be exercised throughout the trust period.
- ⑦ During the delivery period, Members of the Board or Officers under the trust will receive certain points pursuant to the stock delivery rules of each Target Company and, if they satisfy the beneficiary requirements, will receive Company Shares equivalent to a certain ratio of points (with shares less than one unit to be rounded down) from the trust. Company Shares equivalent to any residual points will be converted into cash within the trust pursuant to the trust agreement, and Members of the Board or Officers will receive a monetary equivalent to the converted value of the Company Shares.

- ⑧ With respect to any residual shares at the expiration of the trust period due to non-achievement of the company's results targets or other reasons, in the event that the trust continues to be used under the Compensation System or an equivalent stock compensation system, such shares will be eligible for delivery to the Members of the Board or Officers. In the event that the trust is terminated upon expiration of the trust period, as a means of shareholder returns, the trust will transfer such shares to NTT without compensation, and it is expected that NTT would cancel such shares pursuant a resolution of the Board of Directors.
- ⑨ Any residual dividends on the Company Shares held by the trust at the expiration of the trust period will be used as funds to acquire shares if the trust continues to be utilized. In the event that the trust is terminated upon the expiration of the trust period, the amount will be returned to the company within the limits of the trust expense reserve after deducting from the trust money the funds for share acquisition, and the portion exceeding the reserve for trust expenses will be donated to organizations that have no interests with NTT or the Members of the Board or Officers.

\* During the trust period, if the number of shares held by the trust is likely to be insufficient for the number of Company Shares equivalent to the number of points to grant shares to the Members of the Board or Officers, or if the funds consisting of trust assets is likely to be insufficient for the payment of the trust fees and expenses, additional funds may be contributed to the trust by NTT, and additional Company Shares may be acquired by the trust.

### **(1) Overview of the Compensation System**

The Compensation System will cover the fiscal years that are subject to the medium-term management strategy set forth by NTT (in each case such continuation is referred to herein, as set forth in Section 4(a) below), and is a system for delivery of Company Shares as executive compensation depending on the position of the Members of the Board or Officers and the degree to which financial targets under the medium-term management strategy have been achieved, among other factors. Furthermore, in the event of the continuation of the trust thereafter (in each case such continuation is referred to herein, as set forth in Section 4(b) below), the fiscal years that correspond to subsequent medium-term management strategies will be set as the coverages.

### **(2) Resolutions of Boards of Directors with Respect to the Revision and Continuation of the Compensation System**

In connection with the revision and continuation of the Compensation System, with respect to the executive compensation of the Members of the Board of each Target Company who are eligible under the Compensation System, the trust agreement will be amended at the end of the trust period and additional contributions will be made to the trust pursuant to board resolutions, within the scope approved at the shareholder meetings for the adoption of the Compensation System. Furthermore, necessary matters regarding the executive compensation of Executive Officers of each Target Company who are eligible under the Compensation System will also be resolved pursuant to board resolutions.

### **(3) Persons Eligible for the Compensation System (Beneficiary Requirements)**

Subject to meeting the beneficiary requirements described below and upon completing the required beneficiary verification procedures, Members of the Board or Officers will be able to have Company Shares delivered from the trust in an amount corresponding to the number of stock delivery points.

The beneficiary requirements are as follows:

- a. The person is a Member of the Board or Officer on or after the date the system begins (including persons who newly become Members of the Board or Officers after the date the system begins)
- b. The person has retired from the position of a Member of the Board or Officer\* or become non-residents of Japan
- c. The person has not resigned due to personal reasons (excluding unavoidable circumstances such as injury and illness or other reasons approved by NTT), been dismissed, or has not engaged in any illegal or inappropriate activities during his or her tenure
- d. Other requirements that are determined to be necessary to accomplish the purpose of a performance-linked stock compensation system

\* However, in the event that the trust period is extended pursuant to Section 4(c) below and such Member of the Board or Officer is still in office as a person eligible for the system following the expiration of the extended trust period, the trust will be terminated at such time, and delivery of the Company Shares for such eligible person will be conducted while such person remains in office.

#### **(4) Trust Period**

##### **a. Continuation of the Trust Period**

There is currently an existing trust established to correspond to the four fiscal years from the fiscal year ending March 31, 2025 to the fiscal year ending March 31, 2028. However, in conjunction with the extension of the Medium-Term Management Strategy through to fiscal year 2030, the target period for this revised Stock Compensation System will be seven fiscal years, spanning from the fiscal year ending March 31, 2025, to the fiscal year ending March 31, 2031.

##### **b. Continuation of the Trust**

Upon the expiration of the trust period, the trust may be continued by means of amendment of the trust agreement or creation of an additional trust. In such an event, the number of fiscal years that corresponds to the medium-term management strategy established by NTT at such time will be set as the new target period, the trust period will be extended to correspond to such new target period, and distributions of points to Members of the Board or Officers will continue to be made during the duration of the extended trust period. For any additional contributions made to the trust during the new target period, executive compensation for Members of the Board of each Target Company will be made within the scope of the maximum amounts of funds to be contributed to the trust (the "Acceptable Range") if the proposals relating to the Compensation System which are scheduled to be submitted to the Ordinary General Shareholders Meeting are approved. In the event that such additional contributions are made, however, if there are any Company Shares (excluding Company Shares corresponding to points granted to Members of the Board or Officers for which Delivery has not been completed) or funds that remain in the trust's property on the last day of the trust period prior to the extension (collectively, "Residual Shares"), the total amount of Residual Shares corresponding to the executive compensation for Members of the Board of each Target Company, plus additional contributions of funds to the trust, will be within the Acceptable Range. Extensions of the trust period will not be limited to one extension; the trust period may also be re-extended thereafter in the same manner.

##### **c. Expiration of the Trust (Extension of Trust Period without Additional Contributions)**

Even in the event that the trust expires, if there are Members of the Board or Officers who may meet the beneficiary requirements at the time of the expiration of the trust period (or, in the event of a continuation of the trust as described in (b) above, the as-extended trust period), the trust will not be terminated immediately, but rather, the trust period will be extended for a specified limited period of time. In such an event, however, new distributions of points to Members of the Board or Officers will not be made.

#### **(5) Calculation Method for the Number of Company Shares to be Provided for the Delivery to Members of the Board or Officers**

At a specified time each year during the trust period, points calculated in accordance with the following formula ("Reference Points") will be granted on the basis of the position of each Member of the Board or Officer. At a specified time following the last day of the final fiscal year of the target period, the number of Company Shares to be delivered will be determined based on the number of Reference Points accumulated during the trust period ("Accumulated Points") multiplied by the performance-linked coefficient.

The performance-linked coefficient will be determined based on financial targets and other criteria set forth in the NTT's medium-term management strategy. For the current target period (the period up to fiscal year 2030 following the revision of this Stock Compensation System), it will be determined within a range of 0% to 150% based on the degree to which financial targets for EBITDA are achieved.

However, limited to the target period up to fiscal year 2030 following the revision of this Stock Compensation System, for cumulative points earned over the two fiscal years ending March 31, 2025 and March 31, 2026, the number of shares to be granted or otherwise provided shall be determined by applying a performance-linked coefficient based on the degree of achievement of the financial targets set forth in the Medium-Term Management Strategy prior to the Revision, as of the end of fiscal year 2027, which was designated as the final fiscal year of the Medium-Term Management Strategy prior to the Revision. In addition, for the cumulative points earned over the five fiscal years from the fiscal year ending March 31, 2027, through the fiscal year ending March 31, 2031, the number of shares of NTT to be granted will be calculated by applying a performance-linked coefficient based on the degree of achievement of financial targets and other factors as of the end of fiscal year 2030, which is the final fiscal year following this Revision.

(Reference Point Formula)

Reference stock compensation amount based on position ÷ average closing share price of Company Shares on the Tokyo Stock Exchange in the month prior to the start of the target period (rounded down to the nearest whole number)

The number of the Company Shares that will be subject to delivery to the Members of the Board or Officers through the trust will be one Company Share per one point, with any fraction less than one point rounded down. If, however, a stock split or reverse stock split occurs with respect to Company Shares during the trust period, the number of Company Shares per point will be adjusted in accordance with the stock split ratio or reverse stock split ratio, as applicable.

In addition, in the event that a Member of the Board or Officer retires, passes away or becomes a non-resident of Japan during the trust period, the number of shares to be delivered will be determined using the number of Accumulated Points as of such time as the number of points for share delivery.

#### **(6) Method of Delivery of the Company Shares to the Members of the Board or Officers, and Period of Delivery**

In the event that an Member of the Board or Officer who meets the beneficiary requirements retires (excluding instances in which such person passes away), such Member of the Board or Officer will, upon completing certain specified beneficiary verification procedures, receive Company Shares from the trust in a number corresponding to a specified percentage of the points for share delivery (rounded down), and with respect to the number of Company Shares corresponding to the remaining points for share delivery, funds corresponding to the exchange payment will be delivered after such shares are redeemed within the trust. If a Member of the Board or Officer who meets the beneficiary requirements passes away during the trust period, Company Shares corresponding to the number of points for share delivery calculated at such time will be redeemed within the trust, and the heirs of such Member of the Board or Officer will receive a distribution from the trust. If a Member of the Board or Officer who meets the beneficiary requirements becomes a non-resident of Japan during the trust period, Company Shares corresponding to the number of points for share delivery calculated at such time will be redeemed within the trust, and the Member of the Board or Officer will receive a distribution from the trust.

#### **(7) Maximum Total Amount of Funds to be Contributed to the Trust for NTT's Members of the Board or Officers and Maximum Total Amount of Points to be Granted**

The maximum total amount of funds to be contributed to the trust for purposes of the acquisition of Company Shares for delivery to NTT's Members of the Board or Officers, and the maximum total amount of points to be granted to NTT's Members of the Board or Officers, are as described below.

- Maximum Amount of Funds to be Contributed to the Trust<sup>(1)</sup>

¥150 million per each fiscal year. In conjunction with the extension of the Medium-Term Management Strategy through to fiscal year 2030, the target period for this revised Stock Compensation System will span seven fiscal years, from the fiscal year ending March 31, 2025 to the fiscal year ending March 31, 2031. However, for the newly established target period, the three fiscal years ending March 31, 2029 through March 31, 2031, the total amount shall be capped at ¥450 million. In the event that there is a continuation of the trust as described in Section 4(b) above, the maximum aggregate amount of funds to be contributed to the trust will be an amount equivalent to the maximum amount of trust funds for one fiscal year (¥150 million) multiplied by the number of years in the new target period.

- Maximum Total Amount of Points to be Granted to Members of the Board or Officers<sup>(2)</sup>

1,750,000 points per each fiscal year (equivalent to 1,750,000 shares). Therefore, in conjunction with the partial revision of this Stock Compensation System, the maximum number of shares to be granted for the newly established target period, the three fiscal years ending March 31, 2029 through March 31, 2031, will be 5,250,000 shares (assuming one share of the NTT's stock per point), calculated by multiplying "3" the number of years in the target period by the maximum amount of points. In the event that there is a continuation of the trust as described in Section 4(b) above, the maximum aggregate number of the Company Shares to be acquired by the trust will be an amount equivalent to the maximum amount of points for one fiscal year (1,750,000 points) multiplied by the number of years in the new target period.

- (1) Represents the aggregate amount of funds for stock acquisitions by the trust and for trust fees and expenses for the duration of the trust period.
- (2) The maximum total amount of points to be granted to NTT's Members of the Board or Officers is determined based on the maximum amount of trust funds listed above and by taking into account historical stock prices and other factors.

**Reference:**

The Target Subsidiaries for the Compensation System are as follows:

- NTT DOCOMO, INC.
- NTT DOCOMO BUSINESS, Inc.
- NTT DOCOMO Financial Group, Inc. (\*)
- NTT EAST, Inc.
- NTT WEST, Inc.
- NTT DATA Group Corporation (\*)
- NTT DATA Japan Corporation (\*)
- NTT DATA, Inc. (\*)
- NTT Urban Solutions, Inc.

(\*) The introduction of this Stock Compensation System is subject to approval at the General Meetings of Shareholders of each subsidiary.

**(8) Method of Acquisition of the Company Shares by the Trust**

Company Shares acquired by the trust are anticipated to be acquired from the stock market.

Acquisitions of Company Shares with respect to NTT's Members of the Board or Officers will be conducted in an amount of shares within the scope that corresponds to the maximum total amount of acquisition funds and maximum total amount of points granted to the Members of the Board or Officers described in (7) above.

**(9) Clawback System**

A system has been established such that, in the event that a Member of the Board or Officer engages in significant illegal or inappropriate activity, or takes employment with a competing company without the permission of the Target Companies, the system will enable the revocation of rights to receive Company Shares under the Compensation System with respect to such person (malus) and the request for the return of funds corresponding to previously delivered Company Shares (clawback).

**(10) Exercise of Voting Rights of Company Shares within the Trust**

In order to maintain the neutrality of management, voting rights with respect to Company Shares held within the trust (i.e., Company Shares held before delivery to the Members of the Board or Officers as described in (6) above) will not be exercised during the trust period.

**(11) Dividends on Company Shares within the Trust**

Dividends on Company Shares held within the trust will be received by the trust and applied to the trust's fees and expenses.

**(12) Expiration of the Trust Period**

With respect to any residual shares at the expiration of the trust period due to non-achievement of the company's financial targets or other reasons, in the event that the trust continues to be used under the Compensation System or an equivalent stock compensation system, such shares will be eligible for delivery to the Members of the Board or Officers. In the event that the trust is terminated upon expiration of the trust period, as a means of shareholder returns, the trust will transfer such shares to NTT without compensation, and it is expected that NTT would cancel such shares pursuant a resolution of the Board of Directors.

In addition, any residual dividends on the Company Shares held by the trust that exist at the expiration of the trust period will be used as funds to acquire shares if the trust will continue to be used. If, however, the trust is terminated due

to the expiration of the trust period, the residual dividends will vest in NTT within the extent of reserves for trust expenses, which are calculated by deducting funds for acquiring shares from the trust money, and the portion exceeding the reserves for trust expenses will be donated to organizations that have no interests with NTT or the Members of the Board or Officers.

## Executive Compensation Policy

### 1. Fundamental Policy of the Executive Compensation Policy

In NTT's Medium-Term Management Strategy, we have identified "NTT as a Creator of New Value and Accelerator of a Global Sustainable Society," "Upgrading the Customer Experience (CX)," and "Improving the Employee Experience (EX)" as main pillars. The core of our business is to support the sustainability of the planet, and for that purpose, we pursue the creation of new value as well as the sustainable business growth and development of the NTT Group while aiming to increase corporate value.

The executive compensation system is an important mechanism for increasing motivation by strongly encouraging the execution of responsibilities by executive officers in furtherance of our strategy to increase medium- to long-term corporate value and achieve sustainable growth.

### 2. Compensation Principles

The level of executive compensation will take into consideration factors including economic and social conditions, the business environment of the NTT Group, a review of compensation levels of comparably sized major companies based on external databases and other data, and the responsibilities of officers of NTT and NTT Group companies, and will be determined upon review of appropriate levels to be able to maintain market competitiveness.

### 3. Details of Compensation Structure and Performance-Linked Compensation

Compensation for Members of the Board (excluding Outside directors and members of the Audit and Supervisory Committee) and Executive Officers consists of monthly compensation, bonuses (short-term incentives), purchases of Company Shares through the Board Members Shareholding Association, and performance-linked stock compensation (medium- to long-term incentives), and the ratio of monthly compensation, short-term incentives, and medium- to long-term incentives is determined according to job responsibilities.

Specifically, the composition ratio of compensation for the President and Senior Vice Presidents in the event that standard business results are achieved will roughly be as follows: monthly base salary : short-term incentive (bonus) : medium- to long-term incentive = 40:35:25, or = 50:30:20 in the case of other Members of the Board.

When appointing non-Japanese executive offices, compensation levels and structures may be determined individually, considering the nature of the role and market standards.

Details of each compensation system are described below.

- **Monthly Compensation**

- Monetary compensation based on the significance of each executive officer's role and the scope of such officer's responsibilities, is to be paid as a fixed monthly compensation.

- **Bonus (Short-Term Incentive)**

- The performance-linked monetary compensation is paid each year in June upon consideration of business results in the current fiscal year.
- Furthermore, with respect to the financial targets for bonuses, the targets set forth in the medium- term management strategy, among others, are used as the relevant indexes upon which evaluations are made.

- **Stock Acquisition Funds (Medium- to Long-Term Incentive)**

- Funds of certain defined amounts or more are contributed to the Board Members Shareholding Association to purchase Company Shares for the purposes of further promoting profit-sharing with shareholders by encouraging executive officers to hold Company Shares. All Company Shares purchased with such funds will continue to be held during the period of tenure of such executive officers.

- **Performance-Linked Stock Compensation (Medium- to Long-Term Incentive)**

- Stock compensation, payments of which vary, based on the degree to which business performance targets, including the financial targets, have been achieved during the fiscal years covered by the medium-term management strategy, is provided for the purposes of creating a clear correlation between executive compensation and the corporate value of the company, and provides increased incentives to achieve the financial targets, and further promotes profit-sharing with shareholders by encouraging executive officers to hold Company Shares.
- Using the trust established by NTT, points are granted and accumulated each year as determined in accordance with position, and upon the expiration of the medium-term management strategy, the number of shares to be granted is calculated by multiplying the performance-linked coefficient, based on the degree to which financial targets have been achieved, by the number of accumulated points. EBITDA, among other targets, will be used as the financial targets for stock compensation, and shares will be granted upon the retirement of the executive officer.

\* In accordance with the “Partial Revision of the Medium-Term Management Strategy” announced on May 8, 2026 (this Revision), for cumulative points earned over the two fiscal years ending March 31, 2025 and March 31, 2026, the number of shares to be granted or otherwise provided shall be determined by applying a performance-linked coefficient based on the degree of achievement of the financial targets set forth in the Current Medium-Term Management Strategy as of the end of fiscal year 2027, which was designated as the final fiscal year of the Current Medium-Term Management Strategy. In addition, for the cumulative points earned over the five fiscal years from the fiscal year ending March 31, 2027, through the fiscal year ending March 31, 2031, the number of shares of NTT to be granted will be calculated by applying a performance-linked coefficient based on the degree of achievement of financial targets and other factors as of the end of fiscal year 2030, which is the final fiscal year following this Revision.

- If an executive officers who is eligible for the stock compensation system commits a significant violation of his or her contract with the company or engages in other inappropriate activity, or takes employment with a competing company without the permission of the company, the system will enable the revocation of rights to receive grants of Company Shares under the Compensation System with respect to such person and the request for the return of funds corresponding to previously delivered Company Shares.

In order to maintain a high level of independence, compensation of Outside Members of the Board (excluding Audit and Supervisory Committee Members) consists of a base salary only, and is not linked to NTT’s business results. Compensation of Members of the Board who are Audit & Supervisory Committee Members is determined by resolution of the Members of the Board who are Audit & Supervisory Committee Members and consists of a base salary only, for the same reasons as those cited above with respect to Outside Members of the Board (excluding Audit and Supervisory Committee Members).

#### **4. Process of Determining Compensation**

With regard to the compensation of Members of the Board of NTT, in order to ensure objectivity and transparency, NTT established the Appointment and Compensation Committee, of which the majority of its members will consist of Outside independent Members of the Board, and the committee makes compensation determinations including with respect to individual compensation. In addition, the Board of Directors has delegated determinations regarding the compensation ratio, the compensation calculation method and individual compensation to the committee.