

Environmental Responsibility



We recognize the realization of a decarbonized society and circular economy as well as preservation of biodiversity as key management concerns.

Moreover, we believe our mission as a corporate citizen is to acknowledge the environmental impact associated with our business activities and make the utmost effort to work alongside our customers toward reducing the impact on society as a whole.

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Environmental Vision and Action Plan

Basic Policy

DOCOMO undertakes environmental preservation actions based on the NTT Group Environment and Energy Vision, formulated in May 2020. It also follows the Green Action Plan 2030, which the Group established to summarize its environmental targets through to 2030. We reviewed the targets in July 2022 and have identified, in our Green Action Plan, actions to contribute to the sustainable development of society as a whole and the global environment.

Looking ahead, the DOCOMO Group will uphold these guidelines and environmental targets as it continues to make a Group-wide effort to protect the environment.

----- NTT Group Environment and Energy Vision

In May 2020, the NTT Group formulated the Environment and Energy Vision. In September 2021, it developed NTT Green Innovation toward 2040, a new environment and energy vision aimed at realizing a society based on wellbeing by undertaking ESG initiatives. These initiatives will increase corporate value while simultaneously realizing zero environmental impact and economic growth through the reduction of environmental impact through business activities and creation of breakthrough innovation.

☑ NTT Green Innovation toward 2040

NTT Green Innovation toward 2040 Targets

In order to realize zero environmental impact, the NTT Group set its goal to achieve Group-wide carbon neutrality by fiscal 2040. The first-phase target is set for fiscal 2030, when mobile (NTT DOCOMO) and data center businesses will become the first within the Group to achieve carbon neutrality, and the NTT Group will have reduced greenhouse gas emissions by 80% compared to the fiscal 2013 level. These targets were approved to be in line with the 1.5°C science-based target (SBT) in December 2021.

NTT Group Environment and Energy Vision Basic Policy and Action Guidelines

Basic Policy

The NTT Group is committed to achieving a new level of prosperity where humanity can coexist and preserve nature for generations to come. To this end, we will work to balance solving ecological problems and improving economic development by reducing the environmental impact of our business activities and creating new technologies and innovations.

Action Guidelines

1. Reducing greenhouse gas emissions

The NTT Group is committed to initiatives that reduce greenhouse gas emissions throughout its business activities and society as a whole, by rolling out IOWN technology, increasing development and use of renewable energy sources, and providing services that contribute to carbon neutrality.

2. A commitment to resource recycling

We will shift from a one-time use consumption-oriented company to a recycling-oriented one.

We will promote the effective use of resources throughout the entire life cycle of products and systems, from procurement to use and disposal.

3. Conserving ecosystems

Through our business and employee activities, we will promote initiatives related to conserving ecosystems within nature.

4. Compliance with laws and regulations and fulfillment of social responsibilities

We comply with the laws and regulations related to environmental issues in each country and region, and act with high ethical standards.

5. Establishing and maintaining environmental management systems

We will establish the Green Innovation Committee chaired by the Representative Director and Senior Executive Vice President, and discuss basic strategies concerning environmental issues, the status of implementation of activities, and information disclosure, and implement relevant initiatives.

6. Stakeholder engagement

We will engage with stakeholders throughout our entire value chain to help resolve environmental issues.

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Green Action Plan

In July 2022, the DOCOMO Group revised its environmental target, Green Action Plan 2030, and formulated the Green Action Plan. The Group in partnership with society as a whole will make its way into a future in which people co-exist in harmony with the natural environment by contributing to the sustainable development of all society and preservation of the global environment.

- We will work to reduce greenhouse gas emissions by lowering power consumption in the communications network, expanding our use of renewable energy, and providing products and services that help achieve carbon neutrality.
- 2. We will promote initiatives to utilize resources efficiently throughout the entire lifecycle of products and services, from procurement to disposal.
- **3.** Through our business and the activities of our employees, we will promote initiatives related to ecosystem conservation while working closely with nature.

Realizing a Decarbonized Society

Main Actions

- Develop and implement technologies that reduce CO₂ emissions and provide these services and solutions
- Drive the adoption of renewable energy, including the purchasing of non-fossil fuel certificates for designated renewable energy sources
- Convert regular vehicles to EVs and reduce the number of company cars (discontinue the use of gasoline-powered vehicles)
- Develop technologies to reduce communications network power consumption and introduce facilities that use them
- Take actions to pursue the declaration for carbon neutrality by 2030

| Index | Target (FY2030) | | | | |
|---|--|--|--|--|--|
| Reduce greenhouse gas emissions | Carbon neutrality* | | | | |
| Transition to EVs | 100% | | | | |
| Power efficiency per unit of communication | At least 10 fold (compared to the FY2013 level) | | | | |

* Reduction of CO₂ emissions from DOCOMO's business activities (Scope 1 and 2 emissions under GHG protocol).

* Includes virtual renewable energy purchased with non-fossil fuel certificates for designated renewable energy sources.

Realizing a Sound Resource-Recycling Society

Main Actions

Promoting 3R activities

• Promoting the collection and recycling of mobile terminals

| Index | Target (FY2030) | | | | |
|----------------------|-----------------|--|--|--|--|
| Waste recycling rate | 99% | | | | |

Conservation of Biodiversity and Ecosystems Main Actions

- Implement ecosystem conservation activities such as forest conservation
- Promote employee education

| Index | Target (FY2030) | | | |
|---|---|--|--|--|
| Advance activities to conserve ecosystems | Carry out ecosystem conservation activities | | | |

Declaration for Carbon Neutrality by 2030

In September 2021, NTT DOCOMO reinforced its efforts to tackle climate change by announcing its commitment to reduce the greenhouse gas emissions arising from its business activities effectively to zero by 2030. In order to help society as a whole achieve carbon neutrality, it has rolled out a new ecosystem called Caboneu[™] (**P.32**) in conjunction with its partners and customers and under the slogan, "Saving Our Planet with You."

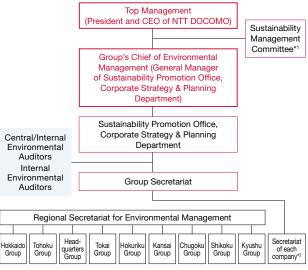
Environmental Management

Environmental Management Systems

The DOCOMO Group has established Environmental Management Systems (EMS), led by the president and CEO of NTT DOCOMO, to implement environmental protection efforts.

The EMS are administered by organizational units, including the Sustainability Management Committee, the highest decision-making body for the EMS, and also chaired by the president and CEO. Expert subcommittees of the Group plan, propose, and manage initiatives for achieving environmental targets. Progress toward environmental goals is reviewed, and deliberation is focused on resolving environmental issues.

Organizational Structure for Environmental Management



(As of the end of March 2023)

*1 Includes meetings attended by top management.

*2 DOCOMO CS, Inc., DOCOMO Support Inc., and DOCOMO Technology, Inc.

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EMS Organizations

Sustainability Management Committee

Committee responsible for reporting matters related to the EMS and composed of Sustainability Management Committee members (the president, who chairs the committee, and senior executive vice president, members of the Board of Directors, Audit & Supervisory Committee members, and managers of relevant departments). It includes meetings attended by the management team, including top management.

Sustainability Promotion Office

Planning, proposal, and management of the EMS.

· Central and Internal Environmental Auditor

Oversees internal environment auditing assumed by the senior manager in charge of the Sustainability Promotion Office.

Group Secretariat and Regional Secretariat for Environmental Management

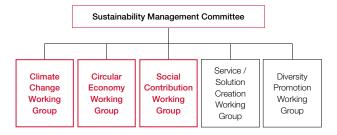
Secretariat responsible for the management and practical tasks involving each organization's EMS.

ISO 14001 Certification

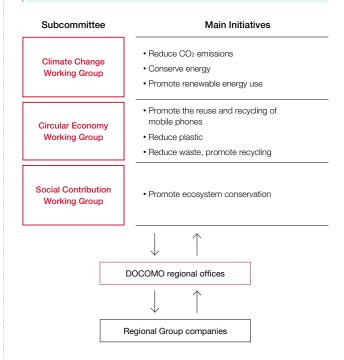
DOCOMO is operating its own EMS that it developed using ISO 14001 as a guide to implement an environmental management system that is more closely aligned with business and to promote Group-wide environmental activities, such as energy conservation for telecommunications facilities and the recycling of used mobile phones. Part of NTT Communications and NTT COMWARE has introduced ISO 14001 and have maintained certification.

Subcommittees on Environmental Matters

Specific yearly action targets and action plans are determined once a year on the basis of discussions by the Climate Change Working Group, Circular Economy Working Group, and Social Contribution Working Group. To accomplish the DOCOMO Group's environmental targets, each subcommittee chair appoints an action plan group leader from among the subcommittee's members to manage improvements. The appointed leader promotes the initiatives in collaboration with other group leaders from each region. Progress of yearly targets and action plans are reported to the Sustainability Management Committee once a year. The committee also puts forward other matters that require discussion and deliberation.



Subcommittee Structure



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Action Plans and Results of Subcommittees (FY2022)

| Expert Subcommittee | 2030 Targets | FY2022 Targets | Main Action Plans for Targets | Results |
|--------------------------------------|--|--|---|--|
| | | Reduce power consumption of various facilities | Actively install high-efficiency, low-power consumption equipment and replace equipment during upgrades | ٠ |
| Climate Change | Power efficiency of the telecommunications services: at least a ten-fold increase | Reduce environmental impact by making use of commercial technology | Reduce power consumption by installing intelligent air conditioning systems | ٠ |
| Working Group | compared to fiscal 2013 | Simulate electricity demand | Formulate mid-term projections for electricity demand | ٠ |
| | | Develop highly energy-efficient network equipment | Compliance with the NTT Group Energy Efficiency Guidelines Promote the development of highly energy-efficient equipment | ٠ |
| | Recycling rate: 99% or higher | Waste recycling rate: at least 98.2% | Monitor progress to improve the recycling rate of office waste to more than 96.2% Consider internally sharing cases promoting initiatives such as sorting waste Monitor progress to improve the recycling rate of construction waste to more than 97.0% Monitor progress to improve the recycling rate of decommissioned telecommunications equipment waste to more than 99.6% | Recycling rate: 97.1% |
| Circular Economy Working Group | _ | Weight of promotional tools: 3,982 tonnes max. | Monitor progress of weight and disposal rate of promotional tools and provide feedback to relevant departments | Weight of promotional tools: 2,578 tonnes |
| | Used mobile phones collected: 20.75 million units (cumulative total for FY2017–2021) | Used mobile phones collected: 20.75 million units (cumulative total for FY2017–2021) | Create and publicize opportunities for collection for reuse and recycling | Used mobile phones collected: 23.72 million units (cumulative total for FY2017–2022) 2.97 million units (FY2022) |
| | | Conduct forest maintenance activities (more than once a year) | | |
| Social Contribution Working Group | - | Implement biodiversity activities, and deliberate on the expansion of these activities (once a year) | Monitor progress of maintenance activities | • |
| | | Gather and communicate information on biodiversity activities (once a quarter) | Communicate information on biodiversityPlan and implement events outside the Company | • |

•: Achieved plan and implemented as scheduled A: Did not achieve plan

Internal Environmental Audits

DOCOMO conducts internal environmental audits to ensure the effective implementation of the EMS. Internal auditing staff with expert knowledge at the head office will audit each business base (branch office and Group companies) with a focus on the activities of the secretariat and organizations under their supervision based on the following three aspects.

- 1. Compliance with auditing standards and effective implementation (system audit)
- 2. Alignment with the DOCOMO Group's environmental targets, effective implementation, and continuous improvement (performance audit)
- Appropriate application of and compliance with environmental laws and regulations including ordinances (legal audit)

Well-trained internal environmental auditors conduct strict, impartial audits to ensure the EMS is functioning appropriately. Audit findings are used to continually revise the system and make improvements.

Compliance with Environmental Laws and Regulations

Compliance with Environmental Laws and Regulations

DOCOMO is committed to full compliance under its current EMS framework, specifically the prevailing environmental laws and regulations, including the Act on the Rational Use of Energy (Energy Conservation Act), Act on the Promotion of Sorted Collection and Recycling of Containers and Packaging (Containers/Packaging Recycling Act), Waste Management and Public Cleansing Act (Waste Management Act), and Act for Rationalized Use and Proper Management of Fluorocarbons (Fluorocarbons Emission Control Law), as well as environmentrelated municipal ordinances, such as the Tokyo Metropolitan Government's mandatory reduction scheme, and other municipal ordinances related to global warming.

In fiscal 2022, there were no violations of environmental laws or regulations.

Green Procurement

DOCOMO is committed to preserving the global environment through green procurement under the NTT DOCOMO Green Procurement Standards, formulated in April 2022, by prioritizing materials, parts, and products that are safe and less harmful to the environment. We select new suppliers and evaluate existing ones based on assessing their respective environmental protection activities and products to be procured.

1. Development of an Environmental Management System (Measures Taken by Suppliers)

DOCOMO has established a system to ensure compliance with environmental regulations across the entire supply chain and reduce environmental impact. At the start of every transaction, we use a survey sheet to assess the environmental management ability of each supplier by determining the status of establishment and operation of an environmental management system. We also consider their efforts to reduce environmental impact through their business establishments and products.

2. Reduced Environmental Impact Related to Products (Product Assessment)

To reduce the environmental impact of its products, DOCOMO conducts an assessment at the design stage to determine a product's impact on the environment at each phase of the manufacturing and distribution cycle from the viewpoint of the use of chemical substances, response to global warming, and other environmental considerations. We then modify the

design as necessary to reduce the product's environmental impact. With new procurements, we request that suppliers submit a response to the Identification of Chemical Substances Contained in Products to ensure they are adhering to the RoHS Directive* and other relevant agreements, laws, and regulations and in order to restrict the use of specified hazardous substances.

*EU rules restricting the use of hazardous substances in electrical and electronic equipment.

☑ NTT DOCOMO Green Procurement Standards

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Environmental Data

Note: Consolidated subsidiaries within and outside Japan are included.

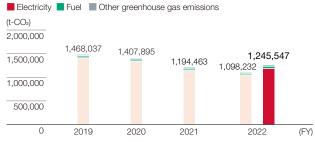
Note: Scopes 1 and 2 (heat): Applied the factors stipulated in the Act on Promotion of Global Warming Countermeasures (figures announced by the Ministry of the Environment and the Ministry of Economy, Trade and Industry). Scope 2 (electricity): Applied the emission factor per power company (figures announced by the Ministry of the Environment).

Scope 3: Applied the emissions unit value from the Database for Emissions Unit Values for Accounting of Greenhouse Gas Emissions, etc., by Organizations Throughout the Supply Chain, announced by the Ministry of the Environment, and the emissions intensity announced by relevant companies.

Greenhouse Gas Emissions for the Entire Supply Chain (FY2022)

| Soone | Category (Scope 3) | Method of Calculation | | FY2022 | |
|---------|--|---|-------------|-----------|-------------|
| Scope | Category (Scope 3) | | Emissions | s (t-CO2) | Ratio (%) |
| Scope 1 | Direct emissions | Calculated for each type of fuel by multiplying the volume consumed by the respective emission factor | (46,408) | 52,428 | (1.1) 0.8 |
| Scope 2 | Indirect emissions | Electricity: calculated by multiplying the volume of electricity purchased by the emission factor of the respective power company Heat: calculated by multiplying the volume of each type of heat used by the respective emission factor | (1,051,824) | 1,193,119 | (24.9) 18.1 |
| Scope 3 | Other indirect emissions | | (3,123,662) | 5,332,749 | (74.0) 81.1 |
| | 1. Purchased goods and services | Calculated by multiplying the purchased amount by suppliers by the emissions intensity of each supplier (calculated using figures disclosed by each company) or the emissions intensity applicable to purchases | (1,361,346) | 2,103,811 | (32.2) 32.0 |
| | 2. Capital goods | Calculated by multiplying the capital expenditures by suppliers by the emissions intensity of each supplier (calculated using figures disclosed by each company) or the emissions intensity for communication | (1,251,210) | 1,688,526 | (29.6) 25.7 |
| | 3. Fuel-and energy-related activities not included in Scopes 1 and 2 | Calculated by multiplying the volume of fuel used and volume of electricity purchased by their respective emissions intensity | (241,588) | 285,743 | (5.7) 4.3 |
| | 4. Upstream transportation and distribution | Calculated by multiplying the shipping fee charged to the sales base by the emissions intensity of transportation | (10,252) | 21,016 | (0.2) 0.3 |
| | 5. Waste generated in operations | Calculated by multiplying the weight of waste by the emissions intensity for each type of waste and disposal method | (626) | 896 | (0.0) 0.0 |
| | 6. Business travel | Calculated by dividing the amount of travel expenses in proportion to the ratio of transportation method used, and multiplying the figures by the respective emissions intensity | | 11,209 | (0.1) 0.2 |
| | 7. Employee commuting | Calculated by dividing the amount of commuting expenses in proportion to the ratio of transportation method used, and multiplying the figures by the respective emissions intensity | (872) | 2,764 | (0.0) 0.0 |
| | 8. Upstream leased assets | (Calculation not applicable) | (-) | _ | (-) - |
| | 9. Downstream transportation and distribution | (Calculated by inclusion in upstream transport under Category 4) | (—) | _ | (—) — |
| | 10. Processing of sold products | (Calculation not applicable) | (—) | _ | (—) — |
| | 11. Use of sold products | Calculated by multiplying the number of mobile phones sold by the emissions intensity per line | (187,779) | 858,043 | (4.4) 13.0 |
| | 12. End-of-life treatment of sold products | Calculated by multiplying the weight of each part of mobile phones sold by the emissions intensity for each type of waste | (70) | 2,582 | (0.0) 0.0 |
| | 13. Downstream leased assets | (Calculation not applicable) | (0) | 292,919 | (0.0) 4.5 |
| | 14. Franchises | Calculated by multiplying the total floor area of docomo Shops by the emissions intensity per floor area | (65,241) | 65,241 | (1.5) 1.0 |
| | 15. Investments | (Calculation not applicable) | (-) | _ | (-) - |
| otal | | | (4,221,894) | 6.578.296 | (100) 10 |

Greenhouse Gas Emissions



Note: NTT Communications and COMWARE are not included in FY2019 to FY2021 or in the figure on the left for FY2022. (t-CO₂)

| | FY2019 | FY2020 | FY2021 | FY2022 | |
|--|-----------|-----------|-----------|---------------|----------|
| Electricity | 1,406,483 | 1,348,761 | 1,141,197 | (1,046,065) 1 | ,184,706 |
| Telecommunications facilities included above | 1,345,220 | 1,291,127 | 1,083,161 | (1,017,201) 1 | ,088,160 |
| Fuel | 59,585 | 57,242 | 51,538 | (48,306) | 55,262 |
| Other greenhouse gas emissions | 1,969 | 1,892 | 1,728 | (3,860) | 5,579 |
| Total | 1,468,037 | 1,407,895 | 1,194,463 | (1,098,232) 1 | ,245,547 |

Note: NTT Communications and COMWARE are not included in FY2019 to FY2021 or in the figures in parenthesis for FY2022.

Fuel and Heat Use

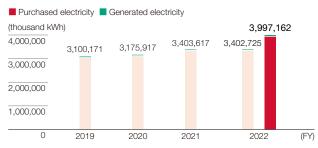
| | Unit | FY2019 | FY2020 | FY2021 | FY20 | 22 | |
|--------------------------|-------------------------|---------|---------|--------|-------------|--------|--|
| Gas | Thousand m ³ | 21,427 | 20,924 | 18,601 | (17,446) | 17,700 | |
| Heavy oil | kł | 75 | 85 | 113 | (43) | 1,128 | |
| Diesel oil | kł | 160 | 143 | 198 | (109) | 283 | |
| Gasoline (automobile) | kł | 1,032 | 728 | 632 | (483) | 644 | |
| Heat | GJ | 112,702 | 107,198 | 99,143 | (101,030) 1 | 47,317 | |

Note: NTT Communications and COMWARE are not included in the figures for FY2019 to FY2021 or in the figures on the left for FY2022.

Note: Figures in parentheses for FY2022 do not include NTT Communications or COMWARE.

| G | NTT DOCOMO Group Sustainability Report 2023 | DOCOMO's Vision | Sustainability of DOCOMO | Environmental Responsibility | Research and Development, and Innovation | Customer and Community Engagement | Building a Safe and Resilient Society | Diversity and Job Satisfaction | Fair Business Practices |
|---|--|--------------------|--------------------------|---------------------------------|---|--------------------------------------|--|-----------------------------------|----------------------------|
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Electricity Consumption



Note: NTT Communications and COMWARE are not included in the figures for FY2019 to FY2021 or in the figure on the left for FY2022.

(thousand kWh)

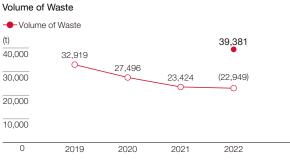
| | FY2019 | FY2020 | FY2021 | FY2022 | | |
|--|-----------|-----------|-----------|----------------------|---------|--|
| Purchased | 3,039,518 | 3,113,987 | 3,349,887 | (3,351,724) 3,945,6 | | |
| Telecommunications facilities included above | 2,905,940 | 2,984,038 | 3,216,821 | (3,219,268) 3, | 552,201 | |
| Generated | 60,653 | 61,930 | 53,730 | (51,001) | 51,492 | |
| Solar and wind power included above | 1,299 | 1,288 | 1,229 | (1,194) | 1,685 | |
| Total | 3,100,171 | 3,175,917 | 3,403,617 | (3,402,725) 3,997,16 | | |

Note: NTT Communications and COMWARE are not included in FY2019 to FY2021 or in the figures in parenthesis for FY2022.

Renewable Energy Consumption

| | Unit | FY20 |)22 |
|--|-----------------|-------------|-----------|
| Power consumed | Thousand kWh | (3,402,725) | 3,997,162 |
| Power sourced from renewable energy | Thousand kWh | (922,201) | 1,207,510 |
| Purchased | Thousand kWh | (921,007) | 1,205,825 |
| Generated (solar and wind power) | Thousand kWh | (1,194) | 1,685 |
| Renewable energy consumption (% of total power consumed) | % | (27.1) | 30.2 |

Note: Figures in parenthesis for FY2022 do not include NTT Communications or COMWARE.



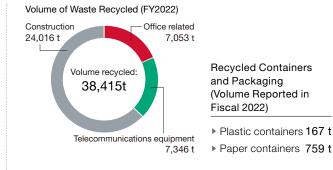
Note: NTT Communications and COMWARE are not included in FY2019 to FY2021 or in the figures in parenthesis for FY2022.

| | | | | (|
|------------------------------|--------|--------|--------|-----------------|
| | FY2019 | FY2020 | FY2021 | FY2022 |
| Volume of waste | 32,919 | 27,496 | 23,424 | (22,949) 39,38 |
| Office related | 5,584 | 5,061 | 4,084 | (4,884) 7,15 |
| Telecommunications equipment | 17,381 | 13,430 | 8,926 | (5,265) 7,350 |
| Construction | 9,954 | 9,005 | 10,415 | (12,800) 24,88 |
| Final waste disposal* | 704 | 461 | 683 | |
| Office related | 63 | 48 | 48 | |
| Telecommunications equipment | 72 | 172 | 20 | |
| Construction | 570 | 240 | 615 | |
| Final disposal rate* (%) | 2.1 | 1.7 | 2.9 | |
| Volume recycled* | - | _ | _ | (22,292) 38,415 |
| Office related | - | _ | _ | (4,824) 7,053 |
| Telecommunications equipment | - | _ | _ | (5,263) 7,346 |
| Construction | - | _ | _ | (12,205) 24,016 |
| Recycling rate* (%) | - | _ | | (97.1) 97.5 |
| | | | | |

*In FY2022, the indicator for waste was changed from the volume and rate of final waste disposal to the recycled volume and rate.

Main Types of Waste

| Fiber-optic cables | Conversion devices | Power generators |
|--|--|------------------|
| Scrap metal | Concrete poles | |

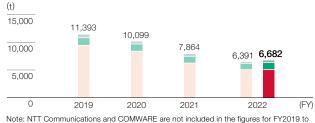


Paper Usage

(FY)

(tonnes)

Promotional tools Billing Office use



FY2021 or in the figure on the left for FY2022. (tonnes)

| | FY2019 | FY2020 | FY2021 | FY2022 |
|-------------------|--------|--------|--------|---------------|
| Office use | 591 | 422 | 395 | (175) 343 |
| Billing | 1,357 | 1,289 | 1,226 | (1,156) 1,279 |
| Promotional tools | 9,446 | 8,388 | 6,243 | (5,060) 5,060 |
| Total | 11,393 | 10,099 | 7,864 | (6,391) 6,682 |

Note: NTT Communications and COMWARE are not included in FY2019 to FY2021 or in the figures in parenthesis for FY2022.

| Water Consumption (thousand m ³ | | | | | | | | | | |
|--|--------|--------|--------|-------------|--|--|--|--|--|--|
| | FY2019 | FY2020 | FY2021 | FY2022 | | | | | | |
| Total consumption | 1,474 | 1,149 | 963 | (859) 1,243 | | | | | | |
| Tap water | 1,384 | 1,082 | 900 | (803) 1,175 | | | | | | |
| Recycled water | 90 | 67 | 63 | (56) 69 | | | | | | |

Note: NTT Communications and COMWARE are not included in FY2019 to FY2021 or in the figures in parenthesis for FY2022.

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|---|--|----|--------------------|--------------------------|---------------------------------|---|--------------------------------------|--|--------------------------------|----------------------------|

Environmental Accounting

DOCOMO uses environmental accounting to quantitatively track the costs and benefits of its environmental protection initiatives and guide its environmental management strategy.

Scope of Environmental Accounting

Fiscal 2022 (April 1, 2022 to March 31, 2023)

Coverage 14 DOCOMO Group companies

Applicable Standards Ministry of the Environment's Environmental Accounting Guidelines 2005 and NTT Group Environmental Accounting Guidelines

| <u>.</u> | | FY20 | 21 | FY20 | 22 |
|--|---|------------|---------|------------|---------|
| Category | Major Transactions | Investment | Expense | Investment | Expense |
| (1) Internal business area costs | - | 54 | 5,142 | 94 | 4,363 |
| (1)-1 Pollution prevention costs | Prevention of water contamination, proper PCB disposal | 0 | 118 | 0 | 87 |
| (1)-2 Global environmental protection costs | Development and operation of an e-billing service, etc. | 40 | 3,273 | 91 | 2,539 |
| (1)-3 Resource recycling costs | Reuse of dismantled telecommunications facilities, etc. | 14 | 1,751 | 3 | 1,737 |
| (2) Upstream/downstream costs | Recovery of used terminals, etc. | 10 | 3,091 | 9 | 1,857 |
| (3) Management costs | ISO certification/renewal, etc. | 5 | 3,755 | 2 | 1,987 |
| (4) R&D costs | Research on energy/resource efficient telecommunications facilities, etc. | 338 | 664 | 339 | 652 |
| (5) Community investments costs | docomo Woods and other tree planting initiatives, etc. | 0 | 11 | 0 | 12 |
| (6) Restitution for environmental damage costs | Not applicable | 0 | 0 | 0 | 0 |
| Total | | 407 | 12,663 | 444 | 8,869 |

Major Benefit Indicators Benefits FY2021 FY2022 Category (unit) Electricity usage, including CGS power (MWh) 3,403,617 2,800,101 1. Benefits related to Paper usage (tonnes) 7,864 6,419 resources invested in business activities (1) Benefits derived from internal Paper reduced by e-billing (tonnes) 3,211 3,334 business area costs 2. Benefits related Greenhouse gas emissions (t-CO2) 1,194,463 1,163,730 to environmental impacts and waste from business Industrial waste generated in relation to 19,902 19,315 telecommunications facilities and buildings (tonnes) activities (2) Benefits derived Benefits related from upstream/ to goods/services The number of used mobile phones, etc., collected 558 556 downstream produced by business (unit: 10,000) costs activities

Note: Combined volume of CO_2 emissions by energy source and other greenhouse gas emissions. Note: Totals may not be exact due to rounding.

| Economic and Practical Benefits of Environmental Protection Measures | | | | | |
|--|--|--------|--------|--|--|
| | Major Benefits | FY2021 | FY2022 | | |
| Revenues | Sales revenues associated with dismantling telecommunications facilities and buildings | 1,686 | 1,243 | | |
| | Reduced fuel costs from low-emission vehicles | 24,201 | 24,874 | | |
| Cost reductions | Reduced purchasing costs from reuse of dismantled telecommunications facilities | 15,257 | 5,664 | | |
| Total | | 41,144 | 31,781 | | |

Note: Totals may not be exact due to rounding.

Environmental Protection Benefits

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Response to Climate Change

Basic Policy

Reducing CO₂ and other greenhouse gas emissions, which are known causes of global warming, is a vital issue for society. Advances in ICT have been accompanied by a rise in electricity consumption, which has also led to increasing calls for energy conservation. Conversely, ICT also possesses the potential to help realize lower society-wide energy consumption and CO₂ emissions.

The DOCOMO Group will contribute to reducing the CO₂ emissions of society as a whole and adapting to climate change toward the creation of a decarbonized future by way of providing ICT services and advanced technologies as well as by actively using renewable energy.

Declaration for Carbon Neutrality by 2030

In September 2021, NTT DOCOMO announced its commitment to achieve carbon neutrality by 2030. In addition to effectively reducing the greenhouse gas emissions arising from its business activities to zero, it will cooperate with partners and customers to help society as a whole achieve carbon neutrality.

Internal Efforts for Carbon Neutrality 1. Improved network energy efficiency

We will promote the development and introduction of technologies and equipment to reduce power consumption in telecommunications networks by upgrading the sleep functions of base stations, actively installing air-conditioning control systems with self-learning functions and power-saving devices for 5G, deploying consolidated base station and sourcing power directly from high-voltage DC equipment with small electrical power loss, and other suitable efforts.

For example, to upgrade the sleep function of base stations, we will track real-time traffic usage and use the information for putting them into sleep mode, thereby saving energy in telecommunications networks. This could save an average of up to 30%, or a maximum of 60%, of power depending on the time of day or specific base station. The sleep function is being gradually introduced since November 2022 and will be used at all base stations in Japan. This measure has already reduced total power use by 3%, a Group target for fiscal 2023 (excluding NTT Communications and NTT COMWARE).

2. Implementation of renewable energy

In cooperation with the NTT Group company, NTT Anode Energy Corporation, we will promote the use of renewable energy from solar power plants dedicated to supplying DOCOMO, as well as other sources. In addition, we will purchase non-fossil fuel certificates that are designated as renewable energy, effectively raising the percentage of energy used by DOCOMO classified as renewable to 100%. The percentage of renewable energy was effectively 27% for fiscal 2022 and 100% for the R&D Center.

3. IOWN and other innovative developments

The IOWN photoelectric fusion technology, which the entire NTT Group is researching and developing toward deployment by 2030, will transition from electrical to optical signal processing for telecommunications networks. In pursuit of a significant improvement to power efficiency, we will promote the further innovation of next-generation networks and information processing infrastructure to realize both high-speed communications and reduced electric power consumption.

Initiative 1 Setting up Off-Site PPA

Using off-site corporate PPA*1 (off-site PPA), DOCOMO began in April 2022 to power its Okayama Building, which houses network facilities, with renewable energy purchased from NTT Anode Energy's recently constructed solar power plant in Tottori City, Tottori Prefecture. Combined with the purchase of non-fossil fuel certificates designated for renewable energy*2, the percentage of renewable energy used by the DOCOMO Okayama Building will be virtually 100%. Purchasing stable renewable energy is vital for DOCOMO's sustainable business. In fiscal 2022, the NTT DOCOMO Okayama Building succeeded in reducing approximately 7,500 t-CO₂ greenhouse gas emissions (including the use of non-fossil fuel certificates).

- *1 Corporate PPA (power purchase agreement) is a long-term contract under which a buyer agrees to purchase renewable energy from the power producer. Under an offsite corporate PPA, power is sent from a distant power plant to a business (in this case, the NTT DOCOMO Okayama Building) through a power transmission and distribution network.
- *2 Non-fossil fuel certificates certify zero-emission value (a value representing that CO₂ emission factor under the Act on Promotion of Global Warming Countermeasures is 0 kg-CO₂/kWh) and environmental representations value (a right for an electricity retailer to represent and assert its added value to a buyer).

Initiative 2 Building Green Base Stations

About 70% of the electricity that DOCOMO consumes is used at base stations nationwide. Therefore, to reduce CO₂ emissions generated by electricity consumption at base stations, we are upgrading to green base stations by installing solar panels and high-capacity rechargeable batteries at existing base stations. As of March 2022, 280 green base stations were in operation. Electricity generated by solar panels is supplied to the base station, and lithium-ion batteries store surplus generated electricity as backup for possible long-term power disruptions during a disaster. We have also installed an energy management system platform, developed and operated by DOCOMO (DOCOMO EMS platform), to visualize the amount of power produced or CO₂ emissions reduced at each area or base station to help optimize operations. In fiscal 2022,



we installed a container-type green base station, at which solar panels are installed on top of or on the side of the walls of the container that houses base station facilities. This approach allows us to build green base stations in locations without sufficient space for solar panels on the ground.



Container-type green base station (Shizuoka Prefecture)

Initiative 3 Balancing Electricity Use through the Demand Response Initiative Program

Electricity supply and demand has attracted increasing attention due to the necessity of balancing electricity supply and consumption. In the summer of 2022, the Japanese government issued a power usage warning in response to a possible power shortage due to extreme heat. Under these circumstances, DOCOMO engaged in a demand response initiative (DRI) program to balance power consumption at the 22 wireless base stations located in the Kanto area. In the program, the DOCOMO EMS platform receives a signal from a power company requesting less power and selects the base stations and timing for saving power. The selected base stations use power from storage batteries at the time when power should be saved to reduce electricity use. Going forward, we will increase the number of green base stations while promoting responses for power shortages through DRI and other initiatives.

Initiative 4 100% EV Conversion of Company-Owned Vehicles Following NTT's action to become a member of the EV100* initiative at the end of 2018, DOCOMO will be converting all of its vehicles to EVs by the end of fiscal 2030.

As of May 2022, we have set up 71 EV battery chargers throughout Japan. We will continue increasing the number of battery chargers and establish an environment that supports the use and expansion of EVs.

*A global initiative in which companies promote the use of electric vehicles and other environmental actions.

Value Chain Efforts for Carbon Neutrality

1. Promoting the use of green energy at docomo Shops

With the cooperation of our sales agents, we will promote the installation of solar panels at docomo Shops to reduce electricity loss by directly supplying electricity from solar panels to the shop. We also intend to convert electricity consumed at docomo Shops to be sourced from a 100% renewable energy by proactively using a renewable energy plan provided by electric power companies. In fiscal 2022, several DOCOMO Group operated shops shifted to green power sources through the procurement of effectively 100% renewable energy*.

*Includes the use of non-fossil fuel certificates designated as renewable energy.

2. Reducing supply chain greenhouse gas emissions

With the goal of achieving carbon neutrality across the entire value chain, we are partnering with suppliers to aggressively introduce environmentally sound network equipment and communication devices, among other efforts, to mitigate environmental impact and reduce CO₂ emissions resulting from supplier business operations. In addition, we adopted internal carbon pricing in our procurement practice (when selecting products, etc.) from September 2022. Decisions on the selection of telecommunications facilities and other equipment that has a large greenhouse gas footprint are made by taking into account the CO₂ emissions cost.

Collaborative Efforts with Customers and Partners

1. Offer services that utilize renewable energy - Green 5G

5G will be designated as Green 5G, which in principle emits no greenhouse gas, when the ratio of their renewable energy sources to all DOCOMO power consumption exceeds the ratio of the number of 5G subscribers to all DOCOMO subscribers. In fiscal 2022, we achieved the target for green 5G, with a 5G subscriber ratio of 23.5% and a renewable energy ratio of 27.1%.

י*יי*ד

– docomo Denki Green

In collaboration with NTT Anode Energy Corporation, we entered the electric power business and started offering a service called docomo Denki[™] in March 2022 as an agency. We will work toward carbon neutrality for all of society by offering docomo Denki Green, a service that offers electricity that produces net zero CO₂ emissions^{*}.

*Achieved with non-fossil fuel certificates designated as renewable energy.

ドコモでんき Green

2. Offer environmentally sound services

THEO+ docomo

IZ THEO+ docomo (in Japanese only)

THEO GREEN SP

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about SUSTAINABLE FASHION

∠ about SUSTAINABLE FASHION (in Japanese only)

Green Action by d-shopping

∠ Green Action by d-shopping (in Japanese only)

docomo bike share

☑ docomo bike share (in Japanese only)

d car share

IZ d car share (in Japanese only)

3. Launch Caboneu Community website

Since April 2022, we have been operating the Caboneu Community website, a public online resource for accessing many eco-friendly actions. At this website, we provide "caboneu-note," a page that introduces articles with various topics including tips on living an eco-friendly lifestyle. Other content includes "caboneu-event," where users can find information about events around Japan, and "caboneu-pass" under My Page, which alters the page appearance to a userspecific design based on user behavior.



Initiative 1 Launch "Caboneu record"

We launched "Caboneu record" in January 2023 to monitor the eco-friendliness of a user's daily activities and to encourage participation in environmental actions while having fun. The service calculates the degree to which the user's eco-friendly activities has reduced CO₂ emissions by applying a calculation formula defined by DOCOMO, and it visualizes the level of contribution to environmental protection using metrics such as CO₂ reduction and Reco, DOCOMO's proprietary index.

 Pilot Demonstration on Achieving Carbon Neutrality with Communities and Partner Companies

Case 1 Collaborating with Communities on Energy Management (Sendai City and Tohoku University)

Since 2019, DOCOMO has been collaborating with Sendai City in a pilot demonstration on regional energy management for visualizing and remotely controlling power consumption and generation as well as storage battery information. To enhance disaster preparedness, the DOCOMO EMS platform consolidates management of power from solar panels installed in designated emergency evacuation areas as well as storage battery charge and consumption. We hope to improve the effectiveness of operations by tracking the amount of power reserved in the storage battery during times of disaster. In ordinary times, the platform observes the peak power of each base station and discharge storage battery as an automatic power control option that could cut basic electricity rates.

Case 2 Develop a Next-Generation Energy Network Utilizing Mobile Phone Base Stations (Exergy Power Systems and Yamanashi Prefecture Corporate Affairs Bureau) In 2023, we began a virtual power plant (VPP*) pilot

demonstration using small distributed storage batteries as

a sustainable energy system that helps to maintain a stable power supply.

In this demonstration, we test remote monitoring and control of power generation and storage equipment by connecting the panels and batteries to the DOCOMO EMS platform after installing solar panels and storage batteries in docomo Shops, wireless base stations, and at the site of the Yamanashi Prefecture Yonekurayama Next-Generation Energy System Research and Development Village.

The DOCOMO EMS platform visualizes the status of power generated by installed solar panels and the remaining power in storage batteries while also enabling centralized remote control of storage battery charge and discharge. The system can be used in demand response during power shortages and facilitate a systematic charging and consumption of power taking into account possible emergencies. Power generated and charged during the demonstration is delivered to docomo Shops or stored as an emergency power supply. We also plan to develop new services to support the consumption of power in the region where it was produced. Going forward, we intend to recommend that this type of small storage battery system be installed in non-governmental commercial establishments and at manufacturing sites.

*Functions like a power plant by controlling the energy resources of consumers, in addition to having the owners of power generation equipment or storage battery equipment directly connected to the power grid or a third party control the energy resource.

Case 3 Spread Residential Solar Power Generation System and Storage Battery (NTT Anode Energy and NTT Smile Energy)

DOCOMO is collaborating with NTT Anode Energy and NTT Smile Energy, the two NTT Group companies that engage in smart energy, in the launch of a pilot demonstration in May 2023 for expanding the adoption of renewable energy using solar power generation and storage batteries. Smile Energy will provide energy services using solar power and storage batteries to households in target areas. Going

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forward, we will draw upon findings and data obtained from this demonstration and apply the resources and expertise of the three companies to deliver consumer services in the energy field, implement new ways to use storage batteries during black outs, and engage in power balancing to realize a decarbonized society.

Case 4 Introduce Cloud Service that Visualizes Greenhouse Gas Emissions (Marubeni-Itochu Steel and NTT Communications)

Achieving carbon neutrality will require the steel industry and businesses that use steel products to collaborate with their business partners to obtain accurate information about the entire supply chain for reducing greenhouse gas emissions. In February 2023, Marubeni-Itochu Steel Inc. and NTT Communications launched a pilot cloud service demonstration that visualizes greenhouse gas emissions toward realizing carbon neutrality across the entire supply chain related to steel products.

Businesses that manufacture, sell, and/or purchase steel products cooperate by providing the actual greenhouse gas emissions data for each company. The pilot demonstration is carried out by combining these data with Marubeniltochu Steel's knowledge of the steel industry as one of its strengths with NTT Communications' ICT technology. We are also considering providing solutions for reduce company workload and contribute to the green transformation (GX) of society as a whole.

Case 5 Initiatives Involving Indoor Photovoltaic Systems (Lawson and Sharp)

DOCOMO partnered with Sharp Corporation, which possesses a dye-sensitized solar cell^{*1} technology, to create an indoor photovoltaic panel.

The panel can efficiently convert indoor light energy into electricity and store it in a mobile battery.

Lawson Inc. began installing indoor photovoltaic panels in its green Lawson*² shops on June 30, 2023. In the joint pilot demonstration, electricity produced from shop lighting was used to operate electronic papers. The demonstration tested the number of devices that can be operated using the generated power, taking advantage of convenience stores being open 24 hours.

Going forward, we plan to propose installing these panels in other locations and offer devices that operate using power produced from indoor lighting alone.

*1 Solar cell that can convert feeble indoor light into electricity with higher efficiency than crystalline silicon solar cells used to capture sunlight and amorphous silicon solar cells in calculators.

*2 A forward-looking store opened in November 2022 that demonstrates the future of Lawson convenience shops. (Lawson Kita-Otsuka 1-Chome store at 1-13-4, Kita-Otsuka, Toshima-ku, Tokyo)

Initiatives for Disseminating Carbon Neutrality Throughout the Company

In order to promote understanding of carbon neutrality within the Company, we held e-learning trainings for all employees and disseminated information through the internal communications site and videos. In addition, we recruited Caboneu ambassadors to actively share information and encourage activities at each office. In fiscal 2022, approximately 350 Caboneu ambassadors nationwide worked to spread awareness and initiate activities throughout the Company.

In February 2021, DOCOMO became the first Japanese mobile carrier to be validated by the Science Based Targets initiative (SBTi) for its greenhouse gas reduction target to be achieved by fiscal 2030.



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Greenhouse Gas Emission Reduction Targets

| Category | GHG Reduction Target |
|------------------------|--|
| Scope 1 and Scope 2 | 50% reduction by fiscal 2030 from fiscal 2018 (1.5°C target) |
| Scope 3 | 14% reduction by fiscal 2030 from fiscal 2019 |

Environmental Solution Label

The NTT Group is implementing Environmental Solution Labels, a labeling system for environmental solutions for improving communication with customers by quantifying the effects of CO₂ reductions achieved through the use of ICT services. The criterion for obtaining certification is to demonstrate that the ICT service reduces CO₂ emissions by at least 15%. DOCOMO has obtained the Environmental Solution Label for its LTE service.

We will continue to provide customers with a convenient and comfortable communications environment as well as ICT-based solution services while helping reduce environmental impact for society as a whole.



| NTT DOCON | MO Group | DOCOMO's | Sustainability of DOCOMO | Environmental | Research and Development, | Customer and Community | Building a Safe and | Diversity and | Fair Business |
|---------------|----------------|----------|--------------------------|----------------|---------------------------|------------------------|---------------------|------------------|---------------|
| Sustainabilit | ty Report 2023 | Vision | | Responsibility | and Innovation | Engagement | Resilient Society | Job Satisfaction | Practices |

Response to TCFD Recommendations

In June 2017, the TCFD* presented its final report, Recommendations of the Task Force on Climate-related Financial Disclosures, and DOCOMO expressed its support in June 2019. We will consequently disclose appropriate information on risks and opportunities associated with climate change.

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

*Established in 2015 by the Financial Stability Board in response to a request from the G20, the TCFD assesses and rates corporate risks and opportunities associated with climate change. Its final report recommended disclosing information in the four core elements of organizational management: governance, strategy, risk management, and metrics and targets.

Governance

The DOCOMO Group established the Sustainability Management Committee as an organ for top management to confirm and discuss issues and KPIs related to climate change in meetings held twice a year.

It is chaired by the president and CEO and consists of the main members of the Board of Directors. The board receives reports on the current status of climate change initiatives and future policies semiannually to supervise progress and provide instruction.

Discussions by the committee on issues, including the Group's response to climate change, are thereby reflected in any revisions made to business strategies and instructions issued by the Board of Directors.

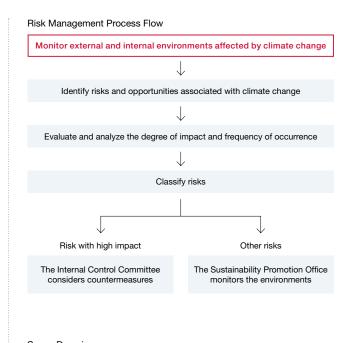
Furthermore, climate change-related KPIs are reflected in the compensation for directors.

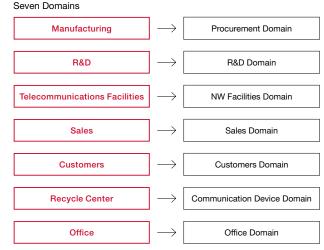
Risk Management

In accordance with our Risk Management Principles, we identify any risks that surround the Company, including climate change, periodically every fiscal year. The Internal Control Committee, headed by the president and CEO, then designates risks that require Company-wide management.

In designating the risks, the DOCOMO Group first identifies new risks based on assessment of the current status as well as internal and external circumstances, thereby reflecting social change in the process. The Internal Control Committee then designates Company-wide risks through an evaluation and analysis of the degree of their impact and frequency of occurrence.

The Sustainability Promotion Office examines those Company-wide risks as well as climate-related risks that had not been identified as Company risks by the committee, and it makes a list of the registered risks and opportunities to address after designating them. In addition, we have organized the DOCOMO Group's activities, products, and services into seven domains and identified issues that need to be addressed by determining whether or not they adversely impact the environment in these seven domains.





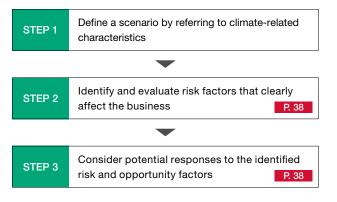
Strategy

Scenario Analysis

Under the corporate brand slogan, "Changing worlds with you.", DOCOMO is undertaking a challenge to create a new world with everyone represented by the word "you." As manifested in one of our four pillars designed to drive DOCOMO's challenge, "pursuing business and ESG practices integrally to contribute to the creation of a sustainable society," we defined sustainability as the foundation of our business. We will engage in business on this foundation and pay due consideration to the diverse risks and opportunities surrounding the DOCOMO Group as we push ahead to create a new world.

With respect to risks and opportunities of climate change, particularly we have assessed that it has a significant financial impact on all areas of our business, and have been addressing climate change under the DOCOMO Group's Environmental Targets-Green Action Plan. Additionally, following the TCFD recommendations, we are examining the impact on our business and resilience of our strategies under various climate-related scenarios.

Scenario Analysis Process



Scenarios Defined STEP 1

We will report on the results of scenario analysis for extreme cases of physical risks and transition risks.

1. Scenario in which a physical impact materializes A future in which the average temperature has risen by 4°C

- Effective climate change measures cannot be taken
- Temperature rises, regional differences in precipitation will widen, sea levels rise, and Arctic sea ice melts
- · Increase in abnormal weather events, etc.

2. Scenario in which the decarbonization of society is rapidly achieved

A future where the targets of below 2°C, including the 1.5°C target, have been attained

- · Society as a whole will shift to carbon-free and will be making rapid progress in reducing CO₂
- Regulations on carbon pricing, etc., tighten across the world, etc.

All operations of the DOCOMO Group Scope

- Time frame Set at years up to 2030 based on the pace of technological innovation and other environmental changes in the telecommunications industry

We referred to the following in constructing each scenario.

1. Scenario in which a physical impact materializes: Intergovernmental Panel on Climate Change (IPCC), Fifth Assessment Report and IPCC Special Report on Global Warming of 1.5°C

2. Scenario in which decarbonization of society is rapidly achieved:

International Energy Agency (IEA) World Energy Outlook 2018 Sustainable Development Scenario (SDS), IEA Energy Technology Perspectives 2017 Beyond 2°C Scenario (B2DS)

Applying the above methodology, we identified the impact on DOCOMO by considering possible future events and future business development. Using the results as a premise, we categorized DOCOMO's initiatives for responding to the assumed impact.

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STEP 2 Results of Scenario Analysis

1. Scenario in which physical risks materialize (a future in which the average temperature has risen by 4°C)

| Phy | vsical Aspects of the Scenario | DOCOMO's Risks | DOCOMO's Initiatives and Opportunities |
|---------|---|--|---|
| Acute | Heavy rains, torrential downpours Increased flooding Increased typhoons | Suspension of transmission at base stations Unstable supply of telecommunications services Decline in reliability Decrease in demand for products and services, decrease in sales | Construction of disaster-resilient telecommunications networks Specific examples: Area coverage using multiple base stations Establishment of medium- and large-zone base stations Elevation of base station facilities Remote control of service areas Reinforcement of emergency power sources, doubling of transmission paths and other measures Formulation of the Disaster Preparedness Manuals |
| | | Damage to base stations | Installation of batteries at docomo Shops Reinforcement of an emergency power source at base |
| | | Suspended operations at sales representatives and decline in revenue | Hermore nemerication and entergency power source at base stations and other buildings |
| | | Cancellation of products and services due to supply chain interruptions | Diversified suppliers |
| Chronic | Increased days with temperatures above 30°C | Higher electricity costs due to increased consumption of power used for cooling facilities | Improved energy efficiency of air conditioning at telecommunications facilities and data centers (high- efficiency air conditioning equipment for improved air flow using outside air) |

2. Scenario in which the decarbonization of society is rapidly achieved (a future where the targets of below 2°C, including the 1.5°C target, have been attained)

| | Transition Scenario | DOCOMO's Risks | DOCOMO's Initiatives and Opportunities | | |
|---|---|---|---|--|--|
| Government policies and regulations | Tighter regulations (improved energy efficiency, carbon pricing, etc.) | Higher global warming taxes New carbon pricing systems Rise in electricity costs due to the introduction of regulations for improving energy efficiency | Promotion of higher energy efficiency in the telecommunications services (raising the energy efficiency of equipment, research on highly efficient devices, introduction of intelligent air conditioning, installation of groom bace staticae). | | |
| | Recommendations by industry groups such as the GSMA | Obstacles to 5G transition, expansion of IoT and other aspects posed by recommendations proposing zero CO ₂ emissions by 2050, and other requirements | green base stations) Optimal contracts with electric power companies | | |
| Markets | Heightened demand for decarbonization from customers, including corporate customers (procurement requirements) | Fewer new subscriptions and more cancellations if corporate efforts are deemed insufficient | Development and delivery of services and technologies that help reduce CO₂ emissions Active advertisement of actual CO₂ emissions reduction achieved by using ICT services Communication of information on energy-efficient initiation by the telecommunications services | | |
| Reputation | Rise in reputational risk concerning climate change actions | Loss of customers and impact on stock price, and decline in corporate image if corporate efforts are deemed passive | | | |

STEP 3 Response to Identified Risks and Opportunities

Response to Physical Risks

| Type of Risk | Risk Factor | Risk Details | | | | |
|----------------|-------------|---|--|--|--|--|
| Physical risk* | Chronic | Higher electricity costs due to increased consumption of power used for cooling facilities | | | | |

*Acute or chronic risk posed by climate change

Beyond the apparent physical risks due to climate change, such as frequent natural disasters, including flooding triggered by extreme weather events and rising sea levels caused by a prolonged increase in global temperatures, DOCOMO also recognizes a physical risk in any increase in electricity costs due to rising average temperatures that necessitate the consumption of more electricity to maintain optimum facility temperatures. Communication facilities and data center equipment responsible for DOCOMO's telecommunications services are installed and operated throughout Japan. These facilities and equipment are operated at all times under optimum temperatures between 10°C and 35°C. When the temperature rises above that range, operating system shutdowns and malfunctions may disrupt the provision of services and potentially affect our more than 87,490 thousand customers. With the inclusion of these risks, the Internal Control Committee of the DOCOMO Group designated "profit deterioration due to a delayed response to failures and malfunctions" as a Company-wide risk. The committee formulated a concrete management policy to undertake appropriate actions to manage such risks. These actions include establishing an optimal backup system and developing readily available equipment in addition to measures currently being undertaken by the Network Department. Any occurrence of risk will be handled by this department through various operations. Related measures include establishing technical support and emergency systems, early recovery measures for failures, disseminating information to frontline departments and customers, and reporting to executives. Physical risks must be

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managed from a long-term perspective, and the committee will continue to implement the necessary monitoring to minimize those risks.

Response to Transition Risk

| Types of Risk | Risk Factors | Risk Details | | | | | |
|-----------------------------------|------------------------------|--|--|--|--|--|--|
| Transition risk Policies and laws | | Risk of being affected by the price pass-through to electricity prices, etc., due to an increase in the Tax for Climate Change Mitigation | | | | | |
| Transition risk | Reputation (stakeholders) | Loss of customers and impact on stock price, and decline in corporate image if corporate efforts are deemed passive | | | | | |

*Risk posed by climate change-related regulations, technological development, and changes in the market environment

With regard to risks associated with the transition to a decarbonized society, such as those related to regulatory, technological, or market changes, the DOCOMO Group believes that a decrease in revenues due to lowered customer confidence and corporate image is a material risk, as it could have a substantive financial impact on our business.

From this standpoint, the Internal Control Committee designated "lowered reputation due to failing to achieve the targets of the Green Action Plan" as a Company-wide risk. Subsequently, the Sustainability Promotion Office formulated a risk management policy plan for managing the risk. The plan includes establishing expert subcommittees under the Environmental Management System, formulating action plans for each expert subcommittee, and reporting on progress, discussing, and making decisions related to the measures to be taken at the Sustainability Management Committee meetings, chaired by the president and CEO and attended by the main members of the Board of Directors. In response, and to determine the necessary actions for mitigating transition risks, the Internal Control Committee created a concrete management policy of achieving the 2030 targets without fail. Based on this policy, the Sustainability Promotion Office promoted the implementation of action plans and reported on their progress to the Sustainability Management Committee. The committee will continue to monitor areas associated with transition risks to minimize any negative impact they may have on our businesses.

Response to Opportunities

| Types of Opportunities | Opportunity Factors | Details of Opportunities | | |
|---------------------------|---|---|--|--|
| Products and services | Development and expansion of low-pollution products and | Ratification of the Paris Agreement is expected to tighten regulations on GHG emissions. This may motivate consumers to choose environmentally sound means of transportation, leading to increased demand for the DOCOMO Group's bicycle sharing business. | | |
| | services | Demand for an AI-powered mobility service is expected to increase due to the stricter environmental regulations requiring that companies reduce GHG emissions. | | |
| Resilience | nce Increased demand for new products and services related to ensuring resilience to the services including satellite phones. | | | |

DOCOMO BIKESHARE, INC., a Group company, is expanding its bicycle sharing business to maximize opportunities associated with changes in consumer preferences, as all consumers will tend to choose environmentally sound means of transportation.

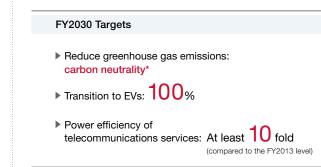
We are strengthening our ties with municipalities to maximize opportunities for boosting demand for bicycle sharing. We also plan to further expand the use of our bicycle sharing services by increasing access and improving the environment for cycling, through co-creation with partners.

Future Initiatives

Potential future impacts of climate change on DOCOMO's business as derived from our scenario analysis are generally being addressed through our ongoing initiatives and preparations for achieving the New DOCOMO Group Medium-Term Strategy and the Green Action Plan. Going forward, we will examine the financial impact on the Group's business based on the results of the scenario analysis.

Metrics and Targets

The NTT Group intends to achieve net zero emissions in its business and supply chain by 2040. The medium-term target of the DOCOMO Group is to achieve carbon neutrality by 2030. Disclosures on our targets and results for managing climate-related risks and opportunities are as follows. Please refer to **P.29** for actual data on greenhouse gas emissions.



*Reduce CO₂ emissions from DOCOMO's business activities (Scope 1 and 2 emissions under the GHG protocol). Includes virtual renewable energy purchased with non-fossil fuel certificates for designated renewable energy sources. Note: Consolidated subsidiaries within and outside Japan are included. Environmental Vision and Action Plan Environmental Management

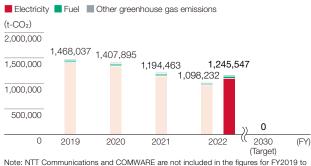
Environmental Data

Response to Climate Change Response to TCFD Recommendations

Formation of a Sustainable Society

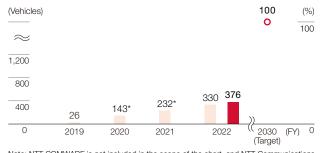
Preservation of Biodiversity Response to TNFD Recommendations

Greenhouse Gas Emissions (Scope 1 and 2)



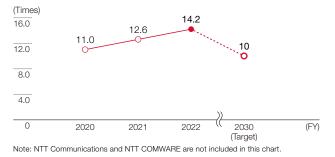
FY2021 or in the figure on the left for FY2022.

Transition to FVs



Note: NTT COMWARE is not included in the scope of the chart, and NTT Communications is not included in the scopes for the figures from FY2019 to FY2021 or the figure on the left for FY2022. The figures have been retroactively revised for improved accuracy

Power Efficiency of Telecommunications Services (Compared to FY2013)



Formation of a Sustainable Society

Basic Policy

The DOCOMO Group will contribute to the responsible use of resources by promoting 3R initiatives for communications equipment and utilizing ICT to create a recycling society.

Working toward Waste Reduction (Business Activity)

DOCOMO uses substantial resources in developing and selling mobile phones, constructing and operating network facilities, managing shops, and conducting administrative work at offices. We are currently striving to reduce waste by accurately tracking and more efficiently using resources. When waste is generated despite these efforts, we do our best to reuse or recycle it with the goal of approaching a final disposal volume of zero. For example, optical fiber, scrap metal, concrete poles, and other waste produced when old facilities are dismantled are reused or recycled to the extent possible. Additionally, we adhere to the Green Design Guidelines for Buildings and actively use recycled materials or recyclable and reusable materials when constructing or upgrading telecommunications facilities and buildings.

With regard to providers of recycling services, we make every effort to ensure that they appropriately handle all waste, prevent illegal dumping, and carefully manage manifest slips.

Since fiscal 2022, we have been using the waste recycling rate as our metric and reducing waste with an increased focus on improving the recycling rate.

Reducing the Use of Paper Resources (Business Activity)

Group-Wide Approach

We are promoting a paperless office by setting our goal to reduce paper usage essentially zero by 2025. Initiatives implemented at offices for achieving this goal include digitizing internal meeting documents, considering the revision of manuals and rules which had been created under the premise of paper-based operation, and raising employee awareness by visualizing the volume of paper consumed.

We will continue our efforts to reduce paper use for the next and all subsequent fiscal years.

• Environmental Approaches Taken at Offices and Shops

DOCOMO is working to reduce paper use at its offices and shops. In fiscal 2022, we visually communicated monthly paper use per person in each division and branch to instill greater employee awareness of the need to make a reduction. As a result, the monthly average amount of office paper used per employee declined by 45% compared to the previous fiscal year. Additional measures, such as encouraging paperless meetings by using the internal web conferencing system, personal computers, tablets, and other devices, will be pursued to further reduce paper use.

Moreover, to reduce paper consumption in individual shops, DOCOMO is making every effort to accurately determine the number of promotional tools to prepare and distribute to each shop using an analysis system specifically designed for this purpose. We also made the customer management system accessible from both conventional desktop computers and newly distributed tablets at the docomo Shops to meet customer needs by providing electronic forms, thereby reducing paper use. Additionally, docomo Shops nationwide are using digital signage for advertising to reduce overall paper use, including posters.

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· Electronic Bills and Statements (e-billing)

In our e-billing service, which became the standard in February 2015 (for January's fee), customers paying their monthly mobile phone usage charges via bank transfer or credit card can view their monthly bill on their smartphone or personal computer instead of receiving monthly bank transfers and account statements through a postal service.

As of the end of fiscal 2022, there were approximately 23.90 million subscriptions to the service. Our e-billing service has saved the equivalent of around 0.56 billion sheets of A4-size paper a year.

We are promoting digitalization of other services as well.

- Standardized the online credit card statement service for dCARD
- Digitalized user manuals for all Android smartphone and tablet device models marketed after fiscal 2011 and provided them as apps (e-manuals)

Reducing Water Consumption (Business Activities)

We monitor actual water consumption to keep it below the previous year's level and take action as necessary. Initiatives to reduce water consumption at our offices include enforcing water conservation measures and raising employee awareness by visualizing the volume of water consumed.

• Reducing Water Consumption in Eco-Friendly Facilities

DOCOMO has been reducing the environmental impacts associated with water consumption in its facilities built in line with the NTT Group Green Design Guideline for Buildings. The guideline provides basic building design considerations for protecting the global environment in terms of construction and operation with the goal of reducing impact to the greatest extent possible over a building's life cycle. Various efforts are underway at the NTT DOCOMO Yoyogi Building, which was constructed under the guideline, to reduce environmental impact, such as controlling water consumption and recycling rainwater. Beginning with its own facilities, DOCOMO is striving to reduce water consumption to ensure the overall well-being of the environment.

DOCOMO recognizes the effective use of resources, including plastics, as a key environmental concern and is actively recycling waste to achieve its recycling target (fiscal 2030 target: waste recycling rate of 99%). We are also promoting the reduction of industrial wastes generated from business activities, such as plastics used in products, and recycling those resources. Industrial waste of plastic products used by DOCOMO in fiscal 2022 was 1,248 tonnes, and 99.0% of that was recycled. Moreover, we are recycling containers and packaging delivered to customers in accordance with the law and in collaboration with the Japan Containers and Packaging Recycling Association.

· Reducing Plastic Used in Smartphones

DOCOMO is striving to reduce the amount of plastic used in smartphones while also choosing materials with due consideration of environmental impact. It started using recycled plastic materials in models that were released in the summer of 2022, some of which include material from scrap fishing nets. In February 2023, we released a 5G-capable smartphone, arrows N F-51C, which is made of about 67%* recycled materials including recycled plastic. In addition to its environmentally sound body, its ingenious features include access to "Caboneu record" (**P.34**) to support users in casually engaging in environmentally ethical actions.

*Represents percentage of the weight of total recycled materials used to the weight of total parts, calculated by deducting the weight of the battery, display, and other electric and electronic components from the weight of the body.

• Initiatives for Smartphone Accessories – docomo select docomo select, a DOCOMO official shop, is offering a lineup of safe and secure smartphone accessories and is promoting the use of recycled materials. To further reduce plastic waste, we are replacing plastic packaging with paper and offering smartphone cases made of 100% recycled materials.

• Replacing Bags with Totally Plastic-Free Bags

The surfaces of paper bags used at docomo Shops were laminated with plastic. In fiscal 2020, these bags were replaced with those made of 100% paper. In addition, environmentally sound water-based ink is used to reduce environmental impact.



Renewed docomo paper bags

Collecting and Recycling Communication Devices (Activity for Customers)

DOCOMO is selling used smartphones under the brand docomo Certified (smartphones certified by DOCOMO for reuse). Second-hand smartphones are marketed after DOCOMO confirms their basic functions and cleans the outer parts of those with a remaining battery level of at least 80%. Engaging in the reuse business in this way will contribute to a circular economy, and we also anticipate a CO₂ emissions reduction within the supply chain by improving the efficiency of manufacturing of new products and shipping.

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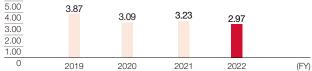
Mobile Phone Recycling for the Effective Use of Valuable Resources

Mobile phones contain gold, silver, copper, palladium, and other materials, all of which are valuable recyclable materials, particularly in light of Japan's relative lack of mineral resources. DOCOMO has therefore been collecting and recycling used mobile phones since 1998.

In 2001, we partnered with the Telecommunications Carriers Association, a trade organization of telecommunications carriers, and established the Mobile Recycle Network, which collects and recycles mobile phones mainly at docomo Shops, regardless of the original provider. In fiscal 2022, we collected roughly 2.97 million phones and have now gathered a cumulative total of about 124.52 million.

In addition to circuit boards, which contain rare metals, we also recycle plastic body parts using a technology for reclaiming oil from plastic.

Used Mobile Phone Collection (by Fiscal Year and in Approximate Figures) (million units)



Collected Devices, Etc. (FY2022)

| Mobile phones | 2.97 million units |
|-------------------------------|--------------------|
| Batteries | 1.97 million units |
| Chargers | 0.57 million units |

Principal Resources Recycled (FY2022)

| ► Copper | 27,013 kg |
|-------------|-----------|
| ▶ Gold | 24 kg |
| ▶ Silver | 89 kg |
| ► Palladium | 1 kg |

Preservation of Biodiversity

Basic Policy

As a basic policy, DOCOMO will promote initiatives that contribute to restoring biodiversity and achieving nature positive by leveraging the Group's ICT, customer base, and other assets. We will continue with our actions to preserve biodiversity while striving to pursue initiatives in collaboration with stakeholders.

docomo Woods forest Maintenance

DOCOMO's docomo Woods program plants and improves forests throughout Japan. The project has been established on the basis of the Forestry Agency's corporate forest program^{*1}, the National Land Afforestation Promotion Organization's Green Fund^{*2}, and corporate forestry support programs^{*3}. In fiscal 2022, we carried out 41 forest maintenance activities with 681 people participating.

| docomo Woods forest maintenance activities | FY2019 | FY2020 | FY2021 | FY2022 |
|---|--------|--------|--------|--------|
| Activities held | 43 | 11 | 39 | 41 |
| Participants | 1,314 | 57 | 308 | 681 |

Note: During the COVID-19 pandemic, fewer events were organized, with a limited number of participants per event.

Our nature conservation program, docomo Woods, focuses on raising awareness of environmental conservation and volunteerism. It provides opportunities for employees and family members to experience nature and participate in forest maintenance activities, such as clearing underbrush and pruning. As of the end of March 2023, docomo Woods have been established in 49 locations, representing all 47 prefectures and covering roughly 210 hectares, equivalent to approximately 161 baseball fields (based on 1.3 hectares per field). In addition, land rich in nature can filter rainwater and produce clean groundwater. To pass on our beautiful nature to the next generation, we intend to continue the program to contribute to the protection of the natural environment and preservation of biodiversity.

- *1 The corporate forest program is a system under which the Forestry Agency and private sector companies plant and manage forestland and share income earned from harvesting the trees.
- *2 The Green Fund raises money for preserving green spaces, improving forests, promoting tree planting, and contributing to international afforestation projects.
- *3 Programs established primarily by prefectural governments and prefectural tree planting promotion committees.





Conservation project at docomo Woods in Yamanashi

Conservation project at docomo Woods in Mita, Hyogo

Collaborating with Local Communities in Ecosystem Conservation Activities

Initiative 1 Collaboration with a Local Government In March 2023, the city of Hachioji and DOCOMO entered into an agreement on actions to preserve Kamikawa no Sato. We are promoting initiatives such as conducting research on smart forestry while leveraging IoT in the fields of Kamikawa no Sato and restoring the environment of satoyama, a rural area where nature and people exist in harmony.



Project at Kamikawa no Sato

Initiative 2 Environmental Education

In March 2023, DOCOMO conducted environmental training for Group employees at Komine Park in Hachioji City.

The use of smartphone-based biological surveys at satoyama followed by explanations from specialists offered an opportunity for every employee to understand biodiversity and reflect on how each of their businesses can participate in preservation activities.

Going forward, we will promote understanding of biodiversity conservation and advance initiatives together with our employees and local community residents.



Environmental training in Komine Parl

Response to TNFD Recommendations

To address the frameworks developed by the Taskforce on Nature-related Financial Disclosures (TNFD), the DOCOMO Group has analyzed nature-related dependencies and impacts as well as the risks and opportunities of the Group based on the LEAP approach* recommended by the TNFD. The status of the Group's initiatives and analysis results were organized in line with the four pillars of governance, strategy, risk and impact management, and metrics and targets.

The content in this section is based on the recommendations under the TNFD beta framework (v0.4), released in March 2023, and each item is indicated with the corresponding label from A to D. We will be updating the content going forward to be consistent with v1.0, publicized in September 2023.

*A method for prioritizing impact on natural capital and measures by focusing on four factors: Locating the Group's interface with nature, Evaluating its dependencies and impacts, Assessing its risks and opportunities, and Preparing to respond to nature-related risks and opportunities and report to investors.

Governance

The DOCOMO Group established the Sustainability Management Committee as an organ for top management to regularly confirm and discuss nature-related KPIs and issues such as climate change and biodiversity. The committee, which meets twice a year, is chaired by the president and CEO and consists of the main members of the Board of Directors. The board receives reports on the current status of climate change and biodiversity initiatives as well as future policies semiannually and supervises progress and provides instruction. Discussions by the committee on issues, including the Group's response to those related to nature, are thereby reflected in any revisions made to business strategies and instructions issued by the Board of Directors. For details regarding our management system for climate change, biodiversity, and other nature-related matters, please see Sustainability Management System (**P. 14**).

Risk and Impact Management

 Process for Identifying and Assessing Nature-Related Dependencies and Impacts, and Risks and Opportunities (A)

The DOCOMO Group has analyzed nature-related dependencies and impacts as well as risks and opportunities of the Group based on the LEAP approach recommended by the TNFD.

First, in order to clarify the nature-related themes for analysis, we researched assessment standards and guidelines to discover the demands of a broad range of external stakeholders, and used ENCORE, a tool for assessing nature risk, to understand their importance within our sector.

Next, we looked into business risks and opportunities for each theme subject to analysis and then analyzed their local characteristics while taking into consideration the Group's value chain to designate material issues of our business.

STEP 1 Identify topics for determining materiality

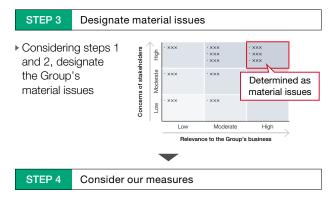
- ► Carry out screening with ENCORE
- Assess business risks by examining incidents of risk occurrence
- Select potential topics for the Group's material issues

STEP 2 Analyze local characteristics of the value chain

- Understand the relationship between potential topics and the value chain, and narrow down topics for analysis
- Assess hotspots, or potential high-risk areas along the value chain, using IBAT and other tools



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- Analyze the gaps between the demanded level identified through external trend research and the current status of initiatives
- Select responses to be prioritized based on the results of gap analysis
- Apply SBTN's AR³T Framework to define our actions

Nature-Related Dependencies and Impacts, and the Management Process for Risks and Opportunities (B, C)

In accordance with our Risk Management Principles, climate change, biodiversity, and other risks surrounding the business are annually identified on a regular basis. The Internal Control Committee, headed by the president and CEO, then identify risks that require Company-wide management. For details regarding risks, please see Risk Management (**P.129**).

Regarding nature-related risks and opportunities, including climate change and biodiversity, the Sustainability Promotion Office is specifically responsible for Group-wide environmental activities. It monitors changes in the external and internal environments affected by climate change and biodiversity and uses the TNFD's LEAP approach to identify the nature-related risks and opportunities that may impact the business.

Stakeholder Engagement (D)

We established the NTT DOCOMO Group Guidelines for Sustainability in Supply Chain as part of our commitment for sustainable procurement. The guidelines include respecting human rights, complying with labor practices, ensuring health and safety, and promoting environmental conservation.

It has been pointed out that some of the minerals produced in areas subject to ongoing conflict may cause human rights abuses in addition to destroying the ecosystem. The NTT DOCOMO Group is advancing initiatives for preventing the use of conflict minerals that would fund the activities of armed groups.

Going forward, we will also promote engagement with nature-related stakeholders.

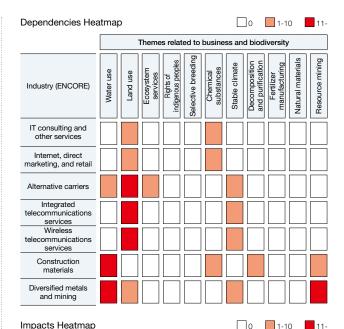
Strategy

Material Nature-Related Risks and Opportunities (A)

STEP 1 Identify topics for determining materiality

Using the LEAP approach, we conducted value chain-wide analysis of nature-related risks and opportunities that are of high concern among external stakeholders and are closely related to our business.

First, based on the analysis using ENCORE, an assessment tool for nature-related risks, we sorted out items which our stakeholders expect us to address in the area of nature-related dependencies and impacts, taking into consideration the Group's business and value chain.



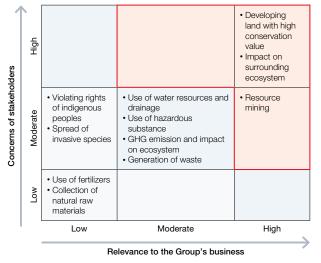
Themes related to business and biodiversity Resource mining Rights of indigenous peoples Spread of alien species GHG emission Natural materials Waste generatior usegeneration Surrounding ecosystem Chemical substances Drainage Land use Industry (ENCORE) IT consulting and other services Internet, direct marketing, and retail Alternative carriers Integrated telecommunications services Wireless telecommunications services Construction materials Diversified metals and mining

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Next, through external trend research, we collected incidents in which risks have been realized. Based on the scale of business risks and opportunities identified, we assessed their relation to the DOCOMO Group's business. As criteria for assessment, we determined that significance is high for situations that involved criticism of the company, consumer boycotts, or legal actions, while being relatively low at the present moment for situations in which the issue has not yet been recognized, or the recognition is limited to an alert by a delimited group of people involved in the matter.

Using the results obtained from ENCORE analysis and the assessment on how they relate to our business based on external trend research, we identified topics that could be designated as a material issue of the Group. Then, from the results of local characteristics analysis mentioned below, we selected and identified the following three items as material issues: developing land with high conservation value, impact on surrounding ecosystems, and resource mining.

Material issues



Potential Impact on Business (B)

We examined the potential impacts of these risks and opportunities on our business by referring to the nature-related risks and opportunities categorized by the TNFD. Although no items were found that pose immediate negative impact to the organization's business, strategy, or financial plan in relation to our nature-related risks, the three topics, developing land with high conservation value, impact on surrounding ecosystem, and resource mining were confirmed as key value chain risks that may give rise to increased cost or destabilize the provision of communication equipment, thereby affecting the financial plan. Meanwhile, there could be many nature-related opportunities, including smart farming, in which ICT technologies could be leveraged to conserve biodiversity.

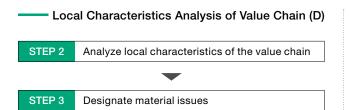
Risks that May Impact the Business

| Risk | category by TNFD | Business risk for organization | Potential impact on the organization's business | | | | | |
|-------------------|---|---|---|----------------|--|--|--|--|
| | Policy and legal | Introduction and reinforcement of regulations | Higher procurement prices and development costs due to reinforcement of existing regulations or introduction of new ones | Medium term | | | | |
| ks | Markat | Rise in prices for telecommunications devices | Higher purchase cost of metals and telecommunications devices due to rise in cost for preserving biodiversity in metal mining | | | | | |
| ransition risks | Market | Change in consumer behavior | Fewer new subscriptions and more cancellations if corporate efforts are deemed insufficient Higher costs due to change in suppliers reflecting biodiversity considerations | Medium term | | | | |
| Transi | Technology | Development and spread of low- environmental burden technologies | Higher development and introduction costs of low environmental burden technologies for telecommunications devices and facilities | Medium term | | | | |
| | Reputation | Criticism from consumers and society | Loss of customers and decline in corporate image and ESG reputation if corporate efforts are | Medium | | | | |
| | | Investor reputation | deemed passive | term | | | | |
| Physical risks | Acute Increase frequency and intensity of natural disasters | | Damage to telecommunications facilities due to natural disasters caused by disruption of surrounding ecosystem | | | | | |

Opportunities that May Impact the Business

| | oportunity Jory by TNFD | Business opportunity for organization | Potential impact on the organization's business | Time frame | | |
|---------------|----------------------------|---|---|----------------|--|--|
| | Resource efficiency | Spread of efficiency solutions | Reduced cost due to improved resource efficiency in the production and recycling of telecommunications devices Reduced burden on ecosystem due to contribution of reducing fertilizer use, for example, by the spread of ICT technology-driven smart farming | Medium term | | |
| Opportunities | Markets | Entry into nature-related business | Creation of new business by developing and providing ICT technology-driven service solutions that preserve biodiversity | | | |
| | Financing | Obtain funding for R&D | Possible funding through sustainable financing for the development of new ICT technologies that preserve biodiversity preservation | Long term | | |
| | Resilience | Achieve differentiation through increased resilience | Increased business resilience and corporate value by responding to biodiversity risks and contributing to being nature positive | Long term | | |
| | Deputation | Consumer and social reputation | Improved corporate image and ESG reputation by developing and providing ICT technology-driver | | | |
| | Reputation | Investor reputation | service solutions that preserve biodiversity | | | |

| Ŵ | NTT DOCOMO Group Sustainability Report 2023 | 46 | DOCOMO's Vision | Sustainability of DOCOMO | Environmental Responsibility | Research and Development, and Innovation | Customer and Community Engagement | Building a Safe and Resilient Society | Diversity and Job Satisfaction | Fair Business Practices | |
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To understand the kinds of risks faced by businesses related to the identified material issues within the value chain, we analyzed the local characteristics of the value chain. First, potential topics identified as those that may be designated as the Group's material issues were organized in line with each stage of the value chain, upstream, direct operations, and downstream. Then, using tools such as IBAT, we assessed our business locations at each stage of the value chain and identified hotspots, potential high-risk areas along the value chain. Based on the results of the local characteristics analysis, we determined the Group's material issues.

| Risk | Upstream | Direct operations | Downstream | |
|----------|---|--|---|--|
| Focus | Resource mining | Land development Surrounding ecosystem Use of water and drainage | Waste | |
| | Resource mining Subject of analysis: | Land development and surrounding ecosystem | Not subject to local | |
| | Subject of analysis: Telecommunication facilities and telecommunication devices Methods used: 1. For each mineral subject to analysis, identify the exporting country 2. Identify conflict cases related to resource mining | Subject of analysis: Telecommunication facilities | characteristics analysis | |
| | | Methods used: Identify hotspots based on biodiversity risk assessment | (reason: the impact is small because valuable | |
| sis | | of the area surrounding the sites by using IBAT | resources are collected and | |
| Analysis | | Water consumption | recycled from more than 95% | |
| 4 | | Subject of analysis: Data centers | of the total waste) | |
| | of the exporting country from the Environmental Justice Atlas 3. Identify key biodiversity areas using IBAT | Method of analysis: Identify hotspots based on water stress assessment of the area surrounding the sites by using Aqueduct | Business opportunities will be taken into considerations when discussing relevant measures. | |

Upstream activities (procurement of raw materials) × resource mining

Impacts on biodiversity in upstream activities (mining minerals to be used in the Group-owned facilities and equipment): key biodiversity areas were identified using IBAT after confirming conflict cases relating to mineral mining in the countries of export to Japan in the Environmental Justice Atlas.

We identified hotspots for all metals, and both the number of hotspots and their ratios were high, especially for copper.

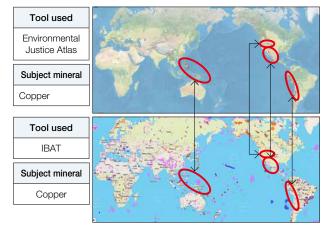
Environmental Justice Atlas and IBAT Analysis Results of Metal Resource Mining Areas

| Metal | Facilities and equipment owned by the Group | Number of mines and production sites where cases of conflict were identified ^{*1} | Number of sites exposed to high biodiversity risk (hotspots)* ² | |
|---|--|--|---|--|
| Iron | Steel towers and antennas | 22 | 10 | |
| Aluminum | Steel towers and antennas | 3 | 3 | |
| Copper | Telecommunications facilities and electric wires | 28 | 26 | |
| Gold | Telecommunications facilities | 36 | 15 | |
| Rare earthsTelecommunications facilities and data centers Optical fibersTotal- | | 4 | 1 | |
| | | 93 | 55 | |

*1, 2 Results of the analysis on the status of major sources of exports of each metal to all areas of Japan

Local characteristics analysis of upstream activities, as in procurement of raw materials

Hotspots for copper mines and copper production sites were identified in Peru, Chile, the Philippines, and other countries (similarly, hotspots were identified for iron, aluminum, gold, and rare earth elements).



 Indicates this is specified as a biodiversity conservation area and contains mines and production sites where actions such as litigation or protest campaigns are taking place.

• Direct operations (data centers*) × use of water

Impacts on use of water resources from direct operations (data centers): findings from the assessment of water stress in the areas surrounding the sites using Aqueduct, a water risk assessment tool, confirmed that none of our data centers are in high stress areas.

*Only a few data centers use water cooling systems.

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• Direct operations (base stations) × land development and surrounding ecosystem

Using IBAT, a biodiversity risk measurement tool, we performed biodiversity risk assessment by referring to location information of the facilities we own and geographical information of key biodiversity areas, and identified hotspots. We found that about 3.3% of the steel tower base stations in Japan are set up in key biodiversity areas and identified these as hotspots.

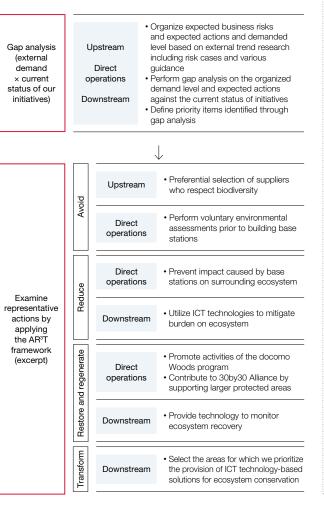
Key Biodiversity Areas (from IBAT)



STEP 4 Consider our measures

For issues designated as material, we performed gap analysis to select the items to prioritize and considered actions by applying the SBTN AR³T framework.

In the gap analysis, we first defined the demand level of each value chain based on external trend research, compared to the current status of initiatives, to identify priority items. Then we defined the relevant actions for our priority items by applying the SBTN AR³T framework and referencing past best practices, and examined our measures for material issues.



DOCOMO's Actions in Response to Nature-Related Risks and Opportunities

DOCOMO strives to generate nature-related opportunities based on analyzing its dependency and impact on nature as well as risks and opportunities. To that end, it has undertaken initiatives in collaboration with other organizations as part of its commitment to the sustainability of society as a whole and preservation of the global environment.

· Participating in initiatives

Since January 2023, DOCOMO has been taking part in the 30by30 Alliance of Biodiversity, a program that brings together companies and local governments to achieve the target of preserving healthy ecosystems in more than 30% of land and oceans by 2030.



• Partnership agreement with local government and biodiversity preservation actions

DOCOMO concluded a trilateral cooperation agreement with Tokorozawa City, Saitama Prefecture, and The Nature Conservation Society of Japan to support local government actions to restore biodiversity. Under this cooperation, we have been taking on our challenge to visualize how much the companies' participation has contributed to being nature positive, a method yet to be established.

• Supporting the research of biology of corals using underwater drones

As a special partner of the OIST Coral Project*, DOCOMO is committed to preserving biodiversity by cooperating in the study of coral biology.

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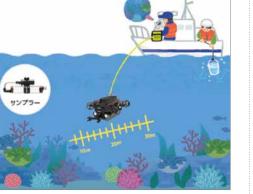
We support the OIST research group's research on coral reef ecosystems by providing DOCOMO's underwater drones to explore depths of between 30 and 80 meters, a zone that has been difficult to clarify. Our underwater drones help the research by capturing videos and pictures and collecting seawater.

*A coral reef conservation project of the Okinawa Institute of Science and Technology (OIST).

☑ OIST Coral Project, Okinawa Institute of Science and Technology (OIST)



OIST Coral Project logo



Research image



Planting corals (photo courtesy of OIST)

Conduct demonstration project to promote smart forestry

In the field of forestry, where the industry faces such challenges as an aging workforce and a lack of workers, DOCOMO, as a representative of a consortium created by DOCOMO, the Minami Saku Chubu Forestry Association, and Chikusui Canycom, Inc., carried out a verification test for Japan's Forestry Agency's demonstration project, Leveraging Telecommunication System to Remotely Operate Weeding Machine.



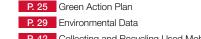
Smart forestry verification test

Metrics and Targets

Greenhouse gas emissions reduction, waste recycling rate, and the promotion of activities to conserve ecosystems are used as metrics in the targets set for managing nature-related risks and opportunities based on the Green Action Plan, the DOCOMO Group's Environmental Target for 2030. Other nature-related metrics include monitoring the use of water to check that the amount remains less than that of the previous year, as well as disclosing the number of used mobile phones collected and recycled and the major mineral resources regenerated through recycling. Metrics and targets not disclosed will be examined based on the core indicators set out in TNFD v0.4 as well as guidance on target setting under TNFD v1.0, released in September 2023, and SBTs for Nature.

The DOCOMO Group will make its way into a future in which people co-exist in harmony with the natural environment by contributing to the sustainable development of all society and preservation of the global environment.

Related Links



P. 42 Collecting and Recycling Used Mobile Phones