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Employment and Compensation

Basic Policies and Philosophy

DOCOMO incorporates its human resource strategy into personnel systems and works to maximize the abilities and motivation of every employee by assigning the right jobs to the right people, promoting skill development and conducting appropriate performance assessments.

We strive to treat our employees fairly through the provision of equal opportunities and equal compensation while engaging in employment practices that involve assessing only the characteristics we deem reasonable, such as personal ability, aptitude or accomplishments.* We do not treat one employee different from another in regard to promotions, compensation, training and the like. We do, however, disseminate through our official site messages related to our philosophy on respecting both employees and our recruitment practices.

"Characteristics that tend to form the basis for discrimination: race, ethnicity, nationality, regional origin, skin color, age, gender, sexual orientation, mental or physical disability, religion, political beliefs, labor union membership, marital status, etc. Medical examinations and pregnancy tests are also considered as aspects of discriminatory practices when used to hinder equal opportunity or fair treatment.

*Respecting Employees (in Japanese only)

[URL](https://www.nttdocomo.co.jp/corp/csr/about/management/employee/index.html#p01)

● Human Resource Management System
Respecting Individual Capabilities and Promoting Employees of Diverse Nationalities

DOCOMO is committed to hiring people for their skills and abilities, not their nationality. In fiscal 2017 we hired 11 new non-Japanese employees, who are now pursuing careers at the Company, in Japan and overseas, including in the Global Business Division, the Research and Development Division and the Corporate Sales and Marketing Division. Our medium-term target for supporting women’s careers is to retain the ratio of female hires among new graduates at 30% or more, and we are currently meeting that goal.

Appropriate Performance Assessments

The purpose of assessing employee performance is to develop skills and increase motivation to ultimately enhance corporate performance. All DOCOMO employees are evaluated on their performance and career development twice a year. To ensure fairness, assessments are conducted in three stages by several people, including primary and secondary evaluators and a coordinator. Organizational objectives are broken down into individual goals, on which we base our assessments of each employee’s performance. Assessments involve interviews on setting goals, progress reviews, discussions on achievements and the evaluations of results as well as feedback to produce a comprehensive appraisal and examination of overall performance. Additionally, any employee who disagrees with their assessment can submit an objection to the Human Resources Management Department through the consultation desk of each organization.

Multidimensional Performance Appraisals Give Managers Insight

Once a year managers of all areas, including departments, offices, branches and other sections, engage in self-evaluations as well as reviews by supervisors, colleagues and subordinates by way of 360-degree assessment.

Multifaceted assessments particularly address management competencies such as developing a vision, coaching and demonstrating leadership. Evaluation results are conveyed to the managers and their supervisors and serve to highlight any discrepancies between self-perceptions and the perceptions of others. This is done through qualitative evaluations in the form of advice from others on strengths and areas requiring attention and quantitative evaluations based on performance ratings. The program is intended to raise awareness and hone managerial skills by encouraging managers to develop a deeper insight into the attitudes and behaviors expected of them and make continuous improvements with clear goals. We will continue to cultivate an environment that encourages employees to be open and humble in respect to the evaluations and opinions of those around them.

● Pension Plan

DOCOMO maintains two corporate pension plans: the NTT Employee Pension Fund and a defined contribution corporate pension plan.

The NTT Employee Pension Fund is a defined benefit plan and a life annuity resourced by a premium contributed by labor and management.

We adopted the defined contribution pension plan in April 2014 in view of changes in the public pension program that serves as the pillar of post-retirement income, including raising the age at which pension payments begin. In addition, the increasingly diverse lifestyles of employees require a pension plan that can flexibly respond to their postretirement income needs. We have also sought to minimize the impact of fund management performance on pension financing to ensure a stable, long-term corporate pension program. Following the introduction of the defined contribution pension plan, funds for April 2014 and after, under the former defined benefit type, contract-based corporate pension plan, were transferred to the defined contribution plan.
### Employment and Compensation

#### Health and Productivity Management (Occupational Health and Safety)

#### Labor Practices

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2. **DOCOMO’s Vision**
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4. **Environment**
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### Employee Data (DOCOMO)

#### Starting Salaries (DOCOMO)

### Employee Data (DOCOMO)

#### Employee Data (DOCOMO)

#### Starting Salaries (DOCOMO)

#### Number of Mid-Career Hires (DOCOMO)

#### Number of Employees Who Are Citizens of Countries Other than Japan (DOCOMO)

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### 8. Labor Practices

**Employment and Compensation**

#### 8. Labor Practices

<table>
<thead>
<tr>
<th>Employee Data (DOCOMO)</th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
<td>Total</td>
</tr>
<tr>
<td>Number of employees (excluding loaned employees)*¹</td>
<td>6,046</td>
<td>1,570</td>
<td>7,616</td>
</tr>
<tr>
<td>Number of foreign nationals*¹</td>
<td>65</td>
<td>44</td>
<td>109</td>
</tr>
<tr>
<td>Employees</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average age*¹</td>
<td>40.5</td>
<td>36.6</td>
<td>39.7</td>
</tr>
<tr>
<td>Average years of continued service (excluding persons seconded to DOCOMO)*¹</td>
<td>17.5</td>
<td>14.0</td>
<td>16.8</td>
</tr>
<tr>
<td>Average salary (yen)*²</td>
<td>8,648,000</td>
<td>8,739,000</td>
<td>8,737,000</td>
</tr>
<tr>
<td>Average total annual hours worked</td>
<td>1,920.1</td>
<td>1,829.1</td>
<td>1,898.1</td>
</tr>
<tr>
<td>Average overtime hours worked</td>
<td>278.2</td>
<td>193.4</td>
<td>257.8</td>
</tr>
<tr>
<td>Employment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of people hired</td>
<td>161</td>
<td>76</td>
<td>237</td>
</tr>
<tr>
<td>Recent college graduates</td>
<td>156</td>
<td>76</td>
<td>232</td>
</tr>
<tr>
<td>Number of foreign nationals</td>
<td>9</td>
<td>9</td>
<td>18</td>
</tr>
<tr>
<td>Number of mid-career hires</td>
<td>5</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Of the above, number of people reengaged</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Turnover</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of job leavers (only for voluntary termination)</td>
<td>117</td>
<td>31</td>
<td>148</td>
</tr>
<tr>
<td>Turnover rate (only for voluntary termination)</td>
<td>1.05%</td>
<td>1.16%</td>
<td>1.37%</td>
</tr>
</tbody>
</table>

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1. As of the end of each fiscal year.
2. Ratio of DOCOMO’s average salary to regional minimum wage is 4.8:1. (The regional minimum wage is calculated as follows: 958 yen/hour × minimum wage for Tokyo × 7.5 hours × 21 days × 12 months = 1,810,620 yen.)

Since DOCOMO bases its compensation on employee qualifications and rank, amounts of salaries and bonuses do not differ between males and females or by region, among employees of the same level of qualifications and rank.
Employee Satisfaction

DOCOMO conducts an employee attitude survey every year to clarify current issues and understand the state of the workplace as well as employee awareness, or job satisfaction, toward its goal of becoming a company at which employees can vigorously take on challenges to create further value as a group. In general, the survey is conducted via the Internet in the form of a questionnaire and covers all employees at DOCOMO Group and its 12 shared services subsidiaries. In an attempt to attain zero non-respondents, we accept responses by paper as well. We respect LGBT respondents by including an “other/no answer” option to the gender question in the questionnaire in addition to the “male” and “female” options.

In fiscal 2017, we reviewed the design of the survey form and changed the questions as well as the answer choices from a 5-point to a 10-point scale. A major review was made to increase the number of questions regarding job satisfaction and comfortable working environment, and we redesigned it to allow for attribution analysis. In fiscal 2017, the survey was carried out between October and November with 33,319 respondents. Improvements are made each year to reflect the survey results.

At DOCOMO, employee satisfaction/dissatisfaction is measured through the element of job satisfaction and comfortable working environment in order to grasp the current situation on an organizational basis, such as at the level of Group, company or company group, and also to conduct attribution analysis. We consider a decline in the results for job satisfaction and/or comfortable working environment as a risk, and we strive to make improvements based on analysis and on an organizational basis.

| Job Satisfaction Results for FY2017 and Target for FY2020 (on a 10-Point Scale) |
|---------------------|---|---|
| 2017                | 7.2 | |
| 2020 (Target)       | 7.7 | |

Labor Relations

Labor Relations in the DOCOMO Group (Japan)

DOCOMO ensures workers’ freedom of association and right to collective bargaining. Labor and management cooperate to continually improve the workplace in accordance with the Basic Agreement on Labor Relations and the Basic Agreement on Collective Bargaining, and have established different committees to discuss various issues to enhance communication between labor and management.

The Negotiation Committee discusses working conditions and other matters, the Management Council discusses management policies and related issues, and the Work-Life Balance Committee discusses normalizing overtime, the promotion of diversity, etc. Dialogues between management and labor are held several times a year through discussions at these committees.

In terms of the labor-management relationship, we believe that (1) labor and management should have equal footing, in principle, and their relationship should be based on the principle of self-governance in order for it to be built independently and responsibly, and be founded upon trust, and (2) focus on discussion and strive to resolve matters by gaining a mutual understanding and consent. Any conclusion achieved by labor and management on a particular matter should be respected by both groups.

In addition, union membership of the 13 DOCOMO companies in Japan is roughly 100%.

Reference: All NTT Workers Union of Japan, Docomo Headquarters (in Japanese only)
URL: http://www.docomohonbu.org/
Health and Productivity Management (Occupational Health and Safety)

Basic Policies and Philosophy

DOCOMO seeks to ensure the safety of employees and others and to facilitate implementation of its operations in accordance with its Safety Management Rules. These rules stipulate that we establish a working environment where industrial accidents are prevented, provide instructions so that employees can safely engage in operations and rigorously carry out inspections and maintenance. We also pay due consideration to managing the health of our employees and have established the Health Management Rules to implement appropriate health management and thereby facilitate our business operations.

- Health and Safety Management

The NTT Group manages labor health and safety on a Group-wide basis by establishing Health Management Rules in compliance with Japan’s Labor Standards Act and Industrial Safety and Health Law, with the aim of securing the health and safety of staff in the workplace and promoting the development of a pleasant working environment.

DOCOMO has established a health and safety management system at each worksite to fulfill our obligation to secure the health and safety of workers in their workplace. We have also appointed a general health and safety manager, who oversees the safety supervisors and health supervisors (health and safety officers at small-scale worksites). Safety Committees are set up at worksites having more than 100 staff, and Worksite Health Committees are in place where there are more than 50 employees. Also, industrial physicians are appointed for worksites with more than 50 staff.

With respect to specific aspects of operations undertaken at each individual worksite, we ensure that all needs are properly met in accordance with the Ministry of Health, Labour and Welfare regulations, and that we fulfill our obligation to provide physical examinations for all DOCOMO Group employees. We also implement measures for monitoring, managing and reducing long working hours.

Initiatives for a Healthy and Safe Workplace

- Promoting Health and Safety in the Workplace

In order to provide an environment in which every individual employee can play an active role, DOCOMO Group is focusing on creating workplaces where employees can work in safety and good health. Also, it is carrying out activities toward its goal of achieving zero serious industrial accidents.

The DOCOMO Group is involved in construction work related to network facility maintenance that is done in high places. Consequently, we conduct operations in compliance with prevailing laws and safety regulations, and we implement safety measures in accordance with the DOCOMO Safety Manual for Construction Work, which are also extended to our business partners. We instruct workers to remain fully alert during assembly and disassembly of scaffolding, and when working on steel pillars, steel towers and rooftops. We also discuss Hiyari-Hatto (close call) incidents, consider countermeasures and record data to alert employees of workplace hazards and dangerous actions.

Our health and safety management system is led by the head of the organization that supervises matters related to safety and serves as the general health and safety manager. Our centralized industrial accident control system enables us to manage and track labor accident data for the entire Group.

For DOCOMO safety is always the top priority. Our system for preventing work-related accidents and injuries includes the Health and Safety Committees at each business office as well as the DOCOMO Safety Council and DOCOMO Safety Committee at the headquarters. The Health and Safety Committees, consisting of members from both management and labor, examine and deliberate on basic measures to prevent DOCOMO employees from being exposed to various dangers and health problems. The committees also promote improvements in the health and safety of the employees and meet once a month to analyze the results of health and safety management, consider measures and record data. Information is provided to employees...
8. Labor Practices > Health and Productivity Management (Occupational Health and Safety)

for the benefit of their own health and safety. The DOCOMO Safety Council and DOCOMO Safety Committee each consist of members from both management and labor, including those from telecom construction firms, and they share information to prevent work accidents.

● Safety Management in Maintenance Work for Base Stations

As we expand our communication areas, we have been making a strong effort to maintain our base stations in order to offer connectivity to our customers wherever they are, in the city, on the subway, or in a rural or relatively unpopulated area. When doing construction or maintenance work at a base station, we pay the utmost attention to avoid the risk of falling during aerial work and electrocution. As a company that outsources construction work to telecom construction firms, the DOCOMO Group will strive to fulfill its responsibility of ensuring on-site safety.

Since there are cases where construction and maintenance of base stations are done by Group companies, DOCOMO seeks to enhance safety management skills by holding the DOCOMO Safety Training program for all DOCOMO Group employees across Japan. The training provides knowledge through sessions on hazard prediction exercises, relevant laws and regulations, aerial work exercises, and vehicle features. In light of past accidents involving special vehicles and aerial work, we also strive to raise the level of response at the worksite through skill development training with telecom construction firms.

When we consign work to telecom construction firms that involves dangerous processes, such as aerial work, we also implement measures such as safety patrols by DOCOMO Group companies to boost frontline worker safety awareness and ensure thorough implementation of on-site hazard prediction and other safety measures. Specifically, we hold full safety inspections on-site hazard prediction and other safety measures. Specifically, we hold full safety inspections using checklists for reviewing such aspects as safety measures, accident prevention, work procedures and basic actions of every work team in all sites. Moreover, we seek to establish common applications and rules for safety equipment. We conduct safety awareness surveys on an ongoing basis to question frontline workers at each site on topics such as their awareness of past accidents while also rechecking aspects including safety measures.

In fiscal 2017, there were three serious industrial accidents, one fewer than in the previous fiscal year. In response to the occurrence of such accidents, we investigated and analyzed each set of circumstances, and optimal measures for preventing the recurrence have been formulated and implemented. As a new initiative, we implemented our original drone technologies, with which inspections must be carried out at a certain height so as to ensure the safety of the staff. Looking ahead, we plan to focus on research and development in this area to expand the initiative’s implementation.

| Number of Serious Accidents during Construction Work over the Past Four Fiscal Years |
|---------------------------------|-----|-----|-----|-----|
|                                 | FY2014 | FY2015 | FY2016 | FY2017 |
| Serious industrial accidents    | 2      | 2      | 4      | 3      |

● Mental Healthcare

We provide preventive care based on the “Four Caress” guidelines proposed by the Ministry of Health, Labour and Welfare. Principal mental healthcare approaches include self-care, in which employees perform stress checks; “fine care,” which consists of various training programs for managers; and care by in-house industrial healthcare staff and related staff. For this final type of care, workplace monitoring and physical exams form a foundation after which follow-ups and interviews, and interviews and guidance sessions are conducted for those working long hours. Also, we have set up an external counseling desk as care provided through services of external Employee Assistance Programs (EAPs). In 2013 we unified our EAP Service to provide the same service to all employees in Japan.

In addition to conducting stress checks to promote self-care by employees, we conduct a group analysis of the results to determine the status of stress in each organization and its causes. The information is relayed to each organization as feedback to be used for improvements in the workplace by implementing necessary training and measures. The content and results of the stress checks are handled on a strictly confidential basis to protect employee privacy.

Also, we monitor changes in the number of employees taking leave to deal with mental health issues. In fiscal 2017, 199 employees took leave.

*Guidelines for Promoting Mental Healthcare in Enterprises

URL: https://www.mhlw.go.jp/stf/houdou/3000000002279193.html

| Number of Employees on Leave for Mental Health Reasons (DOCOMO Group) |
|---------------------------------|-----|-----|-----|-----|
|                                 | FY2014 | FY2015 | FY2016 | FY2017 |
| Employees on leave              | 150    | 155    | 188    | 199    |
Improving Employee Health

DOCOMO provides annual physical examinations for all employees in compliance with Japan’s Industrial Safety and Health Act. For employees who have reached a certain age, we provide physical examinations that cover additional checkpoints beyond those legally mandated commensurate with their respective stage in life as well as brain scans. Employees who want a more detailed examination can undergo a complete medical examination partially subsidized by the Company. In response to the results of the regular and complete physical examinations, industrial healthcare staff provides healthcare guidance with specific details in collaboration with the health insurance society. Furthermore, DOCOMO has been publishing Health White Paper annually since fiscal 2017 with the aim of visualizing the status of its initiatives on health management and the working conditions and health of employees toward considering various measures for improvement.

We implement the Let’s Walk Campaign to promote the wellbeing of DOCOMO Group employees and docomo Shop staff. The campaign utilizes the healthcare services offered by DOCOMO, and employees can deepen their understanding of these services while enjoying participation in the competition in a number of steps. High scorers in the campaign are presented with d POINTs, and both individuals and teams are welcome to compete, thereby boosting communication about health management in the workplace while at the same time offering incentives. About 18,000 employees joined the campaign in fiscal 2017, and the top place award went to the team that walked an average of 20,000 steps every day.
8. Labor Practices > Health and Productivity Management (Occupational Health and Safety)

- Initiatives for Health, Safety and Wellbeing

**Stress Management Information**
We conduct stress checks to each employee and give feedback on the results to the relevant organization and to the employee. Organizational analysis and individual analysis are conducted on the results and used for improving management. We share information on overtime with the organization and employees and also hold interviews with employees who work long hours where necessary. We also share information on the current use of flextime and work-from-home programs so that diverse human resources can maintain and improve their mental and physical wellbeing. From the standpoint of creating a working environment in which employees can raise their motivation and vigor and continuously develop their careers, we are reviewing our work regulations to offer greater options that meet diverse workstyles and lifestyles.

**Stress Management Seminars**
We provide mental health seminars for all employees, “line care” seminars for newly assigned managers and seminars on physical and mental aspects for new employees. Also, we disseminate information and conduct seminars on internal systems related to mental health issues with industrial physicians and public health nurses, Life Management Seminar, “line care” seminars for newly assigned managers and seminars on physical and mental aspects for new employees. Also, we disseminate information and conduct seminars on internal systems related to mental health.

**Healthy Workplace Environment**

- **Ergonomic working environment**
Sections of our offices are barrier-free. We measure indoor air quality and conduct workplace inspections by industrial physicians. Also, we have established the Health Management Rules and bylaws that comply with Japan’s Industrial Safety and Health Law.

- **Lighting**
With cooperation from the building management company, we measure the intensity of illumination when also measuring the air environment. The air environment is measured once every two months, both in the morning and in the afternoon. When the results exceed the limit, we investigate the cause and make improvements.

- **Noise**
We support the IT pedometer as a health promotion measure in collaboration with the health insurance society. At office cafeterias where healthy recipes are offered in collaboration with the health insurance society, we offer lunch menus prepared by a nutritionist.

- **Temperature and humidity**
We collaborate with the building management company to measure the temperature and relative humidity when we measure the air environment (air environment measured once every two months, once each in the morning and afternoon). In case the results exceed the limit, we investigate the causes and make improvements.

- **Indoor air quality**
We conduct stress checks to each employee and give feedback on the results to the relevant organization and to the employee. Organizational analysis and individual analysis are conducted on the results and used for improving management. We share information on overtime with the organization and employees and also hold interviews with employees who work long hours where necessary. We also share information on the current use of flextime and work-from-home programs so that diverse human resources can maintain and improve their mental and physical wellbeing. From the standpoint of creating a working environment in which employees can raise their motivation and vigor and continuously develop their careers, we are reviewing our work regulations to offer greater options that meet diverse workstyles and lifestyles.

**Example of an initiative**
If the measured amount of carbon dioxide exceeds 1,000 ppm, we collaborate with the building management company to take measures such as resetting the air conditioning to increase ventilation. In addition, when the amount of airborne dust, carbon monoxide or airflow exceeds the limit, we make improvements by resetting the air conditioning, adjusting the output from the vent and taking other actions.

**Example of an initiative**
If the level of indoor humidity declines, we make adjustments such as changing the humidity settings to appropriate levels.

- **Allowances for Use of Fitness Facilities or External Facilities**
We provide a menu of benefit programs for all employees, including a service that enables employees to use fitness gyms outside the Company at low cost.

**Flextime Program**
We introduced a flextime program to promote flexible workstyles in which employees can choose their daily work hours.

**Working from Home Program**
We promote flexible and varied workstyles that are not restricted by location or time.

**Childcare Facilities and Allowances**
We provide programs for supporting the lives of employees, such as family allowances and subsidies for hiring babysitters.

**Women’s Paid Leave for Childbirth and Childcare (above the Stipulated Limit)**
We provide a program in which employees can reserve their unused paid leave as Life Planning Vacations that can be taken for childcare and school events or when a spouse gives birth. We also offer special maternity leave for six weeks prior to and eight weeks after childbirth.

**Men’s Paid Leave for Childbirth and Childcare (above the Stipulated Limit)**
We provide a program in which employees can reserve their unused paid leave as Life Planning Vacations that can be taken for childcare, school events or when a spouse gives birth.