



# Message from the General Manager of the Sustainability Management Division



**Executive Officer** The Deputy General Manager, Corporate Sector and the General Manager of the Sustainability Management Division

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### KDDI VISION 2030, the Mid-Term Management Strategy (FY23.3-FY25.3) and Sustainability Management

In May 2022, we announced KDDI VISION 2030 and the Mid-Term Management Strategy (FY23.3-FY25.3).

KDDI VISION 2030 was designed to incorporate the essence of the KDDI Group Mission Statement and KDDI Sustainable Action which was formulated in May 2020. The Mission Statement reads, "The KDDI Group values and cares about the material and emotional well-being of all its employees, and delivers a thrilling customer experience by always going further than expected with the ultimate goal of achieving a truly connected society." It expresses our aspiration to resolve social issues. KDDI Sustainable Action declares our determination to continue working to solve diverse social issues through business.

Many issues such as global warming and other climate change issues, the destruction of ecosystems and other environmental issues, human rights problems and the widening of the gap between the rich and the poor are becoming worse. International organizations, rating agencies, disclosure task forces and other task forces. investors, customers, business partners, corporate employees and other stakeholders are accelerating their activities to address these issues. We will advance KDDI Sustainable Action. Guided by the Mid-Term Management Strategy (FY23.3-FY25.3), we will promote the Satellite Growth Strategy and strengthen the management functions that support it based on sustainability management in an aim to achieve the sustainable growth of society and to increase corporate value together with our partners.

In the process of formulating the Mid-Term Management Strategy, we also defined New Materiality. It comprehensively includes social issues from a long-term perspective and the degree of their significance in our management. At the time of formulation, we examined the interests of long-term investors and other stakeholders and the impact of issues on our business. We created Eight Values we embrace regarding the individual material issues identified in consideration of social and environmental value. These stories

explained specific actions as well as the goals to be achieved. In addition, we connected the value proactively provided by businesses with the Satellite Growth Strategy and the defensive aspects with the strengthening of management base.

#### **Promotion of Sustainability Management**

Our concept of sustainability management means the incorporation of long-term and social value perspectives into our management strategies to achieve sustainable growth. We will strive to enhance not only economic value but also social and environmental value to increase corporate value and contribute to the sustainable growth of society. For this purpose, it is vital that we think about "what we can do to best serve society leveraging our own strengths."

Revised in 2021, Japan's Corporate Governance Code defines actions for addressing sustainability issues, such as climate change and other global environmental issues, respect for human rights, fair and appropriate treatment of the workforce including caring for their health and working environment, fair and reasonable transactions with suppliers, and crisis management for natural disasters, as important management issues that can lead to earnings opportunities in addition to mitigating risk. To resolve issues, we should implement proactive strategies in addition to defensive measures. These strategies should not be a mere addition to our management strategies. Its content should not be "doing what is good for the environment and society is sufficient."

We recognize these issues as priority issues. We will carry out the Mid-Term Management Strategy to help achieve the sustainable growth of society together with our partners. We will aim to establish a virtuous cycle in which the growth of society will be incorporated into our future business strategies that again lead to doing good things for society.

### Aiming to Be a Top Company in Sustainability Management

In connection with the formulation of the Mid-Term Management Strategy, we established the Sustainability Management Division in April 2022. This new organization is playing a central role in the implementation of sustainable management. The goal of this move was the strengthening and acceleration of sustainability activities including the creation of sustainability-related policies, the implementation of and support for various companywide measures and the distribution of information about them. Its mission is to propagate sustainable management across the Group in collaboration with the operating divisions.

Corporate economic activities burden the planet, the environment and society. Business must offset the burdens they put on the Earth through their business activities at their cost. Today, businesses must be aware of environmental and social issues and carry out actions to address them through their business operations. In addition, they must transform their business model by shifting to the idea of creating different types of value at the same time. It is important to continue creating circulation models in which businesses resolve environmental and social issues and the solutions to these issues provide earnings opportunities for businesses. The KDDI Group aims to become a top company in sustainability management by ensuring that the value we provide to society is realized.

#### **KDDI Sustainable Action**

It has been created representing our determination to continue working to solve various social issues through our business as we move towards 2030. We aim to further enhance corporate value and achieve sustainable growth with society by helping to solve social issues through business with partners by connecting and protecting lives, connecting day-to-day lives, and connecting hearts and minds while using 5G, IoT, and other technologies.

#### Relationship between KDDI's Material Issues and KDDI Sustainable Action

Material Issues	KDDI Sustainable Action							
	Connecting and Protecting Lives		Connecting Day-to-Day Lives			Connecting Hearts and Minds		
	Building a resilient infrastructure for communication and disaster response	Conserving the environment	Sustainable development for cities and communities	Building the infrastructure for developing countries	Developing human resources for the next generation	Creating a digital society for affluence and peace of mind	Promotion of diversity and inclusion	Fostering health and a purpose in life
Promotion of innovation centered on telecommunications	•		•			•		
2. Realization of safe, secure, and prosperous society →P59			•	•		•		
3. Carbon neutral →P67		•						
Strengthening the group management base through progressing governance						•		
5. Human resources first →P77					•		•	•
6. Advancing stakeholder engagement	•	•	•	•	•	•	•	•
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