



# KDDI Sustainable Action

## Message from the Executive Officer of Sustainability

**We work to strengthen sustainability management, aim to enhance corporate value, and return social value, environmental value, and financial value to all stakeholders.**

### Shinichi Muramoto

Executive Officer of Sustainability  
Executive Vice President,  
Representative Director  
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Corporate Sector



Under the KDDI Group Mission Statement of “achieving a truly connected society,” KDDI works to solve social issues as an infrastructure company that underpins the information that serves as the basis for society.

In May 2019, we announced KDDI’s target SDGs in conjunction with the medium-term management plan (April 2019 –March 2022). In May 2020, KDDI formulated “KDDI Sustainable Action”—KDDI’s initiatives for the SDGs aimed at 2030. In consideration of the social issues and the business sectors KDDI can contribute to as a telecommunications operator, we revised KDDI’s target SDGs into eight social fields.

Because I am both the Executive Officer of Sustainability and a financial officer, from both financial and non-financial perspectives, I work to strengthen sustainability management, aim to enhance corporate value, and return social value, environmental value, and financial value to all stakeholders.

### Strengthening the Corporate Governance Framework

KDDI proactively adheres to the Corporate Governance Code and practices the KDDI Group Philosophy, the foundation of its corporate activities, even as business areas continue diversifying through initiatives in non-telecommunication fields.

In addition, under the Corporate Governance Code that was revised in June 2021, initiatives for issues surrounding sustainability have grown in importance. KDDI directly holds meetings with institutional investors on the topics of governance and sustainability as a part of its proactive approach toward communication with stakeholders to ensure their voices will be reflected in management.

### Environmental Measures Centered on Climate Change Action

The accelerating momentum to address environmental issues is demonstrated by the Paris Agreement, the Sustainable Development Goals (SDGs), the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the EU Taxonomy, and the Taskforce on Nature-related Financial Disclosures (TNFD), which was launched in June 2021. Through our core ICT operations, we contribute to improvements in work efficiency and reductions in the movement of people, helping to reduce CO<sub>2</sub> in society overall. However, these benefits are countered by the rather large environmental impact caused by the energy consumption of telecommunications equipment proportionate to the volume of telecommunications. Even considering that situation, KDDI declared it will lower the environmental burden of society

using ICT with the aim of achieving zero CO<sub>2</sub> emissions by 2050. Moreover, we expressed our support for the TCFD recommendations in April 2021 and, in July, raised our CO<sub>2</sub> emissions reduction target for FY2030 to a 50% reduction compared with FY2019. Going forward, we will work even harder to implement climate change action initiative that also cover the supply chain.

### Transforming into a Company that Puts Human Resources First

As the productive population declines in Japan, it is imperative that companies provide attractive work environments that enable diverse work styles (times, places, employment types, etc.) so that employees can use their various skills to the fullest, with the ultimate aim of sustaining their growth as businesses and contributing to society. KDDI will continue to promote respect for diversity and build an organization that accommodates various personalities and abilities.

In addition, KDDI aims to transform into a company that puts human resources first by placing personnel training at the base of management. To this end, we are promoting three transformations by “introducing KDDI Version Job Style Personnel System,” “realizing Declaration of KDDI New Work Styles,” and “leveraging internal DX” to enhance employees’ capabilities and productivity.

### Initiatives for Issues Related to Human Rights

In the ICT industry, we face many potential human rights issues, including rights to privacy and freedom of expression, as well as requests from government authorities to disclose customer data for legitimate purposes. We will continue our efforts to identify and address human rights issues in our business activities while regularly holding relevant discussions with stakeholders and furthering understanding among employees of the KDDI Code of Business Conduct and the KDDI Group Human Rights Policy. In March 2020, we evaluated the impact on human rights in our overall business activities, and we will continue to highlight risks and opportunities in KDDI’s businesses, take appropriate action, and continually monitor the effectiveness of those actions to improve even more.

Going forward, we will continue contributing to the sustainable growth of society and working to solve social issues and the SDGs while highly valuing communication with our stakeholders.

#### Reference

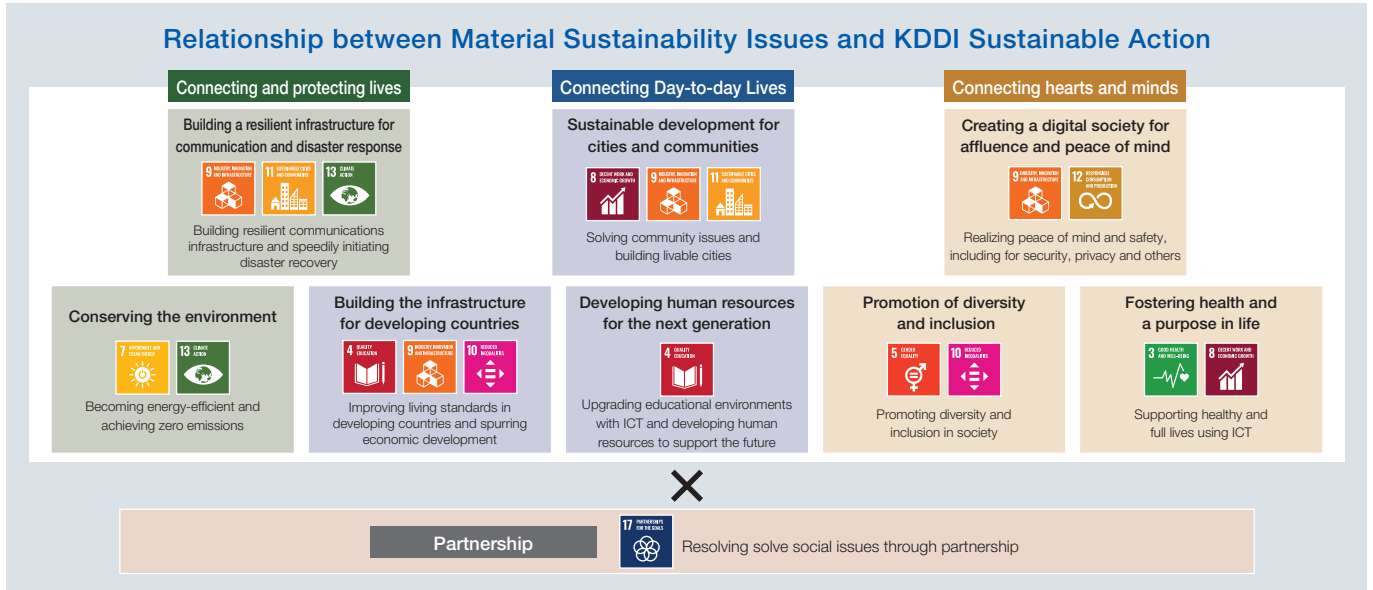
The unabridged version of this message is available on page 20 of the Sustainability Report.

## KDDI Sustainable Action

KDDI formulated KDDI Sustainable Action—KDDI’s initiatives for the SDGs aimed at 2030 with a determination to continue working to solve various social issues through business going forward.

By “Connecting and protecting lives,” “Connecting day-to-day lives,”

and “Connecting hearts and minds” while using 5G, IoT and other technologies, the Company will continue aiming to help solve social issues through business with its partners, achieve sustainable growth with society, and further enhance corporate value.



### Relationship between Material Sustainability Issues and KDDI Sustainable Action

We have identified six material sustainability issues among the numerous issues we face in relation to our business activities. We have set KPIs for each issue and regularly check our progress.

The relationship between the material sustainability issues and the

eight social issue categories defined under KDDI Sustainable Action is explained in the table below. Promoting initiatives for the material sustainability issues will also lead to contributions to the SDGs.

### Relationship between KDDI’s Material Sustainability Issues and Eight Social Issue Categories (KDDI Sustainable Action)

		Social Issue Categories							
		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
Material Sustainability Issues	1. Safer and more resilient connected world	●		●					
	2. Cyber security and privacy protection						●		
	3. Fulfilled life brought through ICTs				●	●			
	4. Rewarding workplaces for diverse talents							●	●
	5. Respect for human rights and fairness in business							●	
	6. An energy-efficient, circular economy		●						
Corresponding SDGs		9, 11, 13	7, 13	9, 11	9, 11	4	9, 12	5, 10	4, 8

## Sustainability Report 2021

All of KDDI’s sustainability activities are listed in the Sustainability Report 2021.

We recommend reading it in conjunction with this integrated report.

