Management for Sustainability

| Governance | Strategy | Risk Management (Including Opportunity Generation) | Indicators and Goals |

Identifying Sustainability-related Risks and Opportunities

GRI 3-3

	Materiality	Risks	Opportunities	Initiatives
Growth Materiality	A Society That Enables Well-being through the Digitalization of Government and Financial Institutions (DG/DF)	• Widening regional differences in government services due to Japan's aging population and the so-called "digital divide," as well as increasing wealth polarization and disparity	• Collaboration and integration with government, finance, and various other industries • Expansion of user base for advanced asset management advice and asset transactions	Digital Government Digital Finance
	Stress-free Communication with Low Environmental Impact (Global 5G)	• Environmental burden due to increased energy consumption by telecommunications equipment	• Increased demand for solutions that enable efficient traffic accommodation, network construction, flexible network operation, and carbon neutrality • Increased emphasis on secure communications	5G
	Transforming Society and Industry with the Power of Digital Technology (Core DX)	• Delays in implementation in actual business due to a lack of human resources with DX expertise and difficulty in creating road maps	• Continued IT demand due to digitalization of both society and enterprises • Increased adoption of cloud-based services that use digital technologies	BluStellar (Japanese language only)
	Living Freely in Our New Era of Healthcare and Life Science	• Delays in collaborations and market growth	• Increasing demand for healthcare that uses cutting-edge technologies such as AI	Healthcare and Life Science
	Driving Carbon Neutrality for Our Customers and Society	• Increased costs due to the introduction of carbon pricing and CO_2 emission levels • System failure from natural disasters	• Increasing demand for ICT solutions to realize carbon neutrality	Environmental Solutions (Japanese language only) Agricultural ICT Solutions Adaptation Finance (Japanese language only)
Fundamental Materiality	Environmental Action with a Particular Focus on Climate Change (Decarbonization)			Climate Change Countermeasures
	Security to Maximize ICT Possibilities	• Information leaks, unauthorized access, system failure	• Development of security professionals • Provision and operation of robust information systems	Information Security and Cybersecurity
	Provision and Utilization of AI with Respect for Human Rights as the Highest Priority (AI and Human Rights)	• Invasion of privacy-related risks accompanying new technologies • Risks of human rights violations in the value chain	• Strengthening competitiveness	AI and Human Rights
	Diverse Human Resource Development and Cultural Transformation	• Fiscal 2024 and Fiscal 2025 Priority Risk: Harassment • Fiscal 2025 Priority Risk: Long working hours • Difficulty in securing and developing human resources	• Greater organizational strength through improved employee engagement	Human Capital Management Inclusion and Diversity Hiring, Retention, and Compensation Human Resource Development Occupational Health and Safety and Work-Life Balance
	Corporate Governance	• Inadequate accounting processes • Mismanagement of confidential information	• Acquisition of trust from society	Corporate Governance
	Supply Chain Sustainability	• Risks of human rights violations in the value chain	• Collaboration and co-creation with suppliers	Supply Chain Sustainability
	Compliance	• Compliance breaches (illegal acts, fraudulent acts) • Fiscal 2024 Priority Risk: Compliance with quality and safety laws and regulations • Fiscal 2024 Priority Risk: Enhancing the quality of project contracts	• Acquisition of trust from society	Compliance