

# Policy statement on human rights strategy

NTT Germany AG & Co KG

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# 1. Foreword

NTT Germany AG & Co KG ("NTTG") is committed to respecting human rights and protecting the environment in its own business operations and along its supply chain. We are committed to responsible business practices and support the 17 Sustainability Goals of the United Nations. This also includes the human rights and environmental risks listed in Section 2 of the German Supply Chain Due Diligence Act (LkSG), in particular:

- the prohibition of child labour and forced labour
- the prohibition of all forms of slavery and discrimination
- support for freedom of association
- the right to equal treatment, regardless of age, disability, religion, social origin, ethnic or cultural diversity, gender or sexual orientation and identity
- compliance with occupational health and safety
- the payment of appropriate wages
- the ban on environmental pollution

Our commitment to respecting human rights and the environment is based on the following international standards and frameworks:

- [Principles of the United Nations Global Compact \(UNGC\)](#)
- [United Nations Guiding Principles on Business and Human Rights](#)
- [Conventions and recommendations of the International Labour Organization \(ILO\) on labour and social standards](#)

We also see it as our duty to provide those affected by human rights violations with access to remedies.

We are committed to high standards of ethical behaviour that are consistent with our Global Code of Business Conduct and underpinned by our values of integrity, trust, and connectedness. Our Code of Business Conduct and Ethics sets out what we expect from and for all employees in terms of ethical business practices. Mandatory training on the Code and the topics it covers is conducted annually.

The Supplier Code of Conduct of NTT Germany AG & Co. KG ensures that suppliers are also committed to respecting human rights, establish appropriate due diligence processes regarding the German Supply Chain Due Diligence Act (LkSG) and pass on these expectations to their own suppliers.

Our Sustainability Policy focuses on improving sustainability performance across the organisation. It outlines our approach to integrating the effective management of sustainability and climate-related risks and opportunities into day-to-day decision-making and the implementation of our business strategy.

You can view the aforementioned guidelines on our company website.

## 2. Approach to the implementation of due diligence obligations

For us, respect for human rights is a continuous process. The implementation of human rights and environmental due diligence obligations in line with changing contextual conditions, the type of business activity and the size and structure of the company is constantly reviewed and continuously developed.

To ensure respect for human rights and environmental protection, we have therefore embedded due diligence processes as an integral part of our organisation and our relationships with our suppliers. Our human rights due diligence processes focus in particular on the issues identified as critical by our industry- and country-specific risk analysis, and which therefore pose the greatest risks of adverse impacts on people and the environment that are directly or indirectly related to our business activities at our locations and in our global supply and value chains.

The following chapters describe how exactly NTTG fulfils its due diligence obligations in accordance with the LkSG.

### 3. Responsibilities

We have defined clear responsibilities in order to fulfil and comply with our human rights and environmental due diligence obligations. Responsibility for respecting human rights and environmental protection in our business activities and along the supply chain lies at the highest management level, the Executive Board. Through regular and ad hoc internal reporting, we ensure that well-founded decisions can be made. This reporting includes human rights and environmental findings from our ongoing risk analyses, feedback from our complaints procedures and information on the effectiveness of our remediation and prevention measures.

Monitoring the risk management system, internal and external communication and the documentation of due diligence obligations are the responsibility of the human rights committee we have appointed. It is also responsible for continuously reviewing and improving the management of due diligence obligations.

Various relevant specialist departments are responsible for the operational implementation of our human rights due diligence processes, including Procurement, Sustainability, Business Management System, Legal and Human Resources. If necessary, they receive support from other specialist departments.

## 4. Risk management

NTTG has systematically added human rights issues to its company-wide risk and supplier management in order to fulfil the due diligence obligations of the LkSG. There is an established risk management system that identifies and mitigates potential and actual adverse human rights risks and impacts of our business activities on people along the entire supply chain.

The risk analysis is carried out at least once a year and, if necessary, on an ad hoc basis and is updated as soon as there are significant changes to the company profile or business activities. The risk analysis forms the basis for identifying appropriate preventive or remedial measures. In our management process, we also consider human rights and environmental incidents and information provided by external or internal whistleblowers.

The abstract consideration of risks forms the basis for determining NTTG's industry- and country-specific risks in its own business area and in the supply chains. Wherever an increased risk potential is identified, a specific risk analysis is carried out to identify and analyse priority human rights and environmental risks.

In our endeavours to respect human rights and environmental protection, we pay particular attention to vulnerable groups of people along the global supply chain.

As part of the implementation of the LkSG requirements, the previous corporate risk assessment was expanded in line with the results of the LkSG risk analysis. Any deviating priority risks will be published in the next update of the policy statement.

Our corporate decision-making processes with regard to supplier selection, supplier management, product responsibility and product development are significantly influenced by the results of the analysis of human rights risks and impacts. In addition, we use the results of risk management as a basis for creating and, if necessary, adapting internal regulations, processes and training, thus creating a system of continuous improvement that takes into account the changing requirements of our due diligence processes.

## 5. Preventive measures

NTTG utilises a range of preventive measures - based on the findings of the risk analysis - to prevent the identified risks in its own business area and at direct suppliers.

### 5.1. Sensitisation of employees & implementation of internal training courses

In order to sensitise all our employees to respect for human rights and the environment and to impart the necessary expertise for the effective implementation of human rights and environmental due diligence processes in the relevant business areas, we carry out regular, mandatory training and further education measures in the form of training courses within our company.

All NTTG employees receive annual training on the topics of the Global Code of Business Conduct, including the reporting channels for possible risks and violations of human rights and environmental protection, among other things. To impart the necessary expertise for the effective implementation of the due diligence processes in relevant business areas, we also use regular, mandatory training and further education measures in the form of training courses that convey the corporate due diligence obligations of the LkSG, their background, the relevance of human rights and environmental risks and the resulting procedural changes in our business processes.

### 5.2. Cooperation with suppliers

An elementary component of our onboarding process for suppliers is the obligation to comply with the requirements of the LkSG regarding respecting human rights and protecting the environment in the form of our Supplier Code of Conduct (S-CoC).

We have defined contractual standards for responsible behaviour that we impose on our suppliers. We expect our suppliers to comply with these standards, to implement them accordingly in their own supply chain and to commit to the continuous improvement of their business practices.

In addition, our local and global suppliers are required to comply with applicable laws, regulations, contractual agreements and recognised standards. This applies regardless of where in the world they operate and whether they are represented locally themselves or work with local suppliers. Their employees should be trained in and be able to demonstrate compliance with the principles set out in this NTTG Supplier Code of Conduct.

NTTG may also organise training courses for suppliers on an ad hoc basis to enforce the due diligence obligations set out in the LkSG. Suppliers of NTTG are also obliged to inform NTT immediately about risks or possible violations in their own business area or their supply chain.

If there is sufficient cause, NTTG will initiate a corresponding supplier audit. In this case, the supplier must grant appropriate access to the relevant areas and documents. If the audit reveals that the supplier does not fulfil its relevant obligations, remedial measures must be initiated immediately. In the event of persistent non-compliance with the obligations to respect human rights or environmental protection, NTTG is entitled to terminate the contractual relationship with the supplier for cause and will apply this right in extreme cases.

## 6. Complaints & whistleblower procedure

NTT has established a Complaints & Whistleblowing Procedure to report risks or violations related to human rights and environmental protection in NTT's business and throughout its supply chain. Our platform is open to any person who has knowledge of risks or grievances relating to NTT's business or its suppliers. This includes own employees as well as employees of suppliers, customers and third parties.

Complaints and information can be submitted at any time in writing or by telephone, completely anonymously if desired, and in various languages via our confidential SpeakUp portal <https://www.speakupfeedback.eu/web/nttexternals>.

Complaints or reports are examined using a tool-supported process in which the complaints or reports are assigned to employees who are obliged to maintain confidentiality in accordance with a defined matrix of responsibilities.

Issues are always processed and assessed confidentially. If a complaint or tip-off is confirmed, corrective measures are developed and implemented. Finally, the effectiveness of the measures taken is reviewed.

Our suppliers are also encouraged to inform their employees and other stakeholders via NTT Ltd's "SpeakUp" complaints platform, which is accessible to anyone who wishes to anonymously raise concerns about suspected or actual morally reprehensible behaviour or misconduct within our company.



## 7. Dealing with violations & remedial measures

If we have a well-founded suspicion or concrete indication of possible human rights and environmental protection violations in our company or along our upstream and downstream supply chain, we investigate this carefully and consistently. We require our suppliers to support us in clarifying the facts and to cooperate fully within a reasonable timeframe.

In the unlikely event that we as a company have directly caused a violation of human rights, we work quickly to prevent the business activities that caused the violation or to make them compliant with human rights and work towards redress. If employees do not comply with human rights and environmental standards, appropriate measures are taken to remedy the situation.

If violations of human rights and environmental protection are identified in the course of the complaints procedure, audits or through other channels, NTTG will request affected suppliers to implement the necessary remedial measures. If the required remedial measures are not implemented, NTTG will take appropriate measures, which (if permissible) may also mean the cancellation of business transactions.

## 8. Effectiveness review

The effectiveness of our measures to prevent human rights and environmental violations is reviewed at least once a year and on an ad hoc basis. We also check whether our requirements are being met.

Within our company, we conduct risk-based audits, follow up on all indications of potential human rights violations and review the effectiveness of training and development measures using comprehension questions. In our supply chain, we review the effectiveness of measures by monitoring the results of our continuous analysis of human rights risks and impacts.

We use supplier assessments to check the implementation of due diligence obligations by our direct suppliers. Depending on the risk assessment, this can be supplemented by in-depth supplier audits. NTT is authorised to conduct ad hoc audits to verify whether all suppliers comply with human rights and environmental protection requirements. For this purpose, NTT may require suppliers to disclose the required information. We expect suppliers to provide such information as soon as possible and to ensure its accuracy and completeness.

## 9. Conclusion and further links

NTTG takes its responsibility to improve respect for human rights and environmental protection in its own business and in the global supply chain very seriously and strives for continuous improvement.

As part of our annual LkSG-related reporting, we publish the summarised results of our due diligence processes to enrich the public dialogue on sustainable development. In addition, our annual global sustainability report contains further information.

Further links:

- [Compliance in the Supply Chain](#)
- [Code of Conduct & Business Ethics](#)
- [Sustainability](#)
- [Diversity](#)

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