

# Third-Party Opinion

## KDDI Corporation Integrated Report 2015 (Detailed ESG Version) Third-Party Opinion



One Akiyama  
President  
Integrex Inc.

Earned Masters degree in finance after graduating from Keio University of Economics. In 2001, she founded the company IntegreX Inc. for the promotion of SRI (Socially Responsible Investment) and CSR and became its president.

### 1. Points on Which to Be Commended

This year, KDDI renamed its Sustainability Report to the Integrated Report (Detailed ESG Version) (hereafter "Report"). Along with enhancing their relationship to the Integrated Report, the comprehensiveness of its information, and the delivery of ESG information to target investors, KDDI communicates the essence of their approach and efforts to sustainability to a wide range of stakeholders with its CSR website. In the 2015 Features section of the CSR website, KDDI focuses on its various efforts in the value chain and the employees responsible based on their continued endeavors to diversity and inclusion. Ties can be seen to the

personal philosophies introduced by each activity and employees, and the KDDI Philosophy can be seen being utilized in the work done.

In the Report, the four material issues for CSR are classified by ESG, and each specifies the recognition of issues, the risk and opportunities for KDDI, management, and KPI, followed by a detailed report of activities in the pages that follow. KDDI's effort to create a robust report that is clear in materiality can be felt. As the name "Detailed ESG Version" implies, the Report makes effort to maintain the comprehensiveness of ESG information and expands the employment and other data compared to the previous year. KDDI can also be commended on its effort to proactively release pertinent information whatever it may be, such as issues arising from the Employee Awareness Survey, failure to acquire OHSAS18001 certification for occupational health and safety, and falling to second place in customer satisfaction surveys. With respect to specific activities, KDDI is putting effort into its Mobile Phone Learning Classes to educate the public for its first material issue, "Creating a Safe and Secure Information and Communications Society". KDDI not only uses participant feedback to improve the material and programs of the Mobile Phone Learning Classes, but also for the development of safer and more secure products to provide new smartphones for juniors and seniors, in effect, achieving an integration of operations and CSR activities.

For the material issue, "Initiatives to Conserve the Global Environment", KDDI calculated and released their greenhouse gas emissions from FY2012 to FY2014 for all Scope 3 items. Not only did they verify the calculation results through a third party, but they engaged in dialogue with experts on how to utilize them,

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advancing their efforts to further reduce their environmental load. Furthermore, KDDI is promoting their efforts outside Japan by spreading their environmental technology to developing countries such as the introduction of their environmental-friendly tribrid base stations to Indonesia.

For diversity, KDDI has received awards for its efforts in the advancement of women and a grand prize commending them as a role model for persons with disabilities. One can say that their steady efforts to promote initiatives have been recognized.

### 2. Areas for Improvement

The Internet society is expanding rapidly due to the proliferation of mobile phones and smartphones. While they have increased convenience in society, social issues like devices being used for money transfer scams and revenge porn have emerged and complicating problems of the Internet society. As a company that provides Internet and mobile services, KDDI is expected to face the negative aspects of the Internet society head on and make further efforts to promote initiatives.

With the aim of expanding operations overseas, KDDI must determine conditions and issues of each country and region from a risk management standpoint. They will need to create systems that can respond to each country and region, and expand its organizational activities to include responses to risks of conditions that differ from those of Japan, such as human rights and anti-corruption.

I expect that KDDI will tie together (fuse) risk (social issues) and return (social convenience), and overseas efforts (local response) and their headquarters (overseas management) under the belief that "the KDDI Philosophy is the basis of CSR Management" stated

in the Message from the President, and like the fusion that can be seen by their Integrated Report, progress with a more integrated operation.

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### Our Response to the Third-Party Opinion



Shinichi Muramoto  
Executive Officer  
General Manager, General Administration &  
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I would like to show my appreciation for the valuable response to our Integrated Report 2015 Detailed ESG Version.

With this year's report we strengthened the delivery of ESG information to investors by proactively and comprehensively disclosing data that we felt was important. Furthermore, we endeavored to make the KDDI Philosophy, which holds our approaches and values that each KDDI employee should share, easier to communicate by exhibiting its use in business activities. We are extremely pleased to receive the two positive evaluations from Ms. Akiyama.

Notwithstanding, for the issue of "Creating a Safe and Secure Information and Communications Society", she noted that we are making further efforts to promote initiatives to face the complicating problems of today by committing to implement Mobile Phone Learning Classes to increase knowledge to prevent

problems. We will continue to listen to customer feedback to evolve and develop Internet and mobile services from a customer perspective and make every effort to resolve social issues. Ms. Akiyama also noted that she expects us to have "a more integrated operation". In this aspect, we will make further efforts to introduce continuously improving plans that include overseas operations to create a sustainable society.