

July 17, 2024  
NTT Communications Corporation  
transcosmos inc.

## **NTT Com and transcosmos enter into strategic partnership agreement in Digital BPO Solution services domain in AI-driven age**

NTT Communications Corporation (President & CEO: Katsushige Kojima; NTT Com) and transcosmos inc. (Representative Director, Co-presidents: Masaaki Muta and Takeshi Kamiya; transcosmos) hereby announce that the two companies entered into a strategic partnership agreement (the Agreement) in the Digital BPO<sup>®</sup>\*1 Solution services domain on July 17, 2024.

Under the Agreement, the two companies will combine NTT Com's AI and other technologies and infrastructures with transcosmos's advanced business expertise and DX (Digital Transformation) talent to provide Digital BPO solutions that support businesses more than ever before.

NTT Com and transcosmos will deepen their partnership in developing new solutions as well as in implementing and operating solutions for clients to drive their DX initiatives, and ultimately contribute to creating a prosperous society.



Left: Katsushige Kojima, President, NTT Communications Corporation  
Right: Masaaki Muta, Representative Director, Co-president, transcosmos inc.

### **1. Background**

As Japan faces severer labor shortages amid the declining and aging population, it is crucial for businesses to achieve DX using ICT technologies and secure talent who have abilities to deliver DX towards sustainable economic growth. While some clients are actively investing in DX, the evolution of new ICT technologies is so fast that it is becoming increasingly difficult for them to catch up. In addition, companies also need to adapt to evolving complex social requirements such as ESG-driven management at speed. Yet, there is a limit to how much a company can do alone amid the continued labor shortages. Against this backdrop, more and more companies are taking a selection and concentration approach using outsourcing services to focus on their core business.

NTT Com's competitive edge lies in its ability to promote clients' DX by making the most of cutting-edge technologies such as generative AI, IOWN, 5G, IoT and cloud, while transcosmos has industry-leading expertise in a range of enterprise BPO services, contact center operations and other business support services domains underpinned by Digital BPO.

Through the Agreement, the two companies will jointly provide solutions that help clients enhance their competitive edge with infrastructure technology and professional expertise and DX talent, thereby pushing forward sustainable growth of Japan's economy.

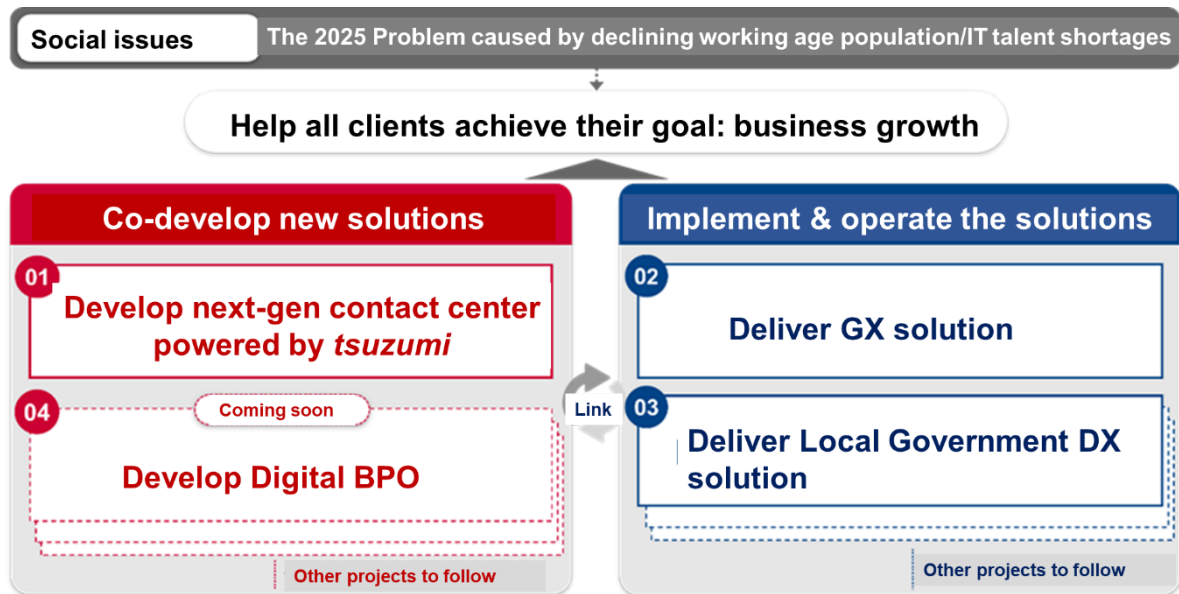
### **2. Scope of the Agreement**

The two companies will co-develop new solutions and implement and operate solutions under the Agreement.

With regard to the co-development of new solutions, the two companies will develop next-generation

contact centers powered by *tsuzumi*, NTT's large-language model (LLM) and highly accurate generative AI solutions with training data provided by *tsuzumi*, and more. The two companies will also develop new packaged solutions that come with infrastructure technologies and experts in solving challenges that are common across industries such as accounting and HR back-office operations. As for implementation and operations services, the companies will make joint-proposals and offer co-developed solutions to their respective clients.

#### <Partnership Overview>



### 3. Initiatives

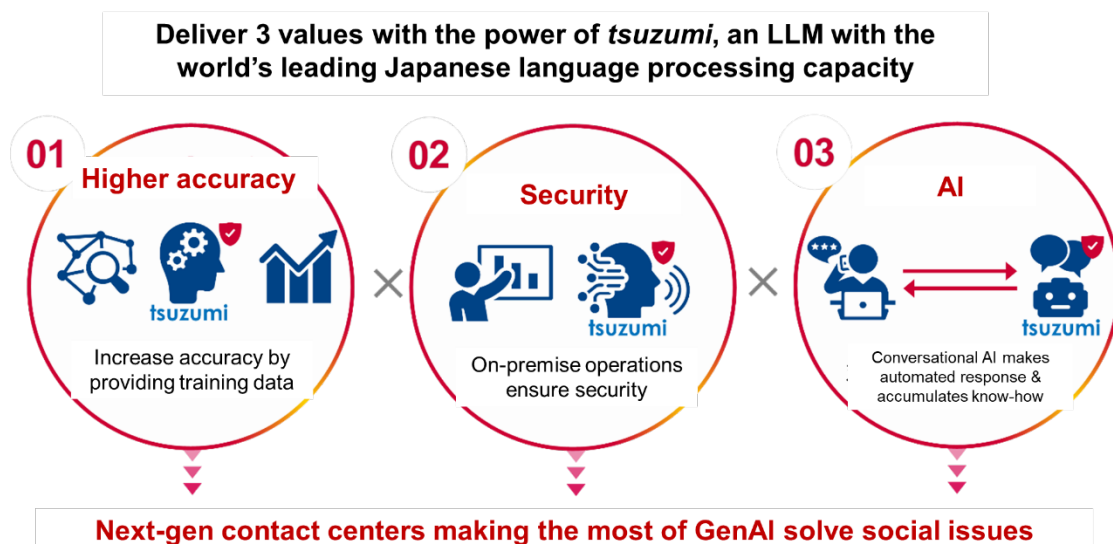
#### (1) Next-generation contact center development with the power of *tsuzumi*

To help clients streamline contact center operations and enhance customer interaction and experience at diverse customer touchpoints, the two companies will develop secure AI-powered contact centers leveraging *tsuzumi*, NTT's LLM.

Making the most of an ultra-light LLM—one of its distinctive features—*tsuzumi* enhances the response accuracy of AI by making AI learn specialized content as well as content specific to each company. The contact centers can be used both in an on-premise environment and in NTT Group's private cloud, ensuring high levels of security required for handling private and confidential information. The two companies aim to implement the centers to about 100 companies by the end of 2027 with a focus on the financial industry where security is critical.

Furthermore, the two companies will deliver AI-powered automated customer services using *tsuzumi*, contributing to clients in enhancing CX by presenting the right responses and automating customer support processes as requested.

#### <Next-generation Contact Center powered by *tsuzumi*>



(2) Green Transformation (GX) solution (refer to the attached for details)

The two companies will offer various GHG emissions-related services at one-stop. The solution includes services from defining calculation logics, collecting, analyzing, and visualizing data to proposing actions for emissions reduction. By automating the entire process from data collection to visualization, businesses can generate data such as value and volume of goods and services purchased, emission factors<sup>\*2</sup> and GHG emissions without any man-hours.

(3) Local Government Digital Transformation (DX) solution (refer to the attached for details)

To help local governments drive DX, the two companies will provide NTT Com's Local Government Platform (LGPF)<sup>\*3</sup>—an operation management system designed for local businesses—and government-citizen communication services built on transcocosmos's social networking services (SNS) as well as BPO services all at one-stop. The solution will solve staff and digital talent shortages, and help local governments create a comfortable and attractive community.

#### 4. Roles of two companies

NTT Com: Provide services including: 1) *tsuzumi*, NTT's LLM, 2) GHG emissions data visualization solutions, and 3) LGPF.

transcocosmos: Provide services including 1) GHG emissions calculation solutions, and 2) public sector solutions<sup>\*4</sup>.

#### 5. Next steps

With the aim of creating a 100-billion-yen business in the next five years, NTT Com and transcocosmos will accelerate efforts toward co-developing new solutions as well as implementing and operating the solutions for clients under the Agreement.

The two companies will also push forward the development of industry-common business solutions, thereby contributing to clients in increasing their competitive edge.

\*1: Digital BPO® is a registered trademark of transcocosmos and used as a collective term for services that combine BPO operations and various technologies to help clients transform their businesses.

\*2: CO2 emission factor shows carbon dioxide emitted per kilowatt-hour of electricity generated by an electric power company.

\*3: Local Government Platform (LGPF) is NTT Com's platform service designed for local governments, local business operators, and citizens.

\*4: Solutions for the public sector help local governments in 1) achieving DX, 2) promoting contactless services using digital technologies, 3) identifying challenges and developing strategies to solve the challenges, and 4) developing, implementing, and operating systems. System development and implementation services come with HR strategy development and staff training services to drive DX.

#### About NTT Communications Corporation

NTT Communications solves global technology challenges by helping enterprises utilize managed IT-infrastructure solutions to overcome complexity and risk in their IT environments. These solutions are backed by our worldwide infrastructure, including industry-leading, global tier-1 public and private networks reaching over 190 countries/regions, and more than 500,000m2 of the world's most advanced data-center facilities. As the core provider of the DOCOMO group's enterprise-business services and solutions, we create value by providing global-scale support for restructuring in industry and society, new workstyles, and digital transformation in communities. Together with NTT Ltd., NTT Data and NTT DOCOMO, we are the NTT Group.

#### About transcocosmos inc.

transcocosmos launched its operations in 1966. Since then, we have combined superior "people" with up-to-date "technology" to enhance the competitive strength of our clients by providing them with superior and valuable services. transcocosmos currently offers services that support clients' business processes focusing on both sales expansion and cost optimization through our 181 bases across 35 countries/regions with a focus on Asia, while continuously pursuing Operational Excellence. Furthermore, following the expansion of e-commerce market on the global scale, transcocosmos provides a comprehensive One-Stop Global E-Commerce Services to deliver our clients' excellent products and services to consumers in 46 countries/regions around the globe. transcocosmos aims to be the "Global Digital Transformation Partner" of our clients, supporting the clients' transformation by leveraging digital technology, responding to the ever-changing business environment. Visit us here <https://www.trans-cosmos.co.jp/english/>

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## <Attachment>

### GX Solution

An end-to-end solution ranging from visualizing GHG emissions to proposing and executing action for emissions reduction.

#### 1. Background

Global warming has become a matter of concern. Against this backdrop, companies must consider both environmental impact and economic growth at the same time in managing business.

Also, ESG investment is gaining momentum among institutional investors especially in recent years, calling for GHG emissions disclosures and specific action towards emissions reduction.

However, many companies still face challenges to meet their requirements such as a lack of expertise and internal resources for identifying and collecting GHG-related data as well as knowledge for deciding specific actions to take to reduce emissions.

#### 2. GX Solution overview and distinctive features

Combining the power of technology and people, GX solutions offer end-to-end services from collecting, processing, visualizing to analyzing data required for GHG emissions calculation as well as proposing actions for emissions reduction.

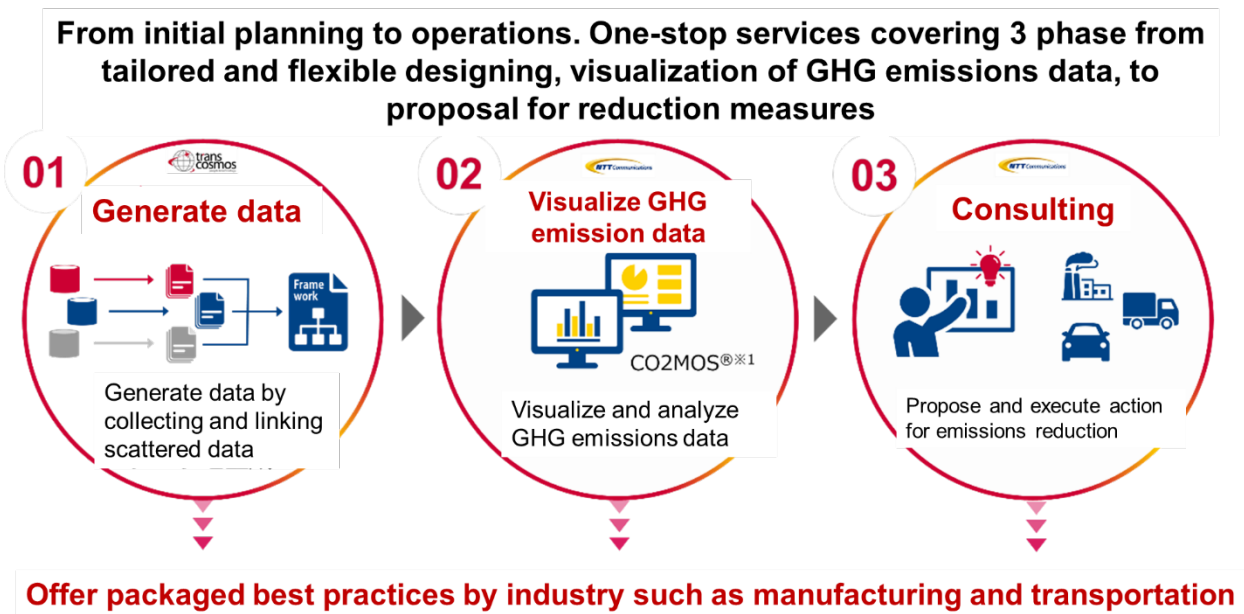
Specific steps are as follows:

Step 1: Grasp business process and available data

Step 2: Identify scope of data collection and build and operate a data collection system

Step 3: Visualize data

Step 4: Propose actions for emissions reduction



## ■Local Government DX Solution

### 1. Background

As Japan faces an aging and declining population, promoting DX is critical to invigorate local economies. Although some local governments are making steady progress towards developing DX promotion policies, many remain without a DX promotion taskforce, in particular local governments in small areas. As staff and talent shortage is the key challenge in setting up a DX promotion taskforce, local governments consider it necessary to partner with public companies to bridge the gap between areas<sup>\*2</sup>. NTT Com and transcocosmos have been supporting local governments from before in their respective ways, NTT Com primarily with its infrastructure technology services and transcocosmos mainly with its advanced expertise built on business-savvy and DX professionals. With a belief that the optimum approach is to offer technology and people as one since they are essentially inseparable, the two companies will deliver the Local Government DX Solution leveraging their respective strengths.

### 2. Local Government DX Solution overview and distinctive features

With the Local Government DX solution, the two companies will offer implementation services for Local Government Platform (LGPF)<sup>\*3</sup>—a DX platform that helps create a comfortable and attractive community—and BPO services for local governments at one-stop. The solution will enhance the quality of life of local citizens and administrative management processes by utilizing regional data.

(1) Enhance citizen services by connecting LGPF and social networking services<sup>\*4</sup>

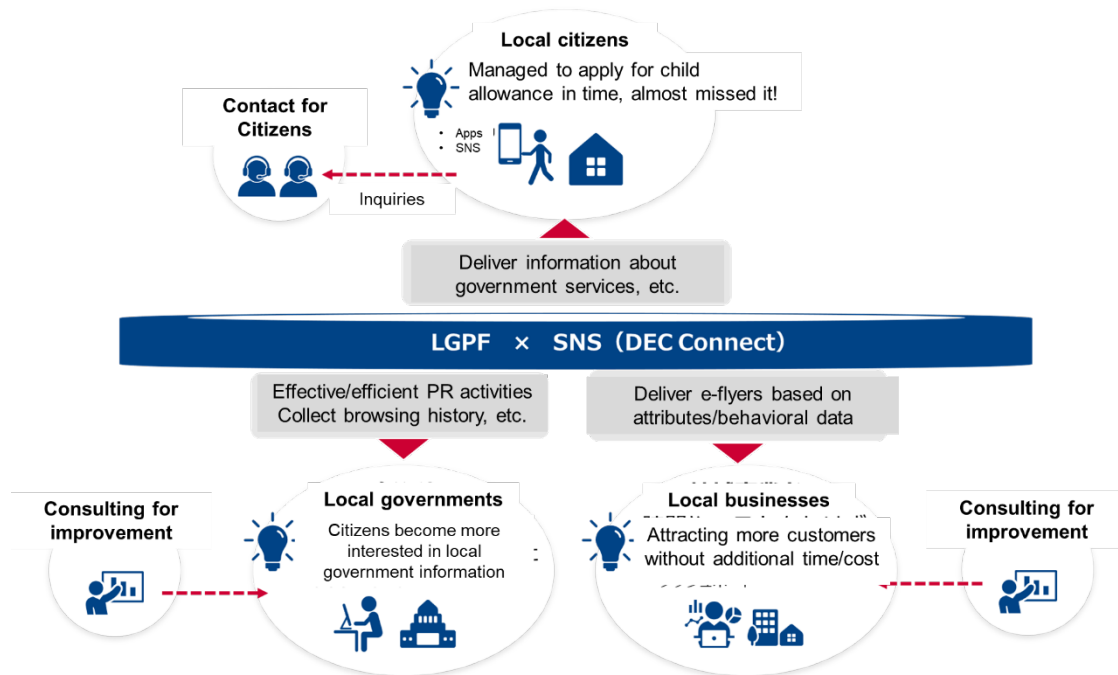
Centralize all information relevant for local citizens such as events, disaster prevention, and special services into LGPF, and disseminate the information to citizens via apps and SNS. Local governments and businesses can check and utilize app and SNS usage data accumulated on LGPF to improve operations.

(2) BPO services for local government

The two companies will handle administrative operations on behalf of local governments such as handling inquiries that tend to rise when starting new initiatives as well as helping them use apps and SNS.



<Service framework (for illustration purposes only)>



\*1: CO2MOS is NTT Com's service equipped with features required for GHG emissions calculation.

\*2: Source: "Survey of mayors across Japan on local government DX," a survey conducted by NTT Com and Project Design Online for a featured article for Project Design Online Monthly Magazine 2023 September.

\*3: Local Government Platform (LGPF) is NTT Com's platform service for local governments, businesses, and citizens.

\*4: transcosmos DEC Connect will be used for connecting LGPF with SNS. For more details, visit the link below (no translation available):

[https://www.trans-cosmos.co.jp/digitalmktg/dec\\_connect.html](https://www.trans-cosmos.co.jp/digitalmktg/dec_connect.html)