

NHK CORPORATE PLAN FY2024-2026

NHK's ultimate mission is to "contribute to the development of a healthy democracy."* What is currently being sought from Japan's public broadcaster, NHK?

*Broadcasting Act Article 1

The landscape of public broadcasting is undergoing significant change.

As natural disasters intensify, it is becoming more important than ever to provide news on emergencies to protect the lives and livelihoods of our audience and the general public. Meanwhile, the acceleration of digitization has brought about convenience but has also posed negative challenges, such as the proliferation of fake news, which has led to societal disruption. Consequently, demand is further increasing for information that is both accurate and trustworthy.

Globally, Russia's invasion of Ukraine has led to renewed recognition of the role of public broadcasting, which is to "contribute to the development of a healthy democracy" by conducting impartial reporting free from government influence.

NHK, being a public broadcaster, is likewise expected to support the advancement of democracy by ensuring the integrity of the information space, thereby realizing a society where people can live peacefully and prosperously.

Within this business environment, we are committed to fulfilling our role as a public broadcaster over the next three years, focusing on two core principles.

First, we aim to provide **a reference point in the information space**. Amid an overflow of questionable information on the internet, we aspire to provide our audience and the general public with accurate and reliable fundamental information, serving as a dependable source they can rely on.

Second, we seek to contribute **to ensuring pluralism that is dependable**. To secure the diverse perspectives fundamental to democracy, we aim to encourage healthy competition among traditional media outlets, thereby enhancing their reliability and credibility in the information space.

Providing a reference point in the information space

Providing reliable fundamental information

Contributing to ensuring pluralism that is dependable

Ensuring a multifaceted perspective, which is
fundamental to democracy

We will ensure the quality and quantity of our content through appropriate resource management and the power of technology. Even in the face of challenging global inflation and financial situations, we will maintain the 10 percent reduction in receiving fees.

The 6 pillars of our content strategy

Realizing public value for our audience and the general public with clear objectives

① Serving as an indispensable lifeline in times of disaster through a combination of digital and broadcast media.

② Providing transparent and trustworthy journalism in this era of fake news.

③ Contributing to democracy and the creation of a peaceful, sustainable world.

④ Supplying high-quality educational and children's content that shines on the global stage.

⑤ Offering cultural coverage and entertainment that enriches lives with a view to the future.

⑥ Achieving diversity and pluralism through a wide range of genres and regional information.

Broadcasting, digital distribution and international brand development – everything stems from our content-centered approach.

We will reduce media operations (satellite and radio channels) and focus on content.
We will enhance our content-production environment through the utilization of cutting-edge technology.

The 6 pillars of our content strategy

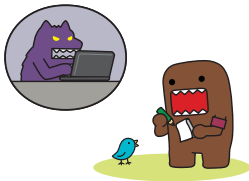
1 Serving as an indispensable lifeline in times of disaster through a combination of digital and broadcast media.



In response to the increased frequency and severity of natural disasters, we will enhance reporting that protects lives and livelihoods by leveraging our strengths and unique characteristics.

- Deploying disaster information maps.
- Advancing data journalism.
- Effectively utilizing the system in the new content-production center.

2 Providing transparent and trustworthy journalism in this era of fake news.



We will address challenges such as fake news and filter bubbles by working with other news organizations worldwide.

- Implementing transparent reporting in the news coverage process.
- Collaborating with other news outlets.

3 Contributing to democracy and the creation of a peaceful, sustainable world.



We will ensure the integrity of the information space and aim for a sustainable society.

- Delivering a diverse range of information for a correct understanding of the world today.
- Finding solutions to global challenges such as national security, SDGs (Sustainable Development Goals) and decarbonization.

4 Supplying high-quality educational and children's content that shines on the global stage.



We will develop educational content suitable for learning across generations, from children to adults.

- Clarifying Educational TV's current role.
- Developing new characters and venturing into global expansion.

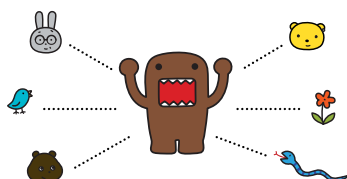
5 Offering cultural coverage and entertainment that enriches lives with a view to the future.



As a media organization celebrating its 100th year of broadcasting in 2025, we will utilize our archives to support the future of humanity.

- Launching large-scale educational documentaries.
- Strengthening the promotion of Japanese culture through the Taiga historical drama "Berabo."
- Maximizing the utilization of NHK's visual resources.

6 Achieving diversity and pluralism through a wide range of genres and regional information.



We will develop popular regular programs that embody NHK's essence.

- Enhancing universal services.
- Efficiently producing high-quality content leveraging NHK's nationwide network.

From local to global: Contributing to the development of a healthy democracy

Local

- Even amid challenging financial circumstances, we will invest in the fundamental resources of reporting and production, which serve as sources of value.
- We will offer services centered on disaster response and local coverage, tailoring them to suit each region without imposing uniformity.

(Reference: Regional Indicator Survey conducted over the years)
Awareness of issues such as natural disasters, national security and education has increased in various regions in recent years.

→ Expectations for NHK's regional services primarily focus on disaster response and regional reporting.



Global

International dissemination (flow)

- We will further strengthen our strategic initiatives in news and information dissemination, ensuring alignment with current issues and interests.
- We will utilize digital platforms to their fullest in response to changing viewing environments.

→ In the face of increasing global division and challenges to democracy, we will further enhance international dissemination to present the Japanese perspective.

International brand development (stock)

- We will explore strategic opportunities for content production and utilization in line with the content distribution revolution driven by the widespread global adoption of OTT* and other services.
→ Consequently, this will contribute to an increase in secondary income and other benefits.
- We will carry out full-scale collaboration with Hollywood and other industries to produce socially relevant dramas.
- We will promote NHK anime extensively, including masterpieces from our early days.

→ We will disseminate the Japanese perspective in content markets worldwide with diverse consumption patterns.

*OTT refers to content distribution services provided via the internet.

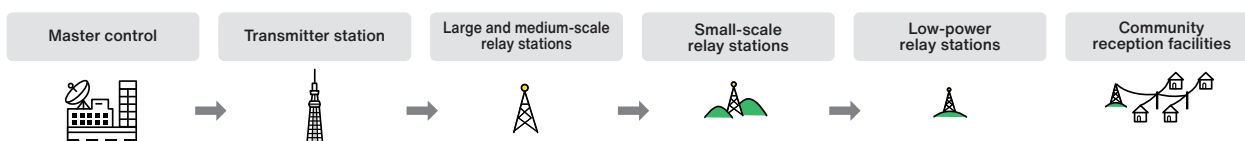
Contribution to ensuring pluralism in the information space

Maintaining the core dual system of broadcasting in Japan in which NHK and commercial broadcasters coexist (budget scale: 60 billion yen*)

Contributing to the reduction of future receiving fee burdens

Initiatives for network efficiency (introduction of shared-use models, exploration of sustainable alternatives, etc.)

- We will actively cooperate with commercial broadcasters, prioritizing economic rationality.



For the entire media industry (budget scale: 10 billion yen*)

Contributing to ensuring pluralism across the industry, including in local regions

Contribution to ensuring the integrity of the information space (through external collaboration)

- We will continue to participate in the Originator Profile Collaborative Innovation Partnership, the Trusted News Initiative, etc.

Collaboration and coordination with external parties

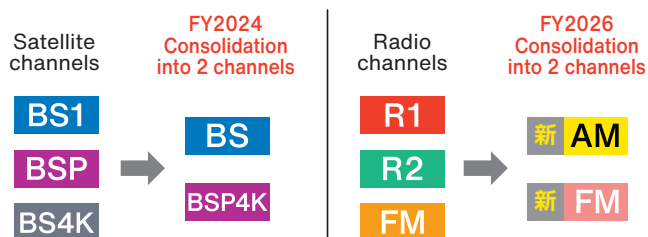
- We will adopt an external production ratio for satellite operations that leads to coexistence and mutual prosperity.
- We will promote increased transparency to ensure fairness in transactions (encompassing both human rights and business aspects).
- We will undertake efforts for industry-wide improvement.

* In the NHK Corporate Plan (FY2021-2023), amended in January 2023, these were calculated as anticipated expenses for the current medium-term management plan period and approved by the Board of Governors.

Management reforms involving operational structure changes and new domain creation

Reforms in operating expenditures

- We will improve finances (realizing a reduction of 100 billion yen) by reducing total content, significantly cutting investments in equipment, etc.
- This will be accomplished through the promotion of digital transformation of content, reevaluation of workflows in the era of cloud computing, etc.
- We will streamline media operations, eliminating one satellite channel and one radio channel.



Income from receiving fees

- We will promote a new approach regarding receiving fees that aligns with the times to ensure a fair contribution. This will be done by creating and expanding contact channels with our audience (digital, written, face-to-face, external organizations, etc.), enhancing convenience in contract applications and payments and fostering a better understanding of NHK.
- This approach is expected to maintain the current payment rate.

Exploration of additional revenue beyond receiving fees

- We will strategically produce and distribute content in line with the content distribution revolution.
→ We anticipate a rise in secondary income from international activities.
- We expect higher dividend income from affiliated organizations.

Financial plan (operating income and expenditure) (Balanced budget expected in fiscal 2027) Unit:100 million yen

	FY2024		FY2025		FY2026	
		Compared with previous fiscal year		Compared with previous fiscal year		Compared with previous fiscal year
Total Operating Income	6,021	△418	5,934	△87	5,945	11
From Receiving Fees	5,810	△429	5,730	△80	5,655	△75
Total Operating Expenditures	6,591	△128	6,334	△257	6,195	△139
Surplus	△570	△290	△400	170	△250	150
Compensation by funds reserved for receiving fee reduction	570	—	400	—	250	—

● Even amid inflation, we are committed to fulfilling our promises outlined in the amended corporate plan for FY2021-2023, achieving a balanced budget and maintaining the reduction in receiving fees.

Trust is fundamental: Steering NHK's organizational management in such a way as to earn even greater trust

On-site management that builds trust: Strengthening on-site capabilities

Operational management: Ensuring transparent and accountable management practices

- We will clarify the operational decision-making process and enhance transparency.
- We will make efforts to enhance our Audit Committee's functions, including reviews of all proposals, as part of strengthening internal controls.
- Our Board of Governors will convene periodic meetings with our executive team to deliberate on and examine significant matters related to the operations, activities and assets of NHK and affiliated organizations, primarily from a governance perspective.
- Our Board of Governors will strengthen efforts to gather a wider range of opinions and utilize them for improved governance, including ensuring pluralism.

* This plan is based on the Broadcasting Act as of the publication date (January 2024).

We will review it as necessary in the event of amendments to the Broadcasting Act and other relevant laws.

* Income, expenditures, payment rates, etc. are estimates as of the publication date (January 2024) and may be subject to change due to fluctuations in the economic landscape.