

CSR Report 2013
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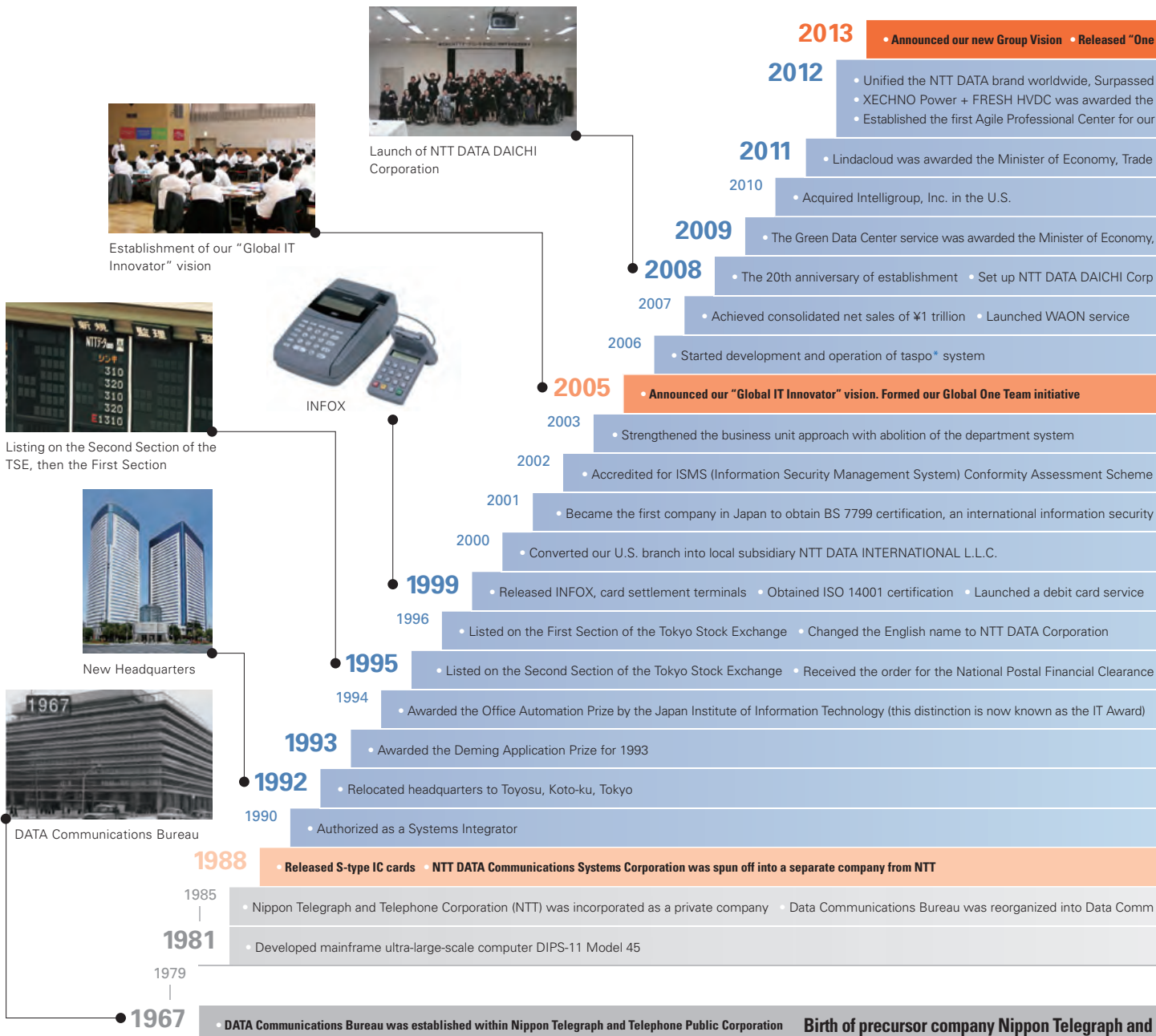


SUSTAINABLE EXPANSION

Our Innovative Technology for Society Breaks New Ground in the World

Since splitting from Nippon Telegraph and Telephone Corporation in 1988, the NTT DATA Group has worked as a partner who offers information technology capabilities to support client innovation. We have provided new value that fits the demands of the time and grown together with society.

Since 2005, when it acquired the Revere Group, a system integrator in the United States, the NTT DATA Group actively embarked on global expansion. With the delivery of various IT services across the globe, we aim to improve corporate value as well as contribute to a sustainable society.



INNOVATIVE AND GLOBAL

Working as One NTT DATA to Become a Global Top 5 Player

The NTT DATA Group, today, is pursuing the goal of becoming one of the world's five leading IT service providers and it continually contributes to innovation around the globe.

The provision of cutting-edge technology and the establishment of a global business structure are both crucial to growing continuously and breaking into the Global Top 5. The entire Group shares a common understanding of the importance of these tasks, as affirmed in our new Group Vision introduced in 2013.

Song, "our Group song" • Set up the Global Business Company *The new Group Vision, the 25th anniversary of establishment*

2013

- Acquired Keane International, Inc. in the U.S.
- Acquired Apex Systems Pte Ltd. in Singapore
- Introduced the Company System, a new organizational structure
- Started the environment-friendly Green Data Center service
- Established local subsidiaries in Thailand, Malaysia, and Vietnam
- A contactless smart card with an e-money function for purchasing cigarettes



Winning of the Minister of Economy, Trade and Industry Award in the Green IT Award 2012

Accelerated globalization **2005**

- Introduced the in-house project manager certification system
- Certification standard
- and Network System, in China



Winning of the Minister of Economy, Trade and Industry Award in the Green IT Award 2011

- Winning of the Deming Application Prize



Winning of the Minister of Economy, Trade and Industry Award in the Green IT Award 2009

Spun off as an independent company **1988**

- Communications Division
- Development of a mainframe ultra-large-scale computer



Telephone Public Corporation **1967**

Who We Are

Our Mission and Solutions

Highlight 2013

Third-party Opinion

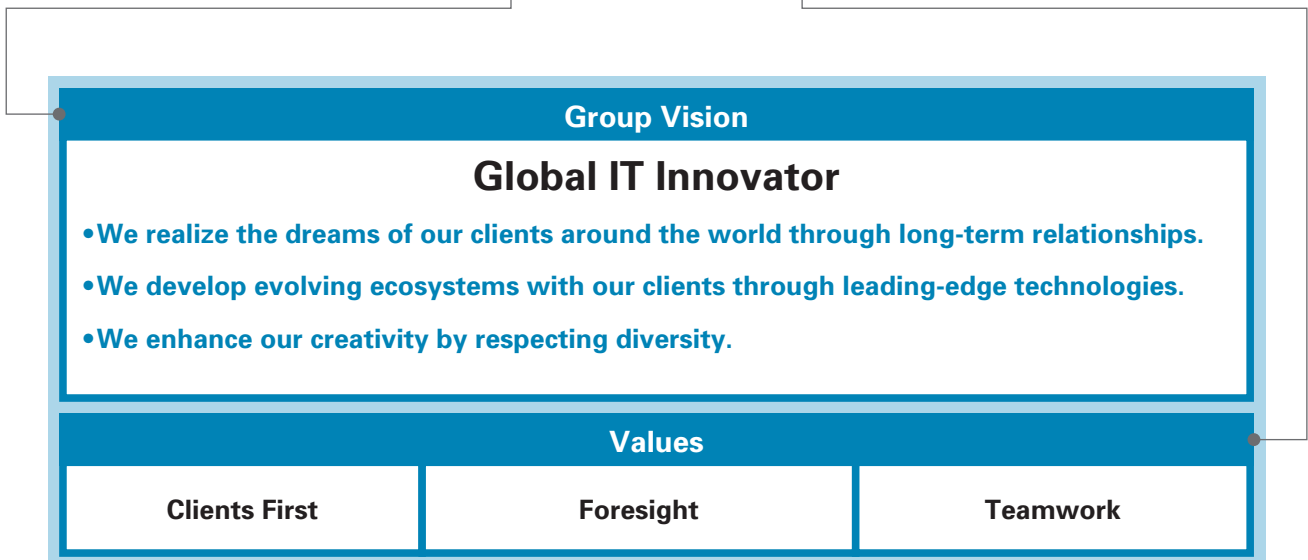
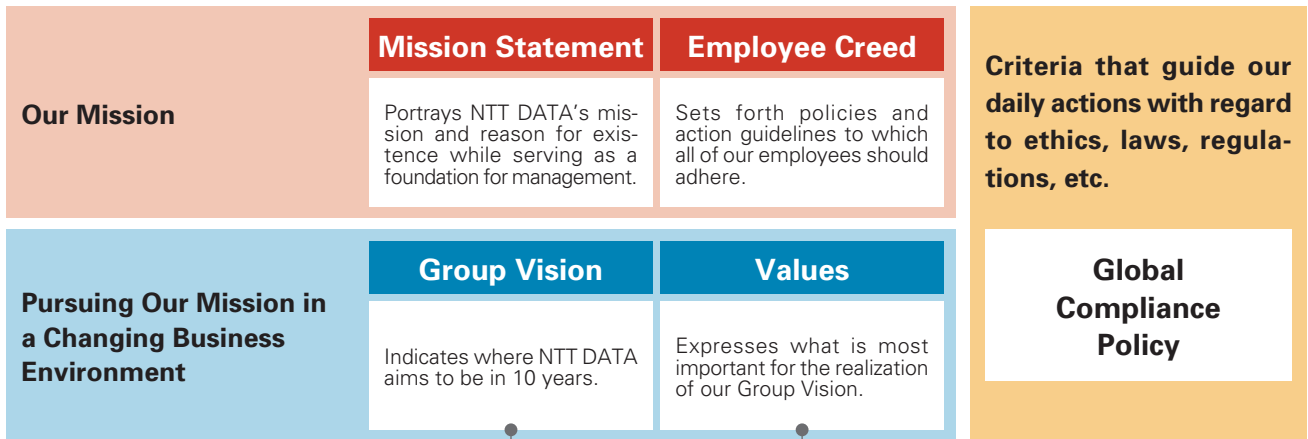
Global IT Innovator

New Group Vision for the Second Stage

In May 2013, we instituted a new highly evolved definition of Global IT Innovator, and announced our new Group Vision, which indicates where the NTT DATA Group aims to be in a decade, as well as our Values, which are important for the realization of our Group Vision.

At the same time, we compiled Our Way, a set of basic principles to guide every employee. Our Way encapsulates the Group Vision, its Corporate Philosophy that defines our mission and raison d'être.

Our Way



▶▶ Our Way
<http://www.nttdata.com/global/en/about/mission/index.html>

Organizations covered

The report centers on the activities of the NTT DATA Group in Japan. Some sections in the report also cover the activities of the worldwide NTT DATA Group and Group companies outside Japan.

Reported activities

The report covers initiatives and results for the economic, social, and environmental protection activities of the NTT DATA Corporation and Group companies.

Period of coverage

The report centers on initiatives undertaken in fiscal 2013 (April 1, 2012 to March 31, 2013). Some coverage is given to previous periods, fiscal 2014 activities, and activities planned for the future.

Note: With respect to the notation of fiscal years in the graphs and charts within this CSR Report, "2013" indicates the fiscal year ended March 31, 2013.

Guidelines referenced in this report

- Ministry of the Environment
Environmental Reporting Guidelines (2012)
- Global Reporting Initiative (GRI)
Sustainability Reporting Guidelines, Version 3.1 (G3.1)

Publication date

December 2013 (The CSR Report 2012 was published in November 2012; the CSR Report 2014 is scheduled for publication in December 2014)

Disclaimer

- This report not only contains historical or current facts relating to NTT DATA Corporation and Group companies, but also judgments, plans, and predictions based on information available at the time of publication. NTT DATA therefore cautions readers that forecasts of the results of future business activities and events may differ materially from actual results and events.
- The names of products and services referred to in this report are trademarks or registered trademarks of NTT DATA and other Group companies or other companies.

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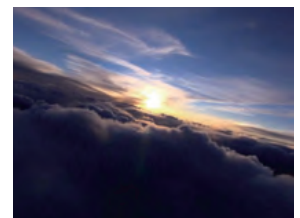


NTT DATA Group's 60,000 employees worldwide sing "NTT DATA One Song – Shine like the sun –"

In order to unite our employees who are a diverse group of people from different backgrounds who speak different languages, our employees from around the world came together to create the song, a universal form of communication.



NTT DATA One Song – Shine like the sun –
<http://www.nttdata.com/global/en/about/one-song/index.html>



One NTT DATA

Deploying IT to Address Social Issues: A New and Challenging Stage for the NTT DATA Group

■ Supporting the World through IT

In the past few years, information technologies have advanced at a remarkable pace and the trend is likely to accelerate even more. Information technologies have changed our lives significantly. The Internet allows us to access information from around the world in real time, and social media enables people to connect with others around the globe. Today, what was unthinkable in the past has become a part of everyday life. As we experience such changes, the roles we at the NTT DATA Group perform are also advancing, becoming more diverse and global. As your IT Innovation Partner, we endeavor to continually support the world by constantly providing solutions for issues faced by societies through advanced technologies.

■ New Stage of Globalization: Launch of New Group Vision

Back in 2005, the NTT DATA Group put forth its “Global IT Innovator” vision, incorporating two key beliefs: “through IT we could change the world” and “we could change IT to make it better.” With this vision, for the past eight years or so, we have deployed IT to create new paradigms and values and helped resolve issues confronting the planet and society. Today, the Group has expanded its operations, with approximately 60,000 employees (as of April 30, 2013) working in 136 cities across 34 countries and regions around the world. At the same time, the rapid advancement of information technologies has dramatically changed conditions surrounding our clients and individuals.

At this juncture, we have repositioned “Global IT Innovator” as a new Group Vision for where we aspire to be ten years from now and articulated three core values to realize this vision: “Clients First,” “Foresight,” and “Teamwork.” These values embody the Group’s fundamental approach to its business activities and will serve as a guide for all of its operations.

“Clients First” is our basic philosophy and a guide for our actions. It means that we tirelessly strive to satisfy our clients and commit ourselves to act responsibly and fulfill our mission to help them succeed. “Foresight” represents our determination never to settle for the status quo, but to realize our clients’ goals and create a brighter future for society with speed and foresight. “Teamwork” means ensuring that our employees of many nationalities recognize each other’s diversity and work together towards a common goal.

We will make this new Group Vision serve as a guide for the Group’s CSR activities and will help create a sustainable society for the future.



■ Fiscal 2013: Steady Progress Aimed at Building a Sustainable Society

In fiscal 2013, the NTT DATA Group's distinctive CSR initiatives produced steady results. We pursued our three material CSR challenges aimed at creating better paradigms from the perspectives of society, the environment, and people working together. For example, we supplied road-network-monitoring systems to emerging countries undergoing rapid economic development and urgently requiring more and better infrastructure. In these and other ways, we drew on our proven track record in Japan for deploying highly acclaimed systems to support various social infrastructures overseas. In Japan and other industrialized nations, meanwhile, we built Green Data Centers to promote creation of low-carbon societies. We also advanced Smart Mobility projects that bring together modes of public transportation, electric bicycles, and electric cars and enable people to move from place to place without using gasoline. In addition, we moved forward with "dynamic pricing" initiatives, which involve adjusting electricity prices based on real-time analysis of electricity supply and demand levels, with the aim of encouraging effective utilization of reusable energy sources. In these ways, we created better paradigms across multiple domains.

I firmly believe the constant efforts of our employees will produce tangible results, and enable us to harness our distinctive strengths to build a better future.

■ One NTT DATA: Ongoing Pursuit of Renewed Challenges

With the advance of IT technologies, we are entering a global era in which various social issues have worldwide repercussions. In such an era, it is vital that we adopt global perspectives as a matter of course.

As we see growing demand for sustainable development in the world, around 60,000 of employees around the world come together as "One NTT DATA" to prepare for future globalization. We endeavor to foster sustainable social development while tackling renewed challenges and achieving continuous growth.

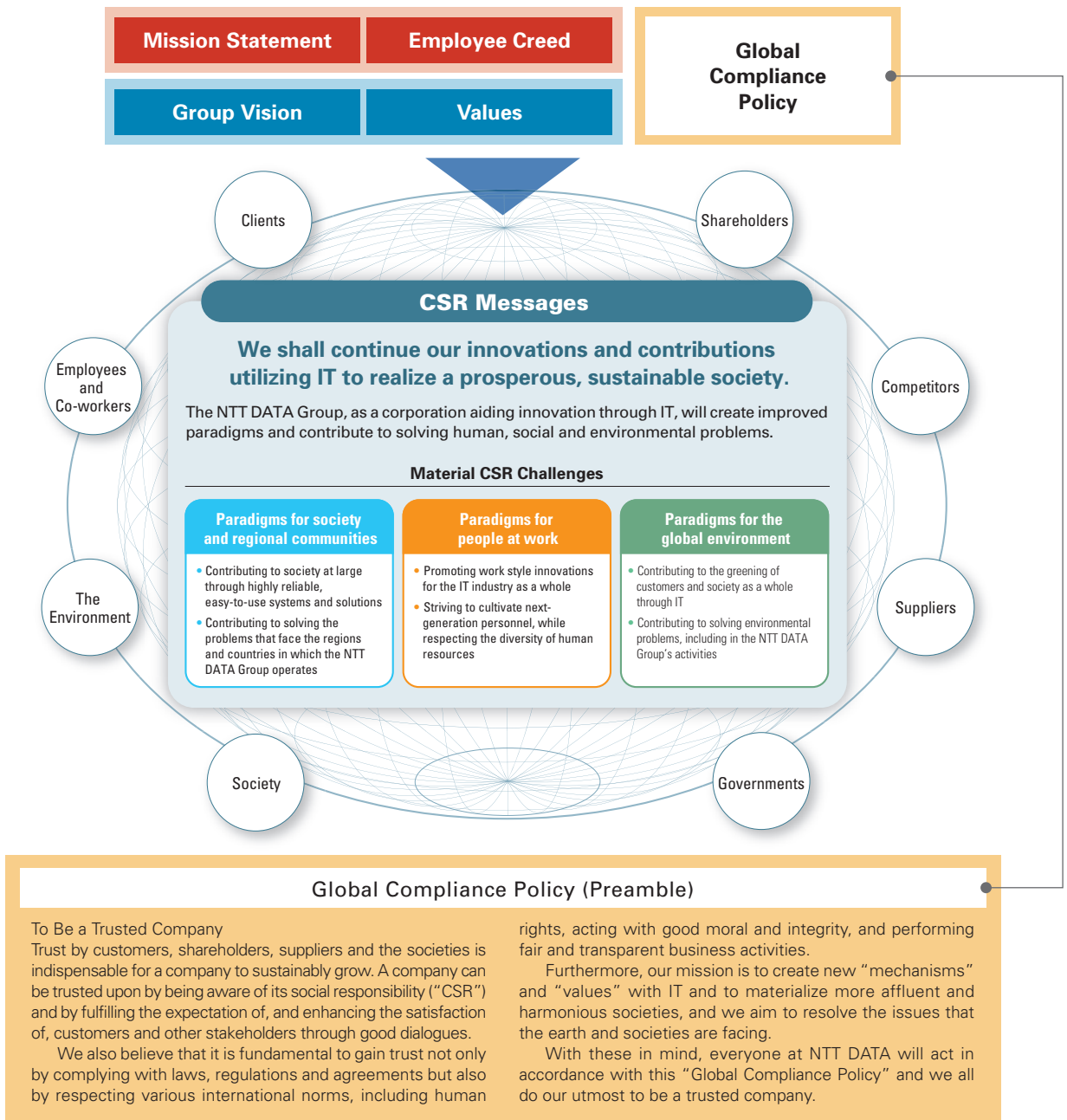
Toshio Iwamoto
President and Chief Executive Officer

SUSTAINABLE EXPANSION

Sharing Values with Society

We recognize that to achieve our goals of becoming a Global Top 5 player and improving corporate value, we must make stable business growth—in a manner that helps build a sustainable society—a key management priority. In light of this, we assign the same weight to the CSR Messages and the three Material CSR Challenges as Group-wide business guidelines as we do to the Medium-term Management Plan.

Our Way



* The whole text of the policy is provided on the below web site.

Basic Stance on CSR

While putting sound and transparent management into practice, the NTT DATA Group contributes to the development of clients and society through the creation of new “paradigms” and “values.” We also work toward a prosperous, well-balanced, safe, and secure society, as we progress on our own path of growth. We believe that this encapsulates our mission and responsibilities as a company.

NTT DATA formulated CSR Messages in April 2010 to better clarify the Group’s basic stance on CSR and the direction of its initiatives. At the same time, we established the Material CSR Challenges, which outlined the issues we will address as we seek to balance the sustainable development of society with continued growth of the NTT DATA Group. We will continue working to improve our CSR activities by setting specific targets related to the three Material CSR Challenges.

The NTT Group CSR Charter

NTT Group CSR Priority Activities were defined to further consolidate the NTT Group in its drive to address social issues in Japan and overseas. This step aids the NTT Group in promoting activities on an autonomous and voluntary basis.



▶▶ Related website NTT Group CSR
http://www.ntt.co.jp/csr_e/

NTT DATA Group’s Medium-term Management Plan

With the objectives of becoming a Global Top 5 player and achieving EPS of ¥20,000, we emphasize three focus fields.

Under the Medium-term Management Plan we announced in May 2012, NTT DATA aims to develop our businesses further. One of our objectives is sustainable growth with the goal of becoming a Global Top 5 player. Another is corporate value expansion with a target for earnings per share (EPS) of ¥20,000*. Through our plan, we intend to grow further as well as contribute in helping create a sustainable society.

Focus Field ①

Expansion of new fields and reinforcement of product competitiveness

- Cultivation of new businesses
- Sophistication and diversification of services
- Expansion of solutions for IT costs reduction
- Re-marketing
- Strategic R&D

Focus Field ②

Expansion, enhancement and reinforcement of global business

- Expansion of regional coverage
- Business expansion in the regions with existing business operations
- Unification of brand and penetration of the global market
- Enhancement and reinforcement of global solutions
- Enhancement of sales and service provision capabilities in collaboration with NTT Group companies

Focus Field ③

Pursuit of overall optimization

- Standardization, streamlining, and consolidation of operation on a global level
- Acceleration of organizational restructuring and integration
- Promotion of greater mobility and optimal allocation of resources

* Although a 1:100 stock split is scheduled to be implemented with an effective date of October 1, 2013, the figure here does not take the stock split into account.

Third-party Evaluation of NTT DATA’s CSR

NTT DATA’s CSR initiatives are evaluated by domestic and overseas research agencies (As of August 2013)



Dow Jones Sustainability Asia Pacific Index



FTSE4Good
 FTSE4Good Index



Morningstar Socially Responsible Investment Index



oekom research AG
 (NTT DATA has been graded as a “Prime” leader in the Internet & Software industry category.)

INNOVATIVE

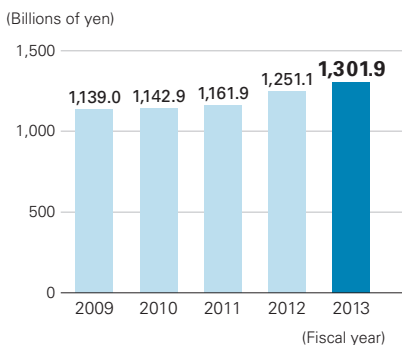
Contributing to Society Using Advanced Technologies

The NTT DATA Group has provided information systems and services aligned with the requirements and challenges of society, including systems for public administration and businesses engaged in the financial, manufacturing, and telecommunications sectors as well as cross-industry infrastructure services.

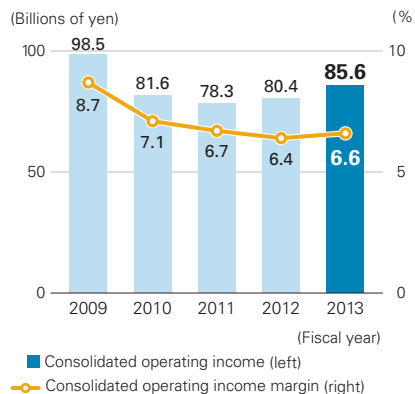
We intend to expand our scope globally and continue providing innovative paradigms and value for years to come.

Business Fields	
<p>Public Sector and Education</p> <p>We develop and administer information systems of infrastructure in such fields as taxation, employment, labor, trade and transportation, as well as provide systems and services that enable communities and societies to be safe, convenient, and prosperous. Furthermore, we support education initiatives from various angles with our highly reliable ICT foundation.</p> 	<p>Credit and Payment</p> <p>We develop and administer large-scale network systems that support Japan's financial and economic foundation, connecting payment and receipt functions among financial, retail, and credit companies as well as public sectors. Moreover, we develop systems for electronic money centers and credit card authentication to contribute to progress towards a cashless society.</p> 
<p>Healthcare and Life Sciences</p> <p>We provide systems and services that shore up safety and security of people's health and lives, including healthcare management systems for daily health promotion and disease prevention, regional health information network systems that realize more efficient and advanced medical operations with shared medical information, and emergency transportation systems for urgent patients and disasters.</p> 	<p>Telecommunications and Broadcasting</p> <p>We construct and administer core systems for stable operations of mobile phones and smartphones, which continue to change into more multifunctional and advanced devices with services such as email, web access, and settlement. In addition, we develop billing and customer management systems for the telecommunications and broadcasting sectors that contribute to our clients' business progress.</p> 
<p>Banking and Financial Services</p> <p>We provide systems that meet the scale and purpose requirements of a diverse range of financial institutions, including solutions in shared-use and proprietary services for governmental financial institutions, securities companies, life and non-life insurers, banks, credit unions, labor banks, JA Bank, and so on. Moreover, various outsourcing services enable financial institutions operate more efficiently and improve their services.</p> 	<p>Energy and Utilities</p> <p>To build a sustainable society for future generations, we provide IT solutions that enable our clients and society as a whole to achieve smaller environment impacts. Moreover, we will further provide new services using the latest information and communications technologies while actively promoting construction of smart communities and next-generation infrastructure, which are said to be the new informatization of societies.</p> 
<p>Manufacturing and Logistics</p> <p>We contribute to the development of our clients' businesses through wide-ranging, global-level support from consulting, system development to IT service provision in response to their needs. These include solutions that enable leaner and more efficient operational procedures in manufacturing, sales, logistics, and other functions, as well as solutions for back office operations, client needs analysis, and system optimization.</p> 	<p>Distribution and Service</p> <p>We deploy leading-edge, responsive services and solutions that are well-suited to our clients' needs amid the rapidly changing business environment in the distribution and service sectors, which are becoming globalized and seeing alliances formed beyond their own categories and sectors.</p> 
<p>Fundamental Technologies</p> <p>We provide leading-edge and fundamental technologies and solutions that support IT services. We leverage our cloud and open source technologies to help our clients in transition of their operations to IT-based services and optimization of their IT platforms. In addition, we meet the needs of our clients via various outsourcing services (ITO, BPO, and AMO) harnessing our overseas operations, big data solutions, a range of security services, smart device usages, and other approaches.</p> 	

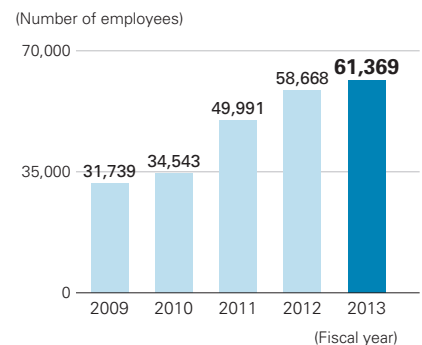
Consolidated net sales



Consolidated operating income/ operating income margin



Consolidated number of employees*



* Including people seconded to the NTT DATA headquarters, but not including those seconded from our headquarters

GLOBAL

Open the Door to the Global Stage

Today, the required responsibilities for our business activities and opportunities to contribute to society are expanding globally, because our clients' business becomes world-wide and information technology is advancing rapidly.

Since the NTT DATA Group defined globalization of its business as one of the pillars of its Management Policy in 2005, the Group has expanded its overseas bases to 136 cities in 34 countries and regions as of March 31, 2013. The Group responds to challenges to support a better world while building a worldwide structure to support the business activities of its clients.

Status of Overseas Bases

Around 28,800 persons deployed in 136 cities in 34 countries and regions worldwide (excluding Japan)

(As of March 31, 2013)



EMEA

Europe, Middle East, and Africa

- Around 6,800 persons/58 cities

We are able to offer clients distinctive solutions that meet their specific needs. Using onsite, offshore and near-shore capabilities, we provide applications development and management, business and IT consulting, client management, infrastructure services, IT security, and business intelligence services.

China

- Around 4,000 persons/13 cities

We will continue reinforcing competence of the NTT DATA brand, and develop local business activities. We also increase competitiveness of our offshore resources in China.

The Americas

- Around 7,100 persons/43 cities

Utilizing the resources in India and Canada, we offer total solutions, ranging from applications development and management, enterprise resource planning (ERP) services, cloud-computing services, business process outsourcing (BPO) services to IT consulting and staffing solutions.

APAC

Asia Pacific area excluding Japan and China

- Around 10,900 persons/22 cities

We are strengthening support for both Japanese and local multinational companies. We also offer IT systems to local financial institutions and public sector organizations. In addition to systems for infrastructure, we provide total IT solutions with both related services and hardware systems.

Business Solutions

Global solution providers are consolidated under the brand of NTT DATA Business Solutions without belonging to a regional grouping of operations. With SAP solution provider intelligence as a major force, we offer global scale support services from consulting, sales of licenses, and maintenance to outsourcing.

ENGAGEMENT

Active Dialogs with Stakeholders

To contribute actively to building a sustainable society, we value communication with various stakeholders. We seek ongoing, regular dialogs with stakeholders so we can make use of their opinions in our operations, enabling us to continue to advance our operations in ways that lead to the betterment of society.

Stakeholders' Opinions in Our CSR Report

Every year, the NTT DATA Group conducts a CSR Report Questionnaire of directors and employees at the Group companies in Japan. This initiative is used to broaden CSR understanding, while the results serve as feedback to improve the content of the CSR report and our CSR activities. In addition, we are promoting CSR on a global scale by communicating more with our overseas operations.

Key Opportunities for Dialogs with Stakeholders

Clients



- Regular sales and proposal activities
- Client satisfaction surveys (questionnaires, interviews)

Shareholders and investors



- Annual Meeting of Shareholders
- Annual reports
- Investor relations website
- Financial results briefings
- Shareholder newsletters

Suppliers



- Regular business activities
- Business Partner (BP) Presidents' Meetings
- Discussion meetings
- Technological briefing sessions

Regional communities, non-profit and non-governmental organizations



- Participation in community events
- Collaboration with/sponsoring of social contribution activities
- Feedback via our website

Employees



- Employee satisfaction surveys
- Management-employee town halls
- Proposal Patio (bottom-up suggestion system)
- "Nexti" (NTT DATA Group internal social networking service (SNS))
- Helpline
- Counseling

Government and industry organizations



- Consultative meetings, committee meetings and research committees held by government agencies
- Committee meetings and investigative meetings held by industry groups and organizations

OUR MISSION AND SOLUTIONS

Deploying Global Strengths to Support Today and Build Tomorrow

What are we, the NTT DATA Group, able to do for this constantly changing world?

We always put great store in asking ourselves this question and struggle day after day to contribute to the world through our businesses.

We support an increasingly information-driven economy, deliver new value to help create a sustainable world, and progress together with everyone we work with. Just as we pursue diverse missions in response to our social responsibilities, so we offer diverse solutions to accomplish these missions.



CASE 01

Contributing to Social Progress

Paradigms for Society and Regional Communities



CASE 02

Collaboration with Co-workers

Paradigms for People at Work



CASE 03

Solutions to Environmental Issues

Paradigms for the Global Environment

Making People’s Daily Lives More Secure and More Convenient

These days, high-speed digital communication networks as infrastructure have been implemented and spread rapidly. Information technology (IT) is expected to play a role on a global scale in creating secure and convenient societies.

Challenges Confronting Road Bridges—Critical Components of Transportation Networks—and IT’s Potential

Road transportation network in Japan underpins the nation’s distribution of goods with arterial state roads and expressways, and especially bridges play crucial roles as key infrastructure. Most of these bridges and surrounding facilities were built during Japan’s period of rapid economic growth have to date been maintained. Therefore, the “aging of bridges” is expected to proceed rapidly over the next twenty years. According to a study by the Ministry of Land, Infrastructure and Transport, more than half of the bridges in the country will be over 50 years old by then.

The repair of bridges not only has financial implications, but also puts pressure on transportation networks to alleviate the impact while repair and construction work is under way. For this reason, preventive maintenance experiments to extend the usable life of existing bridges while maintaining their safety are underway across the country as joint industry-government projects.

It is also important to note that similar issues are emerging in many other countries. Demand for construction of safe and highly reliable bridges is rising worldwide, with developed countries needing to extend the lives of old bridges and emerging countries needing to ensure the construction of new well-built bridges. Accordingly, this is turning the spotlight onto new opportunities for solutions through the use of cutting-edge information technologies.

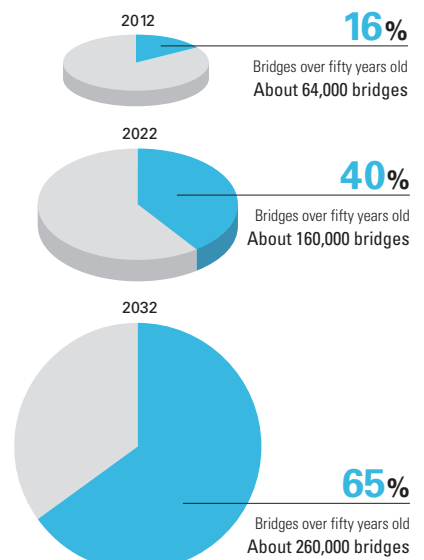


Japan is a country with progressively aging bridges

Rigorous management is becoming a necessity

- Bridges in Japan were built mainly during the period of rapid economic growth as an integral component of the country’s transportation network but are now aging.
- Under the industry-government cooperation, the construction of a framework for reliable bridge management is gathering pace before the rest of the world.

Current status of Japan’s bridges
(around 700,000 bridges of at least 2 meters in length)



Source: the Ministry of Land, Infrastructure and Transport website
http://www.mlit.go.jp/road/sisaku/yobohozen/yobo1_1.pdf
 (Japanese)

OUR SOLUTIONS

Supporting Social Infrastructure with the Power of IT

The NTT DATA Group delivers services using machine-to-machine (M2M) technologies, which connect and control devices with increasingly advanced information technologies through networks that extend from businesses to people's daily lives. Utilizing leading-edge and first-ever technologies in Japan, we constantly strive to achieve innovation as a Global IT Innovator.

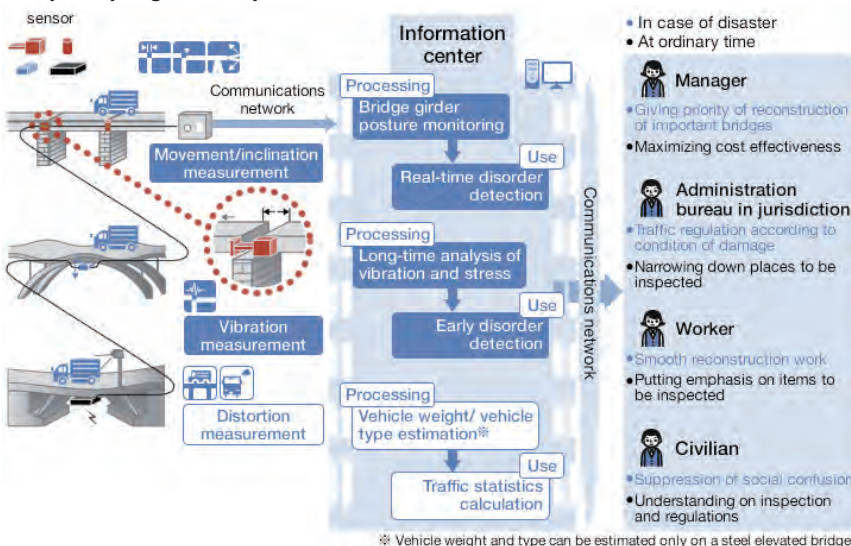
The Bridge Monitoring System

The Bridge Monitoring System monitors the physical state of a bridge around the clock using sensors placed at key points of the structure. While the sensors collect a diverse range of data on such factors as changes in position, stress, and vibration, the Bridge Monitoring System analyzes that data in real time to provide early warnings of abnormalities, such as deterioration over time or those caused by natural disasters. The system tracks bridges with the aim of facilitating regular and preventative maintenance.

The Bridge Monitoring System is not only in use on Japan's arterial roadways but is also being installed overseas, drawing on our experiences. The first project overseas to adopt the system was the Can Tho Bridge in Vietnam. NTT DATA's technology supports this structure in the Mekong Delta, where the ground is loose, contributing to the local community.

This real-time monitoring technology was recognized as a major advance by International Data Group and was awarded 21st Century Achievement Award Finalist in the Security & Safety category of the Computerworld Honors Program.

Our Bridge Monitoring System underpins bridge safety by analyzing a wide spectrum of data in real time



Sanae Miyazaki

Manager
Third Development Group
First Systems Section
e-Community Division
Public Sector

Linkage between cloud and sensing technologies heralds a new stage of efficient analysis

Today, trials of systems like NTT DATA's Bridge Monitoring System are under way at various places around the world but most of them are at the "sensing and acquiring data" stage. In contrast, the standout analysis technologies of our Bridge Monitoring System enable solutions that demonstrate well the NTT DATA Group's capabilities as a Global IT innovator. The increasing implementation of the system would be a sound testament to wide recognition of its advantages not only in Japan, but worldwide.

Our development team is now striving to make even more precise analysis possible by improving big data analysis techniques with cloud technology. The role of M2M technologies in society grows day by day. NTT DATA will help forge an even better society through our constantly evolving Bridge Monitoring System.

Balancing Business Growth and Employee Progress

Improving the skills of employees is important for continuously providing services that meet client expectations and for building long-term relationships with clients based on trust. Quality improvement and employee self-realization are crucial challenges if a business is to outperform its competition.

Human Resources Befitting a Globalizing Business

Now is the time when the seamless and borderless economy in the world has increasing impact broadly, and the activities of companies across a wide range of sectors also becoming rapidly globalized. In the IT market as well, this requires companies to adopt strategies that reflect various factors, such as system development based on global standards and a worldwide client support structure.

For companies expanding their activities into many other countries, it is essential to reduce risks in highly uncertain business environments and to constantly enhance the value of their businesses. For providers of services to such companies, it is important to swiftly address the varying problems that may arise.

To meet such requirements, service providers must offer solutions that best fit the local business environment with its different culture and conditions, while responding swiftly to the needs of clients operating in unfamiliar countries. Fostering human resources with such global business capabilities builds relationships that enable companies and employees to progress together. As an increasingly global entity, this is also an important mission for the NTT DATA Group.



Increasingly global economic activities

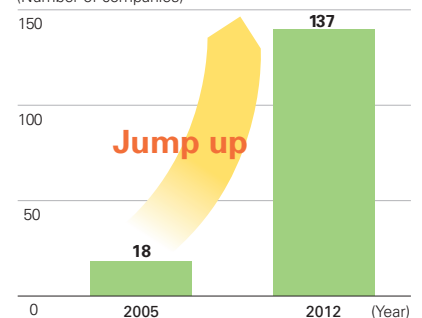
Workplaces welcome diversified employees

- Overseas business bases have increased rapidly since the year 2000.
- Overseas sales have grown over forty-fold in the last seven years.

Overseas bases of the NTT DATA Group

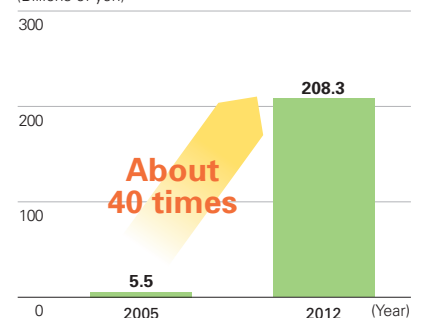
- Overseas Group companies

(Number of companies)



- Overseas sales

(Billions of yen)



OUR SOLUTIONS

A Global Delivery Model for an Increasingly Global Era

With the aim of establishing a development method that meets the needs of worldwide clients and fostering matching experts, we adopted the agile development method, which has recently attracted attention. Promoting global delivery models, we renewed our HR strategy together with our worldwide strategy for development centers.

Building a Network of Agile Development Centers; Fostering Capable Human Resources

Agile software development is a new-generation methodology. With this method, a system development design is first divided into many small functions, each of which needs only a short time for development to be workable. Accordingly, the whole development can be completed with short cyclical repetition. The method garners attention of not only those in the IT industry, but also clients in a wide variety of business fields. One of the method's attractions is that it allows developers to respond flexibly and deliver services speedily to clients.

To advance a global delivery model, the NTT DATA Group prioritizes human resource strategy that cultivates employees with expertise in agile development. We have started creating a worldwide network of Agile Professional Centers (APCs). In October 2012, we established the Group's first APC in India. With the aim of establishing five centers around the world by fiscal 2015 we already completed four centers*, including one in Japan.

The NTT DATA Group, which aims actively to expand the business globally, creates a development structure that is able to respond flexibly and quickly to the needs of worldwide clients. In addition, it establishes teams of experts in agile development mainly at regional APCs, while actively contributing to our employees' career development. Thus, we will continue responding swiftly to the needs of our clients.

* As of April 2013

Global strategy for development centers

Agile Professional Center goals



Hironori Shibayama

Manager
Project Management Innovation Center
Research and Development Headquarters

The APCs' mission to foster global human resources

"NTT DATA is constantly working to improve itself, step by step, using the agile development method and innovative technologies. NTT DATA is an important and trusted partner for us." This is a message the Agile Professional Center in China received from one of our client, Japanese manufacturer that implemented agile development.

The primary mission of our APCs is to "continuously provide value to clients" so that we can support their businesses worldwide and be their trusted partner. To this end, we are making every effort to foster human resources capable of responding speedily and flexibly to the needs of worldwide clients.

Further Reductions in Carbon Dioxide (CO₂) Emissions

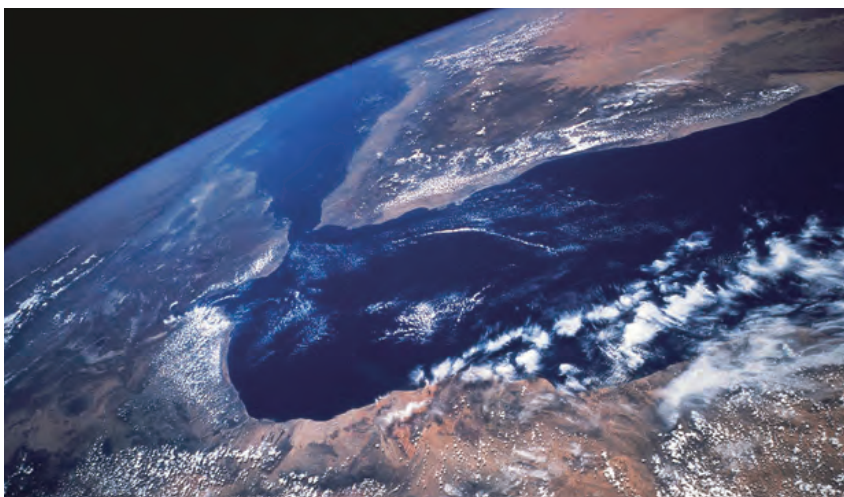
Companies face pressure to reduce CO₂ emissions so as to address global warming. There is a pressing need to reduce the electricity consumption of IT equipment and improve their efficiency, because IT equipment is one of the major sources of CO₂ emissions.

Proactive and Innovative Measures as the Key to Address Global Warming

Unfortunately, worldwide efforts to address global warming problem have not yielded adequate results. According to Japan Meteorological Agency statistics, average annual global temperatures maintain a rising trend, and efforts to date have yet to make a meaningful impact on the high temperature trend recorded since the 1990s in particular.

Today, this warming trend is causing a series of abnormal weather patterns across the globe, as well as rising sea levels that threaten low-lying and island nations. It also threatens the diversity of the more than 1.75 million species known to inhabit the earth.

At a time when the entire world faces the pressing challenge of putting the brakes on global warming, we believe multifaceted initiatives by companies are extremely important. In the IT industry, each company not only needs to reduce its own energy consumption, but also needs to use IT for reduction of electricity consumption by products and services. Furthermore, they are being called upon to contribute to build a green society based on the steady proliferation of natural energy sources. Through solutions to such problems, the NTT DATA Group continues to innovate by drawing on advanced technologies to move towards the realization of a low-carbon society.

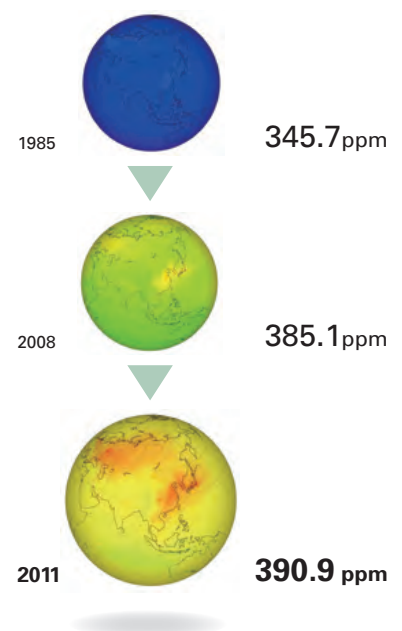


Ongoing increases in CO₂ concentration

Further contributions expected of businesses

- Since the latter half of the 2000s, the situation has worsened, with no change to high concentration levels.
- Calls at international forums for private-sector technological innovation are increasing.

CO₂ concentration shift (global annual average)



Source: Extracted from carbon dioxide distribution data on the Japan Meteorological Agency website and global averages of CO₂ concentration data on World Data Centre for Greenhouse Gases operated by the JMA

OUR SOLUTIONS

Green Data Centers—Key IT Facilities

The NTT DATA Group focuses on data centers, which play an important role in this information technology society. We draw on our unique technology and know-how to establish green data centers, and are leading the way to realizing a low-carbon society.

Energy Saving Power Supply System XECHNO Power + FRESH HVDC

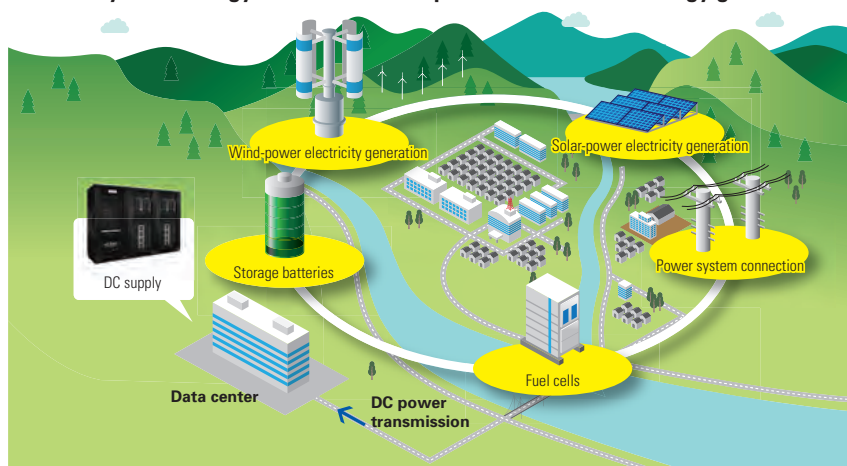


Alternating current (AC) power systems widely adopted to supply power to existing data centers require three AC/direct current (DC) conversions to supply electricity to servers and other data center equipment. This causes a concern that is the power loss accompanying reduced conversion efficiency.

The NTT DATA Group's energy-saving power supply system, XECHNO Power + FRESH HVDC, reduces power loss by decreasing the number of AC-DC conversions from three to one. This HVDC 12-volt DC system makes it possible to achieve power savings of 10-30% compared to current facilities. At the same time, it enables stable operation of data centers to simplify equipment and is leading the way to the realization of next-generation green data centers.

The HVDC 12-volt format connects easily to natural energy generation systems fed by DC sources such as solar power and wind power. The system is thus expected to help realize a smart next-generation electricity network. Our promising HVDC initiative was recognized widely in Japan and abroad and received the Minister of Economy, Trade and Industry Award in the Green IT Award 2012.

■ HVDC system: energy efficient and compatible with natural energy generation



* XECHNO is a registered trademark of NTT DATA INTELLILINK CORPORATION in Japan.

* FRESH HVDC is a registered trademark of Japan Radio Co., Ltd. in Japan.

* HVDC: This is an abbreviation of "High Voltage Direct Current." The HVDC 12-volt DC system converts a direct current high voltage of more than 300 volts to 12 volts with a centralized power supply system, and then distributes the power directly to servers.



Hiroshi Esaki

Professor
Graduate School of Information
Science and Technology
University of Tokyo

Contribution to the global environment with data centers

It has gradually become recognized that strategic consolidation of IT systems into data centers contributes substantially to energy savings in metropolitan areas (Green by DC). However, expansion of big data services is expected to result in a massive increase in power consumption at data centers, so reducing power consumption and using renewable energy at data centers will be essential (Green of DC). Replacing conventional AC power supply systems with HVDC technology (Green by HVDC) is expected to contribute significantly to Green of DC in terms of power supply and consumption. The NTT DATA Group has so far played a major role in designing, constructing, and administering Japan's IT infrastructure. I anticipate that such NTT DATA Group will make a material contribution to maintaining and improving the global environment with data centers assuming a key role.

Paradigms for Society and Regional Communities

The NTT DATA Group contributes to the advancement of society as a whole through the development and provision of highly reliable, easy-to-use systems. At the same time, we contribute to the resolution of issues in regions and countries where we have a presence.

Major Activities and Achievements in Fiscal 2013

Based on our coherent policy of contributing to solving social problems through provision of high quality services, the NTT DATA Group in fiscal 2013 actively offered leading-edge solutions such as the Bridge Monitoring System, the cloud-based building environment and energy management system (BEMS) service, and IT infrastructure reconstruction in disaster-devastated areas. Moreover, we are transforming websites and

information terminals to conform with universal design (UD) principles with the goal of building a society comfortable to everyone. For the Group, improving client satisfaction is an important issue that forms the fundamental of our entire business and is thoroughly implemented across the Group. We will proceed with initiatives to help regions and societies from various aspects in the future, too.

Major Initiatives Undertaken during Fiscal 2013 and Future Plans

Initiatives	Planned Initiatives	Initiatives Undertaken during Fiscal 2013	Future Plans
Developing Systems that are Safe and Secure			
Quality improvements	Promote process improvements incorporating CMMI*	<ul style="list-style-type: none"> Achieved CMMI Level 5 by one organization, and CMMI Level 3 by one organization and one overseas Group company 	<ul style="list-style-type: none"> Incorporating CMMI further in Group companies in the Asia-Pacific region
	Promote system development and management methods within Group companies	<ul style="list-style-type: none"> Released an English version for Asian markets and also elsewhere overseas 	<ul style="list-style-type: none"> Establishing and widely deploying processes that meet overseas needs
Quality of security	Promote the development of technologies to raise the quality of security	<ul style="list-style-type: none"> Deployed four services to protect against new cyber attacks 	<ul style="list-style-type: none"> Working to collaborate with clients through response-to-incident activities we provide them directly Continuously implementing technology developed against new cyber attacks through facilitating information sharing with other organizations through CSIRT activities
Disaster countermeasures	Investigate and improve disaster business continuity plans (BCP) taking into account the risks that came to light in the Great East Japan Earthquake	<ul style="list-style-type: none"> Reviewed and extended damage forecasts in BCPs for important maintenance systems Distributed action manuals with emergency information, and confirmed the first action at each office 	<ul style="list-style-type: none"> Verifying and optimizing contingency plans through emergency drills along the plans Confirming how to act first in a disaster through monthly safety registration drills and annual disaster drills
System failure countermeasures	Continue initiatives for "prevention" and "response"	<ul style="list-style-type: none"> Promoted and spread of ITSM work bench 	<ul style="list-style-type: none"> Establishing and promoting a quantitative evaluation system on service quality
Developing People-friendly Systems			
Universal design (UD) promotion	Improve ease of use of information systems	<ul style="list-style-type: none"> Promoted initiatives on Human Centered Design, user experience (UX), color universal design, quality improvement in operating manuals 	<ul style="list-style-type: none"> Remaining continuously active on issues listed on the left, and bolstering collaboration within the NTT DATA Group and the NTT Group on these issues
	Enhance employee education and cultivate skilled personnel	<ul style="list-style-type: none"> Held in-house (in the Group) seminars involving Group companies overseas, and encouraged employees to acquire qualifications on UD and UX 	<ul style="list-style-type: none"> Nurturing advanced expertise through exchanges with related institutions and knowledgeable people outside the Group; expanding our expertise by "design thinking" initiatives
Initiatives for improving client satisfaction (CS)	Implement improvement actions aimed at enhancing CS	<ul style="list-style-type: none"> Continued carrying out CS surveys based on questionnaires and interviews 	<ul style="list-style-type: none"> Continuing implementation of CS measures across the institutions, incorporating client feedback; improving our questionnaire distribution process with the aim of collecting more opinions from clients
Contributing to Regional Communities and Society as a Whole			
Utilize IT to resolve social issues	Develop systems that resolve social issues	<ul style="list-style-type: none"> Provided the Bridge Monitoring System, the emergency command support tool in medical emergency transportation, and other services 	<ul style="list-style-type: none"> Advancing development of IT systems that can help to resolve social issues, including health and social welfare, disaster and crisis management
		<ul style="list-style-type: none"> Promoted activities supporting recovery of disaster-affected areas through the provision of IT 	<ul style="list-style-type: none"> Providing ongoing support for town development through IT as well as job creation in disaster-affected areas
Promoting social contribution activities	<ul style="list-style-type: none"> Promote employee volunteer participation Promoted Group-wide activities 	<ul style="list-style-type: none"> Planned and undertook volunteer work in disaster-affected areas by recruiting participants from among all Group employees 	<ul style="list-style-type: none"> Organizing existing activities and clarifying our operational policies Considering global activities

* Capability Maturity Model Integration is a model created by the Software Engineering Institute, Carnegie Mellon University, that expresses the level of maturity of an organization performing system development. The model includes five levels of maturity.

Overall client satisfaction with NTT DATA's initiatives (interview and questionnaire surveys)

"Satisfied" or higher

69.1 %

Number of organizations that achieved a CMMI Level in fiscal 2013

Capability Level 3

2 organizations
(1 domestic, 1 overseas)

Capability Level 5

1 organization
(domestic)

Developing Systems that are Safe and Secure

We work to provide services that are geared to raising system reliability. This helps realize social infrastructure that people feel safe and secure to use.

Information Security in IT Systems

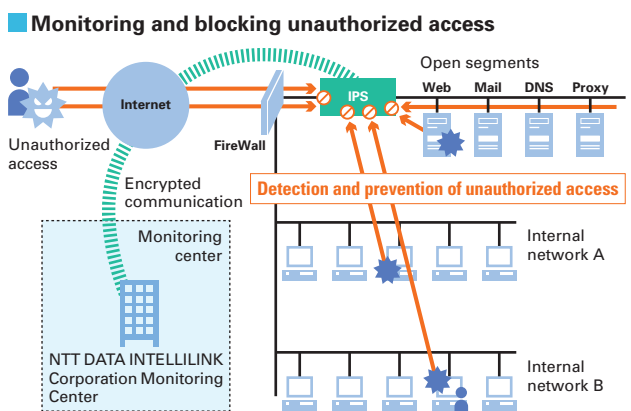
Introduction of New Measures to Prevent Unauthorized Access

The pool of available Internet Protocol version 4 addresses has nearly been exhausted, and the shift to IPv6, a new communication protocol, is proceeding worldwide.

Against this backdrop, the NTT DATA Group is developing services that will ensure the security for clients in the IPv6 environment.

NTT DATA INTELLILINK Corporation has extended the service coverage of the Intrusion Detection System and the Intrusion Prevention System, which had been available only for IPv4-supported devices. As a result, since August 2012 these services have been provided our clients with the same quality on IPv6-supported devices.

NTT DATA will continue upgrading and improving its services so that clients can feel safe and secure using the rapidly progressing Internet.



Disaster and System Failure Countermeasures

The Supply Chain Risk Management Service

Events such as the Great East Japan Earthquake, floods in Thailand have reminded us again that companies incorporated in a supply chain around the world are complicatedly interlinked so that even if their main functions are not damaged in a disaster, their corporate activities are still continuously at risk.

In autumn 2012, NTT DATA and JSOL Corporation began providing the Supply Chain Risk Management Service.

This service collects and summarizes information on disasters and emergencies around the world on a map that plots location information of a company's head office and the operational bases of business partners as well as logistics networks linking them. The service enables companies to obtain instant visual updates of disaster's impact on their supply chain. With this service, client companies can enhance the precision of their Business Continuity Plans and make an appropriate and rapid initial response in the event of disaster.



Developing People-friendly Systems/Improving Client Satisfaction

We adopt a user perspective on accessibility and usability from the starting stages of system development, such as system planning and requirement definition, seeking to provide services designed for ease of use as well as to improve client satisfaction.

Universal Design Initiative

Advancing Universal Design for Information Systems

The widespread adoption of information technology in society has brought with it the global problem of the digital divide*1. In Japan, there are calls to take into consideration the elderly and disabled in public spaces and to improve the IT user-friendliness across a wide range of devices including tablet terminals.

The NTT DATA Group, recognizing in each IT user the potential for innovation, promotes the adoption of universal design (UD)*2 in information systems. Not only do we use UD in the systems and services we deliver to clients, we also work to develop know-how and tools to further incorporate UD, foster personnel, and raise employee awareness concerning this approach to UD. We will continuously work to implement UD, which we regard as a way of creating value for society.

*1 The economic and social gap or imbalance that exists between those who have access to computers and the Internet—and the capability to use them—and those that do not

*2 Design aiming for ease of use by all people, irrespective of age, gender, nationality, and disability status



Internal seminar held by the UD Research Group

Improving Client Satisfaction

Promoting Improvement through Interviews and Questionnaires

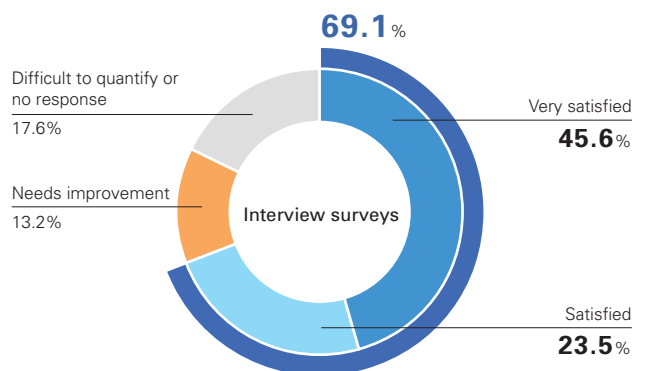
In accordance with its belief that a client-oriented approach lies at the root of sustainable corporate growth, NTT DATA conducts oral and written surveys of its regular clients. The aim of this self-monitoring exercise is to enable us to deliver improved services from a client standpoint.

In fiscal 2013, we listened to the opinions and requests of 68 organizations in interviews and obtained feedback in questionnaires received from 344 people in 148 client organizations.

These client satisfaction (CS) surveys revealed that 69.1% of clients were either “very satisfied” or “satisfied” with NTT DATA’s initiatives (see the graph below).

In fiscal 2014 as well, we plan to continue CS activities across the Group as a basic practice.

Overall client satisfaction with NTT DATA’s initiatives



Contributing to Regional Communities and Society as a Whole

We work to create and develop a healthy society through social contribution activities that emphasize employee participation, and through the development of IT systems designed to help resolve social issues.

Using IT to Help Resolve Social Issues

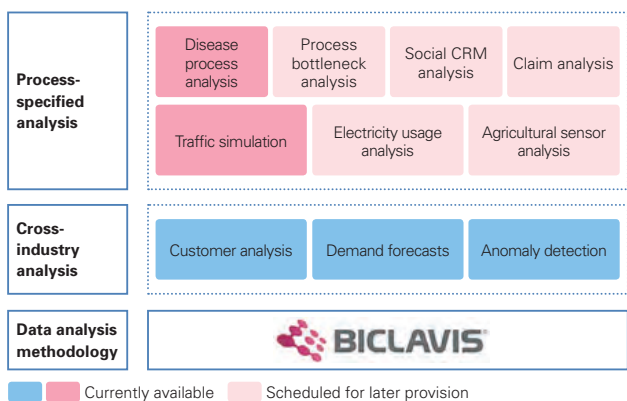
Effective Use of Big Data

Recent technical advances, such as the prevalence of high-speed communication networks, IT use by home appliances, and mobile terminals with sophisticated functions, have created huge volumes of digital data on the Internet. The use of such big data, is drawing attention as it could make everyday life more secure and convenient. At the same time, using big data is becoming increasingly important across various industries because of its potential to advance business operations and create new services.

NTT DATA is actively developing big data solutions that support promotion of clients' service innovations and operational reforms. As part of this effort, in November 2012, we revamped the Big Data and Business Analysis Consulting Service. In particular, we bolstered options for Quick Assessment menu, which provides a faster and lower-cost verification of big data analysis utilization. In July 2013, we consolidated the Group's functions related to big data into one group called Big Data Business Promotion Office. This group has 130 big data specialists and it provides Group-wide support.

In addition to our cross-industry analysis menu, we will be enhancing the service with process-specified analysis menu options to contribute to our clients and society.

Analysis consulting menus



Using IT to Support Disaster Recovery

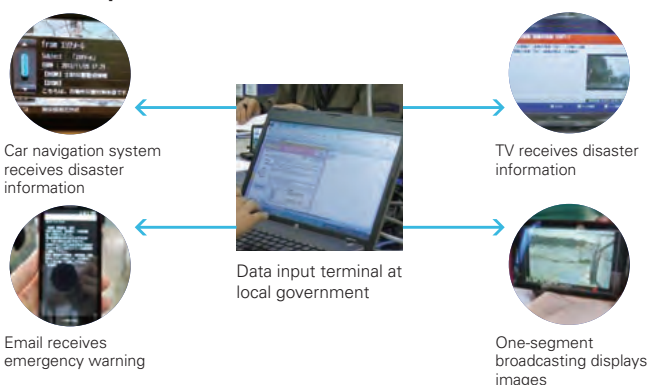
Multiple Layers of Disaster Information Transmission via Diverse Telecommunications and Broadcasting Media

One issue raised by the Great East Japan Earthquake was that disaster information did not always reach residents due to serious damages to community wireless radio systems and other official local communication methods intended to be used in disasters. In contrast, surveys on the disaster reveal that residents were able to effectively use mobile phones, conventional radio, and one-segment broadcasting terminals to access information.

Drawing on the lessons learned from this experience, NTT DATA is working as the lead research organization on a research project commissioned by the Ministry of Internal Affairs and Communications for strengthening the disaster resilience of information and communication networks. NTT DATA has participated in demonstration trials of the project together with five other private sector companies and four local governments affected by the disaster.

During the trials, we established a network system that enables rapid and reliable transmission of disaster-related information to residents through the combined use of telecommunications and broadcasting, diverse from emergency warning emails to one-segment broadcasting. Starting from November 2012 in disaster-stricken northeastern Japan, the trials were carried out in Ishinomaki, Kesenuma, and other municipalities. Through participation in this project, the NTT DATA Group will continue exploring ways to help build new and improved local hazard-prevention information systems.

Reliable delivery of information to various devices for hazard prevention



Paradigms for People at Work

The NTT DATA Group is promoting a working-style revolution to create a working environment where employees of the Group and partner companies feel comfort in fully demonstrating their abilities. At the same time, we focus on nurturing human resources who hold the future IT industry.

Major Activities and Achievements in Fiscal 2013

In an economy that is becoming increasingly global and seamless, the NTT DATA Group in fiscal 2013 maintained to implement global measures to nurture the various talents of our employees. NTT DATA understands it is an essential responsibility of companies to provide a working place with no discrimination as well as one where employees can stay healthy and thrive. Based on these

basics, we will continue to uphold and improve the focal points below. We are in this fiscal year accelerating the cultivation of next-generation IT professionals overseas. In addition, because CSR activities are expected these days to go beyond a single company to include its business partners, we will strengthen cooperation with our partners to do our utmost to ensure all transactions are fair.

Major Initiatives Undertaken during Fiscal 2013 and Future Plans

Initiatives	Planned Initiatives	Initiatives Undertaken during Fiscal 2013	Future Plans
Hiring, Promoting and Nurturing Human Resources			
Support for employee skills development	Cultivation of human resources who are highly specialized and adaptable to change	• Established new human resources categories at the time of business fields expansion	• Sharing among more Group companies
Promoting Activities by Diverse Human Resources			
Promotion of diversity	Advancing women in the workplace	• Promoted advance of women in the workforce through awareness-raising measures for female leaders and the featuring of new role-model profiles at forums and on web portals	• Continuously implementing awareness-raising measures for female leaders, posting profile interviews of female managers on websites for promoting women's advancement in the workplace, holding forums, etc.
	Support for employees who seek to continue working	• Operated Egg Garden, an in-house day-care center, and reformed its operational conditions with the aim of increasing users • Held seminars to allow employees on childcare leave to visualize their careers after returning to work • Continued to provide employee services and hold seminars on achieving balance between work and nursing care	• Continuously holding events such as Egg Garden trials, an in-house day-care center, to increase users • Continuously holding seminars for employees on childcare leave • Continuously providing employee services and holding seminars to support employees in achieving balance between work and nursing care
	Expand work opportunities for people with disabilities	• Achieved a 2.0% ratio of recruitment of people with disabilities (the new legal ratio of recruitment)	• Providing a comfortable working environment where employees with disabilities also find their work rewarding, and maintaining the ratio of recruitment of people with disabilities
Respect for human rights	Promotion of educational and awareness-raising activities	• About 20,000 people participated in human rights awareness training	• Continuing to conduct human rights training and raise awareness among employees
Creating Comfortable Working Environments			
Reduction of long working hours	Reduce annual working time	• Continued to promote greater use of teleworking and encourage employees to take holidays; total working time was almost same as the previous year (average annual working time: 1,996 hours)	• Continuously encouraging employees to use teleworking and to take holidays with the aim of reducing total annual working time
Pursuit of employee satisfaction	Continue to conduct employee satisfaction surveys	• Enabled people with various affiliations and qualifications to share issues among them via feedback meetings and translated this into improvement activities	• Continuing to conduct surveys and obtain external evaluations
Employee health promotion and enhancement	Healthcare support at workplaces	• Implemented an in-house developed scheme for workplace improvement and enabled early detection of those in poor health to prevent them from becoming worse	• Continuously making aware of it for managers and enhancing preventive activities
Promotion of Next-generation Personnel Cultivation			
Cultivation of next-generation personnel	Promotion of next-generation IT personnel cultivation	• Provided IT experiences designed for each generation and implemented human resource development programs	• Continuing to carry out various measures based on implementation results
Building Strong Relationships with Business Partners			
Thoroughgoing fair transactions	Promotion of ongoing employee training	• Conducted e-learning courses on fair transactions that about 30,000 people attended, including employees of Group companies	• Continuing to conduct training together with Group companies to instill greater compliance awareness and recognition
Enhancement of communication with business partners	Conduct ongoing dialog with and provide training opportunities to business partners and subcontractors overseas	• Continued to hold BP Presidents' Meetings, in which 39 company presidents participated	• Continuing to conduct initiatives and dialog based on the opinions and requests expressed at BP Presidents' Meeting
		• Conducted training for system engineers at offshore development sites in which about 400 people participated	• Promoting greater awareness among overseas Group companies, using group and on-site training

Employee satisfaction survey in fiscal 2013

Overall satisfaction

3.77 points
(out of a maximum 5 points)

Human rights awareness workplace seminars in fiscal 2013 (includes domestic Group companies)

Around

20,000 employees

Hiring, Promoting and Nurturing Human Resources

In addition to fostering the skills and talents of every employee to develop human resources with high market value, we are working to build and maintain a structure that supports our employees' activities globally.

Cultivation of Human Resources who are Adaptable to Change

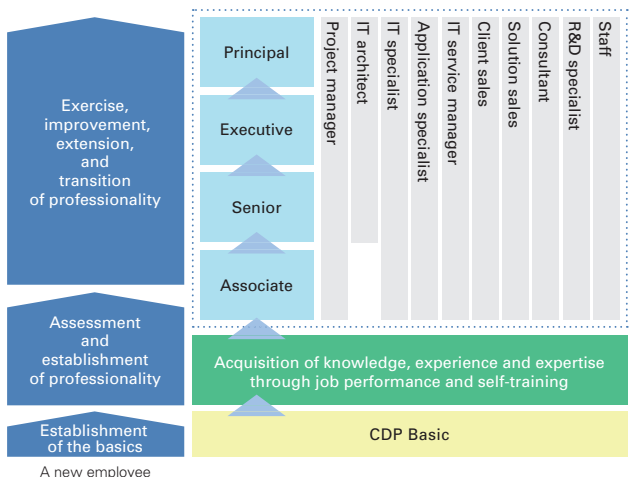
Human Resource Cultivation System Based on Professional CDP

As clients' IT needs diversify in this changing business environment, companies require human resources who can respond appropriately and flexibly. NTT DATA has put into place a Professional Career Development Program (CDP) that is designed to transform its employees into professional human resources who are highly specialized and adaptable to change. We support each employee's self-directed growth using this program, which defines goals for each professional category and steps toward these objectives and shows in an easy-to-understand format each employee's current accreditation level and what each employee needs to do to further develop his or her skills. We are working toward the adoption of this program by Group companies as well.

The creation of new solutions and expansion of business fields are increasingly important today, so we will continue to push forward efforts to cultivate professional human resources in the NTT DATA Group.

Professional CDP overall framework

Professional CDP defines ten types and four levels of employees, and indicates required knowledge, experience, and expertise respectively.



Cultivation of Global Human Resources

Global Human Resource Development

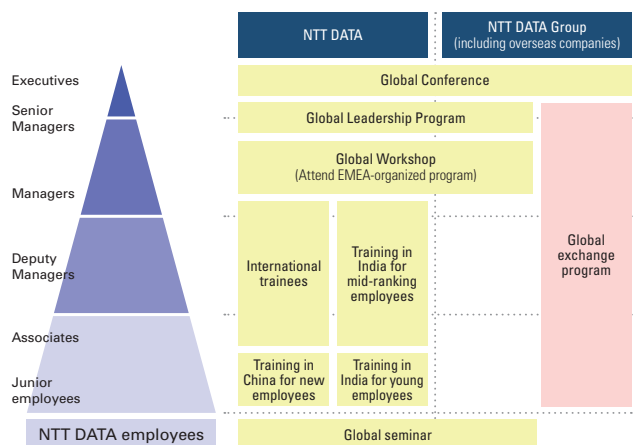
To provide many more employees with international business opportunities, the NTT DATA Group is strengthening ties among the human resource departments of its integrated companies in the Americas, EMEA, APAC and China, as well as their counterparts at the Solution Group*, centering around the head office in Japan.

For example, we conduct the Global Leadership Program that future leaders from overseas Group companies congregate and have discussions. Since the start of fiscal 2010, this program has continued up to today with annual improvements. We have also created a global exchange program not only to have employees sent abroad from Japan, but also to welcome overseas people to the Toyosu headquarters and to transfer temporarily EMEA employees to China, as another way to provide international career opportunities to many employees.

In fiscal 2013, we started sending Japanese employees to EMEA-organized training courses as a regional cooperation initiative.

* Group companies that do not belong to any specific region's operations and globally provide solutions mainly with intelligence.

Global Human Resource Development Structure



Promoting Activities by Diverse Human Resources

At a time when Japanese society is aging and the birthrate is falling, the NTT DATA Group actively promotes the creation of a working environment that supports more employment of women, the disabled, and the elderly.

Promotion of Diversity

Upgrading Childcare and Nursing Care Systems

In order to help employees balance childbearing and rearing, nursing care and work with less worry, the NTT DATA Group is upgrading its leave systems, while enhancing employee understanding and improving an environment that makes these systems easier to use.

NTT DATA earned the Kurumin* Next-generation Certification Mark in June 2008 for our system to support employees with children. In addition, it also gained the highest three-star ranking in the third survey of companies supporting fathers in providing childcare, sponsored by the NPO Fathering Japan and the Dai-Ichi Life Research Institute Inc. in June 2009. Furthermore, with the aim of offering direct support to employees with nursing responsibilities at home, NTT DATA has since 2011 enabled them to use remote nursing care support services provided by the NPO *Umi wo Koeru Care no Te*. Moreover, in fiscal 2013, our life-design training sessions for workers reaching age 50 introduced employees to this support program. With such efforts, we have started providing employees who may face elderly nursing care concerns with a wide range of information as well as raising awareness.

In addition to the aforementioned initiatives, in fiscal 2014, we will focus on working-style innovations to promote flexible ways of working that are not constrained by time and place restrictions by reviewing our systems and infrastructure.

* The Kurumin mark is granted by the Ministry of Health, Labour and Welfare to companies meeting standards on action plans to assist employees in their childcare commitments, based on the Act on Advancement of Measures to Support Raising Next-generation Children, enacted in April 2005.



Principal systems

Principal Childcare Systems	Principal Nursing Care Systems
<ul style="list-style-type: none"> • Childcare leave Childcare leave can be extended until the child reaches four years of age. Deadline for application to return to work is one month prior to expected return. 	<ul style="list-style-type: none"> • Nursing care leave Nursing care leave can be extended to 18 months at most.
<ul style="list-style-type: none"> • Shorter working hours for childcare Shorter working hours for childcare are available until the child completes his or her third year of elementary school. Application deadline for shorter working hours is two weeks prior to start. 	<ul style="list-style-type: none"> • Shorter working hours for nursing care Shorter working hours for nursing care are available for three years at most, including periods of nursing care leave.

Support for Working Women

Established In-house Day-care Center, Egg Garden

We established the Egg Garden, an in-house day-care center for our employees in Toyosu Center Building Annex 1F in Tokyo, Japan in December 2011. We were prompted to build the facility after some employees came up with the idea.

This facility enables employees to give birth and take childcare leave with their minds at ease, freeing them from concerns about having their children being placed on childcare center wait lists. Thanks to childcare support that allows them to return to work as they planned, women can be expected to be actively involved in the Company.

Ten children were registered for the monthly childcare service, while 21 children were registered for the temporary childcare program in fiscal 2013.

We will promote the facility actively to increase users in trial events and other opportunities.

Comment from a User

The happy faces I see every day of children arriving at Egg Garden show how much they enjoy being there with their nursery teachers and friends. Because it's an in-house day-care center, enrollment capacity is relatively limited, which ensures the children get plenty of individual attention. When I had my first child, I had to move in order to find somewhere to look after my child. But thanks to Egg Garden, when I had my second child I was able to plan when to return to work.



Egg Garden

Respect for Human Rights

NTT DATA thoroughly conducts human rights education as well as promotes human rights in order to respect human and to share our corporate culture that does not tolerate any form of discrimination across the whole Group.

Guidelines on Respect for Human Rights

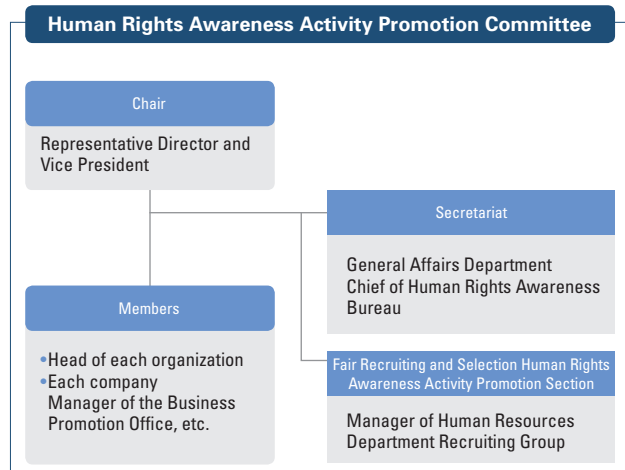
Establishing a System to Promote Human Rights Awareness Activities

With the aim of realizing cheerful and comfortable workplaces by raising awareness of human rights, NTT DATA convenes a meeting of the Human Rights Awareness Activity Promotion Committee at the beginning of each fiscal year. The committee reviews the previous year's activities and decides on an action plan for the new fiscal year. It is comprised of leaders of each organizational unit and others and is headed by an executive officer in charge of corporate governance.

People in charge of promoting human rights awareness activities have been assigned in each of our organizations and Group companies. They promote relevant employee training and measures in cooperation with the Human Rights Awareness Activity Promotion Office in the General Affairs Department, as well as address human rights issues within our respective organizations.

We also cultivate these human rights awareness experts by having them participate in internal and external training sessions.

System to promote human rights awareness activities



Spread of Human Rights Awareness

Promoting Human Rights Awareness Activities

To further deepen understanding of and heighten awareness on human rights, human rights awareness activities for all employees are important. Based on this concept, we replaced from fiscal 2011 our human rights awareness raising e-learning program, which had been implemented targeting all NTT DATA Group employees in Japan, with Human Rights Awareness Workplace Seminars to promote and encourage understanding on human rights issues at the workplace level.

Moreover, in fiscal 2013, we continued to conduct sessions on human rights in position-based training, recruiters training, and other programs. In response to the increasing number of employees assigned to overseas posts, we conducted pre-assignment training to ensure their proper understanding of the religions, cultures, and customs of the countries and regions to which they have been assigned. A total of 27 employees assigned to one of 10 overseas posts took part in the program.

In September, we held a human respect slogan contest for NTT DATA Group employees, partner company employees, and family members from whom we solicited slogans on the theme of "human rights awareness." As a result, we received 864 phrases and presented awards for outstanding entries at an event during the United Nations-designated Human Rights Week in December.

Major initiatives on human right awareness

Example Initiatives	Initiatives Conducted in Fiscal 2013
1. Human rights awareness workplace seminars	19,184 participants
2. Position-based training course	2,610 participants
3. Recruiters training course	566 participants
4. Training experts (people in charge of promoting human rights awareness activities and HR section in the General Affairs Department)	55 participants in 17 sessions
Internal seminars: human rights seminars (August, 2012)	111 participants
External seminars	14 participants
5. Pre-overseas-assignment training	27 participants (10 countries)
6. Human respect slogan contest	864 phrases

Creating Comfortable Working Environments

We are working to create healthy workplaces across the Group that support high employee satisfaction while striving to achieve working-style innovations for each employee.

Pursuing Employee Satisfaction

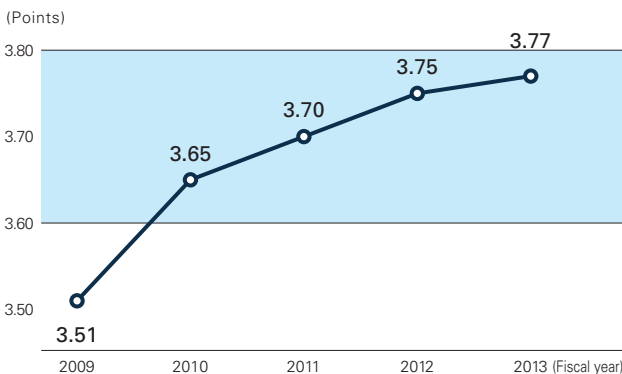
Ongoing Employee Satisfaction Surveys

NTT DATA conducts annual employee satisfaction surveys of all NTT DATA Corporation and NTT DATA Group employees. According to the results of the fiscal 2013 survey, "overall satisfaction" among NTT DATA Corporation employees remained at the same high level of satisfaction as in the previous year.

According to the company commissioned to conduct the survey, NTT DATA retained its position in the IT industry as the company with the highest level of employee satisfaction for the fourth consecutive year. With the aim of driving further progress, we are sharing analysis of the survey's findings in training sessions and the workplace to create rewarding working environments where employees will aspire to work in the future as places where they can fulfill their dreams.

Related initiatives are moving ahead across the entire Group. In fiscal 2012, we began holding Whole Group Feedback Meetings for those in charge of the Employee Satisfaction Survey facilitation at Group companies. We held these meetings again in fiscal 2013. In addition to reporting survey results and issues, we used representative cases to reach a deep understanding of the survey's findings to help consider institutional solutions. We provide full-support for these activities across the Group.

Employee satisfaction survey



- Maximum score of 5 points; rating of 3.60 or higher denotes satisfaction
- Response rate 98% (fiscal 2013)

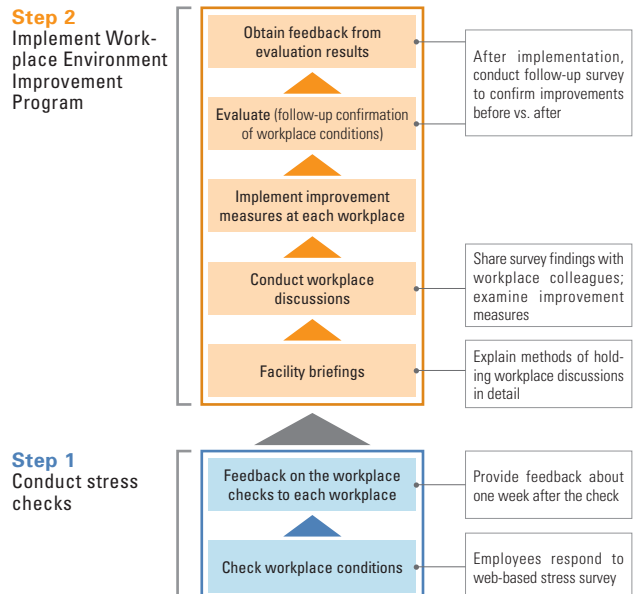
Employee Health Maintenance and Promotion

Group-wide Working Environment Improvement Activities

Owing to the nature of jobs in the IT service industry, it is common for employees to feel heavily burdened. To alleviate the stress caused by this as well as to maintain and promote employee health, the NTT DATA Group conducts workplace improvement activities. We are, for example, using a cycle process to do this: first, we conduct typology stress checks based on the attributes of the employees' work, and use feedback from the checks to investigate and devise specific improvement measures. After implementation of measures, we quantitatively monitor them to see how much progress has been achieved.

This process makes it easy to identify problems at each workplace, and has successfully reduced the stress felt by employees and improved the work environments at many workplaces. Since the know-how we have amassed can be applied to other IT service companies outside the Group, we plan to deploy it as the Workplace Environment Improvement Service.

Flow of the Workplace Improvement Program



Building Strong Relationships with Business Partners

Along with promoting open and fair transactions, NTT DATA works to improve the quality of its service and products and workplace environment through active communication with our business partners so we can move forward together.

Thoroughgoing Fair Transactions

Promoting Adherence to Our Transactions and Contracts Policy

NTT DATA formulated its Fair Transaction Rules in May 1997, based on a compilation of laws, rules, action guidelines and other compliance directives for transactions and contracts with clients and suppliers, and have since then made revisions as appropriate in response to changes the laws and regulations.

Our Procurement Policy is on our website. We are committed to ensuring fair transactions and have formulated rules on how to properly implement procedures for procurement contracts and other items.

■ Procurement Policy

Under the basic principles of openness, fairness, non-discrimination between inside and outside, speed, flexibility, and efficiency, our purchasing transactions are based on three policies.

- ① The Company shall carry out open and transparent purchasing with due consideration to business needs.
- ② We shall provide opportunities for competition to suppliers, regardless of whether they are from Japan or overseas.
- ③ The Company shall procure competitive, appealing products that are attuned to business needs on a global basis and in accordance with market principles.

Conflict Minerals

At NTT DATA and the NTT DATA Group, our procurement activities abide by "NTT Group's Approach to Conflict Minerals."

▶▶ "NTT Group's Approach to Conflict Minerals"
<http://www.ntt.co.jp/ontime/eg/conflict/index.html>

Communication with Business Partners

Business Partner System to Enhance Relations

NTT DATA outsources some software development, including to subsidiaries and affiliates in Japan and abroad. When doing so, we take into consideration technological capacity and business expertise, security levels, quality assurance systems and other factors. We accredit subcontracted suppliers displaying assessment and performance excellence as business partners (BPs) or associate partners (APs). BP and AP criteria include compliance with laws and societal norms, management soundness, and maintenance of appropriate security from a CSR perspective. Moreover, in order to expand transaction volume and bolster cooperation, we have selected Core BP Companies from among our BPs since fiscal 2010, with which we can share the benefits of success. Moreover, NTT DATA has signed an agreement, the "Memorandum on Elimination of Relationships with Antisocial Forces," with all Core BPs, BPs, and APs.

As of March 31, 2013, NTT DATA recognizes four companies as Core BP Companies, 35 as BPs and 105 as APs.



A BP Presidents' Meeting

Paradigms for the Global Environment

NTT DATA aims to contribute to the greening of clients and society as a whole through the use of IT. On a Group-wide basis, we are also working to reduce the environmental impact of the NTT DATA Group's business activities.

Major Activities and Achievements in Fiscal 2013

The world faces serious global environmental problems. This is putting pressure on corporations to address environmental conservation activities as management issues and contribute to resolving environmental problems.

The NTT DATA Group promotes an environmentally oriented management approach where it gives due consideration to the natural environment in every aspect of its

corporate activities. We are moving forward with various initiatives based on three main concepts: the greening of clients and society, the greening of the NTT DATA Group, and environmental contributions and communications.

By using IT, we create new ways and means of resolving the environmental problems facing the world and society.

Major Initiatives Undertaken during Fiscal 2013 and Future Plans

Initiatives	Planned Initiatives	Initiatives Undertaken during Fiscal 2013	Future Plans
Environmental Management			
Environmental management promotion	Reinforcement of Group-wide environmental management	• Expanded scope of ISO 14001 group certification (one new company)	• Reinforcing Group-wide environmental management and promoting inter-departmental collaboration
The Greening of Clients and Society			
Reduction of the environmental impact on society through IT	Establishment of brief assessment methods to increase quantitative assessments	• Developed hypotheses about brief assessment methods with an eye to further adoption of quantitative assessments	• Fiscal 2016 target: confirmation of the effect of brief assessment methods and their further adoption
	NTT Group Environmental Labeling System for Solutions certifications: 5 assessments	• NTT Group Environmental Labeling System for Solutions certifications: 2 assessments	• Quantifying the contribution of our solutions to CO ₂ reductions and encouraging further adoption, including public appeals
The Greening of Our Group			
Greenhouse gas emission reduction	Reduction of CO ₂ emissions by 11.5% or more compared with fiscal 2009 levels	• Reduced CO ₂ emissions by 13.5% compared with fiscal 2009 levels by replacing air conditioners and lighting equipment, implementing power-saving measures for offices, etc.	• Fiscal 2016 target: reduction of CO ₂ emissions by 14.1% or more compared with fiscal 2009 levels
Waste reduction	Reduction of final disposal amount by 45% or more compared with fiscal 2009 levels	• Reduced final disposal amount by 41% compared with fiscal 2009 levels by promoting the reuse/recycling of OA equipment and increasing disposal consignments to companies with high-recycling ratios	• Fiscal 2016 target: reduction of final waste disposal amount to 65% or more compared with fiscal 2009 levels
	Reduction in final waste disposal rate to 3.8% or less	• Reduced final waste disposal rate to 4.1%	• Fiscal 2016 target: reduction of final waste disposal rate to 2.6% or less
Reduction of copy paper purchased	Reduction in purchased quantity by 35% or more compared with fiscal 2009 levels	• Reduced the quantity of paper purchased by 36.8% compared with fiscal 2009 levels by setting reduction targets for and monitoring actual performance of each organization, and making more use of paperless meetings	• Fiscal 2016 target: reduction of quantity of paper purchased by 37% or more compared with fiscal 2009 levels
Environmental Contributions and Communications			
Environmental contribution activities	Participation of more than 2,000 people in environmental contribution activities	• A total of 2,248 people participated in Tokyo Greenship Action, community clean-up and other activities	• Fiscal 2016 Target: more than 3,500 participants in environmental contribution activities

Greenhouse gas emission reduction by the NTT DATA Group

Compared with fiscal 2009 levels

13.5%

Participants in environmental contribution activities in fiscal 2013

2,248 people

Environmental Management

We have established the Organization for Promoting Environmental Activities to promote environmental protection activities groupwide and are implementing environmental management based on a PDCA cycle.

Promoting Environmentally Oriented Management

Stance on Environmental Protection

Since establishing its Environmental Policies in July 1999, the NTT DATA Group has provided environmentally responsible systems and services and conducted activities as an information service provider aimed at helping to reduce the environmental impact of society as a whole, in addition to reducing the environmental impact of its business activities.

Moreover, in fiscal 2010, we began promoting an environmentally oriented management approach that entails environmental responsibility in all aspects of our corporate activities. In May 2010, we announced our Environmental Messages, which center on resolving environmental problems applying IT, and we devised three Action Plans to realize this goal.

Based on these, we revised the Environmental Policies of the NTT DATA Group in June 2011 to call for stronger environmental protection activities.

Environmental Messages

Earth Solutions Using IT to solve environmental problems

The NTT DATA Group is applying IT to create new ways and means of resolving the environmental problems facing the world and society.

Action Plans

Contributing to the greening of our clients and society through IT

- Promote the visualization of environmental impact assessments of the systems and solutions provided by the NTT DATA Group
- Help to reduce society's environmental impact by promoting the creation and expansion of environmental solutions

Contributing to the global environment by promoting the greening of the NTT DATA Group

- Steadily reduce CO₂ emissions by the Group by raising the efficiency of and implementing operational improvements to its data centers and by such work-style innovations as hot-desking
- Implement systematic cuts to paper usage and waste volumes

Engaging each employee in thinking about the environment and making his or her own active contribution

- Promote environmental social contribution activities across a range of fields both as an organization and individuals
- Promote proactive environmental communication, within and outside the Group

Environmental Management System

Deploying Ongoing Improvement Activities Based on ISO 14001

In April 1998, NTT DATA set up a dedicated unit to establish the Organization for Promoting Environmental Activities and has received ISO 14001 certification for environmental management. We have been endeavoring to extend the scope of ISO 14001 certification groupwide since 2004.

As of the end of March 2013, a total of 32 Group companies, including NTT DATA, have attained ISO 14001 certification. Of these, 26 companies acquired group integrated certification, while six companies gained independent certification.

■ Status of ISO 14001 certification (as of March 31, 2013)

NTT DATA Group entities that have acquired certification

NTT DATA CORPORATION	NTT DATA FRONTIER CORPORATION
NTT DATA HOKKAIDO CORPORATION	NTT DATA SMS CORPORATION
NTT DATA TOHOKU CORPORATION	NTT DATA SOFIA CORPORATION
NTT DATA SHINETSU CORPORATION	NTT DATA SEKISUI SYSTEMS CORPORATION
NTT DATA TOKAI CORPORATION	NTT DATA R CORPORATION
NTT DATA HOKURIKU CORPORATION	NTT DATA MANAGEMENT SERVICE CORPORATION
NTT DATA KANSAI CORPORATION	NTT DATA UNIVERSITY CORPORATION
NTT DATA CHUGOKU CORPORATION	NTT DATA BUSINESS SYSTEMS CORPORATION
NTT DATA SHIKOKU CORPORATION	NTT DATA INTELLILINK CORPORATION
NTT DATA KYUSHU CORPORATION	NTT DATA DAICHI CORPORATION
NTT DATA i CORPORATION	NTT DATA CUSTOMER SERVICE CORPORATION (only for the Tokyo head office and Shikoku office)
NTT DATA SYSTEM TECHNOLOGIES INC.	NTT DATA INSTITUTE OF MANAGEMENT CONSULTING, INC.
NTT DATA FINANCIAL CORE CORPORATION	NTT DATA WAVE CORPORATION

NTT DATA Group entities that have acquired certification independently

JSOL CORPORATION	NTT DATA CCS CORPORATION
NTT DATA MSE CORPORATION	NJK CORPORATION
CATS CO., LTD.	EMAS CO., LTD.

The Greening of Clients and Society

IT solutions are expected to contribute to the creation of smart grids and smart communities. This should facilitate the greening of clients and society as a whole by reducing the need to consume materials and energy as well as transport people and goods.

Actively Implementing Verification Tests

Energy Management Initiatives for Efficient Utilization of Renewable Energy

Recently, there has been an increase in initiatives aimed at building smart grids (next-generation power networks)* in all parts of the world. As a result, a host of verification tests are under way to advance efforts aimed at maximizing the use of renewable energy, reducing the use of electricity during peak periods, and leveling out electricity consumption.

It is becoming increasingly necessary to accurately forecast the constant fluctuations in electricity supply and demand. In this context, NTT DATA is engaged in collaborative research on big data analysis technology for energy management. Our research partner is the Waterford Institute of Technology, a university-level institution based in South East Ireland where, along with the rest of Europe, efforts to introduce renewable energy are well advanced.

NTT DATA's contribution to this research centers on its track record and know-how in business intelligence and business analytics, which it has built up in diverse fields. In the current research, we are examining technologies, such as dynamic pricing technology, that optimize the balance between electricity supply and demand by predicting in real time the demand for electricity from offices, factories, and the like.

We will continue expanding collaborative research programs and conducting our own research into next-generation smart grids with the aim of creating energy management systems for power companies.

* A smart grid is a power distribution network that optimizes power consumption by controlling the flow of electricity from both the supply side and demand side.

Contributing to Disaster Recovery

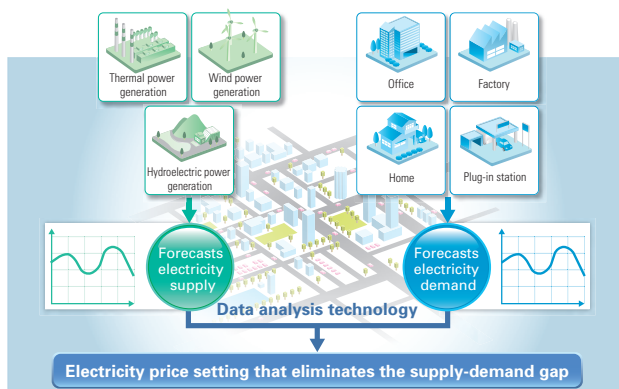
Smart Community Initiative in Miyako City, Iwate Prefecture

The city of Miyako in Iwate Prefecture suffered enormous damage in the Great East Japan Earthquake, including the disruption of essential services. In the urban planning stage of the recovery process, the city focused on establishing an energy supply system needed at times of disaster and placed importance on securing energy sources without relying solely on fossil fuels. The city is working to create a smart community as part of its recovery plan. The aim of this project is to supply energy produced locally by multiple new power generation providers to consumers, including municipal facilities and plant nurseries.

NTT DATA joined city officials and representatives from companies involved in the project to formulate a master plan for Miyako smart community. In addition to developing a regional energy management system, we are in charge of managing the overall project.

By participating in it, we will explore further solutions that can be rolled out in Japan and overseas as a platform for the recovery of local communities.

Optimization of electricity supply and demand utilizing energy management



The Greening of Our Group

We are promoting efficient use of energy and resources and an array of other measures to reduce the environmental impact posed by our offices and data centers.

Delivering Environmental Solutions

Cloud-based Building Energy Management System: Helps Lower Environmental Impact

In April 2012, the Tokyo Institute of Technology finished construction of its Environmental Energy Innovation (EEI) Building to house research into cutting-edge environmental energy technologies. NTT DATA Group technology is utilized in the building, which was designed to reduce carbon dioxide emissions by 60% or more and supply its own electricity needs.

Specifically, the energy-saving solution RemoteOne, supplied by NTT DATA CUSTOMER SERVICE Corporation, is built into the building's concept. A key technology in the Tokyo Institute of Technology Campus Smart Grid, the service is a cloud-based solution that integrates and optimizes control of operating environments where different telecommunications protocols are in use, including power generating conditions of the solar power system, existing facility energy data, and the air-conditioning system's electricity usage and monitoring information.

The solution is recognized as a "Building Energy Management System (BEMS) aggregator" by Japan's Ministry of Economy, Trade and Industry. Going forward, NTT DATA will continue helping clients save energy by utilizing this type of machine-to-machine (M2M) cloud computing technology.

Initiatives for Global Warming Prevention

Constructing Next-generation Offices to Bolster Business Efficiency and Environmental Performance

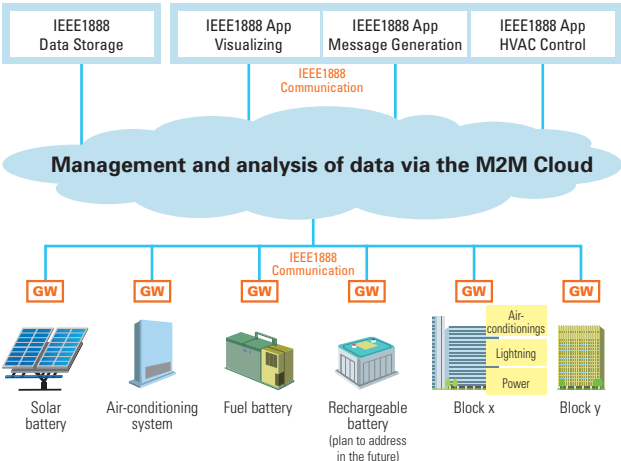
As an element of work-style innovation, from fiscal 2010 we have been moving forward with hot-desking and using video-conferencing to enhance the office environment and boost work efficiency as part of our Next-generation Pilot Office Construction Project.

In fiscal 2012, we constructed next-generation offices covering approximately 3,000 m² in the Toyosu Center Building (NTT DATA's head office building) and the Toyosu Center Building Annex (one of NTT DATA's main office buildings). Verifications of the aforementioned concepts at these offices are ongoing.

In these next-generation offices, we optimized working spaces to make them more efficient. To achieve this, we implemented a variety of initiatives. These include expanding the floor space per room compared with our conventional offices, which have been demarcated according to organizational unit, consolidating servers at data centers, introducing hot-desking, and promoting paperless operations. This made space for additional staff members, who moved in from a leased building. This allowed us, as a matter of course, to not only cut administrative costs but also CO₂ emissions.

We plan to convert 60% of all existing office space (equivalent to around 65,000 m²) in these two buildings to next-generation offices by fiscal 2014. This measure is expected to effectively cut power consumption by 782 MWh/year (in the case of a space reduction of approximately 20,000 m²).

RemoteOne playing a central role in BEMS



Main measures for CO₂ reductions

Electricity usage

- Installing LED fluorescent tubes and illumination controllers
- Limiting work areas during overtime and break time
- Improving efficiency of work areas
- Introducing laptop computers and thin client terminals

Paper usage

- Promoting paperless operations by using mobile work and LCD monitors
- Reducing the number of multifunction printers



NORTH AMERICA/INDIA



Coordinated Activities to Help Resolve Various Social Issues

NTT DATA, Inc. avidly pursues CSR activities, mindful of its responsibilities as a corporate citizen. The diverse range of activities throughout the year includes supporting local communities, collaborating with NGOs, and addressing environmental problems. In 2012, NTT DATA, Inc. established CSR Committees for local employees to organize the coordination of activities in the United States, Canada and India. As the Committee's first nationwide initiative in India, over one million rupees in employee donations were collected to support child education programs. In December 2012, more than 1,500 people across the Americas took part in NTT DATA, Inc.'s Global Volunteer Week and devoted over 5,000 hours to support the needy in their local communities.



Contributing to Indian society as a responsible corporate citizen



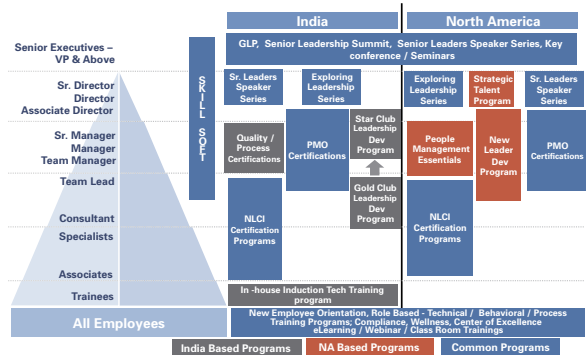
NORTH AMERICA/INDIA



Global Education Programs Supporting Employee Self-fulfillment and Specialized Skill Development

The continuation of efforts by employees to enhance their advanced technical skills to meet client needs not only leads to improved client satisfaction, but also supports employee self-fulfillment. An important responsibility of any business is to give highly competent employees appropriate opportunities for career advancement. NTT DATA, Inc. has a range of programs across regions aimed at developing highly competitive human resources for appropriate positions. One example is our distinctive NLCI Certification Program, which promotes education, certification, and career advancement.

The program nurtures highly skilled global human resources in order to meet our clients' seamless global needs.



Delivering diverse programs for each career level

NTT DATA reorganized its non-Japan business into five operations, i.e. the Americas, EMEA, APAC, China and Business Solution. It contributes to social development and progress through business operations under the single NTT DATA brand.



CHINA



Building Workplaces that are Friendly to Environment

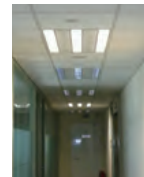
NTT DATA China Co., Ltd. is working to raise awareness of environmental problems by creating eco-friendly workplace practices. For communication between remote operations in China as well as companies overseas, for example, it uses telephone and videoconferencing to minimize business trips and thus reduce its environmental impacts. NTT DATA China is also using projectors to promote paperless offices and meticulously controlling air conditioner temperatures, while taking care to save electricity in conference rooms, hallways, and the like. NTT DATA China employees stand united in their effort to prevent global warming.



Remote communication via videoconferencing (use of projectors to promote paperless offices)



Previous hallway lighting



Power saved hallway lighting

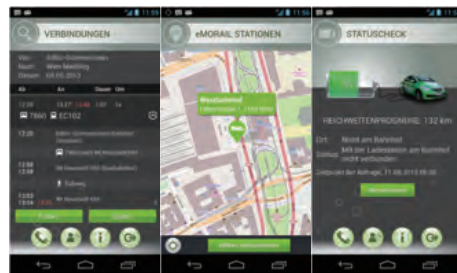
AUSTRIA



Participation in Smart Mobility Demonstration Trials

Recent years have seen the emergence of various traffic-related challenges, such as exhaust gases and other environmental problems, as well as the alleviation of traffic congestion and the protection of aged or handicapped people. To address such issues, advances have been made in research into Smart Mobility, which seeks to enhance user-friendliness by linking diverse modes of transportation with information infrastructure. Since 2011, NTT DATA Osterreich GmbH has been participating in a pilot project in Austria for eMORAIL, an integrated eMobility* service with a new partner since 2012. In the eMORAIL trial, rail and other means of public transportation, extending to first mile/last mile mobility access for people from their homes to their workplaces, are linked with eMobility, and a rail reservation and ticketing system is connected to sharing systems for electric vehicles and other electric transportation. Users can access eMORAIL via their smartphones.

* Modes of transport, such as electric vehicles and electric bicycles, and supporting ecosystem of services



eMORAIL arranges rail tickets and enables car-sharing reservations at stations through smartphones.



Sharing services use eMobility like electric vehicles.

We strive for sound, transparent corporate management so as to achieve continuous growth while gaining the trust of our stakeholders.

Basic Stance

While putting sound and transparent management into practice, the NTT DATA Group contributes to the development of clients and society through the creation of new “paradigms” and “values.” We also work toward a prosperous, well-balanced, safe, and secure society, as we progress on our own path of growth. We believe that this encapsulates our mission and responsibilities as a company.

Based on this consideration, not only do we have legal compliance systems, we do our utmost to ensure our employees on the front lines are fully informed of our guidelines on ethical conduct. At the same time, our management approach stresses efficiency and discipline, enabling all of these practices to take root across the Group. We thus continue to build a foundation for CSR management that respond the expectations of the global community.

Major Initiatives Undertaken during Fiscal 2013 and Future Plans

Initiatives	Planned Initiatives	Initiatives Undertaken during Fiscal 2013	Future Plans
Corporate Governance			
Construction of an internal control system	Reinforcement of Group-wide internal controls	<ul style="list-style-type: none"> Regularly convened the Internal Control Promotion Committee to supervise and promote Group-wide internal control activities Implemented internal audits (within Company and at Group companies, including overseas), and monitored internal audit activities of Group companies 	<ul style="list-style-type: none"> Further strengthening Group-wide internal controls Strengthening responsiveness to risks associated with overseas businesses and establishing a global internal audit system
Reinforcement of Group governance	Improvement of global Group governance system	<ul style="list-style-type: none"> Established unified Group-managed governance system centered on regional integrated companies in the Americas, EMEA, and APAC 	<ul style="list-style-type: none"> Establishing Global Business Company to enhance collaboration among the Global Solution Company and the four regional integrated companies in the Americas, EMEA, APAC, and China
Compliance			
Code of Ethics and thorough compliance	Reinforcement of compliance promotion system	<ul style="list-style-type: none"> Reassessed NTT DATA Group Code of Ethics and formulated Global Compliance Policy 	<ul style="list-style-type: none"> Disseminating and fostering full understanding of localized versions of Global Compliance Policy at Group companies overseas
	Reinforcement of compliance training initiatives	<ul style="list-style-type: none"> Having formulated Global Compliance Policy, launched education programs at overseas Group companies 	<ul style="list-style-type: none"> Promoting Global Compliance Policy overseas with measures including creation of localized versions
		<ul style="list-style-type: none"> Conducted compliance assessments of all employees 	<ul style="list-style-type: none"> Deploying compliance assessments at overseas Group companies
Risk Management			
Group-wide risk management	Promotion of risk management to meet demands of globalization	<ul style="list-style-type: none"> Expanded risk management scope to overseas Group companies; distinguished between local-response risks and common risks to be addressed worldwide 	<ul style="list-style-type: none"> Accelerating collaboration with domestic and overseas Group companies to strengthen risk management system
Information Security			
Reinforcement of information security management	Security level enhancement in overall Group	<ul style="list-style-type: none"> Established global information security governance led by regional integrated companies 	<ul style="list-style-type: none"> Implementing security operations led by regional integrated companies
	Reinforcement of response to information security incidents	<ul style="list-style-type: none"> Introduced a system that monitors unauthorized connections and cuts off unnecessary connections to enable early detection of attacks from outside 	<ul style="list-style-type: none"> Enhancing countermeasures against escalating cyber-attacks, such as targeted attack
Dialog with Shareholders and Investors			
Improvement of communication	Further development of interactive IR activities	<ul style="list-style-type: none"> Responded to about 300 queries from investors and analysts Enhanced information disclosure for foreign investors 	<ul style="list-style-type: none"> Further enhancing two-way communication with shareholders and individual investors

Compliance e-learning training in fiscal 2013 (Including domestic Group companies)

Around

30,000 employees

Information security policy assessments in fiscal 2013

100 % of employees and executives

Corporate Governance

We are implementing globally our efficient and well-controlled management approach.

Corporate Governance Structure

Improving Management Quality Based on a Governance Structure with Oversight, Auditing, and Business Execution

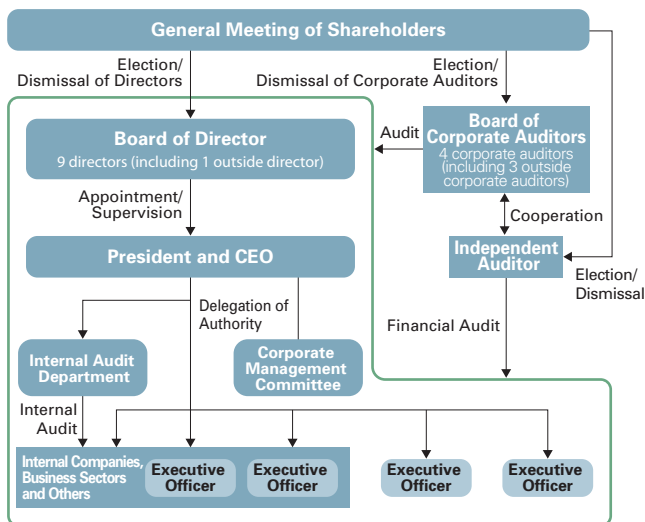
As a company with corporate auditors, NTT DATA has a Board of Directors and a Board of Corporate Auditors, as well as a Corporate Management Committee.

The Board of Directors meets monthly, holds extraordinary meetings as necessary, and is responsible for decision-making and supervision regarding legal and important management matters. We have also appointed regular executive officers, whose responsibility is to focus on business execution. By having directors delegate significant executive authority to executive officers, NTT DATA aims to accelerate the decision-making process.

The Board of Corporate Auditors meets, in principle, once a month to decide on audit policies, plans, methods, and various other important audit-related matters.

The Corporate Management Committee includes the president, vice presidents, and the heads of major organizational sections. The committee meets, in principle, once a week, to execute smooth and timely decision-making and the supervision of day-to-day operations.

Corporate governance structure



Group Governance

Reinforcing Group Governance through Liaison Department

For such priority categories as business planning, internal control, and compliance, NTT DATA's basic policy is to ensure appropriate business operations across the Group by instituting rules for consultation and reporting with each Group company. This policy puts into place a cooperative system through the establishment of a liaison department that connects the head office and each Group company.

Recent years have seen a particularly rapid expansion of our overseas operations through M&A and the like. To reinforce Group governance in this context, NTT DATA launched its Global Business Sector in July 2011, while steadily providing timely and prompt services for our global clients. At the same time, we consolidated and reorganized overseas Group companies, with the aim of reinforcing NTT DATA's presence, centered on the four regional structures of the Americas, EMEA, APAC, and China, and also the Business Solution Group. We worked to establish governance for unified management as a Group.

In July 2013, we integrated the Global Business Sector and associated organizations to establish the Global Business Company. The new company plans global business strategies, manages and promotes global businesses, develops new overseas markets, and promotes collaboration between other companies and overseas business operations to create overall synergies.

Compliance and Information Security

We seek to entrench compliance with laws and regulations and appropriate management of client information across the entire Group.

Compliance

Promoting Compliance Training

NTT DATA arranges lectures on corporate ethics at position-based training sessions held as part of promotional milestones to foster compliance awareness. Our compliance-related training is tailored to the business characteristics of each organization and Group company. In fiscal 2013, we provided upgraded position-based training sessions, and e-learning programs for all employees, as well as implemented compliance assessments for all employees with the aim of raising compliance awareness. Given the growing global reach of our business activities, we continued to enrich our training content on international contracts, including an overview of anti-bribery laws and regulations in the United States and Europe, so as to foster greater awareness about stricter anti-bribery and anti-corruption regulations in the global business community. In fiscal 2013, we formulated our Global Compliance Policy and started training programs at overseas companies.

We will continue the policies already implemented and expand training courses for managers and those in equivalent positions at domestic Group companies. Moreover, we are working to ensure that the localized versions of the Global Compliance Policy are fully implemented overseas. We thus strive to build an even more meticulous training system.

Major initiatives undertaken during fiscal 2013

Compliance Training Sessions	Global Reinforcement of Compliance
<ul style="list-style-type: none"> Position-based training sessions: about 2,300 participants in 6 position sessions 	<ul style="list-style-type: none"> Formulation of Global Compliance Policy in May 2012
<ul style="list-style-type: none"> On compliance, legal-related issues and others: about 37,000 participants 	<ul style="list-style-type: none"> Launch of localization and education initiatives

Information Security

Key Strategies in Fiscal 2013

To continue being an innovation partner of our clients, it is vital that we balance information security with the active use and sharing of information—the two objectives of the NTT DATA Group Security Policy (GSP). In fiscal 2013, the Group implemented four key information security strategies: (1) reorganize the global governance structure; (2) promote security measures for commercial systems; (3) ensure that basic security activities are conducted; and (4) address new security risks.

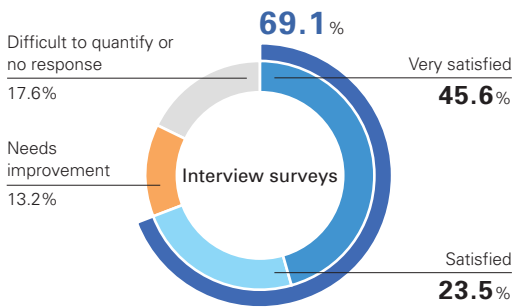
Global Information Security Governance

Since fiscal 2013, the NTT DATA Group has operated under a new global structure that groups overseas Group companies into four regions, with administration mainly under the Business Solution Group and the regional integrated companies. At the same time, we decided to reorganize the Group's information security management structure with each regional integrated company carrying out major roles.

In fiscal 2014, each region began their suitable operations according to the region's situation in its information security management under its respective integrated company. This new information security governance structure changed the way from administrations of each Group company separately by NTT DATA to regional management mainly under the integrated company.

CS and Quality Management Related Data

Overall client satisfaction with NTT DATA's initiatives



• Adhering to the belief that sustainable growth stems from a company's client orientation, NTT DATA conducts annual client satisfaction surveys and interviews.

• In fiscal 2013, we held interviews with 68 clients and had questionnaires for 344 personnel at 148 client companies (the response rate of 92.7%).

Number of organizations achieved CMMI* Level 3 and Level 5 in fiscal 2013

CMMI Level	Number of organizations achieved
Level 3 (Standardized processes for the organization are established and improved)	1 NTT DATA Group member, Tianjin NTT DATA
Level 5 (Organizational performance is being improved via process improvements)	1 NTT DATA Group member

* Capability Maturity Model Integration is a model created by the Software Engineering Institute, Carnegie Mellon University, that expresses the level of maturity of an organization performing system development. The model includes five levels of maturity.

Human Resources and Labor Related Data

Personnel recruitment trends

(Number of employees)

	Fiscal 2010	Fiscal 2011	Fiscal 2012		Fiscal 2013	
	nonconsolidated	nonconsolidated	nonconsolidated	Group companies in Japan	nonconsolidated	Group companies in Japan
Number of employees	9,670	10,139	10,579	22,082	10,804	21,745
Male	8,253	8,588	8,882	18,804	8,985	17,754
Female	1,417	1,551	1,697	3,278	1,819	3,991
Female managers [Ratio]	57 [3.2%]	67 [3.5%]	80 [3.9%]	154 [5.0%]	96 [4.6%]	217 [5.4%]

	Fiscal 2011	Fiscal 2012	Fiscal 2013	Fiscal 2014
New graduates (nonconsolidated)	537	534	496	475
Male	380	349	339	335
Female	157	185	157	140
Recruitment of employees with disabilities* [Employment ratio] (nonconsolidated)	205 [1.87%]	221 [1.95%]	228 [1.95%]	241 [2.02%]
Numbers of retired employees using the NTT DATA Reemployment System [Utilization ratio]	95 [54.3%]	111 [53.0%]	120 [57.14%]	105 [59.09%]
New recruitment	25	32	28	26
Continued recruitment	70	79	92	79

* The number of employees with disabilities as of June 1 of each fiscal year

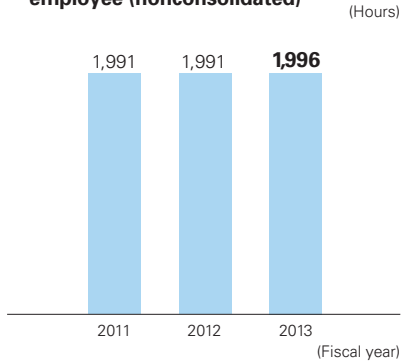
Trend in number of employees using childcare and nursing systems

(Number of employees)

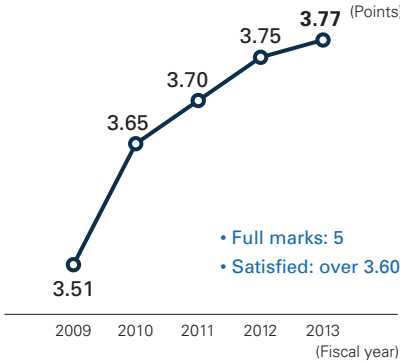
	Fiscal 2010		Fiscal 2011		Fiscal 2012		Fiscal 2013	
	Female	Male	Female	Male	Female	Male	Female	Male
Childcare leave	117 (180)	2 (6)	147 (241)	7 (13)	181 (303)	6 (11)	203 (332)	5 (12)
Shorter working hours for childcare	106 (169)	2 (2)	110 (177)	0 (2)	191 (283)	0 (1)	170 (275)	1 (6)
Nursing care leave	0 (1)	4 (6)	2 (3)	0 (4)	3 (5)	3 (9)	1 (3)	1 (5)
Shorter working hours for nursing care	0 (8)	1 (1)	0 (0)	1 (1)	0 (0)	1 (4)	0 (0)	1 (5)

* Figures in parentheses are total number of employees of 17 Group companies which have introduced internal management systems.

Trend in annual working hours per employee (nonconsolidated)



Employee satisfaction survey results



Human rights training programs in fiscal 2013

Trainings	Number of Participants
Human rights awareness workplace seminars	19,184
Position-based group training	2,610
Recruitment related training	566
Training for human rights awareness experts	180
Training for employees assigned to overseas posts	27 (10 countries)

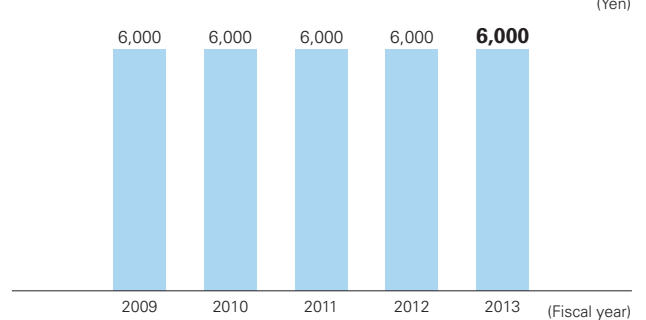
Information Security Related Data

Information security trainings offered in fiscal 2013

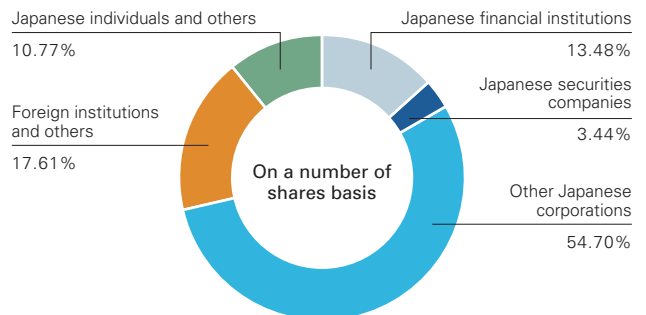
Target	Contents and Format	Number of Participants
All employees	Personal data protection (e-learning)	All employees
	Information security policy assessments (e-learning)	All officers and employees
By position	Information security lectures (classroom instruction)	Incorporated in position-based training conducted by the Human Resource Dept.
Specific projects, etc.	Workshop on proactive basic security activities (arranged by section request)	131 employees, 6 sessions
By work group	Case studies on actual near misses as a part of "Information Security ABCD Campaign"	Held at each section
Business partners and temporary staff	Personal data protection training/Information security education (e-learning)	All parties registered on our company system (201,341 persons)

Shareholder Related Data

Annual per-share dividend



Distribution of ownership among shareholders (as of March 31, 2013)

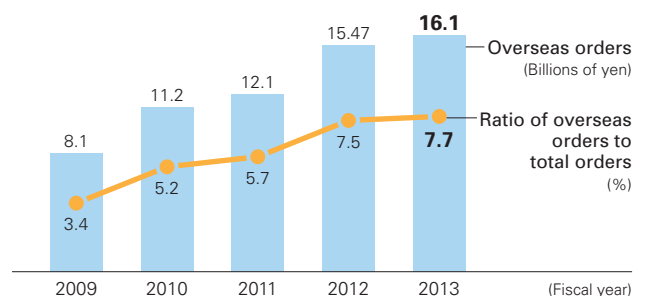


Support for training activities of key Group companies in fiscal 2013

Target	Contents and Format	Number of Participants
Group company employees and co-workers	GSP security training (e-learning)	26,129 employees, 80 companies
	Personal information protection training (e-learning)	22,995 employees, 65 companies
Personnel in charge of information security promotion	GPS internal auditor training (classroom lectures)	63 employees, 41 companies
	GPS internal auditor training (studying offline at their desks)	194 employees, 62 companies

Business Partner Related Data

Volume and ratio of overseas orders



Environment Related Data

ISO 14001-certified companies (as of March 31, 2013)

Group Integrated Certification: 26 companies	<ul style="list-style-type: none"> •NTT DATA CORPORATION •NTT DATA HOKKAIDO CORPORATION •NTT DATA TOHOKU CORPORATION •NTT DATA SHINETSU CORPORATION •NTT DATA TOKAI CORPORATION •NTT DATA HOKURIKU CORPORATION •NTT DATA KANSAI CORPORATION •NTT DATA CHUGOKU CORPORATION •NTT DATA SHIKOKU CORPORATION •NTT DATA KYUSHU CORPORATION •NTT DATA i CORPORATION •NTT DATA SYSTEM TECHNOLOGIES INC. •NTT DATA FINANCIAL CORE CORPORATION •NTT DATA FRONTIER CORPORATION •NTT DATA SMS CORPORATION •NTT DATA SOFIA CORPORATION •NTT DATA SEKISUI SYSTEMS CORPORATION •NTT DATA R CORPORATION •NTT DATA MANAGEMENT SERVICE CORPORATION •NTT DATA UNIVERSITY CORPORATION •NTT DATA BUSINESS SYSTEMS CORPORATION •NTT DATA INTELLILINK CORPORATION •NTT DATA DAICHI CORPORATION •NTT DATA CUSTOMER SERVICE CORPORATION (only for the Tokyo head office and Shikoku office) •NTT DATA INSTITUTE OF MANAGEMENT CONSULTING, INC. •NTT DATA WAVE CORPORATION
Independent Certification: 6 companies	<ul style="list-style-type: none"> •NTT DATA CCS CORPORATION •NTT DATA MSE CORPORATION •JSOL CORPORATION •NJK CORPORATION •CATS CO., LTD. •EMAS CO., LTD.

Fiscal 2013 target attainment status; and targets for fiscal 2014 onward

The numerical data below are calculated within the applicable scope of ISO 14001 certification (see pages 30 and 40) obtained by the NTT DATA Group.

Fiscal 2013 target attainment status

	Activities	Fiscal 2013 Target Attainment Status			
		Target Definitions	Fiscal 2013 Targets	Achieved	Achievement Status
Greening of clients and society	Reduce the environmental impact of society through the promotion of Green IT	Amount of CO ₂ reduction contribution	Quantitative assessment: ease of implementation, promotion of wider adoption*1	Develop hypotheses about brief assessment methods	△
		NTT Group Environmental Labeling System for Solutions certifications*2	5 assessments or more (cumulative total 18 assessments)	2 assessments (cumulative total 15 assessments)	×
Greening of the NTT DATA Group	Reduce greenhouse gas emissions	Greenhouse gas emissions (CO ₂ conversion) *3 (fiscal 2009 comparison)	11.5% or more reduction	13.5% reduction	○
	Reduce waste for final disposal	Waste for final disposal (fiscal 2009 comparison)	45% or more reduction	41% reduction	×
		Final waste disposal rate (final disposal amount/total amount of waste)	3.8% or less	4.1%	×
Reduce copy paper purchased	Copy paper purchased (fiscal 2009 comparison)	35% or more reduction	36.8% reduction	○	
Environmental contributions and communications	Participation in environmental contribution activities	Activity participants	More than 2,000 participants	2,248 participants	○

Fiscal 2014 targets, medium-term targets

	Activities	Target Definitions	Fiscal 2014 Targets	Medium-term Targets for Fiscal 2016
Greening of clients and society	Reduce the environmental impact of society through the promotion of Green IT	Simplify quantitative assessment tools	Verify hypothetical assessments	Start full application
Greening of the NTT DATA Group	Reduce greenhouse gas emissions	Greenhouse gas emissions (CO ₂ conversion) *3 (fiscal 2009 comparison)	13.7% or more reduction	14.1% or more reduction
	Reduce waste for final disposal	Waste for final disposal (fiscal 2009 comparison)	60% or more reduction	65% or more reduction
		Waste final disposal ratio: final disposal volume/total emissions	2.9% or less	2.6% or less
Reduce copy paper purchased	Copy paper purchased (fiscal 2009 comparison)	37% or more reduction	37% or more reduction	
Environmental contributions and communications	Participation in environmental contribution activities	Activity participants	More than 2,500 participants	More than 3,500 participants

*1 Our fiscal 2013 target for contributing to CO₂ reductions at our clients and in society was initially set at 1.5 million tons; however our assessed results through fiscal 2012 showed annual CO₂ reductions of more than 2.4 million tons; as a result, we revised our fiscal 2013 target.

*2 The certification number of NTT Group Environmental Labeling System for Solutions. The system quantitatively assesses the amount of CO₂ reduction and recognizes ICT solutions with a CO₂ reduction with more than 15% as environmentally friendly.

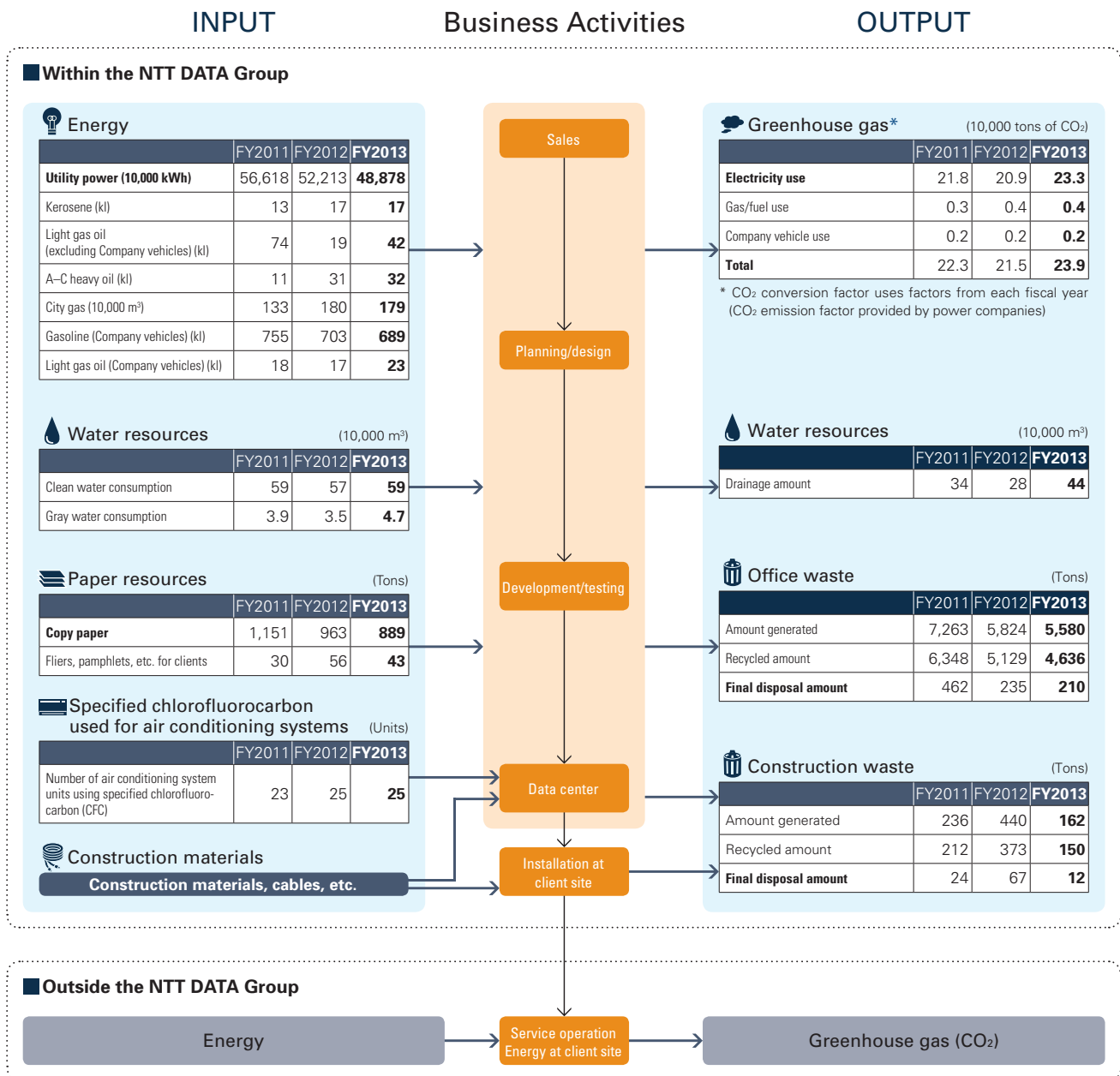
*3 The volume of electricity used is a converted value. The conversion factor is based on the fiscal 2006 emission factor (0.555 kg-CO₂/kWh).

E-learning course participants in fiscal 2013

Environmental basics	31,978
Course for waste-disposal supervisors	707
Course for environmental managers, environmental advocates, and environmental supervisors	701

■ The NTT DATA Group's environmental impact

The environmental impact of the NTT DATA Group's business activities derives chiefly from greenhouse gas emissions from energy consumption centering on electricity.



■ Scope of environmental impact measurement

Measurement period: From April 1 to March 31 of the following year

Measurement organization: Fiscal 2011 NTT DATA (all organizations), 61 Group companies (Japan only)/Fiscal 2012 NTT DATA (all organizations), 65 Group companies (Japan only)/Fiscal 2013 NTT DATA (all organizations), 64 Group companies (Japan only)

Third-party Opinion



Hiroshi Ishida
Executive Director, Caux Round Table Japan
Professor, Institute of Business and Accounting
Kwansai Gakuin University

Mr. Ishida worked at the bond dealing, planning and other sections at the Industrial Bank of Japan. He has been actively involved in the Caux Round Table Japan since October 2000 and was appointed Executive Director of the organization in 2006. Mr. Ishida is also a professor at the Institute of Professional Graduate School of Kwansai Gakuin University.

As reflected in the launch of ISO26000 in 2010, a broad range of guidelines have been established and modified in recent years in the CSR domain. Such guidelines require companies to identify material CSR issues in their business activities, and to communicate how they address those issues, including the process and progress, to society.

Against this background, it is more important than ever for companies to explain their vision and direction in a clear manner, and to carry out CSR activities that are well aligned with their business activities.

In NTT DATA's report this year, there is coherence across the existing Material CSR Challenges, the newly formulated Group Vision, and the Global Compliance Policy announced last year. Moreover, the report introduces specific initiatives for each of the Material CSR Challenges in a special feature format, which is a configuration I see as aimed at enhancing reader understanding.

I believe that a key task going forward will be to "further prioritize the Material CSR Challenges." At present, the NTT DATA reports on its Material CSR Challenges defining them as initiatives to create better paradigms from the perspectives of local communities and society, people at work, and the global environment. However, it is likely that the scope is too broad in terms of types and amount of information that could potentially be covered. For the NTT DATA Group, therefore, there is perhaps a lack of clarity regarding what are "material CSR issues." Through more proactive information gathering by using various communication channels, the Group should gain an understanding of the social issues that people are concerned about. With this comprehension, material CSR issues should be identified and prioritized through dialogue with stakeholders including those who are directly affected by corporate activities.

I would like to focus attention on the issues of long working hours and the relationship with its supply chain. In this report NTT DATA already outlined in-house measures aimed at preventing excessive working hours. However, many stakeholders tend to focus on and evaluate initiatives across the entire supply chain, rather than efforts undertaken only at the corporate level. I would recommend the NTT DATA Group consider initiatives aimed at preventing excessive working hours at partner companies as well.

If a company continues to behave in a self-righteous manner without understanding society's concerns and expectations, it could lose the trust of society and could possibly be exposed to risks. I hope that the NTT DATA Group will earn more understanding of society and maintain society's trust.



Dr. Florian Kohlbacher
Head of Business & Economics Section
German Institute for Japanese Studies (DIJ) Tokyo

Dr. Florian Kohlbacher holds both a master's degree and a doctorate from the Vienna University of Economics and Business (WU Vienna). He also studied at Kobe University and Hitotsubashi University and gained practical business experience at multinational corporations, and has held his current position since 2007. Dr. Kohlbacher's global profile includes positions as a visiting researcher at Boston College, a Fellow of the World Demographic & Ageing Forum, and a part-time professor at universities in Japan and abroad. He has authored numerous publications and his work has been published in peer-reviewed journals, and his research activities have been introduced in *NHK Close-Up Gendai* and other media in Japan and overseas.

The 21st century is an era of global megatrends. Huge and unprecedented events will have strong influences on nations, societies, economies, corporations, and individuals around the world. Against this background, we must adopt CSR activities that can address the circumstances of the world around us and respond to various problems that arise from major issues of the times, such as environmental and social challenges. I have identified four megatrends that will be highly important in our world going forward: (1) globalization, (2) increasing gravity of climate change and environmental issues, (3) ageing society, and (4) urbanization and rural depopulation.

We are facing a difficult economic environment in which the only certainty is the existence of uncertainties. Under such conditions, attaining a sustainable competitive edge requires management strategies adapted to the aforementioned megatrends, and the social responsibilities of companies must be inherent in those strategies. This is because a corporate management approach that treats management strategies and CSR as separate items will no longer be acceptable.

The NTT DATA Group is already working proactively to address the first two megatrends of globalization and the increasing seriousness of climate change and environmental issues. I strongly applaud these initiatives and hope that they will continue to be advanced. Regarding the third issue of the ageing society, although the Group is, I understand, pursuing various activities, such as universal design initiatives and promotion of diversity, I cannot find sufficient detail about these in the CSR report. As an ageing society, Japan is ahead of other nations. NTT DATA and other leading corporations in Japan should mobilize their respective strengths and become world leaders in business that addresses ageing issues. To this end, I expect NTT DATA to pursue specific initiatives that serve to unify management strategies and CSR so it can respond effectively to the problems of an ageing society, and I hope the Company will aggressively promote such initiatives both internally and externally. With respect to the fourth issue of urbanization and rural depopulation, I acknowledge efforts being made to support people in the disaster-affected regions of Tohoku, but I hope that such activities will evolve into sustained initiatives, and I urge the Company to disclose initiatives other than disaster-related support.

Based on the new Group Vision and the three values, I trust that NTT DATA will adapt to the global megatrends that concern all of its stakeholders, and that it will formulate specific strategies that serve to unify management strategies and CSR.

Response to Third-party Opinion

In the course of producing this year's CSR Report, we renewed the layout design in order to make the document easier to read and understand. At the same time, we sought to include information that reflects the diversity of our stakeholders and ensure that the report serves as an effective information tool.

With regard to this report, Mr. Ishida recognized the configuration that makes the document easier to understand with the special feature introducing social issues and our solutions in Material CSR Challenges. He also suggested the need to "further prioritize the Material Challenges" in order to clarify what are urgent CSR issues for the Group.

Dr. Florian Kohlbacher expresses his hope that NTT DATA will use its newly formulated Group Vision as a foundation for adapting to the global megatrends that concern all stakeholders, and will pursue initiatives aimed at formulating CSR strategies that are more closely unified with management.

Going forward, we will take these opinions to heart and enhance our dialog with stakeholders both internally and externally, as we pursue CSR activities that are in unison with our management strategies and strive to enhance information disclosure fully aware of the need for greater transparency and specificity.

Universal Design Considerations



This publication has received certification from the non-profit Color Universal Design Organization (CUDO) for the use of colors that are easy for most people to view, irrespective of their individual color perception abilities.

Eco ICT Mark



This logo, a symbol of the ICT Ecology Guideline Council, indicates that a telecommunications carrier has adopted appropriate CO₂ reduction measures. Companies may use the Eco ICT Mark if they evaluate their own efforts to reduce CO₂ emissions according to a checklist and publicize their efforts. NTT DATA participates in Eco ICT Mark activities.

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