

CSR Report 2014

[Highlight Version]

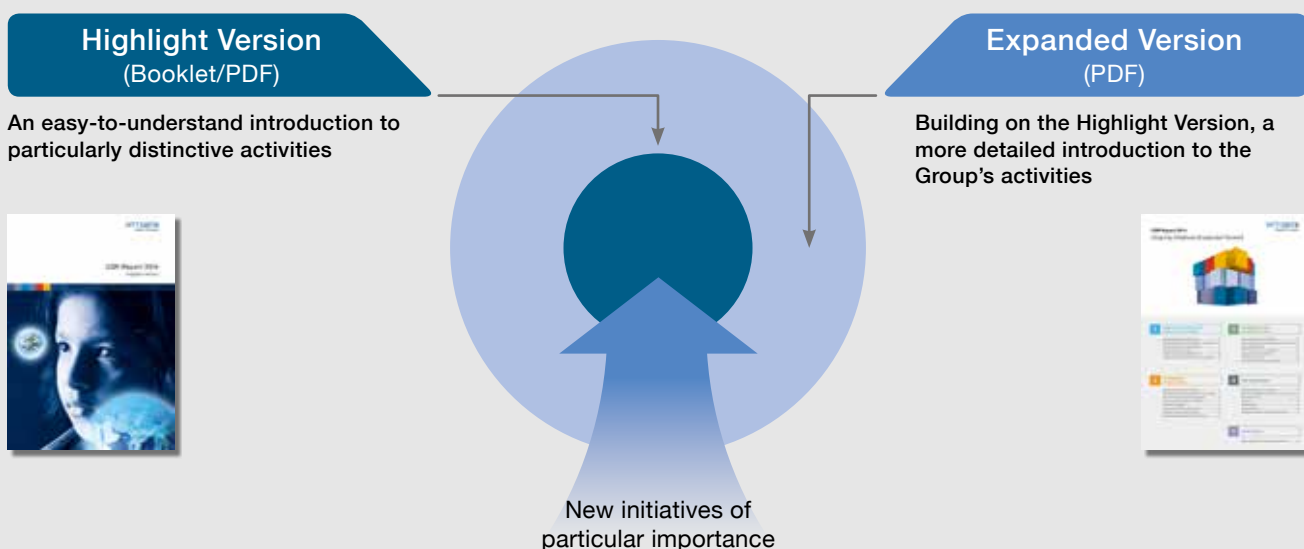


Editorial Policy

NTT DATA publishes a CSR Report each year as a part of its disclosure of information on the Company's efforts to fulfill its corporate social responsibility (CSR) and as a tool to communicate with stakeholders. This report outlines the NTT DATA Group's approach to CSR while providing details of various CSR-related activities.

This Highlight Report provides an introduction to the Group's vision and values as well as the results of activities aimed at addressing three core CSR themes in an easy-to-understand format. The Expanded Version provides in-depth information on the Group's CSR activities incorporating the perspectives of experts and professionals.

About Disclosure Media



Organizations covered

This report centers mainly on the activities of the NTT DATA Group in Japan while including details of certain activities conducted by Group companies outside Japan.

Reported activities

This report covers initiatives and the results of economic, social, and environmental protection activities conducted by the NTT DATA Corporation and Group companies.

Period of coverage

This report mainly covers initiatives undertaken in fiscal 2014 (April 1, 2013 to March 31, 2014). Details of certain activities that were conducted prior to fiscal 2014 or are planned for the future are also included in this report.

Guidelines referenced in this report

- Japan's Ministry of the Environment
Environmental Reporting Guidelines (2012)
- Global Reporting Initiative (GRI)
Sustainability Reporting Guidelines, Version 4 (G4)

Publication date

December 2014 (The CSR Report 2013 was published in December 2013; the CSR Report 2015 is scheduled for publication in December 2015)

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.
- Should any errors come to light after publication of this report, details and a table of errata will be posted on the Company's website.
- 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.

Company Data

■ Head Office

3-3 Toyosu 3-chome, Koto-ku, Tokyo 135-6033, Japan

■ Established

May 23, 1988

■ Common Stock

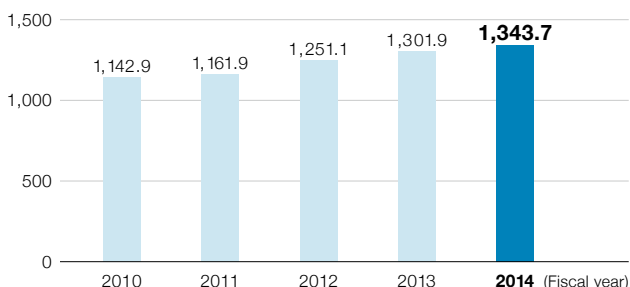
¥142,520 million

■ Fiscal Year

April 1 of to March 31 of the following year

■ Consolidated Net Sales

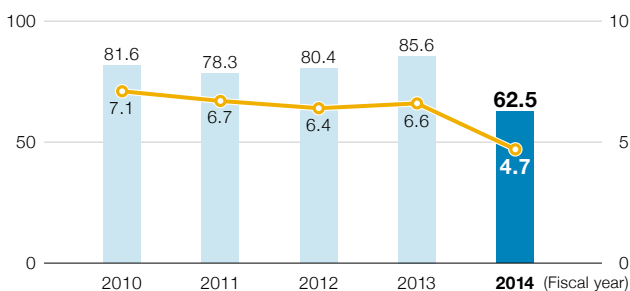
(Billions of yen)



■ Consolidated Operating Income/ Operating Income Margin

(Billions of yen)

(%)



■ Consolidated operating income (left)

—○— Consolidated operating income margin (right)

■ Consolidated Number of Employees*

(Number of employees)



* Including people seconded to the NTT DATA Group, but not including those seconded from the Group.

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Our Way

Our Mission and Solutions

Data and Information

Third-party Opinion

Making a difference to society and people's lives through information technology—With our eyes set on the second stage of globalization, the NTT DATA Group strives to take a leap forward by undertaking various challenges.

Fiscal 2014: Contributed to Solving Various Society-wide Issues

Over recent years, the world has seen a growing rise of companies applying business knowledge to solving society-wide issues. In response, we continuously keep challenging ourselves to leverage leading-edge technology to create products and services together with our clients to help shape a sustainable information-based society.

In fiscal 2014, we rolled out a large number of projects aimed at solving societal challenges worldwide. “Emergency Medical Information System” is one example; NTT DATA developed this system with cloud computing technology that enables advanced collaborative information sharing in emergency medical situations. Also, we started to offer globally PANADES™, a flight procedure design system based on international standards; a system developed using our extensive expertise and experience through past system development projects. Other examples included an electricity demand forecast system that harnesses Big Data to make it easier to manage energy. Furthermore, as widely covered by media around the world, we took part in the Digital Archiving Project and contributed to the preservation of the cultural heritage of the Vatican.

Another key area for us is how we engage with employees, clients and partners. In this regard, we work vigorously to ensure that we have in place a robust framework that supports ethical activity both inside and outside the Company in the future. In fiscal 2014, we took various steps for the greater good of our stakeholders to create a workplace that respects diversity and builds mutually beneficial relationships with our business partners.

Responsible Business Practices Across the World as per Our Group Vision and Guidelines

Last year, NTT DATA launched its Group Vision of being a Global IT Innovator along with three core values, namely, “Clients First,” “Foresight,” and “Teamwork.” Also, we rolled out our “Global Compliance Policy” providing overall action guidelines in terms of ethical standards. NTT DATA has positioned these as basic principles in the way we conduct business, ensuring that employees practice them in their day-to-day business activities, and in so doing, we continually contribute to a sustainable society.

Given that 2014 marks the second year for the Group Vision, it will become even more important to accelerate cross-border initiatives going forward. Since sharing the spirit of “One NTT DATA” is of such importance, we set aside the week of 23 May, the anniversary of our foundation, as “Values Week” and held workshops in more than 40 cities across 20 countries including Japan. The workshops offered an open discussion opportunity for over 3,000 colleagues to explore how our values can help them make better choices and decisions. We consider this to be one of the key initiatives for our employees worldwide to internalize, share, and live by a common philosophy.



Global Evolution of Our CSR Activities, as We Move Toward the Second Stage of Globalization

Our operations now encompass 175 cities across 41 countries and regions worldwide (as of March 2014) with a total number of approximately 75,000 employees, around 42,000 of which work outside Japan. We now have in place a robust foundation to serve the needs of our global clients and we will continuously evolve our activities to become more globalized as we elevate NTT DATA to the next level. As communications with our stakeholders in Japan and overseas have broadened widely across the world through our local operations, we are now in a position to also evolve how we handle our approach to CSR.

Our slogan, “Our Way,” will be a guiding principle of the Company’s CSR, as we continue to build out our global company, drive IT evolution further, and continuously support clients. By adhering to this principle, we hope to contribute to creating a better, more sustainable society.

Toshio Iwamoto

President and Chief Executive Officer

A handwritten signature in black ink that reads "Toshio Iwamoto". The signature is written in a cursive style and is enclosed within a thin, hand-drawn oval.

Who We Are

We Aim to Prosper with Society

We aim to constantly evolve, support communities, and grow alongside society. The NTT DATA Group's re-marketing, which creates new markets sensitive to our changing world, continues to expand business domains.

An Ever-expanding Business Domain



Public Sector
Big data and cloud computing to support local communities



Education
Technology for new learning environments



Transportation and Logistics
Improving organizations and processes to take transportation and logistics forward



Healthcare and Life Sciences
Activating databases for improved healthcare services



Energy and Utilities
Generating dynamic environments while maintaining your competitive advantage



Wholesale and Distribution
Services to support wholesale business evolution



Banking and Financial Services
Reliable and advanced systems are the foundation of client trust



Natural Resources
Supply chain expertise to conquer new challenges



Retail
Improving efficiency and stimulating online sales



Insurance
Expertise and creativity for leading insurance management systems



Manufacturing
Greater efficiency for manufacturing process systems



Service Providers
Capturing opportunities in the rapidly changing service industry



Telecommunications
Communications to create new opportunities and client connections



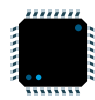
Automotive
Technologies and systems driving the automotive industry



Fundamental Technologies
Cloud computing to transform data into a powerful business resource



Media and Entertainment
IT solutions for new media business creation



Electronics and High Tech
Optimizing technical development, manufacturing, and management operations



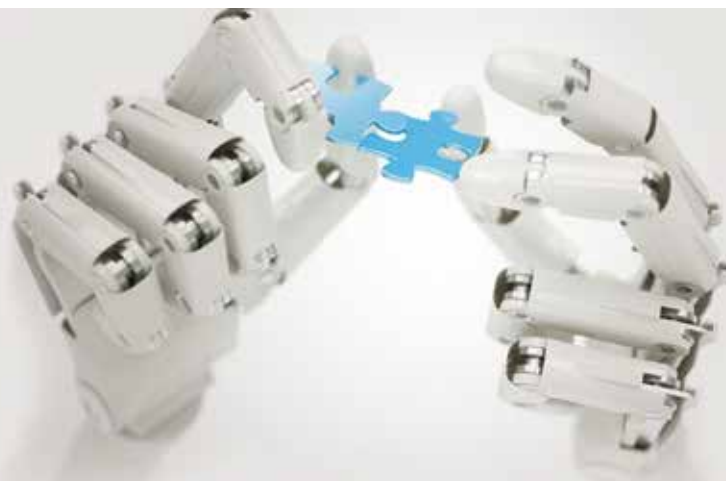
Consumer Products
Online and mobile innovations for products development

Aiming for Continuous Growth as a Leading IT Service Provider in Japan

One of our most important issues is to continuously grow as a company while contributing to society through our business activities. Amid globalization of the world economy, the NTT DATA Group is developing operations in the IT services market.

[Medium-term Management Plan]

Sales target: ¥1.5 trillion (Global Top 5) EPS: ¥200



We Pursue Our Vision

Our Long-term Vision: Envisioning the Future

We must continue to evolve in order to contribute to a changing world. Based on Global IT Innovator, the Group Vision of ourselves in 10 years that we unveiled in May 2013, we will continue to take on new challenges toward achieving the Global 2nd Stage.

Group Vision ▶▶▶ Global IT Innovator

- We realize the dreams of our clients around the world through long-term relationships.
- We develop evolving ecosystems with our clients through leading-edge technologies.
- We enhance our creativity by respecting diversity.

An Expanding Global Business Structure for Realizing Our Vision

(March 2014)

- We support the worldwide operations of global corporations.
- We provide services optimized for the global stage using our worldwide network of offices.
- We develop overseas and regional social infrastructure systems based on our extensive experience in Japan.



Around **75,000*** deployed in
175 cities in **41** countries and
regions worldwide

* figures for cities and countries/regions exclude Japan, but figure for staff includes Japan

	Number of bases*	Employees
Europe, the Middle East	78 cities	Around 13,500
Asia Pacific	24 cities	Around 10,500
China	13 cities	Around 4,000
Americas	60 cities	Around 14,000

* Excluding Japan

By Sharing Solid Values

Our Values for a Global One NTT DATA to Realize Our Vision

It is vital that each and every employee shares our set of values. Toward realizing our Group Vision, we unify our efforts as a Global One NTT DATA in accordance with this set of cherished values.

Values

»» Clients First

First, and above all else, we place the needs of our clients. We work continuously to understand your business and we strive to resolve every concern to your satisfaction. We feel responsibility to ensure your success and we let this obligation set the direction of our work and guide our actions.

Our website introduces some case samples of our values for putting Clients First.



Customer example:

<http://www.nttdata.com/global/en/industries/index.html>

»» Foresight

We never settle for the status quo. Instead, with speed and foresight, we anticipate challenges that lay ahead. We consider the future of IT as well as the future of your business, work to enhance our ability to picture the future, and with our ecosystems, adapt to the changing business environment. In this way, we help you to meet your goals and create a brighter future for society.

With an eye on the future, we published Technology Foresight as an expression of our accumulated wisdom.



Technology Foresight

<http://www.nttdata.com/global/en/about/foresight/sp/index.html?m=f4>

»» Teamwork

We put great importance on enabling our employees to achieve their best through their work with each other. We believe that when a diverse group of individuals brings their unique world views together, shares their wisdom, and works toward a common goal, the results are extraordinary and far beyond what can be achieved by any one person.

NTT DATA One Song – Shine like the sun –



<http://www.nttdata.com/global/en/about/corporate/one-song/index.html>

In Business Fields

As our Values permeate our places of work and business, positive outcomes are generated.

CASE

Clients First

We create Emergency Medical Information Systems that address emergency healthcare needs.



Special Feature ▶ P.15

Foresight

We take advantage of big data to solve worsening problems with electricity supply.



Special Feature ▶ P.23

Teamwork

Respecting diversity, we strive to create comfortable working environments.



Special Feature ▶ P.19

Our Fundamental Principles

Our Mission and Code of Conduct

As a company needed by society, managers and employees at NTT DATA always think about the proper course of action, strive to improve their behavior, and transform business for the better.

Mission Statement

NTT DATA uses information technology to create new paradigms and values, which help contribute to a more affluent and harmonious society.

Employee Creed

1. We will do our utmost to serve our customers.
2. We will meet the challenges of our work with an active and positive spirit.
3. We will create a vital and vibrant company.

Global Compliance Policy (Preamble)

To Be a Trusted Company

Trust by customers, shareholders, suppliers and the societies is indispensable for a company to sustainably grow. A company can be trusted upon by being aware of its social responsibility (“CSR”) and by fulfilling the expectation of, and enhancing the satisfaction of, customers and other stakeholders through good dialogues.

We also believe that it is fundamental to gain trust not only by complying with laws, regulations and agreements but also by respecting various international norms, including human rights, acting with good moral and integrity, and performing fair and transparent business activities.

Furthermore, our mission is to create new “mechanisms” and “values” with IT and to materialize more affluent and harmonious societies, and we aim to resolve the issues that the earth and societies are facing.

With these in mind, everyone at NTT DATA will act in accordance with this “Global Compliance Policy” and we all do our utmost to be a trusted company.

* The full text of the Group’s Global Compliance Policy is provided on the following website.



Global Compliance Policy

<http://www.nttdata.com/global/en/about/corporate/mission/policy.html>

Create a Better Future

Promoting Our Way and CSR as a Unified Group

Ensuring stable business growth in a manner that helps to build a sustainable society is one of our key management priorities. Based on this priority and Our Way of approaching CSR, the NTT DATA Group takes a unified stance on advancing CSR.

CSR in the NTT DATA Group



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

The NTT Group CSR Charter

The 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.



The NTT Group CSR Charter 
http://www.ntt.co.jp/csr_e/csr_policy.html

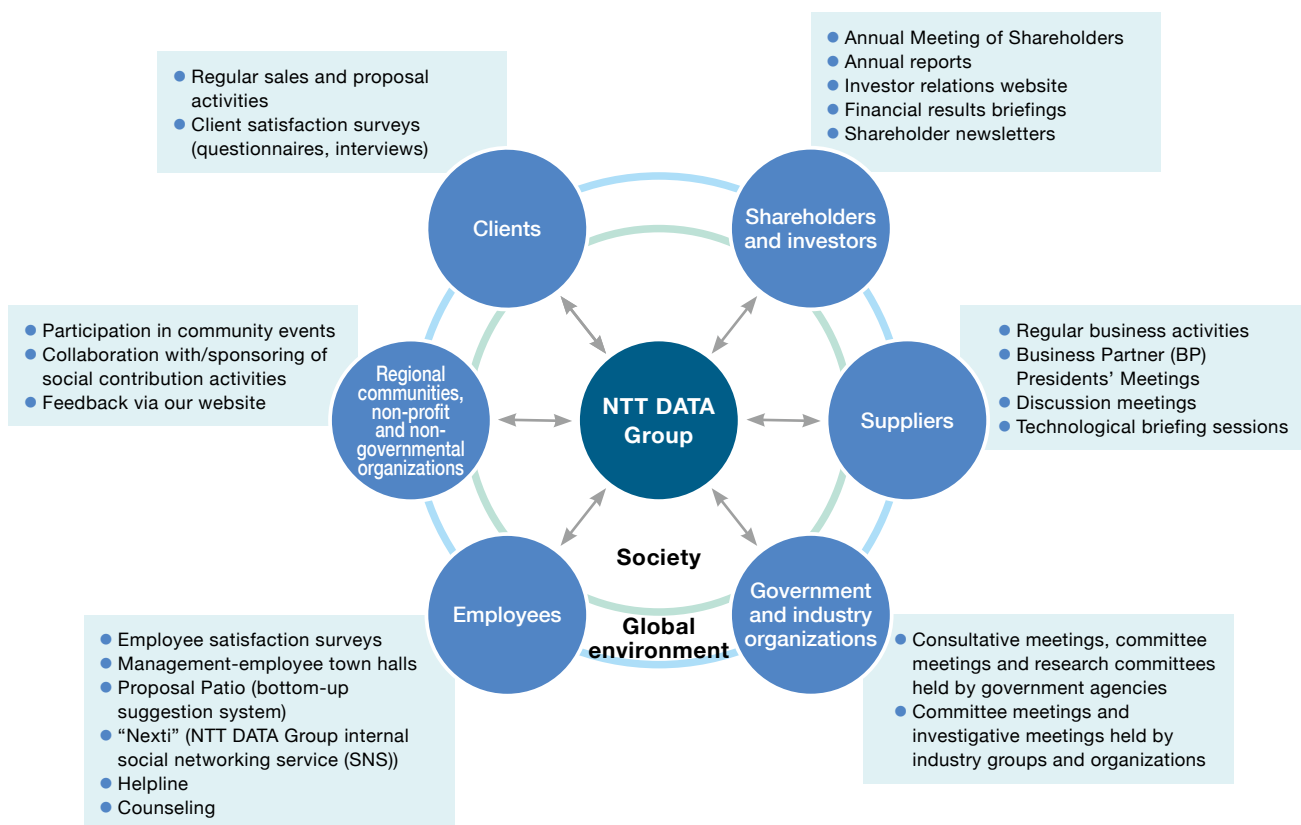


Together with Stakeholders

Remaining Sensitive to Stakeholders' Needs

In business, there are always opportunities to engage with stakeholders in dialog and make improvements based on these conversations. We value the conversations we have on a daily basis, and instill within the Group our commitment to our stakeholders.

Key Opportunities for Dialog with Stakeholders



Stakeholders' Opinions in Our CSR Report

Every year, the NTT DATA Group conducts a CSR Report Questionnaire of directors and employees at Group companies in Japan. This initiative is used to broaden understanding toward CSR, 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 closely with our overseas operations.

Utilizing IT to Support Air Network Safety in Many Countries

A flight route is a “highway in the sky” around an airfield that has been set up to enable all aircraft to land and take off in a safe and precise manner. Calculating and setting up a flight route with absolute accuracy, represents a significant challenge, and has a major bearing on the reliability and efficiency of an airfield.

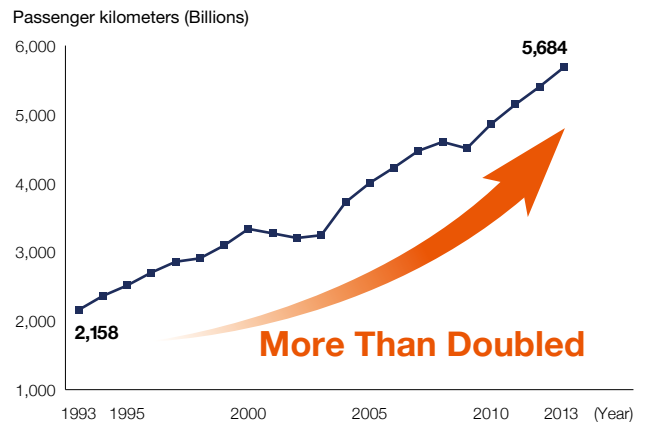


Air Transport Networks Represent the Arteries of the Global Economy

Amid the ongoing development of the world's countries and the globalization of economic activity, the air transport networks that underpin the movement of people and goods are still continuing to expand as the arteries of the global economy. As a result, global total passenger air transport has more than doubled, from around 2.16 trillion kilometers in 1993 to 5.68 trillion kilometers in 2013.

Global Passenger Traffic Has More Than Doubled in 20 Years

■ Trends in Global Passenger Air Transport

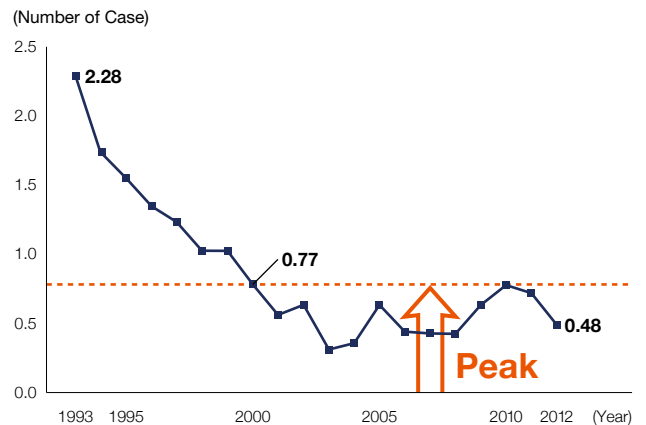


Safe, Efficient Air Traffic Control an Unrelenting Challenge

Amid the development of air transport networks, efforts to keep the skies safe are becoming increasingly complex. Allowing aircraft to take off and land, airfield air traffic control is a particularly critical task from the aspects of both air transport safety and efficiency, and the opportunities to assist by using IT are expanding.

As Regards Fatal Aviation Accidents, Improvements in Safety Enhancements Have Peaked

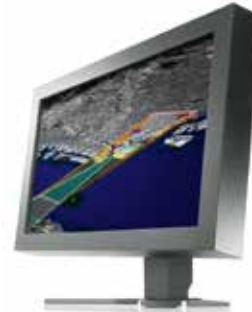
■ Number of Fatalities per Million Flights



Source: Both of the above graphs were compiled using information extracted from the 2013 edition of the Civil Aviation Organization Data Collection issued by the Japan Aircraft Development Corporation (JADC).

Expanding Our Flight Procedure Design System, Contributing to Safety Across the World's Skies

Better paradigms for safety in the world's skies

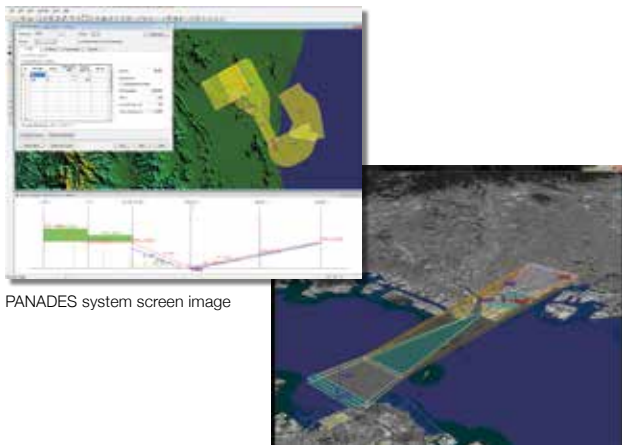


PANADES™: Aiding Complex Flight Procedure Design Work through World-Class, Extensive Automation

Representing the knowledge that NTT DATA has amassed in the field of air traffic control systems over many years, the PANADES™ flight procedure design system is based on the international standards stipulated by the International Civil Aviation Organization (ICAO*).

When designing a flight procedure, it is vital to incorporate the attributes of each aircraft as well as a variety of flight conditions into such parameters as topography, artificial obstacles, and the weather. Previously, calculating the procedures that would satisfy all these parameters required a great deal of time and effort. In the case of PANADES, the majority of these calculations are automated using a proprietary NTT DATA system. For this reason, PANADES has enabled the setting of highly reliable flight procedures to be carried out more quickly.

* PANADES is a registered community trademark in Japan, Indonesia, Thailand, Vietnam, and Europe.



PANADES system screen image

Since its launch in 2010, PANADES has not only been installed in Japan but also overseas. Having been first introduced in Thailand and then in Indonesia, Vietnam, Laos, and Myanmar, PANADES is helping to ensure people's safety on the highways in the sky over many countries, particularly in Asia.



Engagement for Tomorrow

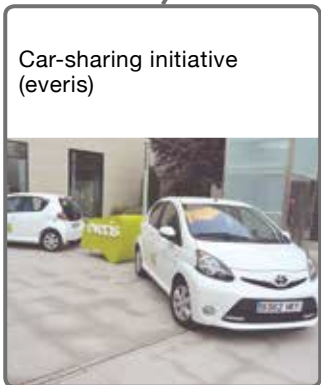
Taking Our Efforts to Assist Air Safety to New Levels

Up to now, orders for PANADES have been received from five Asian countries, but for the second stage we are expanding the area of our activity and focusing sales on Europe and the Middle East. Leveraging the experience we have gained through our activities with PANADES, we are looking to make inroads into new fields in the air traffic control market in fiscal 2015.



No. 1 Public Systems Division
(From left) Kanako Nihira, Hiromi Okumura, Mizuki Asaba

GLOBAL ACTIVITIES



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As a global corporate entity, the NTT DATA Group continues to engage in a variety of activities that contribute to the realization of better societies across the world. There are clear indications that these endeavors are bearing fruit.

NTT DATA and the Institute of Software, Chinese Academy of Sciences (ISCAS) start joint research in the traffic field



Holding Global Volunteer Week (NTT DATA, Inc.)



Implementation of bridge monitoring system in Vietnam



Undertaking of Smart Community and other business feasibility studies in global markets

Implementation of social contribution activities that deliver picture books to children in other countries



Active participation in the REDD Project that goes beyond the Kyoto Protocol framework



NTT DATA was the first Japanese company to join the Asian Payment Network*



Strengthening of systems that provide global software test services*

* Deployed at multiple locations

For more global activity content, please refer to the Expanded Version of our CSR Report 2014

CSR Report website:
<http://www.nttdata.com/global/en/csr/report/index.html>



Using IT to Support Emergency Medical Care Communication

“To which hospital?” “What is the patient’s condition? On the emergency frontline, where every second counts, enabling fast and accurate communication between emergency units and hospitals is essential.



In an Aging Society, the Development of Emergency Systems is Gaining in Importance



In Japan, the population is continuing to age. Under these circumstances, in everyday life the chances that someone will have to be rushed to hospital due, for example, to them suddenly feeling unwell are increasing. In preparation for these “what if” situations, maintaining and improving the emergency transportation system is a critical issue when considering the safety and security of Japanese society.

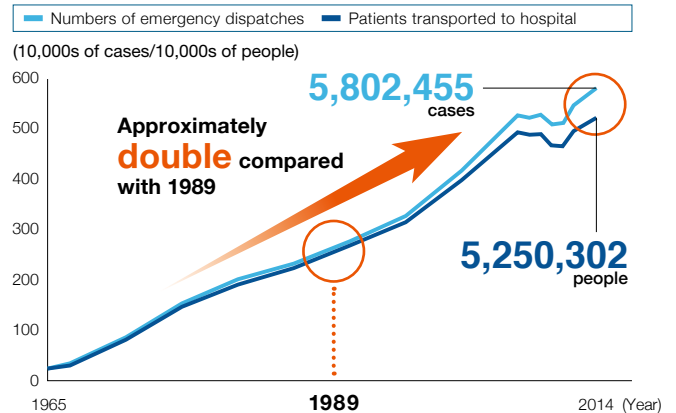
Deep-rooted Problems. Growing Expectations toward IT



If you look at the emergency medical services frontline, the matters to be addressed—not only by emergency personnel but also by the receiving doctors—are diversifying due to the increasing sophistication of the medical field. There are, however, limits to the “bearers of medicine,” in terms of both facilities and staff. The frontline realities of facing a variety of difficulties on a daily basis is said to be shown in the increase in “hospital admission times,” the amount of time needed for transportation to reach a hospital in the event of an emergency.

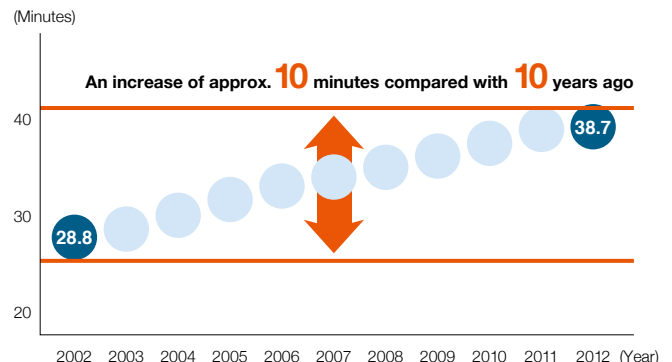
A Growing Number of Cases Requiring Transportation to Hospitals by Ambulance

Trends in the Number of Emergency Dispatches and Patients Transported to Hospital



Ongoing Increase in the Time Taken to Reach Hospital

Trends in the Time Taken to Reach Hospital



Source: Both of the above graphs were compiled using information extracted from the 2013 edition of the Status Report on Emergency/Rescue Services issued by the Fire and Disaster Management Agency.

Assisting at the Medical Frontline with Emergency Medical Information Systems

Better paradigms for smoother emergency medical services



Emergency Medical Information Systems are Revolutionizing Communications at the Emergency Frontline and Contributing to a System that can Admit Patients to Hospital in the Shortest Possible Timeframe



In the emergency medical service field, we are seeing an upswing in the use of IT systems that help share information on patient admissions at each hospital. However, data regarding admission acceptance and refusal at each medical institution is not always recorded in an appropriate manner and there are cases that indicate improper use.

So NTT DATA took advantage of the change in data inputting entity from medical institutions to emergency personnel and revamped the emergency medical service information system.

Specifically, steps were taken to improve the system by having emergency personnel input two types of information: transport performance and data on the ill or injured party based on observations.

In the case of the first type of information, transport performance, emergency personnel record the name of the medical institution to which the injured or sick person is taken by smartphone. This information is seen by all relevant parties in the prefecture reducing the incidence of the injured or sick individual being transported from one hospital to another seeking admission.

In the case of the second type of information, gained from observing and monitoring the sick or injured person, emergency personnel electronically record handwritten information using a digital pen. By enabling medical institutions to view this recorded information, preparations can be made in advance to provide prompt medical treatment.

In this manner, emergency medical information systems are helping to revolutionize communication at the emergency frontline.



Engagement for Tomorrow

Expectations toward Emergency Medical Information Systems

Adopted for the first time in Kagawa Prefecture in 2012, the system has been highly rated by people involved in emergency medical services. As a result, use of the system within the prefecture stands at 100%.

Improving emergency medical information systems is a common concern in prefectures throughout Japan. We have thus received substantial inquiries. With the aim of delivering increasingly safe and reliable emergency medical services, we are accelerating the pace at which we pursue improvements in cooperation with people working at the emergency medical service frontline.

Digitization of Notes from Observing Sick or Injured Person (Representation)

Item	Content
Type of accident	General injury
Gender	Male
Facial appearance/expression	Pale
Skin/body temperature	Cold sweat
Vomiting/incontinence	Vomiting

Steps are being taken to digitize the taking of notes based on patient observation without changing the existing system of taking notes by hand



No. 2 Management Department, Healthcare Division
(From left) Kenji Yahagi, Koichiro Hama, Daijiro Mishima

Paradigms for Society and Regional Communities

Approach Adopted by the NTT DATA Group

At the present time, as business becomes ever more global and IT continues to evolve, the needs that companies ask us to meet are becoming more diverse. Responding to those needs requires us to constantly hone our powers of foresight and create new mechanisms that are of benefit to society.

Recognizing the critical importance of providing its clients with safe and secure services, the NTT DATA Group has been actively facilitating the supply of, for example, highly reliable as well as people-friendly systems, thereby contributing to the development of society.

Through these efforts, we will create new businesses that will nimbly pick up on changes in the world and expand our business domains, while helping to resolve wide-ranging social issues.

Looking ahead, we will bring innovation to fruition in cooperation with our clients and use IT to provide mechanisms that are beneficial to both larger society and regional communities.

Initiatives of Particular Importance in Fiscal 2014

1 Developing Systems that are Safe and Secure

The bringing to fruition of systems and services that offer round-the-clock, year-round stability is positioned as a key responsibility and forms the basis for providing services to our clients. In realizing a social infrastructure that people feel safe and secure to use, the entire NTT DATA Group is engaged in, for example, the gaining of certification under quality management standards and the standardization of development and management methods. The Group is facilitating the provision of services that are geared to raising system reliability.

[Establishment of the Forensic Laboratory to Scientifically Analyze Evidence of Unauthorized System Entry](#)

P18



2 Developing People-friendly Systems

Drawing on our leading-edge technical capabilities, one subject area that we have been working on for many years is contributing toward building a society in which everyone can live comfortably. In addition to adopting a user perspective that takes into account accessibility and usability while facilitating the provision of services designed for ease of use, we adopt a Clients First perspective and work to improve client satisfaction.

[Promoting Improvement through Interviews and Questionnaires](#)
Expanded Version



3 Contributing to Regional Communities and Society as a Whole

Important issues for NTT DATA are providing solutions that allow it to resolve social issues and fulfill its responsibilities as a corporate citizen. Proposing leading-edge solutions and adopting a global perspective, the Company is actively engaged in development not only in Japan but also in other countries.

[CASE 02: Assisting at the Medical Frontline with Emergency Medical Information Systems](#)

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[Various Activities Centered on the Consortium for Applied Neuroscience \(CAN\)](#)

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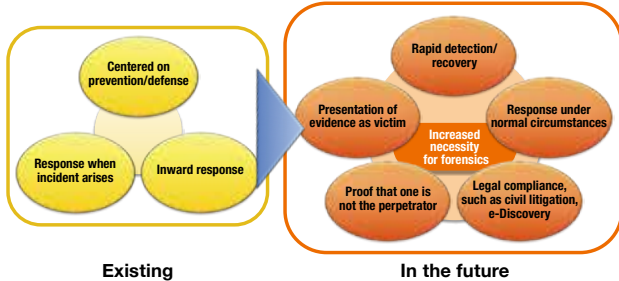
Establishment of the Forensic Laboratory to Scientifically Analyze Evidence of Unauthorized System Entry

In recent years, cyber-attack methods have become increasingly sophisticated. Frequently the result of internal crime that utilizes legitimate access rights, these attacks are causing widespread damage to society. Furthermore, against the backdrop of attacks that are becoming ever larger in scale, cases that serve as a stepping stone to insidiously attack others are becoming a frequent occurrence.

Centered on its Computer Security Incident Response Team (CSIRT), the NTT DATA Group has taken steps to provide its clients with IT system operations and monitoring as well as rapid countermeasures to help provide an appropriate response should such an incident occur. In 2013, the newly established Forensic* Laboratory took these efforts one step further. In addition to analyzing the modus operandi of any attack, preserving any evidence, preventing a recurrence, and helping in recovery efforts following damage, the Group has started to accumulate analysis techniques that will assist in promoting accountability to society as well as legal compliance.

* Forensics (digital forensics): When a security incident, legal dispute, or litigation occurs, forensics refers to the gathering of electronic evidence relating to any wrongdoing. It also encompasses the scientific investigation methods and techniques required to handle such evidence, for example in a court of law.

Changes in the Security Environment Surrounding Companies



Forensic Laboratory Activities

1. Evidence Preservation/Collection/Analysis Methods, Development of Techniques and Tools

Collection of electronic trails left by cyber-attacks, development of scientific research methods and techniques to treat such trails as evidence, for example in a court of law

2. Securing of Legal Proof, Investigative Research for Proof Disclosure Requests

Based on precedents in Japan and other countries, study mechanisms to secure proof that make legal sense

Key Achievement

Using state-of-the-art scientific study to identify cybercrimes and preserve evidence

Provide comprehensive security, from the minimizing of damage to after-the-fact legal compliance

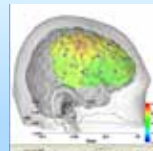
Various Activities Centered on the Consortium for Applied Neuroscience (CAN)

Recognized as the primary organ that governs human emotion and thought, the brain has been a focus of study since time immemorial. Particularly in recent years, the evolution of information processing, measuring and other technologies has enabled the visualization of the brain while also leading to dramatic progress in research into the mind.

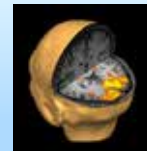
In response to these developments, NTT Data Institute of Management Consulting, Inc. presides over the Consortium for Applied Neuroscience (CAN), creates industry-academia forums through which neuroscience and psychology research scholars, active at the forefront of their respective fields, jointly conduct R&D with companies, and facilitates the industrial applications of neuroscience. For example, taking such human traits as preference and memory, and their relationship with marketing, CAN is continuing to confront wide-ranging challenges while achieving results. By having CAN's Neuro Preference Research Group clarify systems through physiological experiments and brain measurements, and monitoring human stress and emotions by studying the relationship between brain activity and hormones, CAN sponsored the "Comfortable Brain Research Group" with the aim of revolutionizing product evaluation and development methods.

What We Mean by Applied Brain Science

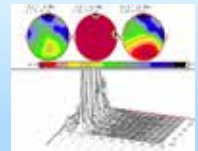
Advances in brain visualization techniques, a fundamental technology



Brain analysis image by NIRS (Photo courtesy of Shimadzu Corporation)



Brain analysis image by fMRI (Photo courtesy of ATR-Promotions, Inc.)



Brain analysis image by EEG (Photo courtesy of Brain Functions Laboratory, Inc.)

Graphics are images

Develop research related to mental activity, including cognitive, behavioral, memory, thought, and volition activity

Combine with a variety of fields of research, including economics, sociology, physiology, and cognitive psychology

In addition to medical and welfare fields, expand applied neuroscience research into economic and industrial fields

Key Achievement

Understanding the human mind and subconscious decision making through state-of-the-art neuroscience

Confronting the challenges of creating a spiritually rich and interactive future society

Taking the Lead in Shaping Japanese Society by Creating Workplaces that Help Women to Excel

Amid the progress being made in countries throughout the world in creating mechanisms that leverage diversity, supporting more women to take active roles in business and society is also an area of considerable focus as one of several growth strategies in Japan. To facilitate this effort, creating comfortable workplace environments that respect diversity is an important issue.

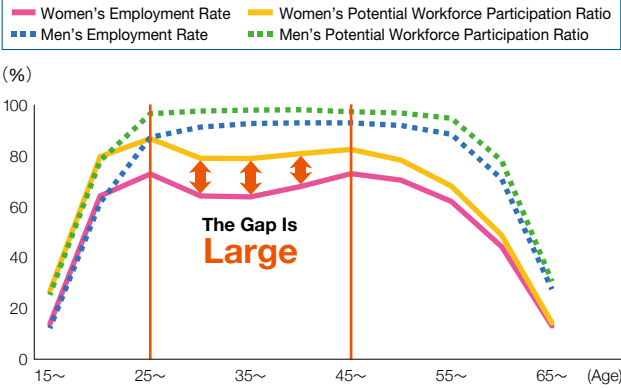


A Substantial Gap in the Opportunities for Women to Work at the Prime of Their Lives

Many years have now passed since the active utilization of women was first identified as an issue in Japanese society. Against the vast pool of women with the potential to work, however, the gap in the number of working women remains as large as ever. Looking at these statistics, this gap is increasing especially for women in the prime years of their 30s and 40s.

Looking at Women in the Prime of Their Lives, There is a Substantial Gap between the Potential Workforce Participation and Employment Ratios

■ Employment Rate by Age Group and Potential Workforce Participation Ratio



Source: Compiled using information from the Status Report on Working Women, 2011 edition issued by Japan's Ministry of Health, Labour and Welfare

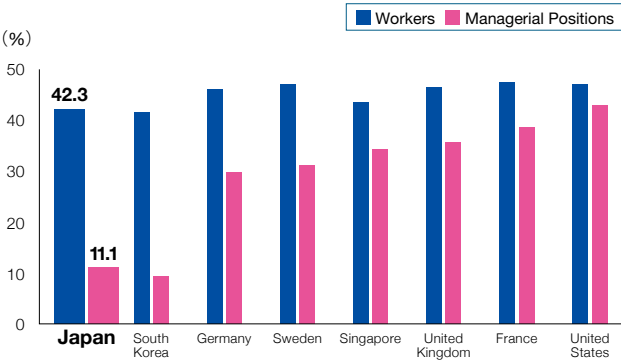


The Ratio of Women in Managerial Positions in Japan Remains Low

Improving the ratio of women managers is recognized as a key diversity benchmark initiative all over the world. In this respect, and when compared with other principal countries, Japan's ratio of women managers reportedly remains low. Expectations are high that the corporate sector will engage in proactive efforts in order to change this persistent trend within the workplace.

The Ratio of Women in Managerial Positions in Japan Remains Low

■ Ratios of Women in Non-managerial and Managerial Positions



Source: Compiled using information from the 2013 White Paper on Gender Equality issued by Japan's Gender Equality Bureau Cabinet Office

Toward the Active Participation of Diverse Human Resources: Promoting Workplaces where All Employees Can Work with Vitality

Better paradigms for diverse human resources to work with vitality



With the Diversity Promotion Office Playing a Central Role, Putting in Place Mechanisms that Support the Success of Women in the Workplace

NTT DATA established the Diversity Promotion Office in fiscal 2009 and has been facilitating Diversity & Inclusion (D&I) by promoting both workplaces that allow a variety of human resources to excel and changing the way in which D&I is undertaken. The creation of workplaces where women can work with ease is the first step on the way toward the advancement of diverse human resources. As a key point in anticipation of a decrease in the working population in Japan, NTT DATA is focusing on this area. Specifically, and in addition to an enhanced system that includes shorter working hours and childcare leave, the Company developed a system of support that better balances childcare/nursing care and work concerns in fiscal 2013. This support involved education and the setting up of in-house child care facilities aimed at encouraging women to establish a more entrenched position for themselves within the workforce. At the present time, the Company is working to upgrade and expand its pipeline of initiatives, such as the implementation

of career development seminars that target all women employees at the level of leader or higher, with a view to supporting women to genuinely succeed in the workplace. At the same time, the Company is focusing on changing the manner in which work is undertaken as a prerequisite for the active participation of diverse human resources, and is making progress with the adoption of flexible ways of working by expanding the introduction of, for example, a discretionary labor system and teleworking.



Engagement for Tomorrow

Looking Ahead to Mechanisms as a Global Company That Takes Appraisals to Heart

Based on external appraisals, the Company's initiatives ranked in the Diversity Management Selection 100 chosen by Japan's Ministry of Economy, Trade and Industry in 2013 and in 2014, won the Basic Achievement Grand Prize at the 2014 J-Win Diversity Awards (Company Awards) sponsored by the Japan Women's Innovative Network (J-Win), an NPO. There is a keen sense of society's expectations in these appraisals, and as we leverage our employees' diversity throughout the world and continue to take on more challenges and grow, we will contribute to the sustainable development of our clients as a Global IT Innovator.



At the 2014 J-Win Diversity Awards ceremony (March 7, 2014)

NTT DATA's D&I Initiatives



Promoting initiatives that support the success of diverse human resources	Secure for women employees a more established role within the workforce Conduct workshops and introduce role models	Promote the success of women employees in the workplace Improve the ratio of women in managerial positions and the promotion of women executives
	Set up and commence childcare facility operations Upgrade and expand support that helps to balance childcare and work concerns	Expand use of childcare facilities Promote early reinstatement of support following childcare leave
	Coordinate with new graduate hiring activities Improve NTT DATA's presence	Enhance external information and secure human resources Recruit talented women employees
Promoting changes in the way work is undertaken	Examine/introduce work programs Introduce discretionary labor system and teleworking	Pursue flexible employment systems Expand introduction coverage of employment systems
	Introduce restricted work-hour systems Prepare for and provide balanced support for nursing care	Respond to ways of working that have constraints Revise employee awareness and behavior
	Revise preconceptions among those in managerial positions Educate through level-based training	Facilitate the reduction in total working hours Implement management evaluations
	Accept global working methods Coordinate support with overseas Group companies	Respond to global ways of working Coordinate support with overseas Group companies and collaborate with global HR
Employee surveys	Undertake continuous monitoring by conducting surveys over the course of the year	

Paradigms for People at Work

Approach Adopted by the NTT DATA Group

As a company, our key issues are the need to change our existing ways of thinking and habits and to diversify our human resources to meet the needs of our global clients.

Moving toward the active participation of diverse human resources, the NTT DATA Group is aiming to create workplaces that will be second to none in Japan by means of a range of initiatives from the Diversity Promotion Office. We are focusing not only on the active participation of diverse human resources, but also on changing our way of thinking, as a prerequisite to raising our global competitiveness and to steadily grow. In particular, past ways of thinking will not be approved of, and we will be aiming for ways of working with greater flexibility in terms of time and space that are valid globally.

Now that not only employees, but also the business partners with whom we work will be diversifying, it will also be necessary to revise preconceptions to enable flexible responses to different values and ways of working.

In the years to come, we will be aiming for global-scale mechanisms that are beneficial for working people.

Initiatives of Particular Importance in Fiscal 2014

1 Hiring, Promoting and Nurturing Human Resources

In addition to fostering employees with high market value in keeping with their individual skills and aspirations, we are working to build a structure that will enable them to actively excel on a global scale.

[Policy and Current Status of Global Human Resource Development](#)

P22



2 Promoting of Activities by Diverse Human Resources

The creation of a system that leverages the diversity of our employees, who include women, non-Japanese, the disabled, and seniors, is also a growth strategy that anticipates the future. In addition to maintaining a deep respect for human rights, we will promote measures to realize workplaces that enable diverse ways of working.

[CASE 03: Toward the Active Participation of Diverse Human Resources: Promoting Workplaces where All Employees Can Work with Vitality](#)

P20



3 Creating of Comfortable Working Environments

Realizing and maintaining healthy workplace environments that are conducive to work is essential in having each employee act with a strong sense of motivation and in the generation of high value. 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.

[Promoting Initiatives toward Addressing the IT Company Issue of Decreasing Working Hours](#)

P22



4 Promoting of Next-generation Personnel Cultivation

In cultivating the seeds that will form the IT human resources who are responsible for the future, we are endeavoring to educate and train the next generation from a variety of angles while fulfilling our key responsibility as a global IT innovator.

[IT Experience for Children, Future Leaders of the Next Generation](#)
Expanded Version



5 Building Strong Relationships with Business Partners

Global companies are being asked to expand the scope of their social responsibilities across and in line with the value chain. As an industry leader, NTT DATA is working to create mechanisms that help put in place fair and sustainable relationships with its business partners.

[Reflecting ESG Indicators in the Selection of Business Partners](#)
Expanded Version



Policy and Current Status of Global Human Resource Development

To provide a greater number of employees with international business opportunities, the NTT DATA Group is strengthening ties among the human resource departments of its four regional structures of the Americas, EMEA, APAC, and China, as well as their counterparts at Business Solutions and everis, centering around the head office in Japan.

In specific terms, we conduct the Global Leadership Program, where executive trainees from overseas Group companies come together to hold discussions. This program has continued, with annual improvements to its content, since it was launched in fiscal 2010. From fiscal 2013, we have continued to send employees from our headquarters in Japan to an EMEA-organized program as part of an initiative aimed at bolstering cooperation with regional companies. Not only do we send employees abroad from Japan, but we also transfer overseas personnel to our headquarters in Japan and EMEA employees to China. These initiatives help to provide opportunities for interaction and international work exchange to as many employees as possible.

In fiscal 2014, we started the JAPAN/APAC Program aimed at providing leadership training to Japanese and APAC employees. We will continue to face the challenge of training the Asian business leaders, who will bear the responsibility for the future, head on.

Fiscal 2014 Exchange Programs



Key Achievement

Promoted Group-wide global training



Supported both employee self-fulfillment and corporate growth

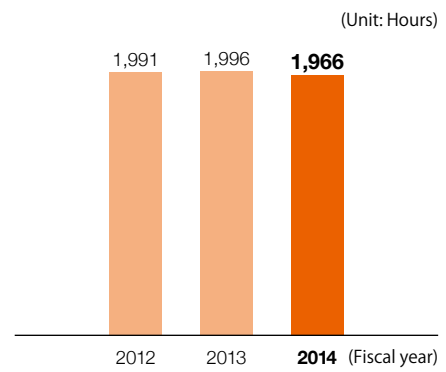
Promoting Initiatives toward Addressing the IT Company Issue of Decreasing Working Hours

In the IT industry, long working hours are an ongoing problem. NTT DATA is promoting efforts aimed at decreasing total working hours with a view to ensuring that the annual average number of working hours does not exceed 1,890 by the end of fiscal 2016.

In the past, we carried out a raft of measures, including steps to put in place plans for subsequent after office hours work as well as remedial measures, for employees who worked more than 360 hours of overtime. In fiscal 2014, we also promoted the optimization of working hour management by recording computer log on and log off times and facilitated the review and implementation of measures in a move to change the manner in which duties are carried out at each workplace. We are also promoting increased flexibility in ways in which work is conducted by advancing the introduction of discretionary labor systems and teleworking as well as expanding the scope of flextime systems in staff departments.

In fiscal 2015, we will identify reduction targets at each workplace to steadily promote existing measures while implementing comprehensive changes to the manner in which work is conducted. This latter initiative will include the use of a PDCA cycle on a quarterly basis to ensure that established targets are achieved.

Trends in Annual Working Hours per Employee



Key Achievement

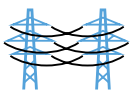
Proactively promoted changes in the manner in which work is conducted



Contributed to the realization of a better work-life balance within the IT industry

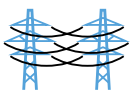
Supporting Global Demand for Energy with IT

The ongoing and ample supply of energy is a prerequisite for society to function smoothly. Bringing energy management technologies into the world is a critical issue to utilize limited energy resources effectively.



Limited Resources, Tight Demand for Energy

The problem of tight energy supplies, whereby demand outstrips supply, is rising in many countries. Against the backdrop of ongoing growth around the world, a radical solution is yet to be found, with factors such as skyrocketing energy prices exacerbating the problem. Under these circumstances, the risk that this situation may trigger an international conflict and dispute is causing serious concern.

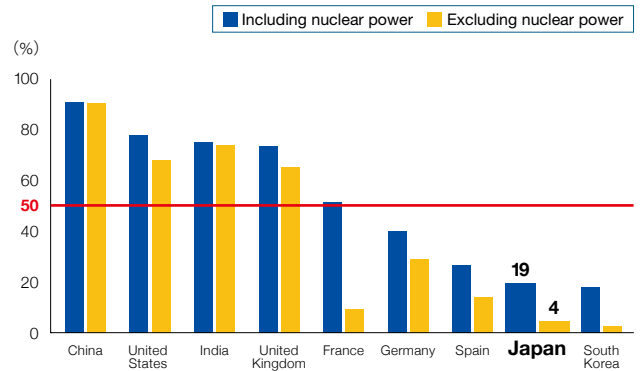


The Electric Power Crisis is an Immediate Problem for Electricity Consumers. The International Community Continues to Take Up this Challenge through the Global Use of IT

Due mainly to extremely tight conditions in supply and demand, energy prices continue to rise, which causes a significant impact on the global economy. According to the International Monetary Fund (IMF) energy price index, there is little to indicate a change in this upward trend, particularly in connection the increases that have occurred since 2000. Under these circumstances, there are growing expectations toward the use of IT as an effective tool to manage electricity demand.

Growing Caution Required with respect to Worldwide Energy Self-Sufficiency Rates

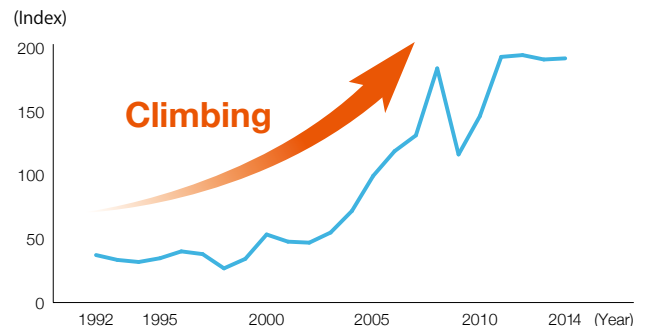
■ Comparison of National Energy Self-Sufficiency Rates



Source: Compiled using information extracted from the Japan Agency for Natural Resources FY2013 Annual Energy Report

Skyrocketing Energy Prices Continue

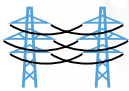
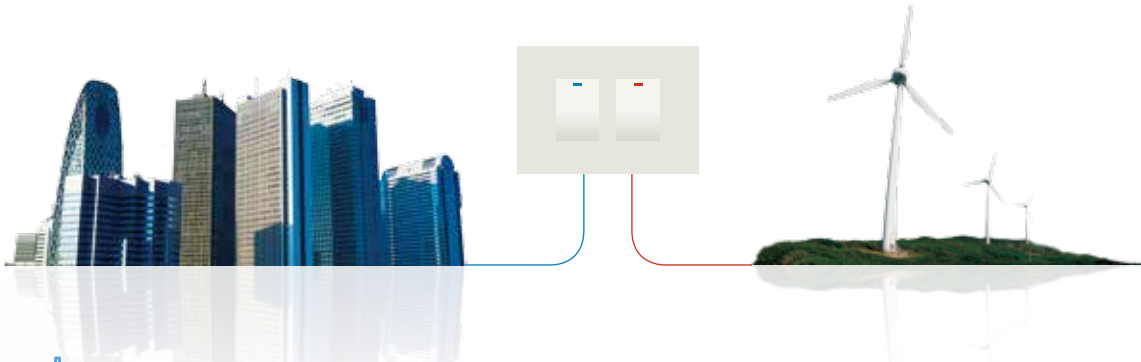
■ Trends in the IMF Energy Price Index (2005=100)



Source: Compiled using information extracted from the IMF Primary Commodity Prices Index

Contributing to Electricity Demand Management through Demand Response

Better paradigms for resolving the world's energy problems



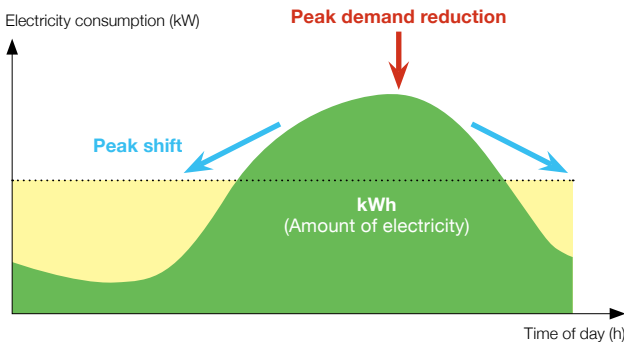
Detailed Demand Management Focusing on Demand Response Made Possible by Big Data

Demand for electricity comes in waves that depend on the season and the time of day. Demand response is a mechanism to encourage electricity savings and the reduction of peak demand by setting up higher prices or incentives during peak demand periods. In several countries, demand response efforts are continuing in line with the smart grid.

In 2013, NTT DATA started joint research with the U.S. company AutoGrid Systems, Inc., which has an extensive track record in the demand response field, and is taking steps toward pilot projects in the United States and Japan.

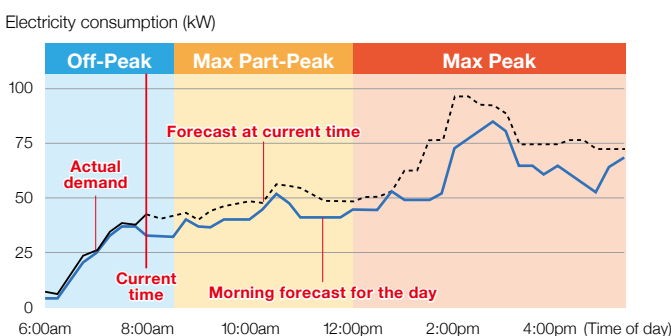
Based on this joint research, AutoGrid and NTT DATA started the development of the Demand Side Optimizer (tentative name), a system that will facilitate peak demand reduction by providing detailed demand forecasts for each consumer. The aim is to roll out the system to demand response programs throughout the world.

Facilitating a Peak Demand Reduction during Peak Periods, Avoiding Electricity Shortages



While focusing on Big Data as the key to the smart use of energy and electricity demand management through demand response programs, NTT DATA has been advancing research into demand forecasting for each electricity consumer.

Electricity Demand Forecast and Actual Demand Display Screen



Engagement for Tomorrow

Aside from joint research with AutoGrid, NTT DATA and Japan's Ministry of Agriculture, Forestry and Fisheries installed an electric power visualization tool at a fishing port in the Tohoku region in 2012. The Company and the Ministry are providing a system that promotes energy saving on the basis of electricity demand forecasts.

In the medium to long term, the knowledge gained from this research will also form the basis of systems in a number of ways: in developing systems used in renewable energy and in electric vehicles (EVs); in bringing to fruition the optimization of electricity networks; and in developing systems that will optimize the energy procurement of power utility companies. Through these means, NTT DATA is in sight of making contributions to the stable operation of social infrastructure.



Executive Manager of the Business Planning Office Yayoi Fujita (left) and AutoGrid Chief Executive Officer Amit Narayan (right)

Paradigms for the Global Environment

Approach Adopted by the NTT DATA Group

Taken from a wider perspective, global environmental concerns that include climate change and the conservation of biodiversity are becoming sustainability issues. Against this backdrop, companies are being sought to fulfill their responsibilities as global stakeholders, and to clarify the specific role the corporate sector should play.

The NTT DATA Group is working to resolve a range of environmental issues. In addition to the “Greening of Our Group,” based on an environmentally oriented management approach that gives due consideration to the natural environment in every aspect of its corporate activities, the Group is continuing to promote progressive initiatives in the greening of clients and society as a whole through its products and services. In conjunction with this promotion of initiatives, the Group is working to reinforce environmental management to achieve significant results toward the improvement of environmental issues.

Looking ahead, the NTT DATA Group will utilize IT as it aims to create mechanisms that benefit the global environment.

Initiatives of Particular Importance in Fiscal 2014

1 Environmental Management

Having set up Group-wide environmental management frameworks, it was important to consider the foundation for promoting action. With a view to resolving environmental issues, we established the Group-wide Organization for Promoting Environmental Activities and now work to promote environmental management based on a PDCA cycle.

Developing Ongoing Improvement Activities Based on ISO 14001
Expanded Version



2 The Greening of Clients and Society

Aiming to reduce society’s environmental impact by means of IT, the Group provides environment-friendly products and services.

CASE 04: Contributing to Electricity Demand Management through Demand Response

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Initiatives at Data Centers Recognized at the Green Enterprise IT Awards 2013

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3 The Greening of the NTT DATA Group

As identified by its quantitative medium-term targets, the Group promotes a variety of measures including the 3R policy and energy saving at its offices. Looking toward fiscal 2017, the final year of our medium-term plan, we are steadily promoting initiatives at each of our workplaces.

Start of Supply Chain Greenhouse Gas Emissions Management under Scope 3

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4 Environmental Contributions and Communication

As a corporate citizen, the Group emphasizes the disclosure of information on its environmental greening activities and environmental issues. In fiscal 2014, each Group company is rolling out activities, with the number of participating employees gradually increasing.

Encouraging Employees to Participate in Various Environmental and Social Contribution Activities
Expanded Version

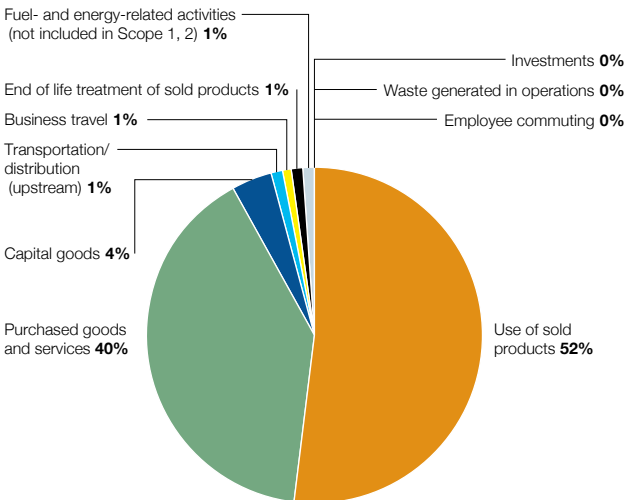


Start of Supply Chain Greenhouse Gas Emissions Management under Scope 3

To realize a low-carbon society, it is important for not only the Company's facilities but also society as a whole to engage in energy-saving measures. The NTT DATA Group places considerable emphasis on promoting an environmentally oriented management approach, whereby it gives due consideration to the natural environment in every aspect of its corporate activities. As part of that approach, the Group has broadened the scope of its aggregate calculation of CO₂ emissions and, from fiscal 2014, started management under Scope 3, which calculates the aggregate amount of CO₂ emissions by taking into account product and service life cycles, from their procurement through their distribution and to their disposal. As a result, the NTT DATA Group was able to calculate its total emissions, including overseas Group companies, at 2,803,744t-CO₂ and was able to visualize the CO₂ emissions across the entire supply chain.

Moving forward, the entire NTT DATA Group will in the years ahead take more highly effective measures toward the creation of a low-carbon society and will confront challenges in conjunction with its clients and business partners.

Scope 3 Emission Rates (By Category)



* Ratio of trace amounts recorded as 0%.

Key Achievement

Visualization of CO₂ emissions across the entire supply chain



Taking measures in conjunction with clients and business partners from which significant effects can be expected

Initiatives at Data Centers Recognized at the Green Enterprise IT Awards 2013

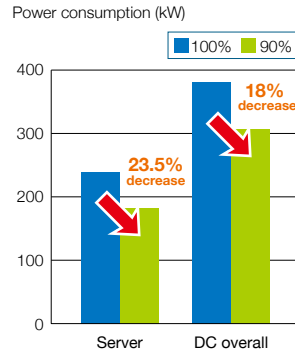
In these times when data centers (DCs) are becoming more common, a major talking point within the IT industry is the importance of energy saving at such facilities. Meanwhile, based on the experience gained through electricity saving measures in the wake of the Great East Japan Earthquake, we have seen growing interest from society at large in the mechanisms that operate DCs even when electricity is in short supply.

Recognizing that the implementation of sound electric power management is of the utmost importance, NTT DATA continues to engage in ongoing efforts aimed at improving the quality of its DCs, which store and manage clients' systems data.

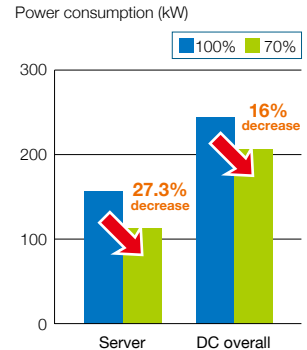
Working with Intel Corporation, whose central processing units (CPUs) have been adopted in many servers, NTT DATA is making progress in verifying detailed utilization limits in line with server loads. Based on the results of this work, NTT DATA and Intel were recognized as finalists in the IT Product Deployment category of the Green Enterprise IT Awards 2013 that were sponsored by Uptime Institute LLC in the United States.

Innovative Technologies That Improve Power Efficiency

Upper limit set at 90% for high-load servers



Upper limit set at 70% for low-load servers



* Comparison of the amounts of electric power consumption for 700 servers

Key Achievement

Detailed server electric power management



Contribution to both energy saving at and stable operation of DCs



Corporate Governance

Improving Management Quality Based on a Governance Structure by Enhancing Business Execution, Oversight, and Auditing Functions

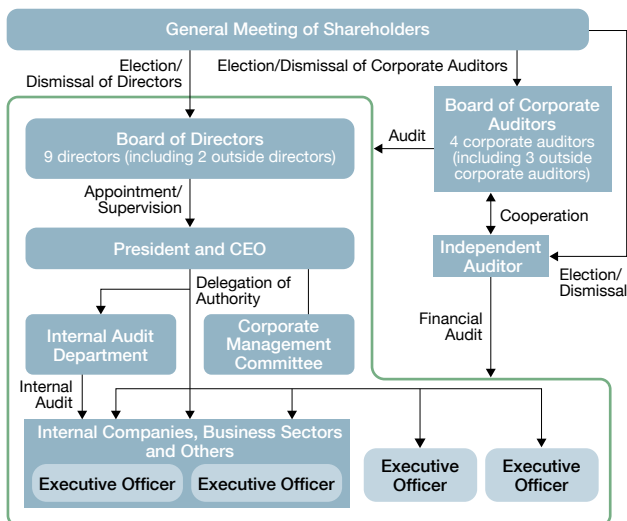
As a company with corporate auditors, NTT DATA has a Board of Directors and a Board of Corporate Auditors, as well as a Corporate Management Committee.

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. In addition to introducing both company and department systems, 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 ensure smooth and timely decision making and the supervision of day-to-day operations.

■ Corporate Governance Structure



(As of July 2014)



Group Governance

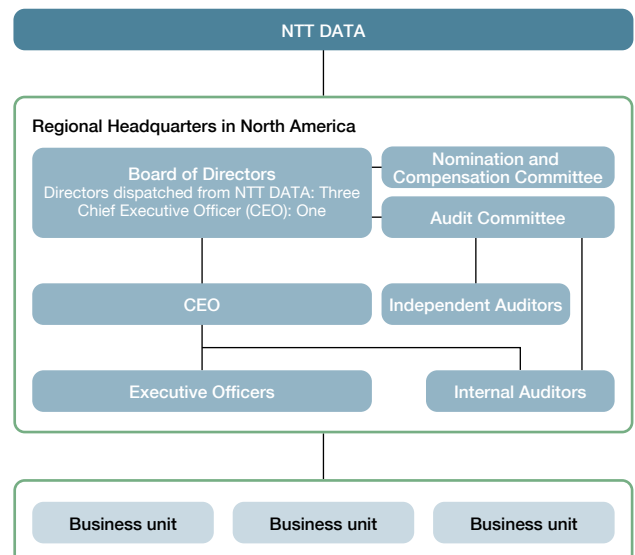
Multi-faceted Initiatives Aimed at Ensuring Strict Adherence to Management Rules and Increased Management Efficiency

For such priority categories as business planning, internal control, and compliance, NTT DATA's basic policy is to ensure appropriate Group-wide business operations based on rules for consultation and reporting with each Group company. This policy puts into place a cooperative system that entails a liaison department, which connects our head office with and is responsible for each Group company.

As we have been rapidly expanding overseas operations by such means as M&A in recent years, we have worked to reinforce Group governance at overseas bases. To provide a specific example, we have been making progress in the setting up of a regional headquarters in each of our four operating regions—the Americas, EMEA (Europe, Middle East, and Africa), APAC (Asia Pacific), and China—as well as in the Business Solution Group. Working through this structure, we are carrying out operations in accordance with the aforementioned rules.

Moreover, we are taking steps to ensure a uniform accounting system that extends across all Group companies in Japan. As a part of this raft of new initiatives that we are rolling out in fiscal 2014, we are also building and operating a management platform system that helps to visualize finance and human resource information while accelerating the pace at which we increase the efficiency of our operations and adhere strictly to proper management.

■ Governance Structure in North America



(As of July 2014)

We Strive for Sound, Transparent Corporate Management so as to Achieve Continuous Growth while Gaining the Trust of Our Stakeholders.

Compliance

Maintaining a Whistle Line for the Early Detection of Problems

We launched the Whistle Line in 2003 in order to maintain sound management through the detection and correction of behavior that contravenes laws and corporate ethics at an early stage. This service receives reports from and provides consultation to all NTT DATA Group personnel, including temporary staff and suppliers.

In operating this service, we place the utmost importance on the protection of privacy, prohibitions against unfair treatment, and the obligation to uphold confidentiality. Moreover, survey results and corrective actions are reported to the Executive Committee, corporate auditors, and other authorities and are used to increase the soundness of business management. Over the past three years, the service attended to around 70 cases a year which entailed the reporting incidents or seeking of advice. Where necessary, we have analyzed the likelihood of similar cases and taken Group-wide measures to prevent a recurrence.

Looking ahead, we will continue to encourage the use of the Whistle Line and strengthen efforts aimed at making improvements regarding similar incidents.

Information Security

Fulfilling Our Mission as a Global IT Company: Putting in Place an Information Security Management System

NTT DATA has regularly held meetings of its Information Security Committee, which was established in 1999, to discuss the status of its Group-wide activities as well as efforts to identify pending issues and determine new measures as and when required. The decisions of the Information Security Committee are implemented by the Information Security Office, which was set up to promote information security, with an information security team member appointed at each work site.

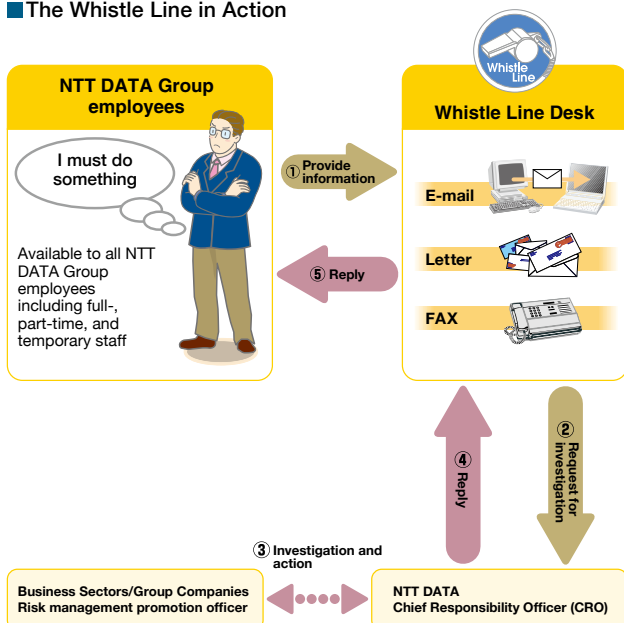
Moreover, we established NTTDATA-CERT as a body to prevent information security incidents*¹ from happening and to respond immediately when a security incident occurs in July 2010. NTTDATA-CERT became a member of the Nippon CSIRT*² Association, as well as a member of FIRST*³, a global CSIRT organization. Through activities associated with these organizations, we gather a wide range of information on security-related trends both in Japan and overseas, which we use to improve the security of our systems.

*¹ Threats related to information management and system administration, such as viruses, unauthorized access, and information leaks

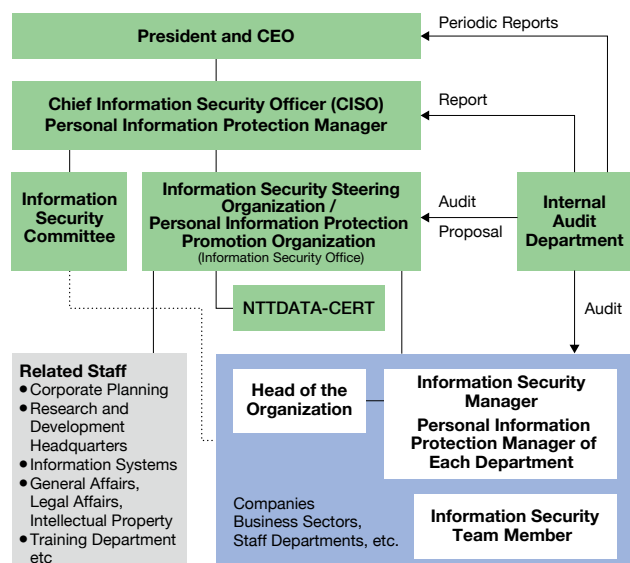
*² CSIRT (Computer Security Incident Response Team) is an incident response team consisting of security specialists. The team collects and analyzes information on security incidents, security-related technologies and vulnerabilities, and conducts activities for effective response and training.

*³ FIRST (Forum of Incident Response and Security Teams) is a global community comprising approximately 300 CSIRT teams from government organizations, academic institutions, and private companies.

The Whistle Line in Action



Information Security Management Structure



Activities that Embody Responsible Operations

Values Week Held to Spread Our New Vision

On May 23, 2013, the anniversary of NTT Data's founding, we unveiled a new Group Vision. As a means for advancing as a Global IT Innovator, this new Group Vision has three vision messages and values designed to guide us toward the Group Vision. To act with these Values on our mind, we must have an idea of how to apply these Values in our work duties. For this reason, it is important to continuously engage in dialog with our coworkers.

On the anniversary of our founding, we decided to hold Values Week starting on May 23, 2014, as a series of events to spread the word about our Values among the people we work with. This year was the first year we held Values Week, with more than 100 workshops held as venues for talking about our Values, in over 40 cities in 20 countries around the world.



■ EMEA



■ Japan

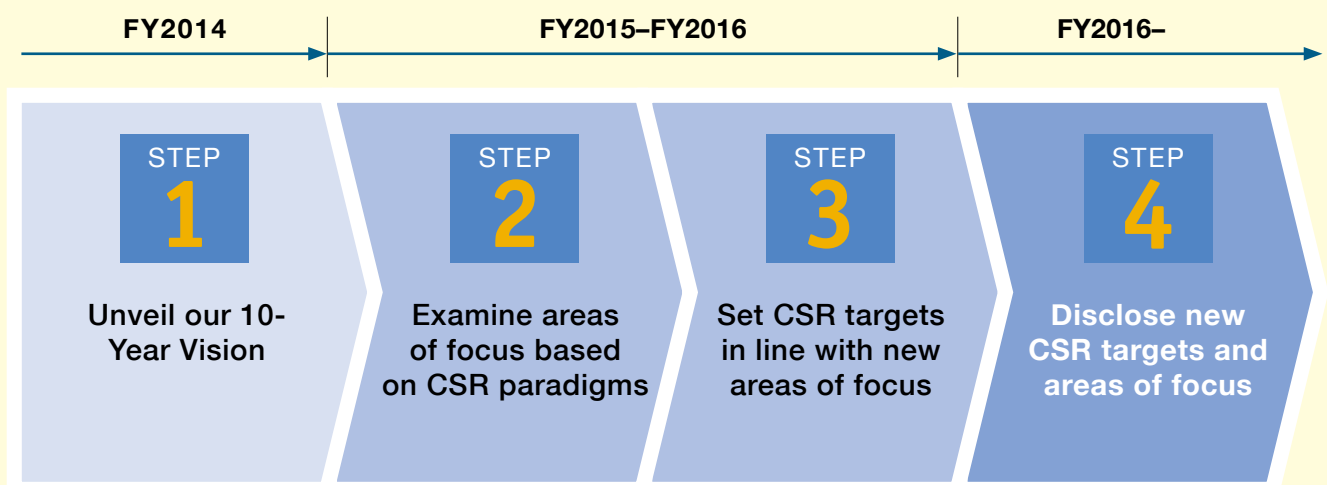


■ APAC

Examining the Formulation of New CSR Areas of Focus

In step with the new vision, the NTT Data Group has been preparing to update its areas of focus for CSR activities. This year, we have been examining the identification of material aspects and initiatives based on three CSR paradigms in tune with the times.

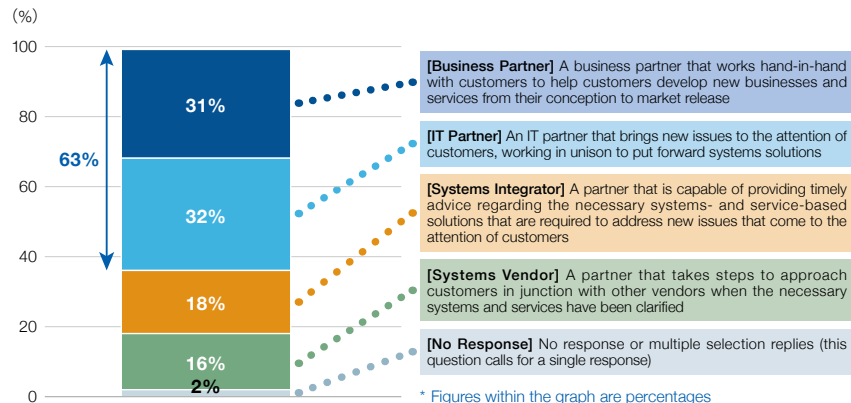
■ Process for formulating CSR areas of focus



Data Compilation

CS and Quality Management Related Data

■ NTT DATA's Relationship with Customers



■ Number of Organizations that Achieved CMMI* Level 4 and Level 5 in fiscal 2014

CMMI Level	Number of organizations to successfully achieve the subject CMMI level
Level 4 (Standardized processes for the organization are established and improved)	1 NTT DATA Group member
Level 5 (Organizational performance is being improved on a continuous basis via process improvements)	1 NTT DATA Group member, NTT DATA, Inc. India

* Capability Maturity Model Integration (CMMI) is a model created by the Software Engineering Institute of Carnegie Mellon University that expresses the maturity level of an organization undertaking systems development. The model includes five levels of maturity.

- 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 2014, we held interviews with 57 companies (associations) and conducted surveys covering 297 personnel at 148 companies (associations) (with a response rate of 96.7%).

Human Resources and Labor Related Data

■ Trends in Personnel Recruitment

(Number of employees)

	Fiscal 2011	Fiscal 2012		Fiscal 2013		Fiscal 2014	
	Non-consolidated	Non-consolidated	Group companies in Japan	Non-consolidated	Group companies in Japan	Non-consolidated	Group companies in Japan
Number of employees	10,139	10,579	22,082	10,804	21,745	11,000	21,779
Male	8,588	8,882	18,804	8,985	17,754	9,086	17,977
Female	1,551	1,697	3,278	1,819	3,991	1,914	3,802
Number of females in managerial positions [Ratio]	67 [3.5%]	80 [3.9%]	154 [5.0%]	96 [4.6%]	217 [5.4%]	106[4.8%]	189[5.0%]

	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015
Number of newly recruited graduates*1 (Non-consolidated)	534	496	475	379
Male	351	339	334	262
Female	183	157	141	117
Number of recruited employees with disabilities*2 [Employment ratio] (Non-consolidated)	228 [1.95%]	241 [2.02%]	245 [2.05%]	254 [2.10%]
Number of retired employees using the NTT DATA Reemployment System*1 [Utilization ratio]	111 [53.33%]	120 [57.14%]	105 [59.09%]	130 [74.14%]
New recruitment	32	28	26	43
Continued recruitment	79	92	79	87

*1 Figures for the number of newly recruited graduates and the number of retired employees using the NTT DATA Reemployment System are as of April 1 for each fiscal year.

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

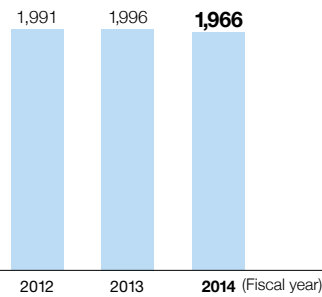
■ Trends in the Number of Employees Using the Company's Childcare and Nursing Care Systems

(Number of employees)

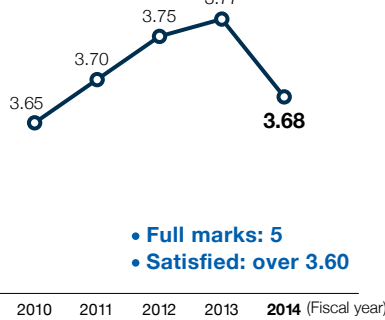
	Fiscal 2011		Fiscal 2012		Fiscal 2013		Fiscal 2014	
	Female	Male	Female	Male	Female	Male	Female	Male
Childcare leave	147 (241)	7 (13)	181 (303)	6 (11)	203 (332)	5 (12)	233 (366)	11 (17)
Shorter working hours for childcare	110 (177)	0 (2)	191 (283)	0 (1)	170 (275)	1 (6)	180 (312)	3 (7)
Nursing care leave	2 (3)	0 (4)	3 (5)	3 (9)	1 (3)	1 (5)	4 (7)	2 (5)
Shorter working hours for nursing care	0 (0)	1 (1)	0 (0)	1 (4)	0 (0)	1 (5)	0 (0)	0 (3)

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

■ Trends in Annual Working Hours per Employee (Non-consolidated) (Hours)



■ Employee Satisfaction Survey Results (Points)



■ Human Rights Training Programs in Fiscal 2014 Training

Training	Number of Participants
Human rights awareness workplace seminars	21,246
Position-based group training	2,482
Recruitment related training	705
Training for employees assigned to overseas posts	42 (10 countries)

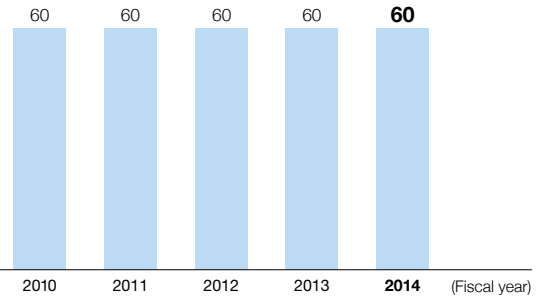
Information Security Related Data

■ Information Security Training Conducted in Fiscal 2014

Target	Content and Format	Number of Participants
All employees	Personal Information Protection IBT (e-learning)	All employees 100%
	Information security policy assessments (e-learning)	All officers and employees 100%
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)	86 employees 3 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 Information Protection Introduction Training/Information security education (e-learning)	All parties registered on our company system 100% (22,607 persons)
	Information Security Training Handbook	Booklets distributed to new business partners and temporary staff

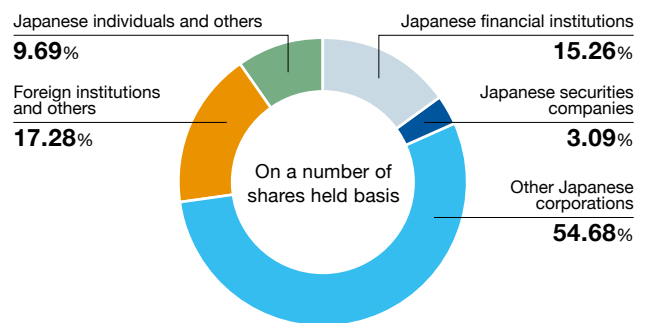
Shareholder Related Data

■ Trends in Annual Dividends per Share (Yen)



* A 1:100 stock split was conducted with an effective date of October 1, 2013

■ Distribution of Ownership Among Shareholders (as of March 31, 2014)

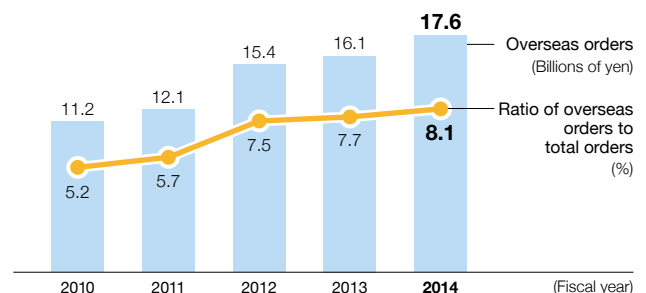


■ Support for the Training Activities of Key Group Companies in Fiscal 2014

Target	Implementation Format	Number of Participants
Group company employees, business partners, and temporary staff	GSP security training (e-learning)	87 companies 28,152 employees
	Personal information protection training (e-learning)	65 companies 23,182 employees
Information security team member	GSP internal auditor training (studying offline at their desks)	83 companies 347 employees

Business Partner Related Data

■ Trends in the Volume and Ratio of Overseas Orders



Environment Related Data

■ ISO 14001-certified Companies (as of March 31, 2014)

Group Integrated Certification: 27 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 • JSOL CORPORATION
Independent Certification: 5 companies	<ul style="list-style-type: none"> • NTT DATA CCS CORPORATION • NTT DATA MSE CORPORATION • NJK CORPORATION • CATS CO., LTD. • EMAS CO., LTD.

■ Fiscal 2014 Target Attainment Status; and Targets for Fiscal 2015 and Beyond

Of the aforementioned NTT DATA Group companies to have acquired ISO 14001 certification, the numerical data below covers the 27 companies to have acquired Group integrated certification.

Fiscal 2014 Group Targets and Results

Scope	Target Definitions	Base fiscal year	Base value	Fiscal 2014		
				Target value	Results	Assessment
Reduce the environmental impact of society through the promotion of Green IT	Simplify quantitative assessment tools	—	—	Verify hypothetical assessments	Develop brief assessment methods	○
Reduce (electric power) greenhouse gas emissions	Amount of CO ₂ emissions	2009	306,562t	13.7% reduction (264,563t or less)	19.0% reduction (248,349t)	○
Reduce the amount of copy paper purchased	Amount of copy paper purchased (gross amount: calculated on a number of sheets basis)	2009	321,770,000 sheets	37% reduction (202,730,000 sheets or less)	38% reduction (199,970,000 sheets)	○
Reduce the amount of waste for final disposal	Amount of waste for final disposal (gross amount: t)	2009	402t	60% reduction (161t or less)	49% reduction (207t)	×
	Final waste disposal rate (final disposal amount/total amount of waste)	—	—	2.9% or less	4.5%	×
Participation in local community environmental contribution activities	Number of activity participants	—	—	2,500 participants	2,867 participants	○

Targets for Fiscal 2015 and Beyond

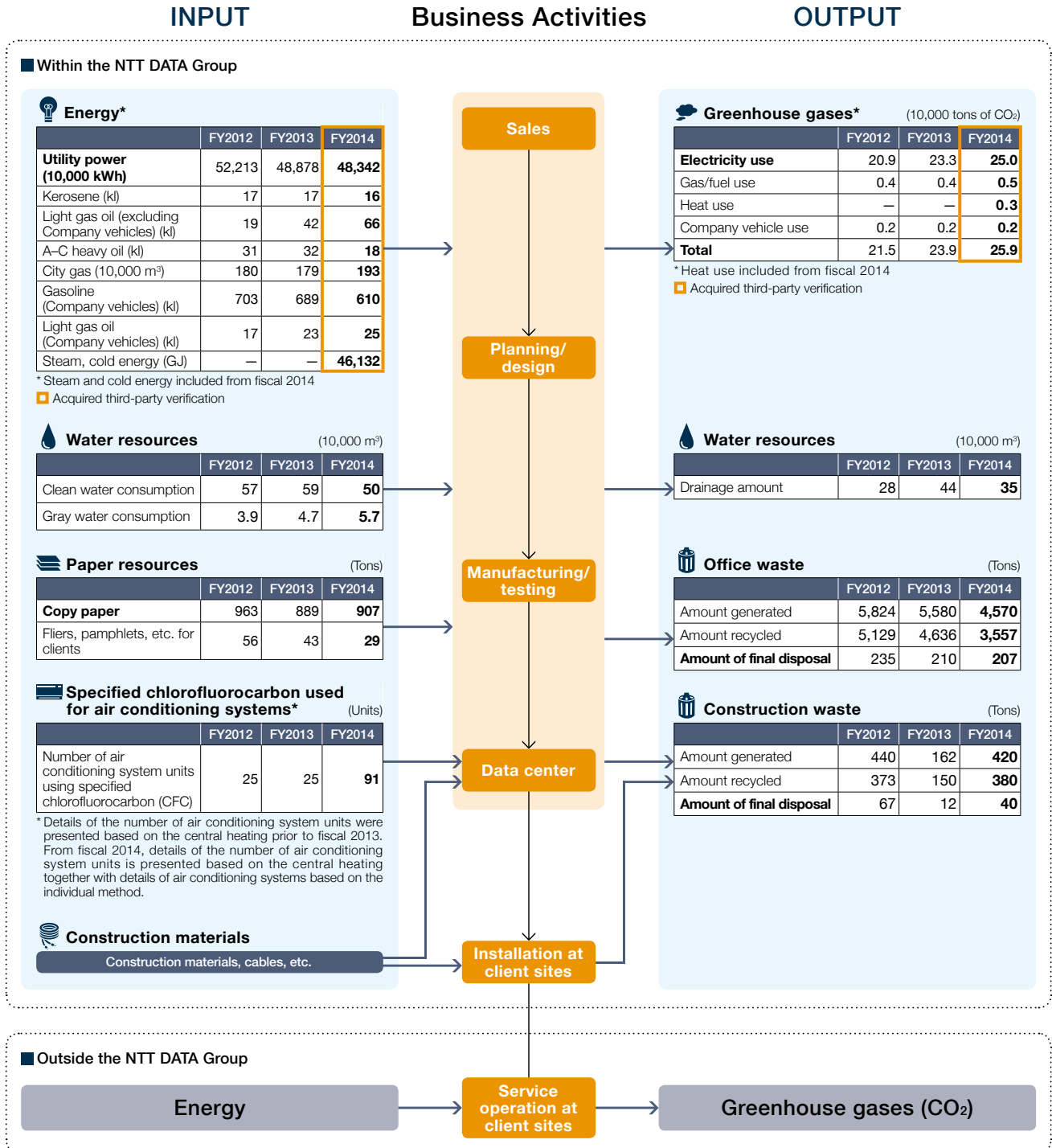
Scope	Target Definitions	Fiscal 2014 Results	Fiscal 2015	Fiscal 2016	Fiscal 2017
Reduce the environmental impact of society through the promotion of Green IT	Simplify quantitative assessment tools	Verify hypothetical assessments	Trial application	Full-scale application	—
	Number of quantitative assessments	—	20 assessments	30 assessments	40 assessments
Reduce (electric power) greenhouse gas emissions	Amount of CO ₂ emissions	19.0% reduction	16.0% reduction	16.0% reduction	16.0% reduction
Reduce the amount of copy paper purchased	Amount of copy paper purchased (gross amount: calculated on a number of sheets basis)	38% reduction	37% reduction	37% reduction	37% reduction
Reduce the amount of waste for final disposal	Amount of waste for final disposal	49% reduction	57% reduction	61% reduction	65% reduction
	Final waste disposal rate (final disposal amount/total amount of waste)	4.5%	3.9% or less	3.6% or less	3.3% or less
Participation in local community environmental contribution activities	Number of activity participants	2,867 participants	3,000 participants	3,500 participants	3,700 participants

■ E-learning Course Participants in Fiscal 2014

Environmental basics	33,074
Course for waste-disposal supervisors	715
Course for environmental managers, environmental advocates, and environmental supervisors	756

■ An Overview of the NTT DATA Group's Environmental Impact

The environmental impact of the NTT DATA Group's business activities derives chiefly from the emission of greenhouse gases through the consumption of energy centering on electricity. Lloyd's Register Quality Assurance Limited has been charged with the responsibility of providing a third-party verification of the Group's input of energy and greenhouse gas emissions from fiscal 2014.



■ Scope of Environmental Impact Measurement

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

Measurement organization: Fiscal 2012 NTT DATA (all organizations), 65 Group companies (Japan only)/Fiscal 2013 NTT DATA (all organizations), 64 Group companies (Japan only)/Fiscal 2014 NTT DATA (all organizations), 69 Group companies (Japan only)

Third-party Opinion



Dr. Florian Kohlbacher

Associate Professor
International Business School Suzhou (IBSS)
Xi'an Jiaotong-Liverpool University

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. Before moving into his current position in 2014, he was a senior research fellow and head of the Business & Economics Section at the German Institute for Japanese Studies (DIJ) Tokyo, Japan, where he has lived for 11 years. Dr. Kohlbacher's global profile includes positions as a visiting researcher at Boston College, a visiting professor at Hamburg University of Technology, and an adjunct fellow at the Institute of Contemporary Asian Studies (ICAS) at Temple University Japan Campus (TUJ). He has authored numerous publications for both academic and practitioner audiences, and his research activities have been introduced in NHK Close-Up Gendai and other media in Japan and overseas.

In recent years, prevailing views on business management have changed dramatically alongside economic trends and changes in society. The renewed emphasis on CSR is a prime example. Although Japanese companies were slightly behind their European and U.S. counterparts in waking up to their social responsibilities, CSR activities are now an inseparable part of business management in Japan. NTT Data is one of those companies that have taken the lead in CSR. With a comprehensive understanding of the concepts of CSR, NTT Data is a pioneering company not only in Japan but also the world in terms of the breadth of its international coverage in CSR.

I believe taking into account the views of stakeholders is the foundation of CSR activities based on a comprehensive concept of CSR. In its CSR report for this fiscal year, NTT Data stresses that opportunities to have conversations with stakeholders and improve operations based on this engagement exist in all sorts of business scenes. NTT Data also emphasizes the importance of dialog in daily business activities and a Group awareness that it is advancing hand in hand with its stakeholders. However, taking these concepts and putting them into actual practice is quite a challenge. NTT Data needs to take more steps in order to put its concept of CSR into actual practice. I think NTT Data should work to resolve issues related to notching up its efforts at engagement with stakeholders. In addition to having conversations with stakeholders, all business processes should have stakeholders in mind – and actively integrating them – when proactively pursuing the (co)-creation of value.

With co-creation symbolizing this joint creation of value, I would like to see NTT Data formulate a co-creation strategy and examine measures for the co-creation of new value. While parts of the Company may already be implementing co-creation processes, I look forward to further disclosure on the details of management's specific efforts on this front.

I hope that these initiatives lead to measures with more substance in terms of the Company's progress together with stakeholders, as management seeks to more fully engage with stakeholders as CSR activities increase from a bottom-up perspective in addition to the basic top-down approach.



One Akiyama

President
IntegreX, Inc.

Ms. Akiyama graduated from the Faculty of Economics at Keio University, and later completed Graduate School at Aoyama Gakuin University with a Master's Degree in Finance. After graduating from Keio, she worked as a fixed income trader in foreign bonds at a U.S. securities firm. In 2001, she established IntegreX, Inc. to promote socially responsible investing (SRI) and corporate social responsibility (CSR), where she now holds the title of president. She is also a co-representative of the Japan Sustainable Investment Forum (JSIF), an NPO.

1. Highlights

In the "Our Way" section at the beginning of the Message from the President, the Group Vision, Three Values, Mission, Code of Conduct, and Approach to CSR were all described with clarity along with how they related to business. The section clearly conveys management's commitment to achieving its objectives with a description of these objectives.

In the activity report, management discusses efforts that were particularly successful with regard to the four key themes, including "Global," explains current social issues for each case, and its mission to solve these social issues with a detailed look at the solutions that only NTT Data can provide. Examples of how IT has helped solve social issues, based on the Company's accumulated knowledge, were presented, including the "Flight Procedure Design System," "Emergency Medical Information System," and "Electricity Demand Forecast System." Examples were also given for how the Three Values are acted upon. I believe the Company has clearly explained its objectives in CSR.

In the highlight version of the report, a simple introduction of major initiatives is presented and issues for each key theme are identified, whereas the more detailed website version of the report delves deeper into these subjects. I was impressed with the Company's ongoing efforts on the basics of CSR and its measures to create a foundation for realizing its vision, such as building secure and reliable systems, employing, training and educating people, and engaging in environmental management.

2. Areas for improvement

Amid intense competition, NTT Data must implement "Our Way" policies in earnest in order to achieve its aim of becoming one of the top five companies in the world in the IT services market (i.e. the Company's enthusiasm). This enthusiasm will trickle down to influence the behavior of employees as their managers implement "Our Way" with specific instructions and guidance (i.e. the influence of managers). As each employee understands how their work contributes to society and benefits customers, the shared sense of belonging to the Company will increase (i.e. shared conviction with the Company). As each person creates value and invokes change, innovation takes place and steps are taken toward becoming a Global IT Innovator.

To succeed at globalization, NTT Data must advance localization overseas and establish a global management system by strengthening head office functions. As the Company builds out a global risk management structure while spreading its Our Way philosophy and instilling its Values, I look forward to seeing how One NTT Data contributes to the creation of a more harmonious and abundant society with information technology.

Response to Third-party Opinions

In light of the opinions we received about last year's CSR report, in this year's report we focused on enhancing the level of disclosure further and introducing the most prominent initiatives in the highlight version of the report. We added an explanation of our global initiatives in an attempt to clearly convey how our globally expanding operations are linked to our CSR activities. We also made a concerted effort to disclose more information.

Regarding this year's report, Dr. Kohlbacher offered praise for not only our CSR activities in Japan, but also our broad range of CSR activities worldwide as a global corporation. However, he also pointed out the need to take a more practical and detailed approach to considering the views of stakeholders, the basis of our CSR activities.

Ms. Akiyama approved of our easy-to-understand description of how our businesses and CSR activities are linked together, along with management's commitment to CSR. However, she pointed out the need for us to establish a global management system by strengthening head office functions, and to step up efforts to share Our Way and to practice Our Values.

Taking this advice to heart, we aim to further improve our CSR activities based on Our Way while prioritizing communications with all of our stakeholders. We will also focus on improving the disclosure of information to enhance transparency of our corporate activities.

Third-party Evaluation of NTT DATA's CSR

NTT DATA's CSR initiatives are evaluated by domestic and overseas research agencies (As of August 2014)

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Sustainability Asia Pacific Index**



FTSE4Good
FTSE4Good Index



Morningstar
Socially Responsible
Investment Index



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



Eco ICT Mark

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NTT DATA Corporation

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