Management Resources

Client Base

Considering "Clients First" an important value, NTT DATA conducts initiatives to maintain and strengthen its client base as one of the Company's most important management resources.

NTT DATA : ASCEND
Rise and grow our global brand

Aims for the Medium-Term Management Plan Period

- **Increase global accounts (multinational companies as clients)**
- **Create long-term relationships with local accounts**

Increase the number of multinational companies as clients to improve local presence and aim to create strong relationships of trust over the long term with customers in each local base.
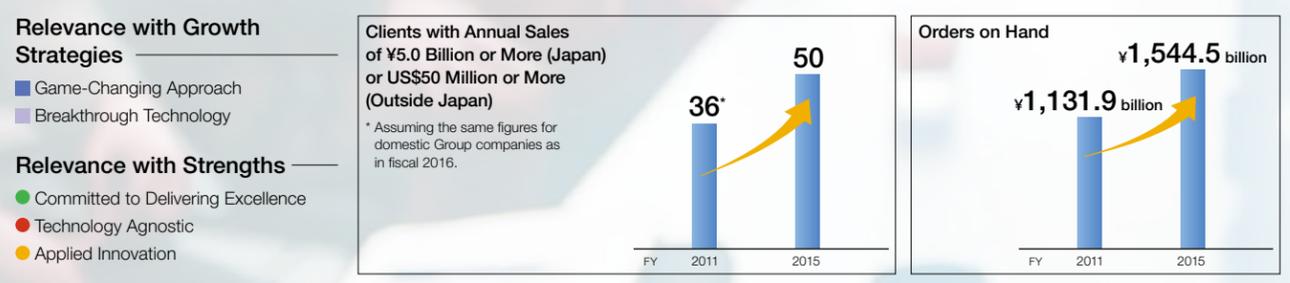
The Indicators*

Clients with annual sales of ¥5.0 billion or more (Japan) or US$50 million or more (outside Japan)

50

* As of March 31, 2016

Reasons for positioning as important management resources	Strong ties to growth strategies	Ties to strengths
1 NTT DATA's solid customer base enables it to develop close, long-term relationships with customers and provide IT services carefully tailored to meet their diverse needs and the problems they face. In this way, the Company fulfills its mission of being a business partner that collaborates in the creation of business.	■ ■	● ● ●
2 Establish a solid client foundation over the long term, accumulating expertise and technologies related to customers and industries to create new business and become the source that leads to the successful cultivation of new markets.	■	● ●
3 Expand the number of customers with whom we have strong relationships over the long term, enabling support for the various needs of customers and the stabilization of earnings.	■ ■	● ●

Relevance with Growth Strategies
■ Game-Changing Approach
■ Breakthrough Technology

Relevance with Strengths
● Committed to Delivering Excellence
● Technology Agnostic
● Applied Innovation

Clients with Annual Sales of ¥5.0 Billion or More (Japan) or US$50 Million or More (Outside Japan)
* Assuming the same figures for domestic Group companies as in fiscal 2016.

36* → 50

FY 2011 — 2015

Orders on Hand

¥1,131.9 billion → ¥1,544.5 billion

FY 2011 — 2015

▶ Organizational Composition Based on Industry

NTT DATA's organizational composition varies by industry to meet a variety of needs and to acquire knowledge and expertise related to customer companies and industries.

Going forward, amid anticipated rapid industry changes and advances in IT technologies, to meet an increasingly diverse range of customer and societal expectations there is a demand for collaborations across businesses and expedited decision-making like never before. For this reason, in July 2015 NTT DATA implemented organizational changes replacing the "Company System" with a structure having four business segments and 11 business sectors.

These structural changes combine the organization in charge of the enterprise sector and the organization in charge of payment solutions into one business segment. We will attempt to enhance services for enterprises and customers through the addition of multiple currency payment and duty-free services based on the long-term provision of CAFIS, INFOX, and other payment infrastructures representative of Japan up to now.

▶ System Construction Achievements Supporting Social Infrastructure

NTT DATA offers services comprising the infrastructure supporting society, finance, and the economy.

For example, integrated ATM switching services realize linked transactions between major banks and regional banks, providing the only service in Japan able to support transactions among regional financial institutions with individual alliances across business categories, online banks and for shares held by financial institutions, services that have been provided since 2004.

In this way, NTT DATA builds strong relationships with numerous customers over the long term.
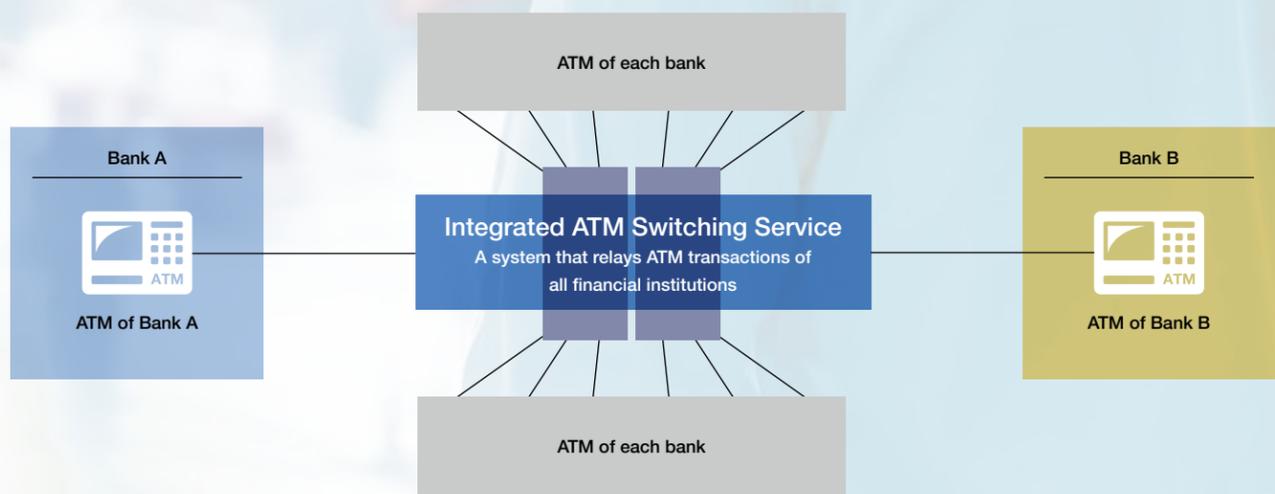
▶ Open Innovation Assistance Program

NTT DATA is proactively promoting open innovation initiatives including "Toyosu-no-Minato-kara" and NTT DATA Technology Foresight using Co-Creation Workshops.

In July 2015, we launched the Digital Corporate Accelerate Program, which provides support for companies working on new business incubation with startup ventures. This program facilitates the prompt realization of new businesses by connecting client companies with the world's leading venture capital firms within the execution of their business strategy. This enables the establishment of new businesses with higher feasibility by supporting the creation of business models leveraging NTT DATA Group know-how and business expertise. The first user of this service was Mizuho Bank, which aimed to create new businesses using Fintech. We are rolling out this service to financial institutions in response to growing Fintech-related demand. As we meet diverse needs across a wide range of industries and sectors, a number of case studies have emerged. With DCAP Ideation*1, we meet demand for ideathons and hackathons for business startups. We have also added DCAP POC to support POC*2 work at venture companies. Through our service menu, we are fostering business creation though comprehensive open innovation, helping to move the bar from "zero" (ideas) to "one" (concrete commercialization).

In this way, NTT DATA aims to build more solid relationships as a business partner to customers through initiatives that provide services concentrating on world-class advanced technologies and resources.

*1. People from various fields gathering to hold group discussions and other communications on specific themes, honing ideas over a short period of time
*2. Proof of concept: A forward-looking trial to test the validity of new concepts, theories and principles

Integrated ATM Switching Service

ATM of each bank

Bank A
ATM
ATM of Bank A

Integrated ATM Switching Service
A system that relays ATM transactions of all financial institutions

Bank B
ATM
ATM of Bank B

ATM of each bank

Human Resources and Organizational Capabilities

NTT DATA leverages teamwork, one of its Values, bringing together the capabilities of individuals to engage in initiatives that maintain and enhance human resources and organizational capabilities, which is positioned as an important management resource, to provide customers with high value as professionals.

NTT DATA : ASCEND
Rise and grow our global brand

Aims for the Medium-Term Management Plan Period

Retaining and developing a variety of high-level, professional human resources

Aiming to increase the number of diverse and sophisticated human resources to drive global business, our game-changing approach, and technological innovation.

The Indicators*

Employees working overseas	Employees	SAP consultants	Worldwide off-shore and near-shore development personnel
50% or more	More than **80,000**	More than **9,000**	More than **20,000**

* As of March 31, 2016

Reasons for positioning as important management resources	Strong ties to growth strategies	Ties to strengths
1 Highly professional human resources endowed with project management capabilities able to realize the provision of flexible services are essential for meeting changing customer needs using world-class advanced development and operational methods.	■ ■	● ●
2 Diverse and talented human resources are indispensable for ongoing innovation and grasping customer needs and technological trends in the IT industry, remarkable for its technological advancements.	■	● ●
3 Bases and human resources in multiple countries and regions facilitate worldwide customer support and enables differentiation.	■	●
4 Customer business know-how and application expertise gained through long-term relationships accumulated among people and organizations.	■	● ● ●
5 People and organizations realize ongoing value creation through a shared corporate philosophy and values.		● ● ●

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■ Game-Changing Approach ■ Breakthrough Technology

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● Applied Innovation

▶ Securing Diverse Human Resources through a Wide Range of Employment Channels

NTT DATA employment activities place an emphasis on individual aptitude, motivation, and ability without regard to education, age, gender or nationality. In terms of new graduates, we offer internships and a wide range of other opportunities and work with more than 100 schools to provide a variety of employment routes for those with experience. In Japan, each year we hire non-Japanese staff from about 10 different countries. In countries and regions outside Japan, we maintain strong relationships with universities and utilize social media to recruit human resources conforming to the labor markets in each country.

▶ Developing Human Resources Able to Thrive in the Global Marketplace

To develop industry-ready global human resources, we provide international business exchange opportunities by strengthening ties among the human resource departments of our four regional structures overseas, as well as their counterparts at Business Solutions and everis, centering on the Head Office in Japan. The Global Leadership Program, a discussion forum for executive trainees from around the world, has been attended by a total of 170 employees; joint training in Europe and Japan has been attended by a total of 201 employees; and Japan APAC China joint training targeting next-generation global leaders has been attended by a total of 75 employees. We also provide opportunities for employees to engage in international work-related exchanges.

▶ Professional Career Development

The NTT DATA Group introduced the Professional Career Development Program (CDP), its proprietary human resource development program aimed at producing and developing professional human resources with a high degree of specialization who are able to adapt to changes and support sustainable growth. We support autonomous employee career development by presenting an ideal employee image and facilitating paths to growth. We define 10 types and four levels of human resources and certify those employees with sufficient knowledge, experience, and skills. In the fiscal year ended March 31, 2016, 1,600 employees were certified, bringing the cumulative number of certified employees to more than 11,600 people. Monitoring is conducted to increase certification numbers and enhance certification levels, which is linked to appropriate skills development management.

▶ Promoting the Active Participation of a Variety of Human Resources

Diversity management is essential for the corporate response to diversifying social needs and sustainable growth through innovative creation. NTT DATA recognizes diversity and inclusion as a management strategy for global competitiveness and aims to create new corporate value centered on utilizing diverse human resources and reforming working styles. Since fiscal 2013, we have focused efforts on advancing women in the workplace and optimizing overall work hours through innovative workstyles with the aim of realizing a workplace environment enabling each and every employee to actively participate.

In accordance with the passage of the Act to Advance Women's Success in Their Working Life, NTT DATA formulated and announced the General Enterprise Action Plan (April 1, 2016–March 31, 2021), stipulating initiatives toward the ongoing and assured achievement of these objectives.

Quantitative Targets

Target 1	Continue to aim for a female employment rate of over 30% by the end of fiscal 2020
Target 2	Overall hours worked by the end of fiscal 2018 Aim for average hours worked per employee of 1,890 per year
Target 3	Aim for 200 or more female managers by the end of fiscal 2020
Target 4	Aim for 10 or more female senior managers (directors, organizational heads, etc.) by the end of fiscal 2020

▶ Ensuring High Levels of Engagement by Professional Human Resources

NTT DATA develops diverse, highly professional human resources who contribute to value creation through long-term relationships with customers, its game-changing approach, and technological innovations, ensuring high motivation and engagement through significant business contributions by individual employees. Moreover, we conduct employee satisfaction questionnaires in Japan and engagement surveys overseas.

Reference:
NTT DATA attrition rate (Fiscal 2015): 2.4% (NTT DATA non-consolidated)
Attrition rate by industry: Telecommunications industry: 11.3%, All industries: 15.5%

(Source: 2014 Survey on Employment Trends; Ministry of Health, Labour and Welfare)

▶ Initiatives to Inculcate Group Vision

To realize the Group vision, the NTT DATA Group strives to share the principles expressed in its cherished Values. Specifically, these initiatives involve Values Week, held every year in May to commemorate our founding, during which events are held to conduct dialogues about values. In 2015, approximately 10,000 employees in over 60 cities in nearly 20 countries participated.

Brand

To establish a global brand, which is the goal of the Global 2nd Stage, NTT DATA will increase its business presence in each region and engage in efforts to cultivate an integrated corporate image and increase awareness to maintain and advance its brand as an important management resource.

NTT DATA : ASCEND
Rise and grow our global brand

Aims for the Medium-Term Management Plan Period

Establish a global brand

- Rank in the top 10 in major countries and regions
- Be recognized as a business partner to client companies

The Indicators*1

Global IT service ranking (Net sales)

10th

CMMI certification*2

Level **5**
(the highest level)

*1. As of March 31, 2016
*2. Capability Maturity Model Integration (CMMI): A model created by the CMMI Institute of Carnegie Mellon University with the assistance of the U.S. State Department that expresses the level of maturity of organizations undertaking system development. The model utilizes a five-point scale with Level 5 as the highest level. In addition to expressing degree of maturity by scaled levels, CMMI defines the characteristics of effective processes that satisfy each degree of maturity. CMMI is utilized by numerous corporations throughout the world as the de factor standard reference model for conducting process improvements.

Reasons for positioning as important management resources		Strong ties to growth strategies	Ties to strengths
1	Strong brand power through increased awareness and the provision of high added value is essential to increase local presence overseas, a core theme of the Medium-Term Management Plan.	🟦🟪	🟢🔴🟡
2	To further enhance presence, we must expand awareness of NTT DATA as an innovative corporation.	🟦🟪	🔴🟡
3	In addition to business characteristics such as providing IT services with intangible value and building systems to support social infrastructure, reputation and confidence are important from the clients' perspective.	🟦	🟢
4	The loss of social trust will affect all business operations, including economic losses and talent acquisition.		🟢

Relevance with Growth Strategies
🟦 Game-Changing Approach 🟪 Breakthrough Technology

Relevance with Strengths
🟢 Committed to Delivering Excellence 🔴 Technology Agnostic
🟡 Applied Innovation

▶ Conducting Business Aimed at Realizing Our Mission Statement

Based on our mission statement of using information technology to create new paradigms and values which help contribute to a more affluent and harmonious society, the execution of business activities aimed at the creation and stable, ongoing operation of systems supporting society are the wellspring of the NTT DATA brand.

▶ Initiatives Aimed at Increasing Awareness

NTT DATA will focus efforts on global public relations activities to improve brand power, the key to acquiring business with multinational corporate clients.

Vatican Apostolic Library

© Biblioteca Apostolica Vaticana

Due to its global presence, the Vatican Apostolic Library digital archive project received news coverage in multiple languages which had a major publicity effect leading to awareness of the NTT DATA brand.

The British Open Golf Championship

The Open Championship is one of the four major championships in professional golf, having the longest history and oldest tradition. Since 2013, NTT DATA has officially sponsored the tournament as a patron. We attempt to increase NTT DATA brand awareness in global markets through sponsorship of this international and prestigious sporting event.

Indianapolis 500

Since 2013, NTT DATA has sponsored the prestigious U.S. Chip Ganassi Racing Teams as they compete in the Indianapolis 500, a giant sporting event with a storied history, which is part of the Triple Crown of Motorsport and has extremely high visibility in the North American region. From 2014, in addition to the Indianapolis 500, NTT DATA has participated in the entire IndyCar Series (18 races) in an attempt to expand brand awareness and improve its corporate image.

Business with Social Significance

In April 2014, NTT launched a project involving the digital archiving of the entirety of historical handwritten manuscripts in the Vatican Apostolic Library to realize the legacy of an everlasting culture and leave to posterity approximately 80,000 volumes with some 40 million pages.

With digital archiving, NTT DATA will prevent the deterioration and loss of documents, taking advantage of a system for once again utilizing the valuable documents hidden within the organization to provide the world with new value.

Providing New Value through Data Utilization

The installation of the NTT DATA Wall, which visualizes in real-time a variety of data generated at The Open Championship and embodies the drama hidden behind the data, enables the provision of a new spectator style using IT for golf fans in the gallery and around the world. Through the use of data, these initiatives aim to realize a new style of sports spectating, giving rise to a heretofore unknown level of excitement.

Verification Tests Using Technological Capabilities

NTT DATA also supports Chip Ganassi Racing Teams with IT technologies. From the 2015 season, we have employed wearable functional material "hitoe" technology facilitating the continuous measurement of biometric information, which enables the acquisition, analysis, and use of a driver's biometric information during the race. Also, based on the technologies and knowledge gained through these initiatives, we aim to develop new solutions utilizing biometric information applicable to the sports industry overall in 2020. Furthermore, we will deploy these biometric information acquisition and analysis technologies in other areas to promote the creation of services centered on the use of biometric information.

Management Resources

Technology

Regarding "Foresight" as a value, NTT DATA considers business know-how, advanced development and operational methods, and various research results accumulated through client relationships over many years that we consider "technologies" to be an important management resource that we strive to maintain and enhance.

NTT DATA : ASCEND
Rise and grow our global brand

Aims for the Medium-Term Management Plan Period

- **Improve competitiveness through development knowledge sharing on a global level**
- **Create new businesses using cutting-edge technologies**

NTT DATA will acquire a competitive edge through the accumulation and distribution of development knowledge throughout the world to improve productivity and create new systems and businesses with clients using cutting-edge technologies.

The Indicators

Leading the big data era as a Hadoop developer company
4th worldwide

Evaluation report published by HfS Research of the United States HfS Blueprint 2016*1:
Success Factors Services
Highest ranking
Obtained "Winner's Circle" rating

NTT Group the first Japanese company to receive award
OpenStack Superuser Award from the OpenStack Foundation

Cloud professional services vendor assessment report by IDC*2, of the United States
Assessed as **a top-level "leader"** in IDC MarketScape: Worldwide Cloud Professional Services 2016 Vendor Assessment

*1. Application Testing Services
*2. IDC MarketScape Worldwide Cloud Professional Services 2016 Vendor Assessment

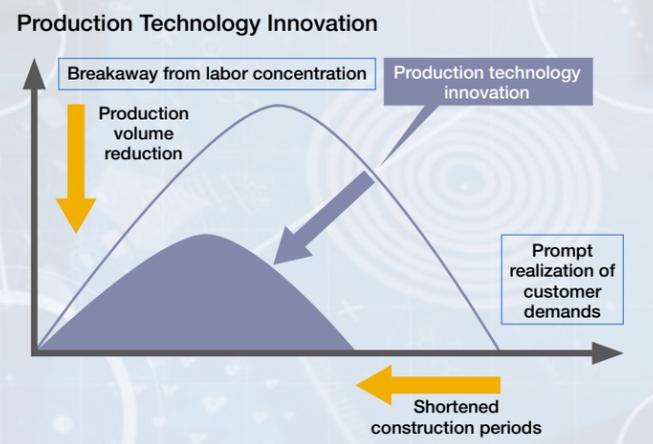| Reasons for positioning as important management resources	Strong ties to growth strategies	Ties to strengths
1 The foundation for proposing optimized solutions to clients	🟦🟪	🔴🟡
2 Technology trends, analysis and future outlook (NTT DATA Technology Foresight) representative of innovation management promotes the co-creation of business with clients and enhances our competitive edge.	🟪	🔴
3 Enhance NTT DATA competitiveness through ownership and use of intellectual properties.		🟡
4 Production technology innovations that shorten delivery times enable us to break free from labor-intensive industries, and heighten competitiveness.	🟪	🟡

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🟦 Game-Changing Approach 🟪 Breakthrough Technology

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🟡 Applied Innovation

▶ Automation and Standardization of Software Development

NTT DATA has engaged in realizing high-quality and short-term development through the automation of software development. This had been one aspect of our competitive advantage, but in recent years our competitors are also promoting initiatives aimed at software development automation. Given these conditions, we have engaged in expanding the number of development processes able to be automated and increased the number of development projects where automation can be applied.

We have also standardized development processes throughout the world and engage in enhancing competitiveness through development knowledge sharing on a global level and are focusing efforts on further production technology innovation.

Production Technology Innovation

- Breakaway from labor concentration
- Production technology innovation
- Production volume reduction
- Prompt realization of customer demands
- Shortened construction periods

▶ Creating New Businesses Together with Clients, Deriving and Unveiling Near-Future Technology Trends

As one method of determining research themes that need to be addressed over the medium to long term, NTT DATA anticipates future changes from a variety of perspectives and derives near-future information society trends and technological trends, published as NTT DATA Technology Foresight. The utilization of NTT DATA Technology Foresight as a guideline indicating trend information for the focused promotion of advanced technological developments necessary for future society is a critical element enabling the continued proposal and provision of attractive systems for clients. In fiscal 2015, artificial intelligence (AI), such as robots able to communicate, significantly increased in importance and visibility among other technological trends. To enhance initiatives in this area, we established a unit dedicated to AI technology.

NTT DATA Technology Foresight proactively releases information through external lectures and private seminars for clients to widen the scope of its application. Through these activities, we are promoting our technological capabilities and advancement, as well as enhancing our corporate brand and client loyalty. In fiscal 2015, we dramatically increased the level of activities conducted by our Co-Creation Workshops, which aim to create new business ideas with clients by utilizing NTT DATA Technology Foresight. Thanks to these efforts, we are already receiving orders for new projects.

NTT DATA Technology Foresight Formulation Process

- NTT DATA Group specialists around the world
- NTT R&D laboratories
- External specialists
- Public information surveys
- Social issues / Business issues
- Innovation technology
- **NTT DATA Technology Foresight**
  - Information society trends
  - Technological trends

▶ Use of NTT Group Technological Development Results

NTT R&D, based on a mission statement of contributing to society, industry, and academic development through the creation of world-leading technologies, with approximately 2,500 researchers engaged in a wide variety of research, from basic research to R&D supporting business development. NTT DATA uses the results of these R&D efforts to promote business. For example, the research results from joint experiments conducted by NTT DATA, NTT, and Vstone Co., Ltd., were used to conduct joint verification tests aimed at realizing "client service support" with the "Sota" communication robot using sensors and a cloud robotics platform for the Resona Bank's Toyosu Branch (Seven Days Plaza Toyosu).

These joint verification tests verified the potential for using communication robots in actual branch duties, including guidance from the ATM section to the teller window, detection of customers using high-sensitivity sensors, and other customer support.

Through this initiative, we aim to commercialize client services performed by communication robots in fiscal 2016. To realize this objective, we will accumulate expertise on utilizing these robots through verification tests to extend the range of operations supporting client services to include client guidance, product introductions, and support for customer response operations.

"Sota" communication robot

Management Resources

Partners

Based on its "Clients First" values, NTT DATA positions relationships with partners as an important management resource that it strives to maintain and enhance, as partners supply NTT DATA with services, products, and research results that enable it to provide its clients with optimal services.

NTT DATA : ASCEND
Rise and grow our global brand

Aims for the Medium-Term Management Plan Period

- Maintain and strengthen partnerships with cloud vendors, software vendors, hardware vendors, and other companies to enhance our resources and solutions

The Indicators*

Global Services Partnership concluded with SAP SE

NTT DATA Group the first Asian company to be an SAP service partner

Number of companies certified under the business partner system

148

* As of March 31, 2016

Reasons for positioning as important management resources	Strong ties to growth strategies	Ties to strengths
1 Based on the "Clients First" concept, we must incorporate a wide range of excellent products and technologies from global partners to realize the provision of optimal services to clients.	■ ■	● ●
2 To provide flexible and advanced services in line with client needs, we must collaborate when necessary with global IT companies.	■ ■	● ●
3 Positive relationships with partners enable us to realize effective cost management and the creation of stable and flexible delivery structures.		● ●

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■ Game-Changing Approach ■ Breakthrough Technology

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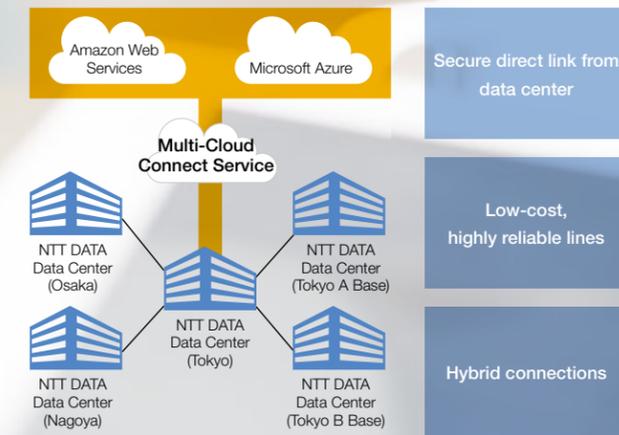● Applied Innovation

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▶ Collaborations with Global IT Companies

NTT DATA is engaging in partnerships with global IT companies and promoting the provision of IT services leveraging mutual strengths. As one example, in February 2016 we launched the Multi-Cloud Connect service using a dedicated line to directly link Amazon Web Services (AWS) and Microsoft Azure to NTT DATA's data centers. Going forward, we will attempt to enhance our cloud services in response to anticipated growth in hybrid cloud and multi-cloud needs as this technology continues to spread.

▶ Supply Chain Management (Business Partner System)

NTT DATA conducts spending analyses related to outsourced transactions to accurately ascertain and manage its supply chain. Regarding outsourced software, the business partner system was established to evaluate management conditions from a variety of angles, with excellent companies being accredited as business partner or associate partner companies. This is linked to enhanced supply chain competitiveness by contributing to the retention of human resources and enhanced productivity and quality within NTT DATA development projects.

Multi-Cloud Connect Service

Amazon Web Services
Microsoft Azure

Multi-Cloud Connect Service

NTT DATA Data Center (Osaka)
NTT DATA Data Center (Tokyo A Base)
NTT DATA Data Center (Tokyo)
NTT DATA Data Center (Nagoya)
NTT DATA Data Center (Tokyo B Base)

Secure direct link from data center

Low-cost, highly reliable lines

Hybrid connections

▶ Global Collaborations with the NTT Group

Collaborations with the NTT Group enables us to acquire orders from North America, Europe, and Asia.
With regard to telephony-related business in particular, Dimension Data's strength in the construction and operation of in-house LAN systems, NTT Communications' strength in data center services and network services in each country, and NTT DATA's strength in application businesses facilitate complementary relationships. NTT Group collaborations lead to proposals with high added value.

Collaborative Order Projects in the Fiscal Year Ended March 31, 2016

Areas	Collaborations	Projects	Client industries
North America	Dimension Data	SaaS business analytics services	Manufacturing industry
Europe	Dimension Data	Comprehensive data center solutions	Manufacturing industry
Southeast Asia	NTT Communications	IT support services related to employee payroll and equipment	Financial industry