Global IT Innovator
NTT DATA GROUP

NTT DaTa

People

Society

Environment

CSR Report 2009
NTT DATA CORPORATION

Corporate Philosophy

NTT DATA Group utilizes information technology
to create new paradigms and values,
contributing to the achievement
of a more affluent and harmonious society.

Group Vision

Global IT Innovator

Our company uses information technology to change society,
working with a global vision, on a global scale.

Declaration of "Global Partnership"

We will link diverse systems and services, transcending regional
and national boundaries, to create new values in partnership with
our customers.

Declaration of "Enduser-Oriented Business"

We will constantly strive to create new concepts for systems and services
from the perspective of our clients and their customers, providing our
customers with the most appropriate and effective solutions.

Declaration of "Workstyle Innovation"

As a leader of the IT industry we will produce innovations in productivity
and workstyles, providing support for enhanced self-realization.

In 2005, the NTT DATA Group revised its corporate philosophy, which sets out its mission and core values, and formulated a Group Vision to share with all employees toward the realization of its aspirations for how it sees itself in 10 years time. The vision originates with "awareness innovation," which we have pursued since 2004, asking what is needed for sustainable corporate growth and what society's expectations and important considerations are with regard to NTT DATA. Discussions by management and employees in the quest to resolve these questions resulted in formation of the Group Vision. In pursuit of this vision, the NTT DATA Group has stepped up the pace of its various innovations and is fulfilling its social mission and responsibilities by using IT to solve social issues and contributing to the realization of a prosperous society.

The NTT Group CSR Charter

The NTT Group's basic management stance is to contribute to the ongoing development of society while maintaining awareness of its social responsibilities. Based on this approach, the NTT Group CSR Charter was drawn up in June 2006 to provide the basic guidelines for more active CSR activities by Group companies. The charter comprises a CSR Message that expresses the Group's CSR commitment and CSR Goals that outline priority aspects of the Group's CSR activities.

In fiscal 2009, NTT Group CSR Priority Activities were defined to further consolidate the NTT Group in its drive to address social issues in Japan and overseas. This step aids the NTT Group in promoting activities on an autonomous and voluntary basis.

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

Safe and secure communication

Team NTT communication

Creation of a safe, secure and prosperous society through communications that serve people, communities, and the global environment

Communication between people and their communities

Communication between people and the global environment

Editorial Notes

About the *CSR Report 2009*

NTT DATA began publishing an *Environmental Report* in 2000. Information having a more social dimension was added, and this report evolved into the *Social and Environmental Report* in 2004. In 2006, the publication's name changed to the *Corporate Social Responsibility (CSR) Report* to reflect the inclusion of multiple stakeholder perspectives.

In the *CSR Report 2009,* we have endeavored to reflect opinions from employees and other stakeholders regarding the *CSR Report 2008*. We have included a feature that introduces case studies on the themes of "The Environment," "Society" and "People" to communicate in an easily understandable manner the NTT DATA Group's mission and responsibilities in meeting the issues and needs of society through its core business.

In keeping with the previous year's report, we have incorporated "Major Initiatives during Fiscal 2009 and Future Plans" (see page 18) to give a general representation and highlight the progress during the fiscal year.

We plan to post on the NTT DATA website (Japanese only) additional case studies and detailed information on environmental performance that were not included here owing to space restrictions.

CSR Website (Japanese only)
http://www.nttdata.co.jp/corporate/csr/report/

Organizations covered

The majority of reportage refers to the activities of NTT DATA CORPORATION, with some content extending to the entire NTT DATA Group or to Group companies.

Reported activities

This publication reports on measures and results relating to economic activities, social activities and environmental protection activities by NTT DATA and Group companies.

Period of coverage

Material in this report is primarily focused on fiscal 2009 (April 1, 2008, to March 31, 2009), with some coverage of activities carried out prior to the period or during fiscal 2010 or planned for the future.

Note: With respect to the notation of fiscal years in the graphs and charts within this CSR Report, "2009" indicates the fiscal year ended March 31, 2009.

Reference guidelines

- *Environmental Reporting Guidelines (2007),* Ministry of the Environment
- *Sustainability Reporting Guidelines, Version 3 (G3),* Global Reporting Initiative (GRI)

Publication dates

This issue: December 2009
Next issue: November 2010 (provisional)

Contents

Disclaimer
This report includes judgments, plans and predictions based on information available at the time of publication, in addition to current and past facts pertaining to NTT DATA and other companies of the NTT DATA Group. Accordingly, actual business results may differ from forecasts.

Adopting various stakeholder perspectives, we will help realize a more affluent and sustainable society through reasonable gain.

Accelerating innovation while passing on our DNA of public-mindedness

Fiscal 2009, ended March 31, 2009, marks the 20th anniversary of NTT DATA's founding. Following the inauguration of Nippon Telegraph and Telephone Public Corporation's Data Communications Bureau in 1967, and separating from and becoming independent of NTT in 1988, we used this occasion to initiate a third inauguration, surpassing our traditional system integrator status and making a fresh start to become an innovation partner to our customers. Our new brand message "NTT DATA Group, the emerging power to innovate," expresses the spirit of this third inauguration.

Since 1967, we have pursued systems and services that are helpful to society with consideration for our diverse range of stakeholders under our mission and responsibility of "utilizing information technology (IT) to solve social problems and contribute to the achievement of a richer society." Our public-mindedness, an element of our DNA, was the framework upon which NTT DATA was created. While passing on this valuable DNA, through a variety of innovations conscious of the environment, society and people, we are contributing to the realization of a more affluent and harmonious society.

Promoting the greening of customers and society through environmentally oriented management

Climate change is a pressing issue that requires widespread efforts, such as the reduction of CO_2 emissions, that extend beyond industrial and national frameworks. By streamlining and optimizing corporate and societal activities, we see IT as having an increasing role in solving these problems. At the same time, the spread of IT requires the consumption of more and more electrical power each year.

One of the key policy measures of the Medium-Term Management Policy* we launched in fiscal 2010, is environmentally oriented management, which aims to strengthen environmental initiatives from a variety of perspectives. Specifically, as part of the greening of the NTT DATA Group, we reduce the amount of CO_2 emitted through our business activities through data center greening and business process efficiency improvements. Also, as part of the greening of our customers and society we work to reduce

environmental impact by introducing IT and visualizing the results. We provide environmental IT solutions such as the Green Data Center Service, supporting customer business innovation. In such ways, we work with our customers to realize a low-carbon society.

Furthermore, as telecommuting suppresses the consumption of energy resulting from the movement of people and creates work opportunities for a variety of people, we can achieve new societal innovation through an IT approach to environmental problems. NTT DATA is taking the initiative to spread the possibilities of IT throughout society.

* The Medium-Term Management Policy
This policy, which began in fiscal 2008, was revised as a result of sudden changes in the management environment, and a new Medium-Term Management Policy was initiated to reflect the outlook for the next four years.

Resolving social issues through business activities and the pursuit of reasonable gain

In fiscal 2009, the performance of many companies was affected by the global recession. We now have a sense that the present advance of globalization and the actions of just one industry—or even a single company—can significantly influence people throughout the world.

Accordingly, I believe that approaching earnings from the standpoint of quality is important to its efforts to contribute to a sustainable society and our own sustainable growth. In addition to fulfilling our fundamental "expected responsibilities," such as improving management transparency and ensuring thoroughly reasonable transactions, we lead social innovation by promoting environmentally oriented management and working to create a social system that responds to future social issues, including the falling birth rate and an aging population, rising healthcare and welfare costs, disaster and crisis management and regional vitalization. Promoting high-quality business with a balance between profitability and CSR, we will be more conscious of not simply pursuing profit for its own sake, but profit within reason—this is what we mean by the pursuit of reasonable gain.

Respecting human resource diversity in support of business operations, helping to cultivate next-generation human resources

Our principal management responsibility is to create a workplace where NTT DATA Group employees can use their diverse talents to work energetically toward the realization of reasonable gain. To this end, NTT DATA promotes diversity and work style innovation.

In April 2008, we established the Diversity Promotion Office to create systems to support work-life balance and promoted training to transform employee awareness. In recognition of these efforts, we were selected for the Best Mother Award 2009 in the Business Category (see page 27). At the same time, we still need to reduce working hours, and we will continue striving to enhance employee satisfaction.

In addition, as an industry leader we take the cultivation of Japanese IT professionals very seriously. At present, NTT DATA is conducting next-generation educational activities across a wide range of age groups, and will continue to promote the initiatives necessary for the healthy development of an IT-oriented society.

Aiming to contribute to customers and regional communities throughout the world

In January 2009, NTT DATA was selected as one of the Global 100 Most Sustainable Corporations in the World based on assessment of its corporate governance, environmental and social activities (see page 47). We are extremely pleased to have received this honor in the year of our 20th anniversary.

As of March 31, 2009, the NTT DATA Group's bases of operations had expanded to more than 100 cities in 22 countries. As a company developing global business, we are aware of our significant responsibility and influence, and promote business from the perspective of contributing to the environment, society and the people who support our business, which we believe is linked to being a company that is trusted worldwide.

Through innovations, we will continue to improve our management quality and achieve quantitative expansion through quality that helps realize a more affluent and sustainable society.

Toru Yamashita
President and Chief Executive Officer

As a leading company in the Japanese IT industry, we provide the information systems that support people's daily lives and society as a whole.

Since separating from and becoming independent of NTT in 1988, the NTT DATA Group has taken a leadership role in the Japanese IT industry, developing its business activities in response to social demands and issues.

We provide various information systems and services that support and change people's lives and society as a whole, ranging from public administration sector systems used by central and local government authorities to corporate systems for the financial, manufacturing, distribution, telecommunications, medical and healthcare sectors, as well as cross-sectional industry infrastructure services.
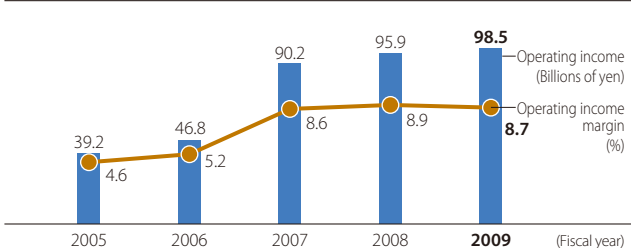
Company Profile

Name:	NTT DATA CORPORATION
Head Office:	Toyosu Center Building, 3-3, Toyosu 3-chome, Koto-ku, Tokyo 135-6033
Established:	May 23, 1988
President and CEO:	Toru Yamashita
Common Stock:	¥142,520 million (as of March 31, 2009)
Business Year:	April 1 to March 31
Employees:	9,230 (non-consolidated) 31,739 (consolidated) (as of March 31, 2009)
Subsidiaries and Affiliates	Subsidiaries: 144 Affiliates: 22 (as of March 31, 2009)

Consolidated Net Sales (Billions of yen)

Fiscal year	Net Sales
2005	854.1
2006	907.2
2007	1,044.9
2008	1,074.4
2009	1,139.0
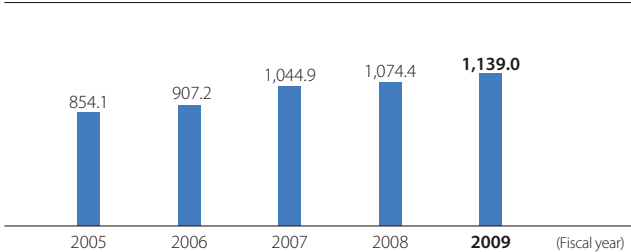
Consolidated Operating Income/ Consolidated Operating Income Margin

| Fiscal year	Operating income (Billions of yen)	Operating income margin (%)
2005	39.2	4.6
2006	46.8	5.2
2007	90.2	8.6
2008	95.9	8.9
2009	98.5	8.7

Public Administration Sector

In addition to developing and operating information systems that support society as a whole, such as taxation, employment/labor, trade and transportation systems, we provide systems and services designed to make regional societies safe, convenient and prosperous. From nationwide to community-based systems and IT services that support cooperation between public and private sectors, we help create social infrastructure with an end-user perspective.

Tatsuzin Tax Return Package Software for a Diverse Array of Users

National and local governments are promoting the electronic filing of national and local taxes based on the u-Japan concept, which aims to realize a ubiquitous network society.

In 2002, NTT DATA launched *Tatsuzin* Series software for the electronic filing of tax returns, adding an online tax service function in 2006. In 2008, we began sales of Electronic Filing *Tatsuzin,* a tax return software package for individual taxpayers. These products are compatible with national and local electronic tax filing systems. In addition to making filing more efficient for accounting firms, companies and individuals, this software is helping to popularize electronic filing.

NTT DATA will continue to propose tax information platforms that link national and local governments, companies, financial institutions and individuals to support an IT-oriented society.

Taxpayer — Electronic filing — Internet — Tax return — **National Tax Agency** / Tax return — **Municipality**
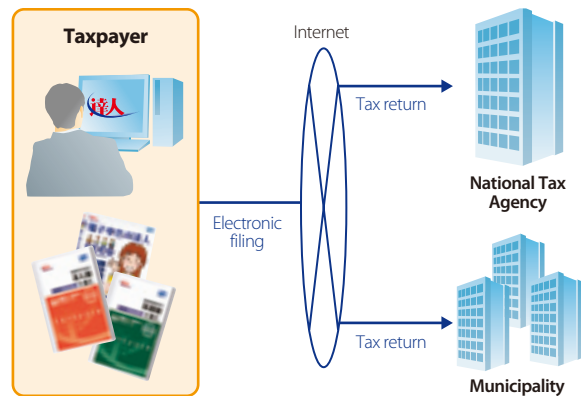
Major Systems and Services

- Social Insurance Online System
- Motorcar Total Information Advanced System (MOTAS)
- Nippon Automated Cargo and Port Consolidated System (NACCS)
- Regional Tax Portal System (eLTAX)
- Communication System for Disaster Mitigation
- FairCast Child Safety Communication Network

Medical and Healthcare Sector

In this sector, we provide services to ensure safety and peace of mind, including healthcare management systems that promote health and disease prevention on a daily basis, a regional health information network system that provides better healthcare services by sharing patient information and a wide-area disaster and emergency medical information system that provides support during medical emergencies and disasters.

Highly Secure Online Service to Access Insurance Claims

In Japan, medical institutions and pharmacies receive the portion of their compensation that is covered by medical insurance by filing medical insurance reimbursement claims to agencies that verify and process receipts. This filing process will be moved on line by fiscal 2012. Accordingly, the Ministry of Health, Labour and Welfare (MHLW) has formulated guidelines for highly secure medical institution and pharmacy network environments.

To address the IT needs of community healthcare providers, since September 2008 NTT DATA has offered a specialized router that utilizes on-demand virtual private network (VPN) technology to create a simple and inexpensive network that meets MHLW security guidelines. With this service, medical institutions and pharmacies simply install a dedicated router to turn their existing Internet environments into highly secure networks.
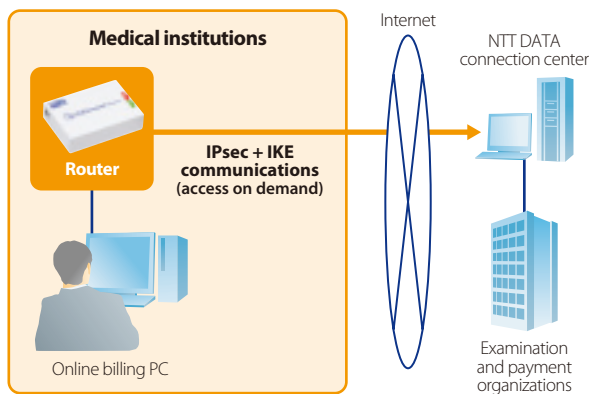
Major Systems and Services
- Medical Insurance Claim Processing System
- Health Data Bank (ASP service for health management)
- Creative Health Sankenjin (healthcare management and lifestyle practice improvement support service)
- Health Checkup Support System • Regional Health Information Network System
- Wide-Area Disaster and Emergency Medical Information System
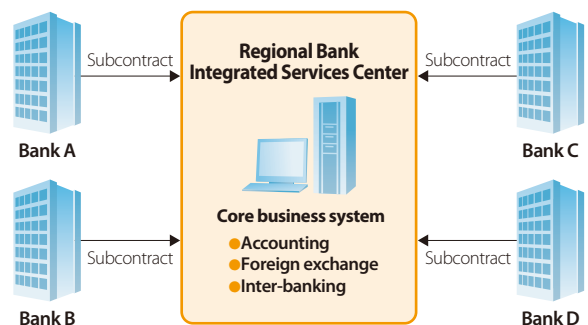
Financial Sector

NTT DATA provides systems integration and shared use services according to the scale requirements and objectives of a wide range of financial institutions, such as governmental financial institutions, securities and insurance companies, banks, credit banks, credit unions, labor banks and agricultural cooperatives. We also offer a wide range of outsourcing services to help financial institutions raise business efficiency and improve service quality.

NTT DATA Regional Bank Integrated Services Center to Raise Business Efficiency and Support IT Strategies of Regional Banks

The global financial crisis and financial industry reorganization has made competition for survival among regional banks increasingly fierce. In this environment, shared services centers are gaining attention from banks, which can outsource common core business systems to the center.

NTT DATA provides "Banking application Engine for STandard Architecture" (BeSTA), a standard banking application that offers advanced functions, based on the Company's extensive experience in creating accounting systems for numerous regional banks. As of July 2009, the Regional Bank Integrated Services Center, which is based on BeSTA, provided services to nine regional banks, the highest number in Japan for this type of center. The STELLA CUBE, core business shared service center which is also based on BeSTA, is scheduled to begin operations in May 2011. At that point, the number of banks serviced by BeSTA will expand to 24.

NTT DATA will continue to support the IT strategies of banks rooted in regional communities and invigorate regional economies.

Major Systems and Services
- *Shinkin* Shared Center
- Foreign Exchange ASP
- Exchange information system
- Insurance Enterprises Common Gateway
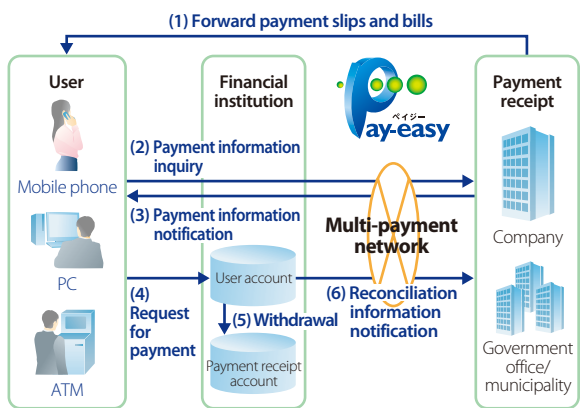- *Zaimon* financial data distribution gateway service

Payment Sector

NTT DATA develops and operates large-scale network systems that support Japan's financial and economic infrastructure by linking payments and receipts among financial institutions, retail and credit companies and governmental agencies. We also contribute to the emergence of a cashless society by developing electronic money centers and credit card verification systems.

Multi-Payment Network for a Simple and Convenient Payment Environment

In Japan, people have become able to pay taxes, public utility bills and other items not only at the business counters of financial institutions and convenience stores, but also at ATMs and via personal computers and mobile phones. The Pay-easy multi-payment network has simplified payments from anywhere, at any time.

NTT DATA developed and operates Pay-easy on consignment from the Japan Multi-Payment Network Management Organization, in which all financial institutions in Japan participate.

In addition to enhancing consumer convenience, Pay-easy increases the operational efficiency of private companies, government offices, regional municipalities, and financial institutions. In fiscal 2009, Pay-easy facilitated more than ¥4 trillion in transactions, proving itself an essential part of the social infrastructure.

(1) Forward payment slips and bills

User | **Financial institution** | **Payment receipt**

Mobile phone

(2) Payment information inquiry

(3) Payment information notification

Multi-payment network

Company

PC

(4) Request for payment

User account

(5) Withdrawal

(6) Reconciliation information notification

Payment receipt account

Government office/ municipality

ATM

Major Systems and Services

- The *Zengin* Data Telecommunications System (A nationwide online processing system for domestic fund transfers among Japanese financial institutions)
- ANSER (automated notification service for deposits, withdrawals and transfer requests)
- CAFIS (integrated network system for credit card transactions)
- Integrated ATM Switching Service

Telecommunications Sector

Mobile phones continue to offer increasingly diverse and sophisticated functions, which now include email, web access and settlement services. We contribute to user convenience by creating and operating system platforms that enable the stable operation of these functions. We also contribute our advanced technologies to the development of next-generation networks (NGNs).

Developing a Gateway System to Support the Stable Operation of the NTT DOCOMO i-mode Service

Mobile phones have become essential to our daily lives. In Japan, NTT DOCOMO's i-mode service has a leading share of the market, with approximately 49 million subscribers. In 2003, we launched the i-mode Gateway System to provide 24/7 support for this large base of customers who use i-mode for email and web access, as well as to provide such services as i-concier.*

In developing this system, NTT DATA constructed a platform allowing access to 50,000 pages of web content and 25,000 emails per second. Furthermore, the system can be expanded without service outage.

By developing and operating this system, which is the largest of its kind in the world, NTT DATA offers peace of mind and convenience to i-mode users.

* i-concier
Launched in November 2008, i-concier is a customer-personalized mobile information service.

Stable operation 24 hours a day, 365 days a year

Web access at **50,000 transactions** per second

i-mode Gateway System

25,000 send/receive e-mail transactions per second

Web access service

Email service
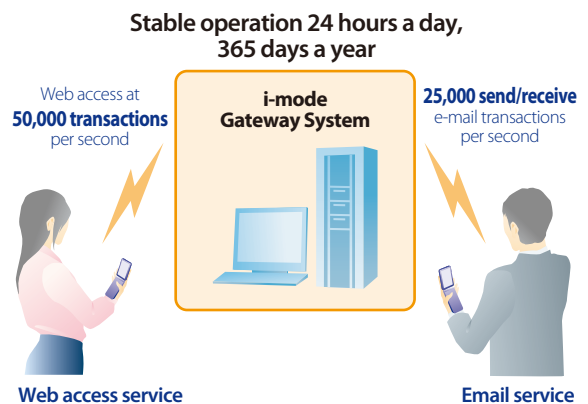
Major Systems and Services

- Platform system supporting DCMX NTT DOCOMO Mobile Credit Service
- Billing system (provides billing invoice data, billing system)
- Customer management system
- NGN operation system

Note: i-mode, i-concier and DCMX are trademarks or registered trademarks of NTT DOCOMO, INC. in Japan and other countries.

Manufacturing, Distribution and Service Sectors

We provide a diverse range of support—from consulting to systems development and the provision of IT services—to help our customers develop their businesses. In these ways, we address customers' needs to rationalize and streamline their production, sales, logistics and other business processes, as well provide end-user needs analysis and settlement system optimization.

Building One of Japan's Largest Online Stores in Pursuit of a New Retail Style

In September 2007, the Uniqlo Online Store, one of Japan's highest-grossing retail e-commerce sites, renewed its content in a virtual grand re-opening. NTT DATA was in charge of developing the core system for this website. We focused on response to heavy site traffic during sales promotional campaigns, usability that would allow online shoppers to quickly find desired items from the abundant selection and online campaigns that would be at least as varied as those conducted at physical stores. The result was greater online store convenience and better system dependability. The online store infrastructure included support for global expansion through the ability to link to external logistics systems.

The Uniqlo Online Store is constantly evolving to provide customers with products when and where they want them, to make the shopping experience enjoyable and to realize a new retail style. In this way, NTT DATA helps its customers create new businesses by making extensive use of IT.
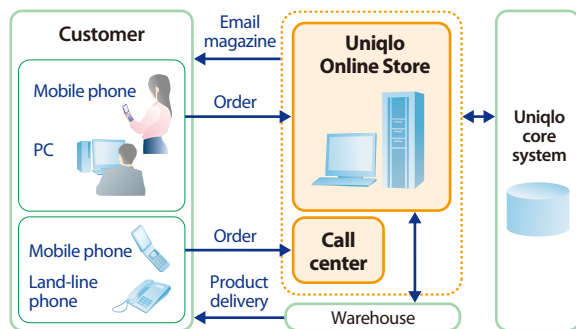
Major Systems and Services
- Global SCM systems   • e-Commerce site solutions   • CVS franchise systems
- Smart card/wireless settlement solutions (e-money and point service functions)
- Pharmaceutical industry data exchange system JD-NET
- EDI for the consumer-electronics industry

Environmental Sector

Environmental preservation initiatives are important for all of society. We help to reduce the environmental impact of our customers, and society as a whole, by developing technology and services that support customers' environmental management and preservation activities. We also assist information transmission and propose other ways to reduce environmental impact through the effective use of IT.

Ecology Express Helps Companies Collect Comprehensive Environmental Information

Amid ongoing environment-related activities and new legal frameworks worldwide, companies face a growing need to collect both domestic and overseas environmental information in real time and reflect these developments in their activities.

Since 2000, NTT DATA has provided a membership-based environmental information website, called Ecology Express. The website contains information featuring the environment, energy and environmental regulations from various sources around the globe, and provides this information to members in a timely fashion. The service helps users discover environmental business opportunities, promote environmental management and reduce environmental risk. As of March 31, 2009, membership comprised 420 companies and 1,293 individuals worldwide, making it the largest environmental information site in Japan.

The site was renewed in September 2008, integrating even more global sources and improving user convenience with the addition of search and individual email distribution functions.

Ecology Express (Japanese only)
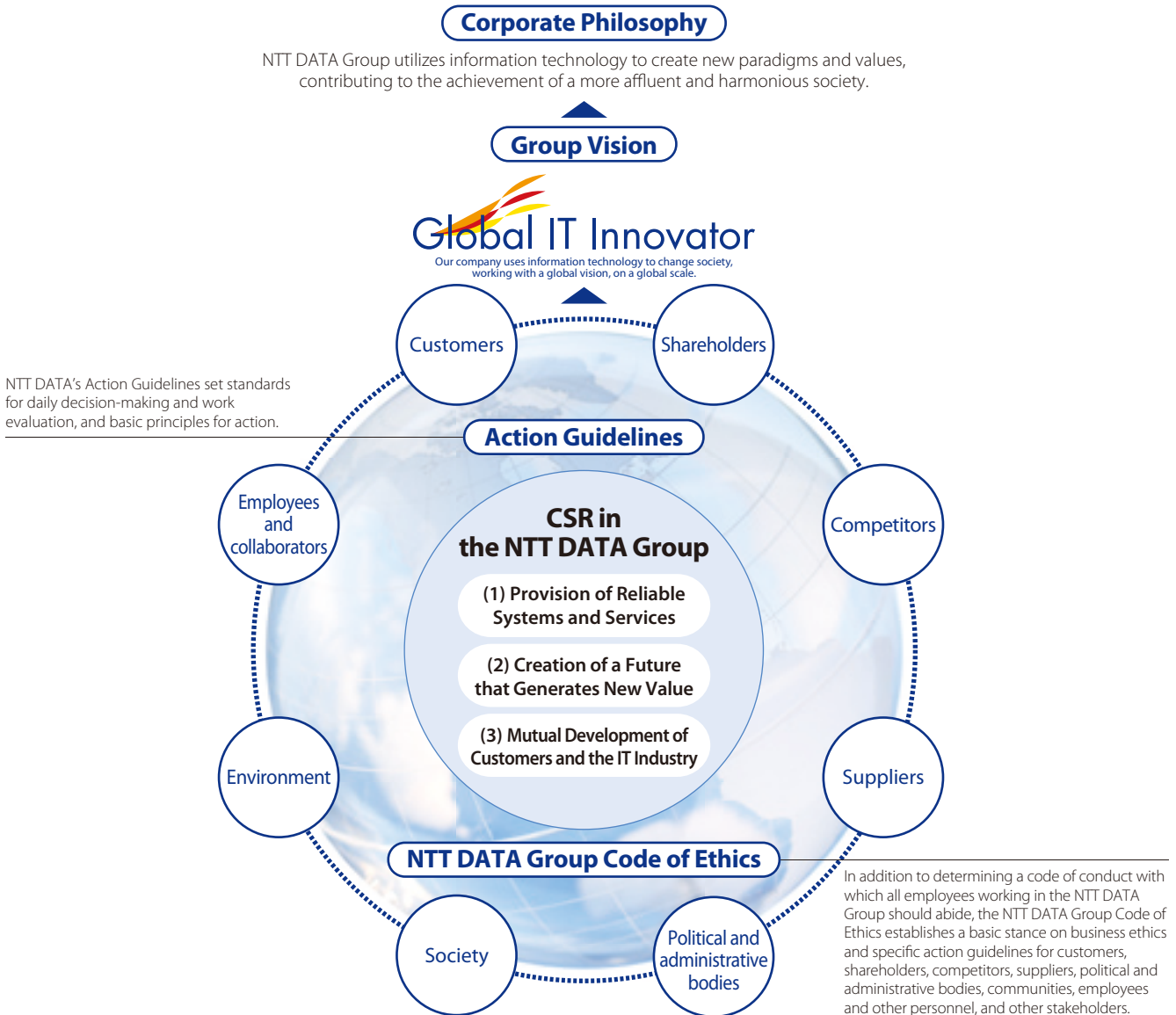https://www.ecologyexpress.jp/

Major Systems and Services
- Green Data Center Service
- Greenhouse gases emissions trading support system
- Environmental management consulting
- Environmental impact reduction solutions
- Environmental monitoring systems

Contributing to the realization of a sustainable society through optimal deployment of Group power

Approach to CSR

While putting sound and transparent management into practice, the NTT DATA Group contributes to the development of customers and society through the creation of new paradigms and values. We also work toward a prosperous, well-balanced, safe and secure society, as we progress on our own path of growth. We believe that this encapsulates our mission and responsibilities as a company. Moreover, we established the NTT DATA Group Code of Ethics and Action Guidelines to steer us toward this destination.

Corporate Philosophy

NTT DATA Group utilizes information technology to create new paradigms and values, contributing to the achievement of a more affluent and harmonious society.

Group Vision

Global IT Innovator

Our company uses information technology to change society, working with a global vision, on a global scale.

NTT DATA's Action Guidelines set standards for daily decision-making and work evaluation, and basic principles for action.

Action Guidelines

Customers
Shareholders
Competitors
Employees and collaborators
Environment
Suppliers
Society
Political and administrative bodies

CSR in the NTT DATA Group

(1) Provision of Reliable Systems and Services

(2) Creation of a Future that Generates New Value

(3) Mutual Development of Customers and the IT Industry

NTT DATA Group Code of Ethics

In addition to determining a code of conduct with which all employees working in the NTT DATA Group should abide, the NTT DATA Group Code of Ethics establishes a basic stance on business ethics and specific action guidelines for customers, shareholders, competitors, suppliers, political and administrative bodies, communities, employees and other personnel, and other stakeholders.

CSR in the NTT DATA Group

(1) Provision of Reliable Systems and Services
To steadily provide reliable systems and services, as a business charged with providing infrastructure that supports the economy and society of Japan and supplying systems to assist people in their daily lives.

(2) Creation of a Future that Generates New Value
To create new value for our customers and for society as a whole and contribute to the achievement of a more affluent, harmonious, safe, and secure society by utilizing information technology to create the systems of the future.

(3) Mutual Development of Customers and the IT Industry
As a leading corporation and a responsible member of the IT industry, to lead the way in addressing industry issues of social importance, including the cost-effectiveness of IT investment, the development of human resources, and the across-the-board enhancement of our research and development capacity, thereby benefiting our customers and contributing to positive change and development in the industry in cooperation with our customers and all our stakeholders.

Promoting CSR Management

Conducting surveys to promote broader understanding of and improve activities relating to CSR

We have targeted Group directors and employees with a CSR Report Questionnaire each year since fiscal 2007. This initiative aims to broaden CSR understanding, solicit opinions on the *CSR Report* and related efforts, and improve activities through a PDCA cycle.

During fiscal 2009, we conducted a questionnaire survey in January and February 2009, gaining responses from 23,679, or 92%, of our target groups. In response to the question of which areas the Group should emphasize, as in previous years the survey showed a large number of responses that identify compliance, risk management and other areas where the Company focuses on meeting its "expected responsibilities." An increasing number of responses called for a focus on "inspired responsibilities," solving social issues through our core business, such as using IT to resolve environmental problems.

Promoting environmentally oriented management to respond to the issues and requirements of society through our core business

NTT DATA aims to promote CSR activities through employee opinions and stakeholder communication. One priority measure of our Medium-Term Management Policy, running four years from fiscal 2010, is environmentally oriented management. Through this emphasis, we aim to promote sustainable management that strikes a balance between financial, social and environmental perspectives, based on awareness of the importance of maintaining financial profits befitting of a global enterprise, while pursuing reasonable gain that contributes to the environment and society.

Through this stance, we will clarify the policies and focal issues of our CSR activities and spread this message among our employees. This in turn will enable us to respond to the issues and requirements of society through our core business from various perspectives, including environmental protection, human resource cultivation and contributions to society.

NTT DATA Group Code of Ethics

The NTT DATA Group will:

In principle: Aim at becoming a trustworthy company group.
- Will realize an affluent social life through the development and delivery of information systems and services.
- Will observe laws, regulations and contracts and will act in accordance with a social good sense.
- Will undertake fair and transparent business activities fully realizing social responsibilities of the Company by self.

To customers: Provide high-quality services.
- Will develop and deliver creative information systems and services.
- Will thoroughly manage information of customers in accordance with contracts, Act for Protection of Computer Processed Personal Data and others.

To shareholders: Undertake transparent company management.
- Will undertake sound company management and will strive to increase returns to shareholders.
- Will provide management information appropriately and timely.

To competitors: Wage a fair and free competition.
- Will not act in impediment of market competition such as damaging credit, unfair dumping and collusion.

To suppliers: Deal on an equal footing.
- Will act sincerely without abusing superior positions.

To political and administrative bodies: Maintain a sound relationship.
- Will not depend on them and will exercise moderation.

To society: Fulfill its duties as a good corporate citizen.
- Will actively undertake social contribution activities such as volunteer activities and community interchanges.

- Will respect international cultures and sets of values and will contribute to development of local areas.
- Will stand resolutely against anti-social elements.

To environment: Undertake business activities with due consideration to the environment.
- Will promote making of systems that are considerate to the environment.
- Will reduce the environmental load caused by business activities and will undertake activities to protect the natural environment.
- Will observe laws, regulations and codes related to the environment.

To employees and collaborators: Respect personality and individuality of each person.
- Will actualize workplaces that are free and in which creativity can be demonstrated.
- Will respect human rights and will not discriminate due to gender, nationality, creeds, religion or others.
- Will not commit harassment acts.
- Will appropriately manage work and will curb excessive work and work after regular hours without overtime pays.

As employees:
- Will ensure information security and will not do privacy infringement, unauthorized access and other unlawful acts.
- Will observe the rules of the Company and will not act in injury to the interests of the Company.
- Will not engage in insider trading.
- Will not provide entertainment and will not give gifts in excess of a social common sense.

Action Guidelines

1. Put the progress of society and the success of the customer first.
2. Think and act globally.
3. Strive for products that will satisfy the customer.
4. Get out, look around, talk to people—then create.
5. Aim for maximum productivity, with technological innovation constantly in mind.
6. Make your own creative efforts the source of joy in your work and the origin of new values.
7. Always be humble; never forget to be grateful.
8. Be willing to take risks; keep up the pace.
9. Don't shy away from problems; be responsible for solving them.
10. Avoid office politics; share your wisdom and strength with your colleagues.

Theme ❶ The Environment

Feature

Green IT Solutions contributing to reducing the environmental impact on society as a whole

Reducing greenhouse gas emissions requires IT equipment to consume less power. Accordingly, the efficient application of IT should have the effect of reducing the environmental impact on the whole of society. NTT DATA provides Green IT Solutions that help realize a sustainable society on two fronts, "Greener IT" and "Greening through IT." Through this drive, we are furthering the green profiles of customers and society.

Distribution sector

Retail sector

Green Data Centers-Reducing CO_2 emissions through cutting-edge technologies

NTT DATA maintains 18 data centers nationwide, making it one of Japan's largest data center service providers. We recognize energy conservation at these facilities as a major social responsibility.

To meet this responsibility, NTT DATA is introducing solar power systems and applying high-voltage direct current power supply systems, virtualization technologies and other cutting-edge technologies to curtail electrical power consumption. For example, improvements to the air-conditioning efficiency of the $1,200m^2$-machine room in the data center we operate in the Tokyo Metropolitan Area targets reductions in annual CO_2 emissions of 2,000 tons. Through our initiatives to convert our facilities to Green Data Centers, we lessen our own environmental impact and also contribute to cutting back the environmental impact of the customers who use these facilities (see page 38).

Power conservation at data centers

Greener IT

Measures to reduce the environmental impact of IT equipment and systems

Green IT Solutions

Greening through IT

Measures to reduce the environmental impact through the use of IT equipment and systems

Providing IT systems for energy-efficient business operations

Providing IT systems that support environmental protection activities

Promoting environmental impact reductions and quantifying results

By applying its extensive experience in constructing IT systems, which serve as the infrastructure for an information-oriented society, NTT DATA provides solutions that reduce the amount people travel and the paper used in everyday business. These include systems for online business transactions and electronic payments and electronic forms. Our road traffic information systems and other technologies contribute to CO_2 cutbacks by alleviating traffic congestion and reduce environmental impact in the area of social infrastructure. NTT DATA also promotes the quantitative evaluation of environmental impact by introducing information systems (see page 34).
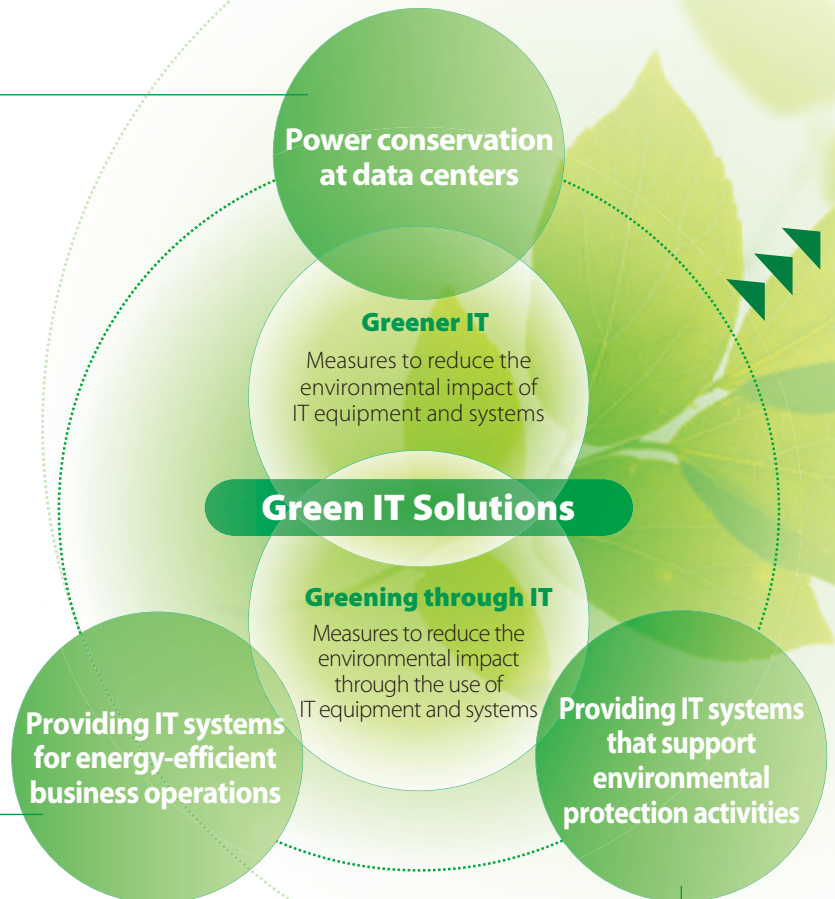
Supporting environmental protection activities by national and corporate entities through IT systems

NTT DATA provides systems to monitor energy use and water quality, as well as environmental consulting services that propose improvement measures for using IT initiatives to combat environmental problems. These constitute our portfolio of solutions services, to reduce environmental impact and promote environmental preservation. In addition, we develop and operate systems to support greenhouse gases emissions trading (see page 38), as promoted by government agencies. Such developments help create a new framework to realize a low-carbon society.

Lessening the environmental impact on society as a whole

- Reducing the number of times materials are moved
- Computerizing processes (such as through paperless operations)
- Reducing the amount people travel
- Reducing labor operations
- Reducing the power consumption of equipment
- Manufacturing sector

Various industrial customers

- IT sector
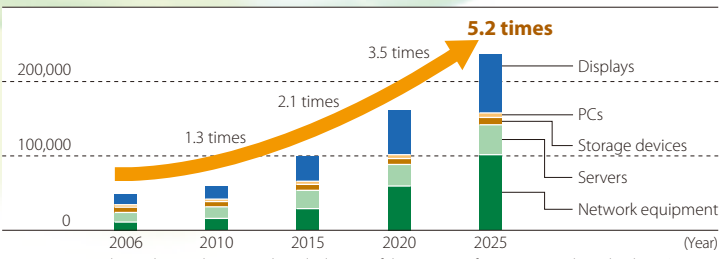- Financial sector
- Local authorities

Greener IT—reducing power consumption of IT equipment and systems

Japan's electrical power consumption has increased beyond the 1990 baseline levels stipulated in the Kyoto protocol. Against this backdrop, power consumption by IT equipment and systems has continued to escalate with the expansion of an information-oriented society. This is anticipated to rise five-fold by 2025 from 2006 figures and account for approximately 20% of national power consumption.

"Greener IT" initiatives that aim to reduce the environmental impact of IT equipment and systems have become an urgent priority. The Company strives to reduce the power consumption of IT equipment, systems and networks, while meeting its social responsibilities as a data center service provider by cutting the energy impact of these centers.

Electrical Power Consumption by IT Equipment and Systems (Japan) (Gigawatt hours)

- 5.2 times
- 3.5 times
- 2.1 times
- 1.3 times

200,000
100,000
0

2006 2010 2015 2020 2025 (Year)

Displays
PCs
Storage devices
Servers
Network equipment

Source: Proposed partial amendments to the calculations of the Ministry of Economy, Trade and Industry's Green IT Promotion Council (2008)

Greening through IT—reducing environmental impact through the application of IT

In line with "Greener IT," business efficiency is increasing, and workstyles and lifestyles are following a more eco-friendly course through the use of IT. This extends beyond power savings and conversion to paperless processes through the introduction of systems, to reduce the amount people travel and revolutionize workstyles via teleconferencing and teleworking. Information technologies play a pivotal role. In addition, IT is indispensable for monitoring various types of environmental data, compiling information on environmental laws and regulations and similar activities and boosting the effectiveness and efficiency of environmental activities promoted by corporate and governmental bodies.

NTT DATA makes optimal use of its accumulated technologies and expertise to provide IT systems that contribute to environmental impact alleviation and solutions that support environmental protection activities by national and corporate entities.

Green IT Solutions—lessen the environmental impact on society

At NTT DATA, "Green IT" means IT that reduces the environmental impact of the NTT DATA Group, its customers and society as a whole to realize low-carbon society. The Company's Green IT Solutions, aiming to spread Green IT throughout society, are provided from two perspectives: "Greener IT," involving initiatives to reduce the environmental impact of systems, data centers and other hardware; and "Greening through IT," which is achieved through higher-value-added IT, which involves decreasing the environmental impact of using systems and services. Through this approach, we aim to play a useful role in utilizing IT to build a sustainable society for the future.

Theme ❷ Society

Feature

Adding new functions to medical networks in regional communities

Amid growing and serious concerns over low birthrates, longevity and the uneven distribution of doctors in the field of medical care in Japan, governments have been promoting the construction of regional medical networks to enable community-based healthcare through the spread of medical IT networks.

Diabetes requires a definitive response in light of these circumstances. One case of meticulous medical care service realized through cooperation between regional medical institutions is presented below.

Core hospitals

Services provided by specialists:
- Medical care and examination contingency plans
- Patient follow-up care
- Periodic medical care and examinations

Sharing of medical care and examination results

Constructing a close-knit medical network to treat diabetes patients

The Regional Medical Network realizes cooperation between medical institutions. It connects core hospitals, clinics and pharmacies within a regional community through the online sharing of information on healthcare and prescriptions. The network facilitates and optimizes the efficiency of medical services depending on patient conditions, such as providing primary care physicians (PCP) services for daily healthcare and core hospitals for emergency cases and serious illnesses. This also alleviates the medical treatment load for doctors.

The Ministry of Health, Labour and Welfare, an advocate of regional medical networks, is calling for cooperation between medical institutions to deal with four serious ailments: cancer, strokes, heart attacks and diabetes. Accordingly, a sensitive response attuned to the progression of patients' pathological conditions and symptoms is indispensable for the treatment of these conditions. Diabetes in particular requires careful treatment that involves adjustments to insulin
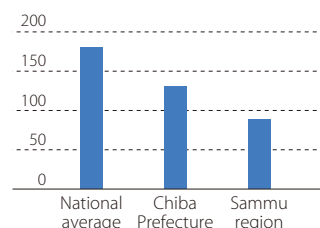
dosage and periodic reviews of test results by specialists in core hospitals, in addition to daily treatment by a PCP. This requires the sharing of detailed medical records on an ongoing and frequent basis.

Against this background, the Wakashio Medical Network* was established as a collaborative effort between medical institutions in the Sammu area of eastern Chiba Prefecture, where the number of doctors is limited. In September 2008, this network adopted NTT DATA's Diabetes Regional Medical Cooperation Paths Support Services to realize a regional medical network focused on the treatment of diabetes.

* Wakashio Medical Network
Comprised of 24 medical institutions, 21 pharmacies and eight other units including healthcare and welfare centers, with Togane Hospital as the core facility. NTT DATA has provided technological support for this project since 2000.

Supporting precise medical services across all regions through IT

In its system construction, NTT DATA conducts in-depth discussions with doctors, pharmacists and other network participants under the guidance of Togane Hospital, one of the core hospitals. Based on their opinions, investigations are carried out from multiple perspectives, leading to the selection of all data to be shared and enabling the construction of a framework for efficient cooperation. In consideration of user-friendliness, data is entered easily through simple input screens that can

The Number of Doctors in Sammu, Chiba Prefecture, per 100,000 residents

Source: *Learning about Successful Regional Medical Cooperation from the Wakashio Medical Network*, IGAKU-GEIJUTSUSHA Co., Ltd.

Clinics

Services provided by PCPs:
- Medical care and examinations based on contingency plans
- Recording of medical care and examination results
- Patient follow-up care

Pharmacies

Services provided by pharmacists:
- Confirmation of prescriptions
- Instruction on dosage and administration
- Feedback on instruction on dosage and administration to hospitals and clinics

Diabetes Regional Medical Cooperation Paths Support Services

Sharing of medical care and examination results

Sharing of medical care and examination results

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be used even by those unfamiliar with computers and during medical examinations, thereby increasing efficiency through coordination with electronic medical records and other systems. In addition, we are establishing a stringent security system to ensure personal data protection, by constructing a virtual private network (VPN), introducing signature verification and other initiatives.

The completed system provides each clinic online access to the treatment and examination plans formulated by the central hospital's specialists for confirmation prior to proceeding with their own therapies and tests, and facilitates simple monitoring and checking of follow-up data by specialists. Moreover, this

system is equipped with a function that automatically detects any irregularities in patients' test values and notifies specialists and doctors at clinics, which contributes to promoting the early treatment and preventing aggravation of symptoms for diabetes.

From the doctor's perspective, the system provides excellent value and has helped to realize community-based healthcare, especially in terms of diabetes. For diabetics, the system provides such benefits as the convenience of being able to undergo medical examinations at neighborhood clinics and peace of mind from knowing that specialists are constantly monitoring symptoms to the provision of this medical service.

Comments

Contributing to regional medical development by using our current experience as an asset in the treatment of other serious ailments

Kei Yamada (right)
Manager, Medical Welfare Business Department, Third Business Sector, NTT DATA i CORPORATION
Kazunari Takahei (left)
Medical Information Networks Group, Healthcare and Welfare Division, Healthcare Systems Sector, NTT DATA CORPORATION

Leaders to spearhead regional medical treatment and a human network to support patients were crucial in the development of this system and for previous network construction projects.

Through interaction between people, we learned of the doctors' fervent desires to build a better treatment environment for patients and renewed our awareness of the importance of

responsibility in developing highly public systems. This was an enormous support in the execution of a difficult project.

Applying the experience gained from the project, we hope to contribute to the development of regional medical treatment through the construction of similar networks for the treatment of patients with other serious ailments such as cancer, strokes and heart attacks.

Feature

Toward a society that can spawn the next generation of IT professionals

IT technologies are vital for Japan's evolution as an industrialized nation. NTT DATA deploys the know-how and specialist knowledge accumulated through its core business to foster unique IT professionals who can contribute to society and strengthen our global competitiveness. The Company is supporting the government and the Japan Economic Federation (Nippon Keidanren) to this end.

Keeping a medium- to long-term perspective in our endeavors to nurture IT professionals who can contribute to Japan's industrial development

Akinobu Shigeki
Adviser to NTT DATA CORPORATION
Chairman of Advanced IT Talent Development Committee, Nippon Keidanren

Important targets in our leverage of IT

The role IT plays in society is changing from a means of enhancing business efficiency to an instrument for creating new value. Amid this transformation, leveraging IT is a key issue, in addition to the question of how to build IT systems. Transformation of business and society requires IT professionals who can conceptualize ways to take advantage of IT and put them into practice. Japan faces a shortage of IT professionals. As IT finds increasing everyday applications, cultivating an IT workforce is increasingly pressing.

In this environment, the Japanese government's IT Strategy Headquarters inaugurated i-Japan Strategy 2015 in July 2009,
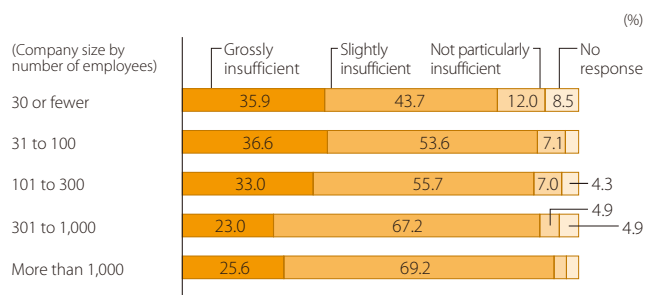
pledging to reinforce information education at the elementary, junior high and high school stages and to construct an ongoing framework to generate talent, including the cultivation of IT professionals who facilitate widespread application of sophisticated IT through tie-ups between industry, academia and government. Nippon Keidanren also took heed of the importance of IT talent throughout the industrial sector and, in 2005, launched the Advanced IT Talent Development Committee to examine advanced models for IT training.

Focus on cultivating IT professionals and CIOs

Chief information officers (CIOs) are expected to play a major role in answering the question of how to leverage IT. Raising productivity and global competitiveness of Japanese industry and facilitating new innovations all fall within the domain of the CIO. To cultivate such top-level officers, further to boosting practical training at educational institutions, it is important to have a coherent educational framework to bolster skills on an ongoing basis for people after entering mainstream society.

NTT DATA participates in measures promoted by the Japanese government and Nippon Keidanren to enhance practical IT training at a postgraduate level. In addition, we dispatch our experts as lecturers, provide educational

Perceived Insufficiency of Quality IT Professionals

(%)

(Company size by number of employees)	Grossly insufficient	Slightly insufficient	Not particularly insufficient	No response
30 or fewer	35.9	43.7	12.0	8.5
31 to 100	36.6	53.6	7.1	
101 to 300	33.0	55.7	7.0	4.3
301 to 1,000	23.0	67.2	4.9	4.9
More than 1,000	25.6	69.2		

Source: *IPA Survey on IT Market Trends*

For high school students

The International Olympiad in Informatics enables high school students to solve problems based on scientific knowledge and serves as an international exchange featuring sporting and academic figures. As an official sponsor of the Japanese Committee, we provide personnel, facility and technology support, such as through the dispatch of lecturers to deliver seminars at training camps, held at an NTT DATA venue.

For elementary school pupils

We host such events as IT Experience for Children. To enhance understanding of the relationship between quality of life and IT, they study basic knowledge of IT vocabulary and examples of applications, make pictures using graphics software and other activities, and initiate contact with the latest services and systems.

For junior high school students

We welcome students to participate in an on-site work-study program. Through demonstrations of the latest technologies and experiencing system planning and presentation—a major part of a systems engineers job—we enable students to come into direct contact with IT and cultivate their views of careers and work.

From elementary through high school

We operate the "IT Naruhodo Iinkai" website for children to study IT in an enjoyable fashion. One objective of this site, replete with learning tools, is for users to feel the link between the quality of life and IT.

"IT Naruhodo Iinkai" website (Japanese only)
http://it.nttdata.co.jp/

For undergraduates and postgraduates

We dispatch our specialists to act as lecturers for various industry–academia courses and support software engineering education to boost the quality and number of software engineers in Japan. NTT DATA also sponsors lectures, provides internships and offers scholarships to cultivate IT professionals.

materials and offer internships. Since April 2009, we have supported the Innovation Management College*, which targets the middle management of companies with the aim of cultivating innovation leaders, such as CIOs. The Company is contributing to the creation of a framework to develop IT-capable managers by sponsoring the college's research activities and creating educational materials.

* Innovation Management College
This college was established by the Japan Users Association of Information Systems in April 2009 to cultivate innovation leaders, with courses commencing in July 2009. Its three functional mechanisms comprise programs to systematically acquire IT expertise, a research institute to study best IT management practices and a community that facilitates interaction among people who have completed the college's educational programs, CEOs and CIOs. CEOs, CIOs and professors serve as lecturers in a practical curriculum through coursework, case studies, case methods and hands-on activities.

Providing an environment to encourage knowledge among children

To produce excellent IT professionals, Japan must build an environment in which children are well acquainted with the sciences and nurture dreams that incorporate science and technology. NTT DATA helps maintain an educational support mechanism through such initiatives as IT Experience for Children targeting kids at elementary school, an on-site work-study program for junior high school students and the International Olympiad in Informatics for high school students. These programs enable participants to experience cutting-edge technologies in an enjoyable setting, providing an environment that foster knowledge among children.

Information technologies are critical for Japan's existence as an industrialized nation. IT professionals support this aim. NTT DATA will continue to contribute to society and to aid the cultivation of IT professionals that enhance global competitiveness.

Major Initiatives during Fiscal 2009 and Future Plans

Initiatives		Major Initiatives during Fiscal 2009
NTT DATA and Its Stakeholders		
Customers (See page 20)	Measures to Improve Quality	Promotion of companywide optimization through the formulation of unified companywide rules for system development and management methods
	Disaster Countermeasures	• For preparation of business continuity plans in the event of disaster, realign the approach to earthquake risk response and prepare a guide for formulating business continuity plans for each organization • Investigate risks and add measures concerning response to swine flu
	System Failure Countermeasures	Revise procedures to reflect amendments in rules on reporting of failures to the Ministry of Internal Affairs and Communications in step with legal revisions and deployment of these revised procedures companywide
	Collaboration with Companies Industrywide	Release of Non-functional Requirement Grade Tool by the Non-functional Requirement Grade Investigative Committee, which was developed cooperatively by six companies
	Improving Customer Satisfaction	Customer satisfaction survey through questionnaires distributed to approximately 160 customers (response rate: 95.7%) and interviews with approximately 50 customers—overall evaluation up 0.1 point compared with the previous fiscal year, to 6.8 points
	Approaches Involving Universal Design	Enhancement of prototyping techniques and tools for system development to incorporate UD into information systems and in-house seminars to raise employee awareness of UD
Shareholders and Investors (See page 23)	Enhancement of Communications with Shareholders and Investors	• Various types of IR events and proactive information dissemination through the Company website, distribution of IR tools, etc. • Response to communications with analysts and financial institutions (more than 350 responses during the year)
Suppliers (See page 24)	Thoroughgoing Fair Transactions	• Promotion of measures to eliminate retroactive contracts to ensure thorough compliance with the Subcontractor Act • Employee seminars and other events to provide opportunities for information sharing, aiming to build appropriate relationships with overseas companies
	Enhancement of Communications with Suppliers	• Technological Briefing Sessions and other events for Business Partner (BP) companies • Hearings with BP companies to clarify issues relating to overtime work
Employees and Their Families (See page 26)	Personnel Recruitment and Deployment	Establishment of special subsidiary NTT DATA DAICHI CORPORATION to promote employment of personnel with disabilities
	Creating a Comfortable Working Environment	Establishment of the Diversity Promotion Office, focusing on measures to promote diversity, innovate work-styles and encourage a healthy work-life balance
	Employee Health Promotion and Enhancement	• Promotion of working hour reduction measures, such as two continuous weeks' holiday and management of office working hours • Mental healthcare measures, such as Workplace Improvement Workshops and workplace inspections
	In Pursuit of Employee Satisfaction	• Employee Satisfaction Surveys, targeting all Group employees • Inauguration of a framework facilitating personal consultations with specialists via interviews and telephone
Various Other Related Parties (See page 30)	Social Contribution Activities	• Construction of the Wildlife Information Center website to support nature conservation activities and start-up of the Volunteer Club, which supports employee volunteer activities • Various support activities as an official sponsor of the International Olympiad in Informatics
NTT DATA and the Environment		
Environmental Management (See page 32)	Environmental Management Promotion	Promotion of activities centered on an ISO 14001-based cross-Group environmental management system—One Group company obtained ISO 14001 certification during the year, bringing the Group total to 27
	Environmentally Responsible System Development	Promotion of quantitative evaluations and measurement of the environmental impact reduction effects of system introduction
Targets and Results (See page 36)	Reducing Greenhouse Gas Emissions	Introduction of solar systems for data centers and promotion of concentration in data centers of servers formerly spread throughout offices (8.3% reduction of CO_2 per unit of net sales compared with fiscal 2006 levels)
	Reducing Waste for Final Disposal	Increase of outsourcing volumes to industrial waste processors with high recycling ratios and promotion of thorough waste separation at each worksite (43% reduction of waste for final disposal per unit of net sales compared with fiscal 2006 levels)
	Reducing Copy Paper Purchased	Introduction of secure printers requiring IC card verification for printing and promotion of teleconferencing and other initiatives (4.6% reduction of copy paper purchased compared with fiscal 2006 levels)
	Reducing the Environmental Impact of Customers and Regional Society	Promotion of activities planned in each organization and Group company to help reduce the environmental impact of customers and regional societies
IT Solutions to Reduce Environmental Impact (See page 38)	Supporting Greenhouse Gas Emission Countermeasures	• Development and operation of a system for the Ministry of the Environment's Offsetting Credit (J-VER) scheme and a system for Japan's trial emission trading scheme in the domestic integrated market • Support expansion of the number of zero-CO_2 emissions stores through carbon offsetting • Enhancement of energy efficiency of data centers and expansion of Green Data Center Service, for which demand is growing
	Saving and Using Natural Resources Efficiently	Support for environmental measures that visualize cost loss and CO_2 emissions through the application of material flow cost accounting, and expansion of services that contribute to reductions in office paper use
Environmental Communication (See page 40)	Environmental Awareness Activities and Information Dissemination	Promotion of Green IT-related information sharing and cooperation within the Group and establishment of a website introducing the NTT DATA Group's Green IT Solutions to external users
	Environmental Contribution Activities	Participation in the Tokyo Greenship Action campaign to promote environmental preservation activities and promotion of environmental contribution activities by Group companies in their regions of operation
CSR Infrastructure		
Corporate Governance (See page 41)	Construction of an Internal Control System	Establishment of Group Internal Control Promotion Office and reinforcement of a system for internal control promotion
	Reinforcement of Group Governance	Formulation of Group Management Rules to clarify compliance policies and guidance of decision-making for Group companies
Compliance (See page 42)	Reinforcement of the Compliance Promotion System	Promotion of corporate ethics and legal compliance and of improvements to internal systems and frameworks based on the Corporate Ethics Committee, and operation of a Whistleblower Line as an internal reporting system
	Compliance Publicity and Education	Lectures on corporate ethics and training covering legal compliance and contract risks
Risk Management (See page 43)	Promotion of Groupwide Consolidated Risk Management	Reinforcement of a risk management promotion system through tie-ups between departments and Group companies
Information Security (See page 44)	Reinforcement of Information Security Management	Formulation of the NTT DATA Group Security Policy (GSP), compiling common Group rules
	Information Security Education	Distribution of educational support tools, handbooks and posters to Group companies

Future Plans

Clarify procedures and promote application of development and management tools in order to implement unified companywide rules on development and management methods.

- Establish business continuity plans by organizational unit for responses to earthquakes and swine flu.
- Investigate and improve business continuity plans through practical disaster training.

Expand analysis of failure causes to include process improvements for development and service provision in order to enhance system failure countermeasures and to promote optimal ongoing measures.

Non-functional Requirement Grade Investigative Committee to release revised tools during the second half of fiscal 2010.

Plan and implement new training programs for sales staff with the objectives of enhancing qualitative improvement activities and reinforcing customer response capabilities, and promote customer satisfaction activities, aiming for an overall evaluation of 7.0.

- Start trial application and full-fledged deployment of prototyping techniques and tools for system development.
- Transfer accessibility validations skills to special subsidiary NTT DATA DAICHI CORPORATION.

Enhance communications by reinforcing information dissemination through such IR tools as the annual report and website.

- Conduct training for Group employees to ensure compliance with the Subcontractor Act.
- Hold employee seminars on overseas orders on an ongoing basis and bolster communications through ongoing periodic liaison meetings with overseas subcontractors.

Continue to provide opportunities for dialog through ongoing BP Presidents' Meetings and other activities.

Aim to meet the legally stipulated ratio of 1.8% for employees with disabilities by December 2009.

Launch a diversity promotion system among Group companies and promote sharing of successful examples of diversity promotion to Group companies.

- Raise employee awareness of working hours and to promote utilization of leave allowances.
- Expand Workplace Improvement Workshops held at each worksite.

Investigate and promote measures to bolster motivation in light of falling levels of satisfaction toward work.

- Promote nature observation meetings and other events, centered on the Wildlife Information Center website.
- Support employees' volunteer activities by raising awareness of the Volunteer Club.
- Promote enhancement and ongoing measures to boost next-generation educational activities (including IT training) across a wide range of age groups.

Based on environmentally oriented management, put into effect medium-term targets and measures, enhance the groupwide collaboration promotion system and step up other measures.

Promote a framework that can present CO_2 reduction effects when making system proposals to customers.

Attain the fiscal 2010 target of a 9.5% reduction compared with fiscal 2006 levels through enhanced data center operating efficiency, visualization of energy reduction effects in offices and other initiatives.

Attain the fiscal 2010 target of a 45% reduction compared with fiscal 2006 levels through such measures as the application of a reuse framework for personal computers and other initiatives.

Break down and clarify copy paper reduction targets by organizational unit and to attain the fiscal 2010 target of a 7% reduction compared with fiscal 2006 levels.

Construct a framework for promoting quantitative assessment of and introduce measures to raise awareness of employees, aiming to alleviate the environmental impact of society through promotion of Green IT, upon review of performance and issues to date.

- Promote proposals for national and corporate CO_2 emissions trading support systems.
- Realize zero-CO_2 emissions factories and zero-CO_2 emissions transport through carbon offsetting.
- Promote energy savings through ongoing verification of Green Data Center elemental technologies.

Promote expanded provision of various solutions to corporate users that encourage resource saving and efficient usage, and to further cooperation within the Group, such as in sales activities.

Expand environmentally responsible system development and sales activities through information sharing and reinforcement of tie-ups in the Group and proactively pursue information dissemination to our customers and society as a whole.

Increase participation frequency in Tokyo Greenship Action campaign and expand and boost participant numbers in ongoing environmental contribution activities by Group companies.

Reinforce systems and cooperation on an ongoing basis, aiming for promotion of a groupwide internal control system.

Establish a global Group governance system in light of a business environment requiring stronger tie-ups with overseas Group companies.

Pursue improvements to the compliance promotion system among Group companies.

Raise compliance awareness and entrench educational activities at all Group companies.

Promote improvements to the global risk management system, including at overseas Group companies.

Promote knowledge sharing within the Group and establish a groupwide information security governance system.

Share knowledge and expertise in the Group through forums and other events and initiatives.

Major Third-Party Evaluations of Company Initiatives

● **FairCast Child Safety Communication Network wins the Good Design Award 2008** (See page 22)

● **NTT DATA's *2008 Annual Report* receives honorable mention in the 11th Nikkei Annual Report Awards** (See page 23)

IR website   Annual report

● **Gains third place in a ranking of companies supporting fathers in providing childcare** (See page 27)

Papa Seminars

● **Awarded the Japan Mothers Society's second annual Best Mother Awards in 2009** (See page 27)

(Hosted by the NPO Japan Mothers Society)

● **Awarded the Osaka STOP! Global Warming Prize of Excellence in fiscal 2009** (See page 37)

NTT DATA's Dojima Building

With Our Customers

Improving system quality and providing services from a user perspective for social infrastructure that provides peace of mind.

***1 CMMI**

Capability Maturity Model Integration (CMMI) is a process improvement approach formulated by Carnegie Mellon University Software Engineering Institute incorporating system development best practices. The CMMI model indicates improvement channels to enable organizations to create, complete, and improve development and management processes to facilitate optimization in step with their business environment.

Measures to Improve Quality

Building a management system based on ISO 9001 and ensuring continuous improvements

Maintaining quality and ensuring stable operation of information systems requires process management, spanning upstream and downstream processes, and continuous improvements based on a PDCA cycle.

NTT DATA became ISO 9001 certified in 1998. Since then, we have pursued process improvements incorporating CMMI***1**, system development transparency, formulation of development and operational standards, and other measures. The Company also promotes application of the CMMI model, including levels 4 and 5 (high-maturity practices), and furthering their implementation, including at Group companies.

Furthermore, NTT DATA Regional Bank Integrated Services Center became ISO 20000 certified for the running, maintenance and management of information systems in March 2008, making it the first domestic account-based shared-use center to gain such recognition.

Unification of internal rules for development and management and clarification of implementation procedures

Since fiscal 2008, NTT DATA has created unified companywide rules for system development and management and clarified procedures for their application. In addition, we have optimized development and management, which formerly used workplace-specific methods, through consistent development and management tools spanning sales through operation.

NTT DATA also conducts educational programs on quality management and development procedures targeting each Group company.

Disaster and System Failure Countermeasures

Business continuity plan for swift recovery and operational continuance in the event of disaster

Our business continuity plan (BCP) includes disaster risks and response measures to ensure the continuity and swift resumption of business without extended disruption to customers' information systems in the eventuality of earthquakes or other disasters.

Our BCP focuses on maintaining social infrastructure information systems and continuity of vital in-house business with consideration of the urgency of information systems and societal needs. In fiscal 2009, we added measures in anticipation of a pandemic arising from swine flu. We will enhance our BCP response through practical training using emergency drills.

System failure countermeasures focused on prevention and response

We promote system failure countermeasures from two perspectives: prevention and response. Prevention includes in-house deployment and application of product

NTT DATA Quality Management System
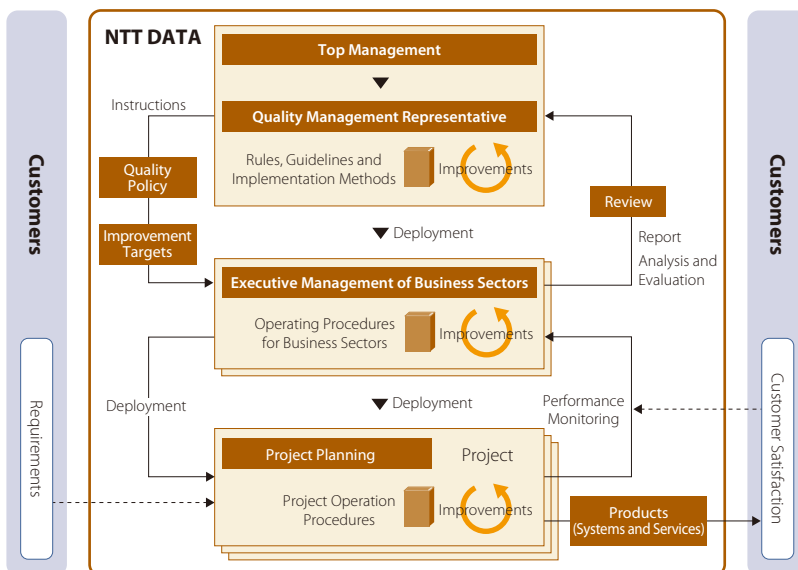
groups (software and hardware) and technologies (procedures, tools, expertise) for system construction. Moreover, we support project management through in-house organizations and control and systematic confirmation and decision-making by project managers.

Each sector has established an emergency contact system and formulated response procedures. During fiscal 2009, we revised procedures to reflect rules on the reporting of failures to the Ministry of Internal Affairs and Communications based on November 2007 changes to the Regulations for Enforcement of the Telecommunications Business Act. Furthermore, we immediately analyze the cause of any failure and publicize in-house measures to prevent recurrence. We reflect such findings in our provisions for system construction and operation maintenance processes. The Company also conducts periodic internal audits to confirm the thoroughness of countermeasures.

Collaboration with Companies Industrywide
Visualization of non-functional requirements

Non-functional requirements*2, such as performance, robustness and other information system qualities, are highly technical, difficult to realize and hard for customers to understand. But without shared awareness with customers, development projects can require reworking and suffer from time overruns, and running systems can face operational difficulties. To help customers visualize and understand these requirements, six companies*3 launched the Non-functional Requirement Grade Investigative Committee in April 2008.

In May 2009, the committee released the Non-functional Requirement Grade Tool to confirm shared awareness of requirements

with customers. The committee plans to release a revised tool during the second half of fiscal 2010.

Improving Customer Satisfaction
Linking CS surveys to improvement activities

NTT DATA conducts annual customer satisfaction surveys because it believes that sustainable growth stems from a company's customer orientation.

During fiscal 2009, we distributed 300 questionnaires to 160 customers, with a response rate of 95.7%, and conducted interviews with 50. Results, expressed as average evaluations for activity processes comprising sales, design and development, system quality, and maintenance and operation, improved in all categories. The overall average evaluation was 6.8 points, up 0.1 point. The category of "creating manuals and timely updates" improved substantially. However, their evaluation on "price understanding," which has been on an upward trend since the previous survey, remains relatively low.

We will continue to take the opinions of customers on board, analyzing survey results from various perspectives and taking corrective action. We also aim to make improvements through follow-up discussions and other responses to the survey interviews.
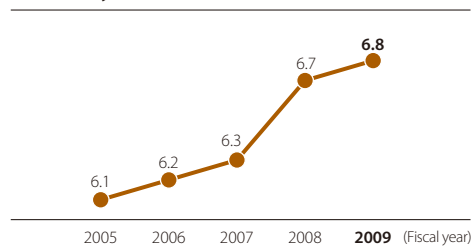
CS Survey Evaluation Results   (Points)

	2005	2006	2007	2008	**2009** (Fiscal year)
	6.1	6.2	6.3	6.7	6.8

Note: Average value for each survey item (maximum of 10 points)

With Our Customers

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

Approaches Involving Universal Design
Advancing universal design for information systems

To incorporate universal design* (UD) into information systems, we have adopted accessibility and usability from the system planning and requirement definition stages, and user-centered design (UCD) in system development process. In fiscal 2009, we improved prototyping techniques and tools for system development. Through trial projects, we plan to extend the use of these tools throughout the Company.

We also conduct accessibility validations of web pages for our projects and make proposals to resolve accessibility issues. Since April 2009, we have transferred accessibility validation skills at NTT DATA DAICHI CORPORATION, a subsidiary that promotes employment of people with disabilities. We plan to manifest these efforts to create home working opportunities with the company.

Supporting website construction for providers and surfers

NTT DATA supports website construction that offers ease of use for website providers and users.

For example, we provide a website content management system that helps novice operators update contents. We also propose websites with such features as a design that takes into consideration people who have difficulty viewing certain colors and allows text size adjustments.

Raising universal design awareness through in-house seminars

NTT DATA hosts a UD working group that has conducted in-house seminars since fiscal 2006.

We invited designer and UD researcher Ayumu Isomura to address seminars in fiscal 2009, under such themes as "Presentation skills to communicate with more people" and "Creating value with people with disabilities as a starting point."

TOPICS

FairCast Child Safety Communication Network

More than ever before, child safety has become a significant issue in local communities. We have focused on a school communications network, and provide the FairCast Child Safety Communication Network to address such concerns. The network fosters contact with parents, teachers, local government officials and others, emphasizing accurate, swift and fair communications. To address concerns that people with hearing difficulties can only receive information by fax or that some families are limited to fixed-line telephone communications, FairCast offers various communication media such as email and voice and fax messaging.

In October 2008, FairCast won the Good Design Award 2008 in recognition of its independence of user access methods, effectiveness of information provision and ease of operation.

Furthermore, FairCast was praised for its effectiveness in communicating about temporary class closings due to the outbreak of swine flu last spring.

E-mail   Phone   Fax
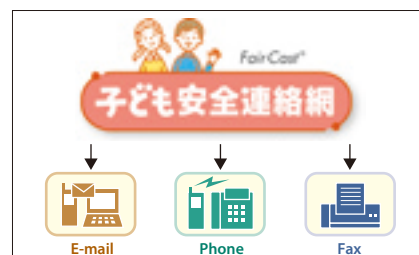
Related website: FairCast Child Safety Communication Network (Japanese only)
http://www.faircast.jp/

With Shareholders and Investors

Viewing communications with shareholders and investors as important, we promote management that is conscious of increasing corporate value, strive to disclose information in a timely and appropriate manner and conduct proactive investor relations.

Basic Position on Information Disclosure
Disclosure policy highlighting timely and appropriate disclosure

Based on its disclosure policy and in accordance with business and financial laws including the Financial Instruments and Exchange Act and security listing regulations, such as those established by the Tokyo Stock Exchange, NTT DATA discloses material information in a transparent, equitable, consistent and prompt manner.

We also make every effort to proactively and equitably disclose non-material information that is determined relevant to our shareholders and investors.

Related website: Disclosure policy (Japanese only)
http://www.nttdata.co.jp/corporate/ir/disclosure/

Basic Dividend Policy
Providing stable dividends that reflect performance trends and the dividend payout ratio

Through sustainable growth based on investment in new businesses and efficient business management, NTT DATA's basic policy is to enhance corporate value over the medium term and distribute appropriate dividends.

Taking into consideration consolidated performance trends, financial conditions and other items from a holistic perspective, we aim for a stable dividend payout ratio of 30%.

Annual per-Share Dividend (Yen)

Fiscal Year	Dividend
2005	2,000
2006	3,000
2007	5,000
2008	5,000
2009	6,000
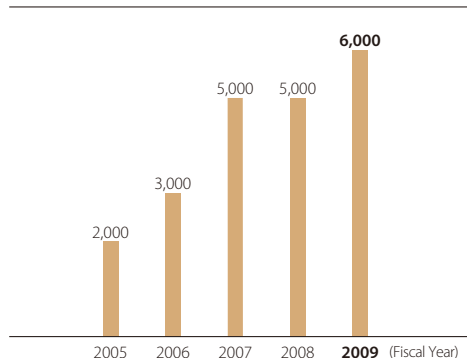
For fiscal 2009, NTT DATA paid interim and year-end dividends of ¥3,000 per share, resulting in dividends per share of ¥6,000 for the full year.

Improved Communication
Using various opportunities and tools to promote communication

NTT DATA is aggressively engaged in IR activities, such as holding various events for shareholders and investors and disseminating information through IR tools. Each quarter, we conduct a results briefing, where management addresses performance and earnings forecasts, and provides an explanation of our business environment and strategies. We also hold small and individual meetings with investors both in Japan and overseas.

In fiscal 2009, we again conducted a survey among all our shareholders from June to July, gathering the opinions of more than 11,000 individuals. This survey identified technical capabilities and stability as strengths, but opinions as to our growth were divided.

We will enhance our dissemination of information through our shareholder newsletter and IR tools to deepen understanding of NTT DATA's growth.

Shareholder newsletter

Results briefing for the fiscal year ended March 31, 2009

Third-Party Evaluation

NTT DATA's position regarding IR activities and the status of information disclosure have been externally assessed as follows.

- NTT DATA's *2008 Annual Report* received honorable mention in the 11th Nikkei Annual Report Awards (Sponsored by Nikkei Inc.).
- We took 3rd place in the Computer Software category at the 14th Annual Awards for Excellence in Corporate Disclosure sponsored by The Securities Analysts Association of Japan. This distinction is bestowed on companies that have continuously high disclosure standards.

NTT DATA and Its Stakeholders

NTT DATA and the Environment

CSR Infrastructure

With Our Suppliers

We promote open and fair transactions with suppliers and communicate to maintain quality and support technological advancement, aiming for mutual development.

Procurement Policy

Our purchasing transactions are based on three policies.

1. The Company shall carry out open and transparent purchasing with due consideration to business needs.

2. We shall provide opportunities for competition to suppliers, regardless of whether they are from Japan or overseas.

3. The Company shall procure competitive, appealing products that are attuned to business needs on a global basis and in accordance with market principles.

[1] NTT DATA Electronic Purchasing Contracts

This electronic system offers an alternative to written contracts. It can be introduced by all suppliers, but is restricted to documentation for which electronic contracts are legally recognized.

[2] CECTRUST, Electronic Contract Service

This ASP service enables electronic exchange of contracts between companies. It was jointly developed with Construction-ec.com Co., Ltd., based on NTT DATA's SecurePod (a Digital Document Exchange Platform), in accordance with the official recognition of electronic legal documents under the April 2001 IT Comprehensive Law.

The service ensures safety through long-term storage and third-party verification of original documents.

Thoroughgoing Fair Transactions

Compliance rules for transactions and contracts

NTT DATA formulated Fair Transaction Rules in May 1997, compiling laws, rules, action guidelines and other compliance directives for transactions and contracts with customers and suppliers, making revisions as appropriate.

We have posted our Procurement Policy on our website. We also formulated rules outlining the responsibilities of purchasing officers, selection and certification methods for new suppliers, international procurement procedures and other items. We plan to discuss and publicize purchasing measures and policies and to share information at meetings with Group companies.

Promoting electronic purchasing to encourage openness and efficiency

We began NTT DATA Electronic Purchasing Contracts[1] in December 2006 to convert written contracts to electronic documents with electronic signatures and network-based transmission and reception.

NTT DATA Electronic Purchasing Contracts offer several benefits to NTT DATA and its suppliers, such as higher efficiency and reduced managerial burden and environmental impact. Accordingly, we hold periodic briefing sessions to promote the system. As a result, the number of

transactions rose from 16,720 during fiscal 2008 to 20,493 in fiscal 2009 and continues to grow.

This system ensures high security by applying NTT DATA's CECTRUST, Electronic Contract Service[2].

Striving to eliminate retroactive contracts to ensure fair transactions

On April 1, 2004, the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors was amended to include the information service sector. To ensure compliance, NTT DATA has begun regularly reporting at in-house meetings the status of retroactive contracts and promoting reduction measures.

In addition, we conduct ongoing training for all Group corporate officers and employees to ensure that they understand the Act's intents and purposes, as well as the obligations and prohibitions placed on primary contractors.

Educating employees about appropriate transactions with overseas subcontractors

NTT DATA promotes offshore development by outsourcing system development and other activities to Chinese, Indian, Vietnamese and other firms, with outsourcing volume growing each year.

The Company hosts Overseas Order Seminars to highlight appropriate transactions and to share development case studies and meetings to facilitate information liaison and sharing between departments. In fiscal 2009, we held four Overseas Order Seminars and 12 Overseas Order Promotion Liaison and Coordination Meetings.

Moreover, we organize a liaison meeting with overseas contractors once each quarter to reinforce collaboration and receive employees to support their technical training.

Operational Procedure Following the Introduction of NTT DATA Electronic Purchasing Contracts

NTT DATA
(1) Contract documentation and order processing
(4) Confirmation of contract content and final processing

NTT DATA Electronic Purchasing Contracts
Contract
Contract
Electronic contract database

Suppliers
(2) Receipt of contract
(3) Contract (electronic signature)
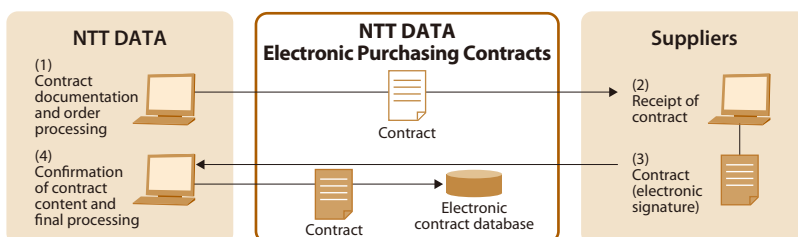
Dialog with Suppliers

Business partner system to enhance supplier relations

To respond to the diversification and growing sophistication of information system quality requirements from customers, we outsource some software development, including to subsidiaries and affiliates. When doing so, we take into consideration technological capacity and business expertise, security levels, quality assurance systems and other factors.

We accredit subcontracted suppliers displaying assessment and performance excellence as business partners (BPs) or associate partners (APs). BP and AP criteria include compliance with laws and societal norms, management soundness, maintenance of appropriate security and environmental protection measures. As of March 31, 2009, NTT DATA had certified 34 BPs and 218 APs.

In addition, we work to build sustainable relations with suppliers through such methods as by disclosing NTT DATA's system development standards and conducting technical training. We promote systems that respond to customer requirements, while working for the mutual benefit of the Company and its suppliers.

BP Presidents' Meetings and Technological Briefing Sessions

NTT DATA has held BP Presidents' Meetings each year since 1991 to bring together top executives of its BP companies. The November 2008 meeting included participants from all 34 BPs and featured explanations on the subjects of its software ordering policy and measures to enhance SI competitiveness. Moreover, we received opinions, requirements and technical questions from BP companies and enhanced communications among participants.

NTT DATA also organizes Technological Briefing Sessions for BP employees to

BP Presidents' Meeting

improve productivity and quality, and to support information security reinforcement. We held three such meetings in fiscal 2009, attended by 144 participants. These sessions have gained widespread acclaim from BP companies, and we plan to continue this program.

Measures to reduce working hours

Reducing working hours is an important issue for NTT DATA, as well as for its subcontracted BPs. Accordingly, we communicate with BPs to assess overtime conditions at software development sites.

During fiscal 2009, we interviewed BP representatives to clarify working conditions while fulfilling projects placed by NTT DATA. Any issues that arose were reported to the Company's executives and were included as important items on the agenda of an in-house meeting attended by the managers responsible for orders from each business sector. Project supervisors have been made aware of the situation, and calls for improvements have been raised.

NTT DATA operates a "Whistleblower Line" to call attention to actions in contravention of laws and corporate ethics. This service is available to employees of our suppliers, and has been publicized through various channels.

With Our Employees and Their Families

Understanding that our greatest asset is our human resources, we are striving to build a dynamic and stimulating workplace environment for employees, including a family perspective.

Personnel Recruitment and Deployment
Diversity and fairness in recruitment and employment

NTT DATA conducts its recruiting activities with respect for diversity and emphasis on fairness, aiming to expand work opportunities and optimize placements.

We prioritize aptitude, motivation and ability over academic record, age and gender. We take on new graduates from more than 100 educational establishments and our diverse mid-career outreach channels include more than 20 employment agencies.

Employing more personnel with disabilities through a new subsidiary

To help employees with disabilities realize their potential, NTT DATA is bolstering opportunities through a subsidiary, supplementing placements in system development and sales.

During fiscal 2009, we employed four such employees, and in July 2008 established NTT DATA DAICHI CORPORATION. This venture received special subsidiary status in December 2008.

NTT DATA DAICHI creates websites and expands "Massage" welfare services. Since 2009, the company has expanded its activities to include business card printing, flower and plant rentals, and wastepaper collection and recycling. Moreover, the company has created employment in regions with sparse openings, such as by developing agricultural business opportunities on Ishigaki Island, Okinawa.

Through such initiatives, NTT DATA aims to meet the legally stipulated employment rate for disabled workers of 1.8% by December 2009.

Personnel Recruitment Trends (Number of employees)

	Fiscal 2007	Fiscal 2008	Fiscal 2009
Number of employees (nonconsolidated)	8,324	8,550	9,230
Male	7,296	7,399	7,938
Female	1,028	1,151	1,292
Female managers (nonconsolidated)	45 [2.8%]	50 [3.0%]	55 [3.1%]

	Fiscal 2008	Fiscal 2009	Fiscal 2010
New graduates (nonconsolidated)	501	668	540
Male	356	502	391
Female	145	166	149
Recruitment of employees with disabilities (consolidated) *As of June 1, 2009	122 [1.24%]	136 [1.33%]	170 [1.61%]

Comment   NTT DATA DAICHI: Message from a Home Worker

Working with my physical condition through a coordinator

I have a mobility disorder that affects my entire body, and my speech is impaired. As I use a manual wheelchair, I have to be accompanied when out. Although I want to work and participate in society, it would be physically demanding to commute on a daily basis, so I was resigned to being unable to find employment. Meeting NTT DATA was something of a dream.

Home working relieves the burden of a daily commute. When my physical condition is poor I communicate by email or telephone with my coordinator, tailoring my work to the state of my health. Being able to work at my own pace is a tremendous merit.

Hiroko Yamazaki
(Responsible for homepage creation working from home)
Web Department, NTT DATA DAICHI CORPORATION

Creating a Comfortable Working Environment

Supporting employment through the Diversity Promotion Office

In April 2008, NTT DATA established the Diversity Promotion Office to build a dynamic and stimulating workplace environment. This department focuses on diversity management by promoting diversity, innovating work styles and encouraging a healthy work-life balance.

To promote diversity, we hosted a Group forum and trained female staff in fiscal 2009. We also collaborated with five organizations to organize the Women's Summit Tokyo 2008, facilitating exchange on careers for women. Moreover, we held sessions targeting executive managers on measures to promote work-style innovations. Following these sessions, each executive manager conducted a group session featuring work-style innovation at their own department or division.

NTT DATA has also held "Papa Seminars" for male employees and other events in pursuit of a better work-life balance and introduced measures to support the dual responsibilities of career and childcare. These initiatives have won acclaim for the Company and earned it third place in a ranking (NPO Fathering Japan, Dai-Ichi Life Research Institute Inc.) in terms of support for fathers in providing childcare.

Women's Summit Tokyo 2008

Home-working system supporting more than 300

To build a comfortable working environment, NTT DATA introduced a trial teleworking program in July 2006, and introduced a formal system in February 2008. This system is available to all employees, regardless of age or type of work. During fiscal 2009, 300 employees took advantage of this scheme.

Next-Generation Certification Mark for childcare and nursing systems

We have enhanced our support packages, including childcare and nursing care leave systems, to help employees juggle maternity, childcare and nursing. We are also working to enhance employees' understanding of these systems and create an environment in which these systems are easy to use.

As a result, we earned the Kurumin Next-Generation Certification Mark* in June 2008. We also received the Company Prize in the NPO Japan Mothers Society's second annual Best Mother Awards in May 2009.

Receiving a prize at the second annual "Best Mother Awards"
(Hosted by the NPO Japan Mothers Society)

Number of Employees Using Childcare and Nursing Systems during Fiscal 2009

	Female	Male
Childcare leave	87	2
Shorter working hours for childcare	95	3
Nursing care leave	2	1
Shorter working hours for nursing care	0	1

* Kurumin Next-Generation Certification Mark
This mark, shown below, is granted by the Ministry of Health, Labour and Welfare to companies meeting standards on action plans to assist employees in their childcare commitments, based on the Act on Advancement of Measures to Support Raising Next-Generation Children.

Principal Features of NTT DATA's Childcare and Nursing Systems

- Childcare leave can be extended until the child reaches three years of age.
- Shorter working hours for childcare are available until the child completes his or her third year of elementary school.
- Nursing care leave can be extended to up to 18 months.
- Shorter working hours for nursing care are available for three years, including the duration of nursing care leave.

With Our Employees and Their Families

Deepening employees' understanding of human rights through training and the Intranet

Our Code of Ethics (see page 11) cites "respect for human rights, free from discrimination by gender, nationality, beliefs or religion." We pledge not to carry out or tolerate any form of discrimination and take a firm stand against discrimination by others.

During fiscal 2009, we observed Human Rights Week in December, taking this opportunity to conduct groupwide e-learning focused on human rights education and training and posted special information on our website featuring a human rights promotion message and data on human rights trends.

We also have established a Sexual Harassment Line for NTT DATA Group employees, contracted staff and BP/AP employees working in the Company's offices.

Supporting Employee Skills Development

Enhancing our personnel system and training programs to cultivate staff with high market value

●**Professional CDP System**

We have introduced a Professional Career Development Program (CDP) to foster specialization and response to change. This approach defines goals for each professional

category and steps toward these objectives, plus an accreditation framework and a development system. During fiscal 2009, we increased accredited personnel in every category and extended the system to Group companies.

●**Business Technical Training**

NTT DATA conducts business training to facilitate skill improvements and technical training to boost specialist expertise, with employees free to select courses attuned to their position and business type. For fiscal 2009, we set an objective of 10 days of training per year per employee. This target was achieved by 98.5% of the workforce.

Employee Health Promotion and Enhancement

Striving to reduce working hours, a chronic issue within the IT industry

As an IT industry leader, we are endeavoring to boost productivity and work style innovation. Accordingly, we established the Working Hours Reform Working Group in fiscal 2007 to identify issues related to managing working hours and introduce remedial policies and measures. Consequently, employees taking two continuous weeks' holiday doubled in fiscal 2009.

Furthermore, we introduced Do!Refresh software for employee PCs during fiscal 2009. This package records logon/logoff hours to ascertain the number of hours spent in the office and is linked to a work management system. We will utilize Do!Refresh to raise employee awareness of working hours, encourage staff to take their vacation allowances and facilitate early response to those workers at high risk of overwork.

Professional CDP Overall Framework

Career Levels	Professional CDP
Principal	
Executive	Project manager / IT specialist / IT architect / Application specialist / Business consultant / IT service manager / Product sales / Customer sales / R&D specialist / Business developer / Staff
Senior	
Associate	
	Professional Categories

Professional CDP entry

CDP Basic
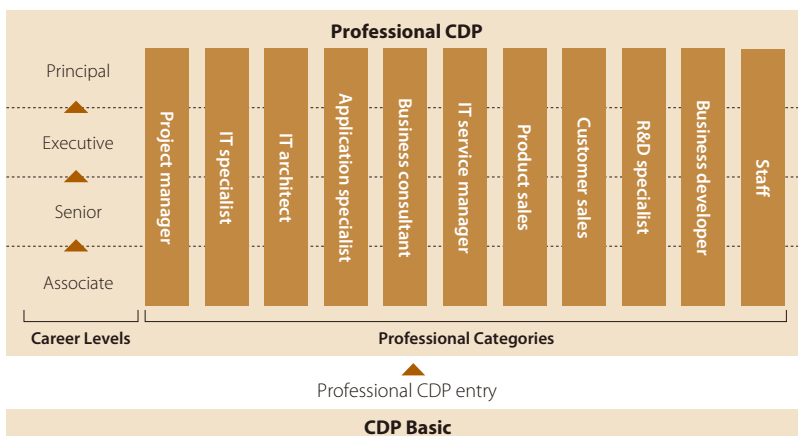
Supporting healthcare through Workplace Improvement Workshops

We have established a Healthcare Center, staffed by occupational physicians, welfare workers and other specialists, and in fiscal 2009 we formed a Healthcare Working Group with all worksites to promote measures for preventing mental illness. During fiscal 2009, the Healthcare Center and Healthcare Working Group held 16 Workplace Improvement Workshops*.

Furthermore, the Healthcare Working Group engages specialist staff to make monthly inspections of workplaces, conduct interviews relating to long working hours (1,381 interviews among 1,436 employees, representing an execution rate of 96.2%) and follow through with other initiatives.

In Pursuit of Employee Satisfaction

Raising employee satisfaction through surveys and improvement activities

NTT DATA conducts an annual groupwide survey to ensure physical and mental wellbeing and facilitate a sense of achievement and satisfaction among its workers. This survey monitors satisfaction

levels and drives reforms.

The fiscal 2009 survey included questions on mental health, enabling comprehensive analysis that included a correlation between employee satisfaction and mental health. In addition, we organized workshops to counter issues that emerged through the survey and analysis and foster improvement. We have also inaugurated a framework that allows for personal consultations with various specialists through interviews and telephone communications.

Although the fiscal 2009 Employee Satisfaction Survey indicated an overall improvement trend, work satisfaction levels had fallen slightly. Accordingly, we are investigating and promoting measures to make work more rewarding during fiscal 2010.

Employee Satisfaction Survey Results

Fiscal 2009 ———— Job ———— **Fiscal 2008**

Personnel policies and systems

Management

The Company

Workplace

* Workplace Improvement Workshops
These workshops involve extracting key issues at each worksite and deliberating on solutions.
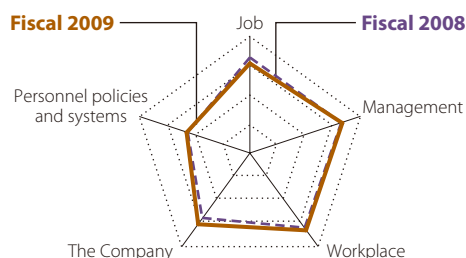
TOPICS

Fostering work understanding among employees' families

To mark 20 years since its establishment, NTT DATA held a second Open House for Employees' Families on November 29 and 30, 2008, following the first in 2006. Activities were designed to enhance understanding of the Company and its work.

Families toured the offices and visited the desks where their loved ones work. Attendees also saw the executive boardroom. We added to the attractions with illustrations depicting "What the world NTT DATA is creating will be like 20 years from now." We also held an event in which employees and their families made frames for photographs of themselves. Our open house attracted 1,939 participants, including 560 employees. This highly successful event provided employees' families the opportunity to witness usually unseen aspects of office life.

Employees and their families enjoying the staff cafeteria

With Various Other Related Parties

With a focus on employee participation, we engage in social contribution activities in a wide range of areas, including welfare, the natural environment, culture and the arts.

*1 Confectionery made and sold by welfare centers and other facilities
- Ashinami ZiP Daycare Vocational Aid Center
- NPO Kirinkan
- Sweets Batake social employment center
- Nobinobi Workplace Eco & Foods

*2 NTT DATA Valentine's Day Charities
- NPO KIDS
- Prop Station, a social welfare NPO
- Association of Mouth and Foot Painting Artists Worldwide

Policies Regarding Social Contribution Activities
Promoting activities that contribute to the development and formation of a healthy society

In April 1992, NTT DATA established a Social Contribution Promotion Office to plan and promote social contribution activities. Since then, we have conducted activities targeting welfare and contributions to regional and international communities, as well as the natural environment, culture and the arts. We are extending activities to cultivate volunteer awareness among employees, key off our core businesses and promote Group expansion.

Major Initiatives in Fiscal 2009
Supporting nature conservation activities with the Wildlife Information Center website

NTT DATA created the Wildlife Information Center, which amasses information on living things from neighboring nature like Satoyama (urban woodlands) to the wide variety of living things across Japan. In March 2009, we donated the website to the Nature Conservation Society of Japan (NACS-J), which manages the site. The site aims to promote systematic regional nature conservation activities via analysis of observations of various living things from all over Japan that are cataloged on the Wildlife Information Center. The website is open to the public, and users who complete member registration can record their sightings and easily create distribution maps.

As part of NTT DATA's 20th anniversary activities, we created this website to support NACS-J's activities aimed at ecology and protection of biodiversity, aiming for the development of a sustainable society. NTT DATA plans to extend its nature conservation activities through the Wildlife Information Center.

Wildlife Information Center (Japanese only)
http://www.ikimono-lib.jp/

Volunteer Club launched to support employee volunteer activities

As part of its 20th anniversary activities, in March 2009 NTT DATA launched the employee Volunteer Club. Through the club, employees introduce events and solicit participation in volunteer activities, communicate with other employees who are interested in volunteering, recruit participants for and conduct employee-designed volunteer projects, and promote activities through an intranet-based website.

Through the Volunteer Club, NTT DATA encourages voluntary employee involvement in a variety of activities.

Welfare
Supporting the independence of people with disabilities through the NTT DATA Valentine's Day

Each year, as Valentine's Day approaches we conduct internal sales of confectionery made by people with disabilities in welfare centers and other facilities***1** at prices that include a donation. This companywide program, which began in 1993, was proposed by employees who wanted to thank people they encounter every day and express their love for the community, instead of just giving presents of chocolate out of a sense of duty.

Funds raised are matched by the Company and donated to organizations***2** that support the independence of people with disabilities. In fiscal 2009, we donated ¥348,200.

Regional Communities

Work-study program contributes to the community and fosters development the next generation

We hold a work-study program for students of junior high schools near our Koto-ku headquarters.

In fiscal 2009, we welcomed students from the Koto-ku Fukagawa No. 4 and No. 5 junior high schools, to watch new system demonstrations and learn about the potential of IT and its relevance to everyday life.

International Contribution

Supporting the world's disadvantaged children through a heartwarming Christmas

Each December, NTT DATA holds a charity auction on its intranet to sell unused school supplies and daily necessities. At the same time, we collect monetary donations and used books and give these, along with funds raised in the charity auction, to volunteer organizations that support disadvantaged children around the world. These activities began in response to a voluntary initiative from employees in 1996, and are currently implemented throughout the Company. In fiscal 2009, we raised ¥990,000.

Once again in fiscal 2009, we held an internal Fair Trade coffee tasting and sales event, which deepened employee understanding about Fair Trade*3 products.

Emergency Assistance

Donating funds to areas damaged by the Sichuan Earthquake in China

NTT DATA donates through the Japan Red Cross Society and other organizations to help people affected by large-scale natural disasters return quickly to their normal daily lives.

In fiscal 2009, we donated through the Japanese Red Cross Society and the Chongqing Red Cross Society for the victims of the Sichuan Earthquake that struck in May. We matched groupwide employee donations, raising a total of ¥10,244,994.

*3 Fair Trade
Sustainable agricultural and craftwork transactions at prices set slightly higher than standard international market prices aim to promote the independence and improve the economic and social positions of producers in developing countries. In addition to price, Fair Trade demands consideration of working conditions of producers and the environment.

TOPICS

Annual Christmas party hosted by regional NPO that supports children

The Revere Group, Ltd., an NTT DATA Group company headquartered in Chicago, the United States, operates several offices across the country. Employees at each location participate in various charitable activities.

Each December since 2002, a number of employees in Charlotte, North Carolina, have participated in the planning and execution of a Christmas party for approximately 300 children held by Kids First of the Carolinas, a non-profit organization that provides opportunities to enhance the lives of underprivileged children. In fiscal 2009, some 20 employees and their families participated, providing gifts and donations for the children.

Christmas party decorations

Environmental Management

We have appointed Environmental Managers and Environmental Advocates to each department and Group company to promote environmental protection activities groupwide and are implementing environmental management based on a PCDA cycle.

* Green IT
Green IT comprises "Greener IT," a reduction of the direct environmental impact from IT; and "Greening through IT," a reduction of indirect environmental impact through the adoption of IT.

Environmental Policies of the NTT DATA Group

Promoting environmental protection activities throughout the Group based on our Environmental Policies

We are promoting ongoing, systematic environmental protection activities based on the Environmental Policies of the NTT DATA Group. As an information service provider, in addition to reducing the environmental impact of its own business activities the Group provides environmentally responsible systems and services and conducts activities focused on reducing the environmental impact of society as a whole.

One of the key measures in our Medium-Term Management Policy, which goes into effect in fiscal 2010, is to enhance environmentally oriented management. This policy signifies our intention to further strengthen our environmental protection activities.

Environmental Management System

Deploying ongoing improvement activities based on ISO 14001

In April 1998, NTT DATA established a dedicated Environmental Protection Promotion Office and has received ISO 14001 certification for environmental management. We have been endeavoring to extend the scope of ISO 14001 certification groupwide since 2004.

During fiscal 2009, one additional Group member acquired certification, raising the total number of certified Group companies, including NTT DATA itself, to 22 as of July 1, 2009. In addition, five companies have gained certification independently.

Cross-Group environmental management system

We are building a groupwide system to promote improvement activities based on ISO 14001. This structure is centered on the Eco Activity Promotion Committee and the Eco Activity Liaison Committee.

The Promotion Committee ascertains the activity status of Group companies and discusses the following fiscal year's targets. Deliberation results are delivered by the Liaison Committee, whose members include environmental managers and environmental advocates of ISO 14001-certified departments and Group companies. This information is reflected in individual organizational units' targets. The Liaison Committee also shares information on changes in management methods spurred by legislative amendments.

During fiscal 2009, the Eco Activity Liaison Committee met twice to confirm activity status and provide briefings on such subjects as improving methods of assessing environmental impact and measures to promote information sharing relating to Green IT* within the Group.

One medium-term management priority measure to be introduced in fiscal 2010 is to promote environmentally oriented

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Environmental Policies of the NTT DATA Group (Revised in July 2007)

The human race today faces problems affecting the earth's environment unlike any that have been experienced before. We urgently need to focus our thinking and activities on protecting the environment.

The NTT DATA Group, which applies information technology to create new paradigms and deliver new values, contributes to environmental protection by providing total services, from making strategic proposals to planning, designing, building, operating and maintaining information systems that can replace or alleviate the need for actual movement of people and goods. At the same time, recognizing the major impact of business activities on the environment, we are promoting an ongoing and planned approach to environmental protection, so as to contribute toward the realization of a society that is in better harmony with the earth even as it enjoys the abundance of modern life.

1. Environmental considerations in conducting business
The NTT DATA Group is working to lessen the environmental impact of our business activities, setting quantitative goals and targets to the extent possible, and reviewing these periodically as part of an on-going betterment program.
(1) We are promoting environmentally responsible system development.
(2) We are actively carrying out green purchasing and taking care to design environmentally friendly facilities.
(3) We are working to prevent pollution and limit resource use, by implementing policies for saving resources and energy, promoting reuse and recycling, and reducing waste.

2. Meeting legal obligations
In carrying out business activities, we observe all applicable environment-related laws and other agreements and obligations.

3. Raising awareness
We strive to raise awareness of environmental issues through activities that educate our employees and partners.

July 2007
Toru Yamashita, President and CEO
NTT DATA CORPORATION

management companywide. Accordingly, we renamed the Environmental Protection Promotion Office the Environmental Management Promotion Office in July 2009 to reinforce our system. This body is responsible for substantiating targets, measures and policies. In the near future, the Environmental Management Promotion Office and related departments will set up liaison committees and working groups for individual issues and themes, such as Green IT and CO_2 emission reductions, and will reinforce measures implemented as a Group.

Internal Environmental Audits
Improving activity levels through periodic audits

The Group conducts internal environmental audits twice a year to confirm conformance with ISO 14001 specifications and PDCA cycle functionality. In fiscal 2009, we audited 26 departments, 28 buildings, and 29 Group companies during July 2008 and February and March 2009.

We hold meetings before and after audits to confirm important audit items and groupwide environmental management system status, as well as to share suggestions, improvements and other information as part of
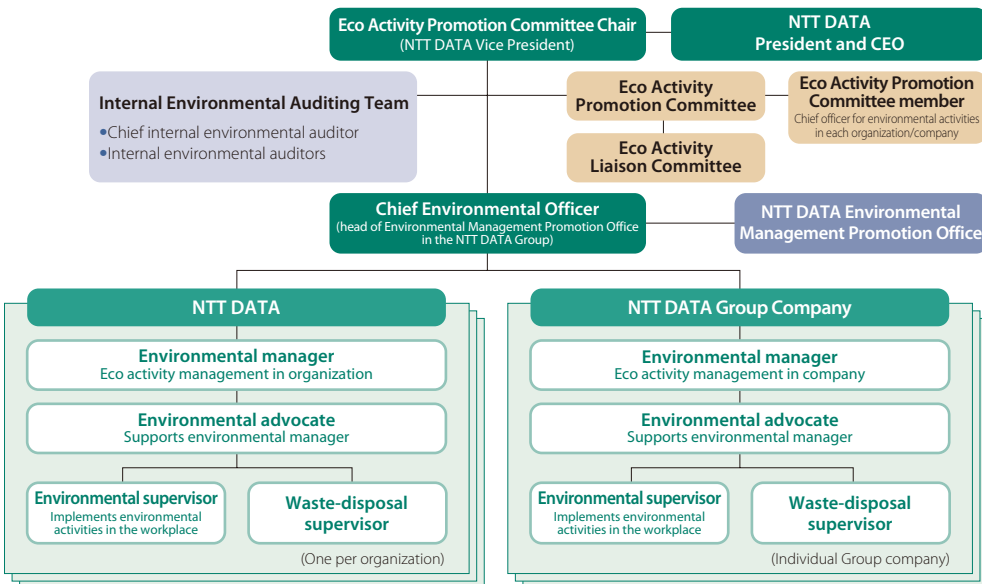
a drive to bolster the levels of internal auditing and Group environmental protection activities.

Moreover, we have expanded the scope of ISO 14001 certification, cultivating internal audit staff and improving our auditing system. During fiscal 2009, we changed the selection method from self-recommendation to appointment by organizational units and conducted training for new auditors. Currently, the Group has 60 internal auditors, eight of whom hold ISO 14001 environmental auditor complementary qualifications.

Compliance with Laws and Regulations
Periodically confirming the status of compliance with laws and regulations

We determine items for monitoring and measurement pertaining to various laws and regulations, and periodically confirm the status of compliance. Moreover, we are upgrading systems to monitor and measure CO_2 emission volume, in accordance with the amended Energy Saving Act, the Law Concerning the Promotion of Measures to Cope with Global Warming and the Ordinance on Environmental Protection by Tokyo Metropolitan Government.

ISO 14001-Certified Companies

Total: 27 companies
(as of July 1, 2009)

Group Integrated Certification
- **The NTT DATA Group**
  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 UNIVERSITY CORPORATION
  NTT DATA TOKYO SMS CORPORATION
  NTT DATA MANAGEMENT SERVICE CORPORATION
  NTT DATA SYSTEM TECHNOLOGIES INC.
  NTT DATA FIT CORPORATION
  SOLID Exchange CORPORATION
  NTT DATA FRONTIER CORPORATION
  NTT DATA SOFIA CORPORATION
  NTT DATA SEKISUI SYSTEMS CORPORATION
  NTT DATA SYSTEMS (Head Office Building)
  NTT DATA INTELLLINK CORPORATION
  NTT DATA i CORPORATION

Independent Certification
- **SANYO Electric Group**
  NTT DATA SANYO SYSTEM CORPORATION, Moriguchi and (Tokyo) Taito sites
- **NTT DATA CUSTOMER SERVICE CORPORATION** Shikoku Branch
- **JSOL Corporation**
- **NTT DATA CCS CORPORATION**
- **NTT DATA MSE CORPORATION**

Organization for Promoting Environmental Activities

Environmental Management

Environmentally Responsible System Development

Measuring the effects of system introduction

Despite higher electricity consumption resulting from an increase in IT equipment, information systems can reduce the environmental impact of society as a whole by reducing the need for transportation, delivery, and production of physical media. Through Green IT, CO_2 emission reduction forecasts have been announced[*1] for Japan. These call for 40 million t-CO_2 per year in energy savings by IT equipment and 190 million t-CO_2 per year through IT application by 2025.

In addition to promoting IT applications, the Group has formulated implementation methods for environmentally responsible system development and is promoting the development of these systems.

To this end, we have utilized the Kankyo Shiro[*2] environmental assessment system since January 2006, enabling the evaluation and measurement of environmental impact arising from the introduction and application of systems above a prescribed size.

In the near future, we will develop a framework to provide customers with data on CO_2 emission reductions when making systems proposals and conduct quantitative assessments, even at the development stage, which will be reflected in proposals. Through such measures, we will reduce the environmental impact of customers and society through environmentally responsible system development.

Promotion of Green Purchasing

Green purchasing through corporate stance and products

We have established assessment criteria on environmental preservation and the eco-friendliness of products and services as factors in procuring and selecting products and services, in addition to such traditional criteria as price and quality assessment. These values represent standards in selecting business partners.

Cases of Environmental Impact Reductions through Introduction of Information Systems

Pandora-AX helping to reduce printing and mailing of forms

Pandora-AX, a system from NTT DATA BUSINESS BRAINS CORPORATION, imports form data from a computer to a dedicated server without printing, facilitating on-screen reference, search and other functions. The system responds to the expansion of form types arising from corporate LAN upgrades, diversification of data use and other advances, thus reducing operational costs for processing forms, particularly by eliminating hard copies. In addition, Pandora-AX's automatic classification of forms and network transmission alternatives reduce labor and transportation operations and storage space.

Note: According to results from a shared business center for financial institutions that installed Pandora-AX have reduced annual CO_2 emissions by 143 t-CO_2, or 52%, as a result (see graph on the right). This center handles the activities of approximately 30 financial institutions, and distributes electronic forms to more than 600 branches.

CO_2 Emissions Before and After Introducing Pandora-AX (tons of CO_2/year)

- Environmental impact of labor operation
- Environmental impact of storage space
- Environmental impact of paper and CD-ROMs
- Environmental impact of information systems

52% reduction in environmental impact

Before introduction   After introduction
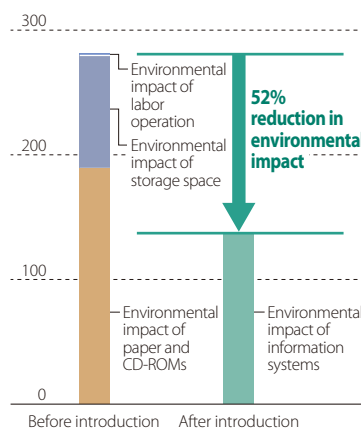
ViewRoad contributing to CO_2 emission reductions by boosting drive efficiency

ViewRoad is a road traffic information solution service. It involves gathering and processing traffic information delivered by the Vehicle Information and Communication System Center and providing customers with congestion updates in real time and forecasts based on past statistical data and other information. ViewRoad can be utilized for the formulation of efficient delivery plans and selection of optimal routes in the event of traffic accidents.

In addition, as this solution service facilitates congestion avoidance and enhanced driving efficiency, travel distance and idling time can be reduced, leading to expectations of CO_2 emission reduction benefits.

Note: This solution was cited as "u-Japan Best Practice 2009" case by the Ministry of Internal Affairs and Communications.

Environmental Impact of Our Business Activities

To minimize the environmental impact of its business activities, the NTT DATA Group monitors and analyzes the types and amounts of resources and energy consumed by various processes, and their environmental impacts.

NTT DATA's Environmental Impact

Monitoring and analyzing environmental impact by looking at the activities of the entire Group

The NTT DATA Group's main business involves the development and operation of information systems. The environmental impact of system development processes includes the emission of greenhouse gases resulting from the consumption of energy, mainly as electric power. However, there are many other factors that influence the environment, including data center construction and the use of paper and water resources. In addition, we cannot ignore the environmental impact of energy consumption resulting from customers' operation of systems and services provided by the NTT DATA Group.

The NTT DATA Group promotes various initiatives to correctly ascertain, analyze and reduce the environmental impact of the business activities of the entire Group as well as our customers.

Scope of Environmental Impact Measurement
- **Measurement period**
  From April 1 to March 31 of the following year
- **Measurement organization**
  Fiscal 2007
  NTT DATA (all organizations)
  77 Group companies
  (domestic only)
  Fiscal 2008
  NTT DATA (all organizations)
  85 Group companies
  (domestic only)
  Fiscal 2009
  NTT DATA (all organizations)
  78 Group companies
  (domestic only)

Environmental Impact Overview

INPUT — **Business Activities** — **OUTPUT**

Within NTT DATA Group

Energy

	2007	2008	2009
Utility power (10,000 kWh)	50,916	55,730	56,803
Kerosene (kl)	26	3.2	23
Light gas oil (excluding Company vehicles)	80	114	135
A–C heavy oil (kl)	68	41	41
City gas (10,000 m³)	843	187	173
Gasoline (Company vehicles) (kl)	758	855	742
Light gas oil (Company vehicles) (kl)	21	21	14

Water resources (10,000 m³)

	2007	2008	2009
Clean water consumption	78	58	68
Gray water consumption	3.8	3.6	4.4

Paper resources (tons)

	2007	2008	2009
Office paper	1,380	1,329	1,418
Fliers, pamphlets, etc. for customers	131	679	88

Specified chlorofluorocarbon used for air conditioning system (units)

	2007	2008	2009
Number of air conditioning system units using specified chlorofluorocarbon (CFC)	46	23	24

Construction materials

Construction materials, cables, etc.

Business Activities: Sales → Planning/design → Development/testing → Data center → Installation at customer site

Greenhouse gas* (10,000 tons of CO₂)

	2007	2008	2009
Electricity use	19.6	20.0	24.9
Gas/fuel use	1.8	0.4	0.4
Company vehicle use	0.2	0.2	0.2
Total	21.6	20.6	25.5

*CO_2 conversion factor uses factors from each fiscal year (CO_2 emission factor by power company)

Water resources (10,000 m³)

	2007	2008	2009
Drainage amount	59	35	54

Office waste (tons)

	2007	2008	2009
Amount generated	7,092	6,101	6,010
Recycled amount	5,255	4,606	4,883
Final disposal amount	626	462	406

Construction waste (tons)

	2007	2008	2009
Amount generated	1,058	2,353	788
Recycled amount	568	1,832	593
Final disposal amount	490	521	195

Outside NTT DATA Group

Energy → Service operation at customer site → Greenhouse gas (CO₂)

Targets and Results

The Group formulates medium-term targets for reducing environmental impacts for a three-year period. Targets are reviewed each year to achieve ongoing improvement of environmental protection activities.

Numerical Data on Targets and Results

Fiscal 2009 results and targets for fiscal 2010 and beyond for the Group are calculated within the applicable scope of groupwide integrated ISO 14001 certification (see page 33).

*1 Green NTT

An initiative to promote renewable energy sources focusing on solar power systems. To this end, NTT Green LLP was established to install solar power systems. By 2012, the NTT Group plans to have an installed base totaling 5 megawatts.

*2 Greenhouse gas emissions: 306,562 tons of CO_2

Converted value expressing the volume of electricity used. Conversion factor based on fiscal 2006 emissions factor (0.555 kg CO_2/kWh).

Fiscal 2009 Results and Medium-Term Targets

Managing target achievement by establishing three-year medium-term targets

The NTT DATA Group establishes three-year medium-term targets as part of ongoing ISO 14001 improvement activities and reviews those targets each year against results.

As in the previous year, in fiscal 2009 we set new reduction targets for electricity use, as converted to greenhouse gas emissions (CO_2 conversion), waste for final disposal and copy paper purchased.

● **Reducing Greenhouse Gas Emissions**

We strive to conserve energy through efforts that include increasing business efficiency and switching off unnecessary lighting, and replacing air conditioners and lighting in our data centers and buildings with higher-efficiency equipment.

As part of our Green NTT***1** initiative that began in fiscal 2009, a solar power system was installed in the Green Data Center. We also continued to concentrate servers at data centers interspersed among various offices.

Higher electricity usage at data centers from an increase in equipment resulted in fiscal 2009 greenhouse gas emissions of 306,562 tons of CO_2***2**. In basic units of sales, reduction rates surpassed those of fiscal 2008, representing an 8.3% decrease compared to the base year (fiscal 2006), falling just short of the target of lowering emissions 9% compared to fiscal 2006 levels.

The target for fiscal 2010 is a 9.5% reduction compared to fiscal 2006 levels. We aim for decreased electricity usage through more efficient data center operation and the visualization of energy-saving efforts at offices.

● **Reducing Waste for Final Disposal**

By increasing the amount of waste consigned to industrial waste disposal companies that have high recycling ratios, and by working to separate garbage thoroughly, waste for final disposal was 402 tons, achieving the target of reducing the amount per basic unit of sales 43% compared to fiscal 2006 levels.

In the future, through activities such as reusing personal computers, we aim to lower this amount further.

Fiscal 2009 Results and Targets for Fiscal 2010 and Beyond

Activities		Fiscal 2009 Results				Targets for Fiscal 2010 and Beyond		
		Target Value Definitions	Target Values	Achieved	Achievement Status	2010	2011	2012
Reducing environmental impact within the NTT DATA Group	Reduce greenhouse gas emissions	Greenhouse gas emissions (CO_2 conversion) per unit net sales (fiscal 2006 comparison)	9% reduction	No	8.3% reduction	9.5% reduction	10% reduction	12% reduction
	Reduce waste for final disposal	Waste for final disposal per unit net sales (fiscal 2006 comparison)	40% reduction	Yes	43% reduction	45% reduction	50% reduction	New target
	Reduce copy paper purchased	Copy paper purchased (fiscal 2006 comparison)	6% reduction	No	4.6% reduction	7% reduction	8% reduction	9% reduction
Reducing environmental impact outside the NTT DATA Group	Reduce customers' environmental impacts					**Fiscal 2010 Targets**		
	(1) Expand environmental solutions business	Achievement rate	80%	No	8 of 11 items achieved	**Reduce the environmental impact of society through the promotion of Green IT** Clarify quantitative assessment criteria, create assessment promotion mechanism and raise employee awareness of Green IT		
	(2) Conduct quantitative environmental impact assessments	Number of assessments that can be used for sales and other activities	5 items	Yes	5 items assessed			
	(3) Engage in regional community environmental contribution activities	Implementation rate	85%	Yes	5 of 6 items achieved	90%		

● Reducing Copy Paper Purchased

Despite copy paper reduction initiatives, including the introduction of security printers that require IC card authentication and promoting paperless meetings, in fiscal 2009 we purchased 297.89 million sheets of copy paper (down 4.6% compared to fiscal 2006), falling short of our target.

By setting clear targets for each organization unit, in fiscal 2010 we aim for an overall 7% reduction compared to fiscal 2006.

● Reducing the Environmental Impact of Customers and Regional Society

The NTT DATA Group established targets at each corporate organization and Group company to help its customers and local communities reduce environmental impact through its business. In fiscal 2009, we were unable to achieve targets related to the expansion of our environmental solutions business due to the worsening economic conditions.

Upon reviewing our activities, in fiscal 2010 our policy will be to focus on lowering the environmental impact of society by promoting Green IT.

Environmental Accounting
Aiming for Efficient and Effective Environmental Protection

In fiscal 2009, Group environmental cost comprised ¥38 million in investments

TOPICS

Awarded the Osaka STOP! Global Warming Prize of Excellence in Fiscal 2009

Our Facility Management Department, which manages our 21 buildings in Japan, formulates CO_2 emission reduction plans for each building to conserve energy through high-efficiency power supply equipment, air conditioning upgrades and other initiatives.

As one such initiative, from fiscal 2007 the FM Department has promoted energy conservation in the Dojima Building (Osaka), a data center that houses numerous servers. In fiscal 2008, they achieved a reduction of 3,600 tons of CO_2 emissions and ¥100 million in utility fees through a review of cogeneration system operation, refrigeration machine heat efficiency improvements and energy-efficient fluorescent lighting. In recognition of these achievements, the Osaka prefectural government awarded NTT DATA the Osaka STOP! Global Warming Prize of Excellence in February 2009.

Dojima Building (Western Japan FM Group)

and ¥940 million in expenses. Costs within the business area fell ¥350 million compared to fiscal 2008, due to the absence of construction-related costs and by dismantling facilities. In addition, as fiscal 2008 R&D projects have moved into the commercialization phase and no new projects started in fiscal 2009, there were no attendant R&D investments or expenses.

Environmental Accounting Scope and Methods
● **Applicable period**
April 1, 2008, to March 31, 2009
● **Scope of data**
NTT DATA (all organizations) 22 Group companies (domestic only)
● **Accounting method**
Based on Ministry of the Environment and NTT Group Environmental Accounting Guidelines

Environmental Accounting Conservation Cost
(Millions of yen)

Ministry of the Environment Environmental Accounting Guideline Categories	Major Initiatives	Fiscal 2008		Fiscal 2009	
		Investment	Expenses	Investment	Expenses
Business area costs		121.6	1,000.3	**37.8**	**651.2**
Pollution prevention costs	Asbestos countermeasures, PCB management, etc.	17.2	253.8	**0.7**	**42.1**
Global environment conservation costs	Implementation of energy conservation measures/measures to reduce CO_2 emissions through the introduction of outdoor-air cooling devices, elimination of specified chlorofluorocarbons in air conditioning equipment, etc.	0.0	1.4	**0.0**	**0.0**
Resource recycling costs	Inter-office waste disposal, construction waste countermeasures, business paper curtailment countermeasures, etc.	104.4	745.1	**37.1**	**609.1**
Upstream/downstream costs	Compliance with the Act on the Promotion of Sorted Collection and Recycling of Containers and Packaging	0.0	0.3	**0.0**	**4.7**
Administration costs	Labor costs, ISO certification acquisition, building greening, environmental PR, etc., related to environmental protection activities	0.0	286.1	**0.0**	**278.7**
R&D costs	Environment-related R&D	0.0	38.9	**0.0**	**0.0**
Citizenship activity costs	Environmental contribution to regional communities	44.0	0.1	**0.0**	**6.3**
Total		165.6	1,325.7	**37.8**	**940.9**

IT Solutions to Reduce Environmental Impact

NTT DATA disseminates information and proposes concepts on environmental impact reduction through IT activities. In addition to reducing the environmental impact of our business activities, we develop technologies and services that support customers' environmental protection activities.

*1 Emissions trading

Mechanism that enables countries and companies unable to achieve reduction targets directly to purchase credits from countries and companies that have reduced emissions beyond their targets.

*2 National Registry System

A system to manage the possession and transfer of national and corporate credits as defined by the Kyoto Protocol.

*3 System for Japan's trial emission trading scheme

A system to manage the target status of participating companies and the exchange of credits in the market through the trial implementation of emissions trading in the domestic integrated market.

*4 Carbon offsets

Mechanism to offset CO_2 emissions by investing in green energy and afforestation businesses that protect woodland sinks.

Supporting Greenhouse Gases Emissions Countermeasures
Proposing systems that support emissions trading

Since the beginning of the first commitment period (2008–2012) of the Kyoto Protocol, which sets binding targets for reducing greenhouse gases emissions, Japan has actively pursued its 6% reduction target. The emissions trading***1** of greenhouse gases has attracted particular attention.

Along with the development and operation of Japan's National Registry System***2** as the infrastructure for international emissions trading, NTT DATA develops and operates systems to manage emissions by companies voluntarily participating in Japan's Voluntary Emissions Trading Scheme run by the government.

In fiscal 2009, we developed and operated a system for the Ministry of the Environment's Offsetting Credit (J-VER) scheme, as well as a system for Japan's trial emission trading scheme***3** in the domestic integrated market.

We will continue to contribute to the reduction and management of CO_2 emissions in Japan by offering systems that support corporate emissions identification and trading.

Supporting environmentally friendly product development and CO_2 reduction through carbon offsets

Through the Carbon Offset Products Project (COP) sponsored by the NTT DATA Institute of Management Consulting, we support the reduction of CO_2 emissions from corporate business activities and environmentally friendly strategic product development through carbon offsets***4**.

COP is a member of the Co-op Net Business Federation, the first in the world to use carbon offsets to reduce CO_2 emissions from stores to zero. In addition to opening four zero-CO_2 emission stores in Saitama and Chiba from June 2008 to July 2009, in June we opened a zero-CO_2 emissions refrigerator center in Inzai, Chiba.

We plan on promoting COP setup and participation to realize an expanded number of zero-CO_2 emissions stores, as well as zero-CO_2 emissions factories that use carbon offsets for manufacture and transportation and zero-CO_2 emissions transport.

Promoting the greening of data centers with increased demand

In recent years, the energy consumed by server operation and the cooling of high-volume heat-generating equipment at data centers around the world is increasing. To meet its responsibility as the largest data center operator by floor space in Japan, NTT DATA promotes the suppression of energy consumption and the reduction of CO_2 emissions at its data centers. We began providing Green Data Center services in January 2008 to reduce environmental impact and improve IT efficacy.

In addition to a shared IT platform service***5** in October 2008, this service comprises the iDC, design and construction and housing services, supporting the creation of new corporate value from environmental and IT perspectives.

Greenhouse Gases Emissions Trading Support System
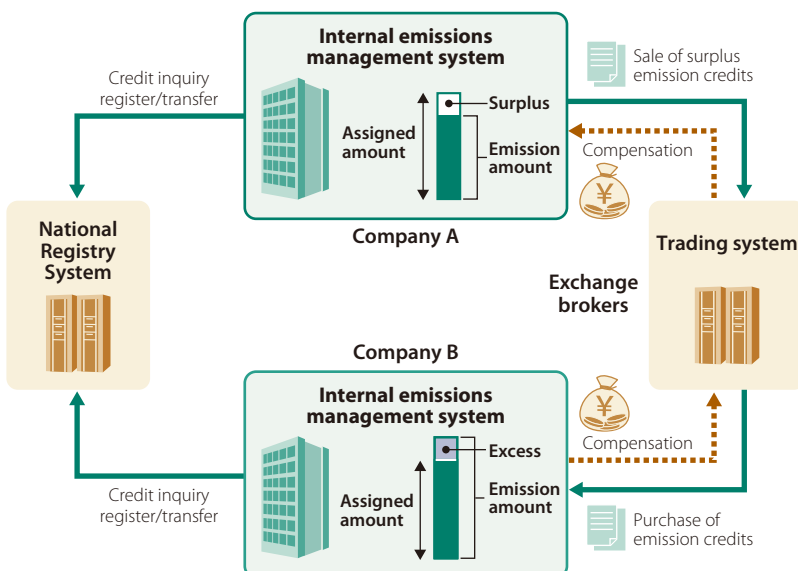
In fiscal 2009, we introduced a solar power system and energy-saving air-conditioning system with a built-in seismic isolator "aisle-capping*6" system. As part of our efforts toward data center energy efficiency, we conducted testing on a high-voltage direct current power supply in January 2009. We introduced this service and raised awareness at the Green IT Pavilion, an exhibition facility launched to coincide with the July 2008 Lake Toya Summit.

Going forward, we will cultivate technical knowledge and expertise regarding energy efficiency in our data centers through the ongoing verification of elemental technologies. As a member of the Green Grid Association*7, we also will participate in data center issue resolutions and the formulation of effective benchmarks from a global perspective.

Saving and Using Natural Resources Efficiently

Material flow cost accounting (MFCA*8) based consulting services to assist improvements in manufacturing

Since April 2009, NTT DATA BUSINESS CONSULTING CORPORATION (currently QUNIE CORPORATION) and NTT DATA SEKISUI SYSTEMS CORPORATION have provided an MFCA consulting service that contributes to environmental countermeasures and cost reductions through advice and proposals mainly to domestic manufacturers.

This service focuses on the operational improvements and the steady introduction of IT systems. We help realize efficient environmental management through the deployment of the MFCA execution infrastructure with specialized tools, the infrastructure to conduct emission trading and the PDCA cycle, resulting in the ongoing visualization of loss costs and CO_2 emissions for manufacturing processes.

Related website: MFCA manufacturing improvement support service (Japanese only)
http://www.nttd-bc.jp/product/mfca2.html

Major Initiatives and Technologies Employed in the Green Data Center

Solar power system

Green Data Center
Our metropolitan data center

High-efficiency air conditioning design

High-voltage direct current power supply

Virtualization technology

High-efficiency rack design

Contributing to office paper usage reduction with an authenticated print solution

In May 2009, NTT DATA began offering the inexpensive u:ma Authenticated Print solution for multiple vendors. Using the u:ma-G card reader, which can be used by a variety of IC cards, the user is authorized to easily print only the necessary material. This contributes to preventing the waste of printer paper resulting from errors and reduces paper use by 20% (based on test figures provided by existing NTT DATA customers and other publicly announced results).

u:ma authorization box and u:ma-G IC card reader

*5 Shared IT platform service
Rather than the conventional approach of having IT infrastructures for each system, this low-cost, simple and stable system shares an IT infrastructure over multiple systems.

*6 Aisle-capping
A technology to control airflow to realize improved cooling by physically separating hot exhaust air from IT equipment from cold air provided to IT equipment. This physical separation is achieved by covering the top and the ends of aisles with a patented invention of NTT Facilities.

*7 Green Grid Association
A global consortium of IT companies and professionals seeking to improve energy efficiency in data centers and business computing ecosystems. In December 2007, NTT DATA joined this association, which seeks to standardize throughout the industry a common set of metrics, guidelines and indices.

*8 MFCA
Material flow cost accounting is a management accounting method that assists cost reductions and environmental countermeasures. At present, the Ministry of Economy, Trade and Industry recommends that Japanese manufacturers adopt this practice.

Environmental Communication

To expand our environmental protection activities to include all of society, we engage in environmental contribution activities and disseminate information to society, as well as educating Group employees.

Environmental Education
Conducting business- and role-specific environmental education with e-learning

The Group conducts various environmental education activities to help employees properly understand the significance and purpose of environmental protection activities and environmental management based on ISO 14001 standards and to raise their awareness of environmental issues.

Our e-learning curriculum includes environmental basics, courses for waste-disposal supervisors, environmental managers and environmental advocates. We also have education programs customized for each organization and business function. We also promote e-learning at Group companies that have not acquired ISO 14001 certification to improve employee awareness and reinforcing activities.

Participants in Fiscal 2009 (Participation Ratio)

Environmental basics	22,964 (99.5%)
Course for waste-disposal supervisors	423 (99.3%)
Course for environmental managers and environmental advocates	488 (99.8%)

Environmental Awareness Activities and Information Dissemination
Strengthening Green IT-related information sharing and cooperation within the Group

In collaboration with internal organizations and Group companies, we promote Green IT-related information sharing and cooperation.

For example, we are sharing the latest Green IT-related trends, initiatives within the Group and quantitative assessments of the effects on environmental impact reductions resulting from the introduction of IT solutions. This helps with environmentally responsible system development and sales activities.

Proactively disseminating Green IT information to our customers and society

In March 2009, we launched a website to introduce Green IT Solutions that help reduce the environmental impact of our customers and society as a whole.

Under the catchphrase "Green IT Orchestration for a Sustainable Society***1**," we disseminate NTT DATA's Green IT ideas and initiatives, related services and a variety of other information to our customers and society.

Green IT Solutions (Japanese only)
http://www.nttdata.co.jp/green_it/

Environmental Contribution Activities
Developing activities to reduce the environmental impact of local communities

The NTT DATA Group conducts ongoing regional contribution activities, including the clean-up of surrounding areas and Satoyama (urban woodlands) and greenbelt conservation activities.

In fiscal 2009, we participated in the Tokyo Greenship Action campaign for the first time. Through this program, the Tokyo metropolitan government, NPOs and companies work together to promote clean-up and maintenance activities at Satoyama and greenbelts in the Tokyo metropolitan area. NTT DATA employees and their families volunteered to clear and thin underbrush. We intend to promote ongoing employee participation in future activities.

Clearing and thinning underbrush as part of the Tokyo Greenship Action campaign

Corporate Governance

NTT DATA views corporate governance as "the system and processes for ensuring transparency, efficiency and rationalization in management." Accordingly, we are formulating and promoting internal control systems and working to strengthen Group governance.

Corporate Governance Structure

Management quality improvements spearheaded by the Board of Corporate Auditors and the Corporate Management Committee

As a company with corporate auditors, NTT DATA has a General Meeting of Shareholders, a Board of Directors and a Board of Corporate Auditors. We also have a Corporate Management Committee to speed business decision-making.

The Board of Directors comprises seven members, including one outside director. The board meets monthly, holds extraordinary meetings as necessary, and is responsible for decision-making and supervision regarding legal and important management matters. To ensure that it conducts its activities appropriately, we have appointed executive officers since fiscal 2006. By delegating significant executive authority to executive officers, NTT DATA aims to speed the decision-making process.

The Board of Corporate Auditors has four members, three of whom are outside corporate auditors. The board meets, in principle, once a month to decide on audit policies, plans, methods and various other important audit-related matters.

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

Enhancing our internal control system to ensure fair and transparent operations

The Internal Audit Department was established to strengthen internal auditing and conduct audits independently from business execution sectors. During fiscal 2009, the department audited six in-house organizations and 20 Group companies from the perspectives of major contract legitimacy and information security.

We established the Group Internal Control Promotion Office in August 2008 in response to the Sarbanes-Oxley Act[*2]. Through such initiatives, we strive to reinforce groupwide internal control structures and cooperation.

Reinforcing Group governance through liaison department

NTT DATA maintains a collaborative structure with Group companies, taking measures such as establishing a cooperative responsibility department under the fundamental policy of ensuring appropriate business operations across the Group so as to conduct collaboration, reporting, guidance, requests and other activities related to important matters among each Group company.

To bolster governance, we formulated Group Management Rules in March 2008 to clarify compliance policies and guidance of decision-making for Group companies. These rules were revised in March 2009 to include CSR and quality and productivity improvement issues.

*2 Sarbanes-Oxley Act
The Sarbanes-Oxley Act of 2002 was a U.S. federal amendment to corporate law stipulating more stringent internal controls on financial reporting.

Corporate Governance Reports

For more detailed information, refer to "Reports Relating to Corporate Governance" (Japanese only) on our website:

http://www.nttdata.co.jp/corporate/ir/liberary/ga/index.html

Corporate Governance Structure (as of July 1, 2009)
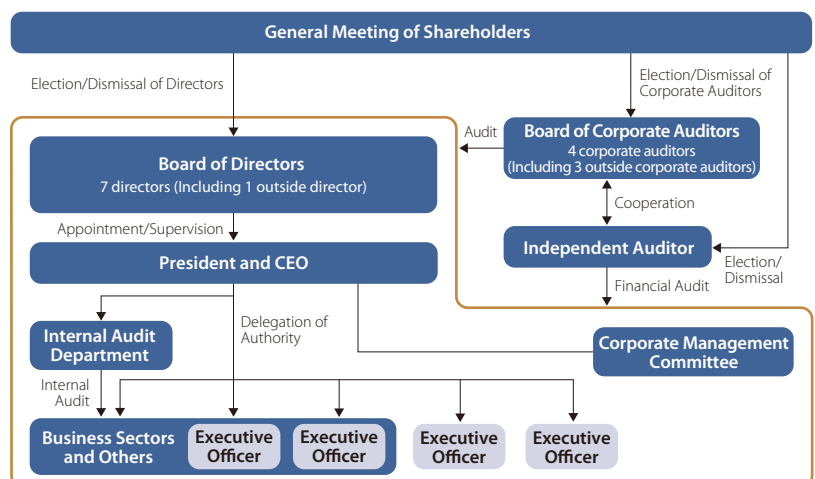
Compliance

We are raising employee compliance awareness to ensure conformance to laws and societal norms and maintain our standing as a Group trusted by its stakeholders.

* Position-based training
This training targets new recruits, second- and fifth-year employees and new managers, including deputy and senior managers.

Compliance Promotion Structure

Compliance centered on the NTT DATA Group Code of Ethics

In 1998, we formulated the NTT DATA Group Code of Ethics for the sound conduct of business through firm corporate ethics throughout our operations. (See page 11).

To ensure companywide dissemination, we established the Employees' Behavioral Ethics Committee in 2002, renamed the Corporate Ethics Committee in March 2009. Committee members include the heads of principal corporate sections, presided over by the Chief Risk Officer. Based on the Group Code of Ethics, the committee is responsible for nurturing a corporate culture of compliance with laws and corporate ethics and promoting the construction of necessary structures and frameworks.

To enhance ethics and compliance, the General Affairs Department—the committee's secretariat—reinforces in-house structures and implements activities to foster awareness.

NTT DATA Group companies introduce similar structure improvements and the entire Group is united in its aim to raise its level of compliance.

Early detection and correction through a "Whistleblower Line"

We inaugurated a "Whistleblower Line" in April 2003 to facilitate the early detection of actions in contravention of laws and corporate ethics and preempt risks. This service is available to receive reports from and provide consultation to all NTT DATA Group personnel, including temporary staff and suppliers.

Instructions on how to use this hotline are posted on the Company website, and we distribute a usage pamphlet to all employees.

Whistleblower Line Administration Rules explain privacy protection, prohibitions against unfair treatment, confidentiality, surveys relating to contraventions and other issues. Moreover, survey results and corrective actions are reported to the corporate auditors, the Corporate Management Committee and other authorities and used to increase soundness of business management.

The number of times the line was used for notification and annual trends are disclosed on the Company website to promote the Whistleblower Line's use.

Compliance Promotion and Education

Promotional and educational activities attuned to company trends and issues

NTT DATA holds lectures on corporate ethics at position-based training* sessions to foster compliance awareness. We also conduct compliance-related training tailored to individual business characteristics of the Group.

During fiscal 2009, we held compliance training for 300 sales managers to enhance their responses to and awareness of contract risk at our business sites. Furthermore, we have carried out 15 training sessions for sales and development personnel, attended by 1,900 employees.

Compliance training for sales managers

Risk Management

We work to precisely ascertain all risks to assure sustainable management and implement optimal countermeasures.

Risk Management Structure

Strengthening our promotion structure through cooperation among divisions and Group companies

The NTT DATA Group seeks to ascertain all risks associated with business activities and minimize their impact on operations and frequency of occurrence. In 2002, we appointed a Chief Risk Officer (CRO) to supervise and promote risk management from a companywide perspective. Risk management promotion officers also were appointed to each division and Group company to enable divisions to respond proactively and independently to various risks.
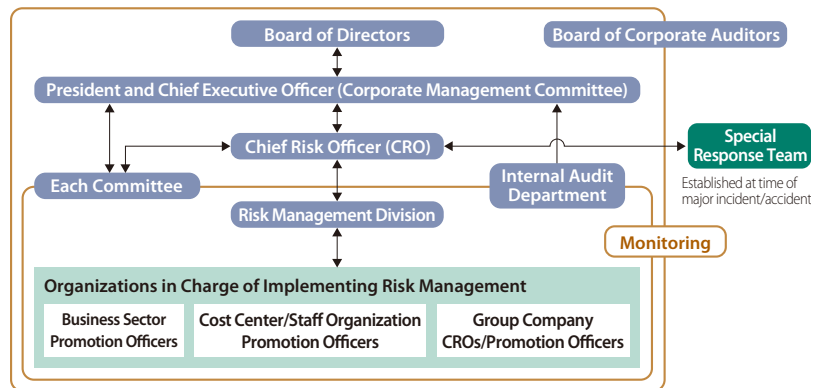
All principal division managers and risk management promotion officers continuously monitor and supervise the implementation status of risk management. Matters of particular importance are continuously monitored and supervised by committees established to address specific issues. Through regular reporting to the Board of Directors and Corporate Management Committee and feedback to management, management of risk can be collectively promoted by the entire Group.

Going forward, we will promote the establishment of a global risk management structure that includes our overseas Group companies.

Countering various major risks

After prioritizing major risks that have been identified, NTT DATA reviews the progress and achievement of targets and reflects the results in various measures. In fiscal 2009, particular emphasis was placed on preventing the spread of swine flu and formulating BCPs.

Risk Management Structure

Major Risks and Initiatives

Major Risks		Major Initiatives
System Project Risks	**System Failure Risk**	• Prevention: Improve system quality, including internal development of product lines and construction technology during system development, internal technical support from specialized divisions and thorough project management. • Failure Response: Establish recurrence prevention measures, ensure companywide awareness of incidents and countermeasures and reflect internal rules in system construction and operational maintenance work (for details, see page 20, "With Our Customers: Disaster and System Failure Countermeasures").
	System Building Risk	• Project planning decisions, quality, progress and cost management are conducted under the responsibility of the project manager. Create structure for appropriate process confirmation and decision-making. • For projects with high risk potential, including those with the risk of rising costs and declining revenue, the Project Management Office* at the headquarters or each business sector inspects, formulates and executes an action plan from an objective perspective to reduce risk.
Information Security Risks		• As an information system provider, focus on the stable assurance of information security and the protection of personal information (for details, see page 44, "Information Security").
Disaster Risks		• Business Continuity Management Promotion • While formulating measures to prevent the infection and spread of infectious diseases such as swine flu, establish business continuity plans (BCPs) to ensure the availability of personnel to maintain the functioning of core operations required by society. • As a provider of social infrastructure, enable the quick recovery and resumption of systems and services in the event of a major earthquake in the Tokyo metropolitan area, and improve the NTT DATA Group's business continuity capability.
Legal Management Risks		• The General Affairs Division is to formulate measures to enhance the Code of Ethics and strengthen legal compliance (for details, see page 42, "Compliance").

* **Project Management Office (PMO)**
We have established PMOs at NTT DATA's headquarters and at each business sector to provide groupwide organizational support for project managers. In cooperation with the project, the PMO strives to improve and stabilize processes.

Information Security

Groupwide, we promote the safe sharing of knowledge, through the compatibility of ensuring information security and information utility and sharing while striving to entrench information security governance.

Information Security Policy booklet (Japanese only)

Information Security Policy Guidelines booklet (Japanese only)

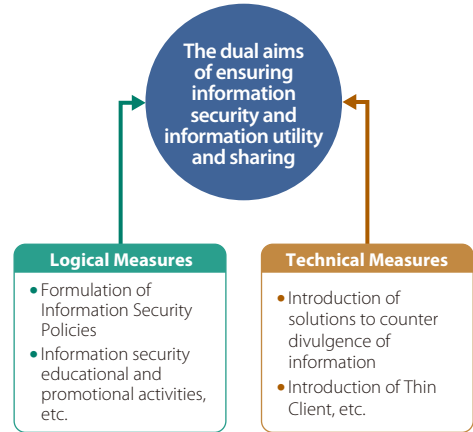Group Security Policy promotional poster

Our Basic Stance
Pursuing a balance between information security and sharing

The growing prevalence of information technology in every corner of society is accompanied by an increase in security risk. While it is essential that we respond to these risks, focusing too much on information security reduces information utility and sharing, impeding the flow of beneficial information and expertise.

To attain a balance between ensuring information security and information utility and sharing, the NTT DATA Group is undertaking an array of initiatives based on a two-pronged approach comprised of "logical measures" such as the formulation of rules, education and promotional activities, as well as "technological measures" that include solutions to prevent information leaks.

To facilitate sharing of expertise, the NTT DATA Group also is promoting internal knowledge sharing and working to establish an information security governance structure. Related initiatives include hosting forums for personnel dedicated to promoting information security and carrying out security accident response training.

Information Security Management Structure

Logical and Technical Measures

The dual aims of ensuring information security and information utility and sharing

Logical Measures
- Formulation of Information Security Policies
- Information security educational and promotional activities, etc.

Technical Measures
- Introduction of solutions to counter divulgence of information
- Introduction of Thin Client, etc.

NTT DATA Group Unified Security Policy
Rules implemented by each company, based on a common Group policy

In December 1998, NTT DATA formulated an Information Security Policy, comprising a basic policy and compatible countermeasures, to ensure consistent and appropriate handling of information assets. Specific procedures are defined in the Information Security Policy Guidelines, which are distributed to all employees with the Information Security Policy.

In April 2008, we formulated the NTT DATA Group Security Policy, compiling common rules to construct a groupwide information security structure. Implementation of information management by each Group company in conformance with the unified rules raises overall Group security levels and realizes safe information sharing.

We also established a Personal Information Protection Policy in July 2001. We have amended this policy and in-house regulations as necessary following the full enactment of the Privacy Protection Act in April 2005.
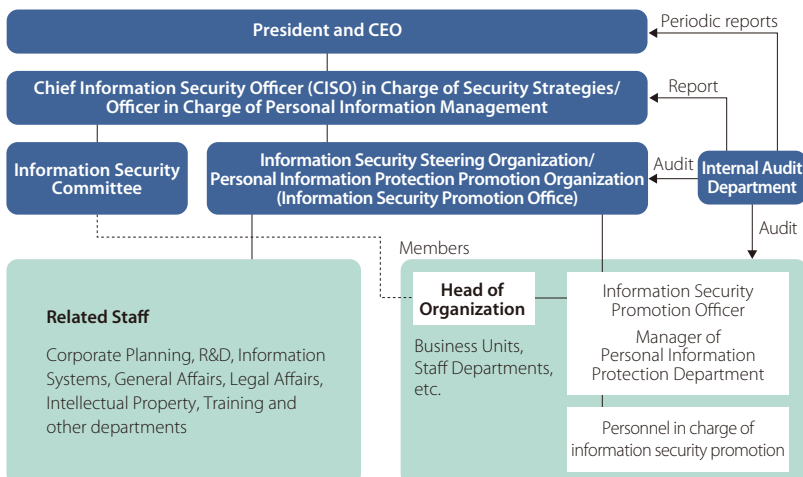
Information Security Management Structure

Management structure based on the PDCA cycle

Ongoing improvements and upgrades to information security require the PDCA cycle, comprising formulation, implementation, auditing, and revision and assessment of policies and measures.

To implement information security measures and raise security levels, we established the position of Chief Information Security Officer (CISO) in 1999. The Information Security Committee, headed by the CISO, meets periodically[1] to ascertain the status of activities and issues and to determine remedial measures.

Resolutions of the Information Security Committee are deployed under the Information Security Promotion Office by 400 people throughout the Group who are dedicated to promoting information security.

Moreover, decision-making bodies, promotional organizations, individual worksites and auditing organizations cooperate on the early detection of problems, including through the auditing of the status of information security measures by the Internal Audit Department. This facilitates the implementation of ongoing revisions and improvements based on objective assessments.

Preventing information leakage and divulgence when outsourcing

NTT DATA subcontracts software development to partner companies. When outsourcing involves confidential or personal information, we utilize a proprietary Security Check Sheet to confirm subcontractor security structures and security levels. In addition, we indicate required information security management levels and enter into contracts only after obtaining agreement with the terms of our Special Agreement on Confidential Information and Personal Information.

Also, we periodically check the implementation status of security measures after contracts have been signed. If necessary, we conduct on-site investigations to prevent information leakage and divulgence.

Information Security Education

Extending educational and promotional activities to employees and partner companies

NTT DATA pursues information security education through e-learning, classroom lectures and other forms of training for employees, temporary workers and business partners to ensure safe ongoing information security practices.

During fiscal 2009, we distributed educational materials and support tools to spread the NTT DATA Group Security Policy (GSP) among Group companies. We also started providing GSP Assessments[2] and produced and distributed pamphlets and publicity posters in Japanese, English and Chinese. We aim to foster knowledge and expertise sharing by holding forums for staff responsible for information security promotion.

Encouraging Information Security Management Certification

Acquiring ISMS, Privacy Mark and other third-party accreditations

Within the NTT DATA Group, necessary units that handle confidential and personal information hold ISO 27001 information security management system certification. As of May 2009, the relevant departments of 30 Group companies, including the parent company, had acquired this certification.

In addition, NTT DATA and 24 other Group companies were authorized to use the Japan Information Processing Development Corporation's Privacy Mark.

[1] The number of times the committee held
The committee met four times in fiscal 2009, bringing the number of meetings since 1999 to 43.

[2] GSP Assessments
These assessments utilize e-learning to deepen understanding of NTT DATA's GSP. Each Group company deploys the system as needed to promote information security education among its employees.

NTT DATA and Its Stakeholders

NTT DATA and the Environment

CSR Infrastructure

Third-Party Opinion

Yoshinao Kozuma
Professor, Faculty of Economics
Sophia University

President Yamashita's management concept of pursing "reasonable gain" signifies a new stage of CSR for NTT DATA. A high-quality business administration balancing profitability and CSR by "pursuing profit not simply for its own sake, but profit within reason" is an excellent resolution to the basic question of how to assimilate CSR into the core business.

This fiscal year, NTT DATA was selected as one of the Global 100 Most Sustainable Corporations and chosen by stock indices FTSE4Good and DJSI Asia Pacific, all substantial endorsements of this CSR philosophy.

As a strategy embodying reasonable gain, environmentally oriented management has been a priority of the Medium-Term Management Policy since fiscal 2010. Through its core business of providing environmental IT solutions and management policies such as data center greening, business process efficiency improvements and promotion of telecommuting, NTT DATA is attempting to address the critical issue of global climate change.

However, I have some reservations as to whether the pursuit of reasonable gain is tangibly achievable. Looking at performance to date, targets for the per unit reduction of greenhouse gases were not met in fiscal 2008 or 2009, while the CSR policy that is to form the basis for setting targets has yet to be decided. I hope that the Company will adopt appropriate initiatives and alleviate these concerns.

From a societal perspective, NTT DATA deserves commendation for its employment of people with disabilities. The establishment of a special subsidiary has steadily improved the employment rate, and raised expectations of reaching the statutory employment rate.

In terms of disclosure, significant progress is evident through quantitative data, including the addition of performance data in the Major Initiatives during fiscal 2009 and the inclusion of three years' worth of data on material balance. However, the number of pages has been cut by 20% compared to last year, and the environmental impact data table has been completely eliminated, along with a means of verifying statements made in the report. This information will be disclosed on the NTT DATA website (Japanese only), and I hope website design will give highest consideration to simplifying the search for information across multiple media.

Junko Edahiro
Co-Chief Executive, Japan for Sustainability
President, e's Inc.

Beginning with the president's powerful objective to "lead social innovation by working to create a social system that responds to future social issues" and realize "reasonable gain," the report leaves a favorable impression by conveying the activities of the past year in an easily understandable way.

In a management system, first a company's policies are defined. Specific initiatives and systems are devised in line with these policies. Results are determined and evaluated, and evaluation results are linked back to new policy creation. In this sense, the Targets and Results section of the back-half environmental pages serves as an excellent model for other companies.

I would recommend that the Company explain in an easy-to-understand manner the processes involved in the Major Initiatives and Future Plans table, and how it views the results of its initiatives, as this would be useful for the Company and readers alike.

For an IT company, it is critical to demonstrate tangible initiatives in regard to Greener IT and Greening through IT. As these are in the special feature and environment sections, rather than simply explaining the necessity of these initiatives, it is much better to concretely explain the initiatives themselves, as well as their progress, current issues and future prospects. In this regard, the Examples of Reduced Environmental Impact though the Introduction of Information Systems section is a good example. I would like NTT DATA to visualize further effects of Greening through IT.

The report also clearly conveys the advances in creating a comfortable workplace for employees. I would like to see the report also communicate the Company's basic thoughts on the employment and promotion of women. These systems and initiatives are surely indicators of success.

A pillar of greening society through IT is the Company's full-scale operation of a telecommuting system. This will add to the wealth of knowledge and experience concerning the motivation and mentality of employees who telecommute and management methods that work effectively for both. I look forward to a report on these intangibles in the future.

Through a shift in communication from "one-way" to "interactive," and then to "co-generative" communication by not just transmitting but communicating one's information and opinions, the creation of new value where there was none before is shared between both parties, and it is through the advancement of this shared creation that the Company can earn the trust and deepen its relationship with society. I have high expectations for the advancement of NTT DATA's environmental communications.

Response to Third-Party Opinion

In light of the views provided by third parties on last year's CSR report and the results of surveys given to Group employees, we made an effort to provide more substantial disclosure of information in this year's report through use of this printed document as well as our corporate website. The inclusion of the Major Initiatives during fiscal 2009 and Future Plans table represents progress toward more understandable communication of all our initiatives.

We have included a feature that introduces case studies on the Group's priority themes of "The Environment," "Society" and "People" to communicate in an easily understandable manner the NTT DATA Group's mission and responsibilities in meeting the issues and needs of society through its core business.

This year, Mr. Kozuma's reservations as to whether the pursuit of reasonable gain can be tangibly achieved and about user-friendly searching for information across multiple media, as well as Mrs. Edahiro's concerns about how best to present the management system status to the reader and her expectations for the advancement of our environmental communications, were duly noted.

In the Medium-Term Management Policy that began this year, the NTT DATA Group established environmentally oriented management for which tangible targets and measures are currently being developed. At the same time, we are moving forward with the clarification of policies and important items that are the foundation of Group CSR activities to promote activities systematically, as a cycle.

We consider the CSR report to be an important tool for communicating with our stakeholders, and we will attempt to enhance disclosure methods based on the above comments while promoting further improvements to our CSR activities.

Third-Party Evaluation

Named One of the Global 100 Most Sustainable Corporations in the World

NTT DATA has been named one of the Global 100 Most Sustainable Corporations in the World (Global 100) for first time. Companies selected for inclusion in the Global 100 are jointly chosen by Canada-based Corporate Knights Inc. and US-based investment research company Innovest Strategic Value Advisors Inc., a member of the RiskMetrics Group. The selection is based on the assessment of approximately 1,800 companies in various industries around the world for their corporate value with regard to the environment, society, corporate governance and other areas, excluding financial performance.

Chosen by the FTSE4Good Index Series

This index, provided by the FTSE Group, represents the selection from 2,400 companies in 24 countries. The index is designed to measure the performance of companies that meet globally recognized corporate responsibility standards, and to facilitate investment in those companies. NTT DATA was selected for the fifth consecutive year.

Chosen by DJSI Asia Pacific

NTT DATA has been selected for inclusion in DJSI Asia Pacific, the Asia-Pacific version of the Dow Jones Sustainability Indexes (DJSI). DJSI is a global index for sustainability investments.

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