Global IT Innovator
NTT DATA GROUP

NTT DaTa

CSR Report 2011

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.

CSR Messages

**We shall continue our innovations and contributions utilizing
IT to realize a prosperous, sustainable society.**

The NTT DATA Group, as a corporation aiding innovation through IT,
will create improved paradigms and contribute to solving human, social and environmental problems.

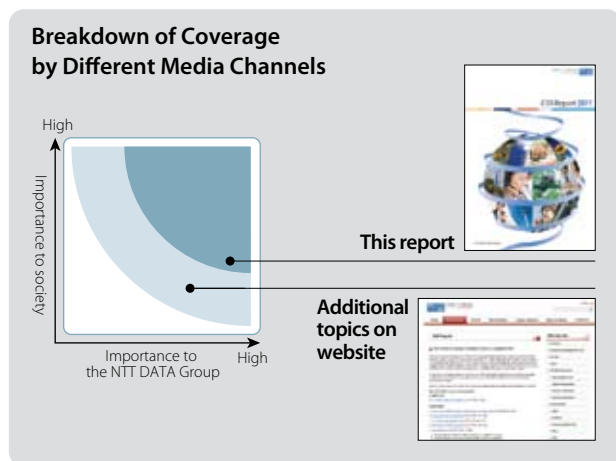| Material CSR Challenges		
Paradigms for society and regional communities	**Paradigms for people at work**	**Paradigms for the global environment**
Contributing to society at large through highly reliable, easy-to-use systems and solutions	Promoting work style innovations for the IT industry as a whole	Contributing to the greening of customers and society as a whole through IT
Contributing to solving the problems that face the regions and countries in which the NTT DATA Group operates	Striving to cultivate next-generation personnel, while respecting the diversity of human resources	Contributing to solving environmental problems, including in the NTT DATA Group's activities

Editorial Notes

NTT DATA publishes its CSR report each year as part of its disclosure of information on corporate social responsibility (CSR) and of its communications with stakeholders. It reports on the NTT DATA Group's policies and various initiatives in pursuit of CSR.

The 2011 report is in line with the CSR Messages we formulated in April 2010, with themes structured around our Material CSR Challenges of society and regional communities, people and the global environment. In content, we have reflected the opinions of employees and other stakeholders regarding the *CSR Report 2010*, while selecting themes of high significance from the dual perspectives of "importance to the NTT DATA Group" and "importance to society." Furthermore, this report's feature concentrates on globalization— a topic that is top of mind for many people outside the Company, as well as being an important management theme—and we introduce the Group's CSR activities through this lens.

Highly material items are covered in this report; coverage of additional topics can be found on our website.

Breakdown of Coverage by Different Media Channels

High

Importance to society

High

Importance to the NTT DATA Group

This report

Additional topics on website

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 2011 (April 1, 2010, to March 31, 2011), with some coverage of activities carried out prior to the period or during fiscal 2012 or planned for the future.
Note: With respect to the notation of fiscal years in the graphs and charts within this CSR Report, "2011" indicates the fiscal year ended March 31, 2011.

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

Publication dates
December 2011 (The *CSR Report 2010* was issued in December 2010; the *CSR Report 2012* is due for publication in December 2012.)

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.

Contents

To share its "DNA" with personnel around the world, the NTT DATA Group aims to align its activities under the concept of "One NTT DATA" as it assists Japan's recovery and contributes to the ongoing growth of the international community.

Applying Our "DNA" to Overcome National Crisis

On the behalf of the NTT DATA Group, I would like to extend our heartfelt condolences to all those affected by the Great East Japan Earthquake.

At NTT DATA, we responded to this national crisis by pulling together our Group resources and making concerted efforts to support the people in the affected region, as well as toward restoration and reconstruction of the social infrastructure.

I believe that NTT DATA's "DNA" was on display throughout our support activities and that it will grow increasingly important.

I see NTT DATA's DNA as comprising two main elements.

The first is the provision of public-minded services. Established with Nippon Telegraph and Telephone Public Corporation as its parent, throughout its development as a company NTT DATA has paid careful attention to the needs of society and has made contribution to social development a fundamental proposition of its business offerings. The Company has operated under these tenets for the more than 40 years since its establishment. Even as we have evolved into a privately owned and then a listed company, we have maintained an unwavering dedication toward this founding principle.

NTT DATA provides information systems and communication networks—social infrastructure that is essential to people's lifestyles and industry. As such, the second element of NTT DATA's DNA is to create technology that boosts the reliability and convenience of that infrastructure and contributes to the realization of a sustainable society. Many of the large-scale systems and services that we provide are inextricably linked with the issues that society faces. These include Japan's falling birthrate and aging population, healthcare and welfare issues, as well as the needs for disaster countermeasures, crisis management and regional vitalization. Leveraging our experience in these areas and incorporating our leading-edge IT-related knowledge and expertise, we are able to restore systems that have gone down or networks that have been interrupted. We also help to build cities that are robust in disaster-prevention and environmentally advanced and convenient places for the elderly to live. Further, through the application of IT

we help to regenerate the agricultural and fisheries industries and contribute to the creation of new industries.

After the earthquake, we swiftly established a Disaster Countermeasures Headquarters in line with our BCP to fully concentrate our efforts on maintaining customer services and restoring systems. In addition, we set up a Recovery Support Headquarters, providing a variety of ICT systems for municipal governments, schools, hospitals and other organizations and other recovery support activities. Conducting restoration and reconstruction of social infrastructure in disaster-stricken regions has only begun. Applying both elements of our DNA, we will continue putting every effort into providing support for the affected regions. At the same time, we will fulfill our role as a leading Japanese IT company by contributing to the creation of a sustainable society from a global perspective.

Becoming a Truly Global Company

Group business enhancement and expansion is one initiative described in the NTT DATA Group's Medium-Term Management Policy. To achieve this aim, we have begun and will continue working toward globalization over the next several years. As of June 30, 2011, our operations had expanded to include 145 regions in 34 countries, with Group employees numbering more than 50,000. Of these, 40%, or 20,000, were working outside Japan.

Against a backdrop of rapid globalization, the competitive environment of our customers is changing, as is the environment in which the IT industry operates. The competitive environment for our customers is shifting from the mature markets of Japan to overseas growth markets, including emerging markets, as they develop their business in other parts of the world. To help our clients bolster their IT infrastructures accordingly, we must also expand our overseas operations. Furthermore, as cloud computing and other technological innovations continue and offshore development becomes increasingly important in the IT industry, we must reinforce our management resources—technologies, human resources, funding and the like—from a global perspective.

Through proactive globalization efforts such as these, we aim to become one of the world's top five IT service companies. At the same time, we aim to provide services on a world standard to customers who are competing at a global level, toward our mutual growth.

We recognize that simply having operations at various points around the globe does not make a company truly global. Rather, a global company needs to be integrated into local communities and communicate with a diverse range of stakeholders. We also understand that our governance and compliance efforts must extend throughout the Group, in Japan and overseas. In Japan, in 2010 we reinforced our compliance structure in response to the arrest and prosecution of a former NTT DATA employee in relation to a bribery incident. We will extend this structure and its initiatives to our overseas operations, as we strive to share a consistently strong sense of ethics throughout the Group throughout the world.

Contributing to the International Community as "One NTT DATA"

Recovering from the disaster of the earthquake and globalization both will involve deepening our relationships with other entities. I am convinced that people are most fulfilled in their work if it involves supporting connections among people, learning things from others, conducting reforms with like-minded individuals and pursuing work that contributes to society. I believe that it is management's responsibility to promote corporate responsibility by ensuring that the Group is composed of diverse people and that it provides a place where people can connect and offers opportunities to learn and chances to contribute to society.

Based on this conviction, in 2010 we formulated CSR Messages that state "We shall continue our innovations and contributions utilizing IT to realize a prosperous, sustainable society." At the same time, we established Material CSR Challenges in three areas: society and regional communities, people and the global environment. In the "global environment" category, against the backdrop of rising use of electricity within the industry we put in place Environmental Messages. These describe how we will work to reduce society's environmental impact through the use of IT and help to resolve global environmental problems.

As a truly global company, the NTT DATA Group will share these two messages and its DNA with personnel around the world through the "One NTT DATA" concept, thereby contributing to recovery in Japan and the sustainable development of the international community.

Toru Yamashita
President and CEO,
NTT DATA CORPORATION

The NTT DATA Group's Measures in Response to the Great East Japan Earthquake

We would like to offer our heartfelt condolences to all who were affected by the Great East Japan Earthquake, which struck on March 11, 2011.

Immediately after the Great East Japan Earthquake, the NTT DATA Group formed the Disaster Countermeasures Headquarters, chaired by the president. We also set up individual Company Disaster Countermeasures Headquarters, with the heads of each internal company as chairmen. We deployed this structure to restore customers' systems and maintain services in the affected regions. We will continue in this vein, cooperating with the national and municipal governments to support lifestyle and social infrastructure restoration work and reconstruction measures.

Following is a report of the Group's major measures introduced in response to the Great East Japan Earthquake, as of June 30, 2011.

State of Damage and Recovery Support

● Restoring and Maintaining Customers' Systems

The NTT DATA Group is involved in the operation of numerous social infrastructure systems, financial networks and other systems that are vital to the functioning of municipalities and regional economies. Although some of these systems in the affected regions were temporarily affected by power outages at the time of the earthquake, we managed to maintain operations by quickly bringing on line emergency generators stored within their buildings.

As all our own data centers are earthquake-resistant, conforming to the new earthquake protection standards, they continued to operate normally and were essentially unaffected by this disaster. Even during planned outages, we succeeded in maintaining service levels by bringing our own generation equipment on line and prioritizing the ongoing operation of customers' systems.

● Responses by the NTT DATA Group

Each of the Disaster Countermeasures Headquarters operated in accordance with the Disaster Countermeasures Headquarters Operations Manual and business continuity plans for internal infrastructure and important operations that we had formulated beforehand. We worked to enact our BCPs smoothly and appropriately, as we confirmed the safety of employees and determined the state of damage to buildings housing Group employees and collaborators, as well as customers' systems. We also accumulated information on the state of damage to customers and other visitors.

We swiftly configured a contact system for bases and business locations in the affected regions. On the day after the earthquake, we began sending drinking water, food and other supplies, as well as dispatching personnel to assist in recovery.

Disaster Countermeasures Headquarters

Restoring customers' systems

Activities to Support Recovery in the Affected Regions

● Establishment of a Recovery Support Headquarters

On March 21, NTT DATA set up a Recovery Support Headquarters to spearhead ongoing aid activities and support the recovery of the affected regions in an organized manner. This headquarters is supporting recovery activities in cooperation with related Group departments according to two themes: "supporting recovery through the use of IT" and "supporting recovery through the collection of donations and volunteer activities."

● Supporting Recovery through the Use of IT

Our recovery support activities through the use of IT leverage the NTT DATA Group's systems and services, technologies and expertise.

By providing a Disaster Information Sharing System and an Emergency Medical Information System, we are supporting the recovery of the affected regions. We have also begun offering a cloud service for municipal governments in those regions.

In the future, we intend to begin making urban planning proposals targeting a full-fledged recovery of the affected regions. These will include showing how to build a society that uses IT to be strong in the face of disaster, as well as smart communities.

● Supporting Recovery through the Collection of Donations and Volunteer Activities

NTT DATA and Group companies in Japan and overseas collected charity donations to assist in the rescue of people affected by the disaster and recovery of the affected regions. These donations from NTT DATA and Group companies and those collected by Group employees in Japan and overseas totaled ¥191.6 million.

Through Group companies in the Tohoku region and NPOs, we provided drinking water, food and other supplies to evacuation centers in the affected regions.

NTT DATA encourages its Group employees' involvement in volunteer activities and conducts various support-oriented events.

Primary Support Initiatives in the Affected Regions

Using IT

Supporting Schools in the Affected Regions

We have made available the FairCast Child Safety Communication Network to help schools in the affected regions maintain contact with students' parents and guardians. We are providing this service free of charge until March 31, 2012 (for 61 schools, as of June 30, 2011).

Supporting the Recovery of Municipal Governments

● Providing Satellite Image Maps of the Affected Regions

In a joint project with the Remote Sensing Technology Center of Japan, we prepare satellite image maps of the coastal areas of Iwate, Miyagi and Fukushima prefectures, making them freely available via a website on March 31, 2011. These maps allow users to compare the state of urban areas before and after the earthquake. This aids in formulating recovery plans and the sharing of regional information.

● Providing Disaster Response Information Service

NTT DATA, NTT DATA TOHOKU CORPORATION, the Japan Weather Association and HALEX Corporation have built and made available a service that constantly monitors Japan Meteorological Agency information, analyzes the risk of damage from heavy rainfall and provides notification to officials in local municipalities. We are providing this service free of charge for a certain period to municipal governments in the affected regions.

Supporting Medical Care in the Affected Regions

To assist the care being provided at evacuation centers by Fukushima Medical University, we have made available free of charge a mobile medical care support system that uses cloud services and tablet terminals so that medical professionals can refer to past examination memos.

By Collecting Donations and through Volunteer Activities

Supporting the "sinsai.info" Project

"sinsai.info" is a website[1] that accumulates disaster-related and geographical information to support rescue efforts by volunteers, Japan's Self-Defense Forces and rescue teams from other countries. Numerous Group employees volunteer to facilitate the operation of this site.

[1] Operated by OpenStreetMap Foundation Japan, of which an NTT DATA employee voluntarily serves as director, this site became active at 19:07 on March 11, 2011.

Providing Support for Recovery Concerts

NTT DATA, NTT DATA TOHOKU CORPORATION and the Mori Trust Group sponsored activities by the Sendai Philharmonic Orchestra during May and June of 2011. During this period, we sponsored concerts and set up a special site to provide video feeds.

Special recovery concert site

Using Agricultural Products from the Affected Regions in Employee Cafeterias

To assist the affected regions, on April 27, 2011, the NTT Group began prioritizing the use of non-restricted agricultural products from Fukushima, Ibaraki and Tochigi prefectures at its employee cafeterias.

Power-Saving Measures

NTT DATA responded to summer power supply restrictions by establishing the Electric Power Restriction Countermeasures Headquarters to enact power-saving measures at offices and data centers within the service areas of Tokyo and Tohoku electric power companies. At our offices, we targeted a reduction of 30% or more, compared with peak power used during the previous year. We also introduced further measures to reduce power use at our head office in Toyosu. (These measures were in effect from July 1 through September 22, 2011.)

At data centers, we prioritized the stable operation of customers' systems. To achieve this, we introduced measures to save as much power as possible by boosting air conditioning and operating efficiencies.

Principal Power-Saving Measures

- Rotating partial closure of office floors
- Work-style innovation (active take-up of teleworking)
- Switching to notebook PCs
- Distributing personal LED desk lights
- Changing air conditioning settings, consolidating server equipment, etc.

For Further Details (Japanese only) [WEB] http://www.nttdata.co.jp/earthquake/index.html?fm=sstopc

We aim to harness the power of IT to create new paradigms, expanding our field into a host of industries around the world.
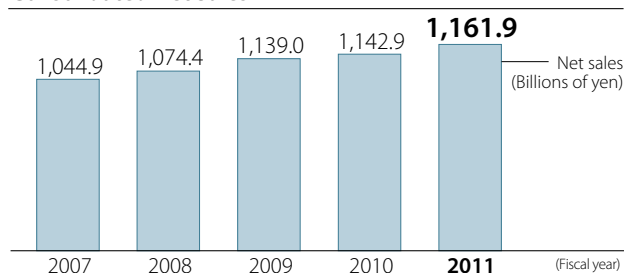
Profile

Since separating from and becoming independent of NTT in 1988, the NTT DATA Group has provided information systems and services attuned to social requirements and issues. These span public administration sector systems to corporate systems for the financial, manufacturing, distribution, telecommunications, medical and healthcare sectors, as well as cross-industry social infrastructure services. Further, we have promoted globalization of our operations over the past few years, and, as of June 30, 2011, had expanded our international business to sites in 145 cities in 34 countries.

Carrying the banner of a leadership role in the Japanese IT industry, as well as being a global corporation conducting business worldwide, the NTT DATA Group will support society by providing innovative new paradigms and values into the future.
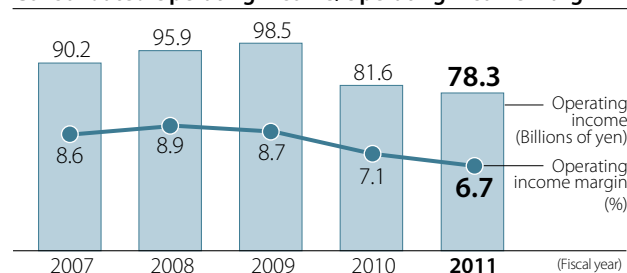
Company Profile

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, 2011)
Business Year	April 1 to March 31
Employees	10,139 (non-consolidated) 49,991 (consolidated) (as of March 31, 2011)
Subsidiaries and Affiliates	Subsidiaries: 215 Affiliates: 20 (as of March 31, 2011)

Consolidated Net Sales

2007	2008	2009	2010	2011
1,044.9	1,074.4	1,139.0	1,142.9	**1,161.9**

Net sales (Billions of yen)
(Fiscal year)

Consolidated Operating Income/Operating Income Margin

2007	2008	2009	2010	2011
90.2	95.9	98.5	81.6	**78.3**
8.6	8.9	8.7	7.1	**6.7**

Operating income (Billions of yen)
Operating income margin (%)
(Fiscal year)

Priority Measures of the Medium-Term Management Policy

Focusing on Five Priority Measures to Become One of the World's Five Leading IT Service Companies

The NTT DATA Group introduced its Medium-Term Management Policy in fiscal 2010. Under this policy, we aim to expand our operations through five priority measures as we strive to become one of the world's five leading IT service companies.

In fiscal 2011, we worked to further expand and reinforce our Group businesses through proactive M&A activities. At the same time, we created a new organization to promote the creation of synergies within the Group (see page 13). We have also formulated Environmental Messages and Action Plans to encourage environmentally oriented management through our businesses in a host of ways. Furthermore, we set up a new structure to promote new environmental businesses, such as smart grids and smart communities (see page 32). In these ways, we are working to balance our own growth with a reduction in society's environmental impact.

Priority Measures	Key Future Initiatives
Sales and Marketing Enhancement (Improve Customer Satisfaction)	• Expand service business. • Promote sales of strategic products in Group. • Boost groupwide marketing functions from a medium- to long-term perspective.
System Integration (SI) Competitiveness Enhancement (Shorter processes, major cost reduction, higher quality)	• Strengthen and enforce implementation of measures to reduce problem projects. • Institutionalize software development automation. • Spread use of development standards, environments, tools, etc., to overseas Group firms.
Group Business Enhancement and Expansion (Group expansion, creating Group synergy)	• Accelerate Group company restructuring and introduction of shared services, including by overseas Group companies. • Boost global governance. • Utilize overseas Group companies' resources.
Human Resource Development (Enhancement of competitiveness, improving employee satisfaction)	• Fully introduce new HR system and spread Professional CDP throughout the Group. • Implement global HR strategy in collaboration with overseas Group companies. • Clarify image of desired middle-layer employees and strengthen their management skills.
Environmentally Oriented Management (Reduction of environmental impact)	• Enforce energy-saving measures in company offices. • Create, expand and deploy environmental solutions. • Promote smart business.

Business Fields

Public Administration Sector

In addition to 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. In this manner, we help to create social infrastructure with an end-user perspective.

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

We provide services to promote health and disease prevention, a regional health information network system that provides better healthcare services and a wide-area disaster and emergency medical information system.

Major Systems and Services

- Medical Insurance Claim Processing System
- Regional Health Information Network System
- Health Data Bank (ASP service for health management)
- Creative Health *Sankenjin* (healthcare management and lifestyle practice improvement support service)
- Health Checkup Support System
- Emergency Medical Information System

Financial Sector

The NTT DATA Group provides systems for 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 range of services to help financial institutions raise business efficiency and improve service quality.

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

The NTT DATA Group develops and operates large-scale network systems that link payments and receipts among financial institutions, retail and credit companies and governmental agencies. We are also working toward a cashless society by developing electronic money centers.

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, Broadcasting and Utility Sectors

We provide platforms that support stable operation of mobile phones, which offer increasingly diverse and sophisticated functions, contributing to increased user convenience. We also provide billing systems and customer management systems for broadcasters and utility industries.

Major Systems and Services

- i-mode gateway system
- Billing system (provides billing invoice data, billing system)
- Customer management system

Manufacturing, Distribution and Service Sectors

We provide a diverse range of support to help our customers develop their businesses. We address customers' needs to rationalize and streamline their production, sales, logistics and other business processes, as well provide end-user needs analysis and system optimization.

Major Systems and Services

- "Biz ∫" next-generation business platform
- ERP solutions
- AMO solutions
- M2M solutions
- Global business intelligence services
- Global EC solutions
- Smart card/wireless settlement solutions (e-money and point management)
- Pharmaceutical industry data exchange system JD-NET
- EDI for the consumer-electronics industry

Environmental Sector

Our Green IT Solutions reduce the environmental impact of customers and society as a whole toward realizing a sustainable society. We provide new services that lead to establishing "smart communities" and the social infrastructures of tomorrow by making full use of the latest ICT.

Major Systems and Services

- Data center solutions (Green Data Center, others)
- Environmental operation support solutions
- Environmental management consulting
- Environmental impact reduction solutions
- Infrastructure services for recharging electric vehicles
- Energy management systems, others

Infrastructure to Support an Array of Industries

We supply platforms and solutions that support advanced IT services across a diversity of sectors, independent of industry and business category. We are offering services optimized to customer needs, from developing and operating private clouds to developing shared services.

Major Systems and Services

- BIZXAAS, a comprehensive cloud-computing service
- Lindacloud hardware/software integration server
- Various data centers

To share our CSR Messages among all Company employees, we conduct our CSR activities in line with three material challenges.

Basic Stance on 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.

To fulfill this mission and these responsibilities, we established the NTT DATA Group Code of Ethics[*1] and Action Guidelines[*2] to serve as a basis for the actions of each and every employee.

[*1] **NTT DATA Group Code of Ethics:** As a code of conduct with which all corporate officers and employees should abide, the NTT DATA Group Code of Ethics establishes a basic stance on business ethics and specific action guidelines for each stakeholder.

[*2] **Action Guidelines:** This document sets forth decision-making standards and specific action guidelines for realizing the Group Vision.

Formulation of CSR Messages and Material CSR Challenges

NTT DATA formulated CSR Messages in April 2010 to indicate more clearly the Group's basic stance on CSR and the direction of its initiatives. At the same time, we established Material CSR Challenges, which outlined the issues we will address as we seek to balance the sustainable development of society with continued growth of the NTT DATA Group.

In creating this message and material challenges, we conducted hearings with NTT DATA management, as well as questionnaires to employees, with the aim of understanding the things that are important to the NTT DATA Group. We also had surveys and questionnaires by assessment organizations analyzed and conducted interviews with external experts to understand our importance to society. This enabled us to determine critical issues from both viewpoints. Furthermore, as a member of the NTT Group, we took the NTT Group CSR Charter into account.

Going forward, we will indicate more specifically targets related to Material CSR Challenges, as we work to raise the level of CSR activities throughout the Group.

Instilling a Sense of CSR in Employees

The NTT DATA Group has targeted directors and employees with a CSR Report Questionnaire since fiscal 2007. This initiative is used to broaden CSR understanding, while the results serve as feedback to improve the CSR Report and CSR activities. In fiscal 2011, we put forward questions related to our newly formulated Material CSR Challenges, determined the progress of our activities and attempted to determine issues needing to be addressed going forward.

In response to the question about CSR activities on which we should focus, "thorough compliance" was raised as the most important issue. This reflected an awareness among many employees of the need to redouble our efforts in this regard, reflecting the fact that in 2010 a former employee was arrested and charged on suspicions of bribery.

Respondents also recognized priority measures under our Medium-Term Management Policy as key issues to address. These included "creating a comfortable working environment" and "efforts to boost customer satisfaction." With regard to "contributing to the resolution of social issues through our core business," employees pointed out that "As a leading company in our industry, we must step up our efforts in this regard."

We plan to also cultivate an understanding of those issues that were considered to be lower in priority and to specify targets in relation to our Material CSR Challenges.
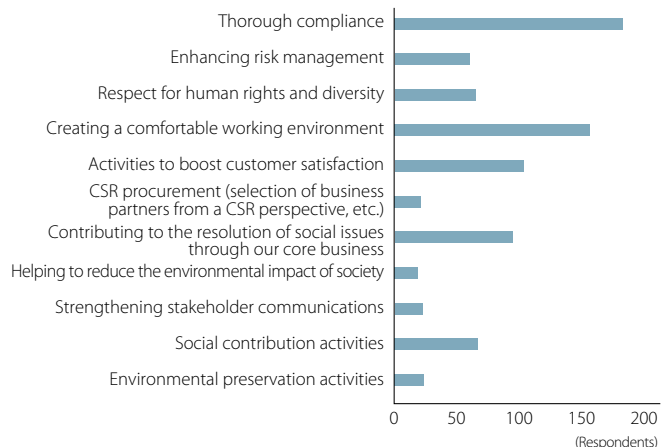
The NTT Group CSR Charter

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

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. 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 **NTT Group CSR** http://www.ntt.co.jp/csr_e/

Employee Questionnaire Results (CSR activities on which we should focus)

- Thorough compliance
- Enhancing risk management
- Respect for human rights and diversity
- Creating a comfortable working environment
- Activities to boost customer satisfaction
- CSR procurement (selection of business partners from a CSR perspective, etc.)
- Contributing to the resolution of social issues through our core business
- Helping to reduce the environmental impact of society
- Strengthening stakeholder communications
- Social contribution activities
- Environmental preservation activities

(Respondents)

CSR in the NTT DATA Group

Corporate Philosophy

Group Vision

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

Customers

Shareholders

Employees and collaborators

Competitors

Action Guidelines

CSR Messages

Material CSR Challenges

Paradigms for society and regional communities	Paradigms for people at work	Paradigms for the global environment
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Environment

Suppliers

Society

NTT DATA Group Code of Ethics

Political and administrative bodies

Note: Please refer to page 2 for the full text of the CSR Messages and Material CSR Challenges.

NTT DATA Group Code of Ethics (Basic Stance on Business Ethics)

The NTT DATA Group will:

In principle: Aim at becoming a trustworthy company group;

To customers: Provide high-quality services;

To shareholders: Undertake transparent company management;

To competitors: Wage a fair and free competition;

To suppliers: Deal on an equal footing;

To political and administrative bodies: Maintain a sound relationship;

To society: Fulfill its duties as a good corporate citizen;

To environment: Pursue the greening of customers and society through IT; and

To employees and collaborators: Respect personality and individuality of each person.

Note: The full version of the NTT DATA Group Code of Ethics is posted on the CSR Report 2011 section of the Company website.

Third-Party Evaluation of NTT DATA's CSR

NTT DATA has been selected for inclusion in several indices as a socially responsible investment. These include the FTSE4GOOD Index, created by the FTSE Group (United Kingdom), and the Dow Jones Sustainability Asia Pacific Index, which is compiled by Dow Jones (United States). We have also received a social responsibility rating from oekom research AG (Germany), which has graded us "Prime" as a leader in the Internet & Software industry category. (Assessments are as of September 2011.)
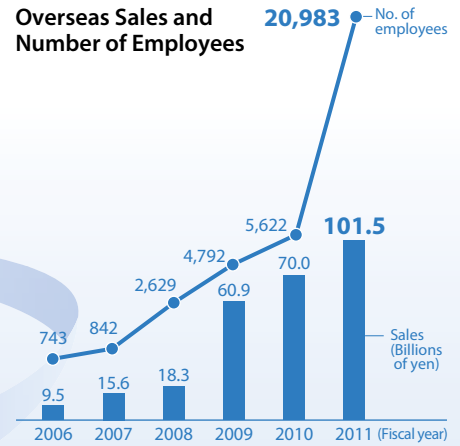
Dow Jones Sustainability Indexes Member 2011/12

FTSE4Good

Corporate Responsibility Prime rated by oekom research

Addressing Customers' and Society's Issues on a Worldwide Basis

As "One NTT DATA," Pulling Together to Become a Truly Global IT Corporate Group

The NTT DATA Group is pushing forward proactively with the globalization of its businesses, in its aim to become one of the global top five IT service companies. As of March 31, 2011, our global operations had expanded to account for annual sales of approximately ¥100 billion, with operations in 145 cities in 34 countries and approximately 24,000 employees[*1]. To achieve further growth in the global market, the NTT DATA Group recognizes the need to pull together as "One NTT DATA," pursuing global strategies that will address customers' and society's issues on a worldwide basis. At the same time, we recognize the need to enhance global governance, ensure harmony among human resources at Group companies in Japan and overseas and standardize system quality. We are focusing on such measures for stakeholders throughout the world as we strive together toward continued growth.

[*1] Numbers of Group operating bases and employees are as of March 31, 2011, plus the Value Team, which joined the NTT DATA Group in June 2011.

Overseas Sales and Number of Employees

No. of employees

20,983

Fiscal year	2006	2007	2008	2009	2010	2011
No. of employees	743	842	2,629	4,792	5,622	20,983
Sales (Billions of yen)	9.5	15.6	18.3	60.9	70.0	101.5

Overseas Employees and Bases (as of June 30, 2011)

	Americas	EMEA	APAC
Employees	Approx. 7,500	Approx. 6,000	Approx. 10,400
Bases	55 cities	56 cities	34 cities

Note: Americas: North and South America
EMEA: Europe, Middle East, Africa
APAC: Asia-Pacific region, excluding Japan

Reinforcing Global Governance with a View to Unified, Efficient Overseas Business

The NTT DATA Group is in the process of enhancing its global governance, as it seeks to build a unified, efficient operations structure to handle its growing overseas business.

Specifically, we have established a regional supervisory structure in which NTT DATA in Japan is the global headquarters, overseeing regional coordination operations in four regions—the Americas, EMEA (Europe, the Middle East and Africa), APAC (Asia-Pacific) and China—concentrating on the provision of solutions across the Group.

In July 2011, we established the Global Business Sector, tasked with formulating global strategies and strengthening governance of overseas Group companies. This sector will be central to our efforts to strengthen our supervisory function in the four regions and will spearhead our efforts to optimize the locations of our business functions—activities that will include the reorganization and consolidation of some Group bases.

We also established the Global Shared Services Center at our Group company in India. As we work toward conformance with International Financial Reporting Standards (IFRS), we will promote such standardization and consolidation of back-office operations, including Group accounting operations, and the integration of information system platforms.

Building "Global One Teams" to Provide Sophisticated Services Worldwide

In its aim to provide consistently sophisticated services on a worldwide basis, the NTT DATA Group will pursue Global One Team activities. In other words, we will create collaborative teams spanning Group companies in Japan and overseas according to theme—either by industry and customer or by solution.
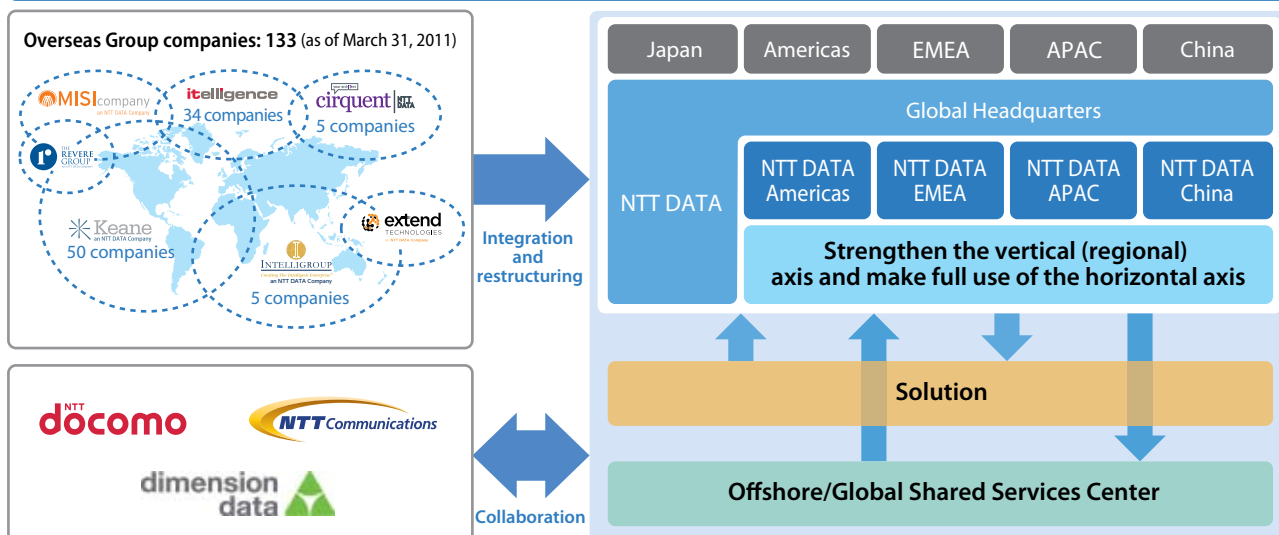
For example, in February 2011 we set up the SAP Global One Team as a cross-Group organization to provide all global best practices for a key solution, the SAP[2] business. This team includes NTT DATA and Germany's itelligence AG among its 12 Group companies in Japan and overseas, spanning 29 countries and with approximately 5,000 SAP consultants. This team, which consolidates the expertise and technologies that Group companies have cultivated to date, will provide sophisticated solutions spanning the introduction, development and operation of SAP products and services.
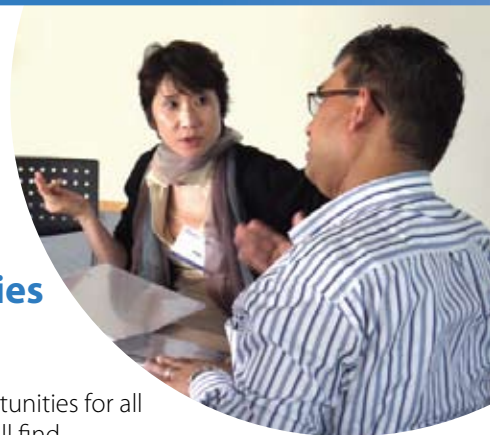
The NTT DATA Group's Global One Team initiatives will enable it to provide optimal solutions that share the resources of Group companies in Japan and overseas. It should also promote interchange among human resources within the Group and lead to the standardization of business skills and expertise.

[2] **SAP:** Headquartered in Germany, SAP is a specialized software provider that offers an enterprise resource planning (ERP) solution used by major corporations and having a high share of the market.

Enhancing Global Governance

We will eliminate regional/solutions overlaps to form a unified and efficient operational structure.

Overseas Group companies: 133 (as of March 31, 2011)

MISI Company
itelligence — 34 companies
cirquent | NTT DATA — 5 companies
THE REVERE GROUP
Keane — 50 companies
INTELLIGROUP — 5 companies
extend TECHNOLOGIES

Integration and restructuring

docomo
NTT Communications
dimension data

Collaboration

Japan | Americas | EMEA | APAC | China

Global Headquarters

NTT DATA

NTT DATA Americas | NTT DATA EMEA | NTT DATA APAC | NTT DATA China

Strengthen the vertical (regional) axis and make full use of the horizontal axis

Solution

Offshore/Global Shared Services Center

## Approach 1: A One Team Initiative for Personnel

Honing Each Group Employee's International Sensibilities and Providing Development Opportunities for Next-Generation Global Human Resources

The NTT DATA Group, some 40% of whose employees are non-Japanese, provides opportunities for all employees to develop global business careers. Being a company that such employees will find attractive is closely linked to our ability to resolve customers' issues from a global perspective.

Global Human Resource Development Structure to Connect Five Regions around the World

To provide as many employees as possible with international business opportunities, the NTT DATA Group has tasked human resource development departments with strengthening ties among its five global regions: Japan, Americas, EMEA, APAC and China. These departments will set up systems to promote personnel exchanges and collaboration. We also aim to develop globally consistent training programs. Through such activities, we will raise the global responsiveness of Group employees throughout the world.

Global Human Resource Development Structure
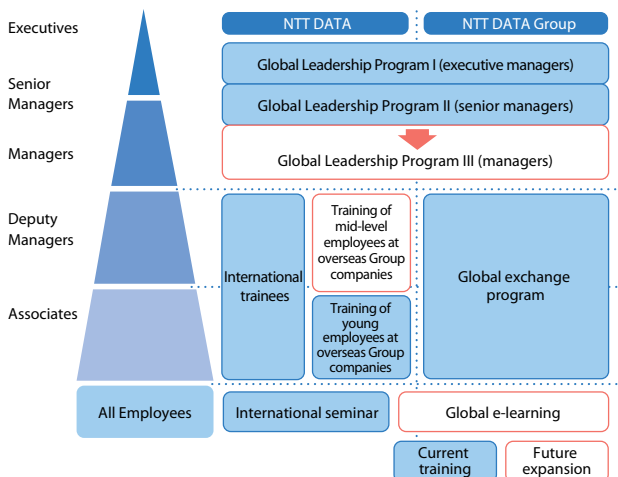
Cultivating a Sense of Group through Global Training and Personnel Exchanges

To propose optimal IT solutions to customers who are developing their businesses globally, it is essential for our Group companies in Japan and overseas to coordinate closely and take full advantage of the extensive expertise, skills and highly specialized human resources that each company possesses. The NTT DATA Group is working to accelerate this sort of collaboration by encouraging the development of various sorts of skills and through personnel exchanges, helping Group employees to forge global careers.

Each year we conduct the Global Leadership Program (GLP) in Germany. We invite potential leaders from around the world to attend the program and devote an intensive week to such tasks as market analysis and strategic planning, collaborative activity plans and group discussions.

We have also created an exchange program targeting mid-level engineers and salespeople from overseas Group companies, as well as upcoming leaders from various parts of the world to spend up to two years at our headquarters in Japan, where they share expertise through collaboration with head office employees. This program is designed to cultivate people who will lead Global One Team activities and promote communications within the Group, as well as to enhance the global responsiveness of Japanese employees.

Comment   GLP Participant

I felt that we were working as one team based on a shared vision.

At GLP, Vice President Enomoto's explanation of the global strategy clarified for me the NTT DATA Group's vision and targets.

Other participants' presentations also helped me to understand our position in the IT market, the issues we face, and what we need to do to grow further. And being on a team with leaders from Group companies around the world proved most fruitful of all.

Ravi Kumar
Senior Vice President
Global Delivery
Keane International, Inc.

Comment   Exchange Program Participant

Interacting with Japanese employees helped me to understand NTT DATA's corporate culture.

I began working at the Toyosu office in April 2011. Interacting with Group employees gave me a chance to better understand the Group's strengths, strategies and targets.

I also learned to better appreciate NTT DATA's corporate culture and history, and work proceeded smoothly in this new environment. All employees seem to share this desire to pursue collaboration, which I hope to apply to create business in the future.

Note: Seconded from Intelligroup, Inc., to NTT DATA (member of the Global Business Sector)

Sivakumar Gurupackiam
Senior Director
Intelligroup, Inc.

Pursuing Global Standard Quality Management Methods by Combining Group Companies' Technologies and Expertise

The procedures and rules used to ensure quality currently differ by country and region. To improve this situation, we are working with overseas Group companies to standardize project management and system verification, as well as on initiatives to enhance these processes.
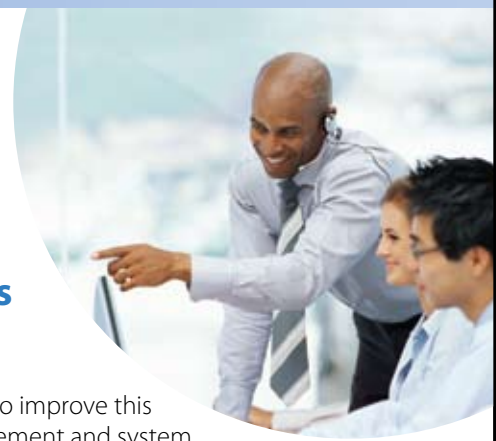
Aiming to Enhance Project Management and Verification/Testing Services

In pursuit of customer satisfaction and to enhance its competitiveness in global markets, the NTT DATA Group has mounted an initiative to ensure that quality management is consistent across the Group.

This initiative commenced in July 2010 with the establishment of the Project Management Innovation Center (PMI Center), an organization to specialize in the advancement and globalization of project management. Furthermore, in December 2010 we set up the Proactive Testing COE (Center Of Excellence) as a specialized organization to execute R&D on advanced verification methods and provide testing services.

These specialist organizations and NTT DATA's Quality Assurance Department will be central to our efforts to make effective use of the various technologies and expertise that have been accumulated at overseas Group companies as we seek to enhance and standardize project management and system verification and testing services.

Working with Overseas Group Companies to Enhance Quality Management

As a first step toward reinforcing global quality management, the PMI Center and Proactive Testing COE are currently conducting hearings of major overseas Group companies with regard to their quality requirements and quality management structures, as well as system development procedures and tools. We have also organized working groups that include members from overseas Group companies along such themes as project management, system development and verification and testing services, and we are studying ways to create standardized processes.

To facilitate progress on the offshore development of small and medium-sized projects in Southeast Asia and other locations, we are creating a simplified version of the TERASOLUNA development procedure, which standardizes procedures from system development planning through testing. We are also focused on training local employees in system verification.

Working group

Comment — Working Group Participant

We are utilizing technologies from overseas Group companies to improve our testing quality.

The Testing Global One Team was established to raise software quality and testing productivity, as well as to create business opportunities through collaboration at a global level. Overseas Group companies possess many unique testing-related technologies and strengths. These can be very effective when paired with our solutions. We are currently developing global testing process standards and developing advanced test automation tools.

Shinji Iwata
Proactive Testing COE
Project Management
Innovation Center
Research and Development
Headquarters
NTT DATA CORPORATION

Comment — Person in Charge of TERASOLUNA Development

We are pursuing TERASOLUNA development tailored to the Southeast Asian market.

In Southeast Asia, orders for small-scale projects are relatively common, which makes full-scale application of the TERASOLUNA development procedure—designed for large-scale projects—impracticable. For this reason, we have formulated the TERASOLUNA SS development procedure (where SS stands for small-scale application). This scaled-down procedure performs the necessary tests while performing task consolidation and elimination. Currently in operation on a trial basis on projects in Malaysia and Vietnam, we plan to extend the application of TERASOLUNA SS to other parts of Southeast Asia and accelerate its roll-out to other regions.

Kazuo Kobori
Project Management
Innovation Center
Research and Development
Headquarters
NTT DATA CORPORATION

Major Initiatives during Fiscal 2011 and Future Plans

Initiatives		Planned Initiatives	Major Initiatives Undertaken during Fiscal 2011
Paradigms for Society and Regional Communities			
Developing Systems that Are Safe and Secure See page 19	Quality Improvements	• Improve processes to which CMMI has been incorporated. • Develop and promote adherence to unified rules for development and management methods and development procedures.	• Achieved CMMI Level 3 and Level 5 at several organizations, including NTT DATA and Group companies. • Created development and management methods reflecting unified rules, and deployed companywide. • Held briefing and training sessions at Group companies on TERASOLUNA development procedures.
	Quality of Security	Continue to develop technologies to raise the quality of security.	• Liaised with CSIRT in Japan and overseas, created system to allow the early receipt of information. • Began offering a security service for IT services employing smart devices.
	Disaster Countermeasures	Investigate and improve business continuity plans (manuals and disaster training).	• Conducted drills on responding to earthquakes and new strains of flu, and upgraded action manuals. • Responded to the Great East Japan Earthquake. (Established Disaster Countermeasures Headquarters, maintained operation of customers' systems.)
	System Failure Countermeasures	Continue to concentrate on initiatives focused on prevention and response.	Ensured thorough project management, in the event of failure conducted cause analysis and shared results and conducted thorough internal audits. (In the past three years, major system failures have remained extremely rare.)
Developing People-Friendly Systems See page 20	Universal Design Promotion	• Improve ease of use, including system use environments. • Cultivate skilled universal design personnel.	• Created a checklist for creating web screens designed for smartphone access. • Five employees gained Human Centered Design Specialist system recognition. (Accredited personnel: eight) • Made training in universal design an element of young employee training program.
Improving Customer Satisfaction See page 20	Initiatives for Improving Customer Satisfaction	Aim for an average overall evaluation of 7.1 in a customer satisfaction survey through questionnaires.	Carried out a customer satisfaction survey through 265 questionnaires spanning 146 customers and held interviews with 45 customers, with the overall average evaluation attaining 7.3 points.
Contributing to Regional Communities and Society as a Whole See page 21	Using IT to Resolve Social Issues	Develop and provide IT systems that resolve social issues.	• Began providing the BizPICO identification service using IC-equipped drivers licenses. • Offered platform for medical information linking, thereby supporting the sharing of information among multiple medical institutions.
	Promotion of Social Contribution Activities	Promote employee volunteer participation. Promote groupwide activities.	• Conducted groupwide activities (participated in the BOOKS TO THE PEOPLE Project, collected donations for victims of the Great East Japan Earthquake). • Promoted employee volunteer activities and cultivated atmosphere of volunteerism through the Social Contribution Award and other systems.
Paradigms for People at Work			
Hiring and Promoting Diverse Human Resources See page 25	Personnel Recruitment and Deployment	Expand work opportunities for people with disabilities.	Expanded areas of employment and number of people employed at special subsidiary (Ratio of recruitment of people with disabilities: 1.95%).
	Respect for Human Rights	Promote educational and awareness activities.	• Placed people in charge of promoting human rights awareness activities at NTT DATA organizations and Group companies. • Held workplace seminars for all Group employees (in Japan).
	Fair Assessments and Treatment	Reflect "spirit of contribution" in employee evaluations.	In addition to successes and performance, introduced system to evaluate employees based on their contribution to other people and departments.
Employee Work-Style Innovation See page 26	Creating a Comfortable Working Environment	Promote diversity management.	• Promoted awareness through forums, seminars and portal site. • Began formal operation of discretionary labor system and revised childcare and nursing care systems in accordance with legal amendments.
	Health Promotion and Enhancement	• Promote workplace reforms to reduce annual number of working hours. • Support healthcare at workplaces.	• By encouraging employees to take two continuous weeks' holiday and posting positive examples of workplace reforms at individual workplaces on our intranet, reduced average annual working hours by 12 hours (0.6%), and the number of employees working more than 2,300 hours fell 1.1% compared with the previous fiscal year. • Reinforced support systems at Group companies (integrating medical checkups, etc.).
	Employee Satisfaction	Promote work-style innovation and make career paths "visible."	Promoted awareness of work-style innovation throughout the Group by holding a seminar on the topic at Group companies. Encouraged Group companies to introduce the Professional CDP system.
Human Resource Cultivation See pages 14,28	Employee Skills Development	Cultivate human resources who are highly specialized and flexible.	• Promoted the introduction of the Professional CDP system at Group companies, including overseas companies. • Set up a system to cultivate global human resources.
	Cultivation of Next-Generation IT Personnel	Expand next-generation educational activities.	Expanded work experience programs targeting elementary and junior high school students, sponsored the International Olympiad in Informatics and continued to support the education of IT professionals.
Building Strong Supplier Relationships See page 29	Fair Transactions	Promote ongoing employee training.	Conducted training on the appropriateness of consignment contracts and conformance with the Act Against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors.
	Enhancement of Communications	Create development environments and cultivate personnel through ongoing dialogs.	• Held ongoing BP Presidents' Meetings (36 participated). • Held Liaison SE training (nine times at seven cities in three countries, attended by 294 people). Began training targeting SEs at offshore development sites (200 people attended).
Paradigms for the Global Environment			
Environmental Management See page 33	Environmental Management Promotion	Introduce groupwide collaboration promotion system.	Expanded scope of ISO 14001 Group certification (two new companies).
The Greening of Customers and Society See page 36	Reduction of the Environmental Impact of Society through IT	Promote the measurement of CO_2 reduction by implementing systems (20 Environmental Label certifications).	• Held internal training sessions on the measurement of environmental impact (two times). • Conducted system measurement (17) and received three Solution Environmental Labels.
	Expansion of Environmental Solutions Provision	Expand sales in the environmental solution business (¥5.0 billion per year).	• Launched the Smart Business Promotion Office as the organization to promote the smart community business. • Began creating electric vehicle charging infrastructure and providing cloud services.
The Greening of Our Group See page 38	Greenhouse Gas Emission Reduction	Reduce emissions by 10% of fiscal 2006 figures in terms of basic units of sales.	Introduced EneMotta to make office power consumption "visible" and adjusted air conditioner settings at data centers, reducing emissions 9.9% compared with fiscal 2006 figures.
	Waste Reduction	Reduce final disposal amount by 12% compared with fiscal 2009 levels.	By introducing system for the reuse of OA equipment, reduced final disposal amount by 14%, compared with fiscal 2009 levels.
	Reduction of Copy Paper Purchased	Reduce purchased quantity by 15% of fiscal 2009 figures.	Reduced quantity by 19.5% compared with fiscal 2009 levels by holding paperless meetings and optimizing printer layouts.
Environmental Contributions and Communications See page 38	Environmental Contribution Activities	Increase participation in environmental contribution activities (target: 800 people).	Held events (at 10 locations throughout Japan) for conducting surveys of exotic waterside species. Also continued community clean-up activities and Tokyo Greenship Action. Participating Group employees and family members totaled 1,244.
CSR Infrastructure			
Corporate Governance See page 40	Construction of an Internal Control System	Reinforce systems and cooperation, aiming for promotion of a groupwide internal control system.	Conducted audits (21 organizations in Japan; 32 Group companies, including those overseas), enhanced internal audits for case that occurred (see page 41) and conducted e-learning related to internal control.
	Reinforcement of Group Governance	Create and reinforce global Group governance system.	• Applied and entrenched Group Management Policy and Group Management Rules. • Created unified and efficient operational structure for overseas business.
Compliance See page 41	Code of Ethics and Thorough Compliance	• Thoroughly prevent recurrence of legal violations. • Carry out thorough compliance education.	• Responded decisively and promptly to prevent recurrence of case that occurred (see page 41). • Conducted group training (managers) and compliance assessments (all employees).
Risk Management See page 42	Groupwide Risk Management	Continue creating risk management structure to meet demands of globalization.	Promoted risk management through communication among individual departments and Group companies in Japan and overseas. (Performed risk management with regard to major risks and monitored and supervised implementation status.)
Information Security See page 43	Reinforcement of Information Security Management	Create information security management system that meets demands of globalization.	• Created system to provide unified response on information security incident. • Established groupwide monitoring system, training system and internal audit system. • Conducted web security training (in Japanese and English, attended by 14,197 people at 60 companies).
Dialog with Shareholders and Investors See page 44	Improved Communication	Further develop interactive IR activities.	• Conducted survey of all shareholders (approximately 5,000 respondents). • Responded to queries from investors and analysts (approximately 300 queries).

Future Plans

- Create standard procedures for CMMI Level 3, quantitative analysis procedures for Level 4 and promote companywide.
- In response to Group companies' requests for improvement, revise TERASOLUNA and enhance its use.

- Continue to develop and implement technologies for responding to new threats and methods of attack.
- Roll out the BizSMA security service and promote its customer service application.

- Strengthen response to tsunamis, planned outages/overall power usage restrictions and other risks.
- Reflect in the business continuity plans (manuals and disaster training) issues and response measures clarified during the recent earthquake.

Achieve further reduction in system failures by creating checklists on various current initiatives and continuing to implement them.

- Promote initiatives using smartphone-based information systems, and improve their ease of use.
- Increase internal seminars and training targeting young employees.
- Expand use of web accessibility validation service and promote JIS X8341-3:2010 compatibility.

Promote improvement actions to further increase satisfaction levels: offer awards for notable successes, share expertise and hold training sessions on planning customer satisfaction improvements.

Step up development of systems that will use IT to resolve social issues, including health and welfare, disaster, crisis management, regional vitalization and recovery support.

- Promote employee participation by adjusting existing activity programs and better disseminating information.
- Promote groupwide activities and encourage the sharing of information about individual companies' activities.

Expand the scope of work for people with disabilities, and continue working to provide a comfortable working environment.

- Continue to conduct human rights training and encourage awareness among employees.
- Train people in charge of promoting human rights awareness activities, and enhance training for people prior to being dispatched overseas.

Instill a "spirit of contribution" into the corporate culture and incorporate it into employee actions.

- Strengthen initiatives to instill awareness at workplaces and Group companies
- Establish in-house daycare center.

- Promote ongoing measures and make an overall push toward work-style innovation from a perspective that includes work-life balance and health promotion.
- Strengthen communication between workplaces and expand mental healthcare prevention activities.

Based on fiscal 2011 results, promote work-style innovation centering on discretionary work and teleworking, and continue in efforts to improve in-house administrative procedures and make them more efficient.

- Expand introduction of Professional CDP at Group companies.
- Promote global training and personnel exchanges.

Promote measures designed for each age group and further cultivate the next generation (through IT education, etc.).

Further instill compliance awareness and recognition and continue to conduct training on the topic.

- Conduct ongoing dialogs through BP Presidents' Meetings and other activities.
- By offering training materials in multiple languages (Japanese, English and Chinese), expand and enhance training for SEs at subcontracted companies overseas.

- Reinforce groupwide environmental management and promote further inter-departmental collaboration.
- Appoint Environmental Managers at overseas Group companies and promote collection of data on environmental impact.

By improving ease of use and promoting the measurement of environmental impact, aim to increase number of quantitative assessments in fiscal 2012 (30 assessments).

Employ M2M and other new communication technologies to bolster solution business related to smart grids and smart communities.

Increase number of buildings employing EneMotta and upgrade air conditioning equipment at data centers. As a result, in fiscal 2012 reduce CO_2 emissions in terms of basic units of sales by 15% compared with fiscal 2006 levels.

By promoting the reuse and recycling of OA equipment, thoroughly separate general waste, and as a result, in fiscal 2012 reduce final disposal amount by 16% compared with fiscal 2009 levels.

Through planned promotion of next-generation offices, encourage shift to hot-desking and paperless offices. As a result, reduce quantity of paper purchased in fiscal 2012 by 25% compared with fiscal 2009 levels.

Expand opportunities for employees and their families to participate in environmental contribution activities, aiming for 1,500 participants groupwide during fiscal 2012.

Continue to enhance groupwide internal control.

Create and reinforce governance system for overseas Group companies, centered on the newly formed Global Business Sector.

- Continue recurrence prevention initiative and monitor adherence.
- Conduct training for all managers and extend compliance assessments to Group companies.

- Promote risk management to meet demands of globalization.
- Roll out business continuity plans to Group companies, including those overseas.

- Reinforce information security incident response measures.
- Enhance training and operational support to raise the level of information security at Group companies (employee education, internal auditor training and information sharing in three languages: Japanese, English and Chinese).

Continue to expand interactive IR activities by enhancing website and other IR tools.

Major Successes and Third-Party Evaluations of Company Initiatives

Increased achievement of CMMI Level 3 and Level 5 　See page 19

- NTT DATA achieved Level 5 on its second organization (Protection Department 1, Social Protection Department, Quality Life Sector)
- Group companies achieved level 5 on three organizations

Related website 　**News release on achieving CMMI Level 5** (Japanese only)
http://www.nttdata.co.jp/release/2011/070400.html

BizPICO identify verification service wins ASP SaaS Cloud Award 2011
Wins grand prize in application sector business support 　See page 21

Award ceremony for ASP SaaS Cloud Award 2011

Promoting work-style innovation at workplaces and reducing annual working time 　See page 27

Intranet page showing positive case studies of workplace innovation

Grand prize won for Lindacloud at ITpro EXPO AWARD 2010 　See page 37

Receiving grand prize at ITpro EXPO AWARD 2010

Selected for Best Company Award in the 2010 Internet IR Best Company Awards 　See page 44, web

Investor relations website

Paradigms for Society and Regional Communities

By developing and providing systems that are highly reliable and easy to use, NTT DATA contributes to society's overall development and helps resolve issues in the countries and regions in which the NTT DATA Group operates.

Close up

Emergency Medical Information System
Helping to Ensure Smooth Emergency Support

The Emergency Medical Information System was set up by Japan's then Ministry of Health and Welfare in response to the Great Hanshin Earthquake, which struck in January 1995. NTT DATA developed and operates that system.

In times of disaster, this system allows information to be input involving the state of damage and what medical institutions can accept patients. Information on the extent of damage in the disaster-stricken region and information on requests for support, as well as on support systems in regions that are not affected by disaster, can be shared with medical institutions, the central government, local governments, fire departments and healthcare centers to enable swift and effective emergency support. In addition, the system can be used to manage Disaster Medical Assistance Teams (DMATs) supervised by the Ministry of Health, Labour and Welfare.

In fiscal 2011, we also developed the Medical Air Transport Tracking System (MATTS) to enable integrated management of information on DMAT dispatch requests and activities and the sharing of information between DMATs and destination medical institutions.

This system was used to support life-saving efforts in the region affected by the Great East Japan Earthquake.

DMAT in action

Developing Systems that Are Safe and Secure

We work to provide services that concentrate on raising system reliability. This helps realize social infrastructure that provides peace of mind.

Activities to Improve Quality

## Building a Management System Based on ISO 9001 and Ensuring Continual Improvements

NTT DATA obtained ISO 9001 certification in 1998. Since then, we have conducted process improvements incorporating CMMI[*1], system development transparency, formulation of developmental and operational standards, and other activities.

In recent years, we have been working to raise quality control level at development sites, including at Group companies. In fiscal 2011, we launched a Quality Management Portal site to share NTT DATA's views on quality control and provide information on resolving various quality control issues.

Two organizations achieved CMMI Level 3 in fiscal 2011. In May 2011, Level 5 was achieved in another organization, which was the second achievement in NTT DATA. Beijing NTT DATA and NTT DATA CUSTOMER SERVICE are also rolling out CMMI, and three organizations in Group companies have achieved Level 5. In fiscal 2012, we will establish standard procedures for CMMI Level 3 and quantitative analysis procedures for Level 4 or higher. We plan to increase the adoption of these procedures on a companywide basis.

[*1] **CMMI:** Capability Maturity Model Integration is a model created by the Software Engineering Institute, Carnegie Mellon University, that expresses the level of maturity of organizations performing system development. The model includes five levels of maturity.

NTT DATA Quality Management System
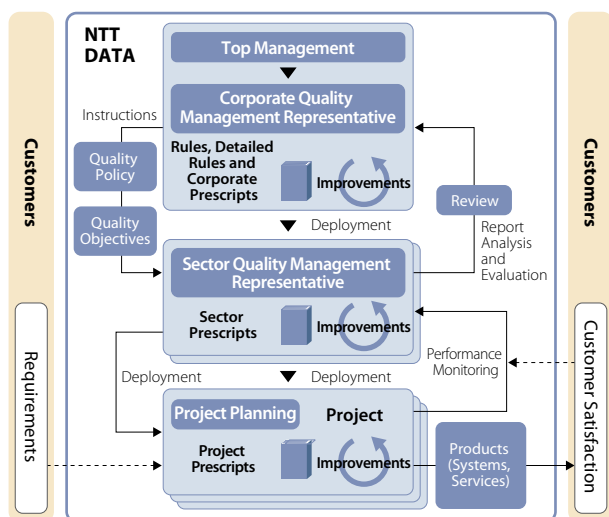
Unification of Internal Rules for Development and Management and Clarification of Implementation Procedures

Since fiscal 2008, NTT DATA has created unified companywide rules for system development and management methods and clarified procedures for their application with the objective of boosting quality and productivity. In March 2010, we formulated an implementation method, which we have deployed companywide, reflecting unified rules.

We conduct briefing sessions and on-site training to facilitate the rollout of our TERASOLUNA[*2] development procedure to Group companies and fielded improvement requests from individual companies in fiscal 2011. In fiscal 2012, we will revise TERASOLUNA on the basis of these requests and work to disseminate the solution more thoroughly at Group companies.

[*2] **TERASOLUNA:** A solution that incorporates NTT DATA's technologies for project management, development processes, frameworks, etc., accumulated from its numerous system development projects.

IT System Information Security

Aiming to Offer Safe and Secure Systems and Services and Raise the Quality of Security

As ICT technologies grow more prevalent amid the increasing use of information and communication technologies in office environments and proliferation of cloud computing and smartphones, so the threats to information security—in the form of information leaks, improper use, cyber attacks and the like—are growing more diverse and complex.

Continuing in its efforts to provide safe and secure systems, NTT DATA is involved in ongoing technical development related to the quality of security. We strive to reflect these successes in our system development and management methods.

To make the most of the advantages offered by smartphones, tablet computers and other smart devices, while at the same time ensuring robust security in the IT services that employ them swiftly, in June 2011 we launched a new security service, BizSMA[*3]. We have fostered ties with CSIRTs[*4] in Japan and overseas to create a structure for the early understanding of security trends and receipt of technical information. We are also developing technologies for resisting emerging threats and cyber attacks.

[*3] **BizSMA:** This is an integrated security service that spans a study of ways to deploy smart devices, system construction and operation. The service lineup comprises three elements: consulting, solutions and operation services.
[*4] **CSIRT:** A Computer Security Incident Response Team is a group of security specialists set up to handle incident response.

Business Continuity Plan for Swift Recovery and Operational Continuance in the Event of Disaster

Our business continuity plan (BCP) in the eventuality of disaster covers disaster risks and response measures. Our BCP focuses on maintaining customers' infrastructure information systems and continuity of vital in-house business with consideration for the urgency of information systems and societal needs.

In fiscal 2011, we held briefing sessions on our business continuity plans in times of disaster for each internal company, as well as for people in charge of general administration at Group companies and the Project Management Office (PMO). We raised awareness of systems for receiving emergency earthquake reports and disaster-proofing office buildings. Furthermore, we conducted drills for reporting safety of survivors in the wake of an earthquake, action drills in response to outbreaks of new strains of influenza and other such training exercises, and upgraded our action manual.

When the Great East Japan Earthquake struck on March 11, 2011, we quickly established the Disaster Countermeasures Headquarters, swiftly collected information and issued instructions, thereby confirming the effectiveness of our BCP. However, the power supply restrictions that led to planned outages and later regulations on overall power consumption pointed to the need to respond to new risks.

Additional Topics on Website

- Inauguration of Specialized Structure for Project Management and Testing Services
- System Failure Countermeasures

Developing People-Friendly Systems

We adopt a user perspective on accessibility and usability from the information system planning and requirement definition stages, seeking to provide services designed for ease of use.

Approaches Involving Universal Design

Advancing Universal Design for Information Systems

To incorporate universal design*1 (UD) into information systems, we have adopted accessibility, usability and other user-centric considerations from the system planning and requirement definition stages.

In fiscal 2011, we created checklists designed to ensure the ease of use on smartphone screens. We held seminars to promote the use of these checklists within the Company.

Moreover, eight members of our staff gained Human Centered Design Specialist*2 qualifications accredited by the specified nonprofit Human Centered Design Organization. We have increased the number of employees with universal design knowledge and skills.

Rather than simply adapting existing PC-oriented web content and screens, as smartphone use becomes more commonplace in our operations we will take their ease of use into account as we design information systems.

*1 **Universal design:** Design aiming for ease of use by all people, irrespective of age, gender, nationality and disability status.
*2 **Human Centered Design Specialist:** A qualification system introduced in December 2009 to recognize specialists practiced in human centered design working in product and system development and other fields.

TOPICS

Using Customer Satisfaction Surveys to Improve Our Activities

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

During fiscal 2011, we distributed 265 questionnaires to 146 customers, with a response rate of 93%, and conducted interviews with 45 customers. Results revealed that overall average values achieved a score of 7.3, surpassing our target of 7.1. Questions relating to changes in service levels indicated that more than 60% of customers noted an improvement from the previous fiscal year. On the other hand, we also received requests asking us to boost global competitiveness and to offer advice on the cultivation of IT personnel and accelerating overseas operations.

In fiscal 2012, we plan to share our awards system and expertise and conduct training to enhance action plans for improving customer satisfaction.

CS Survey Evaluation Results (Points)

Fiscal year	Points
2007	6.3
2008	6.7
2009	6.8
2010	7.0
2011	7.3
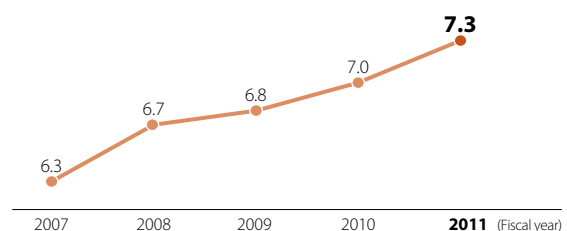
Note: Average value for each survey item (maximum of 10 points)

Raising Universal Design Awareness through in-House Seminars

NTT DATA hosts a UD working group that has conducted in-house seminars since fiscal 2006. In fiscal 2011, we held a UD Research Seminar on February 14, 2011. As lecturers from outside the Company, we invited Mr. Kohji Fujisawa, a researcher on communications, and Mr. Masaya Ando, an Associate Professor at the Chiba Institute of Technology, to talk about UD practice methods and the user experience*3, a more advanced form of UD.

We also incorporated internal UD seminars into the list of items for our human resources development program (CDP Basic) for young employees (up through their fifth year of employment). With regard to UD-considerate system development, in addition to explaining tool usage methods ranging from requirement definition to design, the seminars provided hands-on opportunities for the attendees.

In fiscal 2012, we plan to conduct internal seminars from the standpoint of accessibility, particularly including thoughts on UD as it relates to color and UD practice methods, as we continue our efforts to train young employees.

*3 **User experience:** In addition to functionality and ease of use, the user experience means paying attention to how the user wants to and enjoys using products and systems.

UD Research Seminar

Additional Topics on Website

- Supporting the Creation of Easy-to-Use Websites
- Participating in Projects with the International Association for Universal Design
- Making Our Web Accessibility Check Site, HAREL, Freely Available to the Public
- Conducting Website Accessibility Validation Checks
- Extending the Customer Satisfaction Survey to Group Companies

Contributing to Regional Communities and Society as a Whole

We work to help realize a healthy society by focusing on social contribution activities that emphasize employee participation and through the development of IT systems designed to help resolve social issues.

Using IT to Resolve Social Issues

Concentrating on the Development of IT Systems that Contribute to the Creation of a Sustainable Society

NTT DATA believes that the pursuit of business that has value to society is essential to our corporate growth and the creation of a sustainable society. Based on this awareness, we work to develop IT systems that help resolve a host of social challenges, such as the falling birthrate and aging population, healthcare and welfare issues, disaster and crisis management, and regional vitalization.

■ Identification Service Using IC-Equipped Drivers Licenses

In recent years, customer identification has become a legal requirement for financial institutions and government agencies, in an attempt to clamp down on the improper use of bank accounts and the submission of fraudulent claims. Private-sector companies have also stepped up their identification efforts when providing services.

However, companies face a growing burden from having to check for forgeries of drivers licenses used for identification, create ID documents and manage the information trail.

NTT DATA is working to resolve this issue by providing BizPICO as a cloud service that confirms whether IC-equipped drivers licenses have been falsified and manages the information trail. This helps to make identification more reliable and raises business efficiency. We won an industry grand prize in the ASP SaaS Cloud Award 2011 recognizing the advanced nature of this application for publicly issued IC cards (drivers licenses) and provision of a cloud-based service.

BizPICO System

People with drivers licenses		Businesses, financial institutions, etc.		BizPICO Center
IC-equipped drivers licenses	Wave card and input PIN number		Forgery check	**Read out IC information**
				Verify whether falsified
			Certification information	**Store certification information**
			Registration, referral	**Manage public keys**
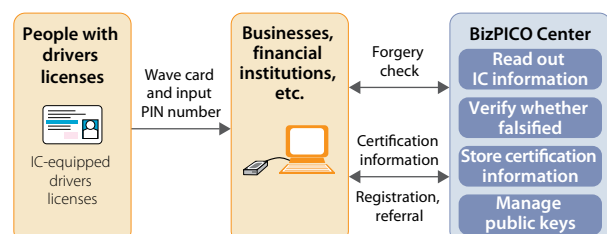
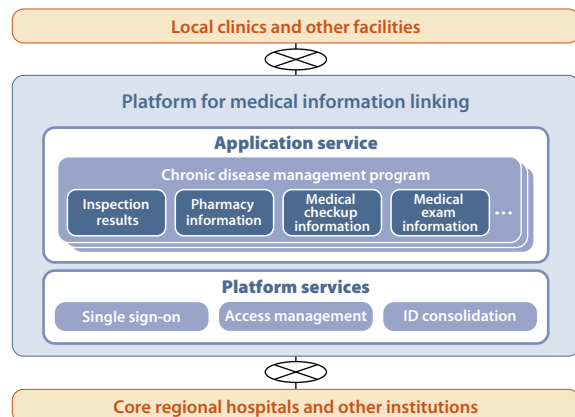### ■ Platform for Medical Information Linking among Multiple Medical Institutions

In recent years, against the backdrop of a falling birthrate and aging population, as well as the uneven distribution of medical doctors, demand has emerged for the creation of regional medical networks to provide healthcare by linking multiple hospitals. NTT DATA has addressed this need by introducing a platform for medical information linking. Our platform connects multiple medical institutions via a network, sharing medical records, test results and pharmacological information. As a result, patients can receive the same high quality of care regardless of what hospital conducts their consultation.

NTT DATA aims to contribute to the level of healthcare by encouraging the proliferation of such regional medical networks throughout Japan.

Overview of Platform for Medical Information Linking

Local clinics and other facilities

Platform for medical information linking

Application service

Chronic disease management program

Inspection results	Pharmacy information	Medical checkup information	Medical exam information	...

Platform services

Single sign-on	Access management	ID consolidation

Core regional hospitals and other institutions

Developer Comment

Our goal is to build an information platform that will help people remain healthy.

In the United States and Europe, networks are in place to manage citizens' medical information in an integrated fashion. No such nationwide systems are in place in Japan, where methods of information exchange are inconsistent among different institutions. We are working to resolve this issue by creating a platform that will allow medical institutions throughout the country to share information. As the Japanese welfare and nursing care sectors expand, we aim to contribute to the health of Japan's people by supporting the construction of an information platform.

Kazunari Takahei
(left)
Takafumi Kimura
(right)

Market Development Group
Strategic Planning Office
Quality Life Sector
NTT DATA CORPORATION

Promoting Activities that Contribute to the Realization 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 education, 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. (See page 28 for information on education and cultivating the next generation.)

■ 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 give these, along with funds raised in the charity auction, to volunteer organizations that support disadvantaged children around the world. In fiscal 2011, we raised ¥590,000.

Moreover, since fiscal 2009 we have held ongoing internal Fair Trade[*1] coffee tasting and sales events. In fiscal 2011, we also began selling Fair Trade chocolate. With some employees already committed to making purchases each year, these sessions deepen employee understanding about global issues and Fair Trade products.

*1 Fair Trade: Sustainable 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, Fair Trade demands consideration of working conditions of producers and the environment.

■ Using Money Generated through the Sale of Used Books Accumulated throughout the Group to Build Libraries in Sri Lanka

NTT DATA participated in the BOOKS TO THE PEOPLE Project hosted by BOOKOFF CORPORATION LTD. in August 2010. Money raised from the sale of used books was donated via Room To Read, an NGO, to help build libraries in Sri Lanka. By also calling Group companies into the effort of gathering up used books at offices and homes, we accumulated some 5,000 books during the course of a month, which amounted to a donation of around ¥220,000. We also gathered books in January 2011, accumulating some 1,560 more books and resulting in a donation of approximately ¥62,000.

Additional Topics on Website

- Holding Joint Forums with Other Companies in the Industry
- Welfare   • Regional Communities   • International Contribution
- Natural Environment   • Culture and the Arts
- Support for Employee Volunteer Activities   • Initiatives by Group Companies

Global Report

In Asia

Intelligroup, Inc. (India)

Cooperating with Various Organizations' Activities to Support Childhood Education

At Intelligroup, Inc., the CSR team spearheads community contribution activities to encourage childhood education, housing and health.

For example, since the fiscal year ended December 31, 2008, in India Intelligroup has sponsored the Sadhana organization, which provides special education and free accommodation to children with mental disabilities. In May 2010, 17 employee volunteers visited Sadhana to help in painting the recreation room and deepen communications in such ways as by eating with the children.

Intelligroup also provides financial assistance to NICE, an organization that works to emancipate child laborers and teach work skills to their parents so that children can spend time in education. In October 2010, six people from the CSR team visited NICE to take part in a groundbreaking ceremony for a girls' orphanage.

Orphanage groundbreaking ceremony

In Europe

Cirquent GmbH (Germany)

Participating in Charity Soccer and Providing Donations to NGOs

Cirquent GmbH employees formed a soccer team, the Cirquent Kickers, in 2008. Each year, this team participates in the Munich's City Company Championship, a charity soccer tournament. Money from the tournament entry fees, as well as donations collected on the day of the matches are given to local organizations.

In fiscal 2011, the 36 teams including the Cirquent Kickers participated in the tournament, which was held on June 20, 2010, in the Olympic stadium. Donations were provided for the Freudentanz project by the international NGO Caritas, as well as to UNICEF's Schools for Africa Project.

Cirquent plans to continue participating in this tournament, which has been well received by employees, their families and friends.

Cirquent Kickers team members

In the Americas

The Revere Group, Ltd. (United States)

Participating in Charity Events that Support Disadvantaged Children

The Revere Group, Ltd., operates multiple bases within the United States, and employees of these facilities are active participants in community contribution activities.

Each December since 2002, a number of employees in Charlotte, North Carolina, have participated in the planning and execution of a Christmas charity event for more than 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 2011, 29 employees and their families participated, providing gifts and donations for the children.

The Revere Group plans to continue activities that involve its employees and their families and provide broad-based regional support.

Christmas party decorations

Paradigms for Society and Regional Communities

Paradigms for People at Work

Paradigms for the Global Environment

Paradigms for People at Work

NTT DATA strives to create a working environment that encourages employees of the NTT DATA Group as well as partner companies to enjoy peace of mind and make full use of their skills. Accordingly, we are promoting work-style innovations and cultivating the people who will become responsible for the IT industry of the future.

Close up

Holding Workshops that Encourage Male Employees to Participate in Childrearing

To encourage male employees to cultivate a work-life balance through childrearing as well as to create a network of fathers, NTT DATA held the Father (and Mother) Seminar in February 2011.

A total of 116 people attended the workshop, comprising 85 NTT DATA employees and 31 from other Group companies. The seminar included a lecture by Mr. Tetsuya Ando, Representative Director of the NPO Fathering Japan, and panel discussions. One or two female employees participated in each workshop group to talk about childrearing and difficulties in spousal partnerships, generating an enthusiastic exchange of opinions.

One participant commented that "I had the opportunity to hear from a number of fathers and mothers, making this a very meaningful experience for me." Nearly 90 % of the participants responded favorably to a questionnaire, indicating their satisfaction with the seminar. In fiscal 2012, we plan to push forward with our initiative to involve male employees in childrearing.

Father (and Mother) Seminar

Hiring and Promoting Diverse Human Resources

Faced with a falling birthrate and aging population, the NTT DATA Group is working to hire and promote diverse human resources. We are stepping up initiatives targeting women, people with disabilities and the elderly.

Personnel Recruitment and Deployment

Diversity and Fairness in Recruitment and Employment

NTT DATA conducts its recruiting activities fairly and with an emphasis on diversity, 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 10 employment agencies.

In fiscal 2012, we extended our new employee induction date out of consideration for students in the area affected by the Great East Japan Earthquake. In ways such as this, we try to respond flexibly to students' needs.

Personnel Recruitment Trends (Number of employees)

	Fiscal 2009	Fiscal 2010	Fiscal 2011
Number of employees (nonconsolidated)	9,230	9,670	10,139
Male	7,938	8,253	8,588
Female	1,292	1,417	1,551
Female managers [Ratio] (nonconsolidated)	55 [3.1%]	57 [3.2%]	67 [3.5%]

	Fiscal 2010	Fiscal 2011	Fiscal 2012
New graduates (nonconsolidated)	540	537	534
Male	391	380	349
Female	149	157	185
Recruitment of employees with disabilities [Ratio] (nonconsolidated)	170 [1.61%]	205 [1.87%]	221 [1.95%]

Note: Recruitment of employees with disabilities represents figures as of June 1 of each fiscal year.

Through Efforts Centered on a Special Subsidiary, Increasing Employment Opportunities for People with Disabilities

To help employees with disabilities realize their potential, NTT DATA is bolstering opportunities through NTT DATA DAICHI CORPORATION, a special subsidiary established in July 2008, supplementing placements in system development and sales.

In fiscal 2011, we also began involving these people in web accessibility validation services for external websites, forest-based dairy farming, through which we commission the pasturing of dairy cattle in forests, including overseeing, feeding and housing them, and other new activities. In addition, NTT DATA DAICHI has established a teleworking system for employees with IT skills who are prevented from commuting by their disabilities to create employment in regions with sparse openings and to build work-friendly environments for the disabled. As a result of these endeavors, NTT DATA's ratio of recruitment of employees with disabilities stood at 1.95% as of June 1, 2011.

We plan to continue with initiatives to proactively expand work opportunities for people with disabilities.

NTT DATA DAICHI employee shredding paper at a recycling box

Respect for Human Rights

Deepening Employees' Understanding of Human Rights through Training and the Intranet

Our Code of Ethics cites "respect for human rights, free from discrimination by gender, nationality, beliefs or religion," and we pursue activities designed to further education and awareness of human rights.

Specifically, we hold workplace seminars for all employees of the NTT DATA Group in Japan to encourage discussions of human rights issues at the workplace level. To boost awareness, in October we also hold a human respect slogan contest.

To counter various types of harassment, we also have established lines for NTT DATA Group employees and contracted staff and partner company employees working in the Company's offices.

NTT DATA has assigned people in charge of promoting human rights awareness activities within each of its organizations and Group companies. We cultivate these human rights awareness experts by encouraging participation in internal and external training sessions. Furthermore, as the number of employees assigned to overseas posts is increasing, we are expanding our pre-assignment training to ensure their proper understanding of the religions, culture and customs of the countries and regions to which they are being assigned.

Personnel Evaluation System that Takes Employees' "Spirit of Contribution" into Account

NTT DATA has established a framework for treatment that emphasizes results and achievements, independent of employment status.

Further, we have developed a framework to reflect degrees of achievement in the remuneration of contracted employees, with options for conversion to permanent employment status for workers deemed to have high long-term performance potential.

In fiscal 2011, we revised our personnel evaluation system to take into account employee contributions to other people and departments, as well as evaluating them on the basis of their results and achievements. We aim to make a "spirit of contribution" part of our corporate culture and incorporate it into employees' working styles.

■ Taking "Spirit of Contribution" into Account when Promoting Employees to Higher Levels

In the past, employees were promoted on the basis of evaluation points earned according to their level of contribution to departmental sales and profits. We have now added "actions stemming from a spirit of contribution" to our evaluation criteria when promoting employees to higher levels because we have recognized that corporate managers must demonstrate a willingness to contribute to other departments, as well as to other people.

■ Revising Target Setting for Employees

In the past, we set operational targets for employees every six months. These were division-specific and tended to focus primarily on reaching targets pertaining to the departments to which they had been assigned and organizational achievements. By adding targets related to a "spirit of contribution," rather than divisional optimization we are aiming to optimize the overall organization. We have revised employee evaluation weightings and grading standards accordingly.

Additional Topics on Website

• Reemploying Retired Workers

Employee Work-Style Innovation

We are working to achieve work-style innovation for each employee as we strive to build a stimulating workplace where workers can deploy their skills to full advantage.

Employment Support Centered on the Diversity Development Office

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

We held diversity forums and other seminars for employees throughout the Group in fiscal 2011, and we used a portal site and e-mail magazine to conduct awareness activities on an ongoing basis. In addition to instilling the three pillars of diversity management in these ways, we formalized a discretionary labor system. Furthermore, we took the introduction of power-saving measures from July 2011 as an opportunity to expand teleworking and took a proactive stance toward revising working styles in various workplaces. We also revised our childcare and nursing care systems in line with the June 2010 amendments to Japan's laws on childcare and nursing care and held seminars themed on a balance between work and nursing care.

We will reinforce initiatives to deepen employees' understanding of these systems at worksites and Group companies as we continue working to achieve work-style innovation and create a comfortable working environment.

Comment from a Manager in Charge of Personnel

We aim to imbue our personnel structure with a "spirit of contribution."

We aim to encourage among each of our employees a "spirit of contribution" that extends not only to the organization to which they belong directly, but to the overall Group, customers and society as a whole. Particularly in our evaluation system, as employees are promoted to higher levels they need to develop a broader perspective on the overall organization and the industry and contribute to society. We have also put in place a system of contribution awards, through which we recognize particularly noteworthy contributions and encourage a spirit of contribution. In addition to involvement in the Group and business and societal trends, we hope to extend to Group companies this evaluation from the standpoint of a spirit of contribution.

Hirofumi Yoshimura
Executive Manager in Charge of Personnel, Personnel Department, NTT DATA CORPORATION

Employee Health Promotion and Enhancement

Striving to Reduce Working Hours, a Chronic Issue within the IT Industry

NTT DATA has declared its commitment to work-style innovation in a bid to foster greater self-fulfillment through productivity and work-style reforms.

In fiscal 2011, we introduced a number of measures designed to reduce average annual working time to within 2,000 hours and to decrease the number of employees working more than 2,300 hours per year. As part of these efforts, we accumulated examples of successful workplace reforms from different workplaces and promoted initiatives to enact them in others as well by introducing them to all employees via the intranet. Some of these initiatives were featured on television programs, and we received inquiries about them from numerous other companies. During the year, the number of employees taking two continuous weeks' holiday continued to increase. As of March 31, 2011, the cumulative number since fiscal 2008 was 2,065 employees, rising 623 from one year earlier.

As a result, we reduced average annual working time in fiscal 2011 to 1,991 hours (down from 2,003 hours in fiscal 2010) and the number of employees working more than 2,300 hours was down 1.1 percentage points from the previous fiscal year, to 6.6%.

We will continue with our current measures as well as introducing overall work-style innovation from the standpoint of better health through a work-life balance.

An example of workplace innovation, we have developed the NTT DATA Meeting Timer to count in real time the personnel costs associated with meetings.

In Pursuit of Employee Satisfaction

## Raising Employee Satisfaction through Surveys and Improvement Activities

NTT DATA conducts annual Employee Satisfaction Surveys targeting all its employees and the staff of Group companies.

Of the five items listed on the Employee Satisfaction Survey in fiscal 2011, NTT DATA saw a marked improvement on "Satisfaction with the Company."

Improving employee satisfaction at all Group companies involves an evolution of awareness. In particular, we are focusing on work-style innovation and held a seminar on the topic targeting the presidents of Group companies. We have also introduced the Professional CDP system (see page 28) at Group companies to make career paths more easily "visible." At the same time, we have ongoing initiatives in place to reduce working hours and make in-house administrative procedures more efficient.

To raise employee satisfaction even further, in fiscal 2012 we will concentrate on work-style innovation targeting discretionary work and telework and continue working with the managers of people who are recording long working hours. To make in-house administrative procedures more efficient, we are creating specialized in-house organizations and reviewing business processes with a view toward improvement.

Employee Satisfaction Survey Results

Job
Management
Workplace
The Company
Personnel policies and systems

– – – Fiscal 2010 ——— Fiscal 2011
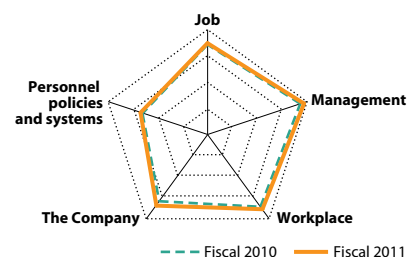
Additional Topics on Website

- Major Initiatives by the Diversity Promotion Office
- Expanding the Teleworking System
- Enhancing Childcare and Nursing Care Systems • Hosting Diversity Workshops
- Working Together through Summer Vacation Kids Workshop
- Supporting Healthcare at Various Worksites
- Creating Safe Workplace Environments

Notes from Participant in Seminar on Achieving Work/Nursing Care Balance

I learned how important it is to understand the conditions surrounding nursing care and to prepare for it.

I had thought that nursing care was a far-off consideration for me, until my mother's nursing care needs took on a sudden reality. When such care became necessary, I knew little about the world of nursing care and medical/nursing care systems, but as I began to understand the amount of time, effort and money that such care involves, my uncertainties mounted. If this seminar on achieving a balance between work and nursing care had been available at the time, I would have been better able to discuss my concerns with others at the Company. That would have alleviated my unease to some degree. None of us knows when nursing care will become necessary, so we should learn about the nursing care conditions beforehand so that we can make good decisions when an emergency situation arises.

Yoritsugu Ohta

In charge of Accounting and Tax Planning, Finance Department, NTT DATA CORPORATION

Human Resource Cultivation

Our efforts to cultivate next-generation human resources aim to develop employees with high market value in line with their individual skills and orientations and turn them into IT industry leaders.
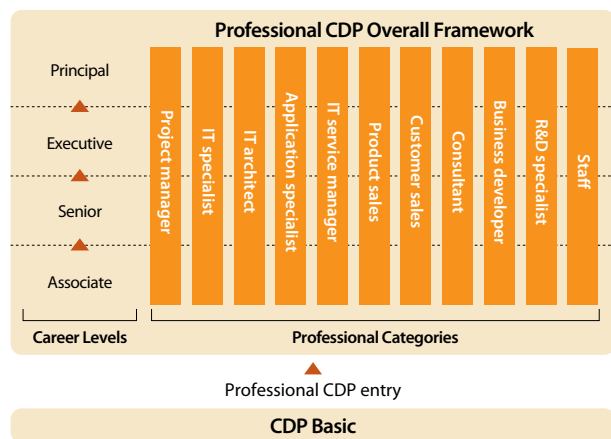
Establishment of a Professional CDP to Cultivate Staff with High Market Value

Many changes are taking place in our operating environment: globalization continues, customers' needs are changing, and new technologies are growing more prevalent. Cultivating professional human resources who are highly specialized and flexible is an essential part of our response to such constant changes in the operating environment.

NTT DATA has put in place a Professional Career Development Program (CDP) that defines goals for each professional category and steps toward these objectives, plus an accreditation framework and a development system. In fiscal 2011, we continued introducing the program at Group companies, and increased accredited personnel at Group companies, including those overseas.

In the future, we shall continue to progress along this course of expansion.

Professional CDP Overall Framework

Professional CDP Overall Framework

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

▲ Professional CDP entry

CDP Basic

Cultivation of Next-Generation IT Personnel

Centered on IT training, Cultivating the Human Resources Who Will Determine the Future of Japan

As a leader in the IT industry, NTT DATA contributes to the cultivation of the next-generation human resources who will be crucial to the competitiveness of our industry, as well as to that of Japan as a whole, keeping a medium- to long-term perspective.

■ Supporting the Japan Team in the International Olympiad in Informatics

NTT DATA is an official sponsor of the Japan Committee of the International Olympiad in Informatics (IOI)—an event that encourages junior high school and high school students to solve problems by applying logic. Accordingly, we provide broad-based support for the Japan team, including personnel, facility and technology support.

At the 2010 IOI, held in Canada in August 2010, the Japan team took home medals for the third year in a row, with individuals receiving two gold medals and two silver medals. In number of medals by country, Japan tied for second—its highest ranking to date. Members of the Japan team for the 2011 IOI, to be held in Thailand, were announced in May 2011. We have high expectations for the upcoming event, as well.

The Japanese delegation at the International Olympiad in Informatics 2010 in Canada

■ Supporting the Training of IT Professionals

NTT DATA provides overall support for the Innovation Management College of Japan[*1], a CIO and innovation leadership training program targeting middle management innovation leaders.

The college conducted two training programs in fiscal 2011, attended by a total of 30 people. Class sizes are small, allowing instructors and students to interact closely. The courses receive high praise. In the words of one participant, "The course helped me to understand numerous aspects of leadership and linking IT and management."

*1 Innovation Management College of Japan: This college was established by the Japan Users Association of Information Systems in April 2009, with programs targeting people in middle management. NTT DATA supports various aspects of the college, including its research activities and the planning of its human resources development program.

Related website **Innovation Management College of Japan** (Japanese only) http://imc-j.jp/

Additional Topics on Website

- Business and Technical Training
- Providing IT Experience for Children
- Accepting Junior High School Students into Work-Study Program
- Supporting IT Training for Teachers

Building Strong Supplier Relationships

We promote open and fair transactions with suppliers and communicate proactively to encourage quality improvements and foster a good working environment as we aim for mutual development.

Thoroughgoing Fair Transactions

Formulation of Rules for Transactions and Contracts to Ensure thorough Fairness in Our Transactions

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.

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 from a CSR perspective.

In order to expand transaction volume and bolster cooperation, we have selected Core BP Companies from among our BPs since fiscal 2010, with which we can share the burden of investment and risk as well as the benefits of success.

As of March 31, 2011, NTT DATA had assigned one company as a Core BP Company, 35 as BPs and 120 as APs.

Further, to build sustainable relations with suppliers we will continue to disclose NTT DATA's system development standards, conduct technical training and proactively implement array of other support activities.

BP Presidents' Meetings and Technological Briefing Sessions Ongoing

NTT DATA has held BP Presidents' Meetings each year since 1991 to bring together top executives of its BP companies.

The November 2010 meeting included participants from all 36 BPs. NTT DATA explained about changes in the market environment and efforts to reinforce project management and compliance, and asked for BP companies' understanding and cooperation on these points. 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, holds training on TERASOLUNA, the Company's system development procedures, and other events to improve productivity and quality and to support information security reinforcement.

BP Presidents' Meeting

Measures to Foster Cooperation with Suppliers over Improving the Project Development Environment

Improving the project development environment is an important issue for NTT DATA and for subcontracted BPs.

In fiscal 2011, NTT DATA and BP companies conducted mutual evaluations on such factors as project development environments. We exchanged information on points requiring improvement and exchanged opinions at BP Presidents' Meetings.
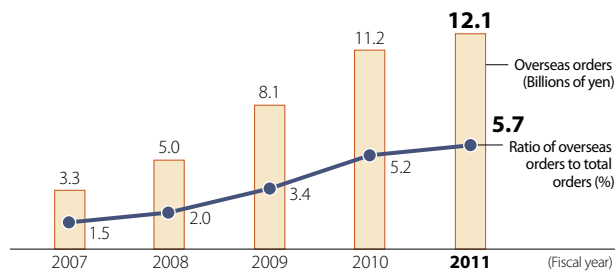
NTT DATA operates a "Whistleblower Line" to call attention to actions in contravention of laws and corporate ethics. This service is available to employees of our suppliers, and has been publicized through various channels, providing a communication forum with BP companies.

Promoting Upgrades to Offshore Development Communications Environments and Cultivation of Human Resources

NTT DATA promotes offshore development by outsourcing a part of system development and other activities to Chinese, Indian, Vietnamese and other overseas firms (including to NTT DATA subsidiaries, affiliates and partner companies). Particularly in recent years, the amount of business that we outsource has grown each year, and our medium-term plan calls for our offshoring ratio to reach 10% by fiscal 2013.

However, using offshore development to create high-quality systems in an efficient manner requires that subcontracted companies overseas have proper communication environments in place. For this reason, NTT DATA has created a communication system to enable the smooth sharing of information, and we focus on the training and education of employees involved in offshore development, as well as employees at subcontracted companies overseas. Through such initiatives, we aim to achieve mutual development with subcontracted companies overseas.

Volume and Ratio of Overseas Orders

Fiscal year	2007	2008	2009	2010	2011
Overseas orders (Billions of yen)	3.3	5.0	8.1	11.2	12.1
Ratio of overseas orders to total orders (%)	1.5	2.0	3.4	5.2	5.7

■ Cultivating Liaison SEs

We cultivate "liaison SEs" to help overcome the communication gaps that can arise from differences in language, culture and customs between us and subcontracted companies overseas, with the aim of ensuring smooth system development. In fiscal 2010, NTT DATA began training to cultivate liaison SEs.

In fiscal 2011, we held nine training sessions in seven cities in three countries—China, India and Vietnam—and the cumulative number of people receiving such training rose to 294.

■ Training Targeting SEs at Offshore Development Sites

In fiscal 2011, we began conducting training targeting SEs at subcontracted companies overseas. We introduced our basic course via e-learning and an advanced course through group training. The basic course was attended by 139 people and the advanced course by 61.

In fiscal 2012, we plan to begin offering the training materials in multiple languages (Japanese, English and Chinese), which should raise the number of trainees to 300 per year.

Offshore SE training

Additional Topics on Website

- Procurement Policy
- Promoting Electronic Purchasing
- Eliminating Retroactive Contracts
- Conducting Various Types of Training Related to Fair Transactions
- Creating Communication Environments with Subcontractors
- Holding Seminars on Offshore Development

Comments from a Liaison SE Training Participant

I plan to apply lessons I have learned the hard way to promote offshore development.

When working as an offshore project manager (PM), I experienced a number of things that management materials cannot show. For example, because of the difference in attitudes toward work and worksite atmospheres, I sometimes found it difficult to convey the sense of motivation of project members to the Japanese side. When I voiced this difficulty during liaison SE training, I learned that communicating this information effectively was the job of the offshore PM, which was news to me.

Going forward, I hope to go beyond stand-alone projects. I want to gain experience so that I can contribute more broadly to offshore development.

Song Xiao Wen
Business Strategy Department, NTT DATA (WUXI) CO., LTD.

Comments from a Participant in Offshore SE Training

As I work toward quality targets, I plan to uphold the motto that quality is something that is built.

This training really brought home to me how much responsibility the offshore SE really has for ensuring the construction of a high-quality system. During the group discussions, a number of opinions were raised, from a variety of viewpoints, which led me to understand the importance of considering various potential possibilities when looking at future specifications and quality control parameters.

Quality isn't simply something that is tested; it is something that is built up. I will keep that understanding in mind as I work to achieve the quality targets that customers expect.

Pradnya Pachange
Delivery Department, Vertex Software Private Limited

Global Report

Beijing NTT DATA (China)

In Asia

Establishment of a "Personnel Development Office" to Train a Broad Range of People

Beijing NTT DATA set up a "personnel development office" in 2007, as it recognized that enhancing the skills of its personnel was a key requirement to support its offshore business. The company also set up an employee training system and is concentrating on the development and promotion of its training curriculum and trainer system. The training is broad-based; in addition to expertise in software technology and Japanese language proficiency, it covers project manager reinforcement and manager training.

In the fiscal year beginning January 2010, the company made Japanese language proficiency more "visible," created a highly transparent evaluation system, developed specialized course materials covering specialist Japanese IT vocabulary and specific to technology and development processes. In addition, Beijing NTT DATA worked toward the acquisition of Professional CDP certification. In the upcoming fiscal year, the company plans to enhance project managers' skills and strengthen their ability to communicate with Japan and expand training plans for mid-career employees to include both on-the-job and off-the-job training.

Liaison SE training, held in Beijing from March 3–5, 2010, attracting 20 participants

itelligence AG (Germany)

In Europe

Conducting Leadership Enhancement Training for Managers

During the three days from February 24–26, 2011, itelligence AG held a joint event for managers in Eastern and Western Europe to promote management and leadership skills.

Attending the event were nine managers from six Eastern European countries and 11 managers from six Western European countries. The session helped the managers understand the different leadership issues faced in Eastern and Western Europe, and involved a workshop on intercultural management skills. In addition, outdoor training sessions involving mountain climbing and treasure hunts helped forge bonds among members of individual sections and strengthened network ties between Western and Eastern European managers. The company plans to expand the event, making certain changes to the program based on participants' comments.

Managers from Eastern and Western Europe strengthening ties through outdoor training

MISI Company, Ltd. (United States)

In the Americas

Team-Building Events to Cultivate a Sense of Unity

On October 21, 2010, MISI Company, Ltd., held a team-building event at a hotel in the U.S. state of New Jersey to encourage "people to unite and organize toward the achievement of a single goal." The event included 105 employees from six offices, as well as some employees from Cue Data Services Inc., which was acquired in July 2010. The event involved dividing people up into teams of six to eight people, which would then compete on such things as their culinary and fashion sense, and building the tallest tower possible with only the things that they were given. Although the teams competed, they also joined together for meals and other activities, thereby strengthening communications between employees and offices.

MISI plans to continue holding events such as these to strengthen mutual ties between employees and cultivate a stronger sense of unity within the company.

The winning team at one event, the Play-Doh (children's clay) Art Contest

Paradigms for the Global Environment

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

Close up

Smart Business Promotion Office Established to Help Realize Smart Grids and Smart Communities

In recent years, countries around the world have seen an increase in urbanization and natural disasters. These factors, against a background of energy-related and other environmental problems, have prompted growing expectations for so-called "next-generation social infrastructure," including smart grids (next-generation networks) and smart communities.

Under its Medium-Term Management Policy, NTT DATA has identified the "promotion of environmentally oriented management" as a core priority and has been reinforcing its environmental initiatives accordingly. In February 2011, we established the Smart Business Promotion Office to spearhead these measures. This office will be the focus of a search for applications for new communication technologies, such as those machine-to-machine, or M2M, technologies that connect devices over IP networks. From a long-term perspective, it will seek to resolve social issues by creating services related to smart grids and smart communities.

As a member of the NTT Group, the NTT DATA Group introduced its smart business initiatives at the Eco-Products 2010, held December 9–11, 2010, and the INT'L SMART GRID EXPO, which took place March 2–4, 2011.

Advanced environment- and energy-related technologies from NTT DATA AURA CORPORATION and NTT DATA INTELLILINK CORPORATION contribute to GREENY GIFU, a smart house that was completed on November 5, 2010. (http://www.nttd-aura.com/solution/development01.html) (Japanese only)

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 PDCA cycle.

Environmental Policies of the NTT DATA Group

Promoting Environmental Protection Activities in Line with Our Environmental Messages and Action Plans

In July 1999, the NTT DATA Group established the Environmental Policies of the NTT DATA Group. Thereafter, we have provided environmentally responsible systems and services and conducted activities focused on reducing the environmental impact of society as a whole as an information service provider, in addition to reducing the environmental impact posed by our own business activities.

One of the key measures in our Medium-Term Management Policy, which went into effect in fiscal 2010, is to enhance environmentally oriented management. In May 2010, we also formulated Environmental Messages and Action Plans, and based

Environmental Messages

Earth Solutions.
Using IT to solve environmental problems.

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

Action Plans

Contributing to the greening of our customers and society through IT

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

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

- Steadily reduce CO_2 emissions by the Group by raising efficiency of and implementing operational improvements to its data centers and by such work-style innovations as hot-desking
- Implement systematic cuts to paper usage and waste volumes

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

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

on these we revised the Environmental Policies of the NTT DATA Group in June 2011. These policies call for augmented environmental protection activities.

Environmental Management System

Deploying Ongoing Improvement Activities Based on ISO 14001

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

As of July 1, 2011, a total of 30 Group companies, including NTT DATA, had attained ISO 14001 certification. Of these, 24 companies acquired groupwide certification, while six companies gained independent certification.

Note: ISO 14001-Certified Companies (as of July 1, 2011)
Group Integrated Certification: Total: 24 companies
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 SMS CORPORATION; NTT DATA MANAGEMENT SERVICE CORPORATION; NTT DATA SYSTEM TECHNOLOGIES INC. (Head Office Building); NTT DATA FINANCIAL CORE CORPORATION; NTT DATA BUSINESS SYSTEMS CORPORATION (Head Office Building); NTT DATA FRONTIER CORPORATION; NTT DATA SOFIA CORPORATION; NTT DATA SEKISUI SYSTEMS CORPORATION; NTT DATA R CORPORATION; NTT DATA INTELLILINK CORPORATION; NTT DATA i CORPORATION; NTT DATA DAICHI CORPORATION; NTT DATA CUSTOMER SERVICE CORPORATION (Head Office)
Independent Certification: Six companies
NTT DATA CUSTOMER SERVICE CORPORATION Shikoku Branch; JSOL Corporation; NTT DATA CCS CORPORATION; NTT DATA MSE CORPORATION; NJK Corporation; CATS CO., LTD.

Cross-Group Environmental Management System

We are building a cross-Group environmental management system 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, policies and other issues. Deliberation results are shared with the Liaison Committee, which meet twice each year and 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.

We reorganized the Environmental Protection Promotion Office as the Environmental Management Promotion Office in July 2009 to advance and fortify environmentally oriented management throughout the Group and bolstered collaborative relationships between relevant departments. In addition, we assigned environmental managers at Group companies that are not yet ISO 14001-certified and are reinforcing the Group's environmental management promotion system.

Additional Topics on Website

- Environmental Policies
- Organization for Promoting Environmental Activities
- Internal Environmental Audits
- Compliance with Laws and Regulations
- Environmental Education
- Promotion of Green Purchasing

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. Since fiscal 2010, one medium-term management focus has been to enhance environmentally oriented management. In pursuit of this goal, we have promoted the greening of the NTT DATA Group, the greening of customers and society, and environmental contributions and communications. We have established targets for our environmental activities attuned to this shift in direction.

Based on our fiscal 2011 performance, in fiscal 2012 we will revise some of our targets and move toward these new objectives.

■ Fiscal 2011 Results

To cut greenhouse gas emissions as part of the greening of the NTT DATA Group, we have created the EneMotta system to make the energy consumption of each floor and internal organization "visible." We have also introduced reduced power consumption settings on the air conditioning equipment at data centers. However, as we were unable to lower power consumption as planned at several sites in Japan that we operate in leased buildings, in fiscal 2011 our CO_2 emissions amounted to 297,552 tons of CO_2[1], slightly higher than in the preceding fiscal year. In

terms of basic units of sales, this amounted to a 9.9% reduction from fiscal 2006 levels, falling short of our target. With regard to reducing waste for final disposal, the introduction of a reuse/recycle system for OA equipment, which accounts for 65% of industrial waste, led to a 14% reduction compared with fiscal 2009 levels, to 344 tons, and we reached our target. To reduce copy paper purchased, we set reduction targets for each organization, held paperless meetings, optimized printer layouts and took advantage of authenticated printing. Consequently, copy paper purchased in fiscal 2011 amounted to 246.1 million sheets, down 19.5% from fiscal 2009 levels and substantially exceeding our target.

As part of our efforts toward the greening of customers and society, we conducted in-house Kankyo Shiro[2] environmental assessment system training twice and introduced systems and services to measure the environmental impact reduction of customers and society. Although we conducted 17 CO_2 reduction effect measurements, we acquired only three NTT Group Solution Environmental Label certifications, as few of the plans proposed fell within the scope of such certifications. We set new targets for the number of participants in community environmental contribution activities, and promoted these activities at individual organizations and Group companies.

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

[2] **Kankyo Shiro:** A system for assessing the environmental impact of information systems developed by the NTT Information Sharing Laboratory Group. The system calculates environmental impact reductions that can be achieved through reduced transportation volume, equipment digitalization, etc., resulting from system introduction.

Fiscal 2011 Results and Targets for Fiscal 2012 and Beyond

	Activities	Fiscal 2011 Results				Targets for Fiscal 2012 and Beyond		
		Target Value Definitions	Target Values	Achieved	Achievement Status	2012	2013	2014
Greening of the NTT DATA Group	**Reduce greenhouse gas emissions**	Greenhouse gas emissions (CO_2 conversion) per unit net sales (fiscal 2006 comparison)	10% reduction	9.9% reduction	Partially achieved	15% reduction	15% reduction	17% reduction
	Reduce waste for final disposal	Waste for final disposal (fiscal 2009 comparison)	12% reduction	14% reduction	Achieved	16% reduction	20% reduction	24% reduction
	Reduce copy paper purchased	Copy paper purchased (fiscal 2009 comparison)	15% reduction	19.5% reduction	Achieved	25% reduction	35% reduction	40% reduction
Greening of customers and society	**Reduce the environmental impact of society through the promotion of Green IT**	2011: Environmental label certifications[3] 2012: Quantitative assessments From fiscal 2013: CO_2 reduction	Label certifications: 20	Label certifications: 3	Not achieved	Quantitative assessments: 30	1.5 million tons of CO_2	1.8 million tons of CO_2
	Expand environmental solutions business	Net sales	¥5 billion	¥4.52 billion	Not achieved	¥7 billion	¥10 billion	¥12 billion
Environmental contributions and communications	**Engage in regional community environmental contribution activities**	Activity participants	800	1,244	Achieved	1,500	3,000	4,000

[3] **Label certifications:** The number of NTT Group Solution Environmental Labels assigned to ICT solutions with an environmental impact reduction effect through quantitative investment. Those with a rate of reduction exceeding 15% are certified as environmentally friendly solutions.

Related website **Solution Environmental Labels** http://www.ntt.co.jp/kankyo/label/index.html (Japanese only)

Numerical Data on Targets and Results
Fiscal 2011 results and targets for fiscal 2012 and beyond for the Group are calculated within the applicable scope of groupwide integrated ISO 14001 certification (see page 33).

Additional Topics on Website

• Reducing Greenhouse Gas Emissions   • Reducing Waste for Final Disposal   • Reducing Copy Paper Purchased   • The Greening of Customers and Society
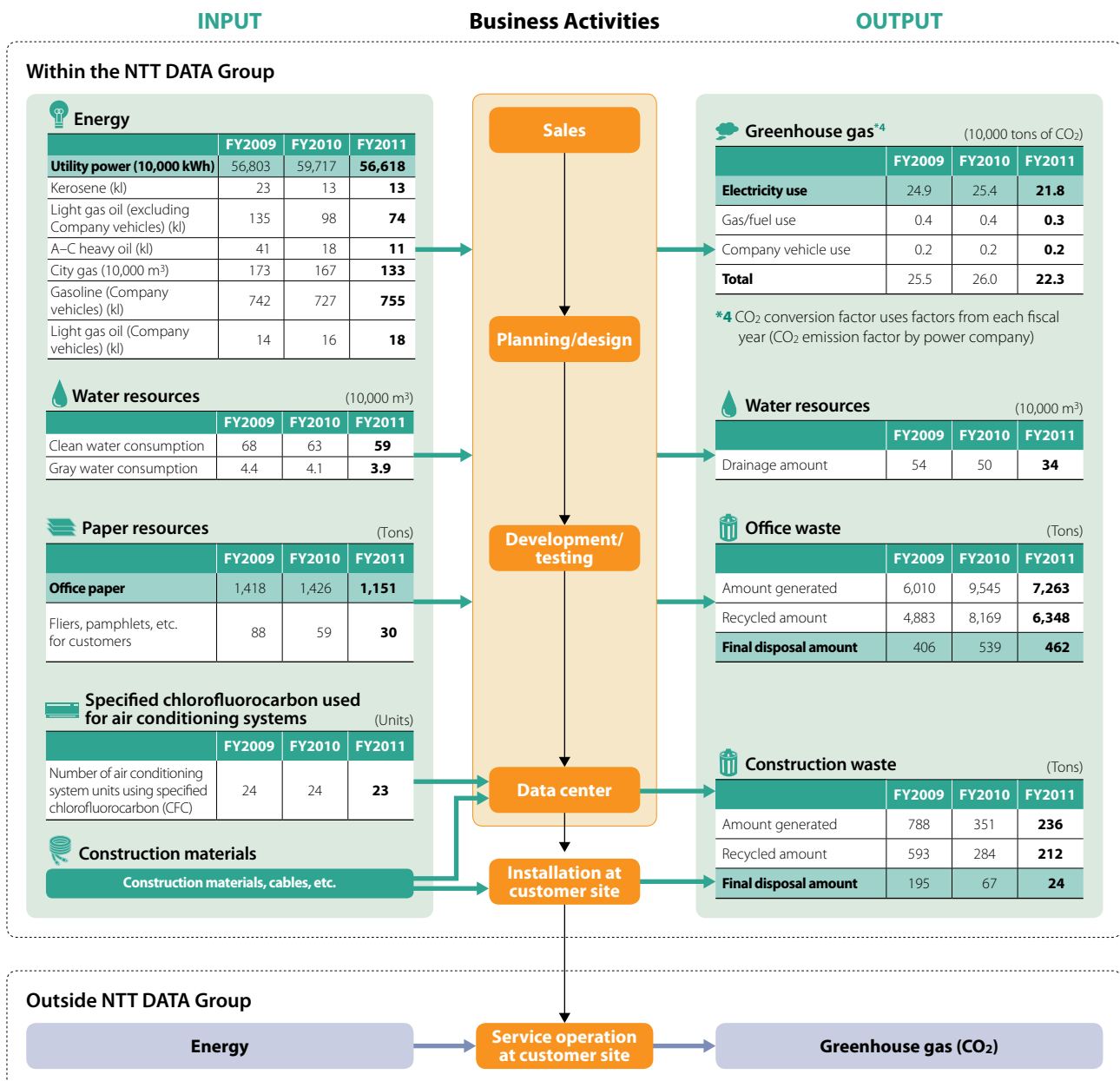• Community Environmental Contribution Initiatives   • Environmental Accounting

The NTT DATA Group's Environmental Impact

Monitoring and Analyzing Environmental Impact by Looking at the Activities of the Entire Group

The environmental impact posed by the NTT DATA Group's business activities primarily arises from the emission of greenhouse gases resulting from the consumption of energy, mainly as electric power.

However, there are many other factors that affect 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 strives to correctly ascertain and analyze the environmental impact of its business activities and to utilize these results in various improvement activities.

Environmental Impact Overview

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

Within the NTT DATA Group

Energy

	FY2009	FY2010	FY2011
Utility power (10,000 kWh)	56,803	59,717	56,618
Kerosene (kl)	23	13	13
Light gas oil (excluding Company vehicles) (kl)	135	98	74
A–C heavy oil (kl)	41	18	11
City gas (10,000 m³)	173	167	133
Gasoline (Company vehicles) (kl)	742	727	755
Light gas oil (Company vehicles) (kl)	14	16	18

Water resources (10,000 m³)

	FY2009	FY2010	FY2011
Clean water consumption	68	63	59
Gray water consumption	4.4	4.1	3.9

Paper resources (Tons)

	FY2009	FY2010	FY2011
Office paper	1,418	1,426	1,151
Fliers, pamphlets, etc. for customers	88	59	30

Specified chlorofluorocarbon used for air conditioning systems (Units)

	FY2009	FY2010	FY2011
Number of air conditioning system units using specified chlorofluorocarbon (CFC)	24	24	23

Construction materials

Construction materials, cables, etc.

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

Greenhouse gas[4] (10,000 tons of CO_2)

	FY2009	FY2010	FY2011
Electricity use	24.9	25.4	21.8
Gas/fuel use	0.4	0.4	0.3
Company vehicle use	0.2	0.2	0.2
Total	25.5	26.0	22.3

[4] CO_2 conversion factor uses factors from each fiscal year (CO_2 emission factor by power company)

Water resources (10,000 m³)

	FY2009	FY2010	FY2011
Drainage amount	54	50	34

Office waste (Tons)

	FY2009	FY2010	FY2011
Amount generated	6,010	9,545	7,263
Recycled amount	4,883	8,169	6,348
Final disposal amount	406	539	462

Construction waste (Tons)

	FY2009	FY2010	FY2011
Amount generated	788	351	236
Recycled amount	593	284	212
Final disposal amount	195	67	24

Outside NTT DATA Group

Energy → Service operation at customer site → Greenhouse gas (CO_2)

Scope of Environmental Impact Measurement
Measurement period: From April 1 to March 31 of the following year
Measurement organization: Fiscal 2009 NTT DATA (all organizations), 78 Group companies (domestic only) / Fiscal 2010 NTT DATA (all organizations), 65 Group companies (domestic only) / Fiscal 2011 NTT DATA (all organizations), 61 Group companies (domestic only)

Additional Topics on Website

• Environmental Impact Data of the NTT DATA Group in Fiscal 2011   • Office Waste of NTT DATA Group in Fiscal 2011

The Greening of Customers and Society

IT solutions are expected to contribute to the creation of smart grids and smart communities. This should facilitate the greening of customers and society as a whole by making more things electronic and reducing the need to transport people and goods.

Environmentally Responsible System Development

Measuring the Effects of System Introduction

In June 2010, the Green IT Promotion Council[*1] forecast that Japan would achieve energy savings by IT equipment of between 21.4 and 42.8 million tons of CO_2 per year by 2020, and that energy savings through IT application would amount to between 68 and 137 million tons of CO_2 per year.

The NTT DATA Group has employed an environmental assessment system since 2006. We use this system to evaluate and measure the quantitative impact of environmental impact reductions.

In fiscal 2011, we worked toward our fiscal 2013 target of reducing CO_2 emissions by customers and other members of society by 1.5 million tons on an annual basis. These efforts focused primarily on promoting quantitative assessments of the environmental impact reduction from introducing and using systems in the public and financial sectors.

Examples of IT System Environmental Impact Assessments

ANSER, an Automation Service for Financial Operations

ANSER is a service that can be used to conduct financial transactions that were previously handled at financial institution counters and ATMs via PC, at companies, homes and other non-bank locations. Using our environmental assessment system to determine the resulting reduction in CO_2 emissions, we determined that in fiscal 2010 this system resulted in an annual savings of 65,000 tons of CO_2 (91%), compared with fiscal 2000 levels.

CO_2 Reduction Effect of Introducing ANSER

(Thousands of tons of CO_2 per year)

CO_2 reduction rate: **91%**
CO_2 reduction: **65 thousand tons/year**

Fiscal 2000 — Movement of people / Human labor / Use of paper / ICT equipment / Communication circuits / ANSER center

Fiscal 2010 — ICT equipment / System development / Communication circuits / ANSER center
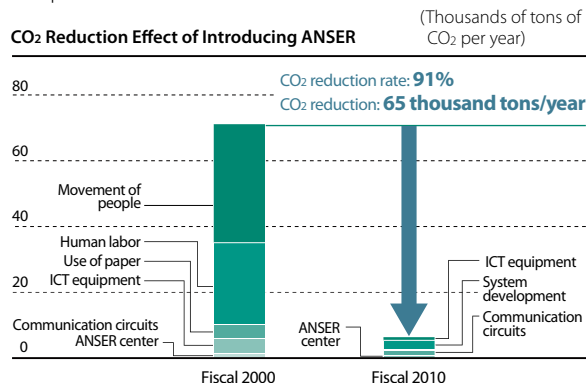
We will continue to conduct in-house training on assessing the environmental impact of systems as part of our efforts to promote environmentally responsible system development.

[*1] **Green IT Promotion Council:** An organization set up by the Ministry of Economy, Trade and Industry as part of its Green IT Initiative to realize a society that balances environmental protection and economic growth.

Providing Environmental Solutions

Providing IT Solutions that Reduce the Environmental Impact of Our Customers and Society as a Whole

In addition to providing solutions and services that respond to customers' environmental needs, we help to build the IT infrastructures that form the basis for smart grids and smart communities.

We plan to reinforce our environmental solutions business via the Smart Business Promotion Office, which commenced operations in February 2011.

■ Improving the Infrastructure for Charging Electric Vehicles

As one aspect of its efforts to realize smart communities, NTT DATA builds infrastructures for charging electric vehicles (EVs).

In April 2010, we began providing a service that certifies EV charging stations. By creating a network of charging stations, this service handles such central functions as authentication, settlement and remote maintenance, as well as providing the cloud functionality needed for EV chargers. In January 2011, we also began providing this service for a housing complex.

In March 2011, seven companies in the NTT Group began conducting field trials on EV car sharing. In these trials, chargers with a user authentication system were set up at NTT Group company sites to determine the business feasibility of an EV car sharing service between NTT Group companies and accumulate expertise related to EVs and introducing peripheral infrastructures. Trials are scheduled to last two years, through March 2013.

To expand the EV usage environment, we will work to increase charging stations and link charging infrastructure services and car-sharing services.

EV charging infrastructure for a housing complex
Source: Daiwa House Industry Co., Ltd.

■ Providing Green Data Center Services

In line with the growing use of IT in recent years, the energy consumed by server operation and the cooling of high-volume heat-generating equipment at data centers has risen sharply. As one of the largest data center operators by floor space in Japan, NTT DATA is promoting energy conservation at data centers by combining its IT and facility-related technologies. In January 2008, we began providing Green Data Center services to reduce customers' environmental impact and improve IT efficacy.

In a further aim to conserve energy at data centers, we conducted testing on a high-voltage direct current power supply system from January 29 through October 30, 2009. Compared with conventional AC systems, the new configuration realized aggregate power savings from power sources, air-conditioning systems and IT equipment of approximately 18%. We have also deployed throughout the NTT Group a high-voltage direct current power supply system, which we aim to commercialize.

New metrics for data center efficiency as an alternative to PUE[*2] also are currently under discussion. The Green IT Promotion Council, in which NTT DATA is participating as head of the Data Center Survey & Evaluation Committee Sub Working Group, involves meetings with members from Japan, Europe and the United States. The council has proposed Datacenter Performance Per Energy (DPPE) as a new metric, and is promoting its adoption as a global standard.

Green IT Promotion Council meetings for members from Japan, Europe and the United States

[*2] **Power Usage Effectiveness:** A figure obtained by dividing the total amount of power consumed at data centers by the amount of power consumed by servers and other IT equipment at data centers.

■ Providing the BizXaaS Cloud Service

Demand has risen in recent years for cloud computing services, which employ data centers and are provided to customers on an as-needed basis. Cloud computing has the advantage of being available when needed, using only the amount of resources necessary to perform the task at hand. As such, it optimizes the use of server equipment and facilities, thereby conserving energy.

NTT DATA began providing the cloud service BizXaaS in April 2010 to help reduce the environmental impact of customers' systems. CO_2 emissions of systems using BizXaaS are expected to be substantially lower than previous systems, which operated without modification. By also ensuring that servers and other equipment are earthquake-resistant, seismically isolated and installed in disaster-proof data centers, this service can be provided to conserve energy in a safe and secure environment.

NTT DATA will continue working to reduce society's environmental impact through cloud-based solutions.

Additional Topics on Website

- Working to Acquire Solution Environmental Labels
- Making PC Power Consumption "Visible"
- Systems that Support Emissions Trading
- Development of a System to Confirm the Achievement of Targets
- Developing the Offsetting Credit Scheme
- Carbon Offset Products Project
- Swiftly Turning Environmental Generation Technologies into Reality

TOPICS

Hardware/Software Integration Server Lindacloud Wins Grand Prize at ITpro EXPO AWARD 2010 for Low Power Consumption and Heat Emission

NTT DATA has developed Lindacloud in response to customer requests for a way of reducing escalating costs while boosting deployment speeds. The system includes NTT DATA's proprietarily developed environmentally friendly hardware that conserves power and reduces heat emissions, as well as preinstalled software. To meet demand engendered by cloud computing, we commenced sales of four products that employ Hadoop[*3], which excels at processing large volumes of data. One of these is Lindacloud for Hadoop, which reduces construction lead times and is ready to use upon installation. As the system is efficient in its energy use and generation of waste heat, cooling costs are reduced, greatly lowering electrical power costs. The system's environmentally friendly design suits it for use in offices without specialized power supplies or air conditioning equipment. This helps lower location-related expenses.

Evincing the superiority of these offerings, in October 2010 the system won a grand prize in the ITpro EXPO AWARD 2010, sponsored by Nikkei BP.

[*3] **Hadoop:** Open-source platform configuration software to allow distributed processing of large data volumes on multiple computers.

Grand prize won for Lindacloud at ITpro EXPO AWARD 2010

The Greening of Our Group

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

Working to Make Power Consumption in Offices "Visible"

NTT DATA deployed EneMotta at its primary office buildings (Toyosu Center Building Annex and A, RE, A SHINAGAWA Building) in April 2010. Part of our energy conservation awareness activities, this system uses the Company intranet to track power consumption and the hours of overtime air conditioning, making it "visible" to employees throughout the Group.

EneMotta accumulates information for each floor and in-house organization, tracking the amount of energy used in office buildings at power outlets and by lights, air conditioners and the like and displays it graphically. We have set targets for a variety of data, including consumption compared with the amount of power used previously and cumulative power use current to the previous day.

Installed in our head office building (Toyosu Center Building) in April 2011, we made full use of the system to monitor power use in line with this summer's power-saving measures.
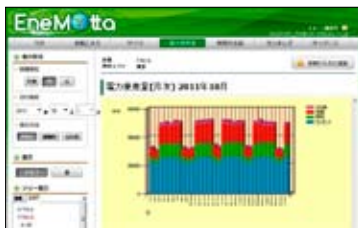
Example of power usage analyzed using EneMotta

Reusing/Recycling Used OA Equipment

In the past, NTT DATA disposed of end-of-life OA equipment, but in October 2010 we introduced a system for reusing/recycling this equipment, turning it into a valuable resource. NTT DATA DAICHI was put in charge of collecting used OA equipment and storing it until a certain amount had been accumulated, thereby reducing the number of trips required for collection. As a result, as of March 31, 2011, we had reused/recycled some 1,000 pieces of OA equipment.

At present, these activities are focused on NTT DATA's operations in the Toyosu area, but we plan to expand their scope to include other buildings and Group companies.

Additional Topics on Website

- Installing Solar Cells and Effectively Utilizing Exhaust Heat from IT Equipment
- Next-Generation Pilot Office Construction Project
- Recycling Confidential Documents

Environmental Contributions and Communications

To expand our environmental protection activities, we engage in various collaborative ventures with private companies, government bodies and NPOs as well as internal and external awareness activities.

Encouraging Employees to Participate in Various Environmental and Social Contribution Activities

The NTT DATA Group's environmental contribution activities include clean-ups and *satoyama* (urban woodlands) and greenbelt conservation activities. During fiscal 2011, we continued to participate in Tokyo Greenship Action, a campaign collaboratively promoted by the Tokyo Metropolitan Government, NPOs and private companies. In addition to thinning undergrowth and planting rice, activities include office building surroundings and community clean-up efforts, and an event for conducting surveys of exotic waterside species in cooperation with the Nature Conservation Society of Japan. A total of 1,244 employees and their families participated in these activities. The survey, which was held for the three months from June to September 2010 at 10 locations around Japan provided a good opportunity for participation, giving employees and family members a first-hand view of the impact nearby exotic waterside species can have.

We are working to increase employee and family member participation in environmental and social contribution activities. This will help to raise environmental awareness and contribute to environmental preservation.

Using a loupe to view and mark the location of waterside species

Recording species information that participants gathered on Wildlife Information Center, a public-participation website

Additional Topics on Website

- Surveys of Exotic Waterside Species
- Tokyo Greenship Action   • Environmental Contribution Activities at Group Companies
- Environmental Communications

Global Report

In Asia

Vertex Software Pvt. Ltd. (India)

Clean-up Activities Helping Beautify the Community and Preserve the Landscape

As part of its efforts to preserve the local environment, in February 2011 Vertex Software Pvt. Ltd. initiated Vertex "Go Green," a cleanup program in the Indian city of Pune. The program involves employee participants gathering PET bottles and plastic bags as they go about their morning walks and exercises. This arrangement helps promote employee health, while at the same time beautifying their surroundings. Currently, some 140 employees—30% of the workforce—are taking part.

Vertex Software is also encouraging employees to take the office stairs rather than use the elevator, share rides when commuting to work and actively promoting other efforts to conserve energy. The company is also considering tree-planting and other new initiatives as part of its "Go Green" program.

"Go Green" program participants

In Europe

Cirquent GmbH (Germany)

Developing Charging Stations for Electric Vehicles

In 2010, Cirquent GmbH began working with a number of IT companies on a project in Australia to develop charging stations for electric vehicles (EVs) that are highly cost-efficient and very safe.

Named BALLADE, the project covers a range spanning charging equipment and other hardware to the software used in communications, control, operational management and fee collection. The project is now undergoing testing involving the infrastructure to charge EV batteries. As a system development vendor, Cirquent is in charge of infrastructure design, CRM consulting and system development.

EV charging station

In the Americas

Keane, Inc. (United States)

Helping to Create a Database on Building Energy Consumption

The Swiss Federal Office of Energy conducts energy certifications of buildings. This involves creating and providing public access to a database (catalog) that sorts buildings by the amount of energy they consume. These energy consumption figures can be used as a reference by people wanting to acquire or lease real estate.

Keane, Inc., aided in the creation of this database by developing sophisticated web-based applications and inputting such real estate information as type of structure, window and roof construction, and equipment into a database. More than 1,000 energy certification specialists are now using this database to evaluate buildings. So far, they have made public energy certifications issued on 21,500 buildings.

The company recently received an award at the Computerworld Honors Program 2010 (sponsored by IDG) in Washington, D.C., for this certification structure, evincing the high worldwide regard it has earned.

A building's energy consumption being evaluated, based on type of building, materials, equipment and other data

CSR Infrastructure

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

Corporate Governance

Corporate Governance Structure

Seeking to Improve Our Management Quality Based on Our Governance Structure for Oversight, Auditing and Business Execution

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

The Board of Directors meets monthly, holds extraordinary meetings as necessary, and is responsible for decision-making and supervision regarding legal and important management matters. We have also appointed executive officers, whose key role is business execution. By delegating significant executive authority to executive officers, NTT DATA aims to speed the decision-making process.

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

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

Related Website **Corporate Governance Reports** (Japanese only)
http://www.nttdata.co.jp/corporate/ir/library/ga/index.html

Enhancing Our Internal Control System to Ensure Fair and Transparent Operations

The Internal Audit Department was established to conduct audits independently from business execution sectors.

During fiscal 2011, the department audited 21 in-house organizations and 32 Group companies, including overseas companies, mainly from the perspectives of compliance and information security. Further, to strengthen groupwide internal audits, all 97 Group companies in Japan and overseas conducted self-inspections according to consistent audit items.

In June 2010, a former employee of our company was arrested and charged on suspicion of bribery. We are strengthening our internal audits so as to prevent recurrence.

Additionally, in our aim to promote employee understanding of the importance and NTT DATA Group policies and philosophy of internal controls, in November 2010 we provided an e-learning program on internal controls relating to financial reporting.

Going forward, we will continue in our efforts to reinforce internal controls across the Group.

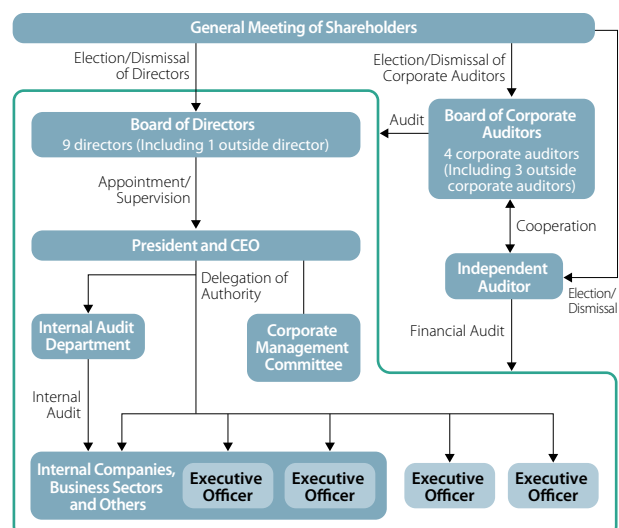### Reinforcing Group Governance through Liaison Department

In such priority categories as business planning, internal control and compliance, 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 formalize consultation, reporting, guidance, requests and other activities related to important matters among each Group company.

Particularly in recent years, alongside the continued diversification and globalization of Group companies, to pursue groupwide optimization we reviewed the Group Management Policy in fiscal 2010, which details the basic philosophy behind Group management. At the same time, we revised the Group Management Rules, which clarify policies on matters to be adhered to and decision-making for Group companies in Japan and overseas. We are updating and strengthening our Group governance system on an ongoing basis.

Our Global Business Sector[1] was launched in July 2011 for the purpose of unifying our growing overseas operations and establishing an efficient management system.

[1] **Global Business Sector:** By reorganizing the Global IT Services Company Global Business Sector we newly established the Global Business Sector, which operates laterally across internal companies. The new Global Business Sector operates from a macro-perspective that goes beyond individual departments and areas in handling matters such as global strategy formulation, the strengthening of governance at overseas Group companies, and the firming up of area control functions.

Corporate Governance Structure (as of June 24, 2011)

Corporate Governance Structure diagram:
- General Meeting of Shareholders
- Election/Dismissal of Directors
- Election/Dismissal of Corporate Auditors
- Board of Directors: 9 directors (Including 1 outside director)
- Board of Corporate Auditors: 4 corporate auditors (Including 3 outside corporate auditors)
- Audit
- Appointment/Supervision
- Cooperation
- President and CEO
- Independent Auditor
- Delegation of Authority
- Election/Dismissal
- Internal Audit Department
- Corporate Management Committee
- Financial Audit
- Internal Audit
- Internal Companies, Business Sectors and Others
- Executive Officer / Executive Officer / Executive Officer / Executive Officer

Compliance

Stronger Compliance Centered on the NTT DATA Group Code of Ethics

NTT DATA established the NTT DATA Group Code of Ethics in 1998 as the foundation of our approach to corporate ethics. We strive for the thorough awareness of and adherence the Code of Ethics by everyone throughout the Group.

Nonetheless, in June 2010 a former NTT DATA employee was arrested and charged on suspicion of bribery. This demonstrated to us that our efforts to achieve awareness of and adherence to corporate ethics may not have been sufficient, leading us to revise our compliance training in an effort to improve awareness among our employees. We have also composed English and Chinese editions of our NTT DATA Group Code of Ethics for distribution to our overseas Group companies.

These efforts were reported on and discussed at the April 2011 meeting of the Corporate Ethics Committee, which is chaired by our Chief Risk Officer. The Committee resolved to continue these efforts, and to conduct regular compliance assessments of all employees so as to verify the degree of adherence to compliance principles among our staff, as well as to improve awareness. We will continue to seek more thorough adherence to corporate ethics and to strengthen legal compliance.

Incidence of Bribery by Former Employee, and Status of Measures to Prevent Recurrence

In June 2010, a former employee of our company was arrested on suspicion of attempting to bribe a former Japan Patent Office official.

Upon learning of the incident, we immediately set up an internal investigation committee headed by the president to confirm facts and launch an internal investigation. Later, an outside experts verification committee was established to objectively verify the findings of the internal investigation committee and its proposed measures to prevent recurrence. Their findings were announced in September, and in addition NTT DATA issued a Declaration of Compliance*2 both within the company and externally. At the same time, we established the Recurrence Prevention Countermeasures Management Committee to engage in early and assured implementation of recurrence prevention measures.

In addition to efforts to expand and strengthen awareness and education concerning compliance and corporate ethics, NTT DATA's recurrence prevention measures include revision of personnel placement and treatment, revision of the procedures for taxi ticket use and entertainment outlays, and efforts to reinforce our internal auditing. We incorporated these measures in our work processes. In addition to continuing to pursue efforts to prevent recurrence, the Corporate Ethics Committee plans to confirm the status of incorporation of these measures.

*2 For more information about the Declaration of Compliance, please refer to the CSR Report 2011 website.

Main Recurrence Prevention Measures

Recurrence Prevention Measures	Details
Thorough compliance education	• Conduct group training for all management-level personnel for thorough corporate ethics awareness (October 2010–May 2011) • Conduct e-learning for all employees using educational materials replete with examples for review (September–October 2010); revise the NTT DATA Group Ethics Guide and distribute to all personnel (March–May 2011) • Compliance assessments of all employees to improve awareness (September–October 2010)
Revision of personnel placement and treatment	• Establish planned personnel rotations to eliminate the harmful effects of long-term placement (–June 2011) • Make the details and severity of the penalties in this case well known and make the severity of disciplinary punishment for bribery "visible" (September 2010)
Revision of procedures for taxi ticket use and entertainment outlays	**Taxi tickets** • Limit use of these to customers, and eliminate their use by employees (prevent improper diversion of taxi tickets) (April 2011–) • Thoroughly prevent fraudulent taxi use by employees and create an objective evidence trail concerning actual taxi use [switch to payments using the corporate credit card, introduce a system to make application procedures for taxi use paperless (April 2011–), taxi dispatch via call center (October 2010–)] • Revise in-house rules concerning taxi use by customers, improve controls (October 2010) **Entertainment outlays** • Thoroughly implement prior approval system (submission for approval), make voluntary refraining from "after-parties" well-understood (October 2010–) • Pay through corporate credit card only; proper confirmation after the fact (October 2010–) • Improve digital approval system to prevent as-yet undefined proposals (October 2010–January 2011) • Implement examination by persons other than those involved so as to provide third-party checks (October 2010–)
Reinforce internal auditing	• Addition of self-checking items in accordance with the actual status of taxi ticket use and entertainment outlays (October 2010) • Augment internal audits to enable the spotting of fraudulent manipulation (October 2010) • Complete the internal audits planned for five organizations in fiscal 2012 in fiscal 2011 (February–March 2011)

CSR Infrastructure

Early Detection and Correction through a "Whistleblower Line"

We inaugurated a "Whistleblower Line" in 2003 to prevent 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.

In the running of this service, we stipulate protection of privacy, prohibitions against unfair treatment and confidentiality. Moreover, survey results and corrective actions are reported to the corporate auditors, the Executive Committee and other authorities and are used to increase soundness of business management. We also provide instructions on our intranet about using the Whistleblower Line, in addition to disclosing the number of reports filed, use trends over the years, and other information, with the goal of promoting its use. We analyze trends in reporting and consultation and work to develop recurrence prevention efforts across each organization and Group company.

We will actively engage in PR for this system and strengthen efforts toward making improvements regarding similar matters.

Thorough Compliance Training for Employees in Each Organization and Each Group Company

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

Our fiscal 2011 efforts to prevent recurrence of the bribery incident instigated by our former employee included the launch in October 2010 of a group study program for all management-level employees designed to instill thorough understanding of corporate ethics. We also conduct e-learning programs concerning corporate ethics for all employees, and in addition conduct compliance assessments to confirm ethics awareness. We also revised the Ethics Guide, providing concrete examples of each of the items in the NTT DATA Group Code of Ethics, and distributed it to all Group employees.

We will continuously develop the management-level employee training and compliance assessments in the Group companies as well, so as to provide thorough training.

Risk Management

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 and established the Risk Management Division. Risk management promotion officers also were appointed to each division and Group company to enable divisions to respond proactively and independently to various risks.

Risk Management Structure

Principal division managers and risk management promotion officers are in charge of risk management activities, including the oversight of systems and procedures within their scope of activity, and continuously monitor and supervise the implementation status of risk management. Matters of particular importance are monitored and supervised by committees established to manage specific issues. The Group endeavors to enhance risk management through regular reporting to the Board of Directors and Executive Committee and feedback to management.

We will persevere in our efforts to construct a global risk management system in line with our global governance system.
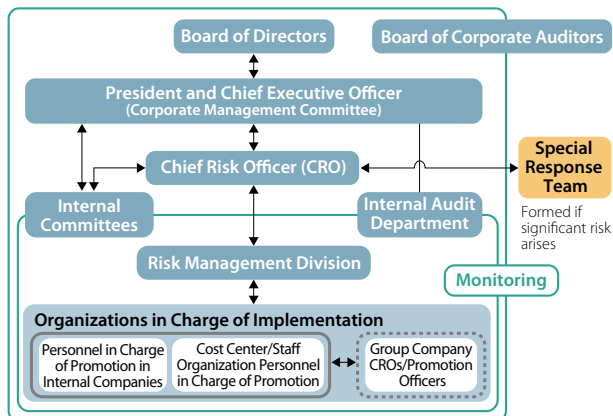
Countering Various Major Risks

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 2011, our efforts to mitigate risks associated with disaster in particular included analyzing the status of the new strains of influenza (less virulent) that emerged during the previous year, and strengthening measures to prevent the transmission and spread of virulent influenza strains. We are also engaging the electrical power supply problems caused by the Great East Japan Earthquake as a new issue. The NTT DATA Group (including overseas companies) will engage the establishment of a BCP as a medium- to long-term issue.

Major Risks and Initiatives

Major Risks		Major Initiatives
System Project Risks	System Failure Risk	• Prevention: Improve system quality by 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 please refer to the web report, "Building Systems that Are Safe and Secure (Disaster and System Failure Countermeasures)."
	System Building Risk	• Project planning decisions and quality, progress and cost managements 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 PMO[1] at the headquarters or each internal company 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.

Disaster Risks		• Business Continuity Management Promotion
		  • While formulating measures to prevent the infection and spread of infectious diseases such as new strains of influenza, establish business continuity plans (BCPs) to ensure the availability of personnel handling high-priority operations to maintain the functioning of core operations required by society.
		  • As a provider of social infrastructure, have procedures and systems in place to ensure quick recovery of systems and resumption of services in the event that an earthquake or other major disaster affects the Tokyo metropolitan area. To improve the NTT DATA Group's business continuity capabilities, create disaster response manuals and ensure that business continuity planning incorporates corporate infrastructure. Include issues which became apparent in the Great East Japan Earthquake and response measures to reflect them successively in manuals and the BCP.

Legal Management Risks		• The General Affairs Division is to employ measures to enhance the Code of Ethics and strengthen legal compliance.

[1] **Project Management Office:** We have established PMOs at NTT DATA's headquarters, each internal company and 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

NTT DATA Group Unified Security Policy

Ensuring that Information is Shared Safely and Smoothly through Consistent Information Management in Accordance with Common Rules

In December 1998, NTT DATA formulated an Information Security Policy, to ensure consistent and appropriate handling of information assets. We have also set up specific procedures to implement this policy. In April 2008, we formulated the NTT DATA Group Security Policy (GSP), compiling common rules. 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 as necessary following the full enactment of the Privacy Protection Act in April 2005 and taking into account regulatory revisions and changes in privacy certification standards.

Information Security Management Structure

Strengthening Information Security Incident Response Measures

In 1999, NTT DATA established the Information Security Committee, which meets four times annually to ascertain the status of activities and issues and to determine remedial measures. Resolutions of the committee are deployed under the IT Security Strategy Office by people throughout the Group who are dedicated to promoting information security. (These

people numbered 760 as of April 30, 2011).

In fiscal 2011, NTT DATA launched NTTDATA-CERT as a unified response to the information security incidents[2] that have become problematic in recent years. We also joined the Nippon CSIRT Association, a consortium of private companies and governmental organizations, in March 2011. NTT DATA also became a member of FIRST[3] in April 2011, so as to create international ties.

In fiscal 2011, NTT DATA was involved in no serious accidents involving information security.

[2] **Information security incidents:** Threats related to information controls and systems operations, such as viruses, unauthorized access, and leaks.
[3] **FIRST:** Forum of Incident Response and Security Teams. FIRST is a global community composed of around 250 CSIRT (see page 19) from governmental organizations, academic institutions, and companies.

Information Security Management Structure
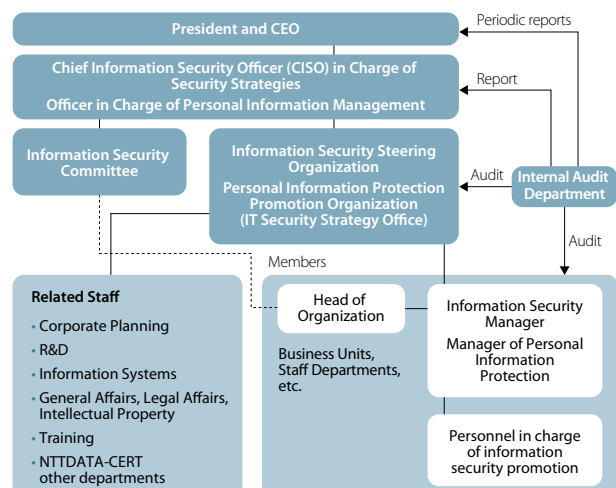
CSR Infrastructure

Proposing and Introducing Strategies to Lower Information Security Risks

NTT DATA develops information security strategies according to the following themes: 1) Promote information security throughout the Group in response to globalization; 2) Ensure that basic accident-prevention procedures are followed and create response measures; 3) Strengthen personal data protection measures.

■ Promote Information Security throughout the Group in Response to Globalization

To promote information security management throughout the Group, when promoting PDCA cycles we maintain an awareness of both the groupwide PDCA cycle and PDCA cycles for individual Group companies.

One part of the loop, which describes the PDCA cycle for the entire Group, centers on the NTT DATA IT Security Strategy Office. This loop involves monitoring the configuration status of Group companies' information security management systems, as well as the implementation status of their educational measures and internal audits, as well as providing support. In fiscal 2011 we constructed a groupwide monitoring system, and also established education systems and internal auditing systems.

PDCA cycles of individual Group companies, the other part of the loop, involve cultivating personnel dedicated to promoting information security, Group company personnel and internal audit staff. In fiscal 2011 we added 58 internal auditors from 23 companies.

The NTT DATA IT Security Strategy Office also conducts Group company caravans. In fiscal 2011, the office visited some 13 Group companies, including overseas locations. These visits included eliciting Group companies' problems and issues, as well as considering on-site advice and improvement proposals. We also provide consistent Group company security education in two languages (English and Japanese) through a web interface, so as to bolster the education conducted at individual Group companies. 14,197 employees from 60 companies chose to participate in the educational program in fiscal 2011.

We will focus on strengthening education and operations support at overseas Group companies through measures such as increasing the number of languages in which programs are offered.

Additional Topics on Website

- Our Basic Stance
- Preventing Information Leakage When Outsourcing
- Procedures for Preventing and Responding to Accidents
- Strengthen Personal Data Protection Measures
- Information Security Education and Awareness
- Acquisition of Information Security Management Certification
- Application of Security Technologies
- Disclosure of Information Security Initiatives

Dialog with Shareholders and Investors

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%.

At the same time, we maintain sufficient internal reserves to ensure ongoing stable growth through investment in new business and technological development, capital investment and other uses of funds.

Annual per-Share Dividend

(Yen)

2007	2008	2009	2010	2011
5,000	5,000	6,000	6,000	6,000

(Fiscal year)
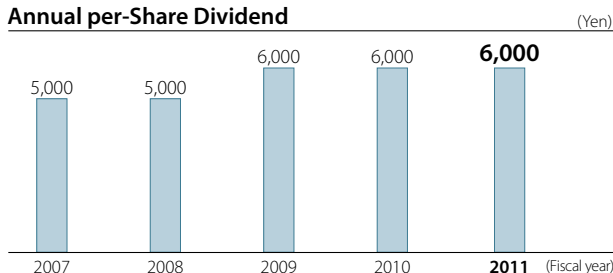
Using Various Opportunities for Dialog to Promote Communication

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 2011, we conducted a survey among all our shareholders from June to July, gathering the opinions of some 5,000 individuals. Nearly half of these shareholders professed to have deepened their understanding of top management policies and strategies through information disseminated via the Company's IR tools. In addition, we take a positive stance in assisting investors and analysts with their coverage, responding to approximately 300 queries during fiscal 2011.

We will step up efforts to expand and improve such IR tools as the Company website in a drive to further develop our interactive IR activities.

Additional Topics on Website

- Basic Position on Information Disclosure
- Distribution of Ownership among Shareholders
- Reinforcing Information Dissemination through IR Tools
- Third-Party Evaluations of Company Initiatives

Third-Party Opinion

Eiichiro Adachi
Head of ESG Research Center
The Japan Research Institute, Limited

Mr. Adachi specializes in sector analysis and valuation of enterprises from the perspectives of environmental management and CSR. He provides corporate information to financial institutions with regard to socially responsible investments. Between March 2005 and May 2009, he served as one of the national experts on the Japanese delegation to the ISO/Social Responsibility Standards (ISO 26000) Working Group.

Junichi Mizuo, Ph.D.
Professor, Faculty of Economics, Surugadai University
Professor, Tokyo Institute of Technology Interdisciplinary
Graduate School of Science and Engineering
Ph. D in Business Administration

Dr. Mizuo holds positions as Vice-Chairman for the Japan Association for Performance Excellence, Standing Director of the Japan Society for Business Ethics Study and Senior Researcher at the Business Ethics Research Center. In 2010, he was a doctoral visiting scholar at the University of London, and he is an honorary former employee of Shiseido Co., Ltd. He has authored several books, including *Gyakkyo Keiei Nanatsu no Housoku* (Seven Management Principles for Times of Adversity, Asahi Shinsho) and *CSR de Keieiryoku wo Takameru* (How CSR can Improve Business Performance, Toyo Keizai).

Compared with the previous CSR report, I believe the NTT DATA Group has expanded its initiatives under the three key themes of the economy, society and environmental protection. I could easily and clearly understand material CSR challenges targeting society and regional communities, and people and the global environment. Also, I like the way that in-house voices are aired in individual sections and that several examples are provided of activities demonstrating the globalization of the Company's business activities.

At the same time, however, I believe that there is still room to review operations and management from the perspective of social challenges. Reporting categories are delineated into the viewpoints of "importance to the NTT DATA Group" and "importance to society," but more effort could go into a self-evaluation of how NTT DATA's businesses contribute to the resolution of issues that society faces. I also anticipate a more proactive mention of initiatives responding stakeholders' expectations. In the sections on "Paradigms for Society and Regional Communities" and "The Greening of Customers and Society," I would propose expanding the content that reports on results and what remains to be done.

IT is clearly essential to our society and our lives. However, precisely because this goes without saying, you should deliberately confirm how IT helps to erase society's inconveniences, as well as to increase sensitivity to the inconveniences that remain. NTT DATA's vision of itself as a "company that uses information technology to change society" implies that IT is the means rather than the end. That being the case, you need to specifically describe the clear images of society that you consider ideal.

Reading between the lines, the reader may glimpse these images through the stories about cities that are strong in the face of disaster, medical services of consistently high quality, and regionally distributed energy system. In the future, I would more like to see NTT DATA clarify through dialog with stakeholders what is meant by a "more affluent and harmonious society," make this a central part of your CSR activities and express a clear-cut message explaining these activities.

In this third-party opinion, I have made comments about the NTT DATA Group's social and environmental activities and the disclosure of related information based on my understanding. These comments do not express a determination as to whether or not this report has been prepared according to generally accepted standards for creating environmental and other such reports, nor that the measurements involved are accurate and the computations correct, nor that all important matters are presented without omission.

My third-party opinion comes from experience in refining CSR theory in academic settings, practicing it in a corporate environment, and striving to integrate these perspectives to benefit society.

• Praise: Poised as "the Global IT Innovator," the Company has indicated the principles of proactive and reactive CSR.

This report describes the leading role that the Company is taking in providing paradigms for contributing to change through IT in an aim to resolve issues faced by people, society and the environment from a global perspective.

For example, the establishment of the Global Business Sector and the Global Shared Services Center, as well as Global One Team initiatives, describe "proactive CSR," showing exactly how "One NTT DATA" aspires to be Global IT Innovator.

Turning to Japan, the establishment of the Recovery Support Headquarters following the Great East Japan Earthquake and the provision of infrastructure support and ICT systems show how the Company is pursuing CSR through its core business. At the same time, NTT DATA's information security initiatives are part of a CSR promotion platform of providing safety and security. I see this as "reactive CSR," and believe it shows the Company putting a core competence into practice.

• Suggestion: I would like to see a medium- to long-term roadmap, drawn up from an employee's perspective, indicating how to realize the Company's CSR Messages.

NTT DATA formulated its CSR Messages in April 2010. I would also like to see the Company's medium- to long-term "CSR dreams," including a roadmap for employees showing activities for realizing these dreams. The keys to this approach would be to clearly reflect the four points raised in the employee questionnaire of "thorough compliance," "creating a comfortable working environment," "efforts to boost customer satisfaction" and "contributing to the resolution of social issues through our core business."

Specifically, through organizational developments such as group education and training sessions for employees, offsite meetings at the workplace level and workplace discussions, it should be possible to create a roadmap that incorporates opinions gathered through discussion on these four themes. I would like to see the realization of the CSR Messages through stakeholder participation, emphasizing an "employee's viewpoint and society's perspective."

Response to Third-Party Opinion

Based on the comments we received in response to last year's CSR report, in this year's report we focused on reporting along the lines of the Material CSR Challenges we formulated in April 2010 and sought to create an easy-to-understand report. With regard to this report, Mr. Adachi suggests a self-evaluation of how NTT DATA's businesses contribute to the resolution of issues that society faces and indicates the need for a more proactive mention of initiatives from the standpoint of stakeholders' expectations, as well as for specific dialog with stakeholders on the Company's ideal for itself. Mr. Mizuo, meanwhile, recommends that we provide a roadmap to describe initiatives for realizing our CSR Messages over the medium to long term, and comments on the importance of employee participation.

Taking these opinions to heart, we will enhance our dialog with stakeholders both within and outside the Company as we pursue initiatives designed to realize NTT DATA's CSR Messages.

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Universal Design Considerations

COLOR UNIVERSAL DESIGN

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

Eco ICT Mark

This logo, a symbol of the ICT Ecology Guideline Council, indicates that a telecommunications carrier has adopted appropriate CO_2 reduction measures. Companies may use the Eco ICT Mark if they evaluate their own efforts to reduce CO_2 emissions according to a checklist and publicize their efforts.
NTT DATA participates in Eco ICT Mark activities.

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NTT DATA Group environmental logo
"Thank you for your kindness"

CSR in the NTT DATA Group 【Additional Topics】

> ## Code of Ethics - NTT DATA Group

Trust by customers, shareholders, suppliers, the society and others is indispensable for a company to continuously grow.　A company can be trusted upon by recognizing own social responsibility, meeting expectations of customers and other stakeholders through communications with them and enhancing their satisfaction.

The NTT DATA Group is a company group that is socially committed to create new "mechanisms" and "values" using the information technology and to realize a more affluent and harmonious society.　For global environmental matters especially, we as NTT DATA Group will undertake activities to reduce the environmental load by utilizing the Information technology and contribute to resolving issues that the Earth and our society are facing. It is in this recognition that we at the NTT DATA Group believe that it is the principle for companies to gain trust by our society through the compliance with laws, regulations and contracts within and beyond the confines of the country, respect international norms including human rights, and pursue actions, based on a social good sense and fair and transparent business activities.

Based on the foregoing belief, the NTT DATA Group will do its utmost to act in accordance with the "Basic Stance on Business Ethics" to be a trustworthy company group.

Basic Stance on Business Ethics

The NTT DATA Group will:

In principle	Aim at becoming a trustworthy company group.	**To politics and administration**	Maintain a sound relationship.
To customers	Provide high-quality services.	**To society**	Fulfill its duties as a good corporate citizen.
To shareholders	Undertake transparent company management.	**To environment**	Undertake greening activities for customer and society through the information technology.
To competitors	Wage a fair and free competition.	**To employees and co-worker**	Respect personality and individuality of each person
To suppliers	Deal on an equal footing.		

Code of Conduct for Officers and Employees

Fully understanding the "Basic Stance on Business Ethics," the officers and employees shall act as follows to fully embody it. The officers shall take the initiative and set a good example and shall strive to build up a high level of an ethical view among the employees.
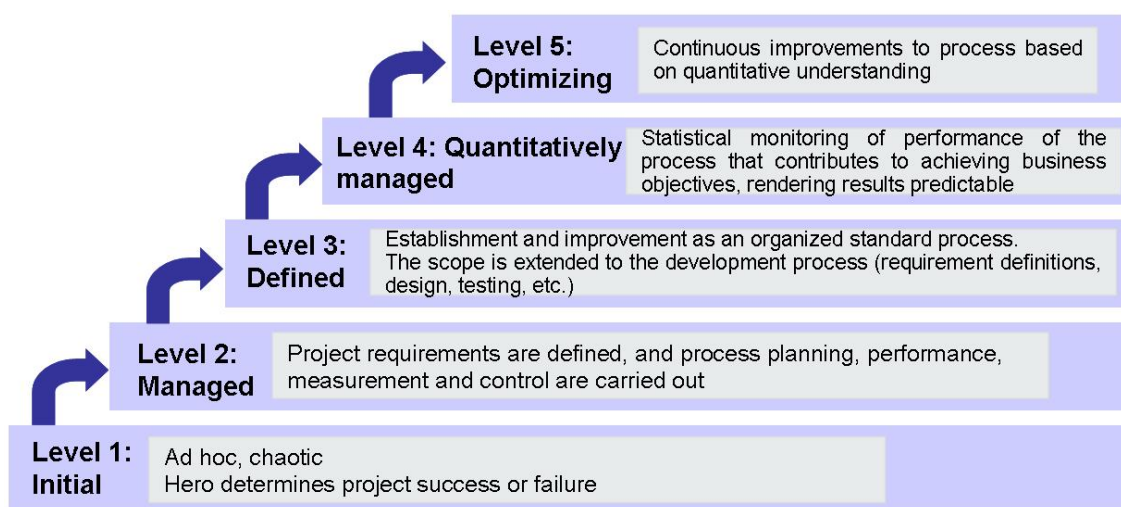
1 Principle	■ Will realize an affluent social life through the development and delivery of information systems and services. ■ Will observe laws, regulations and contracts and will act in accordance with a social good sense. ■ Will undertake fair and transparent business activities fully realizing social responsibilities of the Company by self.
2 To customers	■ 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.
3 To shareholders	■ Will undertake sound company management and will strive to increase returns to shareholders. ■ Will provide management information appropriately and timely.
4 To competitors	■ Will not act in impediment of market competition such as damaging credit, unfair dumping and collusion.
5 To suppliers	■ Will act sincerely without abusing superior positions.
6 To politics and administration	■ Will not depend on them and will exercise moderation.
7 To society	■ 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.
8 To environment	■. Will promote system solutions to the society and contribute for the reduction of environmental load ■ Will undertake activities to reduce the environmental load caused by business activities t. ■ Will enhance the awareness for biodiversity conservation and undertake activities to protect the natural environment. ■ Will observe laws, regulations and codes related to the environment
9 To employees and co-worker	■ 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.
10 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.

Building Systems that Are Safe and Secure

Activities to Improve Quality

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

*1 CMMI : The following chart is supplement to the explanatory note of CMMI on p19

Level 5: Optimizing — Continuous improvements to process based on quantitative understanding

Level 4: Quantitatively managed — Statistical monitoring of performance of the process that contributes to achieving business objectives, rendering results predictable

Level 3: Defined — Establishment and improvement as an organized standard process. The scope is extended to the development process (requirement definitions, design, testing, etc.)

Level 2: Managed — Project requirements are defined, and process planning, performance, measurement and control are carried out

Level 1: Initial — Ad hoc, chaotic. Hero determines project success or failure

Setting up a specialized organization to enhance our project management and testing services

NTT DATA aims to raise the quality and efficiency of its system development by enhancing and standardizing its project management and verification processes.

As part of this process, in July 2010 we established the Project Management Innovation Center as a specialized organization to pursue research and development involving more advanced project management methods.

In December 2010, we set up another specialized organization, the Proactive Testing Center of Excellence (COE), to conduct research and development on testing processes in order to provide the Group with advanced testing services.

■ Project Management Innovation Center (PMI Center)

In addition to formulating new development and management processes to meet difficult short-term delivery requests, the PMI Center's objectives are to create advanced technical methods and environments that will facilitate the early detection of risks and prevent them from escalating into problems, as well as to standards development and management processes in the global environment.

Currently, the center is drawing up standard companywide procedures, such as TERASOLUNA[*]. Going forward, it will work to enhance our project management methods and promote standardization globally throughout the Group.

* TERASOLUNA: A solution that incorporates NTT DATA's technologies for project management, development processes, frameworks, etc., accumulated from its numerous system development projects.

■ **Proactive Testing COE**

The Proactive Testing COE is tasked with enhancing testing processes; developing and utilizing automation tools and assessment technologies and promoting test outsourcing services. In these ways, the COE aims to transform testing processes in the global environment and contribute to improvements in quality, productivity and shorter delivery times.

In the future, the COE will work toward dramatic reforms in testing processes keyed on the phrase of "testing that starts at the requirement/design phase," and will seek to establish an independent testing service.

R&D

Create testing tools

Enhance testing processes

Develop assessment technologies

+

Professional testing services
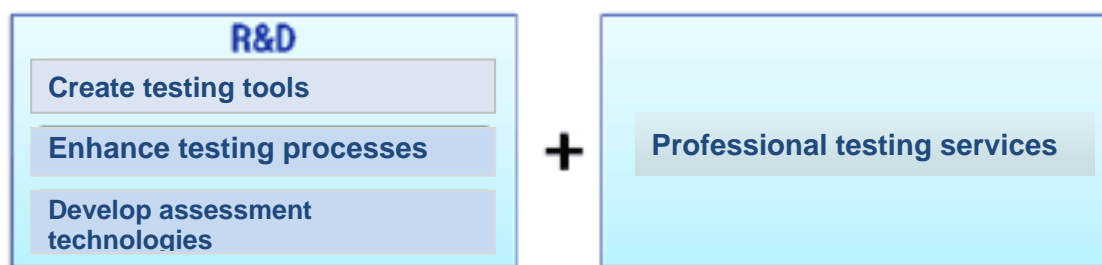
Disaster and System Failure Countermeasures

Taking comprehensive actions to address system failures focused on prevention and response

We have been conducting comprehensive actions to address system failures from two perspectives: prevention and response.

Prevention involves promotion of in-house deployment and application of various product groups with verified performance, availability and other features required for system development and of procedures, tools and other technologies. Moreover, we conduct project management strictly, utilizing supports by in-house specialized organizations, routine management by project managers, systematic confirmation and decision-making. As the situation demands, we are also deploying information relating hardware to failures and software defects occurred within and outside the company, and procedures to deal with them within NTT DATA and to Group companies.

We have established an emergency contact system including company and each sector and formulated procedures to deal with major system failures. Furthermore, we immediately analyze the cause of any major system failures and publicize measures to prevent recurrence. We reflect such findings in our rules for system development, operation and maintenance. The Company also conducts periodic internal audits to confirm the implementation status of preventive measures. As a result, major system failures have remained extremely rare events during the past three years.

In fiscal 2012, we plan to reduce the number of system failures even further.

Building People-Friendly Systems

Approaches Involving Universal Design

Making websites that are easier to use—for surfers and providers alike

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 various people, including those who have difficulty viewing certain colors, and allows text-size adjustments. In addition, we respond to advanced accessibility requirements through such functions as verification through two or more types of screen reader.

We also plan to direct our efforts on HTML5, smartphones and other new technologies toward response to JIS stipulations, RIA* accessibility, universal design for multimedia contents and other evolving challenges.

* Rich Internet Applications (RIA): A web application that features operability and representational capacity superior to web pages in simple HTML.

Participating in projects with the International Association for Universal Design

The International Association for Universal Design (IAUD) was established in 2003 to promote the widespread adoption of universal design and is the largest such body in Japan. NTT DATA has participated as a full member of IAUD since its inception.

In November 2010, we participated in the 3rd International Conference for Universal Design in Hamamatsu 2010, held in Shizuoka Prefecture. We had a booth at the conference and presented a treatise on the FairCast Child Safety Communication Network. Further, via a research task force we participated in the UD Project for Media and Mobile Space Project. Through these activities, we engage in discussions and deliberations in collaboration with other member enterprises and individual supporting members with a view to promoting the realization of universal design.

[PHOTO]　The 3rd International Conference for Universal Design in Hamamatsu 2010

Making our website accessibility check site, HAREL, freely available to the public

HAREL, an accessibility check site maintained by NTT DATA, ranks websites for accessibility conformance. This service went online free of charge in August 2008.

Simply by inputting the website address, HAREL runs checks on source codes from some 170 perspectives, which facilitates a simple, high-accuracy accessibility assessment. This tool had been utilized for approximately 190,000 checks as of March 31, 2011.

In addition to making use of cloud technologies, we operate the check site in conjunction with NTT DATA DAICHI. The check site aims to meet the specifications outlined in JIS standard JIS X 8341-3:2010, taking into consideration the use of web content by the elderly and people with disabilities.

We intend to make a wide range of users more familiar with the methodology of accessibility through the widespread use of HAREL.

[PHOTO] HAREL validation screen

Conducting website accessibility validation checks in cooperation with special subsidiary NTT DATA DAICHI CORPORATION

Taking over these operations from NTT DATA in fiscal 2010, NTT DATA DAICHI conducts accessibility validations of web pages and makes proposals to resolve accessibility issues.

In fiscal 2011, NTT DATA DAIICHI launched a web accessibility validation service compatible with JIS standard JIS X 8341-3：2004. We introduced the service on four projects, centering on public and financial sector websites.

We aim to continue working to raise awareness of web accessibility and offer validation services that are compatible with JIS standard JIS X 8341-3:2010, expanding the service to web systems under contract to Group companies.

[PHOTO] NTT DATA DAICHI website validation business team members

Paradigms for Society and Regional Communities　【Additional Topics】

Improving Customer Satisfaction

Survey Objectives

Through its surveys, NTT DATA aims to ascertain and comprehend satisfaction assessments, opinions and requests by major customers regarding the information systems it constructs and the services it provides and to leverage this knowledge in future customer satisfaction activities and for business process improvements.

Action for improvement in customer satisfaction during fiscal 2011

Awards for notable successes
We presented customer satisfaction performance awards to 14 projects that achieved notable successes.

Sharing notable successes across the organization
We use the Company intranet to show group interviews with teams that have won customer satisfaction performance awards, sharing sales know-how and notable successes.

Conducting training to enhance action plans for improving customer satisfaction
Continuing on from fiscal 2010, during the year we conducted group training focused on drafting plans for improvement actions. After conducting these improvement activities, we then introduced examples of successful implementation, thereby enhancing the content.

Creating systems to evaluate our own solutions and provide feedback
In fiscal 2011, we introduced a system that enables people in charge of sales and development—those who interact with customers—as an improved way to evaluate and provide feedback on our own solutions. We plan to continue this system.

Extending the customer satisfaction survey to Group companies
NTT DATA is assisting Group companies in conducting their own customer satisfaction surveys as a step toward expanding these initiatives to cover the entire Group. Support spans advice on survey design and analysis and improvement activities (providing action-plan style and formulation guidelines). During fiscal 2011, customer satisfaction surveys were carried out by nine Group companies*.
　　　To raise customer satisfaction throughout the NTT DATA Group, we will actively support Group companies' measures and policies toward this end.

* NTT DATA BUSINESS BRAINS CORPORATION; NTT DATA CCS CORPORATION; NTT DATA SYSTEMS CORPORATION (now NTT DATA BUSINESS SYSTEMS CORPORATION); NTT DATA MSE CORPORATION; NTT DATA ENGINEERING SYSTEMS CORPORATION; NTT DATA SYSTEM TECHNOLOGIES INC.; NTT DATA CHUGOKU CORPORATION; NTT DATA TOKAI CORPORATION; and NTT DATA KANSAI CORPORATION

Contributing to Regional Communities and Society as a Whole

Using IT to Resolve Social Issues

Hosting the IT and New Society Design Forum 2011 in collaboration with Nomura Research Institute

Since 2009, NTT DATA has been working with Nomura Research Institute, Ltd. (NRI) to invigorate the IT services industry. In February 2011, we hosted the IT and New Society Design Forum 2011 to this end.

More than 1,000 people attended this forum, which we also hosted in 2010. Following on from the previous year's topics, the forum concentrated on using IT to resolve social issues, IT service industry business models that would lead to this result and the type of people who would be needed to achieve it. The forum included panel discussions on topics provided by NTT DATA and NRI and attended by people from a variety of industries.

NTT DATA believes it can contribute to regeneration of the IT service industry and the development of society through such initiatives in the future.

[PHOTO] Dialog with experts during panel discussions

Promotion of Social Contribution Activities

Policies regarding Social Contribution Activities

Welfare

Supporting the independence of people with disabilities through 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.

Paradigms for Society and Regional Communities 【Additional Topics】

In fiscal 2011, we set up a page on our information website for advance and on-the-day sales to provide an overview of what welfare centers are like. We also circulated an employee questionnaire to encourage consideration of future measures. Donations totaled ¥462,300 (including matching funds by the Company), and this site carried reports to employees showing how that money was being used by donation recipients.

We aim to cultivate a culture of enthusiasm toward volunteer activities by communicating how donations are deployed and the benefits they provide.

[1] Confectionery made and sold by welfare centers and other facilities
• Ashinami Daycare Vocational Aid Center and Ongoing Employment Support Business ZiP
• NPO Kirinkan
• Sweets Batake social employment center
• Nobinobi Workplace Eco & Foods
• Koinonia Employment Support Center

[2] NTT DATA Valentine's Day Charities
• NPO PAO
• NPO Tokyo Fellowship for the Blind and Deaf
• NPO EDGE

Distributing confectionery made by welfare centers and other facilities at the General Meeting of Shareholders

In order to bolster understanding by shareholders of its social contribution activities, NTT DATA purchases confectionery made by welfare centers and other facilities for distribution at the General Meeting of Shareholders. Such measures to support the independence of people with disabilities have been highly praised by NTT DATA's shareholders.

Sponsoring the Japan national blind football team

NTT DATA sponsored Japan's national blind football team's participation in the Fourth World Blind Football Championship 2010, which took place August 14–22, 2010, and the Guangzhou 2010 Asian Para Games, held in December 12–19, 2010.

Blind football is played by the visually impaired, based on futsal rules, using a ball that contains a bell. The Japan Blind Football Association was formally inaugurated in October 2002, representing the full-blown start up of soccer for the blind as a competitive sport.

What differentiates it from other such sports is that it can be played together by visually impaired and sighted participants, with the latter using blindfolds. We provide support for the Japan national blind football team because the principles behind blind soccer, which is en route to becoming a universal sport, are compatible with the NTT DATA Group's Corporate Philosophy of "contributing to the achievement of a more affluent and harmonious society."

Regional Communities

Participating in the Toyosu Festa program to enhance exchange with local residents

Since 2006, NTT DATA has taken part in the Toyosu Festa regional event, which is held each fall in the vicinity of its headquarters in Koto-ku, Tokyo.

The Company booth at the Toyosu Festa that took place on October 23 and 24, 2010 provided opportunities to create pictures on a PC using a *Suisai* graphics software package and to participate in a workshop organized by the NTT DATA official Kendama*

Paradigms for Society and Regional Communities 【Additional Topics】

Circle. The Kendama Circle provides Kendama certifications to encourage enjoyment ofthese activities by children and accompanying adults. Over the two days of the event, the NTT DATA booth was visited by approximately 660 local residents.

We shall continue to participate in the Toyosu Festa program as it provides an opportunity for local people to become acquainted with NTT DATA and enables us to contribute to the local community.

*Kendama: A traditional Japanese game where players try to catch or impale a wooden ball on a string.

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 give these, along with funds raised in the charity auction, to volunteer organizations that support disadvantaged children around the world. In fiscal 2011, we raised ¥590,000.

Moreover, since fiscal 2009 we have held ongoing internal Fair Trade[1] coffee tasting and sales events. In fiscal 2011, we also began selling Fair Trade chocolate. With some employees already committed to making purchases each year, these sessions deepen employee understanding about global issues and Fair Trade products.

We also hosted a quiz on our intranet to raise awareness of children in need of support around the world. This helped employees to recognize the state of affairs and encouraged them to voice their desires to try to help out in whatever ways they can.

*1 Fair Trade: Sustainable 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, Fair Trade demands consideration of working conditions of producers and the environment.

Participation in TABLE FOR TWO, a program to promote school meals in developing nations

NTT DATA has been participating in the TABLE FOR TWO campaign since November 2008 via staff canteens throughout the Company as part of its commitment to health promotion and social contribution.

TABLE FOR TWO is a program to assist in providing school meals for children in developing nations, namely Uganda, Rwanda and Malawi. Each time employees select an item from a lower-volume, reduced-calorie menu that is on offer at staff canteens, ¥20 is donated to the campaign through specified nonprofit organization TABLE FOR TWO International. This sum is sufficient to purchase one kids' school meal in these countries.

As in the previous fiscal year, in fiscal 2011 the total of funds gathered was periodically reported for NTT DATA and Group employees on its intranet, which also gives coverage to TABLE FOR TWO secretariat reports that provide information on the children's lifestyles in the schools that receive this assistance. At each cafeteria, menus indicate TABLE FOR TWO selections, and awareness posters are prominently displayed at cafeteria entrances.

As a result, donations collected during fiscal 2011 totaled approximately ¥287,280. For this amount, some 140,364 school meals can be supplied to children in developing countries.

In light of the successful results of the campaign to date, we shall continue to support the TABLE FOR TWO program in the future.

Employee participation as Japan Overseas Cooperation Volunteers

NTT DATA's employees participate as JICA-sponsored Japan Overseas Cooperation Volunteers through the Company's special authorized leave system.

With the addition of one new member, during fiscal 2011 three members of staff carried out such activities as IT technologies training and systems development in developing countries.

Natural Environment

Collaborating in the Think the Earth Project

NTT DATA has cooperated in the NPO Think the Earth Project, which deals with the theme of the coexistence of ecology and the economy, since 2001. Moreover, since 2003 we have supported the running of the project's website, *Think Daily.*

By providing the latest news from perpetually changing regions around the globe, *Think Daily* disseminates information in a bid to stimulate thought about the world among its users.

Culture and the Arts

Hosting and inviting customers to classical concerts

The NTT DATA Concert of Concerts series has been held since 1995 as part of the Company's drive to bolster communications with customers. We hosted the 15th concert in this series during fiscal 2011.

In fiscal 2011, performances took place in Suntory Hall, Tokyo, on September 26 and 27. Through open recruitment, some 3,000 customers were invited for the two days of the event.

Support for Employee Volunteer Activities

Initiation of employee volunteer activity "contribution awards"

As its business grows on a global scale, the NTT DATA Group considers it important to maintain its spirit of contribution. In other words, we expect each employee to consistently contribute—not only on projects to which they are assigned but also—to the NTT DATA Group overall, as well as to customers and to the development of society as a whole. To foster this spirit of contribution, in fiscal 2010 we initiated a system of "contribution awards." One of these, the Social Contribution Award, recognizes employees' social contribution efforts.

During the second Social Contribution Award, one team and six individuals received awards, which were presented at a ceremony in May 2011, which coincided with the Company's anniversary of establishment.

In such ways as by having winners distribute overviews of their activities throughout the Group, NTT DATA hopes to boost employee participation in volunteer activities and continue cultivating a culture that encourages each employee to contribute to society.

Activities winning the Social Contribution Award in fiscal 2011

・Guide runners at the IPC Athletics World Championships, organized by the International Paralympic Committee
・Continuing to hold the NTT DATA Group Junior Kendo Tournament for regional elementary

Paradigms for Society and Regional Communities 【Additional Topics】

and junior high school students
・Awareness activities targeting the parents and teachers of junior and senior high school students on the safe and secure use of the Internet
・Ongoing PTA-related activities targeting healthy child-rearing and regional contribution and cooperation with Japanese Red Cross Society blood donations
・Initiatives involving the Design to Change the World Exhibition
・Support of activities to help children currently and formerly in care facilities to become independent
・Social contribution activities involving NPOs providing international refugee support

Launching a Volunteer Club and supporting employee volunteer activities

In March 2009, NTT DATA launched the Volunteer Club as a hub for exchange over and promotion of employee voluntary activities. We post volunteer recruitment appeals, event invitations and other notices on a community page of our intranet where users can easily exchange and disseminate information.

As in the previous fiscal year, in fiscal 2011 volunteer employees continued regeneration activities for abandoned rice paddies in a project proposed by an employee. Some 40 employees and other members took part in these activities in rice planting in May 2010. They helped to weed the paddies in July and in September to harvest them, and participated in a harvest festival in October.

We will continue to raise awareness of the Volunteer Club online community page as part of a drive to build a corporate climate conducive to self-motivated social contribution activities by employees.

Initiatives by Group Companies

Welfare

Company Name	Initiative	Initiative Outline
NTT DATA CHUGOKU CORPORATION NTT DATA CUSTOMER SERVICE CORPORATION (Chugoku Branch)	NTT DATA CHUGOKU Valentine's Day	In step with the objectives of the NTT DATA Valentine's Day campaign, the two companies jointly conduct as part of their social contribution activities NTT DATA CHUGOKU Valentine's Day synchronized to February 14. Cakes, cookies and other sundries produced at welfare workplaces in Minami-ku, Hiroshima, which is located in the NTT DATA Hijiyama Building, are sold in-house at prices that include a donation to support the independence of people with disabilities. In fiscal 2011, employee donations (¥62,800) were supplemented with donations by NTT DATA CHUGOKU (¥47,200) and presented to welfare centers.
NTT DATA TOKAI CORPORATION NTT DATA CUSTOMER SERVICE CORPORATION (Tokai Branch) NTT DATA	NTT DATA TOKAI Valentine's Day	NTT DATA TOKAI sells Valentine's Day cookies to employees and their families, donating the resulting revenues to the Chunichi Shimbun Social Organization, a social welfare corporation. In fiscal 2011, the company donated matching funds of ¥135,600, and another ¥26,400 was also provided through sales by other companies

MANAGEMENT SERVICE CORPORATION		(the Tokai Branch of NTT DATA CUSTOMER SERVICE CORPORATION, as well as NTT DATA MANAGEMENT SERVICE CORPORATION and VIEWTECH TOKAI CO., LTD.), for total donations of ¥162,000.
NTT DATA Getronics Corporation	Supporting Art Exhibitions by Physically Disabled Children and Adults	NTT DATA Getronics Corporation participates each year in organizing an art exhibition by physically disabled children and adults. This event, which is hosted by the Japanese Society for Disabled Children, aims to create a showcase for self-expression and aid in the social participation of people with disabilities. NTT DATA Getronics, empathetic with these objectives, has participated in this project since its inauguration in 1981. Outstanding exhibits are awarded the NTT DATA Getronics International Prize.
NTT DATA SYSTEM TECHNOLOGIES INC.	Supporting the Japan Guide Dog Association	Since fiscal 2009, the company has provided donations to help train seeing-eye dogs—an area in which public support is severely lacking. Such activities currently include collecting donations at recreational activities (softball tournaments) targeting all employees. The company also buys part of the memorabilia for such tournaments from the charity goods the Guide Dog Support Center sells. Such activities generated donations of ¥83,100 in fiscal 2011.

Education

Company Name	Initiative	Initiative Outline
NTT DATA CHUGOKU CORPORATION	Participating in the Ashinaga P Walk	Employee volunteers participate in the Ashinaga P Walk operated by Ashinaga, an NPO that provides educational and emotional support for orphans worldwide. Participants in this event, held each year on the second Sunday of November, walk approximately 10 kilometers while thinking about orphan-related issues. NTT DATA CHUGOKU encourages employees to take part in this event, and four participated in fiscal 2011.
NTT DATA TOKAI CORPORATION	Participating in the Ashinaga P Walk	In November 2010, 32 company employees participated in the Ashinaga P Walk operated by Ashinaga, an NPO that provides educational and emotional support for orphans worldwide. In addition, the company provided a donation of ¥50,600 (comprising ¥18,600 from workplace sponsors and ¥32,000 in matching funds from the company). The company also posted scenes highlighting participation on its intranet in an effort to boost awareness of the event so as to boost participation in the future.

Paradigms for Society and Regional Communities 【Additional Topics】

Regional Communities

Company Name	Initiative	Initiative Outline
NTT DATA SHINETSU CORPORATION NTT DATA CUSTOMER SERVICE CORPORATION (Shinetsu Branch)	*Mochi* (rice-cake) Making for the Sankiryo Children's Home	Each year in December, company employees visit Sankiryo Children's Home in Nagano and join children in making mochi (rice cakes), which forms a part of the traditional New Year's celebrations. At the request of the children and staff of Sankiryo, Christmas presents purchased from company employee donations.
NTT DATA TOHOKU CORPORATION	Supporting the 4th Sendai International Music Competition	To invigorate the city and cultivate an attractive urban environment, the city of Sendai is promoting itself as a center for music, among other cultural and artistic pursuits. Sendai-centered NTT DATA TOHOKU contributed to this local community effort by providing support for the 4th Sendai International Music Competition, held at the Sendai Culture Center in May 2010.
NTT DATA CUSTOMER SERVICE CORPORATION (Head Office)	Collection Activities	・ Used stamps and prepaid cards are collected and donated to the Chuo Ward Council of Social Welfare each year in March. ・ Bellmark labels are collected and donated to the Bellmark Educational Foundation each year in March. ・ Discarded calendars are collected and supplied to the Charity Calendar Market, held in early January by specified nonprofit organization, Nippon Volunteer Network Active in Disaster. Sales from the market support the activities of domestic and overseas organizations engaged in helping disaster victims and the Tree for Life Campaign tree-planting project. ・ Unused towels are donated to the Koto Council of Social Welfare.
NTT DATA SYSTEM TECHNOLOGIES INC.	Supporting Regional Beautification Activities	The company participates in an effort by the NPO Hana no Kaido to beautify Tokyo's Chuo-dori—a major thoroughfare passing in front of its building in Tokyo's Nihonbashi district—by planting flowers at crossroads and thereby making Tokyo attractive as an international city. As a sponsor for this "street of flowers," the company provides donations that help to cultivate seasonal blossoms. The company also tends flowers in a bed near its entrance.

International Contribution

Company Name	Initiative	Initiative Outline
Realize Corporation	Support for the Kamonohashi Project	The company supports efforts by the Kamonohashi Project, an international NGO

Company Name	Initiative	Initiative Outline
		that aims to stop child prostitution and human trafficking in Cambodia and other countries by maintaining the organization's membership data. This support helps to improve the organization's operational efficiency in Japan, allowing it to concentrate on more hands-on activities in Cambodia. In addition, by deploying its consulting and data engineers, Realize has revised the NGO's previous methods of managing and understanding membership information. Furthermore, promoting its ability to make use of data management technologies to provide outsourced membership management services helps to avoid mistaken calls for membership fees and supports efforts to solicit new members.
NJK Corporation	Ecocap Movement Activities	Ecocap Movement is an NPO that collects PET bottle caps and turns them into usable resources, using the funds it receives when selling these resources to contribute to world child vaccination activities. The company has set up boxes on each floor beside vending machines to collect these caps, which it sends to Ecocap Movement. In fiscal 2011, the company collected 38,960 PET bottle caps, equivalent to polio vaccines for 48.7 people.
NTT DATA CCS CORPORATION	Ecocap Movement Activities	The company is supporting the Ecocap Movement, an NPO that collects PET bottle caps and uses the resource recycling cost savings to contribute to world child vaccination activities, by gathering PET bottle caps throughout their offices. NTT DATA CCS collected 77,200 PET bottle caps in fiscal 2011, equivalent to polio vaccinations for 96.5 people.
NTT DATA 3C CORPORATION	Supporting Medecins Sans Frontieres	As part of its CSR activities, the company supports Medecins sans Frontieres, an NPO that provides medical support in war-ravaged areas and developing countries. Fiscal 2011 efforts included a company donation of ¥30,000 in August toward these efforts.

Natural Environment

Company Name	Initiative	Initiative Outline
NTT DATA CCS CORPORATION	Collection Activities	The company supports efforts by The Defense of Green Earth Foundation to stop deforestation and ongoing desertification. This support involves setting up boxes in each of its offices to collect used stamps and cards (such as telephone cards), which it sends to the foundation twice each year, in March and September. The foundation sells these items to collectors in Japan and other countries, and

		a portion of the resulting revenues are used in forestation activities. In fiscal 2011, such donations helped to plant 32 trees.
NJK Corporation	Utilizing the goo Search Green Label	The company supports the goo Search Green Label ,operated by NTT Resonant Inc., with all employees and other cooperative parties making this tool their default home page. The equivalent to 15% of profit from this search tool is donated to NGOs and NPOs conducting environmental protection activities.

Culture and the Arts

Company Name	Initiative	Initiative Outline
NTT DATA Getronics Corporation	Publishing *SPAZIO*, a Cultural Magazine	Carrying on certain elements of the corporate culture of Olivetti Corporation of Japan, NTT DATA Getronics' forerunner, the company publishes *SPAZIO*, a cultural magazine that seeks to cultivate overall ties between European and Japanese culture. In publication since 1970—for more than 40 years—the magazine highlights world cultural and artistic themes, centering on Europe.

Emergency Assistance

Company Name	Initiative	Initiative Outline
NTT DATA i CORPORATION	Cooperating with the Japanese Red Cross Society	The company contributes to efforts sponsored by the Japanese Red Cross Society, such as evacuation activities for disaster victims.

Hiring and Promoting Diverse Human Resources

Personnel Recruitment and Deployment

Major NTT DATA DAICHI activities in fiscal 2011

●**Web business**

In addition to updating and maintaining NTT DATA's intranet, began offering web accessibility validation services for external sites

● **Office business**

In addition to business card printing, wastepaper collection, flower and plant maintenance, outsourced delivery of lunch boxes and cleaning of lunch box containers

●**Agricultural business**

In addition to cultivating fruit and producing juice, participated in Nasu 100 Community business development

Related website

Yuimaru Nasu, a Nasu 100 Community Project (Japanese only)

http://www.yui-nasu.net/

[PHOTO] Business card printing

### More than 53% of retired workers opt for reemployment

In February 1999, the NTT DATA Group established a Career Staff System that caters for employees who have reached the mandatory retirement age, but wish to continue working until 65.

　　　This system offers an array of work-style options that are flexible to participants' requirements, including full-time employment, reduced working hours, and three- and four-day working weeks. Moreover, during fiscal 2009 we supplemented the existing framework with a new system for high-performance and skilled staff, which provides

additional opportunities for senior staff deemed capable of making valuable contributions to the Group's business operations.

　　　　As of April 1, 2011, 111 employees (32 of whom were new) were taking advantage of these systems at various Group workplaces.

[GRAPH] Numbers of retired employees using the NTT DATA Reemployment System (Number of employees)
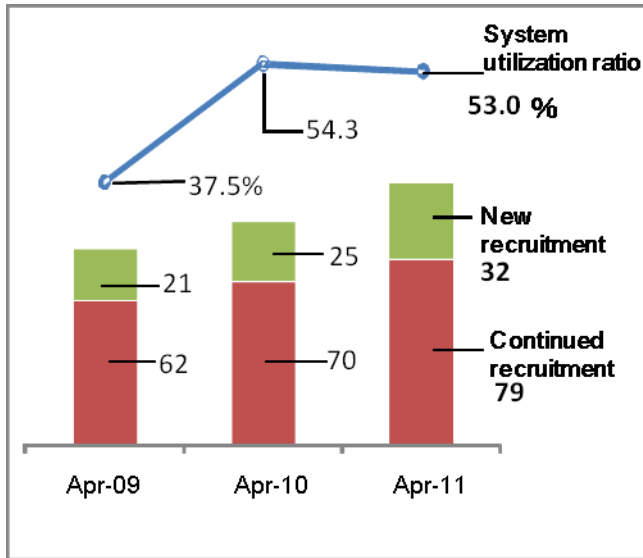
Employee Work-Style Innovation

Creating a comfortable Working Environment

Major initiatives by the Diversity Development Office during fiscal 2011 and 2012

	Major Initiatives
Promoting diversity	Hosted a Diversity Forum for all Group employees Attended by approximately 300 employees (Lecturer: Ms. Kaori Sasaki, ewoman, Inc.)
	Held Diversity Workshops targeting the female employees of all Group companies, attended by approximately 100 people (conducted each year)
	Held diversity lectures at Group company presidents meetings (Lecturer: Ms. Yoshie Komuro, Work Life Balance Co., Ltd.)
	・Participated in the NPO J-win (participating each year)
	・Participated as publicity supporter for APEC Women Leaders Network (WLN)
	・Conducted employee awareness activities, including at Group companies, through portal site and e-mail magazine ・Held diversity interviews introducing employee role models (monthly)
Innovating work styles	Implemented training for newly appointed senior managers each year in a bid to stimulate workplace innovation. To be expanded in fiscal 2012 to training for new managers
	Review working styles in fiscal 2012 in light of power-saving measures (introduction in process) 　・Triple participation in teleworking system 　・Encourage employees to take paid leave 　・By shifting to notebook PC/thin client environment, transform environment to enable hot-desking
	Began formal operation of discretionary labor system
	Introduced "impressive worksites" as successful examples of work-style innovation (alternate months)
	Prepared to establish in-house day-care center (scheduled to open in December 2011)
Encouraging a healthy work-life balance	・Held seminars targeting female employees on childcare leave ・Leased thin client terminals to employees taking childcare leave, conducted three-way interviews and distributed a handbook introducing the system
	Supported the employee-planned NTT DATA Kids' Workshop (conducted annually)
	・Held Father (and Mother) Seminar, attended by approximately 120 male and female employees, including those from Group companies ・Conducted seminar on achieving balance between work and nursing care, attended by more than 100 male and female employees

Working to increase use of the teleworking system

NTT DATA introduced a trial teleworking program in July 2006, and introduced a formal system in February 2008. This represents one means by which the Company is seeking to realize work-style innovations. All employees, regardless of age or type of work, including managers and male workers, take advantage of this system.

In fiscal 2011, we proactively promoted use of the teleworking system just after the Great East Japan Earthquake struck to ensure operational continuity. As of March 31, 2011, some 430 employees (excluding those on leave or seconded to other companies) were taking advantage of this system.

As one aspect of our efforts to encourage work-style innovation, we will expand the use of the teleworking system in fiscal 2012 as part of our summer power-saving measures.

Recognition from external organizations for upgrades to our childcare and nursing care systems

In order to help employees juggle work with maternity, childcare and nursing care with peace of mind, the NTT DATA Group is upgrading its leave systems, while boosting employee understanding and promoting an environment that makes these systems easier to use. As result of these endeavors, we earned the Kurumin Next-Generation Certification Mark in June 2008. NTT DATA also gained three-star ranking in third survey of companies supporting fathers in providing childcare by the NPO Fathering Japan and the Dai-Ichi Life Research Institute Inc. in June 2009.

In October 2010, in cooperation with the NPO Umi wo Koeru Care no Te (Remote Family Care Service), we invited medical journalist Ms. Toyoko Ochi to conduct our first seminar on achieving a balance between work and nursing care. Attended by more than 100 employees, the seminar provided advice on specific actions to take when families were in need of nursing care and left participants with the message that the Company wants them to achieve a balance between nursing care and their work.

In November, we also held our first seminar targeting employees on childcare leave. Attended by approximately 40 employees with their children, the seminar provided attendees with a chance to obtain advice from senior employees and exchange information. In fiscal 2012, we also plan to set up an in-house day-care center.

In line with June 2010 amendments to Japan's laws on childcare and nursing care, NTT DATA reviewed its systems for these types of care, some of which already exceeded legal requirements. Going forward, we will create an even more comfortable workplace using these systems.

Paradigms for People at Work　【Additional Topics】

[LOGO] Kurumin Next-Generation Certification logo mark

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

Principal Childcare Systems and Key Improvements in Fiscal 2011

■Childcare leave

System overview

・Childcare leave can be extended until the child reaches four years of age.

・Deadline for application to return to work is one month prior to expected return.

Improvements introduced in fiscal 2011

・Childcare leave system can be used even if spouse is stay-at-home father.

・In the event that fathers take childcare leave within eight weeks following a child's birth, they may take childcare leave again.

・Conditions were relaxed in the event of a return to work during the childcare leave period (application period shortened and types of work available upon return increased).

■Shorter working hours for childcare

System overview

・Shorter working hours for childcare are available until the child completes his or her third year of elementary school.

・Application deadline for shorter working hours is two weeks prior to start.

Improvements introduced in fiscal 2011

・Employees may take advantage of shorter working hours for childcare even if spouse is stay-at-home husband.

・Relaxed applicability and period for shorter working hours for childcare.

Principal Nursing Care Systems and Key Improvements in Fiscal 2011

■Nursing care leave

System overview

・Nursing care leave can be extended to up to 18 months.

Improvements introduced in fiscal 2011

・Extended nursing care leave to include short-term nursing care.

・Increased number of reasons for taking nursing care leave and the number of days for which it could be taken.

■**Shorter working hours for nursing care**

System overview

・Shorter working hours for nursing care are available for three years, including the duration of nursing care leave.

[TABLE] Number of Employees Using Childcare and Nursing Systems

Number of Employees Using Childcare and Nursing Systems

(Number of employees)

	Fiscal 2009		Fiscal 2010		Fiscal 2011	
	Female	Male	Female	Male	Female	Male
Childcare leave	87	2	117 (180)	2 (6)	147 (241)	7 (13)
Shorter working hours for childcare	95	3	106 (169)	2 (2)	110 (177)	0 (2)
Nursing care leave	2	1	0 (1)	4 (6)	2 (3)	0 (4)
Shorter working hours for nursing care	0	1	0 (8)	1 (1)	0 (0)	1 (1)

Note: Figures in parentheses are on a consolidated basis.

Hosting Diversity Workshops for female employees

Since fiscal 2008, NTT DATA has held Diversity Workshops for female employees on the theme of "determining your own career" with the objectives of career development and network-building for women.

In fiscal 2011, these workshops were held three times (three-day periods) and attended by some 100 employees, including those from Group companies. Owing to their expanded scale compared with fiscal 2010, the number of participants increased. This year's workshops targeted mid-career female employees and focused on career development and building networks, with a theme of "tackling issues while building my career in my own way and ensuring that my work and life are fulfilling."

During the three training sessions held over a six-month period, as participants grew more comfortable around each other the exchange of opinions and level of discussion grew more animated. This was reflected in responses to the employee questionnaire, in which 93% of respondents indicated their satisfaction in the three workshops. We are thinking of setting up an alumni group run by employee volunteers to encourage gatherings of women who have attended the past four workshops.

We will continue with initiatives such as these that are designed to build networks among women within the Group.

Paradigms for People at Work 【Additional Topics】

[PHOTO] Female employees involved in discussions at a Diversity Workshop

Holding a Summer Vacation Kids' Workshop for employees with children at elementary school

The NTT DATA Kids' Workshop began as an initiative proposed to the Company by the Working Parents' Support Working Group as part of Proposal Patio, a program that aids employees in making suggestions and recommendations to the Company by gathering assenters across organizations. The workshop enables families with two working parents and children in the senior grades at elementary school to be cared for during the summer vacation in an atmosphere of mutual assistance.

In fiscal 2011, the NTT DATA Kids' Workshop was held August 18–20, 2010, and was attended by approximately 10 children. They participated in meetings to provide experience, such as sign language, Kendama toy and other in-house circles, used PowerPoint to make self-introduction slides, made Excel charts to track their allowance spending, played games where they exchanged business cards with others, participated in such role plays as working in a shop and created reports on science experiments. All told, the children had an activity-packed three days.

[PHOTO] NTT DATA Summer Vacation Kids' Workshop

Employee Health Promotion and Enhancement

■ Automatically Recording Logon, Logoff Times on Employee PCs

To prevent long working hours, in January 2009 we began the full-fledged introduction of software to automatically record logon and logoff times on all employees' PCs.

This software provides data showing when the employee is in the office, which is confirmed by both the employee and his or her supervisor. It provides a basis for communication on working styles and a starting point for discussions on improvement measures.

Data from this software can be compared with that from our pre-existing work management system, with any disparities cleared up through discussion between manager and subordinate. This provides a source of discussion on revising working styles to prevent unpaid working time.

Supporting healthcare through Workplace Improvement Workshops

NTT DATA promotes employee health and mental healthcare in cooperation with its various workplaces centered on the industrial physicians and health nurses at its health promotion office.

In fiscal 2011, we held six Workplace Improvement Workshops[1]. Through these, we strove to improve the workplace environment and the early detection of illnesses. To serve as the basis of line care[2], we continued on from fiscal 2010 in conducting mental health management examinations for all managers, focusing on people who had not yet taken these exams, employees whose results were unsatisfactory in previous exams and newly appointed managers. (Of the 422 people who took the exams, the pass rate was 83%.) In an effort to promote health throughout the Group, we reinforced support systems at Group companies, encouraging more people to undergo medical checkups and promoting occupational health activities for the Group.

In fiscal 2012, we will step up preventive activities by communicating more closely with worksites and taking part in initiatives to maintain or enhance employees' physical and mental health.

[1] Workplace Improvement Workshops: These workshops involve extracting key issues at each worksite and deliberating on solutions.

[2] Line care: A process in which the managers and supervisors who come into daily contact with workers make an effort to improve the working environment and consult with workers who wish to discuss their mental health.

Creating safe workplace environments through Health and Safety Committees at worksites

NTT DATA has formed Health and Safety Committees for each of its organizational units to ensure an environment in which employees can work in safety and comfort and to improve the safety consciousness of staff.

In fiscal 2011, we continued to carry out two workplace safety patrols and conducted activities to bolster in-house awareness of the National Safety Week and National Industrial Health Week that are organized by the Ministry of Health, Labour and

Welfare and the Japan Industrial Safety and Health Association and of the Accident-Free Holiday Campaign and other initiatives.

　　　Further, the number of occupational accidents during fiscal 2011 stood at nine, which represents a frequency rate of 0.3 and a severity rate of 0.0002. This was five higher than the fiscal 2010 figure, and stemmed from such factors as falls when shifting workplaces between floors.

　　　In line with its aim for zero occupational accidents, in fiscal 2012 NTT DATA intends to continue publicizing major accidents and highlight areas for caution, primarily through its Health and Safety Committees. We will also conduct other activities to ensure that employees remain on guard against potential hazards.

Human Resource Cultivation

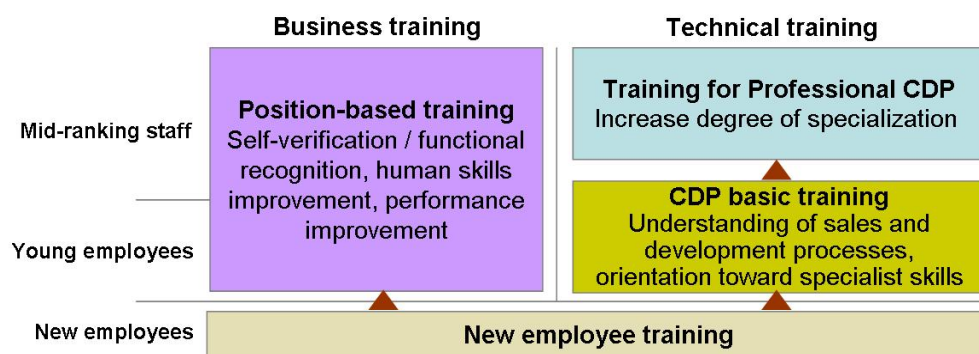### Supporting Employees Skills Development

Business and 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.

　　　In fiscal 2011, we targeted 10 days of training per employee, a level we achieved in 100% of cases. To enhance skills on a planned basis, our training and lecture plans in the first half of the fiscal year determine how training will fit into each employee's working circumstances.

　　　We will continue with planned initiatives, such as preparing skills development paths targeting middle managers.

[CHART] NTT DATA Training Systems

	Business training	Technical training
Mid-ranking staff	**Position-based training** Self-verification / functional recognition, human skills improvement, performance improvement	**Training for Professional CDP** Increase degree of specialization
Young employees		**CDP basic training** Understanding of sales and development processes, orientation toward specialist skills
New employees	**New employee training**	

Paradigms for People at Work 【Additional Topics】

■Providing IT Experience for Children−the leaders of the next generation

Since fiscal 2005, NTT DATA has held IT Experience for Children workshops. We organize these events to explain to kids, the vanguard of the future, a sense of the connection between IT and the quality and diversity of their lifestyles through enjoyable, easy-to-understand IT experiences.

During the summer vacation in fiscal 2011, from August 5–20, 2010, these were attended by 386 elementary school students and 315 parents. During the workshops attendees learned basic IT vocabulary and studied examples of applications, made pictures using graphics software and learned about the latest technologies for communicating and expressing themselves. This program enables students to learn in an enjoyable way the importance of IT, as well as its potential.

Also at NTT DATA KANSAI CORPORATION, as in the previous year we held the Summer Vacation IT Experience for Children during August 26–28. We held a number of fun events for the approximately 100 children who participated. For example, they took part in a treasure hunt making use of a digital map—a solution employing a geographic information system (GIS).

By continuing to offer events such as these, we can bring children into contact with leading-edge IT and show them how to make use of IT in their daily lives without even realizing that they are doing so. Opportunities such as these help to educate the human resources of the future.

[PHOTO] Experiencing the latest communication technology, which facilitates data transmission through the surface of the body (Tokyo)

[PHOTO] Children enjoying a treasure hunt using a digital map (Osaka)

■**Supporting IT training for teachers**

NTT DATA supports IT training efforts targeting teachers to make them aware of the role of IT in society, foster an understanding of the IT industry from a career standpoint and to encourage them to use their own knowledge to provide IT training to students.

In 2009, we began offering a three-day annual training program. During 2010, the session was held during August 23–25, for eight instructors having 10 years of experience with the Tokyo Metropolitan Board of Education. We deepened their understanding of the links between the potential of IT and everyday lifestyles through a course of corporate tours, business experience and workshops held on the theme of "Realizing the Ideal School through IT."

[PHOTO] Teachers discussing the theme of "Using IT to Create the Ideal School"

Building Strong Supplier Relationships

Thoroughgoing Fair Transactions

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.

## Promoting electronic purchasing to encourage openness and efficiency

We began NTT DATA Electronic Purchasing Contracts* 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.

In fiscal 2011, we explained the benefits of electronic contracts to business partners (BPs) that have not yet introduced them and held a briefing session for suppliers with an interest in such contracts. During the fiscal year, the number of electronic contracts to which we are a party numbered 24,339.

*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.

Operational Procedure Following the Introduction of NTT DATA Electronic Purchasing Contracts
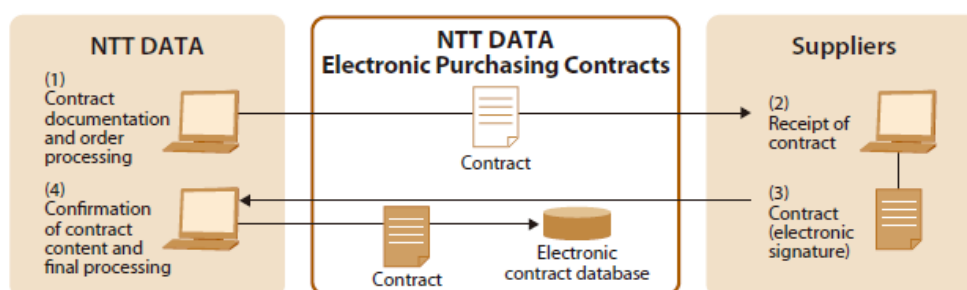
Striving to eliminate retroactive contracts to ensure fair transactions

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 employees to ensure that they understand the act's intents and purposes, as well as the obligations and prohibitions placed on primary contractors.

Again in fiscal 2011, we reported to members of management assembled at the Executive Committee the number of retroactive contracts that were in effect. We also offered support to organizations and Group companies having a particularly high percentage of such contracts, working with them individually to reduce their numbers.

Employee training to raise awareness of compliance when contracting suppliers

The NTT DATA Group conducts various types of training to encourage among each of its employees an awareness of the need for mutual prosperity and fair transactions with its business partners.

In fiscal 2011, the Purchasing Department and Compliance Promotion Section cooperated in providing project manager training, as well as compliance training to people in

charge of legal affairs, sales and development. As part of this, we provided training that addressed the appropriateness of consignment contracts and conformance with the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors.

We plan to continue training efforts to ensure that an awareness of compliance is firmly rooted and pervasive.

Dialog with Suppliers

■ **Creating Communication Environments with Subcontractors**
NTT DATA has created a broadband, high-security international network to ensure smooth communications with subcontracted companies overseas.

In fiscal 2011, we expanded this international network, adding to the route to that previously covered Tokyo–Beijing to extend from Tokyo–Wuxi–Beijing, as well as adding Tokyo–Singapore–Mumbai.

We have also set up an information-sharing infrastructure and make use of a videoconferencing system to ensure that information is communicated smoothly during meetings.

■ **Holding Liaison Conferences and Seminars Themed on Offshore Development**
Furthermore, the Company hosts Overseas Order Seminars for its employees to highlight points for consideration when conducting transactions and to share development case studies and hosts offshore development liaison meetings once a quarter.

In fiscal 2011, we held two Overseas Order Seminars, attended by a total of 228 people. At these seminars, we incorporated recent case studies on offshore development and shared case studies of improvement activities by development subcontractors.

During these liaison meetings, to develop content for SE training we formed working groups for offshore SE personnel and discussed the ideal for such personnel and reinforcement themes and training systems for learning necessary skills. We also hold study sessions related to offshore development and involving external experts.

Environmental Management

Environmental Policies of the NTT DATA Group

Environmental Policies of the NTT DATA Group

(Revised in June 2011)

We believe that, given the increasingly serious nature of global environmental problems, we must address these as management issues and work to resolve the environmental problems facing the world and society.

 The NTT DATA Group, which applies information technology to create new paradigms, contributes to environmental protection by providing systems and solutions 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 realize 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.
   (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

Through environmental education and environmental and social contribution activities for our employees and partners, we are enhancing and boosting recognition of environmental awareness activities.

4. Promoting communications

We work proactively to promote environmental communications to stakeholders both within and outside the NTT DATA Group.

June 2011
Toru Yamashita, President and CEO
NTT DATA CORPORATION

Paradigms for the Global Environment 【Additional Topics】

Environmental Management System

Organization for Promoting Environmental Activities
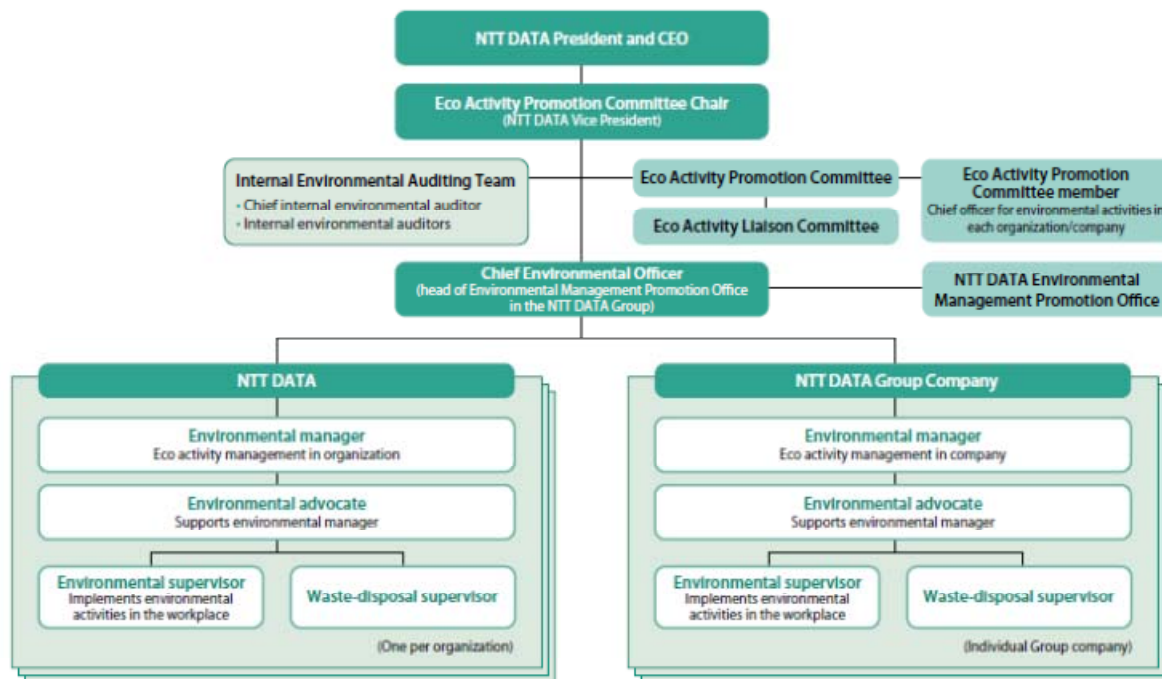
Internal Environmental Audits

Improving activity levels through periodic audits

The Group periodically conducts internal environmental audits to confirm conformance with ISO 14001 specifications and PDCA cycle functionality.

In fiscal 2011, we conducted two internal environmental audits, of 23 departments and 28 Group companies. 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 environmental auditing and Group environmental protection activities.

Taking audit efficiency into consideration, in fiscal 2011 we conducted assessment audits of five organizations on a trial basis. We plan to begin these on a full-fledged basis in fiscal 2012.

Results of Internal Environmental Audits for Fiscal 2011

First Audit

Term of implementation	June 14 to July 9, 2010
Target organizations	・18 NTT DATA organizations ・4 Group companies
Audit results	1 serious case, 8 minor cases, 9 cases for observation

Second Audit

Term of implementation	January 24 to March 2, 2011
Target organizations	・5 NTT DATA organizations ・14 Group companies
Audit results	3 serious case, 5 minor cases, 6 cases for observation

Focus on cultivating internal environmental auditors

We have expanded the scope of ISO 14001 certification, fostering internal audit staff and improving our auditing system. During fiscal 2011, we conducted basic training sessions and practical training (role-plays).

In addition, we are now able to maintain a fixed number of audit staff because we have constructed a framework to elect audit staff by each organizational unit. We will hone the skills of appointed auditors by enabling them to accumulate continuous experience above a fixed number of years.

As of March 31, 2011, the Group had 61 internal environmental auditors, 9 of whom held 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 responding to the need to monitor, measure and report CO_2 emission volume, in accordance with the amended Act on the Rational Use of Energy (Energy Saving Act), the Law Concerning the Promotion of Measures to Cope with Global Warming and the Tokyo Metropolitan Ordinance on Environmental Protection.

Major Laws and Regulations and the Scope of and Number of Facilities Impacted in Fiscal 2011

	Major Laws and Regulations	**No. of facilities impacted**
Energy Saving Act	Aggregate quantity of electricity and heat used (crude oil equivalent): Number of facilities using 3,000 kL/year or more	12
	Aggregate quantity of electricity and heat used (crude oil equivalent): Number of facilities using 1,500 kL/year or more	7
Air Pollution Control Act	Number of smoke-generating facilities	5
Water Quality Pollution Control Act	Number of oil storage and other facilities	45
Sewerage Service Act	Number of facilities generating 50 m^3 or more wastewater per day	4

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, spanning an e-learning curriculum that includes environmental basics, courses for waste-disposal supervisors, environmental managers and environmental advocates, and education programs customized for each organization and business function.

　　　To encourage an understanding of and promote environmentally oriented management, in fiscal 2011 we extended environmental basics education efforts beyond ISO 14001-certified companies to include all Group companies in Japan. Furthermore, we have added a lecture on environmentally oriented management to each position-based training, including new employee training, deputy manager training and newly appointed manager training.

E-Learning Course Participants (Participation Ratio) in Fiscal 2011

Environmental basics	24,903 (99.2%)
Course for waste-disposal supervisors	494 (99.8%)
Course for environmental managers and environmental advocates	666 (99.3%)

Paradigms for the Global Environment 【Additional Topics】

<div style="background:green;color:white;">**Promotion of Green Purchasing**</div>

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.

<div style="background:green;color:white;">**Fiscal 2011 Results and Medium-Term Targets**</div>

The Greening of the NTT DATA Group
・Reducing Greenhouse Gas Emissions

In fiscal 2011, we worked toward the goal of reducing greenhouse gases in terms of basic units of sales by 10% compared with fiscal 2006 levels.

In pursuit of visualization of energy saving effects in offices, we have developed a system, called EneMotta, to display hourly and daily power consumption by floor and resident organization on our intranet. This system went online for two major urban buildings from fiscal 2011.

At data centers, we fixed the number of air conditioners in operation based on the amount of heat emitted and transmitted by their machine rooms, turning off air conditioners not needed for cooling to reduce the energy consumed in operating their fans.

However, as we were unable to reduce power consumption as planned at several sites in Japan that we operate in leased buildings, in fiscal 2011 our CO_2 emissions amounted to 297,552 tons of CO_2, slightly higher than in the preceding fiscal year. In terms of basic units of sales, this amounted to a 9.9% reduction from fiscal 2006 levels, falling just short of our target.

For fiscal 2012, we have set new reduction targets at a 15% decrease compared with fiscal 2006 levels, which takes into account the effect of summer power-saving measures. We aim to achieve this goal by operating data centers more efficiently, upgrading air conditioning equipment, making energy savings more "visible" at offices and through the thorough implementation of summer power-saving measures.

・Reducing Waste for Final Disposal

In fiscal 2011, we revised our targets for reducing waste for final disposal from being in terms of basic units of sales to a total final disposal amount. We also changed the base year to fiscal 2009, as this was the year before we commenced environmentally oriented management. We then set our goal for fiscal 2011 as a 12% reduction in the final disposal amount, compared with fiscal 2009 levels.

We achieved our fiscal 2011 target, reducing this waste by 14% compared with fiscal 2009 levels to 344 tons, by introducing a reuse/recycle system for OA equipment, which accounts for 65% of our industrial waste.

In fiscal 2012, we aim to reduce such waste by 16% compared with fiscal 2009 levels. As well as continuing to reduce/recycle OA equipment, we will thoroughly separate general waste and increase our consignment of disposal to waste disposal companies that have high recycling ratios.

・**Reducing Copy Paper Purchased**

In fiscal 2011, we changed the base year to fiscal 2009, as this was the year before we commenced environmentally oriented management. Our target for the year was to reduce copy paper purchased by 15% compared with fiscal 2009 levels.

To reach this figure, we set reduction targets for each organization, held paperless meetings, optimized printer layouts and took advantage of authenticated printing. We also reported the status of use periodically at management meetings. As a result, we purchased 246.1 million sheets of copy paper during the year, down 19.5% from fiscal 2009, achieving its target by a comfortable margin.

We set our organization-specific targets for fiscal 2012 at a 25% reduction compared with fiscal 2009 levels. We will monitor copy paper use on a monthly basis and introduce reforms to promote the use of hot-desking and paperless offices. Through these measures, we will work to cut the amount of paper purchased.

<u>The Greening of Customers and Society</u>
・ **Reducing the environmental impact of society through IT**

NTT DATA has set up the Kankyo Shiro environmental assessment system to determine progress toward its fiscal 2013 target of reducing annual CO_2 emissions by customers and other members of society by 1.5 million tons on an annual basis. Through this program, we conduct broad-based system and service sampling.

For fiscal 2011, we set our target as acquiring 20 labels under NTT Group Solution Environmental Label, an NTT Group environmental labeling system.

We conducted in-house group training for Kankyo Shiro twice during the year to make employees aware of this method of determining the environmental impact of introducing systems and services. We also solicited ideas on how to make the system more convenient.

Although we conducted quantitative assessments on 17 systems and services provided in different ways, we acquired only three environmental label certifications, as few of the plans proposed fell within the scope of such certifications.

In fiscal 2012, we will revise targets to increase the number of quantitative assessments that are set, encourage a broader scope in our sampling evaluations, make quantitative assessment tools more convenient and encourage their adoption.

・Expanding the environmental solution business

In fiscal 2011, we provided more environmental solutions, working toward our target of generating sales of ¥5.0 billion through these solutions. Although we made steady progress in this area, sales from environmental solutions fell short of our target, at ¥4.52 billion.

In February 2011, we formulated Group business strategies on smart communities and next-generation social infrastructure: we established the Smart Business Promotion Office to promote these plans and drive initiatives with NTT DATA and throughout the Group, marking the start of our initiatives involving smart communities.

From fiscal 2012, our Smart Business Promotion Office will focus efforts involving electrical power monitoring systems for commercial buildings and homes, as well as infrastructure and networks for charging electric vehicles. Through these efforts, we plan to expand our offerings of solutions related to smart communities.

Environmental Contributions and Communications

To promote environmental contribution activities targeting local communities to all organizations, for fiscal 2011 we set a target for the number of participants.

Our fiscal 2011 target was 800 people. We continued to participate in Tokyo Greenship Action, a campaign collaboratively promoted by the Tokyo Metropolitan Government, NPOs and private companies. In cooperation with the Nature Conservation Society of Japan, we also conducted surveys of exotic waterside species at 10 locations throughout Japan. Furthermore, we worked to increase participation in clean-up activities in areas surrounding office buildings and in local communities. As a result, 1,244 employees and family members participated in environmental contribution activities.

We intend to expand these activities further, so that by fiscal 2013, 10% of Group employees (3,000 people) will take part.

Environmental Accounting

Aiming to conduct efficient and effective environmental preservation activities

In fiscal 2011, Group environmental cost comprised ¥19.8 million in investments and ¥728.9 million in expenses.

Costs within the business area included the cost of introducing an electronic meeting system and investments in various other measures to make operations paperless. As a result, resource recycling costs were up ¥17 million compared with fiscal 2010 levels. However, resource recycling costs fell ¥330.8 million as a result of a decrease in costs for processing building byproducts and industrial waste.

In addition, upstream/downstream costs increased to ¥21.5 million. Citizenship activity costs rose to ¥14.7 million, owing to proactive efforts to increase NTT DATA Group

employee and family involvement in environmental contribution activities such as those involving surveys of exotic waterside species throughout Japan.

Environmental Accounting Conservation Cost   (Millions of yen)

Ministry of the Environment's Environmental Accounting Guideline Categories	Major Initiatives	Fiscal 2010		Fiscal 2011	
		Investment	Expenses	Investment	Expenses
Business area costs		3.3	784.3	19.6	411.7
Pollution prevention costs	Asbestos countermeasures, PCB management, etc.	0.7	41.8	0.0	0.0
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	0.0	0.0	0.0
Resource recycling costs	Inter-office waste disposal, construction waste countermeasures, business paper curtailment countermeasures, etc.	2.6	742.5	19.6	411.7
Upstream/downstream costs	Compliance with the Act on the Promotion of Sorted Collection and Recycling of Containers and Packaging	0.0	0.4	0.1	21.9
Administration costs	Labor costs related to environmental protection activities, ISO certification acquisition, building greening, environmental PR, etc.,	0.0	276.9	0.0	273.8
R&D costs	Environment-related R&D	0.0	0.4	0.0	0.0
Citizenship activity costs	Environmental contribution to regional communities	0.0	6.8	0.1	21.5
Total		3.3	1,068.8	19.8	728.9

Environmental Accounting Scope and Methods

•**Applicable period:** April 1, 2010, to March 31, 2011

•**Scope of data:** NTT DATA (all organizations) **/** 24 Group companies (domestic only)

•**Accounting method:** Based on Ministry of the Environment and NTT Group Environmental Accounting Guidelines

The NTT DATA Group's Environmental Impact

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.

The NTT DATA Group's Environmental Impact

Environmental impact data of the NTT DATA Group in fiscal 2011

Office waste of NTT DATA Group in fiscal 2011

Environmental impact data of the NTT DATA Group in fiscal 2011

Environmental data			Unit	Amount
Paper resource countermeasures	Total volume used (including paper from virgin pulp and recycled paper)		Tons	1,181
		Office paper	Tons	1,151
		etc.)	Tons	30
	Amount of total from virgin pulp		Tons	340
		Office paper	Tons	331
		etc.)	Tons	9
Global warming countermeasures	Greenhouse gas emissions (CO_2 conversion)		Tons of CO_2	223,179
	Carbon dioxide (CO_2) emissions		Tons of CO_2	222,858
		Electricity use	Tons of CO_2	217,872
		Gas/fuel use	Tons of CO_2	3,229
		Company vehicle use	Tons of CO_2	1,757
	Methane (CH_4) emissions		Tons of CO_2	3
		Shipping (automobiles, ships)	Tons of CO_2	3
	Dinitrogen monoxide (N_2O) emissions		Tons of CO_2	77
		Furnaces	Tons of CO_2	2
		Shipping (automobiles, ships)	Tons of CO_2	75
	Hydrofluorocarbon (HFC) emissions		Tons of CO_2	241
	Perfluorocarbon (PFC) emissions		Tons of CO_2	0
	Low-pollution vehicles owned			
		Hybrid vehicles	Vehicles	12
		Certified fuel-saving or low-emission vehicles (Gasoline-powered vehicles)	Vehicles	757
		Others	Vehicles	31
	Low-pollution vehicles introduced during the year		Vehicles	16
		Hybrid vehicles	Vehicles	4
		Certified fuel-saving or low-emission vehicles (Gasoline-powered vehicles)	Vehicles	10
		Others	Vehicles	2
	Sustainable/new energy systems installed		Systems	4
		Solar power systems	Systems	2
		Hybrid (solar and wind power) systems	Systems	1
		Cogeneration (OGS) systems	Systems	1
	Sustainable/new energy systems introduced during the year		Systems	0
		Solar power systems	Systems	0
		Hybrid (solar and wind power) systems	Systems	0
		Cogeneration (OGS) systems	Systems	0
	Electric power generated by sustainable/new energy systems		kWh	256,087
		Solar power systems	kWh	256,087
	Electric power generated by sustainable/new energy systems introduced during the year		kWh	0
		Solar power systems	kWh	0
Waste countermeasures	Industrial waste requiring special management			
		Asbestos removed (from buildings) during the year	Instances	0
		Asbestos removed (from buildings) during the year	Tons	0
		Waste batteries	Tons	23
		Other waste (acidic ash, alkali, oil, etc.)	Tons	0
	Use of products containing PCBs			
		Transformers	Units	0
		Stabilizers	Units	53
	PCB-containing products renewed (removed, stored) during the year			
		Transformers	Units	0
		Stabilizers	Units	0
	Storage of PCB-containing products			
		Transformers	Units	10
		Shunt capacitors	Units	7
		Internal capacitors	Units	0
		Stabilizers	Units	53
	Disposal during the year of PCB-containing products			0
		Shunt capacitors	Units	0

Ozone layer protection	Removal during the year of air conditioning system units using specified chlorofluorocarbons (CFCs)				0
		CFCs	Units	1
		Removal of air conditioning system units using alternative hydrochlorofluorocarbons (HCFCs)	Units	0
		Removal of air conditioning system units using alternative hydrofluorocarbons (HFCs)	Units	0
		Recovery and destruction of specified CFCs used for air conditioning systems	kg	4
		Recovery and destruction of alternative HCFCs used for air conditioning systems	kg	0
		Recovery and destruction of alternative HFCs used for air conditioning systems	kg	0
	Use of air conditioning system units using CFCs				0
		Air conditioning system units using specified CFCs	Units	23
		Air conditioning system units using alternative HCFCs	Units	231
		Air conditioning system units alternative HFCs	Units	501
		Specified CFCs used for air conditioning systems	kg	11,616
		Alternative HCFCs used for air conditioning systems	kg	14,716
		Alternative HFCs used for air conditioning systems	kg	21,857
	Storage of air conditioning system units using CFCs				0
		CFCs	Units	0
		Storage of air conditioning system units using alternative HCFCs	Units	0
		HFCs	Units	0
		Stored amount of specified CFCs used for air conditioning systems	kg	3,962
		Stored amount of alternative HCFCs used for air conditioning systems	kg	0
		Stored amount of alternative HFCs used for air conditioning systems	kg	170
	Use of vehicles using CFCs				
		Company vehicles that employ CFCs in air conditioner refrigerants	Vehicles	0
		Company vehicles that employ HCFCs in air conditioner refrigerants	Vehicles	0
		Company vehicles that employ HFCs in air conditioner refrigerants	Vehicles	800
		Use of CFCs in vehicle air conditioners	kg	0
		Use of HCFCs in vehicle air conditioners	kg	0
		Use of HFCs in vehicle air conditioners	kg	0
	Elimination of specified-CFC fire prevention equipment				
		Buildings from which specified-CFC fire prevention equipment removed during the year	Buildings	0
		Amount of specified CFCs removed from fire prevention equipment during the year	kg	0
		Amount of specified CFC gas emitted by fire prevention equipment during the year	kg	0
		Remaining number of buildings employing specified-CFC fire prevention equipment	Buildings	14
		Remaining specified CFC gas emissions from fire prevention equipment	kg	38,500

	Consumption of water resources		m^3	974,592
		Clean water consumption	m^3	585,474
		Sewerage water consumption	m^3	342,411
		Gray water consumption	m^3	38,709
		Rainwater consumption	m^3	0
		Consumption of clean, sewerage and other water (uncategorized)	m^3	7,998
Resource use	Energy consumption			
		Utility power	Thousands of kWh	566,177
		Kerosene	kl	13
		Light gas oil	kl	74
		A–C heavy oil	kl	11
		City gas	Thousands of m^3	1,330
		Gasoline (company vehicles)	kl	755
		Light gas oil (company vehicles)	kl	18

Scope of Mesurement

・Measurement period: From April 1, 2010 to March 31, 2011

・Measurement organization: NTT DATA (all organizations), 61 Group companies (domestic only)

Office waste of NTT DATA Group in fiscal 2011   (Kilograms)

Primary category	Subcategory	Recycled amount	Waste disposal amount		Total emissions	Final disposal amount
			Incineration	Landfill		
Category A+B	Mixture of Categories A and B (Unsorted waste)	238,862	132,853	108,698	480,413	121,983
Category A (burnable)	Fine paper	551,625	10	132	551,767	133
	Newspapers, magazines, cardboard	175,063	145	0	175,208	15
	Refuse	39,040	124,469	0	163,509	12,447
	Paper waste	248,959	126,447	0	375,406	12,645
	Plastics (burnable)	1,818	30,075	116,351	148,244	119,359
	Waste oil	0	0	0	0	0
	Unsorted burnable waste, other burnable waste	902,594	67,818	12,323	982,735	19,105
Category B (non-burnable)	Bottles	188,459	42	1,218	189,719	1,222
	Cans	273,060	0	1,177	274,237	1,177
	Plastics (non-burnable)	0	0	1,039	1,039	1,039
	PET bottles	80,544	0	0	80,544	0
	Unsorted non-burnable waste, other non-burnable waste	1,753,064	127,046	0	1,880,110	127,046
Category C	OA equipment, fixtures, others	1,894,995	21,432	43,944	1,960,372	46,087
Total		6,348,083	630,337	284,882	7,263,303	462,257

Scope of Mesurement
・Measurement period: From April 1, 2010 to March 31, 2011
・Measurement organization: NTT DATA (all organizations), 61 Group companies (domestic only)

The Greening of Customers and Society

Environmentally Responsible System Development

Promoting efforts to acquire the NTT Group's Solution Environmental Label

Since October 2009, the NTT Group has certified environmentally friendly solutions and assigned Solution Environmental Labels* to ICT solutions with an environmental impact reduction effect above a specified level.

During fiscal 2011, NTT DATA acquired three Solution Environmental Labels, increasing its total to seven. We plan to increase our number of environmental labels.

* Solution Environmental Label: A certification provided environmentally friendly solutions that employ ICT solutions to quantitatively assess their CO_2 reduction effect and achieve a reduction rate of more than 15%.

NTT Group Solution Environmental Label Certification in Fiscal 2011

・Meisai Oh (NTT DATA CUSTOMER SERVICE CORPORATION)

・SaaS-based easy electronic application system (NTT DATA KANSAI CORPORATION)

・Dr. Receipt Neo Standard / Dr. Receipt (NTT DATA CORPORATION)

Related website

Solution Environmental Labels (Japanese only)
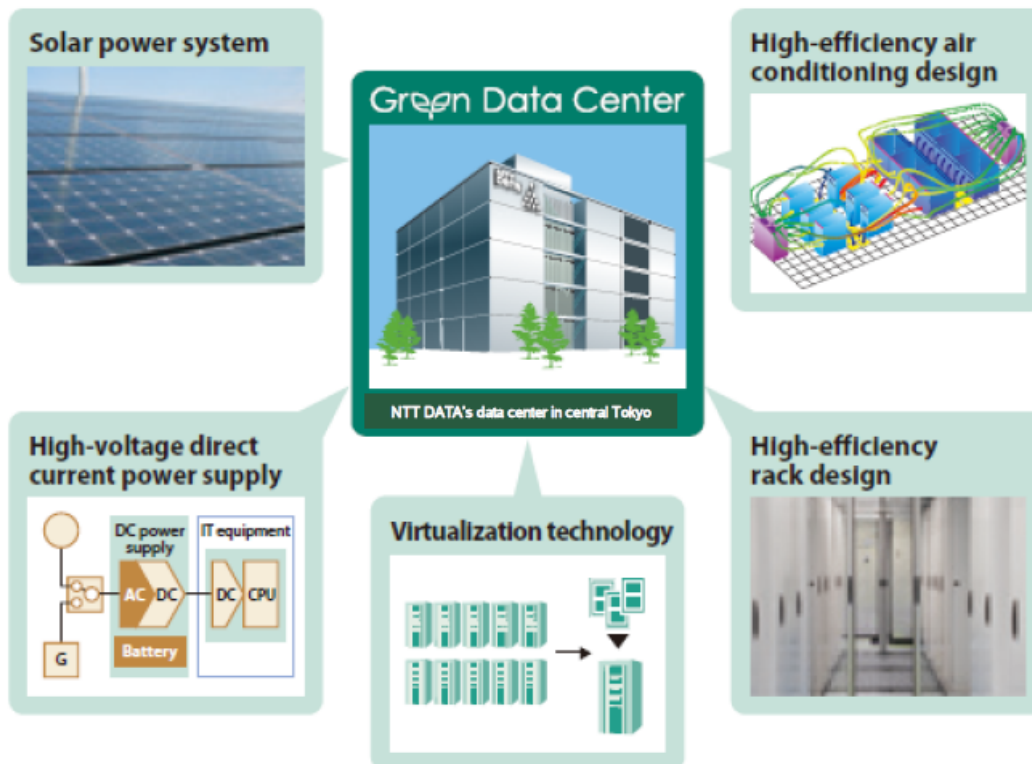http://www.ntt.co.jp/kankyo/label/index.html

[LOGO] The Solution Environmental Label certification mark

Providing Environmental Solutions

Major Initiatives and Technologies Employed in the Green Data Center

Solar power system

Green Data Center

NTT DATA's data center in central Tokyo

High-efficiency air conditioning design

High-voltage direct current power supply

DC power supply | IT equipment
AC | DC | DC | CPU
G | Battery

Virtualization technology

High-efficiency rack design

·Providing solutions that visualize energy consumption of individual PCs

The Act on the Rational Use of Energy (Energy Saving Act), which went into effect in April 2010, made companywide reporting of energy use obligatory. This legislation spurred full-edged corporate efforts to determine the amount of CO_2 emitted by offices, as well as other facilities, and enact measures to reduce these emissions. However, measuring the amount of energy used by PCs and other office equipment was problematic, making specific countermeasures difficult to formulate.

To address this situation, NTT DATA INTELLILINK CORPORATION made an eco-management function a standard part of NOSiDE Inventory Sub System/Asset Management, its IT asset management and policy-based network access control package software, providing an effective solution that enables companies to introduce measures for reducing the use of electricity in the office. As of March 31, 2011, we had already delivered 99 such systems. Visualizing power consumption for each organizational unit in this way facilitates the consideration and introduction of energy-saving measures.

In 2011, we began augmenting this setup with measures such as XECHNO taps, the company's power-saving electrical taps that link to NOSiDE to cut power while in standby mode.

Paradigms for the
Global Environment 【Additional Topics】

Supporting Greenhouse Gas Emissions Countermeasures

Proposing systems that support emissions trading

The Post-Kyoto Protocol and other measures highlight emissions trading*1 as one way of achieving greenhouse gas reduction targets. 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.

This scheme necessitated links between the international transaction log (ITL), which manages international emissions trading, and individual countries' national registries, and NTT DATA assisted in making this connection for various EU countries. In 2008, all EU countries' national registries were linked with the ITL, enabling emissions trading between Japan and EU countries, as well as among EU countries. We participated in connectivity tests on links between Japan's national registry and the EU-wide registry with the ITL and supported efforts by the United Nations Framework Convention on Climate Change (UNFCCC) Secretariat.

In addition to EU countries, 11 others were connected with the ITL as of March 31, 2011. In fiscal 2011, we performed upgrades in line with changes in UN system specifications.

In April 2010, the Tokyo Metropolitan Government began emissions trading to meet its overall obligation on greenhouse gas reduction. NTT DATA was commissioned to develop applications for the backbone system, and service commenced in June 2011.
We will continue to reduce and manage CO_2 emissions in Japan by offering systems that support corporate emissions identification and trading. These will include new frameworks designed for post-Kyoto and domestic emissions trading systems.
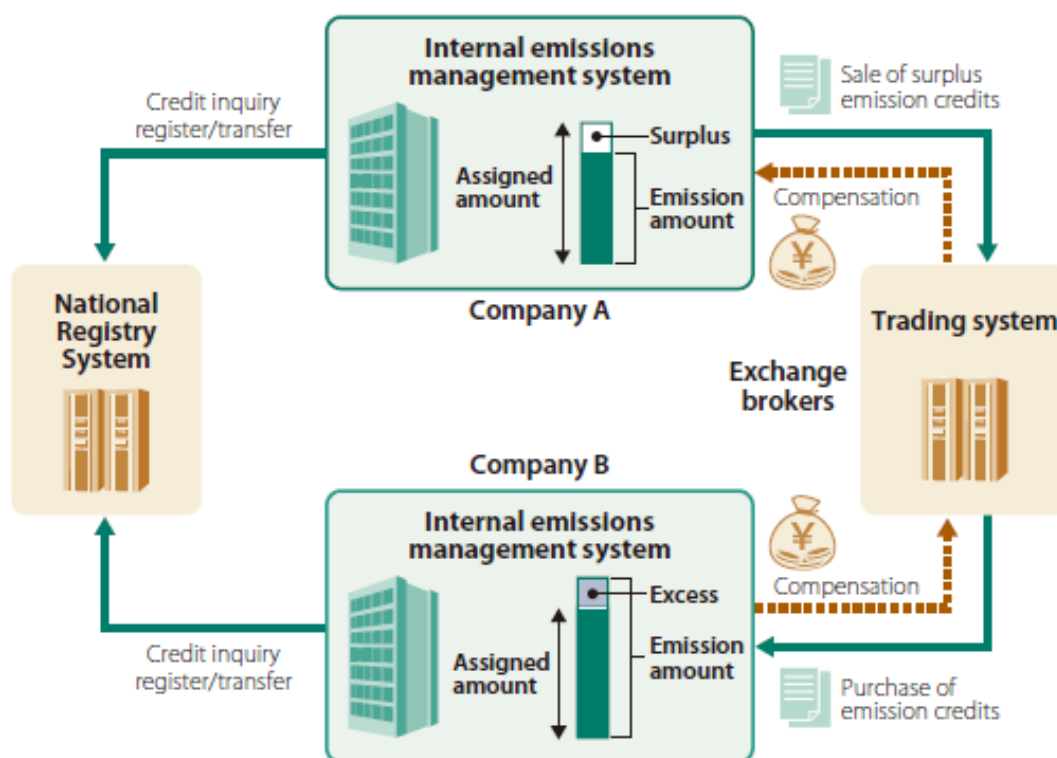
*1 Emissions trading:

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. NTT DATA developed this system in 2002 under commission from Japan's Ministry of Economy, Trade and Industry (METI) and Ministry of the Environment. In November 2007, the system was linked to the international transaction log (ITL), which is managed by the United Nations Framework Convention on Climate Change (UNFCCC). This completion of links enabled the transfer of credits for emissions trading.

Greenhouse Gases Emissions Trading Support System

Development of a system to confirm the achievement of targets in the Unified Domestic Emissions Trading Market

A system for Japan's Pilot Operation of Unified Domestic Emissions Trading Market* was put into effect in October 2008 with the aim of harnessing market mechanisms to reduce CO_2 emissions.

Under commission from the Ministry of the Environment, in March 2009 NTT DATA completed development of and put into operation a system to confirm the achievement of targets. This system monitors participating companies' progress toward their emission reduction targets and manages emissions trading in the marketplace.

Furthermore, in fiscal 2011 the Ministry of the Environment's Japanese Voluntary Emissions Trading Scheme (JVETS) was linked with the registration system. This allows credits to be transferred among different systems in real time.

We will continue working to ensure stable operation of this system, thereby supporting emissions trading among its participants.

* Unified Domestic Emissions Trading Market：

This system was put in place to enable companies and other organizations to reach their voluntary emission reduction targets by trading credits for emissions beyond their domestic targets (credits), trading domestic credits produced by small and medium-sized companies to reduce their emissions, and trading Kyoto credits by reduced emissions on overseas projects.

Developing the Offsetting Credit scheme

At present, the United Nations employs Kyoto credits as carbon offsets, applied mainly to reduce overseas emissions, but demand is mounting to reduce domestic emissions, as well. In response, in November 2008 Japan's Ministry of the Environment established the Offsetting Credit (J-VER) scheme to certify the carbon offset credits acquired by reducing or absorbing greenhouse gas emissions on domestic projects.

The ministry commissioned NTT DATA to develop a system for issuing, storing, transferring and invalidating credits and handling other record-keeping aspects of this scheme. This system became operational in March 2009.

In fiscal 2011, we added certain functions and upgraded others to enhance the system's convenience. We will continue working to ensure stable operation of this system, thereby supporting emissions trading among its participants.

Supporting environmentally friendly product development and CO2 reduction through carbon offsets

Through the Carbon Offset Products Project (COP)* inaugurated by the NTT DATA Institute of Management Consulting in October 2007, we support the reduction of CO2 emissions from corporate business activities and environmentally friendly strategic product development through carbon offsets. So far, carbon offsets have been used by stores, refrigerator centers, factories and buildings.

Taisei Corporation participated in this system in fiscal 2011, using carbon offsets for its Sapporo Building and technology center, which focus of the company's energy-saving technologies. As a new COP initiative, the institute also set up the 1 Ton Club as a carbon offset program for individuals using Kyoto credits. From Taisei, 655 employees joined this program, which is designed to offset CO2 emissions resulting from everyday activities.

We plan to approach other companies to increase participation in the 1 Ton Club.

* Carbon Offset Products Project (COP): This project employs Kyoto credits, which are certified by the United Nations in accordance with the Kyoto Protocol, underpinning the reliability of carbon offsets.

[CHART] COP Results

Project	Number	Participating Companies/Organizations	CO$_2$ Offset Amount (tons of CO$_2$) (fiscal 2009–2010)
Zero-CO$_2$ emissions stores	8	CO-OP Net	5,770
Zero-CO$_2$ emissions refrigerator center	1	CO-OP Net	13,175
Zero-CO$_2$ emissions factories	1	Toppan Printing Co., Ltd.	4,614
Zero-CO$_2$ emissions buildings	3	Toppan Printing Co., Ltd., Taisei Corporation	3,800

Launch of a consortium aimed at swiftly turning environmental generation technologies into reality

In recent years, energy harvesting technologies (environmental generation technologies) that convert heat, vibrations, magnetic waves and other naturally occurring forms of energy into power have become a growing focus. Expectations are high for power produced using these technologies, as it might provide a long-term supply of energy without the need for charging, replacement and refueling.

In Europe and the United States, enthusiastic R&D and empirical testing is underway, and a number of highly sophisticated products fusing storage and wireless technologies have already been launched.

In Japan, however, although individual companies own advanced elemental technologies, the tendency to turn such product development and commercialization is less pronounced.

To address this situation, in May 2010 the NTT DATA Institute of Management Consulting formed the Energy Harvesting Consortium, which brought together several companies to swiftly realize environmental generation technologies. As of March 31, 2011, 32 companies were members, and the consortium was working to accumulate leading-edge information, exchange information among members and disseminate information related to market creation.

Through this consortium, we aim to follow up on breaking developments in Europe and the United States. At the same time, by bringing together companies having a variety of different strengths, we aim to turn energy harvesting technologies into a practical reality.

The Greening of Our Group

Prevention of Global Warming

Promoting the installation of solar cells and effective utilization of exhaust heat

The NTT Group is encouraging the introduction of solar cells and other natural energy channels to help prevent global warming through its Green NTT program. One objective of this initiative is to expand total capacity of such power generation facilities to 5 MW by fiscal 2013. As part of this drive, NTT DATA installed solar panels on the NTT DATA Mitaka Building, as well as on the rooftop of the NTT DATA Komaba Training Center in February 2010. These projects boosted total natural energy power generation capacity to 164 kW, with anticipated annual power generation of 179,580 kWh.

From December 2009 to March 2010, we also conducted exhaust heat utilization trials at

our data center. Exhaust heat generated by IT equipment was recycled in a PVC greenhouse positioned on the top of a data center roof and used for the cultivation of vegetables. Produce from this experiment was successfully harvested, confirming the effectiveness of exhaust heat utilization. Based on these results, we will progress with investigations into valid methods of using exhaust heat through cost and effect analysis.

* Green NTT: An initiative promoted by the NTT Group to further 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.

Related website Green NTT (Japanese Only) http://www.ntt.co.jp/kankyo/greenntt/

[PHOTO] Solar panels installed on the rooftop of the NTT DATA Komaba Training Center

Constructing next-generation offices to bolster business efficiency and environmental performance

As an element of the work-style innovation that forms part of the NTT DATA Group's vision, in fiscal 2010 we began employing hot-desking and using videoconferencing to enhance the office environment and boost work efficiency as part of the Next-Generation Pilot Office Construction Project.

Continuing the Facility Management Department's efforts in the previous fiscal year, in fiscal 2011 head office staff introduced office reforms. Nine organizations from administrative departments optimized their working spaces to make them more efficient. This made space for additional staff members, who moved in from a leased building. The result was lower administrative costs, as well as a reduction in CO2 emitted.

By November 2010, the Facility Management Department had installed multiconnections, creating an environment that allows people at 10 locations in Japan to attend a single videoconference. This system should help to reduce the number of business trips that are necessary.

We will continue rolling out pilot offices within the Company, and we are considering moves to make this part of our standard office specifications.

Paradigms for the Global Environment 【Additional Topics】

[PHOTO] A next-generation pilot office

[CHART] Main CO2 Emission Reduction Initiatives

Targeted reduction	Initiatives
Electric power use	• Introduction of LED fluorescent tubes • Restricted areas for overtime work • Reduced floor space
Paper use	• Promotion of paperless operations through use of mobility of work and LCD monitor • Reduction in numbers of multifunctional machines

Waste Reduction

Striving to recycle confidential documents that would conventionally be shredded and disposed of exhaust heat

NTT DATA is working to recycle confidential documents to bolster the effective use of paper resources. 1,438 tons of documents were collected, sorted and recycled between April 2010 and March 2011. Documents collected and sorted at the head office building are processed into pulp by machines installed within the building and then sent to a recycling contractor, helping to boost the Company's paper recycling ratio.

Further, the processes of collection and sorting are consigned to NTT DATA DAICHI CORPORATION, a special subsidiary that promotes the employment of personnel with disabilities.

[PHOTO] Collecting documents

Environmental Contributions and Communications

Environmental Contribution Activities

・**Employees and Family Members Join in Surveys of Exotic Waterside Species throughout Japan**

In cooperation with the Nature Conservation Society of Japan, the NTT DATA Group conducted surveys of exotic waterside species in Japan during the three months from June through September 2010.

The survey involved recording the distribution of exotic waterside species such as the Louisiana crayfish (Procambarus clarkii) and the American bullfrog (Rana catesbeiana) on which insufficient data had been accumulated in the past. To gather this data, we conducted surveys at 10 locations near NTT DATA Group locations (Sapporo, Sendai, Tokyo, Nagano, Kanazawa, Nagoya, Osaka, Hiroshima, Matsuyama and Fukuoka).

Some 230 Group employees and their family members participated in this survey. The survey provided participants with a chance to gather information on the living things around them, and the information they took down was recorded on Wildlife Information Center, a public-participation website. The Nature Conservation Society of Japan was asked to analyze the distribution of exotic species, based on this survey data.

NTT DATA will continue in its efforts to employ IT in preserving biodiversity. We plan to expand these efforts beyond Japan, to involve overseas employees and their families in Group environmental preservation activities.

[PHOTO] Using a loupe to view and mark the location of waterside species

Paradigms for the
Global Environment 【Additional Topics】

[PHOTO] Recording species information that participants gathered on Wildlife Information Center, a public-participation website

Tokyo Greenship Action

Since fiscal 2009, the NTT DATA Group has participated in the Tokyo Greenship Action campaign. 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.

During fiscal 2011, this comprised three events: in June 2010, rice planting and other activities took place in the vicinity of the Yokosawairi Satoyama conservation area in Akiruno, Tokyo. In October 2010, they had the opportunity to harvest the rice they had planted four months earlier in Akiruno, and in November participants engaged in clearing and thinning of the undergrowth in the Higashi Toyoda greenbelt, in the city of Hino, Tokyo.

This time, 87 employees and their families volunteered to participate. In fiscal 2012, we aim to increase this number to 150, and we will continue actively encouraging employee and family member participation to this end.

[PHOTO]   [PHOTO]
Planting rice in Akiruno, Tokyo   Thinning in the city of Hino, Tokyo

Paradigms for the
Global Environment 【Additional Topics】

【Tohoku Region】
NTT DATA TOHOKU CORPORATION

Participated in an activity in November 2010 to clean up the area surrounding the site's building, in the Sendai Trust Tower Regional Clean-Up (30 participants).

【Hokuriku/Koshinestu Region】
NTT DATA HOKURIKU CORPORATION

Took part in Clean Beach Ishikawa (proposed by FM Ishikawa; sponsored by the Ministry of the Environment Chubu Regional Environmental Bureau) in May 2010 (25 participants).

NTT DATA SHINETSU CORPORATION

In November 2010, took part in a clean-up of the area surrounding the site's building (six participants).

【Tokyo Metropolitan Area】
NTT DATA MSE CORPORATION

Conducted commuter route clean-up activities in May and September 2010 in cooperation with enterprises in the Yokohama area where the company is headquartered (total of 16 participants).

JSOL Corporation

Participated in the April 2010 International Waterfront Clean-up Campaign, sponsored by the Japan Environmental Action Network, cleaning up the Suma coastal area of Kobe, Hyogo Prefecture (four participants).

Paradigms for the
Global Environment 【Additional Topics】

JSOL Corporation

Took part in Clean Day, organized by Tokyo's Chuo Ward, in May 2010, gathering trash from walkways and verges near the company's headquarters (10 participants).

NTT DATA SYSTEM TECHNOLOGIES INC.

Took part in the December 2010 biannual Clean Walk (cleaning of flower beds) as a Flower Supporter of NPO Hana Kaido (four participants).

NTT DATA FRONTIER CORPORATION

In June 2010, participated in the Green up Initiative sponsored by the Lifestyle Safety and Environmental Beautification Council of Minato Ward's Takanawa area (nine participants). Also took part in a clean-up campaign sponsored by Atre Shinagawa in October 2010 (nine participants).

NTT DATA SMS CORPORATION

With the labor union, conducted a clean-up activity in Tokyo's Koto Ward in November 2010 (12 participants).

NTT DATA SOFIA CORPORATION

Participated in the September 2010 49th Umisakura Trash Pick-up sponsored by Furusawa Kogyo Co., Ltd., conducting a clean-up along the shores of Enoshima (12 participants).

Paradigms for the
Global Environment 【Additional Topics】

NTT DATA R CORPORATION

From September to November 2010 and in January 2011, took part in clean-up activities sponsored by local governments and organizations (four participants).

2010
・September Activity sponsored by Nishi Onishi Elementary School (one participant)
・October Activity sponsored by the City of Saitama Nishi-ku Community Center (one participant)
・November In the Rengo Kanagawa Forest area, activity within the Tanzawa-Oyama Quasi-National Park and the Yadoriki Partners' Wood (one participant)

2011
・January City of Saitama Nishi-ku Mihashi 6-chome Clean-up Initiative (one participant)

NTT DATA MANAGEMENT SERVICE CORPORATION

Performed voluntary monthly clean-ups in areas surrounding the NTT DATA Mitaka Building, the NTT DATA Yokohama Nishi Building and the NTT DATA Mita Building. In addition to NTT DATA MANAGEMENT SERVICE CORPORATION, participants hailed from NTT DATA, building security companies and cleaning companies (93 participants).

NTT DATA BUSINESS SYSTEMS CORPORATION
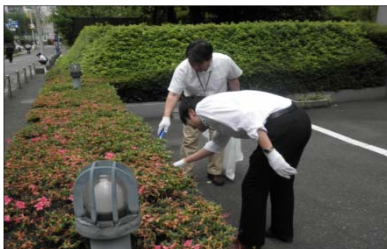
Took part in an activity in June 2010 to clean up the area surrounding the site's building (15 participants).

NTT DATA CUSTOMER SERVICE CORPORATION

Conducted the Mt. Fuji Clean Operation 2010 in September 2010 (five participants).

Paradigms for the
Global Environment 【Additional Topics】

NTT DATA CUSTOMER SERVICE CORPORATION

Took part in the Let's Clean Up Our City Initiative (Concerted Autumn Clean-Up) sponsored by Tokyo's Koto Ward in November 2010 (42 participants).

【Tokai Region】
NTT DATA TOKAI CORPORATION

Carried out monthly clean-up activities in the vicinities of the Fushimi and Aoi buildings (total of 412 participants).

【Kansai Region】
NTT DATA KANSAI CORPORATION, NTT DATA MANAGEMENT SERVICE CORPORATION, NTT DATA CUSTOMER SERVICE CORPORATION, , JSOL Corporation

Took part in Clean Osaka 2010, a concerted clean-up campaign sponsored by the city of Osaka, in November 2010 (99 participants).

【Chugoku Region】
NTT DATA CHUGOKU CORPORATION

Joined in the Ota River Mass Clean-Up, organized by City of Hiroshima Clean Ota River Executive Committee, in July 2010, involving a riverside trash-gathering walk (four participants).

NTT DATA CHUGOKU CORPORATION and NTT DATA CUSTOMER SERVICE CORPORATION

In August 2010, participated in the Hiroshima Peace Memorial Park Concerted Clean-Up (sponsored by the city of Hiroshima) to clean the park thoroughly prior to a Peace Memorial Ceremony (24 participants).
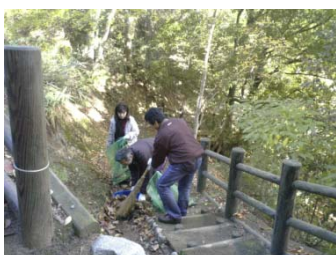
Paradigms for the Global Environment 【Additional Topics】

【**Shikoku Region**】
NTT DATA SHIKOKU CORPORATION

Participated in the Environmental Clean Challenge conducted by NTT WEST in cooperation with regional branches and local communities.

・November 2010, Mineyama Park (10 participants)

・December 2010, Dogo Park (21 participants)

【**Kyushu Region**】
NTT DATA KYUSHU CORPORATION

Participated in the Love Earth Clean-Up 2010 (sponsored by the City of Fukuoka Environmental Bureau and other entities) and the Shikanoshima Ocean Pool clean-up initiative (nine participants).

Environmental Communications

In-house and external dissemination of Green IT information

We are sharing the latest Green IT-related trends and quantitative assessments on environmental impact reductions throughout the NTT DATA Group. This helps with environmentally responsible system development and sales activities. Furthermore, we disseminate Green IT information to customers and society at large through public websites and other channels.

We also provided a broad-based introduction of our environment- and energy-related businesses as ITpro EXPO 2010, which was held October 18–20, 2010.

Global Report

Keane, Inc. (United States)

Initiatives to virtualize servers and consolidate data centers

As reducing greenhouse gas emissions requires IT equipment to consume less power, Keane, Inc., is mounting proactive initiatives to virtualize its servers in India and consolidate its data centers in India and the United States. Since 2009, the company has consolidated three data centers and two server rooms in its efforts toward greener IT.

CSR Infrastructure

Compliance

Declaration of Compliance

NTT DATA:

- Will undertake fair and transparent business activities fully realizing social responsibilities of the Company by self;
- Will observe laws, contracts and in-house regulations, and encourage behavior in accordance with a social good sense; and
- Will build relationships with customers that are based on reasonable behavior, aiming to realize a prosperous society in conjunction with its customers.

Toru Yamashita
President and CEO
NTT DATA CORPORATION
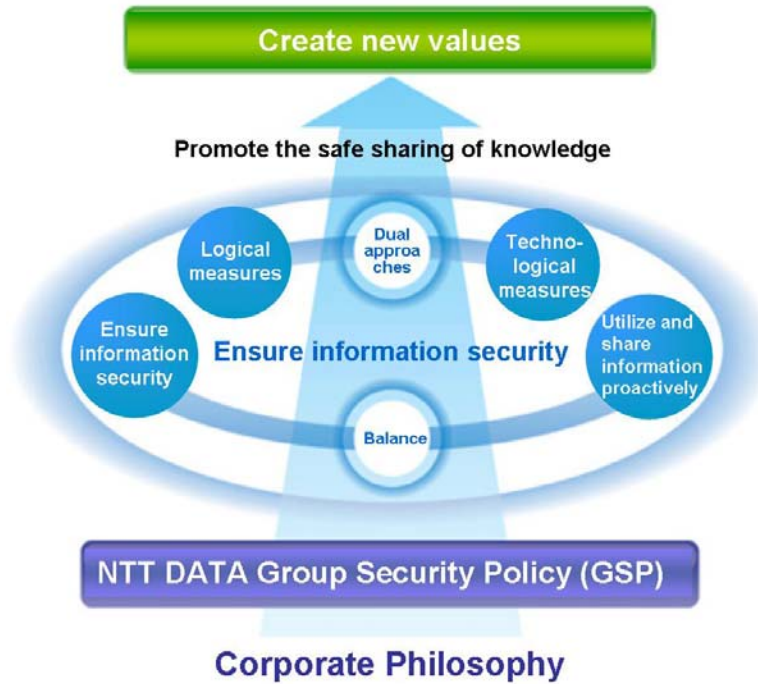
Information Security

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. At the same time, focusing solely on ensuring information safety obstructs efforts to use and share information freely. This impedes the flow of beneficial information and expertise.

The NTT DATA Group considers maintaining an appropriate balance between ensuring information security and information utility and sharing to be important. Accordingly, the Group handles an array of initiatives comprised of logical measures such as the formulation of rules and education about information security, as well as technological measures that include solutions to prevent information leaks and the introduction of thin-client PCs.

To facilitate groupwide 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.

CSR Infrastructure 【Additional Topics】

[CHART] Promoting the Safe Sharing of Knowledge

NTT DATA Group Unified Security Policy

[CHART] Information Security Policy Configuration

CSR Infrastructure 【Additional Topics】
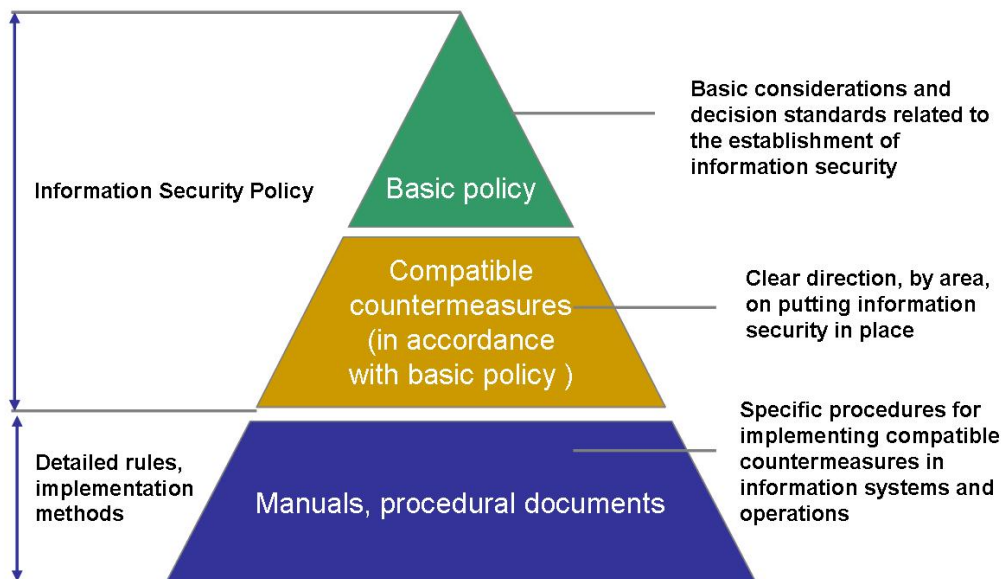
Information Security Management Structure

Preventing information leakage and divulgence when outsourcing

NTT DATA subcontracts software development and other services to partner companies. When outsourcing involves confidential or personal information, we 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 at various operating levels after contracts have been signed. If necessary, we conduct on-site investigations to prevent information leakage and divulgence.

[CHART] Flow of Management Process from Partner Company Selection to Contract Conclusion

Partner company selection

Confirm systems and implementation status of countermeasures ▸ Indicate rules, confirm countermeasure levels

Post-outsourcing initiatives

Enter agreement ▸ Conduct education and confirm promissory agreements ▸ Receive periodic reporting from partner company ▸ Perform spot inspections of partner company ▸ Confirm information disposal ▸ Conclude contract

Information Security Strategies

1) Promote information security throughout the Group in response to globalization

To promote information security management throughout the Group, when promoting PDCA cycles we maintain an awareness of both the groupwide PDCA cycle and PDCA cycles for individual Group companies.

One part of the loop, which describes the PDCA cycle for the entire Group, centers on the NTT DATA IT Security Strategy Office. This loop involves monitoring the configuration status of Group companies' information security management systems, as well as the implementation status of their educational measures and internal audits, as well as providing support.

In fiscal 2011 we constructed a groupwide monitoring system, and also established education systems and internal auditing systems.

PDCA cycles of individual Group companies, the other part of the loop, involve cultivating personnel dedicated to promoting information security, Group company personnel and internal audit staff. In fiscal 2011 we added 58 internal auditors from 23

companies.

The NTT DATA IT Security Strategy Office also conducts Group company caravans. In fiscal 2011, the office visited some 13 Group companies, including overseas locations. These visits included eliciting Group companies' problems and issues, as well as considering on-site advice and improvement proposals. We also provide consistent Group company security education in two languages (English and Japanese) through a web interface, so as to bolster the education conducted at individual Group companies. 14,197 employees from 60 companies chose to participate in the educational program in fiscal 2011.

We will focus on strengthening education and operations support at overseas Group companies through measures such as increasing the number of languages in which programs are offered.

We conducted information security training at Group companies through overseas group training programs offered in Chinese, Thai, and Vietnamese.

As the number of new overseas Group companies increases we will strengthen education and operations support so as to improve the level of information security, focusing on overseas Group companies. We will offer employee training, internal auditor training, and information provision for Group companies in three languages: Japanese, English, and Chinese.

Overview of the PDCA Double Loop
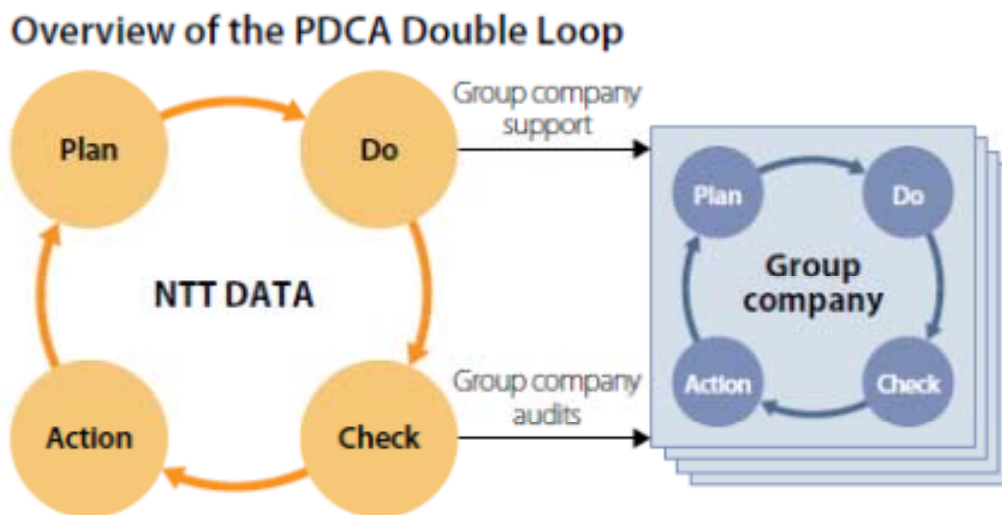
2) Ensure that Basic Procedures to Prevent Accidents Are Followed and Create Response Measures

Ensuring the safe communication of knowledge requires more than technological measures. Rather, this objective requires that individual employees understand the risks that surround them on an everyday basis and that they consistently follow the basic

CSR Infrastructure 【Additional Topics】

procedures that are necessary to counter such risks.

To that end, NTT DATA established seven Information Security Basic Actions in fiscal 2011. In addition to promoting in-house awareness of a comprehensive action checklist, we have established companywide security accident response procedures.

We have also put in place procedures for the introduction of new business tools such as tablet PCs and smartphones. The issue is how to use these items actively while maintaining a high level of security.

3) Strengthen personal data protection measures

NTT DATA established a Personal Information Protection Policy and in-house regulations in 2001, and has since been engaged in a variety of related activities, such as Privacy Mark acquisition in 2003.

Nonetheless, incidents involving the use of personal data for purposes other than its intended use at the time of acquisition have occurred at other companies, and in response we have redoubled our own personal information protection measures. In addition to the annual self-checking of the status of personal data handling at the workplace and systems levels, we are also conducting Internet-based training (e-learning) programs for all employees concerning personal data protection, as well as holding classroom instruction (rights protection training) for understanding the practical aspects of personal data acquisition in projects.

These programs will continue to be conducted in fiscal 2012, and we will work to strengthen our personal data protection measures even further.

Information Security Education and Awareness

Extending educational and promotional activities to employees and partner companies

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

In fiscal 2011, we conducted GSP Security Training for Group company employees desiring GSP Internal Auditor Training (classroom instruction) for conducting information security audits based on the NTT DATA Group Security Policy.

We will continue to conduct a variety of measures focused on ensuring that each employee has a thorough understanding of basic actions for information security.

CSR Infrastructure 【Additional Topics】

Major Information Security Education during Fiscal 2011

Target	Contents and Format	No. of Participants
All employees	Personal data protection IBT (e-learning)	All employees
	Information security policy assessments (e-learning)	All officers and employees
By position	Information security lectures (classroom instruction)	Incorporated in the training according to rank conducted by the Personnel Dept.
Specific projects, etc.	Personal Data Rights Protection Training (classroom instruction)	140 employees, 5 sessions
By work group	Information security case studies	Freely implemented by each coordinator
Business partners, temporary	Information security education (e-learning)	All parties registered on our company system 18,783 persons

Principal Educational Activities Support for Group Companies during Fiscal 2011

Target	Contents and Format	No. of Participants
Group companies desiring course participation (for employees)	GSP Security Training (Web)	14,197 employees from 60 companies
Personnel in charge of information security promotion	GSP Internal Auditor Training (classwork)	58 employees from 23 companies

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Promoting 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 March 31, 2011, the relevant departments of 38 NTT DATA Group companies, including NTT DATA, had acquired this certification.

In addition, NTT DATA and 29 other Group companies were authorized by the Japan Institute for Promotion of Digital Economy and Community to use the Privacy Mark.

Eight individual services have acquired ITSMS* certification.

*ITSMS (IT Service Management System): An efficient, effective management system for IT service providers. ITSMS certification means third-party certification of a service management system.

CSR Infrastructure

> **Application of Security Technologies**

Adopting measures for the prevention of information leakage for all PCs used by employees in their work

As a technological measure to ensure thorough prevention of information leakage, since November 2005 NTT DATA has installed information leakage solution software, Total Security Fort (TSF), on the approximately 30,000 PCs used by NTT DATA employees in their work.

TSF can micromanage confidential data handling on an individual PC level by restricting the use of external hard disks and other external memory devices and the write capability to CD-ROMs, USB memories and other compact portable media, prohibiting running of Winny and other P2P software and other imposing other restraints. Furthermore, TSF allows for flexible operations. For example, controls can be removed, such as by allowing information to be taken outside the Company as needed, subject to managerial permission.

As a result of these measures, NTT DATA provides benefits on two fronts: it prevents loss and theft of external memory media and information spillage or loss from within the Company arising from Winny and other software, while its operating flexibility provides active information utility and sharing.

Replacing PCs with thin-client terminals for transportation outside the Company

Since fiscal 2008, NTT DATA, in principle, has replaced PCs with thin-client terminals for work that involves transportation outside the Company, such as conducting sales activities.

Thin-client terminals are PCs that function by connecting to in-house networks via the Internet. No work-related data is saved to the terminals themselves. Data also cannot be written to USB memories and other external devices. These features radically reduce the risk of information leakage in the eventuality of loss or theft. We are also using telework as a facet of our workstyle innovation.

We employ a system whereby data transferred through specialized services is not saved on the terminal when accessing our in-house servers via mobile phones. A similar system for not saving data when using smartphones was installed in May 2011.

We will investigate the introduction of technological measures for information safety applications.

CSR Infrastructure

> **Disclosure of Information Security Initiatives**

Publication of Information Security Report

NTT DATA, as a company of professionals that provide value to customers through information systems and services, treats the customer data it handles with care and confidentiality. Moreover, we consider the disclosure of information about our information security initiatives also to be our responsibility. Accordingly, in March 2008 we became the first systems integrator to issue an information security report.

The *Information Security Report 2010,* issued in March 2010, was the second such publication. It outlines objectives, strategies and performance relating information security, as well as providing coverage from the standpoint of information security governance.

We plan to issue information security reports on a biannual basis, with the next due for publication at the end fiscal 2012.

[PHOTO]   *Information Security Report 2010* (Japanese only)
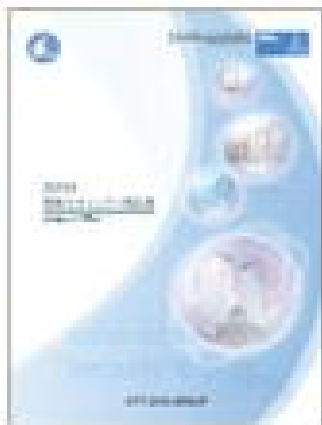
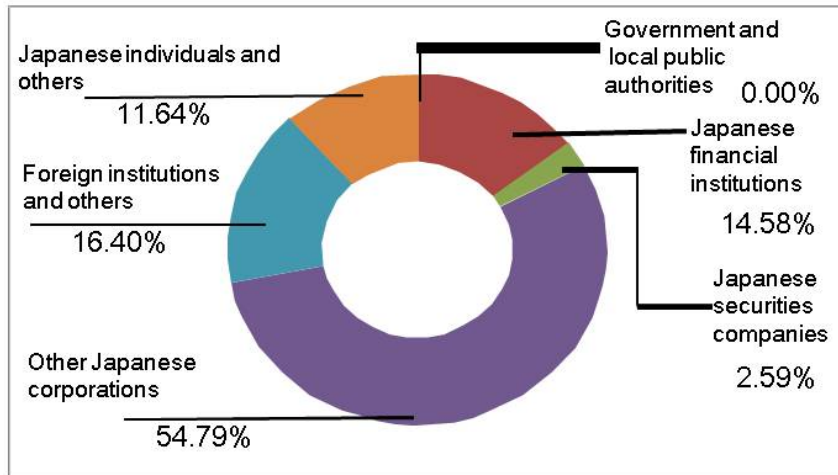> **Dialog with Shareholders and Investors**

> **Disclosure Policy**

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.

CSR Infrastructure 【Additional Topics】

Shareholder Returns

[GRAPH] Distribution of Ownership among Shareholders (as of March 31, 2011)

Japanese individuals and others
11.64%

Government and local public authorities 0.00%

Japanese financial institutions
14.58%

Foreign institutions and others
16.40%

Japanese securities companies
2.59%

Other Japanese corporations
54.79%

・Reinforcing information dissemination through IR tools

NTT DATA produces an annual report each year for domestic and overseas investors and compiles IR presentation materials covering the progress of business performance and other pertinent issues for publication on the Company website. In addition, we publish shareholder newsletters at the end of the second quarter and at fiscal year-end, and post the articles on our website to give clear and detailed explanations of our business results and activities.

We operate a distribution service via RSS and provide video feeds of our results briefings to keep investors abreast of news release updates, a step that facilitates the earliest possible communication of the latest corporate news. In conjunction with the questions and opinions we receive, these initiatives help to invigorate interactive IR activities.

We are working to improve our IR tools further to enable faster, easier-to-understand communications on business results and activities for shareholders and investors.

[PHOTO] NTT DATA annual report

[PHOTO] Investor relations website
http://www.nttdata.com/investor/index.html

CSR Infrastructure

・Third-Party Evaluations of Company Initiatives

NTT DATA is developing investor relations activities, targeting its shareholders and investors in Japan and overseas, that leverage the characteristics of print, online, video and other media.

NTT DATA's position regarding these IR activities and the status of information disclosure are externally assessed, and during fiscal 2011, we were selected for the Best Company Award in the 2010 Internet IR Best Company Awards, which are hosted by Daiwa Investor Relations Co., Ltd.

[Photo] Logo for the 2010 Internet Best Company Awards, hosted by Daiwa Investor Relations Co., Ltd.