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NTT DATA GROUP CORPORATION

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<https://www.nttdata.com/global/en/>

The corporate governance of NTT DATA Group Corporation (“NTT DATA” or “the Company”; together with its subsidiaries and affiliates, “NTT DATA Group” or “the Group”) is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information

1. Basic Views Update

NTT DATA Group aims to establish a business structure that produces stable profits through continuous growth by carrying out the mission to create new paradigms and values with information technology for a more affluent and harmonious society, and also by forecasting future trends to swiftly and accurately respond to the changing market environment, client needs, and the cutting-edge technology trend.

NTT DATA Group formulated the MMP for FY2022–2025 under this corporate mission. With the aim of creating future-oriented value and connecting people by technology to realize a sustainable society together with our clients, we set the slogan “Realizing a Sustainable Future.”

For “Realizing a Sustainable Future,” we developed our past ESG management into sustainability management and work on nine material issues based on three pillars (Environment, Economy, Society). Based on the idea of “Business with Sustainability” that balances improvement of economic value and creation of social and environmental value, we will continue to pursue business activities that contribute to society.

Furthermore, NTT DATA Group will play an active role in overcoming the various issues that face society through the appropriate provision of various information services by the Group's executives and employees based on social norms, as well as in complying with laws and contracts in Japan and overseas and in respecting international standards, including those of human rights.

The Company Group has transitioned to a holding company structure in July 2023, and the Company operates and controls the Group's management while NTT DATA Japan Corporation, the operating company in Japan, and NTT DATA, Inc., the operating company overseas, autonomously manage their respective businesses, to promote flexible business management and appropriate governance.

Under these concepts, NTT DATA is working on the following basic policies in accordance with the purpose of each principle of the Corporate Governance Code to ensure that corporate governance will effectively function: (1) to ensure transparency and soundness in business management; (2) to achieve appropriate and swift decision-making and business execution; and (3) to implement compliance thoroughly. The purpose of working on such basic policies is to meet the various expectations of stakeholders, including shareholders, investors, clients, business partners, and employees, and to maximize corporate value.

(1) Ensure transparency and soundness in business management

NTT DATA strives to disclose information in a just, fair, and timely manner in accordance with the “Disclosure Policy” based on the “Disclosure Guidelines.” Such disclosure is important in that it enables the market to appraise NTT DATA appropriately. For this reason, NTT DATA holds a meeting for explanation of financial results when financial results are announced quarterly, and often holds other meetings for domestic and international investors and analysts, in order to ensure transparency in business management. NTT DATA has a majority of independent outside directors and directors who are Audit and Supervisory Committee members to reinforce the function of supervising and auditing business execution, thereby ensuring soundness in its business management. Furthermore, when transacting with Nippon Telegraph and Telephone Corporation, our parent company; and each company of the NTT Group, we pay attention to maximize the profits of our shareholders.

(2) Achieve appropriate and swift decision-making and business execution

NTT DATA strives to realize appropriate and swift decision-making and business execution by promoting delegation of authority to NTT DATA Japan Corporation and NTT DATA, Inc., our operating companies, while reserving certain authority to the Company. Specifically, the Company is consulted by the operating companies on important matters related to business operations, such as overall strategy, business plan, executive personnel changes, and the Board of Directors, the President and CEO, Representative Director, or heads of each organization makes decisions in accordance with the authority specified in the Authority Rules and depending on the importance of the matter, thereby ensuring the appropriateness of the operation of the entire Group. In addition, we have formulated a group-wide policy to standardize the business management processes for important matters related to business operation, and deployed and applied it to the operating companies to establish a system to implement an effective supervision and control while ensuring agility of execution.

(3) Implement compliance thoroughly

NTT DATA has set the NTT DATA Group Code of Conduct as basic rules for daily activities by each Group employee, in order to foster corporate ethics and compliance awareness and respond to recent changes in the business environment. Continuous awareness activities are necessary for it to be effective, and we continuously communicate these messages from the management regarding compliance across the Group and have been holding training sessions on compliance to all Executives and employees. Furthermore, in order to foster a more open corporate

(3) An individual providing specialized services, such as a consultant, accountant or lawyer, who has received from NTT DATA and/or its major subsidiaries(*3) any money or other property profit that is worth 10 million yen or more per year other than executive remuneration in any year of the most recent 3 fiscal years; or

(4) A business executor of an organization that has received contributions exceeding the standards set forth by NTT DATA(*4).

Even if a person falls under any of the conditions from (1) through (4) as stipulated above, any reason for judging that such person still has independence is required to be explained and disclosed when such person is appointed as an independent director.

*1 NTT DATA's business partner exceeding the standards set forth by NTT DATA refers to a business partner whose trading amount with NTT DATA and/or its major subsidiaries is 2% of their total sales or larger in any financial year out of the most recent 3 financial years.

*2 NTT DATA's lender exceeding the standards set forth by NTT DATA refers to a lender who lends to NTT DATA and/or its major subsidiaries 2% or a larger percentage of their total assets in any financial year out of the most recent 3 financial years.

*3 The major subsidiaries are NTT DATA Japan Corporation and NTT DATA, Inc.

*4 An organization that has received contributions exceeding the standards set forth by NTT DATA refers to an organization that has received contributions from NTT DATA and/or its major subsidiaries that exceed 10 million yen per year or 2% of the total annual revenue of such organization, whichever is larger in amount, in any fiscal year out of the most recent 3 fiscal years.

[Supplementary principle 4-10-1] (View, authority, role, etc., regarding the independence of the Committees)

NTT DATA has independent outside directors who do not have any possibility of causing a conflict of interest with general shareholders and they make up the majority of the Board of Directors from the perspective of strengthening the supervising function of business execution.

[Supplementary Principle 4-11-1] (Composition of the Board of Directors, Nomination Procedures of Directors, etc.)

With regard to the balance of knowledge, experience, and capability, and the attitude toward the diversity and scale of the Board of Directors as a whole, refer to (Appointment policy for candidates for directors) specified in “II.2 (3) Appointment, Dismissal, and Nomination” in this report.

[Supplementary Principle 4-11-2] (Concurrent Positions Held by Directors)

Directors spend time and labor required to perform their appropriate roles and duties for the operations of directors, and therefore, the number of their concurrent posts shall be within reasonable extent. Concurrent posts of directors at different listed companies are disclosed in the business report and the reference documents for the Shareholders' Meeting. Refer to NTT DATA's website for details.

(https://www.nttdata.com/global/en/investors/share/shareholders_meeting)

[Supplementary Principle 4-11-3] (Evaluation of effectiveness of the Board of Directors)

The Board of Directors determines important matters, etc. related to company management and group management and implements the monitoring of the execution status of directors with the job execution status report every quarter.

Additionally, with the purpose of enhancing the functions of the Board of Directors and to enhance corporate value, the Board of Directors has been implementing self-evaluation and analysis with the involvement of an external organization since FY2016 to ensure objectivity on the effectiveness of the Board of Directors. The Board implemented self-evaluation and analysis also in FY2023, just like the previous business year. General information is provided as below.

(1) Methods of implementation

When: December 2023–February 2024

Evaluation method: Implemented a questionnaire for all directors (including Audit and Supervisory Committee members) who were members of the Board of Directors.

(Each question was answered in a five-grade scale. In addition, each question category provided a field available for any comment.)

Response method: Directly responded to external organization in order to secure anonymity.

(2) Evaluation results

On the basis of the analysis of the comparisons of the average scores of other companies regarding the results of the questionnaire survey conducted by an external organization, as well as individual interviews with outside and foreign directors, we deeply analyzed, discussed, and evaluated the survey results in consideration of the advice from multiple external organizations from February to April 2024. We reported the evaluation results to the Board of Directors, which in turn verified the content and discussed policies for further improvement.

As a result, the structure and management of the Board of Directors on the whole received positive evaluation, leading to the recognition that the effectiveness of the entire Board of Directors is secured.

In response to the issues coming to the surface through this initiative in the last fiscal year, we implemented measures to strengthen monitoring under the holding company structure, enhance strategic discussions on highly important themes and topics, and promote further understanding of overseas businesses. We received a certain level of evaluation that improvements had been made.

(3) Actions based on evaluation results, etc.

While confirming certain evaluation on our efforts for improvements in FY2022, we saw some recurring challenges that we had to continuously address. We will work on the following projects, innovations in running the Board of Directors, and management policy for improvement:

- Improve group governance in a holding company structure
- Strengthen discussions on management issues and strategies under the holding company structure
- Share accurate information on market trends and overseas business conditions, and strengthen discussions on overseas strategies

We will continuously implement evaluation on the effectiveness of the Board of Directors and proceed with the initiatives to improve its functions.

[Supplementary Principle 4-14-2] (Training for Directors)

Directors are appointed from those who have broad knowledge about business, financial affairs and organizations, etc., and they are trained if necessary. After taking office, the training program targeted at directors continues with a wide range of training sessions on market trends and economic and social issues at home and abroad. For outside directors, we provide seminars by attorneys and occasions to exchange opinions with executive members, besides giving them detailed explanations and organizing visits to facilities to deepen their understanding of our business environments and situations.

[Principle 5-1] (Policy for Constructive Dialogue with Shareholders)

NTT DATA promotes constructive communication with shareholders and investors. To contribute to continuous growth and improvement in the medium- to long-term enterprise value of NTT DATA, our policy takes the following measures:

(1) Appointment of a director in charge of communication with shareholders

To achieve constructive communication with shareholders and investors, a director responsible for Investor Relations (IR) is appointed.

(2) Policy for systematic cooperation among internal offices

NTT DATA has opened an office specializing in IR (the Investor Relations Office). It has also set up the Disclosure Committee, which is made up of the President and CEO, Representative Director, the Head of Finance Department and also the heads of all significant organizations which are required to join by the Head of Finance etc. The said Committee is operated by the Investor Relations Office and has regular discussion on the formation of the disclosure policy relating to, and disclosure of, the following management information:

- (A) Quantitative information, such as the Medium-Term Management Plan, the background to the formation of the Management Plan, the trend of clients and solutions by area, and the business scale of individual businesses;
- (B) Qualitative information, such as the Medium-Term Management Policy, the policy for returning profit to shareholders (including dividend policy), and the trend in each industry; and
- (C) Any information considered important for investors etc. other than (A) and (B).

(3) Efforts for the sufficiency of conversational procedure except for individual interviews.

Please refer the “III.2. IR Activities” of this report.

(4) Policy for effective feedback on shareholders’ opinions and concerns

NTT DATA has established an office specializing in IR and properly reports on feedback such as the opinions or concerns of shareholders and investors to the Board of Directors, a regular meeting participated in by the President and CEO, Representative Director etc., and the Disclosure Committee. NTT DATA also creates opportunities for NTT DATA’s directors and Senior Vice Presidents to directly communicate with shareholders and investors to understand their opinions and concerns.

(5) Policy for the management of inside information in communication

NTT DATA has established rules for handling the Company’s significant information prior to disclosure such as “Rules for Prevention of Insider Trading” and “Policy (Rules) for Information Security,” and strictly control the information, and also provides the periodical training to the all employees based on such rules, and strive to prevent the occurrence of insider trading.

Also NTT DATA has established the “Disclosure Guidelines” striving to provide timely and fair disclosure of information with the purpose of contribution for the shareholders and investors’ fair and appropriate investment decision, and disclose the information with the purpose of clarifying our position toward the information disclosure to the outside by establishing and disclosing “Disclosure Policy.”

[Responses to facilitate management with awareness of capital costs and stock prices] [Disclosed in Japanese and English]

To acquire profit sources for the future, NTT DATA positions M&A and data center investments as medium- to long-term investment areas and will continue to actively allocate funds to these areas. While implementing these investments, we have managed our businesses with consideration for return on investment and financial soundness using ROIC and net debt-to-EBITDA ratio as target benchmarks and have reported the progress to the Board of Directors.

For details concerning these, please refer to the Company Presentation for the Fiscal Year Ended March 31, 2024, and the Integrated Report.

• Company Presentation of the Fiscal Year Ended March 31, 2024

<https://www.nttdata.com/global/en/investors/library/earnings>

• Integrated Report

<https://www.nttdata.com/global/en/investors/library/ar>

[Status of dialogues with shareholders, etc.]

NTT DATA places importance on dialogues with shareholders and investors. We give feedback on their opinions to the Board of Directors for discussion, which has led to management actions, and are committed to the enhancement of investor relations activities, including improving dialogue methods and frequency, to sustainably boost corporate value. For details, please refer to “2. Status of IR-related Activities” (III. Implementation of Measures for Shareholders and Other Stakeholders) of this report and the Integrated Report.

• Integrated Report

<https://www.nttdata.com/global/en/investors/library/ar>

2. Capital Structure

Foreign Shareholding Ratio

10% or more and less than 20%

Status of Major Shareholders Update

Name or Company Name	Number of Shares Owned	Percentage (%)
Nippon Telegraph and Telephone Corporation	809,677,800	57.73
The Master Trust Bank of Japan, Ltd. (Trust Account)	164,437,700	11.72
Custody Bank of Japan, Ltd. (Trust Account)	88,238,818	6.29
HSBC HONGKONG TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES	15,565,812	1.11
NTT DATA Employee Share-Holding Association	14,427,100	1.03
JP MORGAN CHASE BANK 385635	14,352,375	1.02
STATE STREET BANK WEST CLIENT TREATY 505234	12,213,872	0.87
JP MORGAN CHASE BANK 380072	9,267,900	0.66
JP MORGAN CHASE BANK 385781	8,732,301	0.62
SSBTC CLIENT OMNIBUS ACCOUNT	7,292,569	0.52

Name of Controlling Shareholder, if applicable (excluding Parent Company)	—
Name of Parent Company, if applicable	NIPPON TELEGRAPH AND TELEPHONE CORPORATION (Listed Stock Exchange: Tokyo Exchange) (Code) 9432

Supplementary Explanation

- [Status of Major Shareholders] shown above is as of March 31, 2024.
- Percentage (%) has been calculated after deducting the treasury stock (11,218 shares).

3. Corporate Attributes

Listed Stock Exchange and Market Segment	Prime Market
Fiscal Year-End	March
Business Sector	Information & Communication
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	1,000 or more
Net Sales (Consolidated) as of the End of the Previous Fiscal Year	¥1 trillion or more
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	300 or more

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

As the basic policy for the relationship between NTT DATA Group and its parent company, NTT DATA Group strives to cooperate with the parent company while fully respecting each other's mutual independence and autonomy and carries out any trading with the parent company properly in accordance with laws and regulations. In the case of any business trading with the parent company, NTT DATA Group handles such trading under the same conditions as other business partners with regard to the trading terms and the method for determining such trading terms.

We make decisions on important contracts concluded with the parent company after conducting legal examination by the Legal Department and seeking opinions from outside lawyers as necessary. Furthermore, we make it mandatory to obtain the Board of Directors' approval based on the importance of the contract, thus seeking to secure our decision-making independent of the parent company. The Board of Directors is composed of, at this point in time, 11 directors, of which 6 are independent outside directors who account for a majority.

5. Other Special Circumstances which May have Material Impact on Corporate Governance

(1) Parent company

The NTT Group, with NTT DATA Group's parent company (i.e. NIPPON TELEGRAPH AND TELEPHONE CORPORATION) at its center, engages mainly in the integrated ICT business, regional communications business, and global solution business. The parent company formulates management strategies for the entire NTT Group, and based on these strategies, the Company assumes management responsibility and operates its businesses independently.

NTT DATA Group is positioned as a provider of global solution business within the NTT Group. It deliberates important matters related to the management strategy of the entire NTT Group with the parent company or reports them to the parent company based on a contract with the parent company that confirms basic matters in group management. In its daily business management, however, the two companies fully respect each other's mutual independence or autonomy for continuous growth and development and improved earnings.

The parent company owns a majority of the Company's voting rights as described in "I.2. Capital Structure" of this report and is the controlling shareholder of the Company. It recognizes that this situation does not prevent its own management decisions as the structure of its Board of Directors is such that 6 out of 11 directors are independent outside directors, accounting for a majority at this point in time.

(2) NTT DATA's listed subsidiaries

■Our attitude and policy toward group management

NTT DATA Group mainly operates in consulting, system integration and software development, integrated IT solutions, maintenance and support, and sales of IT infrastructure and communication terminal equipment. The Company focuses on the formulation and implementation of

Group business strategies, business management, and securing governance from the point of view of group-wide optimization as the holding company of the Group that includes listed subsidiaries. While the Company seeks to improve the entire Group's corporate value, in light of these efforts, each group company takes its own management responsibility and manages business independently.

The Company makes it a basic policy to secure appropriateness of business in NTT DATA Group as a whole by having each group company discuss important matters affecting the business strategy of the entire NTT DATA Group with the Company or report them to it in accordance with the contract that confirms basic matters regarding Group management, while respecting each group company's independence and autonomy.

■Significance of holding listed subsidiaries based on the attitude and policy toward group management

The Company understands the subsidiaries' business characteristics and keeps close alignment with them while respecting their independence and autonomy to maximize the corporate value of the entire NTT DATA Group taking into account a conflict of interest with minority shareholders of such subsidiaries, and works on sustainable growth and development. The significance of the Company's holding of listed subsidiaries is as follows:

- We believe that owning NTT DATA INTRAMART CORPORATION will enable us to assist clients in digitalizing their entire operational processes and advancing digital transformation by utilizing the framework used for web system development. In addition, as it is listed, it can cooperate and form capital alliances with companies that could compete with its parent company. This has made it possible for the company to flexibly develop its business in web system infrastructure and packaged software development and sales.
- As for the Netyear Group Corporation, we believe that owning it will enable us to deliver our unique solution that integrates marketing expertise with know-how in system development and achieve a seamless user experience without a boundary between online and offline realms. In addition, as it is listed, it is possible to enhance the strength of the company's brand and enable flexible business development for marketing support using digital technology.

(Note) JASTEC Co., Ltd., which is a listed company as of the disclosure date, is scheduled to be delisted.

■Measures to ensure the effectiveness of listed subsidiaries' governance systems

Each listed subsidiary has taken the initiative in developing and operating its governance system through the appointment of independent outside directors and auditors or other measures. NTT DATA's policy is to respect the independence of its listed subsidiaries.

- With regard to NTT DATA INTRAMART CORPORATION and Netyear Group Corporation, during the procedures for selecting candidates for executives, their respective Board of Directors' meeting considered and determined matters on their own in terms of enhancement of its enterprise value after NTT DATA is informed about candidates' backgrounds; then, their respective Boards of Directors adopt the resolution based on the advice on the selection. We exercise our voting rights at the general meeting of shareholders in respect for the subsidiaries' independence.

II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management

1. Organizational Composition and Operation

Corporate Governance System	Company with Supervisory Committee
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Directors

Number of Directors Stipulated in Articles of Incorporation	15
Directors' Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	President
Number of Directors <input type="button" value="Update"/>	11
Election of Outside Directors	Elected
Number of Outside Directors <input type="button" value="Update"/>	7
Number of Independent Directors <input type="button" value="Update"/>	6

Outside Directors' Relationship with the Company (1) Update

Name	Attributes	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Mariko Fujii	From another company											
Fumihiko Ike	From another company								△			
Shigenao Ishiguro	From another company											
Tomoko Hoshi	Certified public accountant											
Nobuyuki Tainaka	From another company								△			
Eiichi Sakamoto	From another company											
Mitsuko Inamasu	Lawyer											

*Categories for "Relationship with the Company".

(Use "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past; "●" when a close relative of the director presently falls or has recently fallen under the category; and "▲" when a close relative of the director fell under the category in the past.)

- a. Person who executes business of the Company or a subsidiary
- b. Person who executes business or a non-executive director of a parent company
- c. Person who executes business of a fellow subsidiary
- d. Person/entity for which the Company is a major client or a person who executes business for such person/entity
- e. Major client of the Company or a person who executes business for such client
- f. Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets in addition to director/Audit and Supervisory Board Member compensation from the Company
- g. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business of the corporation)
- h. Person who executes business for a client of the Company (excluding persons categorized as any of d, e, or f above) (applies to self only)
- i. Person who executes business for another company holding cross-directorships/cross-auditorships with the Company (applies to self only)
- j. Person who executes business for an entity receiving contributions from the Company (applies to self only)
- k. Other

Outside Directors' Relationship with the Company (2) Update

Name	Membership of Supervisory Committee	Designation as Independent Director	Supplementary Explanation of the Applicable Relationship	Reasons for Appointment
Mariko Fujii	—	○	—	She has keen discernment and extensive experience accumulated through her career in public administration, research on economics and foreign affairs. She is expected to contribute, as an outside director, to the enhancement of supervisory function of business execution as well as the provision of advice using her wide range of perspectives. Note that she has no experience of engagement in management of a company in any other manner than serving as an outside director or an outside auditor. However, based on the above reasons, the Company judges that she can perform the

				<p>duties of outside director properly. NTT DATA appointed her as an independent director because she satisfies the criteria for independence stipulated by Tokyo Stock Exchange, Inc. on which stocks of NTT DATA are listed and the criteria of independence for independent directors stipulated by the Company. Thus, we have deemed that there is no risk of conflicting interest with general shareholders.</p>
Fumihiko Ike	—	○	<p>From October 2016 to September 2017, he served as a member of the 3rd advisory board which was established for the purpose of obtaining opinions from experts outside the Company with knowledge of IT and global businesses to consider the Company's management strategy and achieve transformation. The Company paid remunerations to Mr. Fumihiko Ike as an advisory board member and the amount was less than 5 million yen per year. Therefore, we have determined that there is no concern in relation to his independence.</p> <p>He was Chairman of Japan Automobile Manufacturers Association, Inc., a general incorporated association (retired in May 2016). The Company and/or its major subsidiaries have business transactions with Japan Automobile Manufacturers Association, Inc. and the transaction value in any of the last three fiscal years is less than 1% of the total sales amount of the Company and its major subsidiaries.</p> <p>He was Chairman and Representative Director of Honda Motor Co., Ltd. (retired in June 2016). The Company and/or its major subsidiaries have business transactions with Honda Motor Co., Ltd. and the transaction value in any of the last three fiscal years is less than 1% of the total sales amount of the Company and its major subsidiaries, and of Honda Motor Co., Ltd.</p>	<p>He has extensive experience in management in global business and a high level of insight of IT. He is expected to contribute, as an outside director, to the enhancement of supervisory function of business execution as well as provide advice using his wide range of perspectives.</p> <p>He was an executive officer of JAPAN AUTOMOBILE FEDERATION, a general incorporated association, and of Honda Motor Co., Ltd., with which the Company and/or its major subsidiaries have business transaction. However, he satisfies the criteria for independence stipulated by Tokyo Stock Exchange, Inc. on which stocks of NTT DATA are listed and the criteria of independence for independent directors stipulated by the Company. Thus, we have deemed that there is no risk of conflicting interest with general shareholders; therefore, we appointed him as an independent director.</p>
Shigenao Ishiguro	—	○	—	<p>He has extensive experience and record in management including organizational management in global business, strong insight into maximizing human resource and organizational capabilities. He is expected to contribute, as an outside director, to the enhancement of supervisory function of business execution as well as the provision of advice using his wide range of perspectives.</p> <p>NTT DATA appointed him as an</p>

				<p>independent director because he satisfies the criteria for independence stipulated by Tokyo Stock Exchange, Inc. on which stocks of NTT DATA are listed and the criteria of independence for independent directors stipulated by the Company. Thus, we have deemed that there is no risk of conflicting interest with general shareholders.</p>
Tomoko Hoshi	○	○	—	<p>She has extensive experience and wide perspectives concerning finance, accounting and internal control audits in global field based on her long years of professional experience in the auditing firm. She is expected to help the Company ensure the corporate soundness and establish a transparent and fair structure to monitor management through auditing and supervising of the business execution. She has never been engaged in the management of a company business. However, considering her background as stated above, we believe that she can properly perform the duties as an outside director who is an Audit and Supervisory Committee member.</p> <p>NTT DATA appointed her as an independent director because she satisfies the criteria for independence stipulated by Tokyo Stock Exchange, Inc. on which stocks of NTT DATA are listed and the criteria of independence for independent directors stipulated by the Company. Thus, we have deemed that there is no risk of conflicting interest with general shareholders.</p>
Nobuyuki Tainaka	○	○	<p>He was an Executive Officer of Canon Inc. (retired in March 2023). The Company and/or its major subsidiaries have business transactions with Canon Inc. and the transaction value in any of the last three fiscal years is less than 1% of the total sales amount of the Company and its major subsidiaries.</p>	<p>He has extensive experience in promotion and management of human resources and organizational restructuring, as well as a high level of legal insight. He is expected to secure the soundness of the Company and establish a highly transparent and fair management monitoring system through auditing and supervising of business execution utilizing his experience.</p> <p>NTT DATA appointed him as an independent director because, although he was an executive officer of Canon Inc., with which the Company and/or its major subsidiaries has business transactions, he satisfies the criteria for independence stipulated by Tokyo Stock Exchange, Inc., on which stocks of NTT DATA are listed, and the criteria of independence for independent</p>

				directors stipulated by the Company. Thus, we have deemed that there is no risk of conflicting interests with general shareholders.
Eiichi Sakamoto	○		—	<p>He has extensive experience in corporate management at the NTT Group, as well as experience in sales. In the past, he was a business executive of NIPPON TELEGRAPH AND TELEPHONE CORPORATION, the parent company of the Company, and affiliated companies. However, he is expected to secure the soundness of the Company and establish a highly transparent and fair management monitoring system through auditing and supervising of business execution utilizing a wide range of perspectives and experience.</p>
Mitsuko Inamasu	○	○	—	<p>She has extensive experience as a corporate auditor at other companies in addition to legal expertise of IT and informatization-related legal matters based on her experience of working as a lawyer for many years. She is expected to help the Company ensure the corporate soundness and establish a transparent and fair structure to monitor management through auditing and supervising of the business execution. She has never been engaged in the management of a company business other than as an outside director or outside corporate auditor. However, considering her background as stated above, we believe that she can properly perform the duties as an outside director who is an Audit and Supervisory Committee member.</p> <p>NTT DATA appointed her as an independent director because she satisfies the criteria for independence stipulated by Tokyo Stock Exchange, Inc. on which stocks of NTT DATA are listed and the criteria of independence for independent directors stipulated by the Company. Thus, we have deemed that there is no risk of conflicting interest with general shareholders.</p>

Supervisory Committee

Composition of Supervisory Committee and Attributes of the Chairperson

	All Committee Members	Full-time Members	Inside Directors	Outside Directors	Committee Chair
Supervisory Committee	4	3	0	4	Outside Director

Appointment of Directors and/or Staff to Support the Supervisory Committee	Appointed
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Matters Concerning Independence of Said Directors and/or Employees from Executive Officers

NTT DATA has set up the Audit and Supervisory Committee office to assist members of the Audit and Supervisory Committee in fulfilling their duties and to facilitate better performance and has assigned dedicated staff to the office.

Staff at the Audit and Supervisory Committee office are dedicated to the office and follow instructions and orders from the committee. They do not follow instructions and orders from directors who are not members of the Audit and Supervisory Committee. Moreover, the personnel transfer and appraisal of the staff are subject to the consent of the Audit and Supervisory Committee. Thus, NTT DATA ensures that the staff is independent from business execution divisions and instructions given by the Committee to the staff of the Audit and Supervisory Committee office are effective.

Status of Coordination among Supervisory Committee, Accounting Auditor, and Internal Audit Department

The Audit and Supervisory Committee receives reports from accounting auditors on audit plans and the results of audits conducted during and at the end of a financial year and asks about and checks the quality management system relating to the audit conducted by accounting auditors. The committee also strives to strengthen the alliance with accounting auditors by exchanging opinions from time to time.

NTT DATA has established the Internal Audit Department as an internal audit department to conduct internal audits from a position independent of the business execution departments.

The Audit and Supervisory Committee has been striving for efficient audit and improvement in the quality of the audit by regularly receiving reports on internal audits from the Internal Audit Department, adjusting audit plans, and sharing other information. Also, when particularly necessary, we have a framework in which Internal Audit Department can conduct a research after receiving instructions from the Audit and Supervisory Committee.

Voluntary Established Committee(s)

Voluntary Establishment of Committee(s) equivalent to Nomination Committee or Remuneration Committee	Not Established
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Matters Concerning Independent Directors

Number of Independent Directors	<input type="button" value="Update"/>	6
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Other Matters Concerning Independent Directors

We have appointed all of the outside directors who satisfy the requirements for independent Directors/Auditors as independent Directors.

Incentives

Implementation Status of Measures related to Incentives Granted to Directors	Introduction of Performance-linked Remuneration Scheme
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Supplementary Explanation for Applicable Items

Refer to “II.1. Director Remuneration” in this report.

Persons Eligible for Stock Options	—
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Supplementary Explanation for Applicable Items

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Director Remuneration

Status of Disclosure of Individual Directors' Remuneration	No Disclosure for any Directors
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Supplementary Explanation for Applicable Items

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Policy on Determining Remuneration Amounts and the Calculation Methods Thereof Update	Established
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Disclosure of Policy on Determining Remuneration Amounts and the Calculation Methods Thereof

As for policies, composition, and standard of remuneration of our directors who are not Audit and Supervisory Committee members, NTT DATA explains the policy for determining remunerations for directors to the parent company, independent outside directors, and directors who are Audit and Supervisory Committee members to ensure objectivity and transparency. Upon receiving their appropriate advice, the Board of Directors, which consists of 13 directors including 7 independent outside directors, determines the amount of remuneration within the limits resolved at a shareholders' meeting. With regard to remunerations for individual directors, Yo Honma, the President and CEO, Representative Director (or Yutaka Sasaki, the President and CEO, Representative Director, as of the date of submission of this report) delegated by the Board of Directors, shall determine them. The reason for delegating the authority to the President and CEO, Representative Director is that we believe that this would enable appropriate decisions to be made while viewing NTT DATA's overall performance. In the delegation of the authority, NTT DATA takes measures to make the authority exercised while respecting the opinions of outside directors and the right of the Audit and Supervisory Committee to express opinions on remuneration, so as to make sure that the authority is exercised properly.

The remuneration for individual directors who are not Audit and Supervisory Committee members (excluding outside directors) consists of monthly remuneration (basic remuneration) and bonuses (short-term performance-based remuneration) as well as stock purchasing through the Executive Shareholding Association and stock compensation (medium- and long-term performance-based compensation). Monthly remuneration is a fixed monthly remuneration provided in accordance with the duties and scope of responsibility of each director's position. Bonuses are provided in June every year in consideration of the Company's performance in the current fiscal year. The performance indicators for bonuses are based on the targets set out in the Medium-Term Management Plan. The reason for this is to clarify the link between the remuneration of directors and NTT DATA's corporate value and increase the motivation towards achieving the targets in the Medium-Term Management Plan. Bonuses are calculated by converting the degree of year-on-year improvement for each target or the degree of achievement of the plan into a payment rate using a method predetermined for each indicator, weighting it based on the weight of each indicator, and then multiplying it by the standard amount of bonus for each position. (Please refer to [Attached chart] "Performance Indicators for Bonuses").

Regarding the acquisition of our own shares, to reflect the medium- to long-term performance, full-time directors are required to purchase the Company's stock through the Executive Shareholding Association by paying certain amount of money every month. They must hold the purchased stocks while in office. As for stock compensation, points are granted through a trust designated by NTT DATA in June every year in accordance with the position of each director. Moreover, a performance-based coefficient is decided based on the achievement levels of the performance indicators in June in the year after the final year of the Medium-Term Management Plan. Then, the number of stocks granted is calculated by multiplying the performance-based coefficient by accumulated points. The stocks shall be granted at the time of retirement of the director. We have selected consolidated net sales and consolidated operating profit margin, both of which are permanent core financial indicators in the Medium-Term Management Plan, as performance indicators of stock compensation.

The remuneration composition in a standard performance case is approximately 50% for fixed remuneration, 30% for short-term performance-based remuneration, and 20% for medium- and long-term performance-based remuneration.

The remuneration for a director who concurrently serves as a director of a group company is determined and paid by the group company in accordance with the duties and scope of responsibilities of the director's position and is based on how the director executed his or her operations.

Outside directors who are not Audit and Supervisory Committee members are paid only monthly remuneration, unrelated to business performance, to ensure a high degree of independence.

The policy on determining remuneration for directors who are not Audit and Supervisory Committee members, etc., is as stated above, while remuneration amounts for individual directors and other matters are determined based on advice from multiple perspectives of independent outside directors, directors who are Audit and Supervisory Committee members, and the parent company and we consider remuneration for individual directors for the fiscal year 2023, etc., consistent with the policy.

The remuneration for directors who are Audit and Supervisory Committee members shall be determined by directors who are Audit and

Supervisory Committee members after consultation. To ensure a high degree of independence, their remuneration is not linked to business results, and the directors receive monthly remuneration only.

[Performance Indicators for Bonuses]

The Company sets the financial targets set forth in the Medium-Term Management Plan as performance indicators, and evaluates them based on the degree of improvement over the previous year and the degree of achievement of the plan. Bonuses are calculated by converting each performance indicator into a payment rate using a method predetermined for each indicator, weighting each indicator based on the evaluation weights specified in [Attached chart] “Performance Indicators for Bonuses” at the end of this report and then multiplying this by the standard amount of bonus for each position. In FY2024 and going forward, we will continue to adopt indicators set forth in the Medium-Term Management Plan as performance indicators for bonuses.

Support System for Outside Directors Update

For outside directors who are not Audit and Supervisory Committee members, the secretariat office for the Board of Directors serves as a liaison and offers support, including addressing inquiries from outside directors and providing information on business execution, on a daily basis.

NTT DATA has established the Audit and Supervisory Committee office to support the duties of the Audit and Supervisory Committee (including outside directors who are members of the Audit and Supervisory Committee).

When the Board of Directors’ meeting is held, the office sends documents and provides explanation on important projects to all outside directors in advance.

Statutes of Persons who have Retired as Representative Director and President, etc.

Information on Persons Holding Advisory Positions (*Sodanyaku, Komon*, etc.) after Retiring as Representative Director and President, etc. Update

Name	Job title/ position	Responsibilities	Terms and Conditions of Employment (Full/part time, with/without remuneration, etc.)	Date when former role as president/ CEO ended	Term
Yo Honma	Chief Corporate Adviser	<ul style="list-style-type: none"> External activities to fulfill the Company’s social responsibility such as participation in initiatives to solve social issues. Support to the Company’s management such as strengthening external relationships by utilizing the human network he built. 	<ul style="list-style-type: none"> Working pattern: Full-time Remuneration: Paid 	June 18, 2024	From June 18, 2024 to June 17, 2026 (Renewed every 2 years)

Number of Persons Holding Advisory Positions (*Sodanyaku, Komon*, etc.)

1

After Retiring as Representative Director and President, etc.

Other Related Matters

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2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System) Update

(1) Business Execution

NTT DATA has set up shareholders’ meetings, the Boards and the Audit and Supervisory Committee as its own institutions. In addition, it has also set up the Corporate Management Committee to expedite decision making in business execution.

The decision making at NTT DATA is carried out under the supervision of the Board of Directors in accordance with “Authority Rules,” which stipulate the responsibility and authority of the President and CEO, Representative Director, the Senior Executive Vice President, and heads of each section or group. Each of the relevant duties is executed in accordance with “Organization Rules,” which stipulate the responsible operations of the respective organizations.

The Board of Directors is made up of all 11 directors including 6 independent outside directors. There are 3 female directors and 1 foreign director among these 11 directors. The Board meeting is held once every month regularly and can also be held as an extraordinary meeting, if necessary, with 18 meetings held in FY2023. Such meetings determine and supervise legal matters and other important matters relating to the

Company and Group management.

The Corporate Management Committee is made up of the President and CEO, Representative Director, Senior Executive Vice Presidents, Executive Vice Presidents, and heads of relevant key sections or groups. The Corporate Management Committee meeting is held once a week in principle for smooth and swift decision making and supervision relating to business operations. One of the directors who are Audit and Supervisory Committee members also participates in such meeting to enhance the transparency of decision making.

The Internal Control Committee is chaired by the executive in charge of corporate management and consists of the heads of related corporate organizations. The purpose of the committee is to establish the Company's internal control system. The proceedings of the committee meetings are reported to the Board of Directors.

The Corporate Ethics Committee is chaired by the executive in charge of corporate management and consists of the heads of departments related to corporate ethics. The purpose of the committee is to develop a corporate culture of complying with laws and regulations and corporate ethics. The proceedings of the committee meetings are reported to the Board of Directors.

NTT DATA's system for business execution and its mechanism of monitoring management and of internal control are as shown in the [Attached chart] "The system of business execution and the mechanism of management monitoring and internal control" to this report.

Each director's attendance at meetings of the Board of Directors is as shown in the [Attached chart] "Explanation for the appointment/nomination of individual candidates for directors" to this report.

Key agenda items for the Board of Directors meetings held in FY2023 is as shown in the [Attached chart] "Key agenda items for the Board of Directors meetings held in FY2023" to this report.

(2) Audit and Supervision

NTT DATA is a company with Audit and Supervisory Committee. The Audit and Supervisory Committee consists of 4 outside directors who are Audit and Supervisory Committee members, including 3 independent directors and 2 female directors. It held the Audit and Supervisory Committee meeting 25 times in FY2023. In addition, the Committee regularly exchanges opinions with the President and CEO, Representative Director and Senior Executive Vice President and has discussions with the Representing Directors, etc. of the Group companies on the status of the management. Through these measures, the Audit and Supervisory Committee is able to understand the actual status of execution of duties by directors, and provides recommendations, if necessary. No personal, capital or business relationships exist between these 4 directors who are Audit and Supervisory Committee members and NTT DATA that may cause a conflict of interest with general shareholders. Each director who are members of the Audit and Supervisory Committee attends important meetings including the Board meeting, exercises the right to vote in the Board of Directors' meetings and appropriately use the right to state opinions regarding personnel affairs and remunerations of directors who are not Audit and Supervisory Committee members at the general shareholders' meetings to audit/supervise the status of directors' business execution from time to time. NTT DATA has also established the Internal Audit Department as an internal audit department to conduct internal audits from a position independent of business execution. The directors who are Audit and Supervisory Committee members exchange information with the Internal Audit Department by inquiring about the results of internal audits from such department. The directors who are Audit and Supervisory Committee members conduct audits in corporation with other auditors and the like of the Group companies.

To support the duties of the Audit and Supervisory Committee, the Audit and Supervisory Committee office has been set up.

NTT DATA considers it important to conduct efficient accounting audits while maintaining or improving the quality of audits. Therefore, directors who are Audit and Supervisory Committee members strive to strengthen the audit system by closely cooperating with account auditors, including regularly exchanging information on audit plans or results.

The certified public accountants who performed the accounting services were Mr. Kenji Tanaka, Mr. Daisuke Yamada and Mr. Tomokazu Kayama, all of whom belong to KPMG AZSA LLC. NTT DATA's assistants engaging in accounting services were made up of 21 certified public accountants and other 56 employees.

Each director's attendance at meetings of the Audit and Supervisory Committee is as shown in the [Attached chart] "Explanation for the appointment/nomination of individual candidates for directors" to this report.

(3) Appointment, Dismissal, and Nomination

(Appointment policy for candidates for directors)

The candidates for directors who are not Audit and Supervisory Committee members are appointed from human resources who have broad perspectives and experience and can contribute to the development of the whole Group, excel in management ability and leadership, and are sophisticated in business management and energetic, for improvement in the enterprise value of the entire NTT DATA Group.

Candidates for directors who are Audit and Supervisory Committee members are appointed from human resources who are expected to conduct audits and supervision based on his/her viewpoint of specialized experience and knowledge, etc. Further, with the objective of fair audit and supervision of execution of duties by the directors who are not Audit and Supervisory Committee members, the majority of directors who are Audit and Supervisory Committee members are appointed from outside directors in accordance with the Companies Act.

The size of the Board of Directors is in direct proportion to the scale of business, and it is composed with consideration of having the balance (*1) of specializations, and the diversity from various standpoints including elements such as gender, age, career, race, ethnicity, and cultural background.

From the perspective of enhancing the supervisory function of business execution, independent outside directors who do not have any possibility of causing a conflict of interest with general shareholders should include people who have management experience at other companies and make up the majority of the Board of Directors.

*1. The balanced allocation of expertise in the Board of Directors is presented by [Attached chart] "The Board of Directors (Skill Matrix)"

(Procedures for appointment)

For appointing candidates for directors, the proposed management structure of the entire NTT DATA Group is first explained to independent outside directors, directors who are Audit and Supervisory Committee members, and the parent company, and after obtaining appropriate advice from them, the Board of Directors adopts the resolution, and then the proposal will be submitted to a shareholders' meeting.

For appointing candidates for directors who are not Audit and Supervisory Committee members, we appropriately have the Audit and Supervisory Committee exercise the right to state its opinions about the nomination of candidates, while candidates for directors who are Audit and Supervisory Committee members are appointed based on the deliberations and consent of the Audit and Supervisory Committee, a majority of which are outside directors who are Audit and Supervisory Committee members.

(Dismissal policy and procedures for the senior management)

The policy and procedures for dismissing a senior management are as follows: If a management executive is found not to perform his or her role well, the reasons of the dismissal is explained in advance to independent outside directors, directors who are Audit and Supervisory Committee

members, and the parent company prior to the Board of Directors; then the parent company, independent outside directors and directors who are Audit and Supervisory Committee members provide appropriate advice and the Board of Directors adopts the resolution, and such resolution is referred to at a shareholders' meeting. Besides the above, we appropriately have the Audit and Supervisory Committee exercise the right to state its opinions about the nomination.

(4) Others

Matters relating to the remuneration of directors who are Audit and Supervisory Committee members are determined through discussions by the directors who are Audit and Supervisory Committee members.

NTT DATA concludes the agreement with the directors who are not executive officers, etc. under Article 427 (1) of the Companies Act to limit their liabilities for damage compensation stipulated in Article 423 (1) of the same Act. The limitation on liability for damages under such agreements is the minimum liability amount stipulated in Article 425 (1) of the same Act.

NTT DATA has concluded a directors and officers liability insurance contract with an insurance firm, as stipulated in Article 430(3)-1 of the Companies Act, which covers liability for damages and litigation costs incurred by an insured person that arises from compensation claims to the insured person for damages due to the insured person's acts, including inaction, in the use of his or her position as a corporate executive, etc. However, the Company takes measures to ensure that any damage suffered by an insured person as a result of his or her commitment to criminal activities such as giving or accepting a bribe or intentional conduct of illegal activities is not covered by the insurance so that the properness of duties of corporate executives will not be impaired by the contract.

The insurance covers all directors (including directors who are Audit and Supervisory Committee members), company auditors, and Senior Vice Presidents of the Company and its major subsidiaries, namely, NTT DATA Japan Corporation and NTT DATA, Inc.

3. Reasons for Adoption of Current Corporate Governance System Update

NTT DATA judged it more effective for the enhancement of the supervising function of the Board of Directors and corporate governance to have the Audit and Supervisory Committee members with duties of auditing and supervising who retain voting rights to be exercised at meetings of the Board of Directors as well as the Audit and Supervisory Committee, majority of which consists of outside directors. Therefore, we have applied a system of a company with the Audit and Supervisory Committee.

NTT DATA strengthens the function of supervising the fairness of business execution by appointing outside directors.

NTT DATA has appointed the current 7 outside directors, expecting them to apply their management viewpoints from broad perspectives acquired through their experience.

Outside directors who are not Audit and Supervisory Committee members cooperate with the Audit and Supervisory Committee and the Internal Audit Department mutually and supervise business operations by receiving reports on audit plans and results from the Audit and Supervisory Committee and the Internal Audit Department and making comments, if necessary.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize the General Shareholder Meetings and Facilitate Exercise of Voting Rights Update

	Supplementary Explanation
Early Posting of Notice of the General Shareholders Meeting	The notices calling for the shareholders' meeting held in June 2024 were dispatched earlier than the date fixed by law by 3 business days.
Scheduling of the General Shareholders Meeting During Non-Peak Days	NTT DATA has set the shareholders' meeting avoiding the date on which other companies' meetings are concentrated to ensure that as many shareholders as possible can attend its meeting.
Electronic Exercise of Voting Rights	NTT DATA had created a website for execution of voting rights at the website of the administrator of shareholder registry so that it can accept the execution until 6 p.m. on the day before the day of the shareholders' meeting.
Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights	Voting rights can be executed through the ICJ platform targeted at institutional investors that is operated by Investor Communications Japan (ICJ). Starting from the ordinary general meeting of shareholders held in June 2018, investors can execute the voting rights by using smartphones or other devices.
Provision of Notice (or Summary of Notice) of the General Shareholders Meeting in English	A notice calling for a shareholders' meeting is translated in English and such translated version is uploaded on NTT DATA's website at the same time as the Japanese version is uploaded.
Other	The notice calling for a shareholders' meeting is digitized. We strive to ensure that shareholders have sufficient time to review proposals by posting the electronic document on NTT DATA's website or other platforms 7 business days prior to the dispatch of such notice. The notice of resolution is also uploaded on NTT DATA's website in Japanese.

2. Status of IR-related Activities Update

	Supplementary Explanation	Explanation by a representative director or a representative executive officer
Formulation and Publication of Disclosure Policies	NTT DATA has formed the “Disclosure Policy” in accordance with the “Disclosure Guidelines.” The basic policy of the said Policy is stipulated in “Formulation of Policies, etc. on Provision of Information to Stakeholders”	
Regular Investor Briefings held for Individual Investors	NTT DATA holds meetings targeted at individual investors to explain NTT DATA’s business overview and advantages, growth strategy and returns to shareholders.	Not Held
Regular Investor Briefings held for Analysts and Institutional Investors	NTT DATA holds 4 meetings annually to explain its financial results at the 1Q, 2Q, 3Q and 4Q, and explains the overview of its financial results, the business environment and initiative in a relevant quarter period. Such explanation is made by the President and CEO, Representative Director and directors.	Held
Regular Investor Briefings held for Overseas Investors	NTT DATA holds individual meetings from time to time to explain its most recent results, future initiative and returns to shareholders.	Held
Online Disclosure of IR Information	On the URL relating to IR (https://www.nttdata.com/global/en/investors), NTT DATA provides information on financial results such as a summary of accounts, materials timely disclosed other than the information on financial results, financial statements and quarterly reports, materials used at a meeting for explanation of financial results, notices calling for a shareholders’ meeting, and the latest financial data. It also distributes videos of presentations at meetings for explaining financial results, and uploads the text version of the content and Q&A of such presentations on the said URL.	
Establishment of Department and/or Placement of a Manager in Charge of IR	NTT DATA has established the Investor Relations Office as an office in charge of IR.	

3. Status of Measures to Ensure Due Respect for Stakeholders Update

	Supplementary Explanation
Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders	The “NTT DATA Group Code of Conduct,” which is NTT DATA’s business conduct, stipulates that it is vital for NTT DATA’s continuous growth to gain trust by satisfying the expectations of stakeholders, including clients, shareholders, business partners, society and the employees, and also stipulates how NTT DATA needs to behave toward each of such stakeholders.
Implementation of Environmental Preservation Activities and CSR Activities, etc.	<p>The Company has set up an expert organization and globally promotes its entire Group’s sustainability activities by sharing policies through periodic meetings at NTT DATA Group and group companies in and out of Japan.</p> <p>As CSR activities, the Company is globally working on various socially contributing activities tied to material issues (Materiality), including “Circular Economy,” “Nature Conservation,” “Human Rights & DEI,” “Digital Accessibility,” and “Community Engagement.” It has focused, among many others, on the education of next-generation IT human resources targeting elementary, junior high, and high school students. The Group’s latest initiatives on sustainability and socially contributing activities are disclosed in the Integrated Report, the Sustainability Report Data Book, the Sustainability Report Case Book, and on the Company’s website.</p> <p>Official Sustainability Website (https://www.nttdata.com/global/en/about-us/sustainability)</p> <p>Sustainability Report (https://www.nttdata.com/global/en/about-us/sustainability/report)</p> <p>Integrated Report (https://www.nttdata.com/global/en/investors/library/ar)</p>
Formulation of Policies, etc. on Provision of Information to Stakeholders	The Disclosure Policy stipulates that NTT DATA shall conduct timely and appropriate disclosure of the important information related to the Company to promote understanding and enable appropriate evaluation of its business by all stakeholders, including shareholders and investors.

IV. Matters Concerning the Internal Control System

1. Basic Views on Internal Control System and Status of Development Update

Basic Concept for Designing Internal Control Systems

- (1) In designing the internal control system of the Company and its group companies, the Company shall not only observe laws, regulations, and the Articles of Incorporation in the execution of the Group's business activities but also make it a basic policy to take various measures to ensure the efficient implementation of fair and transparent business activities, always taking into consideration the uncertainties (risks) arising from the development of business activities.
- (2) As a holding company overseeing group businesses, the Company shall establish basic policies for group management, promote independent management at each group company, and establish a monitoring system to be implemented by the Company.
- (3) The President and CEO, Representative Director of the Company, as the chief executive officer of the Group, shall be responsible for designing and operating the internal control system in the Group.
- (4) The Internal Control Committee shall be set up in the Company, which shall periodically hold a meeting to enable smooth and effective functions of the internal control system of the Group.
- (5) The internal audit function shall be set up in the Company and major group companies. The department shall verify independently from operation execution that the Group's business activities are performed in accordance with the laws, articles of incorporation, internal rules, and the management policy and plan of the Group, and maintain the soundness of the Group's business activities by providing specific advice and recommendations.
- (6) An executive shall be appointed to supervise the Group's risk management system from a group-wide perspective. In addition, NTT DATA Japan Corporation, which manages domestic business, and NTT DATA, Inc., which manages overseas business, shall each appoint an executive to supervise the risk management and work together to design the Group's risk management system.
- (7) Between the Company and the Group, a reporting system to the Company concerning the execution of group operations shall be established through discussions, reports, instructions, requests, etc. concerning important matters.
- (8) NTT DATA shall take appropriate measures to realize high reliability of its internal control over financial reporting under the Financial Instruments and Exchange Act and other related laws.

Individual Internal Control Systems

- (1) Systems to ensure that the Company and the Group are performing their duties in compliance with applicable laws and the Articles of Incorporation
NTT DATA's basic policy is to conduct sound business activities by establishing corporate ethics aiming to become a reliable company group, and to this end it proceeds with the following activities:
 - Establish the Code of Conduct for NTT DATA Group and various Group policies and internal regulations and make sure of the compliance of the entire Group.
 - Cultivate the compliance awareness among executives, employees, etc. through educational and training programs concerning the corporate ethics.
 - For legal and proper business activities, we will strive to enhance our compliance program and, through assessments of group companies, etc., design and improve a system for deterring and detecting severe illegal activities and responding to them when they occur.
 - Have no relation or transaction with antisocial forces, and reject illegal demands in a resolute attitude.
 - Establish a whistle-blowing system to receive information from the identified and anonymous employees and other parties, and establish a system to ensure that employees and other parties who made those reports through the whistle-blowing system will not receive disadvantageous treatment for having made such reports.
 - The internal audit department of the Company will report the annual plan to the board of directors of the Company, execute an internal audit independently from execution of operations based on the report, and periodically report the result to the board of directors of the Company.

Furthermore, between Nippon Telegraph and Telephone Corporation, the parent company of the Company, there is a basic policy that each party will coordinate with another respecting their independency and autonomy, and appropriately perform transactions with each other in compliance with the laws.
- (2) System for storage and management of information concerning execution of duties by the Company and the Group.
NTT DATA's basic policy is to appropriately store, manage, and willingly share information for effective uses, while protecting personal and confidential information from leakage or use for purposes other than the intended purposes. To this end, it proceeds with the following activities:
 - Establish internal rules at each group company to set up the necessary matters for appropriate handling of information and efficient paperwork.
 - Record, store, and manage documents related to the execution of duties such as the minutes of the Board of Directors meetings and approved documents(including electromagnetic records) at each Group company appropriately in compliance with laws, the articles of incorporation, and the internal rules.
 - Establish an internal information system and Group Information Security Policy to ensure the timely and appropriate use of information generated in the course of business activities and thoroughly implement information management throughout the Group.
 - Foster awareness of information handling among executives and employees through ongoing education and training related to information security and the protection of personal information.
 - Establish an Information Security Committee within the Company to actively promote measures for the entire group concerning the handling of information and hold a meeting regularly.
- (3) System for risk management of the Company and the Group
NTT DATA's basic policy is to assume a variety of risks in its business operations and to design a system for responding to such risks from a group-wide perspective by defining priority risk items under the Group Risk Management Policy, based on the viewpoint that NTT DATA must be able to take optimal countermeasures in the event of the occurrence of such risks. To this end, it proceeds with the following activities:
 - In addition to appointing an executive at the Company to supervise risk management from a company-wide perspective, an executive

- in charge of risk management shall be appointed at each Group company, thereby establishing a system for collaboration across the entire Group..
- Develop a system to continuously monitor and supervise the implementation of risk management in each department in charge of risk management. In addition, the Company's Internal Control Committee will evaluate the effectiveness of the system and oversee and promote it from the group-wide perspective.
 - The Company shall promote activities to identify and respond to changes in risks dynamically while addressing various risks after prioritizing them in consideration of their relationship with management policies, strategies, etc.
- (4) System to ensure efficient execution of duties by the Company and the Group
NTT DATA's basic policy is to enhance each of the functions of making important decisions, supervising execution, and executing operations, as well as to revitalize operations. To this end, it proceeds with the following activities:
- In order for the Company's Board of Directors to make important decisions and supervise the execution of duties appropriately, appoint Senior Vice Presidents at the Company as responsible persons who specialize in the execution of duties. In addition, promote delegation of authority to Group companies to expedite decision-making and pursue speedy operations.
 - In order to strengthen the function of supervising business execution, the Company's Board of Directors shall include outside directors with a certain degree of independence.
 - Set up a Corporate Management Committee for the President and CEO, Representative Director of the Company to make appropriate decisions on the basic policy of business and other important matters.
 - In order to ensure proper and efficient business operations of the Group, the Company shall design a system that functions for efficient execution and control through delegation of authority by establishing various Group policies and internal regulations concerning decision-making and business execution of the Company's operations.
- (5) System for reporting to the Company of matters related to the execution of duties at group companies
NTT DATA's basic policy is to develop a system between the Company and the group companies for reporting to the Company on matters related to the execution of duties in the Group through discussions, reports, instructions, requests, etc., concerning important matters, and to this end, it proceeds with the following activities:
- For domestic business, develop a system to cooperate with our group companies through NTT DATA Japan Corporation, which manages domestic business.
 - For overseas business, develop a system to cooperate with our group companies through NTT DATA, Inc., which manages overseas business.
 - To ensure soundness of the group companies, the Internal Audit Department of the Company shall monitor the activities of the group companies.
 - In order to design a group-wide risk management system, the Company's Internal Control Committee shall supervise and promote the implementation of risk management for the entire group. In addition, a system shall be developed for prompt reporting by group companies to the Company in the event of a crisis or any other matter that may significantly impact group management.
 - In order to prevent the occurrence of scandals, conduct employee education and training and establish a whistle-blowing system that receives information from identified and anonymous employees of the group companies and other parties as well as establish a system to ensure that employees and other parties who have made reports using the whistle-blowing system and other channels will not receive disadvantageous treatment on account of having made such reports.
 - For transactions between the Company and the group companies, etc., comply with the laws and develop a system to ensure appropriate financial reports from group companies.
 - Establish as system to ensure that the business execution by group companies is carried out appropriately and efficiently by establishing various group policies on important matters or other means.
- (6) Matters concerning employees who assist the duties of the Company's Audit and Supervisory Committee and independence of such employees from the directors who are not Audit and Supervisory Committee members of the Company
NTT DATA's basic policy is to develop a system to assist the duties of the Audit and Supervisory Committee of the Company in order to ensure effective audits, etc. of the Audit and Supervisory Committee, and to this end, it proceeds with the following activities:
- Set up the Office for Audit and Supervisory Committee in the Company to appropriately assist the Audit and Supervisory Committee's duties as an important organization under the Companies Act.
 - Assign the necessary number of employees who assist the Audit and Supervisory Committee's duties to enable the Audit and Supervisory Committee to perform audits in conformity to the auditing standards set by the Committee itself.
 - The Office for Audit and Supervisory Committee shall be an organization independent from the Company's directors who are not Audit and Supervisory Committee members, and the employees assisting the Audit and Supervisory Committee's duties shall perform their duties under instructions and directions from the Audit and Supervisory Committee.
 - Respect the opinions of the Audit and Supervisory Committee members for personnel changes, evaluations, etc. of employees who assist the Audit and Supervisory Committee's duties.
- (7) System for directors who are not the Company's Audit and Supervisory Committee members and employees to report to the Audit and Supervisory Committee/Other systems to ensure effective audits, etc. by the Audit and Supervisory Committee.
NTT DATA's basic policy is to develop a system for directors who are not the Company's Audit and Supervisory Committee members and employees to report important matters related to execution of duties to the Audit and Supervisory Committee and other systems to ensure effective audits, etc. by the Audit and Supervisory Committee. To this end, it proceeds with the following activities:
- Upon consultation between the directors who are not Audit and Supervisory Committee members and the Audit and Supervisory Committee, determine the meetings to be attended and materials to be inspected by the Audit and Supervisory Committee members, as well as the matters related to the Company and the group companies to be reported to the Audit and Supervisory Committee members periodically or extraordinarily and other matters, and make reports accordingly. In addition, promptly report risk information, such as the occurrence of damage or an incident, to the Audit and Supervisory Committee.
 - The directors who are not the Company's Audit and Supervisory Committee members and employees shall immediately report matters related to execution of operations if requested by the Audit and Supervisory Committee, and shall not be treated disadvantageously as a result of such reporting.
 - In addition, the directors who are not the Company's Audit and Supervisory Committee members, the independent auditors, and the Internal Audit Department, etc. shall each have an exchange of opinions regularly and when necessary upon request of the Audit and Supervisory Committee.
 - The Audit and Supervisory Committee may independently engage external experts and receive advice on audit operations.

- The Audit and Supervisory Committee members may claim payment for expenses necessary for the execution of duties, and the Company shall make payments based on such claims

3. Overview of the State of Operation of the System to Ensure Appropriate Business Operations

The following is the overview of the state of operation of the system to ensure appropriate business operations within the Company and the Group.

- (1) Systems to ensure that the Company and the Group are performing their duties in compliance with applicable laws and regulations and the Articles of Incorporation.

Aiming to be a company group trusted by clients, the Company and the Group establish corporate ethics as a basic policy to conduct sound business activities, and make efforts to maintain and improve the awareness of corporate ethics and compliance in order to operate businesses with a strong sense of ethics, let alone compliance with laws and regulations.

To foster awareness of corporate ethics and compliance in the Group, we have established the NTT DATA Group Code of Conduct, a basic code that indicates what we value in conducting our business and how directors and employees should conduct their business activities. We also conduct compliance training for directors, employees, and others at each Group company.

In addition, an internal reporting system has been established for use by all Group employees in Japan and overseas. The system is operated appropriately in accordance with the Whistleblower Protection Act, which stipulates that no disadvantageous treatment is to be inflicted on the reporting party for reporting.

We will steer away from any transactions with antisocial forces, by performing credit investigations, etc. of counterparties according to its regulations and reviewing the activities, purposes, etc. of organizations which we will join, in order to avoid any relationships with antisocial forces.

The Internal Audit Department reported the annual audit plan and the interim and annual audit results to the Board of Directors of the Company.

- (2) System for storage and management of information concerning execution of duties of the Company and the Group

The Company and the Group strive to protect personal information and confidential information from being leaked or used for purposes other than its intended purpose while storing and managing information appropriately, actively sharing it, and effectively using it.

The NTT DATA Group Code of Conduct stipulates that information should be accurately recorded and properly stored and that confidential and personal information should be properly protected to ensure the proper handling of information and efficient office operations in the Group. In addition, we have established the NTT DATA Group Information Security Policy, which aims to handle information assets appropriately and actively share and utilize information. We have also established an internal information system for appropriate management.

As part of the Group's information security management system, the Information Security Committee, chaired by our Senior Vice Presidents, has been established to promote cooperation with each Group company. The Committee met twice during the fiscal year under review to discuss measures against internal fraud, such as voluntary inspections of systems handling personal information, promotion of information security after the transition to the three-company structure, and measures to strengthen security.

Information security training is provided to directors and employees of group companies to maintain and improve their awareness of information security and personal information protection.

- (3) System for risk management of the Company and the Group

In order to implement integrated risk management for the entire group, the Company and the Group have established a basic policy (Group Risk Management Policy) that defines standardized matters to be addressed, and under this policy, a consistent risk management framework is established and operated by the group companies.

As part of the Group's risk management system, the Company has established an Internal Control Committee, chaired by the Director and Senior Executive Vice President of the Company, which promotes cooperation with each group company. The Committee met four times during the fiscal year under review to identify the most recent risk situation, discuss issues related to the Group's risk management, and reflect the results of these discussions in various measures.

The Company's Board of Directors selects risks that could have a significant impact on the achievement of the Group's business plan and its existence. It monitors the status of these risks as "material risks."

- (4) System to ensure the efficient execution of duties by the Company and the Group

To realize agile business operations, the Company and the Group are promoting the transfer of authority to NTT DATA, Inc. and NTT DATA Japan Corporation to achieve governance that balances business agility with oversight and supervision.

The execution of the Group's business operations is conducted by 13 Senior Vice Presidents assigned to the Company, under the oversight of the Company's Board of Directors, and in accordance with the division of authority based on the Company's regulations.

The Board of Directors of the Company makes resolutions on matters stipulated by laws and regulations, important matters related to group management, and other matters stipulated in the rules for the Board of Directors. It also oversees the execution of duties of the Company's directors by receiving periodic reports from directors on the status of their duties. The Company's Board of Directors consists of 13 directors, including 7 independent outside directors (as of March 31, 2024), and met 18 times during the current fiscal year. The Corporate Management Committee, which deliberates the Company's important business operations, was held 35 times during the fiscal year under review.

As rules for the proper and efficient execution of group business operations, the Company has established and is operating a group policy for areas requiring consistent group business implementation

- (5) System for reporting to the Company of matters related to the execution of duties at group companies

A system is in place between the Company and the group companies for reporting to the Company on matters related to the execution of duties in the Group through discussions, reports, instructions, requests, etc., concerning important matters.

The Group has established rules and systems to ensure that important group management matters are discussed and reported to the Company through NTT DATA Japan Corporation for domestic business and through NTT DATA, Inc. for overseas business. In addition, risks that may significantly impact the achievement of the Group's business plan and the foundation of the Group's existence are selected as "material risks," and the Internal Control Committee confirms the status of such risks and controls. To deter misconduct, etc., as described in "(1) Systems to ensure that the Company and the Group are performing their duties in compliance with applicable laws and regulations and the Articles of Incorporation"

The financial conditions of the group companies are reported appropriately to the Company monthly, to the Corporate Management Committee and Executive Committee monthly, and to the Board of Directors quarterly.

The Company's Internal Audit Department audited domestic and overseas group companies using diverse audit methods, considering the Group's material risks and the risks of each region and company.

- (6) Matters concerning employees who assist the duties of the Company's Audit and Supervisory Committee and independence of such employees from directors who are not Audit and Supervisory Committee members of the Company
As a system to support the audits by the Company's Audit and Supervisory Committee, etc., the Office for Audit and Supervisory Committee which consists of 7 dedicated employees has been set up and appropriately implement its operations under the instructions and orders of the Audit and Supervisory Committee. The personnel transfer, evaluation, etc. of employees of the Office for Audit and Supervisory Committee are handled with respect to the opinions of Audit and Supervisory Committee members.
- (7) System for directors who are not the Company's Audit and Supervisory Committee members and employees to report to the Audit and Supervisory Committee/Other systems to ensure effective audits by the Audit and Supervisory Committee, etc.
The Audit and Supervisory Committee members attend important meetings such as those of the Board of Directors, the Corporate Management Committee, and the Internal Control Committee, review important documents, exchange opinions periodically with the President and CEO, Representative Director and Senior Executive Vice Presidents, and discuss the specified themes with directors, etc. In these occasions, they receive reports of the status of the execution of duties shown in the basic policy, etc. and provide recommendations as needed.
Moreover, the Audit and Supervisory Committee members regularly exchange opinions with independent auditors and the Internal Auditing Department. The explanation of an audit plan, the status of internal control systems, and other matters are reported to the Audit and Supervisory Committee members while they make recommendations as needed
In addition, the Company uniquely contracts with outside experts such as lawyers to receive advice on auditing duties. Including the costs necessary for them, the Company bears the costs needed to perform auditing duties.

2. Basic Views on Measures for Eliminating Anti-Social Forces and Status of Development Update

- (1) Basic Views on Measures for Eliminating Anti-Social Forces
Our basic policy sets forth that we will have no relation with any Anti-Social Force including any business relation and will take resolute measures against any of their unreasonable demands.
- (2) Status of Development for Eliminating Anti-Social Forces
Our "NTT DATA Group Code of Conduct" stipulates that we will take a resolute attitude toward Anti-Social Forces and will not bow to unreasonable demands or have any relations with Anti-Social Forces. We are striving to educate all of our employees about the "NTT DATA Group Code of Conduct" with prints of the Policy being announced to them.
We are also preparing a manual for how to respond to unreasonable demands from Anti-Social Forces, striving to exclude any relation with Anti-Social Forces through these efforts. NTT DATA works to prevent a crime and enlighten employees by having the risk management promotion organization under the supervision of the executive responsible for risk management and other organizations collect information on antisocial forces in cooperation with external specialized agencies such as the police and urging the risk management promotion organization to share information with the entire organization.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
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Supplementary Explanation for Applicable Items

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2. Other Matters Concerning the Corporate Governance System

[Overview of the timely disclosure system]

With regard to the management of information relating to important matters, NTT DATA pays attention to timely, just and fair disclosure of the information relating to NTT DATA Group by having established "Policy (Rules) for Information Security," "Disclosure Guidelines," and "Rules for Prevention of Insider Trading" for appropriate operations.

The timely disclosure of important management information is made public through the stock exchange on which the shares of NTT DATA are listed, the press, and NTT DATA's website after consultation at the Corporate Management Committee and determination by the President and CEO, Representative Director.

With respect to the handling of information, the Heads of each Section or Group manage the management information relating to relevant organizations in accordance with the "Policy (Rules) for Information Security" and the "Disclosure Guidelines." The important management information deemed appropriate for timely disclosure is disclosed only after the Heads of each Section or Group consult with the Corporate Management Committee and gain the consent from the President and CEO, Representative Director. In such a case, the information NTT DATA is not obligated to disclose according to the rules for the timely disclosure may also be disclosed if such information is judged to have the possibility of affecting investors' judgment upon consultation with Disclosure Committee.

With regard to the education for the handling of information, NTT DATA holds regular training sessions targeted at all employees while thoroughly managing the important information that has not been released to the general public yet in accordance with the "Rules for Prevention of Insider Trading."

An outline of facts described above is shown in the [Attached chart] “Overview of the timely disclosure system” to this report.

NTT DATA is determined to continue improving its corporate governance in order to enhance its enterprise value through strengthening the management by achieving a more efficient and transparent management system while grasping the latest trends and listening to opinions from external parties.

[Attached chart]

【Overview of Strategy 5, “Be the Best Place to Work” of the Medium-Term Management Plan (FY2022–2025)】



【Explanation for the appointment/nomination of individual candidates for directors】 Update

Name	Position	Reasons of Appointment	Number of meetings attended
Yutaka Sasaki	President and Chief Executive Officer, Representative Director	He has engaged in organizational management in the Enterprise sector for many years and also has extensive experience and record in the Corporate Headquarters. In addition, he has been in charge of management as President and CEO, Representative Director of NTT DATA Japan Corporation since 2023. Since he is expected to continue to promote management of NTT DATA Group while assuming roles such as supervision of business execution by utilizing his experience and record of performance, he has been appointed.	Board of Directors' meetings 15 times/15 times
Kazuhiko Nakayama	Senior Executive Vice President and Representative Director	He has extensive experience and record in business management and finance field at NIPPON TELEGRAPH AND TELEPHONE CORPORATION and the NTT Group companies. In addition, since 2023, he has been in charge of the Company's Corporate Headquarters, contributing to the maximization of human resources and organizational capabilities. Since he is expected to continue to promote management of NTT DATA Group while assuming roles such as supervision of business execution by utilizing his experience and record of performance, he has been appointed.	Board of Directors' meetings 15 times/15 times
Tadaoki Nishimura	Senior Executive Vice President and Director	He has engaged in organizational management in the Public & Social Infrastructure sector for many years and also has experience and record in the Corporate Headquarters. Since he is expected to promote management of NTT DATA Group while assuming roles such as supervision of business execution by utilizing his experience and record of performance, he has been appointed.	-
Mariko Fujii	Director	She has keen discernment and extensive experience accumulated through her career in public administration, research on economics and foreign affairs. She has been appointed since she is expected to contribute, as an outside director, to the enhancement of supervisory function of business execution as well as the provision of advice using her wide range of perspectives. Note that she has no experience of engagement in management of a company in any other manner than serving as an outside director or an outside auditor. However, based on the above reasons, the Company judges that she can perform the duties of outside director properly.	Board of Directors' meetings 18 times/18 times
Patrizio Mapelli	Director	He has extensive experience and record of performance in management in overseas market, mainly in Europe. Since he is expected to continue to promote management of NTT DATA Group while assuming roles such as supervision of business execution by utilizing his experience and record of performance, he has been appointed as a director.	Board of Directors' meetings 18 times/18 times
Fumihiko Ike	Director	He has extensive experience in management in global business and high level of insight of IT. He has been appointed since he is expected to contribute, as an outside director, to the enhancement of supervisory function of business execution as well as the provision of advice using his wide range of perspectives.	Board of Directors' meetings 18times/18 times
Shigenao Ishiguro	Director	He has extensive experience and record in management including organizational management in global business, strong insight into maximizing human resource and organizational capabilities. He has been appointed since he is expected to contribute, as an outside director, to the enhancement of supervisory function of business execution as well as the provision of advice using his wide range of perspectives.	Board of Directors' meetings 18 times/18 times
Tomoko Hoshi	Standing Audit & Supervisory Committee Member and Director	She has extensive experience and wide perspectives concerning finance, accounting and internal control audits in global field based on her long years of professional experience in the auditing firm. Since she is expected to help the Company ensure the corporate soundness and establish a transparent and fair structure to monitor management through auditing and supervising of the business execution, she has been appointed. Ms. Hoshi has never been engaged in the management of a company business. However, considering her background as stated above, we believe that she can properly perform the duties as an outside director who is an Audit and Supervisory Committee member..	Board of Directors' meetings 18 times/18 times Audit & Supervisory Committee meetings 25 times/25 times
Nobuyuki Tainaka	Standing Audit & Supervisory Committee Member and Director	He has extensive experience in promotion and management of human resources and organizational restructuring, as well as a high level of legal insight. He is expected to secure the soundness of the Company and establish a highly transparent and fair management monitoring system through the auditing and supervising of business execution utilizing his experience. Therefore, the Company has appointed him..	Board of Directors' meetings 15times/15 times Audit & Supervisory Committee meetings 19 times/19 times
Eiichi Sakamoto	Standing Audit & Supervisory Committee Member and Director	He has extensive experience in corporate management at the NTT Group, as well as experience in sales. In the past, he was a business executive of NIPPON TELEGRAPH AND TELEPHONE CORPORATION, the parent company of the Company, and affiliated companies. However, he is expected to secure the soundness of the Company and establish a highly transparent and fair management monitoring system through auditing and supervising of business execution utilizing a wide range of perspectives and experience. Therefore, the	-

		Company has appointed him.	
Mitsuko Inamasu	Audit & Supervisory Committee Member and Director	She has extensive experience as a corporate auditor at other companies in addition to legal expertise of IT and informatization-related legal matters based on her experience of working as a lawyer for many years. Since she is expected to help the Company ensure the corporate soundness and establish a transparent and fair structure to monitor management through auditing and supervising of the business execution, she has been appointed. Ms. Inamasu has never been engaged in the management of a company business other than as an outside director or outside corporate auditor. However, considering her background as stated above, we believe that she can properly perform the duties as an outside director who is an Audit and Supervisory Committee member.	<ul style="list-style-type: none"> • Board of Directors' meetings 17 times/18 times • Audit & Supervisory Committee meetings 25 times/25 times

* Mariko Fujii, Fumihiko Ike, Shigenao Ishiguro, Tomoko Hoshi, Nobuyuki Tainaka, Eiichi Sakamoto and Mitsuko Inamasu are outside directors.

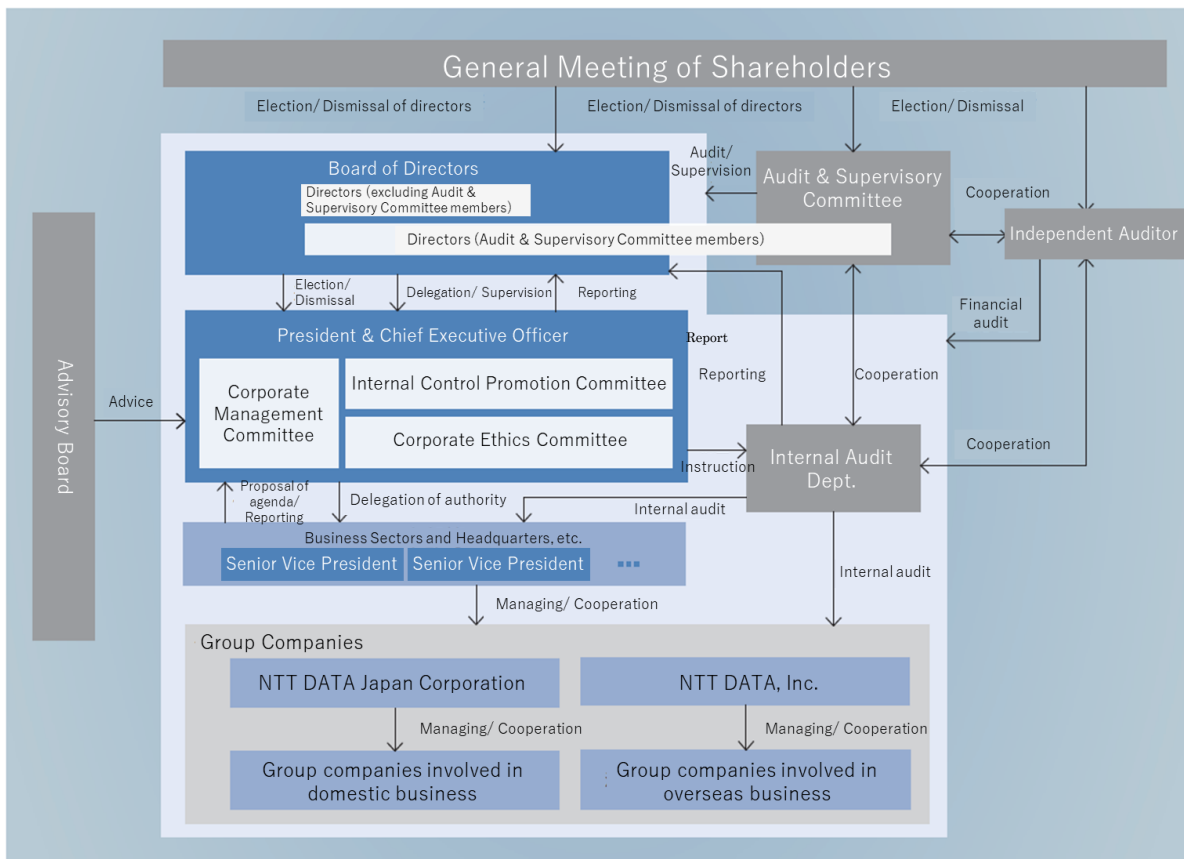
【Performance Indicators for Bonuses】 Update

Divisions	Key Performance Indicators	Evaluation weight	Evaluation method
Financial indicators	EBITDA	25%	Year-on-year improvement
	Operating profit	10%	
Sustainability indicators	Employee engagement rate	3.75%	

Divisions	Key Performance Indicators	Evaluation weight	Evaluation method
Financial indicators	EBITDA	25%	Plan achievement
	Operating profit	10%	
	Overseas operating profit ratio	10%	
	ROIC	2.5%	
	Capital investment (only DC)	2.5%	
Sustainability indicators	Greenhouse gas emissions	7.5%	
	Appointment rate of new female managers	3.75%	

【The system of business execution and the mechanism of management monitoring and internal control】

Update



【Key agenda items for the Board of Directors meetings held in FY2023】 Update

Key Matters for Resolution/Report	Key Matters Discussed
Matters related to transition to a holding company structure	Matters related to transition to a holding company structure
Matters related to overseas structural transformation	M&A Strategy
Matters related to funding and investments	Data center business strategy
Matters concerning cross-shareholdings	Investment and financial strategies
Result of actions related to internal control and plans for the next fiscal year	Human resources strategy
Result of internal audit and plans for the next fiscal year	Sustainability strategy
Monitoring of key projects	Technology strategy
Report on IR activities and opinions of investors	Global governance
	IT services market trends
	Evaluation of the effectiveness of the Board of Directors

【The Board of Directors (Skill Matrix)】

Update

Name	Corporate management	Internationality	Sales / Marketing Consulting	Development/ R&D	Business Management	Finance & Accounting	Legal & Administrative	(Reference) Particular field of expertise ※Executors only
Yutaka Sasaki	●		●	●	●			Enterprise Segment
Kazuhiko Nakayama		●			●	●		Corporate Management
Tadaoki Nishimura			●	●	●			Public & Social Infrastructure business
Mariko Fujii		●					●	—
Patrizio Mapelli	●	●	●		●			—
Fumihiko Ike	●	●	●		●			—
Shigenao Ishiguro	●	●		●	●			—
Tomoko Hoshi		●				●		—
Nobuyuki Tainaka					●		●	—
Eiichi Sakamoto	●		●		●			—
Mitsuko Inamasu							●	—

*1 The Company defines the seven areas of expertise that its Board of Directors should possess as Corporate Management, Internationality, Sales/Marketing & Consulting, Development/R&D, Business Management, Finance & Accounting, and Legal & Administrative.

*2 Sustainability field is included in Business Management.

*3 Up to four major skills possessed by each person are marked with "●".

【Overview of the timely disclosure system】

