

*Note: This document is the English translation of “Dai 32kai teiji kabunushisokai shoshu gotsuchi” (Notice of Convocation of the 32<sup>nd</sup> Ordinary General Meeting of Shareholders) and is provided solely for reference purposes. In the event of any inconsistency between the Japanese version and any English translation, the Japanese version will prevail.*

Securities code: 9613

June 1, 2020

To Our Shareholders

NTT DATA CORPORATION  
3-3, Toyosu 3-chome, Koto-ku, Tokyo, Japan  
Yo Honma  
President and Chief Executive Officer, Representative Director

## NOTICE OF CONVOCAION OF THE 32nd ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to inform you that our 32nd Ordinary General Meeting of Shareholders will be held as follows. Recently, the Japanese government has declared a state of emergency and the Tokyo Metropolitan Government has taken emergency measures to prevent the spread of the new coronavirus infection (COVID-19). Accordingly, the government and prefectural governors strongly request for people to stay at home. After careful consideration of the situation, the Company has decided to hold this General Meeting of Shareholders after taking appropriate measures to prevent infection.

In order to avoid the risk of infection among shareholders and our officers and employees, **shareholders are urged to exercise their voting rights in advance via the Internet (or by mail) and refrain from coming to the meeting regardless of their health conditions.**

We will therefore provide a live distribution of the General Meeting of Shareholders online as described below. Also, after receiving questions from the shareholders in advance, we will answer to the matters that are mainly of their high interest as well as explain the “Purpose of the Meeting” in the general meeting and post the questions and answers on our website later.

Shareholders are kindly requested to exercise their voting rights by 6:00 p.m. on Tuesday, June 16, 2020, after reviewing the reference documents for the General Meeting of Shareholders set forth below.

### How to exercise your voting rights

#### By electronic method (via Internet)



Please access our voting website written on the Voting Rights Exercise Form at <https://www.web54.net> and enter your approval or disapproval following the instructions on the screen after examining the attached reference documents for the meeting or those on the website.

 **For more information about exercising your voting rights via the Internet, please refer to page 4.**

**Deadline** By 6:00 p.m., Tuesday, June 16, 2020, Japan Time

#### By mail



Please examine the attached reference documents for the meeting, indicate your approval or disapproval on the enclosed Voting Rights Exercise Form, and then send the Voting Rights Exercise Form back to us so that it arrives before the deadline below.

**Deadline** By 6:00 p.m., Tuesday, June 16, 2020, Japan Time

## Particulars

1	Date	Wednesday, June 17, 2020 at 10:00 a.m., Japan Time
2	Venue	<p>5th Floor, Tokyo Conference Center Shinagawa  NTT DATA Shinagawa Building (A,RE,A Shinagawa)  1-9-36 Konan, Minato-ku, Tokyo</p> <p><i>*As mentioned above, in order to avoid the risk of infection of shareholders and officers and employees of the Company with COVID-19, we strongly request that shareholders refrain from attending the meeting.</i></p>
3	Purposes of the Meeting	<p>To be reported</p> <ol style="list-style-type: none"> <li>1. Report on the business report, consolidated financial statements, and audit results of the consolidated financial statements by an independent audit and the Audit and Supervisory Board for the 32nd fiscal year (from April 1, 2019 to March 31, 2020)</li> <li>2. Report on non-consolidated financial statements for the 32nd fiscal year (from April 1, 2019 to March 31, 2020)</li> </ol> <p>To be resolved</p> <ol style="list-style-type: none"> <li>No. 1 Appropriation of Surplus</li> <li>No. 2 Partial Amendments to the Articles of Incorporation</li> <li>No. 3 Election of 11 Directors Who Are Not Members of the Audit and Supervisory Committee</li> <li>No.4 Election of 4 Directors Who Are Members of the Audit and Supervisory Committee</li> <li>No.5 Setting Remuneration for Directors Who Are Not Members of the Audit and Supervisory Committee</li> <li>No.6 Setting Remuneration for Directors Who Are Members of the Audit and Supervisory Committee</li> </ol>

- The operation of the General Meeting of Shareholders may be updated due to the spread of COVID-19 infection by the day of the General Meeting of Shareholders or announcements by the government. Please confirm the information from our website.
- The documents appended to this Notice of Convocation of the 32nd Ordinary General Meeting of Shareholders do not include the following items, since they are presented on the NTT DATA website (<https://www.nttdata.com/jp/ja>) in accordance with legal requirements and the provisions of the Company's articles of incorporation:
  1. Principal Centers of the Corporate Group
  2. Independent Audit
  3. Overview of resolution for improvement of systems for ensuring appropriate operations and overview of the state of operation of the system to ensure appropriate business operations
  4. The consolidated statements of changes in equity and the notes to consolidated financial statements in the consolidated financial statements
  5. The non-consolidated statements of shareholders' equity and the notes for the non-consolidated financial statements
- With respect to corporate governance, "Basic Views on Corporate Governance," "Overview of Corporate Governance Structure and Others," "Initiatives to Strengthen the Governance System," "Meeting Agenda of Board of Directors," "Matters Related to Corporate Officers," and "Assessment of effectiveness of the entire Board of Directors" are included in the documents appended to this Notice of Convocation, and "Systems for ensuring appropriate operations and overview of the state of operation of the systems" is provided on the NTT DATA website.
- Consolidated financial statements and non-consolidated financial statements that were audited by the independent audit include documents, which are described in the documents appended to this Notice of Convocation, and the consolidated statement of changes in equity, the notes to consolidated financial statements, the non-consolidated statements of shareholders' equity and the notes to the non-consolidated financial statements, which are presented on the NTT DATA website.
- If any revisions are made to the reference documents, business report or consolidated and non-consolidated financial statements by the day before the date of the ordinary general meeting of shareholders, we will inform you of the revisions by inserting a notice on the NTT DATA website.

NTT DATA website: <https://www.nttdata.com>

**Live distribution of the general meeting of shareholders on the Internet**  
**(Only available in Japanese)**

You will be able to see our live distribution of the general meeting of shareholders on the Internet. This will be for viewing only. Please exercise your voting rights in advance via Internet, etc. and submit questions, if you have any, in advance as described below.

1. Time/date of distribution:

From 10:00 AM on Wednesday, June 17, 2020

\*In the video, you will only see the chairpersons and directors/auditors and the space close to their seats.

2. Access from PC, tablet, and smartphone

You can access the website from below:

URL: [https://www.nttdata.com/jp/ja/ir/share/shareholders\\_meeting/](https://www.nttdata.com/jp/ja/ir/share/shareholders_meeting/)

1) Please access the page from above.

2) Please enter the password on the enclosed sheet after you have accessed the page.

**Questions will be accepted in advance**  
**(Only available in Japanese)**

We will be accepting your questions in advance. The answers to those questions mainly focused on “Purposes of the Meeting” and matters on interest will be given at the time of Q&A during the general meeting of shareholders. For the answers, please view the live distribution mentioned above. They will also be posted on our website later.

[How to submit questions in advance]

We will be accepting your questions on our website below:

URL: [https://www.nttdata.com/jp/ja/ir/share/shareholders\\_meeting/](https://www.nttdata.com/jp/ja/ir/share/shareholders_meeting/)

Accepted period: 10:00 AM, Monday, June 1, 2020 to 18:00PM, Friday, June 12, 2020

We also accept questions by mail if you find it inconvenient to post them online. In that case, please send them to the following address during the period mentioned above. (Please write your name, address, and shareholder number).

“Reception desk for questions prior to the general meeting of shareholders,” ESG Promotion Dept.  
33F Toyosu Center Bldg., 3-3, Toyosu 3-chome, Koto-ku, Tokyo 135-6033, Japan

#### **Exercising Your Voting Rights via the Internet**

Before exercising your voting rights via the Internet, please be aware of the following:

1. The exercise of your voting rights via the Internet is available only by accessing the following designated website:  
<https://www.web54.net> (in Japanese)  
When accessing the website for exercising your voting rights, through a smartphone and cellular phone is also available.
2. In case of exercising your voting rights via the Internet, please use the code and password indicated on the Form for Exercise of Shareholder Voting Rights enclosed herewith (or Convocation Mail) and follow the instructions on the screen.
3. Although your exercise of voting rights via the Internet is acceptable until 6:00 p.m. of the day before the ordinary general meeting of shareholders (Tuesday, June 16, 2020), please exercise your voting rights as soon as possible to help us in totalizing the results of exercise of voting rights.
4. In case of exercising your voting rights via the Internet, it is not necessary to send the Form for Exercise of Shareholder Voting Rights by mail.  
If you exercise your voting rights twice via the Internet and by mail, your vote via the Internet will be treated as valid.
5. If you exercise your voting rights more than once via the Internet, through a personal computer, a smartphone or a cellular phone, the last exercise of your voting rights will be treated as valid.
6. The costs of using the Internet website to exercise your voting rights, such as the connection fees of Internet service providers and applicable communications fees (i.e., call charges), will be borne by the shareholder.

#### **Inquiries on Exercising Voting Rights via the Internet**

If you have any questions regarding the procedure for exercising your voting rights via the Internet, please contact:

Administrator of Shareholder Registry: Stock Transfer Agency Web support, Sumitomo Mitsui Trust Bank, Limited

[Direct line] 0120-652-031 (09:00 to 21:00)

<Other inquiries> 0120-782-031 (09:00 to 17:00, except for Sat/Sun/national holidays)

#### **Electronic Voting Platform**

Nominal shareholders such as trust banks acting as administrator (including standing proxies) can also use the electronic voting platform as an electromagnetic means to exercise their voting rights at the ordinary general meeting of shareholders of NTT DATA, in addition to the exercising of voting rights via the Internet above, if they apply in advance for the use of the electronic voting platform operated by ICJ Inc., a joint venture company established by Tokyo Stock Exchange, Inc.

# Reference Documents for the Ordinary General Meeting of Shareholders

## Proposals and References

### No.1 | Appropriation of Surplus

NTT DATA proposes to appropriate the surplus of this fiscal year as follows:

#### Matters concerning year-end dividends

NTT DATA's basic policy is to seek an increase of enterprise value in the mid- and long-term and to fairly distribute profits through the continuous growth of its business resulting from investment in new businesses, etc., efficient business management and other improvements.

With regards to dividends, based on a comprehensive assessment of the balance with business investments and technology development toward a sustainable growth in the future, and with expenditures for maintenance and reinforcement of financial strength in light of the consolidated operating results and financial position, NTT DATA proposes a stable payment of dividends. For determining the amount of a dividend, NTT DATA values the maintenance of the consolidated cash flow dividend payout ratio <sup>(\*)</sup> in the mid- and long-term.

Based on the policy above, NTT DATA proposes payment of a year-end dividend as follows:

#### (I) Matters concerning the appropriation of dividend assets to shareholders and total amount

9 yen per NTT DATA common share

12,622,491,423 yen in total

The annual dividend will be 18 yen per share including an interim dividend of 9 yen, which was already paid.

#### (ii) Effective date of dividend of surplus

June 18, 2020

\*Consolidated cash flow dividend payout ratio

Total amount of dividends/ (net income attributable to shareholders of NTT DATA <sup>(note)</sup> + depreciation cost + loss on retirement of fixed assets – capital investment)

Note: In JGAAP adopted period, we use “net income attributable to owners of parent (adjusted for goodwill amortization)” instead.

## (Reference for Proposal No.2 to No.6)

In order to maximize corporate value while meeting the expectations of our shareholders, investors, clients, business partners, employees, and other stakeholders, we are working to enhance our corporate governance in line with our basic policy: (1) to ensure transparency and soundness in business management; (2) to achieve appropriate and swift decision making and business execution; and (3) to thoroughly implement compliance, to ensure that it functions effectively.

The Company would like to transition to a "Company with an Audit and Supervisory Committee" at this time. Proposals No. 2 through No. 6, which are described from page 7 to 26 of this booklet, are all related to that transition.

In order to further strengthen the supervisory function of the Board of Directors and corporate governance, and to further enhance the soundness and efficiency of management, the Company believes that it is effective to have a system with "audit and supervisory committee members" with audit duties and voting rights on the Board of Directors, and an "audit and supervisory committee" with a majority of outside directors, and is transitioning to a company with an audit and supervisory committee.

With this transition, the Company will further enhance its corporate governance structure, and based on this foundation, aim for profitable global growth to reach the "Global 3<sup>rd</sup> Stage" with the goal of "Diffuse of Trusted Brand," which is based on the medium-term management plan announced on May 9, 2019.

[Composition of the Board of Directors after the transition to a Company with an Audit and Supervisory Committee]

- The Company intends to elect 5 independent outside directors in order to further strengthen governance and reflect a greater diversity of knowledge in the management of the Company.
- If Proposals No. 3 and No. 4, the proposals for the election of officers, are approved, the ratio of independent outside directors on the Board of Directors will be no less than one-third, since the Board of Directors will consist of 15 directors (including 5 independent outside directors).

## No. 2 | Partial Amendments to the Articles of Incorporation

We proposes to amend part of the current articles of incorporation as shown in the Proposed Amendments to the articles of incorporation below.

### 1. Reason for amendments

The Company would like to transition to a company with an audit and supervisory committee, as described in the previous page as a reference, in order to further strengthen the Board of Directors' supervisory function and corporate governance and to further enhance the soundness and efficiency of management. We will therefore make necessary changes including the establishment of new rules for members of audit and supervisory committee and audit and supervisory committee, the deletion of rules for auditors and the Audit and Supervisory Board, establishment of new rules to delegate authority to directors.

The amendments to this articles of incorporation will become effective at the closing of this general meeting.

### 2. Amendments to the Articles of Incorporation

The details of amendments are as follows:

(The parts underlined are changes related to the resolution of this item.)

Current Articles of Incorporation	Proposed Amendments to the Articles of Incorporation
- Chapter One – General Provision	- Chapter One – General Provision
Article 1 to Article 4 (Omitted)	Article 1 to Article 4 (Same as the current Articles of Incorporation)
Article 5 (Organization) The company shall establish the following organs in addition to the shareholders meeting and the directors:	Article 5 (Organization) The company shall establish the following organs in addition to the shareholders meeting and the directors:
<ol style="list-style-type: none"> <li>board of directors</li> <li><u>company auditors</u></li> <li><u>board of company auditors</u></li> <li><u>accounting auditor</u></li> </ol>	<ol style="list-style-type: none"> <li>board of directors</li> <li><u>audit and supervisory committee</u></li> <li><u>accounting auditor</u></li> </ol> <p>(Deleted)</p>
Article 6 to Article 17 (Omitted)	Article 6 to Article 17 (Same as the current Articles of Incorporation)
- Chapter Four – Directors and Board of Directors	- Chapter Four – Directors and Board of Directors
Article 18 (Number of Directors) The company shall have no more than <u>thirteen (13)</u> directors.	Article 18 (Number of Directors) The company shall have no more than <u>eleven(11)</u> directors <u>who are not audit and supervisory committee members and no more than four (4) directors who are audit and supervisory committee members.</u>

Article 19 (Omitted)

Article 20 (Term of Office of Director)

The term of office of director shall be until the close of the ordinary shareholders meeting pertaining to the last business year, ending within two (2) years following its election.

(Added)

2. The term of office of any director elected to fill a vacancy or a newly created office shall serve until the term of the predecessor or other directors currently in office expires.

Article 21 (Representative Director, etc.)

1. The company shall have one (1) person as a president who shall be appointed from among directors by resolution of the board of directors.

2 to 3 (Omitted)

4. In addition to the president, the company may appoint one or more directors to represent the company by resolution of the board of directors.

5. (Omitted)

6. In case the president is prevented from so acting, one of other directors shall act on its behalf in accordance with the order or the directors prescribed in advance by the board of directors.

Article 22 (Board of Directors)

1 to 3 (Omitted)

4. Notice of meeting of the board of directors shall be given to each director and each company auditor no less than three (3) days before the date of the meeting. Provided that such period may be shortened in case of emergency.

5 to 7 (Omitted)

Article 19 (Same as the current Articles of Incorporation)

Article 20 (Term of Office of Director)

The term of office of each director who is not an audit and supervisory committee member shall be until the close of the ordinary shareholders meeting pertaining to the last business year ending within one (1) year following his or her election.

2. The term of office of each director who is an audit and supervisory committee member shall be until the close of the ordinary shareholders meeting pertaining to the last business year ending within two (2) years following his or her election.

3. The term of office of any director who is an audit and supervisory committee member elected to fill a vacancy caused by the resignation of a director who is an audit and supervisory committee member before the expiry of his or her term of office shall be until the term of the predecessor expires.

Article 21 (Representative Director, etc.)

1. The company shall have one (1) person as a president who shall be appointed from among directors who are not audit and supervisory committee members by resolution of the board of directors.

2 to 3 (Same as the current Article of Incorporation)

4. In addition to the president, the company may appoint one or more directors who are not audit and supervisory committee members to represent the company by resolution of the board of directors.

5. (Same as the current Article of Incorporation)

6. In case the president is prevented from so acting, one of other directors who is not an audit and supervisory committee member shall act on his or her behalf in accordance with the order of the directors prescribed in advance by the board of directors.

Article 22 (Board of Directors)

1 to 3 (Same as the current Article of Incorporation)

4. Notice of meeting of the board of directors shall be given to each director no less than three (3) days before the date of the meeting. Provided that such period may be shortened in case of emergency.

5 to 7 (Same as the current Article of Incorporation)



(Added)

Article 23 to Article 24 (Omitted)

- Chapter Five-

Company Auditors and Board of Company Auditors

Article 25 (Number of Company Auditors)

The company shall have no more than four (4) company auditors.

Article 26 (Method of Election of Company Auditor)

Resolutions of election of auditors shall be adopted by a majority of the votes at a shareholders meeting where shareholders holding at least one-third (1/3) of the voting rights of shareholders who are entitled to vote are present.

Article 27 (Term of Office of Company Auditor)

The term of office of company auditor shall be until the close of the ordinary shareholders meeting pertaining to the last business year, ending within four (4) years following its election.

2. The term of office of any company auditor elected to fill a vacancy shall serve until the term of the predecessor expires.

Article 28 (Full-time Company Auditor)

The board of company auditors shall by its resolution appoint one or more full-time company auditors.

Article 29 (Board of Company Auditors)

Notice of meeting of the board of company auditors shall be given to each company auditor no less than three (3) days before the date of meeting; provided that such period may be shortened in case of emergency.

2. Except as otherwise provided in applicable laws and regulations, resolution of the board of company auditors shall be adopted by a majority vote of the company auditors.

Article 23 (Delegation of Decisions on Execution of Important Operations)

The company may, by a resolution of the board of directors pursuant to Article 399-13, paragraph 6 of the Companies Act, delegate to directors all or a part of decisions on execution of important operations (excluding with respect to matters stated in each item of Article 399-13, paragraph 5 of the Companies Act).

Article 24 to Article 25 (Same as the current Article of Incorporation)

- Chapter Five -

Audit and Supervisory Committee

(Deleted)

(Deleted)

(Deleted)

Article 26 (Standing Audit and Supervisory Committee Members)

The audit and supervisory committee shall, by its resolution, appoint one or more standing audit and supervisory committee members.

Article 27 (Audit and Supervisory Committee)

A notice for each meeting of the audit and supervisory committee shall be given to each audit and supervisory committee member no less than three (3) days before the date of the meeting; provided that such period may be shortened in case of emergency.

2. Except as otherwise provided in applicable laws and regulations, each resolution of the audit and supervisory committee shall be adopted by a majority vote of the audit and supervisory committee members at a meeting where a majority of the audit and supervisory committee members who are entitled to vote are present.

3. Except as otherwise provided in applicable laws and regulations or in this Articles of Incorporation, other matters concerning the board of company auditors shall be subject to the regulations of the board of company auditors to be adopted by the board of company auditors.

Article 30 (Exemption of Company Auditors from Liabilities)

1. The company may, by a resolution of the board of directors pursuant to Article 426, paragraph 1 of the Companies Act, exempt company auditor (including those who were company auditors in the past) from liabilities under Article 423, paragraph 1 of the Companies Act to the extent permitted by laws and regulations.

2. Pursuant to Article 427, paragraph 1 of the Companies Act, the company may enter into an agreement with company auditor which limits liabilities under Article 423, paragraph 1 of the Companies Act. Provided that the amount of such limitation under such agreement shall be such amount as provided for by laws and regulations.

- Chapter Six -  
Accounts

Article 31 to Article 33(Omitted)

(Added)

3. Except as otherwise provided in applicable laws and regulations or in these Articles of Incorporation, other matters concerning the audit and supervisory committee shall be governed by the regulations of the audit and supervisory committee to be adopted by the audit and supervisory committee.

(Deleted)

- Chapter Six -  
Accounts

Article 28 to Article 30 (Same as the current Articles of Incorporation)

- Supplementary Provisions -

Article 1 (Transitional Measures Regarding Exemption of Company Auditors from Liabilities, Etc. Existing Before Transition to Company with an Audit and Supervisory Committee)  
The following that are related to acts stated in Article 423, paragraph 1 of the Companies Act and that existed before the closing of the 32nd Ordinary Shareholders Meeting held in June 2020 shall be governed by Article 30 of the Articles of Incorporation before the amendment following the closing of that Ordinary Shareholders Meeting: (a) exemption of company auditors (including former company auditors) from liabilities; and (b) agreements limiting liabilities that are executed with company auditors.

## No. 3

## Election of 11 Directors Who Are Not Members of the Audit and Supervisory Committee

If “Partial Amendments to the Articles of Incorporation” of Proposal No. 2 is approved as per original proposal, NTT DATA will transition to a company with audit and supervisory committee, and based on Article 332, Paragraph 7, Item 1 of the Companies Act, all 11 directors will complete their terms of office when the amendments to the articles of incorporation take effect.

The Company requests shareholders to elect 11 directors who are not members of the audit and supervisory committee (hereafter “director” in this proposal).

This proposal will take effect on a condition that “Partial Amendments to the Articles of Incorporation” of Proposal No. 2 is approved and becomes effective. The profiles of the candidates for Directors are as follows:

Candidate No.		Name		Present position and areas of responsibility	Attendance at Board of Directors	Years served as Directors
1	Re-appointment	Yo Honma	Male	President and Chief Executive Officer, Representative Director	Regular: 12 times / 12 times Extraordinary: 1 times / 1 times	6
2	Re-appointment	Shigeki Yamaguchi	Male	Senior Executive Vice President and Representative Director Responsible for Public & Social Infrastructure Segment, Enterprise & Solutions Segment, and China & APAC Segment	Regular: 12 times / 12 times Extraordinary: 1 times / 1 times	3
3	Re-appointment	Toshi Fujiwara	Male	Senior Executive Vice President and Representative Director Responsible for Americas & Europe Segment, and Global Marketing	Regular: 12 times / 12 times Extraordinary: 1 times / 1 times	3
4	New	Kazuhiro Nishihata	Male	Executive Advisor	—	—
5	Re-appointment	Hisashi Matsunaga	Male	Executive Vice President and Director Head of Third Financial Sector, Responsible for Financial Segment	Regular: 10 times / 10 times	1
6	New	Masanori Suzuki	Male	Senior Vice President Head of Strategy Office	—	—
7	Re-appointment	Eiji Hirano	Outside director Independent officer Male	Director	Regular: 12 times / 12 times Extraordinary: 1 times / 1 times	4
8	Re-appointment	Mariko Fujii	Outside director Independent officer Female	Director	Regular: 10 times / 10 times	1
9	New	Patrizio Mapelli	Foreign national Male	—	—	—
10	New	Takeshi Arimoto	Male	—	—	—
11	New	Fumihiko Ike	Outside director Independent officer Male	—	—	—



Attendance at board  
of directors (FY 2019)

Regular: 12 times  
/ 12 times (100%)  
Extraordinary: 1 times  
/ 1 times (100%)

Years served as a Director  
6 years  
(as of the closing of this  
general meeting of shareholders)

Number of shares of  
NTT DATA held  
41,600 shares

Candidate No. **1** **Yo Honma** (Born May 8, 1956) Reappointment Male

#### Resume, Position, Areas of Responsibility and Principal Concurrent Positions

1980	April	Joined NIPPON TELEGRAPH AND TELEPHONE PUBLIC CORPORATION
2014	June	Executive Vice President and Director, and Company President of Enterprise IT Services Company of NTT DATA
2015	July	Executive Vice President and Director of NTT DATA
2016	June	Senior Executive Vice President and Representative Director of NTT DATA
2018	June	President and Chief Executive Officer, and Representative Director of NTT DATA (present post)

#### Principal Concurrent Positions

Director of NTT, Inc.

#### Reasons for the nomination

He has extensive experience and record in management evidenced by management in the enterprise sector, etc. In addition, he has been in charge of management as President and Chief Executive Officer, and Representative Director, since 2018. Since he is expected to continue to promote management of the NTT DATA Group while assuming roles such as supervision of business execution by utilizing his extensive experience and record of performance, he has been nominated for the candidate of Director.



Attendance at board  
of directors (FY 2019)

Regular: 12 times  
/ 12 times (100%)  
Extraordinary: 1 times  
/ 1 times (100%)

Years served as a Director  
3 years  
(as of the closing of this  
general meeting of shareholders)

Number of shares of  
NTT DATA held  
18,100 shares

Candidate No. **2** **Shigeki Yamaguchi** (Born August 14, 1961) Reappointment Male

#### Resume, Position, Areas of Responsibility and Principal Concurrent Positions

1984	April	Joined NIPPON TELEGRAPH AND TELEPHONE PUBLIC CORPORATION
2015	July	Senior Vice President, Head of IT Services & Payments Services Sector of NTT DATA
2016	June	Executive Vice President, Head of IT Services & Payments Services Sector of NTT DATA
2017	June	Executive Vice President and Director of NTT DATA
2018	June	Senior Executive Vice President and Representative Director of NTT DATA (present post)

#### Principal Concurrent Positions

Representative Board Member and Vice Chairperson of Japan Institute of Information Technology, a public interest incorporated association

#### Reasons for the nomination

He has extensive experience and record in management evidenced by organizational management in the enterprise sector, etc. Since he is expected to continue to promote management of the NTT DATA Group while assuming roles such as supervision of business execution by utilizing his experience and record of performance, he has been nominated for the candidate of Director.



Attendance at board  
of directors (FY 2019)

Regular: 12 times  
/ 12 times (100%)  
Extraordinary: 1 times  
/ 1 times (100%)

Years served as a Director  
3 years  
(as of the closing of this  
general meeting of shareholders)

Number of shares of  
NTT DATA held  
20,500 shares

Candidate  
No. **3** **Toshi Fujiwara** (Born June 5, 1961)

Reappointment

Male

#### Resume, Position, Areas of Responsibility and Principal Concurrent Positions

1985	April	Joined NIPPON TELEGRAPH AND TELEPHONE CORPORATION
2014	June	Senior Vice President, Deputy Head of First Financial Sector of NTT DATA
2014	July	Senior Vice President, Head of Fourth Financial Sector of NTT DATA
2015	July	Senior Vice President, Head of First Financial Sector of NTT DATA
2017	June	Executive Vice President and Director of NTT DATA
2018	June	Senior Executive Vice President and Representative Director of NTT DATA (present post)

#### Principal Concurrent Positions

Director of Board, NTT Data International L.L.C.

#### Reasons for the nomination

He has extensive experience and record in management evidenced by organizational management in the financial sector and management in global business sector, etc. Since he is expected to continue to promote management of the NTT DATA Group while assuming roles such as supervision of business execution by utilizing his experience and record of performance, he has been nominated for the candidate of Director.



Number of shares of  
NTT DATA held  
33,100 shares

Candidate  
No. **4** **Kazuhiro Nishihata** (Born March 16, 1957)

New

Male

#### Resume, position, Areas of responsibility and Principal Concurrent Positions

1981	April	Joined NIPPON TELEGRAPH AND TELEPHONE PUBLIC CORPORATION
2006	June	President and Representative Director of NTT EUROPE LTD.
2009	June	Senior Vice President, Head of Global Business Sector of NTT DATA
2015	June	Executive Vice President and Director of NTT DATA
2017	June	Senior Executive Vice President and Representative Director of NTT DATA
2018	June	Executive Advisor of NTT DATA (present post)

#### Principal Concurrent Positions

Director of Board, NTT Data International L.L.C.

#### Reasons for the nomination

He has extensive experience and record of management in the Global Business Sector in NTT Group companies and NTT DATA. Since he is expected to continue to promote management of the NTT DATA Group while assuming roles such as supervision of business execution by utilizing his experience and record of performance, he has been nominated for the candidate of Director.



Candidate No. **5** **Hisashi Matsunaga** (Born June 26, 1962)

Reappointment

Male

#### Resume, Position, Areas of Responsibility and Principal Concurrent Positions

1986	April	Joined NIPPON TELEGRAPH AND TELEPHONE CORPORATION
2015	June	Senior Vice President, Head of Insurance and Mutual Aid Division in First Financial Sector of NTT DATA
2015	July	Senior Vice President, Head of Group Strategy Headquarters of NTT DATA
2017	June	Senior Vice President, Head of First Financial Sector of NTT DATA
2018	June	Executive Vice President, Head of First Financial Sector of NTT DATA
2019	June	Executive Vice President and Director, Head of Third Financial Sector of NTT DATA (present post)

#### Principal Concurrent Positions

Board Member of The Center for Financial Industry Information Systems, a public interest incorporated foundation

#### Reasons for the nomination

He has extensive experience and record in management evidenced by the organizational management in the financial sector, etc. Since he is expected to continue to promote management of the NTT DATA Group while assuming roles such as supervision of business execution by utilizing his experience and record of performance, he has been nominated for the candidate of Director.

Attendance at board of directors (FY 2019)  
Regular: 10 times  
/ 10 times (100%)

Years served as a Director  
1 years  
(as of the closing of this general meeting of shareholders)

Number of shares of NTT DATA held  
16,500 shares



Candidate No. **6** **Masanori Suzuki** (Born November 15, 1965)

New

Male

#### Resume, position, Areas of responsibility and Principal Concurrent Positions

1988	April	Joined NIPPON TELEGRAPH AND TELEPHONE CORPORATION
2015	July	Head of Business Strategy Department, Financial Segment of NTT DATA
2016	June	Senior Vice President, Head of Second Financial Sector of NTT DATA
2019	June	Senior Vice President, Head of Strategy Office of NTT DATA (present post)

#### Principal Concurrent Positions

Director of NTT DATA MANAGEMENT SERVICE Corporation

#### Reasons for the nomination

He has extensive experience and record in the cooperate department in addition to organizational management in the financial sector. Since he is expected to promote management of the NTT DATA Group while assuming roles such as supervision of business execution by utilizing his experience and record of performance, he has been nominated for the candidate of Director.

Number of shares of NTT DATA held  
8,200shares



Attendance at board  
of directors (FY 2019)

Regular: 12 times  
/ 12 times (100%)  
Extraordinary: 1 times  
/ 1 times (100%)

Years served as a Director

4 years

(as of the closing of this  
general meeting of shareholders)

Number of shares of  
NTT DATA held

5,800 shares

Candidate  
No.

7

Eiji Hirano

(Born September 15, 1950)

Outside  
Director

Independent  
officer

Reappointment

Male

#### Resume, Position, Areas of Responsibility and Principal Concurrent Positions

1973	April	Joined Bank of Japan (Resigned in June 2006)
2006	June	Vice President and Director of Toyota Financial Services Corporation
2014	June	Special Advisor of Toyota Financial Services Corporation
2014	September	Vice Chairman and Director of MetLife Insurance K.K.
2015	May	Vice Chairman and Representative Executive Officer, Director of MetLife Insurance K.K.
2015	June	Director of RIKEN CORPORATION (present post)
2016	June	Director of NTT DATA (present post)
2016	July	Advisor of Toyota Financial Services Corporation (resigned in June 2017)
2017	September	Vice Chairman and Director of MetLife Insurance K.K. (present post)
2017	October	Chairperson of the Board of Governors, Government Pension Investment Fund (GPIF) (present post)

#### Principal Concurrent Positions

Director, RIKEN CORPORATION

#### Reasons for the nomination

He has extensive experience in the Financial Sector, and wide perspectives concerning financial administration and international finance. He has been nominated for the candidate of Outside Director 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.

#### [Matters related to independence]

Mr. Eiji Hirano 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 officers stipulated by the Company.

He is Chairperson of the Board of Governors of Government Pension Investment Fund. The Company has business transaction with Government Pension Investment Fund and the transaction value in any of the last three fiscal years is less than 1% of the non-consolidated sales amount of the Company.

He was Vice Chairman, Director and Representative Executive Officer of MetLife Insurance K.K. The Company has business transactions with MetLife Insurance K.K. and the transaction value in any of the last three fiscal years is less than 1% of the non-consolidated sales amount of the Company.

He was Vice President and Director of Toyota Financial Services Corporation. The Company has business transactions with Toyota Financial Services Corporation and the transaction value in any of the last three fiscal years is less than 1% of the non-consolidated sales amount of the Company.

In addition, he was an executive officer in the Bank of Japan. The Company has business transactions with the Bank of Japan and the transaction value in any of the last three fiscal years is less than 1% of the non-consolidated sales amount of the Company.

Based on the above, the Company judges that independence of Mr. Hirano is ensured.

\* For the criteria of independence for independent officers stipulated by the Company, please see page 25.

#### Note:

Mr. Eiji Hirano is the candidate for Outside Director. In addition, as described in the above section "Matters related to independence," he does not have any possibility of causing a conflict of interest with general shareholders, in light of 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 officers stipulated by the Company. As such, NTT DATA has designated Eiji Hirano as independent director and has notified this to the Tokyo Stock Exchange. If he is elected as Outside Director, he will continue to serve as an independent officer.



Attendance at board  
of directors (FY 2019)  
Regular: 10 times  
/ 10 times (100%)

Years served as a Director  
1 years  
(as of the closing of this  
general meeting of shareholders)

Number of shares of  
NTT DATA held  
1,400 shares

Candidate  
No.

8

Mariko Fujii

(Born March 9, 1955)

Outside  
director

Independent  
officer

Reappointment

Female

#### Resume, Position, Areas of Responsibility and Principal Concurrent Positions

1977	April	Joined the Ministry of Finance
1997	July	Director of International Affairs and Research Division, Customs and Tariff Bureau of the Ministry of Finance
2001	March	Professor of Research Center for Advanced Economic Engineering of The University of Tokyo
2004	April	Professor of Research Center for Advanced Science and Technology of National University Corporation, The University of Tokyo (resigned in October 2015)
2014	June	Director of Electric Power Development Co., Ltd. (resigned in October 2015)
2015	October	Ambassador Extraordinary and Plenipotentiary of Japan to the Republic of Latvia (resigned in January 2019)
2016	June	Emeritus Professor of The University of Tokyo (present post)
2019	June	Director of NTT DATA (present post)
2019	June	Director of Mitsubishi UFJ Financial Group (present post)

#### Principal Concurrent Positions

Director of Mitsubishi UFJ Financial Group, Inc.

#### Reasons for the nomination

She has keen discernment and extensive experience accumulated through her career in public administration, research on economics and foreign affairs. Based on this, she is expected to contribute to the enhancement of supervisory functions in executing management and the provision of opinions from broad viewpoints and has been nominated for the candidate of Outside director. Note that she has no experience of engagement in management of a company in any other manner than serving as an outside officer. However, based on the above reasons, the Company judges that she can perform the duties of Outside Director properly.

#### [Matters related to independence]

Ms. Mariko Fujii satisfies the criteria for independence stipulated by Tokyo Stock Exchange, Inc. on which the stocks of NTT DATA are listed and the criteria of independence (\*) for independent officers stipulated by the Company.

Based on the above, the Company judges that independence of Ms. Fujii is ensured.

\* For the criteria of independence for independent officers stipulated by the Company, please see page 25.

#### Note:

Ms. Mariko Fujii is a candidate for Outside Director. In addition, as described in the above section "Matters related to independence," she does not have any possibility of causing a conflict of interest with general shareholders, in light of 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 officers stipulated by the Company. As such, if she is elected as Outside Director, the Company will continue to designate her as independent officer.





Number of shares of  
NTT DATA held  
0 shares

Candidate No. **9** **Patrizio Mapelli** (Born March 17, 1955)

Foreign  
national

New

Male

#### Resume, position, Areas of responsibility and Principal Concurrent Positions

1982 September Joined Olivetti  
1995 July Senior Partner of Ernst & Young  
2000 July Vice President of A.T. Kearney  
2002 October Senior Partner of Value Partners S.p.A.  
2002 October CEO of Value Team S.p.A. (current NTT DATA Italia S.p.A.)  
2013 January CEO of NTT DATA EMEA LTD  
2018 April Chairman of the Board of NTT DATA Italia S.p.A. (resigned in May 2020)

#### Principal Concurrent Positions

Board Member of Triboo S.p.A.  
Chairman of the Board of Directors of Eurotech S.p.A.

#### Reasons for the nomination

He has extensive experience and record of performance in management in overseas market, mainly in Europe. Since he is expected to promote management of the NTT DATA Group while assuming roles such as supervision of business execution by utilizing his experience and record of performance, he has been nominated for the candidate of Director.



Number of shares of  
NTT DATA held  
0 shares

Candidate No. **10** **Takeshi Arimoto** (born July 20, 1969)

New

Male

#### Resume, position, Areas of responsibility and Principal Concurrent Positions

1993 April Joined NIPPON TELEGRAPH AND TELEPHONE CORPORATION  
2015 July Senior Manager of the Corporate Strategy Planning Department of NIPPON TELEGRAPH AND TELEPHONE CORPORATION (present post)  
2015 July Auditor of NTT FINANCE CORPORATION  
2018 June Auditor of NTT Urban Development Corporation

#### Principal Concurrent Positions

Senior Manager the Corporate Strategy Planning Department of NIPPON TELEGRAPH AND TELEPHONE CORPORATION

#### Reasons for the nomination

He has experience as a corporate auditor in NTT Group companies and in operations of corporate strategy planning at NIPPON TELEGRAPH AND TELEPHONE CORPORATION. Based on these experiences, he is expected to provide opinions from a wide perspective and has been nominated for the candidate of Director.



Number of shares of  
NTT DATA held  
14,000shares

Candidate  
No.

11

Fumihiko Ike

(Born May 26, 1952)

Outside  
director

Independent  
officer

New

Male

#### Resume, Position, Areas of Responsibility and Principal Concurrent Positions

1982	February	Joined Honda Motor Co., Ltd.
2003	June	Chief Director of Multi-purpose Business and Director of Honda Motor Co., Ltd.
2006	April	Chief Director of Business Administration and Director of Honda Motor Co., Ltd.
2007	June	Chief Director of Business Administration and Managing Director of Honda Motor Co., Ltd.
2008	April	Chief Director of Asia and Pacific and Managing Director of Honda Motor Co., Ltd. President and Director of Asian Honda Motor Co., Ltd. (resigned in March 2011)
2011	April	Chief Director of Business Administration, Senior Managing Officer, and Director concurrently serving as Risk Management Officer and General Supervisor of Information Systems of Honda Motor Co., Ltd.
2012	April	Chief Director of Business Administration, Senior Managing Officer, and Director concurrently serving as Chief Director of IT, Risk Management Officer and Liaison Manager of Honda Motor Co., Ltd.
2013	April	Chairman and Representative Director of Honda Motor Co., Ltd. (resigned in June 2016)
2014	May	Chairman of JAPAN AUTOMOBILE FEDERATION, a general incorporated association (resigned in May 2016)

#### Principal Concurrent Positions

None

#### Reasons for the nomination

He has extensive experience in management in global business and keen discernment of IT. He has been nominated for the candidate of Outside director 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.

#### [Matters related to independence]

Mr. Fumihiko Ike satisfies the criteria for independence stipulated by Tokyo Stock Exchange, Inc. on which the stocks of NTT DATA are listed and the criteria of independence (\*) for independent officers stipulated by the Company.

From October 2016 to September 2017, he served as a member of the 3<sup>rd</sup> advisory board which was established for the purpose of obtaining opinions from experts outside the company with knowledge of IT and global businesses. 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 are determined that there is no concern in relation to his independence.

He was Chairman of JAPAN AUTOMOBILE FEDERATION, a general incorporated association. The Company has business transactions with JAPAN AUTOMOBILE FEDERATION and the transaction value in any of the last three fiscal years is less than 1% of the non-consolidated sales amount of the Company.

He was Chairman and Representative Director of Honda Motor Co., Ltd. The Company has 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 non-consolidated sales amount of both the Company and Honda Motor Co., Ltd.

Based on the above, the Company judges that independence of Mr. Hirano is ensured.

\* For the criteria of independence for independent officers stipulated by the Company, please see page 25.

#### Note:

Mr. Fumihiko Ike is a candidate for Outside Director. In addition, as described in the above section "Matters related to independence," he does not have any possibility of causing a conflict of interest with general shareholders, in light of 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 officers stipulated by the Company. As such, if he is elected as Outside Director, the Company will continue to designate him as independent officer.

Notes:

1. NIPPON TELEGRAPH AND TELEPHONE CORPORATION is an ultimate parent company of NTT DATA Corporation and NTT, Inc. is a direct parent company NTT DATA Corporation. NTT FINANCE CORPORATION is a subsidiary of NIPPON TELEGRAPH AND TELEPHONE CORPORATION. NTT Urban Development Corporation is a subsidiary of NTT Urban Solution, Inc. which is a subsidiary of NIPPON TELEGRAPH AND TELEPHONE CORPORATION. NTT EUROPE LTD is a subsidiary of NTT Limited which is a subsidiary of NTT Inc.
2. Mr. Yo Honma concurrently serves as Chairman of the Japan Electronic Payment Promotion Organization. NTT DATA Corporation receives building rental fee and outsourcing fee from the Organization and pays annual membership fee to the Organization.  
There are no special interests between other candidates and NTT DATA Corporation.
3. Mr. Takeshi Arimoto will resign from the post of corporate auditor at NTT Urban Development on June 17, 2020.
4. If Mr. Eiji Hirano, Ms. Mariko Fujii, Mr. Patrizio Mapelli, Mr. Takeshi Arimoto and Mr. Fumihiko Ike are elected as directors, the Company will continue the liability agreement with Mr. Eiji Hirano and Ms. Mariko Fujii and will newly conclude the liability limitation agreement with Mr. Patrizio Mapelli and Mr. Takeshi Arimoto under Article 427 (1) of the Companies Act, to limit their liabilities for damage compensation stipulated in Article 423 (1) of the same Act to the amount stipulated by law.
5. Mr. Takeshi Arimoto has been an executor of business for NIPPON TELEGRAPH AND TELEPHONE CORPORATION, a specified associated company of the Company, in the past 5 years, and he still is an executor of business for NIPPON TELEGRAPH AND TELEPHONE CORPORATION. His position and areas of responsibility are as described in the “Resume, Position, Areas of Responsibility and Principal Concurrent Positions.”

## Election of 4 Directors Who Are Members of the Audit and Supervisory Committee

If “Partial Amendments to the Articles of Incorporation” of Proposal No. 2 is approved as per original proposal, NTT DATA will transition to a company with audit and supervisory committee, and based on Article 336, Paragraph 4, Item 2 of the Companies Act, all 4 auditors will complete their terms of office when the amendments to the articles of incorporation take effect.

The Company requests shareholders to elect 4 directors who are members of the audit and supervisory committee.

Also, the Audit and Supervisory Board has given its consent to this proposal.

This proposal will take effect on a condition that “Partial Amendments to the Articles of Incorporation” of Proposal No. 2 is approved and becomes effective. The profiles of the candidates for directors who are members of the audit and supervisory committee are as follows:

Candidate No.		Name		Present position and areas of responsibility	Attendance at Board of Directors and Audit & Supervisory Board	Years served as Corporate Audits
1	new	Tetsuro Yamaguchi	Outside director	Male	Standing Audit & Supervisory Board Member	<b>Board of Directors</b> Regular: 12 times / 12 times Extraordinary: 1 times / 1 times <b>Audit &amp; Supervisory Board</b> 15times / 15times
2	new	Tetsuya Obata	Outside director	Male	Standing Audit & Supervisory Board Member	<b>Board of Directors</b> Regular: 12 times / 12 times Extraordinary: 1 times / 1 times <b>Audit &amp; Supervisory Board</b> 15times / 15times
3	new	Katsura Sakurada	Outside director Independent officer	Male	Standing Audit & Supervisory Board Member	<b>Board of Directors</b> Regular: 12 times / 12 times Extraordinary: 1 times / 1 times <b>Audit &amp; Supervisory Board</b> 15times / 15times
4	new	Rieko Sato	Outside director Independent officer	Female	Audit & Supervisory Board Member	<b>Board of Directors</b> Regular: 12 times / 12 times Extraordinary: 1 times / 1 times <b>Audit &amp; Supervisory Board</b> 15times / 15times



Candidate No. **1** **Tetsuro Yamaguchi** (born January 22, 1956)

Outside  
director

New

Male

#### Resume, position, Areas of responsibility and Principal Concurrent Positions

1979	April	Joined NIPPON TELEGRAPH AND TELEPHONE PUBLIC CORPORATION
2006	June	Director of Global Business Division of NTT Communications Corporation President & CEO of NTT America, Inc.
2010	July	Director of Global Strategy Department, Global Business Division of NTT Communications Corporation
2011	February	Director of the Board, Group Executive: Joint Business Development of Dimension Data Holdings plc
2015	June	Standing Audit & Supervisory Board Member of NTT DATA (present post)

#### Principal Concurrent Positions

None

#### Reasons for the nomination

Mr. Yamaguchi has experience as an executive officer in NIPPON TELEGRAPH AND TELEPHONE CORPORATION (the ultimate parent company of NTT DATA) and affiliated companies. We nominated Mr. Yamaguchi as a candidate for an outside director who is a member of the audit and supervisory committee as we expect that his auditing and supervising of the business execution of the Company utilizing his extensive vision and experience will contribute to ensuring of the integrity of the Company and establishment of a transparent and impartial management monitoring system.

#### Attendance at Board of Directors (FY 2019)

Regular: 12 times  
/ 12 times (100%)  
Extraordinary: 1 times  
/ 1 times (100%)

#### Attendance at Audit & Supervisory Board (FY 2019)

15times / 15times (100%)

#### Years served as a Director

5 years  
(as of the closing of this  
general meeting of shareholders)

#### Number of shares of NTT DATA held

11,100 shares

(Note 1) NIPPON TELEGRAPH AND TELEPHONE CORPORATION is an ultimate parent company of NTT DATA Corporation, and NTT Communications Corporation is a subsidiary of NTT Inc. which is a direct parent company of NTT DATA Corporation. Dimension Data Holdings plc and NTT America, Inc. are subsidiaries of NTT Limited which is a subsidiary of NTT Inc.

(Note 2) No relationship of interest to be noted exists between Mr. Tetsuro Yamaguchi and NTT DATA.

(Note 3) If Mr. Tetsuro Yamaguchi is elected, the Company will continue the liability limitation agreement with him under Article 427 (1) of the Companies Act, to limit his liabilities for damage compensation stipulated in Article 423 (1) of the same Act to the amount stipulated by law.

(Note 4) Mr. Tetsuro Yamaguchi has been an executor of business for Dimension Data Holdings plc, a specified associated company of the Company, in the past 5 years. His position and areas of responsibility are described in the "Resume, Position, Areas of Responsibility and Principal Concurrent Positions."

(Note 5) Mr. Tetsuro Yamaguchi is a candidate for an outside director.



**Attendance at Board of Directors (FY 2019)**

Regular: 12 times  
/ 12 times (100%)  
Extraordinary: 1 times  
/ 1 times (100%)

**Attendance at Audit & Supervisory Board (FY 2019)**  
15times / 15times (100%)

**Years served as a Director**  
2 years  
(as of the closing of this  
general meeting of shareholders)

**Number of shares of  
NTT DATA held**  
4,600shares

Candidate  
No.

2

**Tetsuya Obata**

(born July 31, 1957)

Outside  
director

New

Male

**Resume, position, Areas of responsibility and Principal Concurrent Positions**

1980	April	Joined NIPPON TELEGRAPH AND TELEPHONE PUBLIC CORPORATION
2004	July	General Manager of Department IV (current Finance and Accounting Department) of NIPPON TELEGRAPH AND TELEPHONE CORPORATION
2011	June	Head of Kanagawa Branch and Director of NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION
2013	June	Managing Director, Head of Planning and General Affairs Department and Head of Sales Headquarters of NTT BUSINESS ASSOCIE CORPORATION
2013	July	Director of NTT BUSINESS ASSOCIE WEST Co., Ltd.
2016	June	Representative Managing Director, Head of Planning and General Affairs Department, and Head of BPR Promotion Department of NTT BUSINESS ASSOCIE CORPORATION
2017	July	Representative Managing Director, Head of Planning and General Affairs Department, Head of Business Cooperation Promotion Department of NTT BUSINESS ASSOCIE CORPORATION (present posts)
2017	August	Director of NTT LEARNING SYSTEMS CORPORATION (present post)
2018	June	Standing Audit & Supervisory Board Member of NTT DATA (present post)

**Principal Concurrent Positions**  
None

**Reasons for the nomination**

He has experience in the finance and general affairs sectors as well as a tremendous track record in corporate management in the NTT Group. Since Mr. Obata, who was an executive officer of NIPPON TELEGRAPH AND TELEPHONE CORPORATION which is an ultimate parent company of NTT DATA Corporation and its affiliated company, is expected to help the Company ensure the corporate soundness and establish a transparent and fair structure to monitor management through audits and supervising of business execution by utilizing his wide perspectives and experience, he is nominated for the candidate of an outside director who is a member of the audit and supervisory committee.

(Note 1) NIPPON TELEGRAPH AND TELEPHONE CORPORATION is an ultimate parent company of NTT DATA Corporation, and NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION and NTT BUSINESS ASSOCIE CORPORATION are subsidiaries of NIPPON TELEGRAPH AND TELEPHONE CORPORATION. NTT LEARNING SYSTEMS CORPORATION is a subsidiary of NTT BUSINESS ASSOCIE CORPORATION. NTT BUSINESS ASSOCIE WEST Co., Ltd. is a subsidiary of NIPPON TELEGRAPH AND TELEPHONE WEST CORPORATION which is a subsidiary of NIPPON TELEGRAPH AND TELEPHONE CORPORATION.

(Note 2) No relationship of interest to be noted exists between Mr. Tetsuya Obata and NTT DATA.

(Note 3) If Mr. Tetsuya Obata is elected, the Company will continue the liability limitation agreement with him under Article 427 (1) of the Companies Act, to limit his liabilities for damage compensation stipulated in Article 423 (1) of the same Act to the amount stipulated by law.

(Note 4) Mr. Tetsuya Obata has been an executor of business or an executive for NTT BUSINESS ASSOCIE CORPORATION, NTT BUSINESS ASSOCIE WEST Co., Ltd. and NTT LEARNING SYSTEMS CORPORATION, specified associated companies of the Company, in the past 5 years. His position and areas of responsibility are described in the "Resume, Position, Areas of Responsibility and Principal Concurrent Positions."

(Note 5) Mr. Tetsuya Obata will receive remuneration for directorship, etc. from NTT BUSINESS ASSOCIE CORPORATION with which the Company has important relationships and has received it in past two years.

(Note 6) Mr. Tetsuya Obata is a candidate for an outside director.



Candidate  
No.

3

Katsura Sakurada

(born February 24, 1958)

Outside  
director

Independent  
officer

New

Male

#### Resume, position, Areas of responsibility and Principal Concurrent Positions

1980	April	Joined the Board of Audit of Japan
2014	April	Director General for Secretariat of General Executive Bureau of Board of Audit of Japan
2015	April	Director General of 1st Bureau of Board of Audit of Japan
2016	April	Deputy Secretary General of Board of Audit of Japan
2017	April	Secretary General of Board of Audit of Japan (Resigned in March 2018)
2018	June	Standing Audit & Supervisory Board Member of NTT DATA (present post)

#### Principal Concurrent Positions

None

#### Reasons for the nomination

He has extensive experience and wide perspectives concerning audits for finance, accounting and business execution based on his long years of professional experience in the Board of Audit of Japan. Since he is expected to help the Company ensure the corporate soundness and establish a transparent and fair structure to monitor management through auditing and supervision of the business execution, he is nominated for the candidate of an outside director who is a member of the audit and supervisory committee. Mr. Sakurada has never been engaged in the management of a company business other than as an outside director or outside corporate auditor. However, considering his background as stated above, we believe that he can properly perform the duties as an outside director who is a member of the audit and supervisory committee.

#### [Matters related to independence]

Mr. Katsura Sakurada satisfies the criteria for independence stipulated by Tokyo Stock Exchange, Inc. on which the stocks of NTT DATA are listed and the criteria of independence (\*) for independent officers stipulated by the Company.

Based on the above, the Company judges that independence of Mr. Sakurada is ensured.

\* For the criteria of independence for independent officers stipulated by the Company, please see page 25.

#### Attendance at Board of Directors (FY 2019)

Regular: 12 times  
/ 12 times (100%)  
Extraordinary: 1 times  
/ 1 times (100%)

#### Attendance at Audit & Supervisory Board (FY 2019)

15times / 15times (100%)

#### Years served as a Director

2 years  
(as of the closing of this  
general meeting of shareholders)

#### Number of shares of NTT DATA held

3,400shares

(Note 1) No relationship of interest to be noted exists between Mr. Katsura Sakurada and NTT DATA.

(Note 2) If Mr. Katsura Sakurada is elected, the Company will continue the liability limitation agreement with him under Article 427 (1) of the Companies Act, to limit his liabilities for damage compensation stipulated in Article 423 (1) of the same Act to the amount stipulated by law.

(Note 3) Mr. Katsura Sakurada is a candidate for Outside Director. In addition, as described in the above section "Matters related to independence," he does not have any possibility of causing a conflict of interest with general shareholders, in light of 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 officers stipulated by the Company. As such, NTT DATA has designated Katsura Sakurada as independent officer and has notified this to the Tokyo Stock Exchange. If he is elected as Outside Director, he will continue to serve as an independent officer.



**Attendance at Board of Directors (FY 2019)**

Regular: 12 times  
/ 12 times (100%)  
Extraordinary: 1 times  
/ 1 times (100%)

**Attendance at Audit & Supervisory Board (FY 2019)**

15times / 15times (100%)

**Years served as a Director**

8 years  
(as of the closing of this  
general meeting of shareholders)

**Number of shares of NTT DATA held**

9,500 shares

Candidate  
No.

**4 Rieko Sato**

(born November 28, 1956)

Outside  
director

Independent  
officer

New

Female

**Resume, position, Areas of responsibility and Principal Concurrent Positions**

1984	April	Registered as an attorney at Law (present post)
1989	June	Partner of Shearman & Sterling LLP
1998	July	Partner of Ishii Law Office (present post)
2004	June	Auditor of Ajinomoto Co., Inc. (resigned in June 2016)
2008	June	Auditor of GignoSystem Japan, Inc (present post)
2012	June	Audit & Supervisory Board Member of NTT DATA (present post)
2015	June	Director of The Dai-ichi Life Insurance Co., Ltd.
2016	October	Director (audit and supervisory committee member) of Dai-ichi Life Holdings, Inc. (present post)
2018	May	Director of J.FRONT RETAILING Co., Ltd. (present post)
2019	May	Director of Daimaru Matsuzakaya Department Stores Co. Ltd. (present post)

**Principal Concurrent Positions**

Partner of Ishii Law Office  
Director (Member of Audit & Supervisory Committee) of Dai-ichi Life Holdings, Inc.  
Director of J.FRONT RETAILING Co., Ltd.

**Reasons for the nomination**

Ms. Sato has extensive experience as a director and corporate auditor at other companies in addition to legal expertise based on her experience of working as a lawyer for many years. We nominated Ms. Sato as a candidate for an outside director who is a member of the audit and supervisory committee as we expect that she will contribute to ensuring of the integrity of the Company and establishment of a transparent and impartial management monitoring system through auditing and supervision of the business execution using her experiences. Ms. Rieko Sato 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 a member of the audit and supervisory committee.

**[Matters related to independence]**

Ms. Rieko Sato satisfies the criteria for independence stipulated by Tokyo Stock Exchange, Inc. on which the stocks of NTT DATA are listed and the criteria of independence (\*) for independent officers stipulated by the Company. Based on the above, the Company judges that independence of Ms. Sato is ensured.

\* For the criteria of independence for independent officers stipulated by the Company, please see page 25.

(Note 1) No relationship of interest to be noted exists between Ms. Rieko Sato and NTT DATA.

(Note 2) If Mr. Rieko Sato is elected, the Company will continue the liability limitation agreement with him under Article 427 (1) of the Companies Act, to limit his liabilities for damage compensation stipulated in Article 423 (1) of the same Act to the amount stipulated by law.

(Note 3) Mr. Rieko Sato is a candidate for Outside Director. In addition, as described in the above section "Matters related to independence," she does not have any possibility of causing a conflict of interest with general shareholders, in light of 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 officers stipulated by the Company. As such, NTT DATA has designated Rieko Sato as independent officer and has notified this to the Tokyo Stock Exchange. If she is elected as Outside Director, she will continue to serve as an independent officer.



### **Matters Regarding Election and Nomination**

(Election policy for directors who are not members of the audit and supervisory committee)

The candidates for directors who are not members of the audit and supervisory committee have been elected from personnel who have broad perspectives and experiences and can contribute to the development of the entire Group, excel in management ability and leadership, and are sophisticated in business management and motivated. The size of the Board of Directors is in direct proportion to the scale of business, and the Board of Directors is composed with consideration of having diversity (\*) including in terms of internationality, and the balance of expertise, etc.

From the viewpoint of strengthening the supervisory function of business execution, we have elected several candidates in principle, as independent outside directors with no concern of causing a conflict of interest with the general shareholders.

\*This includes factors such as gender, race, ethnicity, or cultural background.

(Election policy for candidate directors who are members of the audit and supervisory committee)

The candidate directors who are members of the audit and supervisory committee are to be elected from personnel that we can expect to conduct audits and supervision from viewpoints of specialized experience and knowledge. For fair audits of business execution of directors who are not members of the audit and supervisory committee, we have elected the majority of directors who are members of the audit and supervisory committee from the outside directors in compliance with the Companies Act.

(Procedures for election)

The procedures for electing candidates for directors are to be carried out as follows: the backgrounds of the candidates are first explained to the parent companies, independent outside directors and auditors prior to the Board of Directors meeting. After receiving appropriate advice from them, the Board of Directors makes the decision, which is referred to at the shareholders' meeting.

The procedures for electing candidates for directors who are members of the audit and supervisory committees are to be carried out as follows: in addition to the above, a deliberation is made and consent is given at a meeting of the Audit & Supervisory Board consisting of majority of outside auditors; and the Board of Directors makes the decision, which is referred to at the shareholders' meeting.

### **Criteria of Independence**

NTT DATA designates outside officers who satisfy the following conditions, in addition to the criteria for independence stipulated by Tokyo Stock Exchange, Inc., as its independent officers.

- A person who does not fall under any of the following items for the most recent 3 fiscal years:

- (1) A business executor of NTT DATA's business partner exceeding the standards set forth by NTT DATA (\*1);
- (2) A business executor of NTT DATA's lender exceeding the standards set forth by NTT DATA (\*2);
- (3) An individual providing specialized services, such as a consultant, accountant or lawyer, who has received from NTT DATA 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 NTT DATA's standards (\*3).

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 officer.

\*1 NTT DATA's business partner with a trading amount exceeding the standards set forth by NTT DATA refers to a business partner whose trading amount with NTT DATA is 2% of NTT DATA's non-consolidated annual sales or larger in any fiscal year out of the most recent 3 fiscal years.

\*2 NTT DATA's lender with an amount of lending exceeding the standards set forth by NTT DATA refers to a lender who lends to NTT DATA 2% or a larger percentage of NTT DATA's total assets in any fiscal year out of the most recent 3 fiscal years.

\*3 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 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.

No. 5

## Setting Remuneration for Directors Who Are Not Members of the Audit and Supervisory Committee

If Proposal No.2, “Partial Amendments to the Articles of Incorporation” is approved as originally proposed, we will transition to a company with an audit and supervisory committee.

Accordingly, the upper limit of remuneration for directors who are not audit and supervisory committee members will be set at 580 million yen (including the upper limit of outside director which is set at 50 million yen) per annum. This is the same as the current upper limit of remuneration for directors.

If Proposal No.2 and No.3, “Election of 11 Directors Who Are Not Members of the Audit and Supervisory Committee” are approved as originally proposed, the number of such directors will be eleven, including three outside directors.

This proposal shall come into force on a condition that Proposal No.2 is approved as originally proposed and the amendments to the articles of incorporation take effect.

No. 6

## Setting Remuneration for Directors Who Are Members of the Audit and Supervisory Committee

If Proposal No.2, “Partial Amendments to the Articles of Incorporation” is approved as originally proposed, we will transition to a company with an audit and supervisory committee.

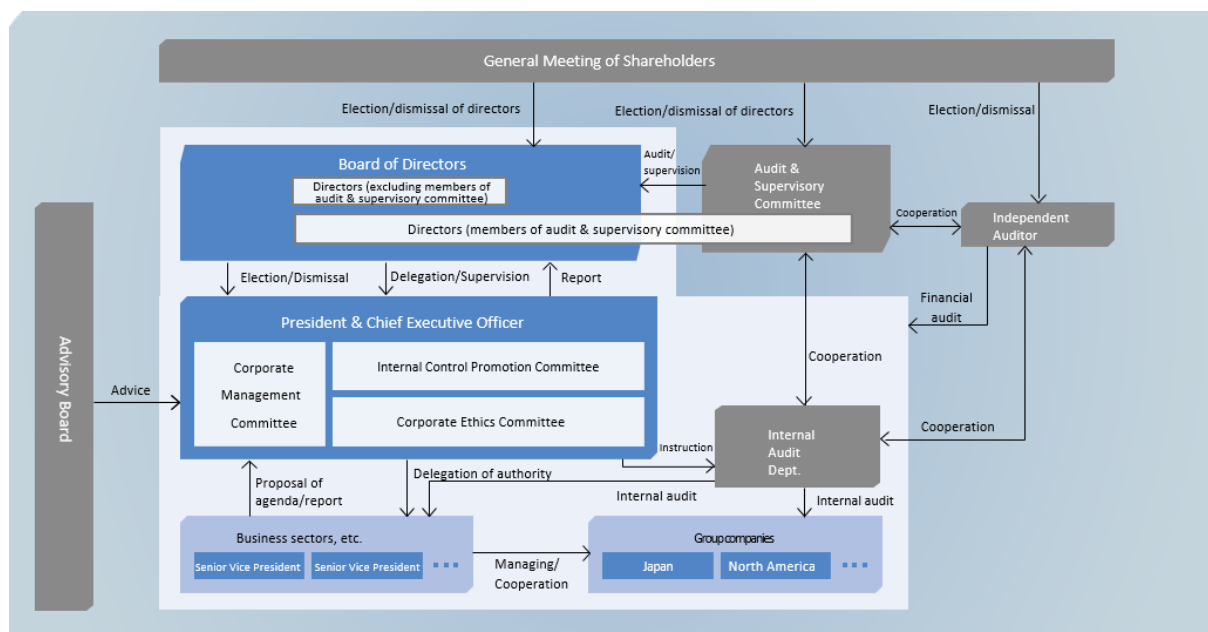
Accordingly, the upper limit of remuneration for directors who are audit and supervisory committee members will be set at 150 million yen per annum. This is the same as the current upper limit of remuneration for auditors.

If Proposal No.2 and No.4, “Election of 4 Directors Who Are Members of the Audit and Supervisory Committee” are approved as originally proposed, the number of such directors will be four.

This proposal shall come into force on a condition that Proposal No.2 is approved as originally proposed and the amendments to the Articles of Incorporation take effect.

(Reference) Corporate Governance Structure after the Transition to a Company with Audit and Supervisory Committee

If Proposal No.2, "Partial Amendments to the Articles of Incorporation," is approved as originally proposed, the Company will transition to a company with an audit and supervisory committee. The following chart shows the corporate governance structure after the transition to a company with an audit and supervisory committee. The Company's approach and basic policy on corporate governance is set forth on page 50 - 51.



# **BUSINESS REPORT**

(From April 1, 2019 to March 31, 2020)

## **1 MATTERS CONCERNING PRESENT CONDITION OF THE CORPORATE GROUP**

### **1. Business Progress and Results**

The economy and the business environment in the information services industry in this consolidated fiscal year are as follows.

Although domestic and overseas economies have recovered slowly throughout this consolidated fiscal year, impacts of COVID-19 global pandemic that started at the end of the fiscal year curbed economic activities, which has led to the recent rapid slowdown. The economic outlook is expected to remain bleak for a while because of the impacts from the outbreak, and there is a risk that domestic and overseas economies could deteriorate further. Moreover, we need to monitor the impacts such as fluctuations in the financial and capital markets

The domestic and overseas information services industry markets performed strongly because of the need to respond to system changes and new laws and regulations, client companies' enhancement of end-user touchpoints by clients, and the increased IT investments for the purpose of growing businesses using digital<sup>(Note 1)</sup> technologies, such as AI and IoT. However, the downside risk to economies posed by the outbreak may force client companies to cut or postpone IT investments, increase needs for reducing maintenance and operation costs, and keep the price competition severe.

#### **Implementation of initiatives**

During the period covered by the previous medium-term management plan (from FY2016 to FY2018), the NTT DATA Group established itself as a global brand by “increasing local presence” and achieved the Global 2<sup>nd</sup> Stage. Now, we aim to achieve the Global 3<sup>rd</sup> Stage by 2025 through “Diffuse of Trusted Brand.”

The three years covered by the current medium-term management plan (from FY2019 to FY2021) are important for us to achieve the Global 3<sup>rd</sup> Stage and are a period during which we need to clarify, completely refine, and demonstrate our strengths that we will use as a source of the future growth capability. Thus, we are pursuing “profitable global growth with consistent belief and courage to change.” The management targets we aim to achieve by FY2021 are as follows: “net sales of 2.5 trillion yen,” “client base<sup>(Note 2)</sup> of over 80 companies,” “operating income margin of 8%<sup>(Note 3)</sup>,” and “overseas EBITA margin of 7%<sup>(Note 3)</sup>.”

With our “consistent belief,” in line with our mission statement that “NTT DATA uses information technology to create new paradigms and values, which help contribute to a more affluent and harmonious society” and the fostered strengths of “Long-term Relationships,” we are contributing to the achievement of SDGs through businesses and corporate activities and sustainably enhancing our corporate value.

Specifically, by providing AW3D, a global digital 3D map of the world, we have contributed to the advancement, etc. of disaster recovery and infrastructure development. These ESG management initiatives of the Group have continued to earn a certain level of recognition from ESG research organizations in Japan and overseas.

With our “courage to change,” we are further accelerating digital initiatives and maximizing our global synergy to offer maximized values to our clients. To this end, we are driving initiatives based on the following three strategies and enhancing collaboration among NTT Group companies.

With “Strategy 1: Expand global digital offerings<sup>(Note 4)</sup>,” we maximize our global synergy in the digital field, create tools we need to compete, and sophisticate our method of competing. Specifically, we are committed to the acceleration of global marketing, development of digital offerings through proactive investments, and expansion of our Center of Excellence (CoE<sup>(Note 5)</sup>).

As part of our efforts to accelerate global marketing, we formed the Global One Team to establish strategies across the globe, make proposals and provide support to clients doing business on a global basis (global accounts) more promptly, promote sharing and making use of digital success stories, and enhance global marketing. In FY2019, as a result of these activities, we successfully won multiple contracts with clients doing business globally.

As part of our efforts to create offerings through proactive investments, we established the Digital Strategy Office (DSO), an organization to accelerate the entire company's digital businesses, and have promoted the creation of offerings in the global focus areas. In FY2019, we announced "Catch&Go," a digital store without a cash register developed through DSO's efforts, and have received a tremendous number of inquiries from clients in distribution and retail businesses, including major convenience stores.

For the expansion of our CoE, we have globally promoted sharing and rollout of digital technologies such as Blockchain, Digital Design, DevOps <sup>(Note 6)</sup>, and AI and expertise in them. In FY2019, the efforts greatly contributed to the order receipt and the development of services utilizing Blockchain, Digital Design, and DevOps. The AI CoE, which was established in FY2019, has also produced results such as Proof of Concepts with clients.

With "Strategy 2: Deliver greater value to clients based on regional needs," we continue to provide attractive values to clients based on regional needs.

In Japan, the NTT DATA Group's strength is in the existing system domain based on Long-Term Relationships with clients, and in North America and Europe, it is in the ITO and other outsourcing businesses. By combining these strengths with digital technologies, we are creating new values. These efforts have led to orders for multiple large-scale projects, including those for core systems of government agencies, financial institutions, and corporate clients in Japan, and to an increase in orders for large projects from new clients, as well as to more sophisticated and efficient services for existing clients in North America and Europe.

With "Strategy 3: Unleash our employees' potential that maximizes organizational strength," we enable each employee to achieve self-actualization and enhance organizational capabilities to implement Strategies 1 and 2.

The NTT DATA Group aims for all employees to develop the ability to utilize digital technologies. In FY2019, we developed a training program to cultivate human resources that utilized digital technologies and changed several human resources systems; for example, by certifying the first ADP <sup>(Note 7)</sup> employee, introducing the TG system <sup>(Note 8)</sup>, and so forth. Furthermore, we have focused on the work-style reform through digital technology utilization and introduced a mechanism of digital knowledge sharing to have contents and know-how shared internally.

To drive NTT Group Collaboration, we aim to generate One NTT Synergies, such as technology utilization and cross-selling. The NTT DATA Group continues to engage in the penetration and rollout of "WinActor" <sup>(Note 9)</sup>, an RPA solution developed by NTT Laboratories, in a cross-sectional manner, and the number of clients who introduced the solution exceeded 2,800 in FY2019.

We will accelerate these efforts to achieve our management goals for FY2021, which is the last fiscal year under the current medium-term management plan, and the Global 3<sup>rd</sup> Stage by 2025.

## Implementation of business activities

We strove to expand businesses in the global market to respond to the acceleration of digital transformation initiatives on a global basis and meet diversified and sophisticated needs. We also made efforts to expand diverse IT services including digital offerings and system integration in response to market changes and to stably provide such services.

[Summary of financial results for the 32nd fiscal year]

- The expansion of robust domestic and overseas businesses contributed to a record high new orders received and net sales growth for 31 consecutive years.
- Operating income decreased due to re-evaluation of overseas businesses with low profitability, etc. in addition to structural transformation and growth investments, which had already been scheduled at the beginning of the fiscal year.

(¥ billion, except for net dividend per share [yen])

Items	Year	32nd Fiscal Year (2019)	
		31st Fiscal Year (2018)	
New orders received	2,076.1	2,275.2	+9.6% +199.1
Net sales	2,163.6	2,266.8	+4.8% +103.2
Operating income	147.7	130.9	(11.4%) (16.8)
Net income attributable to shareholders of NTT DATA	93.6	75.1	(19.7%) (18.5)
Net dividend per share	17	18	+1

## Net Sales and Operating Income by Segment [Composition Ratio]

(¥ billion)

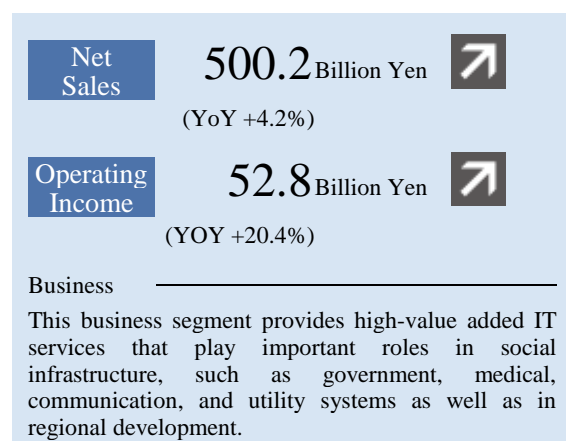
	Net Sales			Operating Income		
	31st Fiscal Year (2018)	32nd Fiscal Year (2019)	YOY(rate)	31st Fiscal Year (2018)	32nd Fiscal Year (2019)	YOY(rate)
Public & Social Infrastructure Segment	479.9 [18.8%]	500.2 [18.7%]	+4.2%	43.9 [27.6%]	52.8 [35.7%]	+20.4%
Financial Segment	559.1 [22.0%]	580.4 [21.6%]	+3.8%	52.9 [33.3%]	50.4 [34.0%]	(4.8%)
Enterprise & Solutions Segment	529.8 [20.8%]	588.6 [21.9%]	+11.1%	48.5 [30.5%]	53.5 [36.1%]	+10.3%
North America Segment	421.9 [16.6%]	426.0 [15.9%]	+1.0%	3.5 [2.2%]	3.2 [2.2%]	(7.1%)
EMEA & LATAM Segment	440.1 [17.3%]	455.4 [17.0%]	+3.5%	7.9 [5.0%]	(14.4) [9.7%]	—
Others (Note 1)	116.2 [4.6%]	131.9 [4.9%]	+13.5%	2.4 [1.5%]	2.6 [1.7%]	+5.7%
Subtotal	2,547.2 [100.0%]	2,682.5 [100.0%]	+5.3%	159.1 [100.0%]	148.1 [100.0%]	(6.9%)
Adjustments	(383.5) —	(415.7) —	—	(11.4) —	(17.2) —	—
Total	2,163.6 —	2,266.8 —	+4.8%	147.7 —	130.9 —	(11.4%)

Notes: China & APAC segment is included in “Others” segment.

The following shows the status of overseas bases during the period under review:

Approx. 94,300 employees deployed in 225 cities in 53 countries and regions outside of Japan (Approx.133,000 employees including Japan) (As of March 31, 2020)

## Public & Social Infrastructure Segment



The net sales increased due mainly to the expansion in the scale of services for the central government and related agencies and telecom and utility industries. The operating income increased due mainly to sales growth and a decrease in the amount of loss from unprofitable projects.

We aimed for receiving system renewal orders for core businesses from governments and infrastructure companies, and made efforts to grow our business through the following methods: creating new businesses by utilizing the results and know-how that our group has cultivated and realizing a new public-private social system in accordance with Growth Strategy based on Society 5.0 and the Digital Government Action Plan.

### <Launching the core system services for the Japan Patent Office>



- In January 2020, we launched services for the function that assigns patent classifications on the publication of unexamined patent applications and others, which is one of the most important systems related to examination of patents and others, with the goal of “optimizing operations and systems of the Japan Patent Office” in accordance with the Ministry of Economy, Trade and Industry’s mid-and long-term plans for the digital government.

### <Promoting digital business using sophisticated map information >



We promoted businesses to use sophisticated map information for diversified purposes.

- In July 2019, we began providing a 3D map covering all global land spaces with 2.5 m resolution, as part of the service for the world’s most precise 3D map using satellite images, AW3D Full Global 3D Map, with Remote Sensing Technology Center of Japan. This service enables more accurate simulations and analysis for worldwide urban designing, prediction of damages caused by natural disaster, and so on.
- The Cabinet Office appreciated our high technological capabilities and knowledge related to the system for creating and updating highly precise 3D maps and processing of vehicle probe data <sup>(Note 10)</sup> that self-driving cars collect while moving. As a result, we were allowed to participate in the Cross-ministerial Strategic Innovation Promotion Program led by the Office.

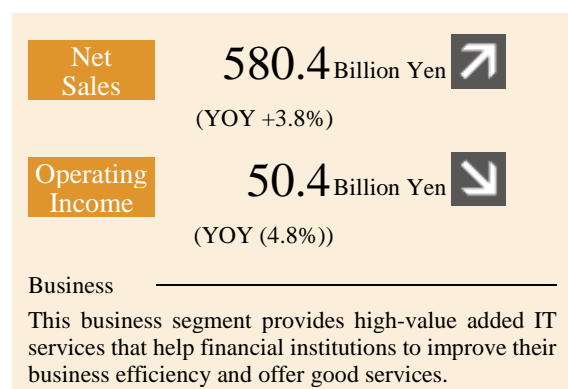
### <Promoting digital business in the healthcare field>



To help medical institutions conduct operations more quickly and efficiently, we promoted the development of a medical information platform using cutting-edge IT technologies.

- In April 2019, we began providing MD-TraC, an IoT platform for medical materials, which collectively manages logistics and usage information of medical materials with an RFID tag <sup>(Note 11)</sup> stuck on each material to record ID for individual identification. This service helps manufacturing and sales companies cut inventory and reduce disposal loss and supports sales agencies in increasing operational efficiency of placing and receiving orders.
- In June 2019, we provided CHUGAI PHARMACEUTICA CO., LTD., with L-AXeS, a shared service that enables secure online test requests and result reports between medical institutions and clinical laboratory companies. Moreover, in January 2020, we started providing a service connecting L-AXeS with major electronic health record services so that medical institutions can exchange test data with clinical laboratory companies via a secure network without having to install new lines and equipment.

## Financial Segment



The net sales increased due mainly to the expansion in the scale of services for financial institutions. The operating income decreased due mainly to the occurrence of unprofitable projects, despite an increase due to sales growth.

Deregulations and technological innovations are bringing a great change to the business environment of financial institutions. Financial services taking advantage of digital technologies are emerging, with diversified players joining the financial business. Under such circumstance, we continued to offer highly reliable and high-quality services to our clients. We also sought to expand our business as a trusted financial IT platformer in the digital age, anticipating changes of the times.

<Promoting efforts for upgrading a shared system>



- In May 2019, we reached an agreement with five banks; The Bank of Yokohama, Ltd., THE HOKURIKU BANK, LTD., The Hokkaido Bank, Ltd., The 77 Bank, Ltd., and HIGASHI-NIPPON BANK, Ltd., to consider the use of a highly flexible open platform as the number one option to deliver the new service more quickly for the next generation of the shared system, MEJAR, for which NTT DATA provides services.

<Promoting a wide range of efforts using cutting-edge technologies to provide financial services in the digital era>



To create new financial businesses by accumulating and leveraging information using digital technologies, we promoted a wide range of digital businesses.

- In June 2019, we began providing Customer Engagement Hub, an integrated contact channel solution, for call center operations at THE YAMAGUCHI BANK, Ltd. This solution helps the bank enhance productivity and raise the level of customer satisfaction by providing AI support for operators and integrating and analyzing data collected from various inquiry channels, including call centers and websites.
- In January 2020, NTT DATA signed a Memorandum of Intent encouraging the realization of trade digitalisation at a forum that was held during the World Economic Forum (2020 Davos Conference). As trade-related companies face a problem in securing mutual connectivity between trade platforms, we will participate in discussions and contribute to the international standardization of the mutual connectivity.
- In February 2020, as a regional revitalization project, we launched a Proof of Concept ("PoC") on sharing economy with The Bank of Yokohama, Ltd. The PoC focused on "skill sharing," where individuals' skills, experiences, knowledge, and others are exchanged, and verified its effect with the participation of the bank and NTT DATA.



## Enterprise & Solutions Segment

Net Sales	588.6 Billion Yen	↑
	(YOY +11.1%)	
Operating Income	53.5 Billion Yen	↑
	(YOY +10.3%)	
<b>Business</b> This business segment provides high-value added IT services that support manufacturers, distributors, and service providers as well as payment services such as credit cards and platform solutions services, provided in collaboration with other IT services.		

The net sales and operating income increased due mainly to the expansion in the scale of services for manufacturing industry and payment business including M&A.

The further acceleration of trends in digital usage and the rise in demand for enhanced global competitiveness have greatly changed the business environments of manufacturers, distributors, and service providers. While responding to these changes, we continued to provide highly added values that bring business and advanced professional technology together and support growth in our clients' businesses, so that we can further expand our business.

<Promoting payment-related business and designing new customer experience>



In areas related to cashless payment, we provided new services that are more convenient for consumers.

- In September 2019, we began providing “Catch&Go,” a service to help businesses open a digital store where consumers can pick up items they want from the store without the need to pay at a cashier. Furthermore, in January 2020, we added to this service a function that allows consumers to enter the stores by face recognition and a dynamic pricing function that enables changing prices on the basis of information on its inventory. With the realization of a digital store without a cashier, consumers can enjoy convenient and beneficial shopping experience, and stores and store management companies can increase operational efficiency, maximize purchase opportunities, and use information for marketing.

- In February 2020, we began providing full support for the introduction of cashless payment service by JAPAN POST Co., Ltd., with Sumitomo Mitsui Card Company, Limited, and Panasonic System Solutions Japan Co., Ltd. We will install 14,000 payment terminals at the counters of about 8,500 post offices and help JAPAN POST Co., Ltd., promote its transition to cashless transactions. As the payment infrastructure, “CAFIS Arch” (Note 12), a cloud-based comprehensive payment platform provided by NTT DATA, was adopted.

<Installing filtration planning system using digital technologies at Kirin Brewery's factories>



NTT DATA and Kirin Brewery Company, Limited jointly developed a system that creates the most suitable beer filtration plan by using digital technologies. In April 2019, the system started full operation at Kirin Brewery's Fukuoka Factory. Then, the companies standardized the system and started trial operation at factories in Yokohama and Shiga in January 2020.

Filtration planning at a brewery often depends on the expertise of skilled workers who consider various conditions. To develop this system, we interviewed the skilled workers to identify a variety of constraints and used the constraint programming technology (Note 13) to standardize their expertise. We expect that this system will reduce the working time by a maximum of about 2,500 hours per year for the three factories in Fukuoka, Yokohama, and Shiga in total.

## North America Segment

Net Sales	426.0 Billion Yen	↗
	(YOY +1.0%)	
EBITA	15.2 Billion Yen	↗
	(YOY +14.6%)	
Operating Income	3.2 Billion Yen	→
	(YOY (7.1%))	
<b>Business</b> This Business segment provides high-value added IT services taking into consideration the market characteristics for North America business.		

The net sales increased due mainly to the expansion of scale from M&A, despite the negative impact from yen appreciation in foreign exchange. The operating income remained on par with the previous fiscal year due mainly to a decrease of PMI cost and the expansion of scale from M&A, despite an increase of costs for business expansion and amortization of PPA.

Towards sustainable growth in North America that is the world's largest IT services market, we accelerated advanced-technology-enabled innovations and enhanced offerings in the digital domain. These helped us to improve our capacity to respond to our clients' needs. We also promoted M&A to expand our business, increase our presence, and improve profitability.

<Won multiple contracts supporting Digital Transformation for a large U.S. bank and a large U.S.-based health plan through the enhancement of Digital Offerings>

NTT DATA Services, a subsidiary of NTT DATA Corporation, won multiple deals supporting Digital Transformation as a result of initiatives to strengthen digital offerings through investments in innovation.

- For the deal with the large U.S. bank, NTT DATA Services has a long relationship with the client and successfully differentiated our digital services and track record to support the client's digital transformation through a migration to cloud, microservices architecture (Note 14) for banking products (payment, online banking, etc) and UX design (Note 15).

- For the deal with the large U.S.-based health plan, NTT DATA Services demonstrated our deep knowledge of the health care payer domain. NTT DATA Services contributes to the client through the test automation for Synthetic Data and Performance Testing in the development and deployment process at a faster pace.

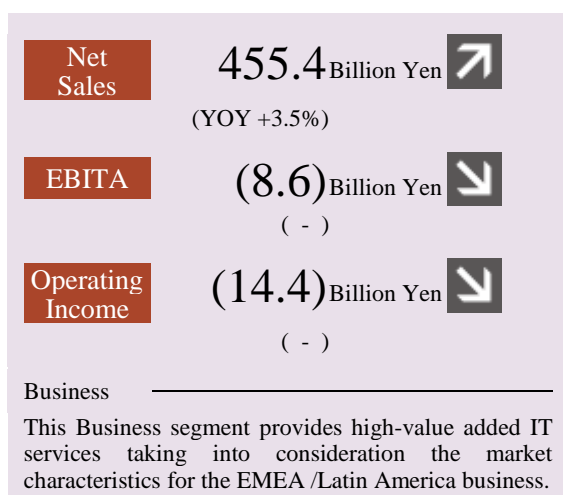
<New solutions to help tackle Novel Coronavirus (COVID-19)>



NTT DATA Services, a subsidiary of NTT DATA Corporation, continues delivering insights and new solutions for healthcare institutions and governments though COVID-19 is overburdening our healthcare system.

- NTT DATA Services and Enli, a population health management software company, are working together to deliver a patient management program. This program allows clinical users to assess symptomatic individuals. In addition, it facilitates periodic care coordination check-in to detect worsening symptoms, as well as making decisions on when to discharge individuals from isolation. NTT DATA Services serves as a systems integrator, providing technical, staff augmentation and consulting services.
- Sharecare, the digital health company, announced the launch of an interactive COVID-19 screener, developed in partnership with IPsoft and NTT DATA Services. It is an interactive conversational solution powered by IPsoft's cognitive AI, "Amelia" (Note 16). It allows people to get answers quickly and anonymously without having to wait, helping them understand the severity of their risks. It contributes to reducing the spread of COVID-19 while easing the strain on healthcare providers.
- The City of Austin announced a new digital tool that allows citizens to electronically schedule COVID-19 tests, created in partnership with NTT DATA. It is hosted on a secured platform and enable the city to securely trace anonymized positive results to assess testing demand and identify high-risk areas. In addition, the anonymized data will be compiled into an "heat map," which will indicate areas having a greater need of health resources and proactively allocate resources to necessary areas.

## EMEA & LATAM Segment



The net sales increased due mainly to the expansion of scale mainly in businesses in Spain and Italy, despite a decrease due to the negative impact from yen appreciation in foreign exchange. The operating income decreased due mainly to an increase of costs for structural transformation, including the re-evaluation of businesses with low profitability, and partial re-evaluation of business in Brazil, despite an increase due to sales growth.

While gathering the strengths of the group companies, we optimized resources to further promote integrated business management and develop synergistic effects. To enhance our capacity to provide more services in the digital field, we focused on investments in M&A and new solutions development.

<Large-scale SAP service agreement with Deutsche Bahn AG>



- In February 2020, NTT DATA EMEA Ltd., a subsidiary of NTT DATA Corporation, signed a SAP service agreement with Deutsche Bahn AG (German Railway) in collaboration with itelligence AG, another subsidiary of NTT DATA Corporation. The agreement is of large-scale, which will last for three years.

The future target architecture at DB in the SAP environment will be aligned with the core processes of vehicle and infrastructure maintenance that are to be harmonized. The large number of current SAP applications will be greatly reduced and the processes in these areas will be aligned with the SAP standard as far as possible.

The companies will be providing consulting, application development, and other services for implementing SAP S/4HANA <sup>(Note 17)</sup> and will be supporting the client's digital strategy in the SAP environment. The client chose NTT DATA because of its high recognition of NTT DATA Group's strengths such as its track record and reliability that comes from providing SAP related services over a long period of time. Furthermore, NTT DATA convinced with its rich talent pool of experts with advanced knowledge and its flexible attitude toward various requests from clients.

< Moving forward as a partner for digitalization of clients' businesses >



NTT DATA was highly recognized for its Long-Term Relationship with its clients, its rich experiences in the digital transformation of their businesses and its positive attitude toward the use of advanced technologies, and was selected as a strategic partner in multiple projects.

- In March 2020, everis Group, a subsidiary of NTT DATA Corporation, signed service agreements with Naturgy Energy Group, SA, which provides gas and electricity mainly in Europe and Latin America, after it was selected as a strategic partner for its digital transformation. The Group will be providing services using cutting-edge technologies for maintenance, operation, and so forth of systems related to gas and electricity distribution. The total net sales in the next 10 years is expected to amount to about 500 million euros.
- In November 2019, NTT DATA UK Limited, a subsidiary of NTT DATA Corporation, has signed a new partner agreement for digital transformation, which will last for five years with a total value of approximately 50 million pounds, with The Association of Chartered Certified Accountants ("ACCA"), the global body for professional accountants. The Company plans to streamline operations such as global accountancy certification for ACCA which is aiming to transform into a digitally-enabled, global organization, and will be providing support for its members' career development at the same time.

Notes:

(Note 1) Digital (Digital transformation)

A concept used to express the way of thinking that IT penetration will change all aspects of people's lives in a positive way. It aims to realize a society where social systems are redeveloped and become simpler by using cloud, mobility, and social technologies, and the explosive increase in data volume with IoT turns into intelligence that helps people live their lives through AI utilization.

(Note 2) Included are the clients from whom we earn annual net sales of 5 billion yen or more (Japan) or 50 million U.S. dollars or more (outside of Japan).

(Note 3) Excluding temporary costs such as M&A, structural transformation and so on.

(Note 4) Digital offerings

Products or services we provide to our clients by utilizing leading-edge technologies.

(Note 5) CoE (Center of Excellence)

A base that conducts advanced R&D activities and plays a central role in creating and developing human resources and businesses.

(Note 6) DevOps

A system that consists of tools and development methods that allow the development and operation teams to work together to meet clients' requirements for systems with high quality, flexibility, and in a short period of time.

(Note 7) ADP (Advanced Professional)

A system under which the Company recruits outstanding human resources from outside with excellent expertise in AI, IoT, cloud, and other advanced technology fields and the consulting field and compensates them according to market value.

(Note 8) TG (Technical Grade) system

A system under which the Company makes the best use of and evaluate the potential abilities of human resources with specialized skills.

(Note 9) WinActor

WinActor is an RPA solution developed by NTT Advanced Technology Corporation based on the technology of NTT Access Service Systems Laboratories, and provided by NTT DATA as a distributor.

(Note 10) Vehicle probe data

Location and traffic information that vehicles collect using their sensors while moving.

(Note 11) RFID tag

A tag that transmits data such as IDs via short-range wireless communication.

(Note 12) "CAFIS Arch"

A cloud-based cashless payment platform that has the largest number of users in Japan and can deal with all types of payment, including credit card payment, payment made by inbound tourists, and QR code payment.

(Note 13) Constraint Programming Technology

It is a technology that uses computers to efficiently find answers to problems related to schedule of production planning and delivery that satisfy constraints, and the technology is defined as AI.

(Note 14) Microservices architecture

A method of designing a highly flexible system that can easily adapt to changes by combining small services divided into each function.

(Note 15) UX design

An approach for designing functions, specifications, interfaces, and others in order to enhance the experience of a user of a service, etc.

(Note 16) "Amelia"

Amelia is an industry-leading cognitive AI developed by IPsoft.

(Note 17) "SAP S/4HANA"

A corporate digital solution equipped with flexibility and scalability for rich features and customization, which enables quick retrieval of latest information via integrated database.

## 2. Progress of Technical Development

We work on the “promotion of cutting-edge technologies and innovations,” in which we actively incorporate new technological trends in business to survive in the fierce global competition. We also conduct R&D related to “production technology innovations,” in which we accelerate and enhance the quality of system developments, build cloud platforms for cloud computing and digitalization, and so forth. In our medium-term management plan, we will build a foundation on which we will globally consolidate and utilize expertise and know-how on state-of-the-art technologies to promote innovations and refine production technologies of the next generation.

Through collaborative R&D with NIPPON TELEGRAPH AND TELEPHONE CORPORATION (NTT), we utilize the results for fundamental R&D themes to focus our resources on applied R&D themes.

The R&D costs for the consolidated fiscal year under review were 21,793 million yen. The results of the R&Ds, which are commonly applicable to the Public & Social Infrastructure, the Financial, the Enterprise & Solutions, the North America and the EMEA & LATAM segments, are not separately recorded by each segment.

### < Setting up a global center of AI technologies and establishing AI Guidelines >



In accordance with the strategy, “Expand global digital offerings,” under the Medium-term Management Plan, NTT DATA has been committing to the expansion of Center of Excellence (“CoE”) <sup>(Note 1)</sup> across the world and, in May 2019, set up AI CoE as part of the effort. AI CoE is a base to globally provide support for the expansion of digital business using functions to globally accumulate knowledge, train employees, offer technological support, and provide assets (intellectual property) related to AI. With the establishment of the AI CoE, we now have CoEs in four areas: Blockchain, Digital Design, DevOps, and AI.

Additionally, NTT DATA established NTT DATA Group’s AI Guidelines that embody our approach to contribute to the realization of “a more affluent and harmonious society” where human beings and AI coexist (“AI society”). In accordance with the guidelines, to realize the AI society where all concerned parties including clients can enjoy the benefit of AI instead of merely using AI as a tool to secure efficiency, we will promote AI research, development, operation, utilization, and so on.

### < Promoting AI-based image diagnosis solution in the medical field through collaboration between industry and academia >



We developed an AI-based image diagnostic support solution that assists physicians’ diagnosis by analyzing medical images of patients with AI technologies and showing where diseases may be located.

- In August 2019, NTT DATA and the University of Miyazaki conducted a PoC to detect any abnormality in the kidney with the AI-based image diagnostic support solution. Consequently, it was confirmed that this solution could be applied to patients of different races having different lifestyles from several countries and detect diseases, especially cancer, with a high degree of precision.
- In November 2019, NTT DATA and MED SUPPORT SYSTEMS CO., LTD, launched a PoC to make the AI-based image diagnostic support solution commercially viable in the field of MRI brain-image diagnosis. In this PoC, we developed an AI-based diagnostic support engine and a viewer to verify the effectiveness of the AI-based diagnostic support for MRI brain-images using MED SUPPORT SYSTEMS CO., LTD’s know-how on image diagnosis information systems and NTT DATA’s AI technologies, and assessed their usability.

(Note1) Center of Excellence (“CoE”)

A core base where advanced research and development activities are conducted, human resources are developed, and businesses are created.

### 3. Challenges to be addressed

#### [Outlook of the business environment]

The impact of COVID-19 infection on the Group's business environment and the degree of impact is uncertain, and we need to keep a close watch on the situation. On the other hand, the trend of digital transformation accelerates due to further advances in technology, our clients' needs are increasingly diversified and sophisticated in terms of business expansion and new business creation through strategic IT utilization. For solving environmental/social challenges as typified by Sustainable Development Goals (SDGs) in addition to the further growth of clients' businesses, we believe that IT will play greater and more important roles globally.

#### [Medium-Term Management Plan]

The NTT DATA Group has set a medium-term management plan for the years between FY2019 and FY2021 as follows:

##### <Basic policy>

We will pursue profitable global growth with our consistent belief and courage to change.

##### <Medium-term strategy>

With our "consistent belief," we will stick to our basic principle of "shaping the future society with our clients" and contribute to society through co-creation with our clients based on our Group's source of competitive advantage that is "Long-Term Relationships" with clients. In parallel, we will practice ESG management for sustainable improvement of our corporate value by promoting work-style reforms and other initiatives in our corporate activities, thereby contributing to the realization of a society where people feel rewarded by working.

With our "courage to change," we will also implement the three strategies through which we will further accelerate digital transformation and maximize our global synergy to offer maximized value to our clients.

#### Strategy 1. Expand global digital offerings

By defining focus areas in industries and technologies and making aggressive investments in such fields, we will create "strength" (offering), accelerating global collaboration that is integrated with marketing/technology application support. Specifically, we will improve our loyalty programs to individual clients and accelerate collaboration in industries while advancing external relations and promoting sharing and acceleration of best practices.

By formulating a digital offering strategy which consolidates expertise in the industry and making aggressive investment in co-creation projects with clients while utilizing open innovation, we will create offerings with higher value.

In addition, we will realize prompt creation and rollout of offerings by accelerating consolidation and utilization of assets <sup>(Note 1)</sup> through enhancement of the Center of Excellence <sup>(Note 2)</sup>.

Through these measures, we will promote expansion of digital business through integrated efforts across the globe.

#### Strategy 2. Deliver greater value to clients based on regional needs

By increasing the values we provide to clients through promotion of 4D Value Cycle <sup>(Note 3)</sup> based on regional needs, we will further grow our client base that consisted of 70 companies <sup>(Note 4)</sup> as of the end of FY2018. Specifically, we will promote the following: "creation of new value by leveraging our strengths in existing areas" in Japan; "dramatic business expansion capitalizing on the market growth" in China and APAC; "expand our focused service portfolio and secure high-potential customers" in North America; and "enhance value for clients through unification of the three companies <sup>(Note 5)</sup>" in EMEA and LATAM.

#### Strategy 3. Unleash our employees' potential that maximizes organizational strengths

With globally shared value, we will promote collaboration and strive to maximize the organizational strength while improving the abilities of the individuals. Specifically, we will enhance the digital capabilities of all employees to maximize their professionalism while improving employee engagement by revising system frameworks according to their diverse forms of self-fulfillment.

As a work-style reform using digital technology, we will develop a platform through which expertise and know-how can be shared globally and promote collaboration while further increasing productivity by continuing to improve production technology for the next generation.

Moreover, to develop appropriate governance processes, we will reinforce our risk management by, for example, preventing unprofitable projects that were issues addressed under the previous Medium-term management plan as well.

In addition to the above-mentioned, we will promote enhanced collaboration with other NTT Group companies, create new value for the NTT Group as a whole, and increase our presence in the global market. Specifically, as a collaboration in advanced fields, we will globally leverage the results of basic R&D as well as R&D in the next-generation technologies and strive to provide advanced solutions and services.

As a collaboration in each region, we will set out to grow our business even more by providing our clients with total services which combine strengths of the NTT Group companies in infrastructure, security services, etc.

We will also promote collaboration to achieve economies of scale such as cost reduction by consolidating procurement of the entire NTT Group.

<Medium-Term Management Target>

Consolidated Net Sales	2.5 trillion yen
Client Base	Over 80 companies <sup>(Note 4)</sup>
Consolidated Operating Income Margin	8% <sup>(Note 6)</sup>
Overseas EBITA Margin	7% <sup>(Note 6)</sup>

<Individual issues to be addressed>

In order to achieve the management targets, it is essential for us to focus on addressing significant management issues of “preventing unprofitable projects” and “improving the profitability of overseas businesses.”

**Prevention of unprofitable projects**

While the Project Review Committee took the initiative to prevent unprofitable projects so far, we face an issue of enhancing preventive measures for more complicated projects, in particular.

To solve the issue, based on lessons learned from unprofitable and highly complicated projects in the past, we will prevent unprofitable projects by implementing four measures: 1) Respond promptly to risks; 2) Strengthen teams’ capabilities; 3) Enhance management process; and 4) Leverage past learnings.

1. As measures to respond promptly to risks, we will move forward our response for large-scale projects, etc. by conducting Project Review Committee checks at the early, pre-proposal stage and extending to the details of orders received (such as the construction period, estimates, and contract format).

2. As measures to Strengthen teams’ capabilities, we will optimize the allocation of project managers according to project complexity and characteristics.

3. As measures to enhance management process, we will review our standards for accepting projects that have a tendency to present issues and augment the Project Review Committee’s effectiveness. In addition, we will provide early-stage, company-wide support for projects that are expected to generate additional losses.

4. As measures to leverage past learnings, in addition to projects that were unprofitable in the past, we will step up our efforts to accumulate and utilize expertise and know-how on highly complicated projects. We aim to increase our ability to curtail any type of unprofitable projects.

Through these four measures, we will minimize risks and prevent projects from becoming unprofitable.

**Improvement of the profitability of overseas businesses**

For the improvement of the profitability of overseas businesses, we face the following four specific issues: 1) Productivity improvement; 2) Valuable consulting • Expand offerings, 3) Selection and concentration of offerings, and 4) Strengthen solution technology.

In order to solve these issues, we will strategically shift toward the consulting and digital fields and the business structure reforms to improve the profitability.

For the strategic shift toward the consulting and digital fields, we will aim to add high value to services and increase efficiency by reviewing the existing business portfolio, aggressively investing in the consulting and digital field, and selecting offerings and services to focus from existing ones. For the business structure reforms, we will develop digital human resources to enhance upstream consulting and digital capabilities, eliminate low-profit projects, and optimize development and data center bases.

Notes:

(Note 1) CoE (Center of Excellence)

A base that conducts advanced R&D activities and plays a central role in creating or developing human resources and businesses

(Note 2) Assets

Assets are the elements such as materials, software, and licenses that make up a system.

(Note 3) 4D Value Cycle

Shared value offering model of the Company. We will continue operating under the cycle (Discover, Design, Develop and Drive) and utilize this to increase the Long-Term Relationships with clients.

Discover: forecasting of the market and clients' needs and discovering new technology

Design: grand plan with a view to collaborating various businesses and services

Develop: creating and providing solutions based on advanced system development abilities and applicability

Drive: support for clients' maximum utilization of solutions

(Note 4) Included are the clients from whom we earn annual net sales of 5 billion yen or more (Japan) or 50 million U.S. dollars or more (outside of Japan).

(Note 5) Three companies are NTT DATA EMEA, everis and Business Solutions.

(Note 6) Excluding temporary costs such as M&A, structural transformation, etc.



#### 4. Changes in Assets and Profit and Loss

##### Changes in Assets and Profit and Loss of the Corporate Group

(¥ million, except for net income per share [yen])

Items (according to JGAAP)	Year	JGAAP			IFRS		
		28th Fiscal Year (FY2015)	29th Fiscal Year (FY2016)	30th Fiscal Year (FY2017)	30th Fiscal Year (FY2017)	31st Fiscal Year (FY2018)	32nd Fiscal Year (FY2019)
Net sales		1,614,897	1,732,473	2,117,167	2,039,690	2,163,625	2,266,808
Operating income		100,885	117,109	123,522	123,120	147,716	130,937
Income before income taxes		107,789	105,332	100,083	122,704	146,914	120,155
Net income attributable to shareholders of NTT DATA (Net income attributable to owners of parent)		63,373	65,686	58,173	82,392	93,616	75,148
Net income per share		45	47	41	59	67	54
Total assets		1,860,319	2,238,941	2,234,277	2,270,203	2,476,062	2,686,008
Total equity (Total net assets)		773,670	833,715	868,863	860,506	966,809	987,415
(Reference) New orders received		1,662,662	1,781,565	2,021,195	1,950,033	2,076,088	2,275,217

Notes:

1. Consolidated financial statements are prepared based on IFRS starting from FY2018. For a comparison purpose, the results of FY2017 based on IFRS are provided alongside.
2. Net income per share is calculated based on the average number of shares outstanding during the fiscal year.
3. Conducted stock split which shall split of common stock at a ratio of 1:5 as of the effective date of July 1, 2017. Net income per share is calculated based on the assumption that the stock split was conducted at the beginning of FY2017.
4. Beginning in fiscal year 2017, we have made some changes to our accounting policies. As this change in accounting policy has been applied retrospectively, total assets and total net assets for fiscal 2016 are shown in figures after retrospective application.

## 5. Capital Investments

The amount of capital investments and the like in this consolidated fiscal year under review is 193,843 million yen (up by 8.2% compared to the preceding term). The major component of them was the investment in the financial field.

## 6. External Financing

In the consolidated fiscal year under review, we made long-term borrowings of 83.5 billion yen mainly from NTT FINANCE CORPORATION to fund the redemption of bonds at maturity, acquisition of subsidiaries, and others.

## 7. Parent Company and Principal Subsidiaries

### (1) Relationship with parent company

Our direct parent company is NTT Inc., which holds 760,000,000 shares of NTT DATA (with a voting right ratio of 54.19%). NIPPON TELEGRAPH AND TELEPHONE CORPORATION holds 100% of NTT Inc.'s shares, thus being the ultimate parent company of NTT DATA.

Our commercial transactions with NTT, Inc. include convenience provided by NTT, Inc. for our promotion of global business. Also, our commercial transactions with NIPPON TELEGRAPH AND TELEPHONE CORPORATION include services and convenience for our company in relation to research and development of basic systems conducted by the company and its group management.

### (2) Principal subsidiaries

Name of Company	NTT DATA's Voting Right Ratio	Location	Main Line of Business
■ Public & Social Infrastructure Segment			
NTT DATA i CORPORATION	100.0%	Tokyo	System design/development
NTT DATA KYUSHU CORPORATION	100.0%	Fukuoka Prefecture	System design/development
NTT DATA TOKAI CORPORATION	100.0%	Aichi Prefecture	System design/development
NTT DATA KANSAI CORPORATION	100.0%	Osaka Prefecture	System design/development
■ Financial Segment			
NTT DATA SYSTEM TECHNOLOGIES INC.	97.1%	Tokyo	System design/development
NTT DATA CUSTOMER SERVICE CORPORATION	100.0%	Tokyo	Systems operation/maintenance
NTT DATA FINANCIAL CORE CORPORATION	100.0%	Tokyo	System design/development
NTT DATA FORCE CORPORATION	90.0%	Kanagawa Prefecture	System design/development
NTT DATA FRONTIER CORPORATION	69.8%	Tokyo	System design/development
NTT DATA SOFIA CORPORATION	85.0%	Tokyo	System design/development
NTT DATA Getronics Corporation	100.0%	Tokyo	System design/development
XNET Corporation	51.0%	Tokyo	System sales
Japan Information Processing Service Co.,Ltd.	80.0%	Tokyo	System design/development
■ Enterprise & Solutions Segment			
NTT DATA SMS CORPORATION	100.0%	Tokyo	Systems operation
NTT DATA INTRAMART CORPORATION	46.8%	Tokyo	Package software sales
NTT DATA WAVE CORPORATION	80.1%	Tokyo	System design/development
NTT DATA BUSINESS SYSTEMS CORPORATION	100.0%	Tokyo	System design/development
NTT DATA ENGINEERING SYSTEMS CORPORATION	100.0%	Tokyo	System design/development
NTT DATA CCS CORPORATION	60.0%	Tokyo	System design/development
NTT DATA MSE Corporation	45.0%	Kanagawa Prefecture	System design/development
JSOL Corporation	50.0%	Tokyo	System design/development
NJK CORPORATION	100.0%	Tokyo	System design/development
NTT DATA Global Solutions Corporation	100.0%	Tokyo	System design/development

Name of Company	NTT DATA's Voting Right Ratio	Location	Main Line of Business
NTT DATA MHI Systems Corporation	51.0%	Tokyo	System design/development
QUNIE CORPORATION	100.0%	Tokyo	Consulting
Netyear Group Corporation	48.5%	Tokyo	SIPS (Strategic Internet Professional Services) business (Note 3)
NTT DATA Smart Sourcing Corporation	100.0%	Tokyo	Contact Center Business
■ North America Segment			
NTT DATA, Inc.	100.0% (100.0%)	Massachusetts, U.S.A.	Consulting, system design/development
NTT Data International L.L.C.	100.0%	New York, U.S.A.	Supervision of North American operating subsidiaries
NTT DATA Enterprise Services Holding, Inc.	100.0% (100.0%)	Texas, U.S.A.	Consulting, system design/development
NTT DATA Consulting, Inc.	100.0% (100.0%)	North Carolina, U.S.A.	Consulting, system design/development
NTT DATA Services International Holdings B.V.	100.0%	Amsterdam, Nederland	Consulting, system design/development
NTT DATA Services Holdings Corporation	100.0% (100.0%)	Texas, U.S.A.	Consulting, system design/development
NTT DATA Services, LLC	100.0% (100.0%)	Texas, U.S.A.	Consulting, system design/development
■ EMEA & LATAM Segment			
EMEA			
NTT DATA EMEA LTD.	100.0%	London, England	Supervision of European operating subsidiaries
everis			
EVERIS PARTICIPACIONES, S.L.U.	100.0%	Madrid, Spain	Consulting, system design/development
Everis Spain, S.L.U.	100.0% (100.0%)	Madrid, Spain	Consulting, system design/development
Eeris Aeroespacial y Defensa, S.L.U.	100.0% (100.0%)	Madrid, Spain	Consulting, system design/development
business solutions			
itelligence AG	100.0% (100.0%)	Bielefeld, Germany	Consulting, system design/development
NTT DATA EUROPE GmbH & CO. KG	100.0% (5.0%)	Bielefeld, Germany	Supervision of overseas SAP operating subsidiaries
■ Others			
NTT DATA MANAGEMENT SERVICE CORPORATION	70.0%	Tokyo	Administrative agent business
NTT DATA INTELLILINK CORPORATION	100.0%	Tokyo	System design/development
APAC			
NTT DATA ASIA PACIFIC PTE. LTD.	100.0%	Singapore	Supervision of APAC operating subsidiaries
China			
NTT DATA (CHINA) INVESTMENT Co., LTD.	100.0%	Beijing, China	Supervision of China operating subsidiaries

Notes:

1. In addition to the above, there were 274 subsidiaries as of March 31, 2020.
2. Figures in parentheses in the column of NTT DATA's voting right ratio show the ratio of indirectly owned voting rights included therein.
3. SIPS (Strategic Internet Professional Services) business:  
Business that provides support, etc. for marketing activities based on the internet technology
4. There are no subsidiaries that fall under the category of designated wholly-owned subsidiary

## 8. Employees

Number of Employees (persons)	Increase/Decrease Compared with the End of the Previous Fiscal Year (persons)
133,196	+9,312

Notes: The number of employees above does not include the persons who transferred to other companies from the NTT DATA Group, but includes the persons who transferred from other companies to the NTT DATA Group.

(For reference) Employees of NTT DATA

Gender	Number of Employees (persons)	Increase/Decrease Compared with the End of the Previous Fiscal Year (persons)	Average Age (years old)	Average Working Years (years)
Male	9,032	+97	40.1	16.1
Female	2,483	+108	34.3	11.0
Total	11,515	+205	38.9	15.0

Notes:

1. The number of employees above does not include the persons who transferred to other companies from NTT DATA, but includes the persons who transferred from other companies to NTT DATA.
2. In calculating the average working years of employees, the number of working years in NIPPON TELEGRAPH AND TELEPHONE CORPORATION, NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION, NIPPON TELEGRAPH AND TELEPHONE WEST CORPORATION, NTT Communications Corporation, and other companies are included in the above average working years in case the employees transferred from such companies.

< Efforts to increase the number of female managers >

As part of the diversity initiative, we have especially promoted women's active engagement and set a target of maintaining the rate of new female employees at 30% or more and increasing the number of female managers to 200 or more and the number of female executives (e.g., officers and organization heads) to 10 or more by the end of FY2020. Specifically, we support our employees by providing career development support training, dispatching them to outside training programs, and providing managerial training. Through these ongoing efforts, we have been able to increase the number of female managers. Also, in recognition of these efforts, the Company was selected as a "Nadeshiko brand" in March 2020.

## 9. Principal Lenders

Name of Lender	Borrowings Outstanding (¥ million)
NTT FINANCE CORPORATION	378,308
Mizuho Bank, Ltd.	46,700
Development Bank of Japan Inc.	10,000
Sumitomo Mitsui Banking Corporation	8,616
Shinkin Central Bank	8,000

## 2 MATTERS CONCERNING SHARES

1. Total number of shares authorized to be issued by the company 5,610,000,000shares
2. Total number of shares issued 1,402,500,000shares  
(Including 953 shares of treasury stock)
3. Number of shareholders 78,353persons
4. Principal shareholders

Name	Number of Shares Held	Ratio of Shareholding (%) (Note 1)
NTT, Inc.	760,000,000	54.19
The Master Trust Bank of Japan, Ltd. (Trust Account)	134,699,900	9.60
Japan Trustee Services Bank, Ltd. (Trust Account)	69,816,600	4.98
NORTHERN TRUST CO. (AVFC) SUB A/C NON TREATY	21,075,600	1.50
NTT DATA Employee Share-Holding Association	14,095,900	1.01
Trust & Custody Services Bank, Ltd. (Investment Trust Account)	13,470,700	0.96
Japan Trustee Services Bank, Ltd. (Trust Account 9)	12,732,300	0.91
GOLDMAN, SACHS& CO. REG	11,157,325	0.80
JP MORGAN CHASE BANK 385151	11,049,038	0.79
Japan Trustee Services Bank, Ltd. (Trust Account 5)	10,640,600	0.76

Notes:

1. Ratio of Shareholding has been calculated after deducting treasury stock (953 shares).

### < Composition of Shareholders (percentage of shares held) >

Financial Institutions	20.83%
Securities Companies	1.23%
Other Companies	54.55%
Non-Japanese Companies, etc.	16.82%
Individuals and Others	6.57%

### 3 STATUS OF ESG MANAGEMENT

#### 1. NTT DATA's ESG Management

In recent years, business is evaluated more and more in terms of its relationships with society, which hinge on environmental, social, and governance (ESG) activities. In keeping with the mission statement of the Group, to “use information technology to create new paradigms and values, which help contribute to a more affluent and harmonious society,” our business itself resolves issues faced by our clients and society, using the power of IT. In addition, our corporate activities take into account cultivating IT talent, implementing workstyle transformation, respecting diversity, etc. We will contribute to resolve social issues through both business and corporate activities while sustainably enhancing our corporate value.

#### Achieving the Sustainable Development Goals

Selected at the United Nations (UN) Sustainable Development Summit in September 2015, the Sustainable Development Goals (SDGs) outline 17 objectives and 169 targets to achieve by 2030 on a global scale.

These goals, agreed upon by governments around the world, position companies of all industries as important partners and require their positive action in order to realize these goals.

As a member of the NTT Group, the NTT DATA Group endorses the SDGs and will work on SDGs by utilizing ICT in collaboration with its clients and other stakeholders in order to help realize a sustainable society.



#### ■ Third-Party Evaluation (As of March 2020)

The ESG efforts of the NTT DATA Group has received positive reviews from research agencies in Japan and overseas, and has been selected as a constituent of numbers of indexes.



Dow Jones Sustainability  
World Index /  
Asia Pacific Index



FTSE4Good Index Series



FTSE Blossom Japan



S&P/JPX  
Carbon Efficient Index



ISS ESG Prime



RobecoSAM Sustainability  
Award

2020 CONSTITUENT MSCI JAPAN  
EMPOWERING WOMEN INDEX (WIN)

MSCI Japan Empowering  
Women Index \*

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## ■ Twelve Material ESG Issues

Following the discussions at the Board of Directors in FY2019, the Company identified 12 new material ESG issues. In FY2020, each organization will set its KPIs for these material ESG issues so that we can promote company-wide ESG management.

### Contribute to Society and Enhance Corporate Value through **Business**

By providing both social infrastructure and business type-specific solutions co-created with our clients utilizing advanced technologies, we contribute to solving social issues and enhance our corporate value.

1. Provide social infrastructure, business type-specific solutions, etc. utilizing advanced technologies.
2. Construct IT infrastructures with stable operation.

#### Selected Case

Joint research with TOYOTA MOTOR CORPORATION on Connected Car ICT Platform (see page. 48)

### Contribute to Society and Enhance Corporate Value through **Corporate Activities and Business**

Contribute to solving social issues and enhance our corporate value through corporate activities that take into account cultivating IT talent, implementing workstyle transformation, respecting diversity, etc.

- |                                     |   |
|-------------------------------------|---|
| 3. Secure and cultivate IT talent   | 8. Ensure thorough information security |
| 4. Promote workstyle transformation | 9. Protect data privacy                 |
| 5. Promote diversity and inclusion  | 10. Prepare for disaster risk           |
| 6. Promote IT education             | 11. Implement compliance thoroughly     |
| 7. Respond to climate change issues | 12. Promote responsible supply chains   |

Through these 10 material ESG issue, we will make use of the know-how that we have cultivated through our corporate activities in business, through which we will contribute to solving our clients' and society's problems, thereby enhancing our corporate value.

#### Selected case

Our efforts to maximize employees' professionalism (see page. 49)

#### Details

Our Approach on Governance (see page. 50-57)

## 2. Contribute to Society and Enhance Corporate Value Through Business and Corporate Activities

### Contribute to Society and Enhance Corporate Value Through Business

Joint research with TOYOTA MOTOR CORPORATION on Connected Car ICT Infrastructure



The use of big data collected by automobiles as a social sensor is expected to solve various social issues, such as reducing traffic accidents and eliminating traffic jams, and to provide new mobility services. To realize this, we need a mechanism (Connected Car ICT Platform) in which we collect, accumulate, and analyze data from automobiles and send the real-time results back to them.

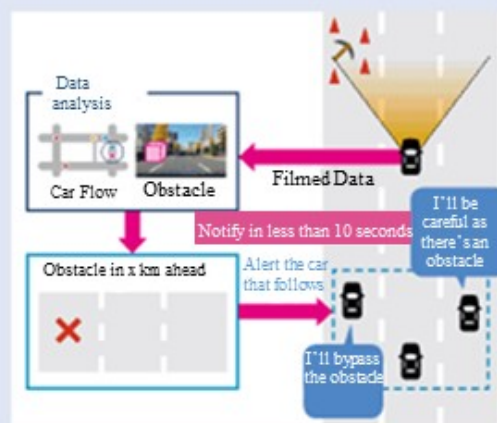
Since 2017, the NTT Group has conducted joint research with TOYOTA MOTOR CORPORATION on the realization of Connected Car ICT Platform. In this research, NTT DATA is mainly developing technology related to platform for data collection, accumulation, and analysis.

#### Joint PoC on obstacle detection

We are conducting a proof of concept to realize “obstacle detection” that will utilize the data filmed by a camera mounted on a car to detect obstacles and notify the cars that will be affected by them.

The realization of this system depends largely on establishing a mechanism that can process an enormous amount of data efficiently and notify the surrounding cars of an obstacle in real time.

To make sure the cars that follow avoid the obstacle smoothly, the car in front needs to inform them of the danger in less than 10 seconds from its detection. In FY2020, we will continue to make efforts to realize this less-than-10-seconds notification.



With TOYOTA MOTOR CORPORATION, we conduct joint research not only on obstacle detection, but also on automated generation of maps using data filmed by a vehicle-mounted camera, establishment of a platform that enables analysis of data from tens of millions of cars, etc. We will continue to work on resolving further issues toward actual use of such technologies.

Going forward, we will contribute to the society in a way that is unique to NTT DATA using advanced technologies and developing platforms with clients to provide services that will enrich people's livelihood. We will also aim to expand our business in the connected car market whose size is expected to keep on increasing in the future.



## Contribute to Society and Enhance Corporate Value Through **Corporate Activities and Business**

### Our efforts to maximize employees' professionalism



One of our strategies in the Medium-Term Management Plan is to “unleash our employees’ potential that maximize organizational strengths.” To maximize our employees’ professionalism, we are setting up a system and providing growth opportunities to enhance the diversity of our employees.

### Designing systems for human resources with expertise

To maximize the potential of internal human resources with diverse professional skills, in October 2019, we established **Technical Grade Employee System**, which determines employees’ compensation according to the extent to which they contribute to the company with their expertise. We further revised our unique human resources development program called **Professional Career Development Program**, supporting employees’ autonomous career formation, to include new job classifications (i.e. data scientists and business developers) that correspond to the specialization sought after in the digital business.

In FY2018, we established **Advanced Professional (ADP) System** to recruit human resources with excellent professionalism from outside. This program brought us five new employees in FY2019 and two in FY2020 (as of April 2020).

### Newly established Self-Innovation Time

In FY2019, we started a new initiative called **Self-Innovation Time**, which allows employees to spend some working hours in the innovation field, e.g., reinforcing digital and global skills, workstyle transformation using digital tools, and sharing knowledge with the entire company and across organizations.

**59 hours** per employee in FY2019

### NTT DATA's professional human resource capital and its external evaluations

■ Four **CoEs** (Centers of Excellence, where expertise of the state-of-the-art technologies converges) are at work to enhance the system that helps our clients to realize digital transformation through advanced technologies (e.g., AI, blockchain, and IoT). By the end of FY2021, we intend to develop about 5,000 human resources globally in the following four areas through CoE activities:

- **Blockchain** (approx. 300 employees in 24 countries)
- **Digital Design** (approx. 550 employees in 10 countries)
- **DevOps** (approx. 300 employees in 8 countries)
- **AI** (approx. 800 employees in 8 countries)

\*The number of employees and countries were counted at the end of FY2019

■ High external evaluations: several external rating agencies have evaluated us as “Leader.”

- Blockchain** • Avasant: Blockchain Services RadarView 2019
- Blockchain** • Everest Group: Enterprise Blockchain Services PEAK Matrix Assessment 2020
- IoT** • NelsonHall: NEAT Report for IoT in Digital Transformation 2019\*

\*Awarded in the following three areas: manufacturing, retail, and supply chain.

### 3. Circumstances of Corporate Governance

#### (1) Basic Views on Corporate Governance

The NTT DATA Group aims to establish a business structure that produces stable profits through continuous growth by carrying out the mission to create new systems 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.

Under this management philosophy, the NTT DATA Group has set the Medium-Term Management Plan from FY2019 to FY2021 to aim for “profitable global growth with consistent belief and courage to change.”

With the “consistent belief,” under the basic concept of “shape the future society with our clients,” we will promote ESG management with the aim of improving corporate value sustainably by contributing to a society through co-creation with clients as well as to efforts to realize a society where everyone is motivated to work through our corporate activities including the work style innovations based on the “Long-Term Relationships” with clients, the source of the group’s competitive advantage.

In addition, with “courage to change,” we will implement three strategies: “Expand global digital offerings,” “Deliver greater value to clients based on regional needs,” and “Unleash our employee’s potential that maximize organizational strengths.” Also, we will maximize value for our clients by further accelerating digital transformation and enhancing our global synergy.

The 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 officers and employees based on common sense, as well as in complying with laws and contracts in Japan and overseas and in respecting international standards including those of human rights.

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 enterprise value.

NTT DATA is planning to transition to a company with an audit and supervisory committee upon approval of the required amendments to the Articles of Incorporation at the 32nd Ordinary General Meeting of Shareholders on June 17, 2020. This is to further strengthen the supervisory function of the Board of Directors and the corporate governance structure to enhance the soundness and efficiency of management.

#### ① Ensuring 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. To reinforce the function of supervising and auditing the fairness in business execution, NTT DATA places outside directors and outside auditors to ensure soundness in its business management, and has the Board of Directors supervise and the Audit & Supervisory Board audit business execution. When transacting with NTT Inc., our direct parent company; NIPPON TELEGRAPH and TELEPHONE CORPORATION, our ultimate parent company; and each company of the NTT Group, we also pay attention to maximizing the profit of our shareholders.

② Achievement of appropriate and swift decision making and business execution

Decision making at NTT DATA is carried out under the supervision of the Board of Directors in accordance with “Authority Rules,” which stipulates the responsibility and authority of the President and CEO, the Senior Executive Vice President, officers responsible for regions and segments and heads of each section or group. For smooth and swift decision making and supervision in its business operations, NTT DATA has established the “Corporate Management Committee,” which is made up of the President and CEO, the Senior Executive Vice President, officers responsible for regions and segments and other heads of important section or group, and has prior discussions at such “Corporate Management Committee” for effective deliberations about the items to be resolved at the Board of Directors including outside directors. In addition, NTT DATA pursues appropriate and swift decision making and business execution by placing Senior Vice Presidents in charge of business execution, assigning most of the authority relating to business execution to such Senior Vice President from directors, with each Section or Group executing business operations independently and responsibly in accordance with the “Organizational Regulations.”

③ Thorough implementation of compliance

NTT DATA is determined to operate its business in accordance with high ethical standards as well as compliance by setting up “Global Compliance Policy,” targeted at all officers and employees of NTT DATA Group, in order to clarify its basic policy and specific behavior guidelines relating to corporate ethics. To make such business operation effective, NTT DATA considers it necessary to implement a continuous educational campaign to promote the awareness of such ethics and compliance. Therefore, it has been holding training sessions on compliance targeted at employees and conducting employees’ attitude surveys. Aiming for more openness in its corporate culture, NTT DATA has placed “the Whistle Line,” which is a cross-sectional internal reporting system in the Group, receiving any declaration from the inside and the outside of the company, whether anonymous or named.

(2) Overview of Corporate Governance Structure and Others

NTT DATA is a company with Audit & Supervisory Board. We established the Audit & Supervisory Board in determination that the auditing system by outside auditors is effective as a function to monitor its corporate management and therefore adopt the corporate auditors system. The General Meeting of Shareholders, the Board of Directors, and the Audit & Supervisory Board are established as the company’s organizations. We also established the Corporate Management Committee in an effort to make decision-making in our business execution as fast as possible.

The Board of Directors consists of 12 directors in total including 3 independent outside directors, one of whom is a female director (as of March 31, 2020). The Board of Directors engages in decision-making and monitoring of important matters related to corporate management and items stipulated under the laws and regulations by holding an ordinary meeting once a month and an extraordinary meeting as necessary.

The Audit & Supervisory Board consists of 4 outside auditors including 1 female auditor. In principle, it is held once a month every month to make decisions on the policies, plans, and methods of the audit as well as other important matters related to the audit. Each of these auditors participates in important meetings such as the Board of Directors and implements audit on the status of business execution as appropriate, and a specialized organization (Office for Audit & Supervisory Board Members) is established to support it.

The Corporate Management Committee consists of the president and CEO, senior executive vice presidents, officers responsible for regions and segments, and heads of related important organizations and is held once a week every week in principle to perform smooth and quick decision-making and monitoring on matters related to business operation.

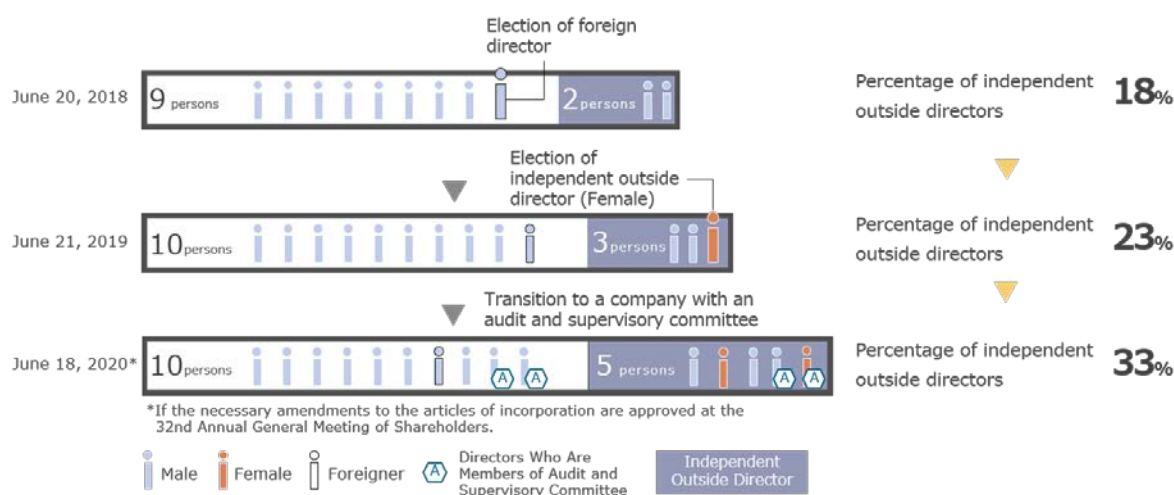
The Company’s corporate governance structure after transitioning to a company with audit and supervisory committee is shown in page 27.

### (3) Initiatives to Strengthen the Governance System

We have increased the number of outside directors from two to three in June 2019 in order to improve the monitoring of management. We also appoint human resources in line with the human resource policy of selecting candidates on the basis of superior character, insight, and management ability regardless of age, gender, or nationality. At present, we have appointed one female director and one female Audit & Supervisory Board Member, as well as one foreign director. (As of June 21, 2019)

The Company plans to transition to a company with an audit and supervisory committee after the necessary amendments to the articles of incorporation are approved at the 32nd Ordinary General Meeting of Shareholders to be held on June 17, 2020. In addition, five independent outside directors (including two female directors) and one foreign director are scheduled to be appointed. The ratio of independent outside directors to all directors is expected to be at least one-third.

#### Changes in the Composition of the Board of Directors



### (4) Meeting Agenda of Board of Directors

The Board of Directors actively discussed on formulating the medium-term management plan and transitioning to a company with an audit and supervisory committee.

Key Matters for Resolution/Report	Matters to be discussed
<ul style="list-style-type: none"> <li>• Matters related to investments</li> <li>• Matters related to new orders and investments in operation</li> <li>• Results and plans of internal governance efforts</li> <li>• Results and plans of internal audits</li> <li>• Monitoring of key projects</li> <li>• Report on IR activities and investors' opinions</li> </ul>	<ul style="list-style-type: none"> <li>• New medium-term management plans</li> <li>• Transition to a company with an audit and supervisory committee</li> <li>• Evaluation of the Board of Directors' effectiveness</li> <li>• Review of important ESG challenges</li> <li>• Development of the NTT DATA Group's AI Guidelines</li> </ul>

## (5) Matters Related to Corporate Officers

### ① Name of Directors and Auditors

(Directors)

Position		Name	Areas of responsibility and Principal Concurrent Positions
President and Chief Executive Officer Representative Director,		Yo Honma	Director of NTT, Inc.
Senior Executive Vice President and Representative Director		Keiichiro Yanagi	Head of HR Headquarters Responsible for Corporate Strategy, Human Resource Management, Finance (CFO), Investor Relations, Risk Management (CRO), and Public Relations Executor of business for the Limited Liability Partnership of Regional Revitalization/Value Partner 2020
Senior Executive Vice President and Representative Director		Shigeki Yamaguchi	Responsible for Public & Social Infrastructure Segment, Enterprise & Solutions Segment and China & APAC Segment Representative Board Member and Vice Chairperson of Japan Institute of Information Technology, a public interest incorporated association
Senior Executive Vice President and Representative Director		Toshi Fujiwara	Responsible for Americas & Europe Segment and Global Marketing Director of Board of NTT Data International L.L.C.
Executive Vice President and Director		Tsuyoshi Kitani	Head of Technology and Innovation General Headquarters Responsible for Technology Strategy (CTO) and Information Security (CISO)
Executive Vice President and Director		Shunichi Takeuchi	Deputy responsible for Public & Social Infrastructure Segment
Executive Vice President and Director		Koji Ito	Head of North America Sector Head of EMEA & LATAM Sector Deputy responsible for Americas & Europe Segment Chairman of Board of NTT Data International L.L.C. Director of Board of NTT DATA EMEA LTD. Director of Board of EVERIS PARTICIPACIONES, S.L.U. Supervisory Board of itelligence AG Director of Board of NTT DATA EUROPE GmbH & Co. KG
Executive Vice President and Director		Hisashi Matsunaga	Head of Third Financial Sector, Responsible for Financial Segment Board Member of The Center for Financial Industry Information Systems, a public interest incorporated foundation
Director	Outside director	Yukio Okamoto	Representative Director of Okamoto Associates, Inc. Director of a non-profit organization “Shin-Gen-Eki-Net”
	Independent officer		
Director	Outside director	Eiji Hirano	Director of RIKEN CORPORATION
	Independent officer		
Director		Takashi Ebihara	Vice President of General Affairs Department, NIPPON TELEGRAPH AND TELEPHONE CORPORATION
Director	Outside director	Mariko Fujii	Director of Mitsubishi UFJ Financial Group, Inc.
	Independent officer		

## (Auditors)

Position	Name	Areas of responsibility and Principal Concurrent Positions
Standing Audit & Supervisory Board Member Outside audit	Tetsuro Yamaguchi	
Standing Audit & Supervisory Board Member Outside audit	Tetsuya Obata	
Standing Audit & Supervisory Board Member Outside audit Independent officer	Katsura Sakurada	
Audit & Supervisory Board Member Outside audit Independent officer	Rieko Sato	Lawyer Partner of Ishii Law Office Director (audit and supervisory committee member) of Dai-ichi Life Holdings, Inc. Director of J. FRONT RETAILING Co., Ltd.

## Notes:

1. In the current fiscal year, Director Shigeki Yamaguchi retired from the post of Representative Board Member of Japan ID Connect with Secure Authentication Promotional Association. Director Toshi Fujiwara retired from the post of Director of the Center for Financial Industry Information Systems. Director Yukio Okamoto retired from the post of Director of Nippon Yusen Kabushiki Kaisha as his term ended.
2. NTT DATA has entered into agreements with Directors Yukio Okamoto, Eiji Hirano, Takashi Ebihara, Mariko Fujii, and Auditors, limiting their liability for damage compensation pursuant to Article 423 (1) of the Companies Act under Article 427 (1) of the Act. The maximum amount of compensation shall be the minimum liability amount prescribed in Article 425 (1) of the Companies Act.
3. Auditor Tetsuya Obata, who has worked in the financial division of NIPPON TELEGRAPH AND TELEPHONE CORPORATION, has considerable expertise in finance and accounting. Auditor Katsura Sakurada, who has engaged in operations at the Board of Audit of Japan, has considerable expertise in finance and accounting.
4. Director Mariko Fujii also works for Mitsubishi UFJ Financial Group, Inc., with which NTT DATA has a business relationship. However, its transaction value is below 1% of NTT DATA's non-consolidated net sales in the current fiscal year. Auditor Rieko Sato also works for both Dai-ichi Life Holdings, Inc. and J. FRONT RETAILING Co., Ltd., with which NTT DATA has business relations. Each of their transaction values is below 1% of NTT DATA's non-consolidated net sales in the current fiscal year.
5. Director Yukio Okamoto passed away on April 24, 2020 and retired.

## ② Names of Directors who retired during the fiscal year

Position at retirement	Name	Areas of responsibility and principal concurrent positions at retirement	The date of retirement
Director	John McCain	Director of Board and Executive Chairman of NTT DATA, Inc. Director of Board and Executive Chairman of NTT Data International L.L.C. Director of Board of NTT DATA Services International Holdings B.V.	November 5, 2019

## Note:

1. Director John McCain retired due to his own will.
2. NTT DATA entered into agreements with a Director John McCain limiting his liability for damage compensation pursuant to Article 423 (1) of the Companies Act under Article 427 (1) of the Act. The maximum amount of compensation was the minimum liability amount prescribed in Article 425 (1) of the Companies Act.



### ③ Policies concerning and total remuneration of Directors and Auditors

#### (a) Policies

As for policies, composition and standard of remuneration of our directors, NTT DATA explains the policy for determining remunerations for directors to its parent companies, independent outside directors, and auditors. Upon receiving their appropriate advice, the Board of Directors determines the amount of remuneration within the limits resolved at a shareholders' meeting.

- The remuneration, etc. for directors (excluding outside directors) consists of monthly remuneration and bonuses. Monthly remuneration is provided in accordance with duties and scope of responsibility of each director's position. Bonuses are provided in consideration of the Company's achievement level of performance indicators such as operating income for the current fiscal year. Performance indicators are based on the financial targets set out in the medium-term management strategy, and are specifically evaluated in terms of operating income, ROIC, overseas net sales, overseas operating income margin, capital investment, and the number of B2B2X projects.

In order to reflect the medium- to long- term performance, the standing directors residing in Japan are required to purchase the Company's stock through the officers' shareholding association by paying certain amount of money from their monthly remuneration and bonuses. They must hold the purchased stocks while in office. Accordingly, the remuneration composition including bonuses, in a standard performance case, is approximately 70% for fixed remuneration and 30% for performance-linked remuneration. In addition, the Company obtains advice from independent outside directors and auditors regarding the level of remuneration for the President and Chief Executive Officer and Representative Director. As for the directors executing business in overseas consolidated subsidiaries, performance-linked deferred remuneration is provided by those subsidiaries.

Also, with a purpose of strongly being aware of achieving medium-term management plan, sustainable growth and enhancing corporate value in medium- to long-term, we are considering on increasing the percentage of performance-linked remuneration, such as stock compensation in the total remunerations.

- Outside directors are paid only monthly remuneration, unrelated to business performance, in order to ensure a high degree of independence.

The remuneration for auditors shall be determined by the auditors after consultation. To ensure a high degree of independence, their remuneration is not linked to business results and the auditors receive monthly remuneration only.

#### (b) Total amount of remuneration for directors and auditors during the fiscal year

Position	Number of Persons	Amount of Remuneration
Director	12 persons	380 million yen
Auditor	4 persons	102 million yen
Total	16 persons	482 million yen

Notes:

1. The table above includes the director who retired due to his own will on November 5, 2019.
2. For the remunerations of directors and auditors, the 18th Ordinary General Meeting of Shareholders held on June 22, 2006 resolved to limit the directors' remuneration within 580 million yen per annum, and the auditors' remuneration within 150 million yen per annum.
3. The amount of directors' remunerations includes the current fiscal year's officers' bonuses of 58 million yen.

#### ④ Outside Directors and Auditors

##### (a) Additional posts in other companies of outside directors and auditors

The status of outside directors and outside auditors regarding important concurrent positions held at other companies is as indicated in “1. Name of Directors and Audits” above and there is no significant transaction between these companies and NTT DATA.

##### (b) Main activities during the fiscal year

Position	Name	No. of Board of Directors' meetings attended (Attendance rate)	No. of Audit & Supervisory Board meetings attended (Attendance rate)	Main Activities
Outside Director	Yukio Okamoto	13/13 (100%)	- (-)	He made statements necessary for deliberating proposals from a point of view that was independent of the members executing the business. He provided opinions based on his extensive knowledge and insight about the international situation in particular as an expert.
	Eiji Hirano	13/13 (100%)	- (-)	He made statements necessary for deliberating proposals from a point of view that was independent of the members executing the business. He provided opinions based on his abundant experience especially in the financial segment and his extensive expertise in financial affairs and international finance.
	Mariko Fujii	13/13 (100%)	- (-)	She made statements necessary for deliberating proposals from a point of view that was independent of the members executing the business. She provided opinions based on her keen discernment and extensive experience accumulated through her career in public administration, research on economics, and foreign affairs.
Outside Auditor	Tetsuro Yamaguchi	13/13 (100%)	15/15 (100%)	He made statements from the viewpoint of compliance with laws and regulations and the Articles of Incorporation, and other viewpoints, independent of the members executing the business. He also provided opinions from his wide perspective and experience based on a tremendous track record in corporate management in the NTT Group including overseas operations.
	Tetsuya Obata	13/13 (100%)	15/15 (100%)	He made statements from the viewpoint of compliance with laws and regulations and the Articles of Incorporation, and other viewpoints, independent of the members executing the business. He also provided opinions based on his experience in the finance and general affairs sectors as well as a tremendous track record in corporate management in the NTT Group.
	Katsura Sakurada	13/13 (100%)	15/15 (100%)	He made statements from the viewpoint of compliance with laws and regulations and the Articles of Incorporation, and other viewpoints, independent of the members executing the business. He provided opinions based on his abundant experience and extensive expertise concerning audits for finance, accounting and business execution gained from his long years of professional services at the Board of Audit of Japan.
	Rieko Sato	13/13 (100%)	15/15 (100%)	She made statements from the viewpoint of compliance with laws and regulations and the Articles of Incorporation, and other viewpoints, independent of the members executing the business and from the professional standpoint as a lawyer.

Notes:

1. The description of Ms. Mariko Fujii, an outside director, shows her main activities since her appointment in June 2019.
2. Mr. Yukio Okamoto, an outside director passed away on April 24, 2020 and retired.

##### (c) Total amount of remuneration for outside directors and auditors for this fiscal year

	Number of Persons	Amount of Remuneration
Total Amount of Remuneration for Outside Directors and Auditors	7persons	135 million yen

Notes:

The above is included in the section “③. (b) Total amount of remuneration for directors and auditors during the fiscal year”.



## (6) Assessment of effectiveness of the entire Board of Directors

The Board of Directors decides important matters concerning management of the Company and the Group and supervises how directors execute their duties through the quarterly status report on the execution of duties.

Since FY2016, the Board of Directors has been implementing a self-evaluation and analysis of the effectiveness of the Board of Directors to improve its function and further to enhance corporate values. More specifically, a questionnaire survey is conducted on all directors and auditors and is analyzed, discussed, and evaluated based on report of the summary result from the external organization. The results of evaluation are reported to the Board of Directors, which verifies their content and discusses policies for further improvements and so forth.

Like the previous fiscal year, the Board of Directors implemented a self-evaluation and analysis in FY 2019.

	Results of effectiveness measurement on measures in the current fiscal year	Key measures for the next fiscal year
FY2017	With regard to increasing the weight of discussion on management strategies at the Board of Directors, it received a certain level of evaluation that improvements had been made such as by reviewing the standard of discussion and setting up opportunities for discussion.	<ul style="list-style-type: none"> <li>Enhanced discussion at the developmental stages of management strategies, plans, etc.</li> <li>Revision so that matters that may not satisfy the discussion standard at the Board of Directors can be discussed, depending on their materiality and risks involved.</li> <li>With regard to investors' opinions, further enhancement of the report in light of the request for more information to be provided to the Board of Directors.</li> </ul>
FY2018	With regard to deeper and more enhanced discussions on management strategies, as well as enhanced reporting on investors' opinions, it received a higher evaluation score and a certain level of evaluation that improvements had been made.	<ul style="list-style-type: none"> <li>Further deepening and enhancement of discussions on management strategies (to be continued).</li> <li>Obtaining more information and opportunities to acquire further knowledge of the latest technological trends and the Company's businesses.</li> <li>Further increasing opportunities for communication between outside directors and auditors.</li> </ul>
FY2019	With regard to more communications between outside directors and auditors, it received a higher evaluation score and a certain level of evaluation that improvements had been made.	<ul style="list-style-type: none"> <li>Increasing the weight of discussions on strategies and risk management.</li> <li>Enhanced monitoring of matters that have a significant impact on the Company's management.</li> </ul>

In this Business Report, amounts are rounded off to the indicated unit.

The names of NTT DATA's products and services referred to on this report are trademarks or registered trademarks of NTT DATA in Japan and other countries. The names of other companies etc., products, services, etc., are the trade names, trademarks, or registered trademarks of the companies etc. concerned.

Please note that statements concerning the future are based on a certain assumption made from information available to NTT DATA Group at the end of the fiscal year under review and that actual business performance can greatly vary due to various factors in the future.

# **BUSINESS REPORT**

(From April 1, 2019 to March 31, 2020)

## Consolidated Statement of Financial Position

(Unit: ¥ million)

By fiscal year Account title	32nd FY (As of March 31, 2020)	[Reference] 31st FY (As of March 31, 2019)	By fiscal year Account title	32nd FY (As of March 31, 2020)	[Reference] 31st FY (As of March 31, 2019)
<b>Assets</b>			<b>Liabilities</b>		
Current assets	966,890	974,467	Current liabilities	883,038	816,859
Cash and cash equivalents	205,356	251,309	Trade and other payables	359,508	359,013
Trade and other receivables	572,175	549,126	Contract liabilities	256,740	218,774
Contract asset	74,828	81,929	Bonds and borrowings	157,094	134,586
Inventories	13,727	15,294	Lease liabilities	39,143	—
Other financial assets	13,296	9,440	Other financial liabilities	4,604	28,717
Other current assets	87,509	67,369	Income taxes payable	32,002	30,437
Non-current assets	1,719,118	1,501,595	Provisions	4,273	12,434
Property, plant and equipment	344,922	355,717	Other current liabilities	29,674	32,898
Right-of-use assets	160,005	—	Non-current liabilities	815,555	692,394
Goodwill	391,017	357,014	Bonds and borrowings	440,861	446,437
Intangible assets	477,716	444,444	Lease liabilities	122,219	—
Investment property	27,113	27,331	Other financial liabilities	12,155	21,908
Investments accounted for using the equity method	8,366	6,573	Retirement benefit liability	207,854	202,491
Other financial assets	142,211	168,803	Provisions	4,131	3,562
Deferred tax assets	110,946	98,220	Deferred tax liabilities	18,868	5,532
Other non-current assets	56,823	43,493	Other non-current liabilities	9,466	12,463
			<b>Total liabilities</b>	<b>1,698,593</b>	<b>1,509,253</b>
			<b>Equity</b>		
			Equity attributable to shareholders of NTT DATA		
			Capital stock	142,520	142,520
			Capital surplus	111,596	115,740
			Retained earnings	659,563	603,171
			Treasury shares	(1)	(1)
			Other components of equity	26,005	64,236
			Total equity attributable to shareholders of NTT DATA	939,683	925,667
			Non-controlling interests	47,732	41,143
			<b>Total equity</b>	<b>987,415</b>	<b>966,809</b>
<b>Total assets</b>	<b>2,686,008</b>	<b>2,476,062</b>	<b>Total liabilities and equity</b>	<b>2,686,008</b>	<b>2,476,062</b>

Note: Amounts less than one million yen are rounded off.

## Consolidated Statements of Income

(Unit: ¥ million)

Account title	By fiscal year	32nd FY (2019/4/1-2020/3/31)	[Reference] 31st FY (2018/4/1-2019/3/31)
Net sales		2,266,808	2,163,625
Cost of sales		1,694,577	1,618,636
Gross profit		572,231	544,988
Selling, general and administrative expenses		441,294	397,272
Operating income		130,937	147,716
Financial income		6,026	6,848
Financial costs		17,117	7,825
Share of profit/loss of entities for using equity method		308	175
Income before income taxes		120,155	146,914
Income taxes		40,383	49,210
Net income		79,772	97,704
Net income attributable to			
Shareholders of NTT DATA		75,148	93,616
Non-controlling interests		4,624	4,088

Note: Amounts less than one million yen are rounded off.

## Non-Consolidated Balance Sheets

(Unit: ¥ million)

By fiscal year	32 <sup>nd</sup> FY (As of March 31, 2020)	[Reference] 31 <sup>st</sup> FY (As of March 31, 2019)	By fiscal year	32 <sup>nd</sup> FY (As of March 31, 2020)	[Reference] 31 <sup>st</sup> FY (As of March 31, 2019)
Account title			Account title		
(Assets)			(Liabilities)		
Current assets	467,024	456,979	Current liabilities	655,794	616,793
Cash and deposits	60,751	84,746	Accounts payable -trade	91,970	94,655
Accounts receivable - trade	241,005	232,356	Short-term loans payable	57,922	58,171
Lease receivables	—	2	Current portion of long-term loans payable	87,090	1,757
Lease investment assets	15,795	18,551	Current portion of bonds	—	59,996
Inventories	13,503	16,279	Lease obligations	248	307
Prepaid expenses	24,375	21,095	Accounts payable -other	19,882	19,167
Other	111,903	83,956	Accrued expenses	9,985	9,861
Allowance for doubtful accounts	(308)	(6)	Income taxes payable	13,526	16,053
Non-current assets	1,720,227	1,653,806	Advances received	218,737	188,366
Property, plant and equipment	301,677	293,626	Deposits received	149,500	129,085
Data communication facilities	107,973	103,433	Provision for loss on order received	2,764	9,515
Buildings	81,414	81,516	Asset retirement obligations	31	99
Structures	2,400	2,484	Other	4,140	29,761
Machinery, equipment and vehicles	12,016	12,756	Non-current liabilities	544,669	546,099
Tools, furniture and fixtures	14,463	12,081	Bonds payable	49,993	49,991
Land	56,064	56,064	Long-term loans payable	387,035	394,133
Leased assets	476	705	Lease obligations	283	488
Construction in progress	26,870	24,585	Provision for retirement benefits	100,224	95,013
Intangible assets	324,977	300,389	Asset retirement obligations	827	523
Software	267,876	231,732	Other	6,307	5,950
Software in progress	55,063	66,609	<b>Total liabilities</b>	<b>1,200,463</b>	<b>1,162,892</b>
Leased assets	—	2	(Net assets)		
Other	2,038	2,046	Shareholders' equity	931,937	878,824
Investments and other assets	1,093,573	1,059,791	Capital stock	142,520	142,520
Investment securities	95,992	117,062	Capital surplus	139,300	139,300
Shares of subsidiaries and associates	207,451	191,196	Legal capital surplus	139,300	139,300
Investments in other securities of subsidiaries and associates	654,772	621,256	Retained earnings	650,118	597,005
Long-term loans receivable	540	540	Legal retained earnings	2,288	2,288
Long-term loans receivable from subsidiaries and associates	62,032	68,764	Other retained earnings	647,831	594,717
Deferred tax assets	26,674	19,143	Reserve for reduction entry	99	119
Other	47,456	42,255	General reserve	288,000	288,000
Allowance for doubtful accounts	(1,344)	(425)	Retained earnings brought forward	359,731	306,598
			Treasury shares	(1)	(1)
			Valuation and translation adjustments	54,850	69,069
			Valuation difference on available-for-sale securities	54,866	69,079
			Deferred gains or losses on hedges	(16)	(9)
			<b>Total net assets</b>	<b>986,787</b>	<b>947,893</b>
<b>Total assets</b>	<b>2,187,251</b>	<b>2,110,785</b>	<b>Total liabilities and net assets</b>	<b>2,187,251</b>	<b>2,110,785</b>

Note: Amounts less than one million yen are rounded off.

## Non-Consolidated Statements of Income

(Unit: ¥ million)

Account title	By fiscal year	32 <sup>nd</sup> FY (2019/4/1-2020/3/31)	[Reference] 31 <sup>st</sup> FY (2018/4/1-2019/3/31)
Net sales		972,422	942,246
Cost of sales		725,894	711,865
Gross profit		246,528	230,381
Selling, general and administrative expenses		161,245	140,787
Operating income		85,283	89,594
Non-operating income		18,112	17,575
Interest income		1,910	1,985
Dividend income		12,280	11,033
Other		3,922	4,557
Non-operating expenses		7,044	6,839
Interest expenses		2,155	2,286
Interest on bonds		1,352	2,057
Loss on valuation of securities		1,788	1,593
Other		1,748	904
Ordinary income		96,351	100,330
Extraordinary income		9,314	—
Gain on sales of investment securities		9,314	—
Income before income taxes		105,665	100,330
Income taxes -current		29,263	38,035
Income taxes -deferred		(1,255)	(8,559)
Net income		77,657	70,853

Note: Amounts less than one million yen are rounded off.

# Independent Audit's Report on Consolidated Financial Statements (English translation of the certified copy)

## INDEPENDENT AUDIT'S REPORT

May 13, 2020

To: The Board of Directors of  
NTT DATA Corporation

KPMG AZSA LLC  
Tokyo Office

Kensuke Sodekawa, C.P.A. (seal)  
Engagement Partner  
Takeshi Nakatani, C.P.A. (seal)  
Engagement Partner  
Tomokazu Kayama, C.P.A. (seal)  
Engagement Partner

### Audit opinion

We have audited, pursuant to Article 444 (4) of the Companies Act, the consolidated financial statements of NTT DATA Corporation, namely, the consolidated statement of financial position, consolidated statement of income, consolidated statement of changes in equity, and notes to consolidated financial statements for the consolidated fiscal year from April 1, 2019 to March 31, 2020.

In our opinion, the above consolidated financial statements, which were prepared in accordance with the legal requirements stipulated in the latter part of Article 120 (1) of the Regulation on Corporate Accounting which permits omission of some items originally required by International Accounting Standards, present fairly, in all material respects, the assets and profit and loss during the period related to the said consolidated financial statements of the corporate group consisting of NTT DATA Corporation and its consolidated subsidiaries.

### Basis for audit opinion

We conducted our audit in accordance with the auditing standards generally accepted in Japan as being fair and reasonable. Our responsibilities under those standards are described in the "Auditor's responsibilities for the audit of consolidated financial statements" section of our report. We are independent from the Company and its consolidated subsidiaries in accordance with the ethical requirements in Japan, and we have fulfilled other ethical responsibilities as an auditor. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of the management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the consolidated financial statements

The management is responsible for preparing and appropriately presenting consolidated financial statements in accordance with the legal requirements stipulated in the latter part of Article 120 (1) of the Regulation on Corporate Accounting which permits omission of some items originally required by International Accounting Standards. This responsibility includes establishing and operating internal control that the management deems necessary to ensure that the consolidated financial statements are prepared and appropriately represented without any material misstatement caused by fraud or error.

In preparing the consolidated financial statements, the management is responsible for assessing whether it is appropriate for the Company to prepare the consolidated financial statements as a going concern except in cases where the manager intends to liquidate or cease business, or where there are no other practical alternatives, as applicable, and disclosing matters related to going concern in accordance with the legal requirements stipulated in the latter part of Article 120 (1) of the Regulation on Corporate Accounting which permits omission of some items originally required by International Accounting Standards.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the execution of the duties by the directors with regard to the establishment and operation of the Company's financial reporting process.

### Auditor's responsibilities for the audit of consolidated financial statements

Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express our opinion from an independent perspective on the consolidated financial statements in an auditor's report. Misstatements can arise from fraud or error and are considered material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

In accordance with the auditing standards generally accepted in Japan as fair and reasonable, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Audit procedures are selected and applied at our discretion. We obtain sufficient and appropriate audit evidence to provide a basis for our opinion.
- Consider with the Company, the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies and their application method used by the management and the reasonableness of accounting estimates and related notes made by the management.
- Conclude on the appropriateness of preparing the consolidated financial statements according to the management's use of the going concern basis of accounting, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes in the consolidated financial statements or, if such notes are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and notes of the consolidated financial statements are in accordance with the latter part of Article 120 (1) of the Regulation on Corporate Accounting, which permits omission of some items originally required by International Accounting Standards, and evaluate the overall presentation, structure, and content of the consolidated financial statements, including the relevant notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves a fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit on the consolidated financial statements. We are solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the audit, significant audit findings including any significant deficiencies in internal control that we identify during our audit, and any other matters required by the auditing standards.

We also report to Audit & Supervisory Board Members and the Audit & Supervisory Board that we have complied with the relevant ethical requirements in Japan regarding independence, and the details of safeguards in place, if any, to eliminate or mitigate matters and obstacles that may reasonably be thought to bear on our independence.

### Conflicts of interest

There are no particular conflicts of interest between the Company and its consolidated subsidiaries and the auditor or its engagement partners that should be described in accordance with the provisions of the Certified Public Accountants Law.

END

Independent Audit's Report on Non-Consolidated Financial statements and  
Supplementary Schedules  
(English translation of the certified copy)

INDEPENDENT AUDIT'S REPORT

May 13, 2020

To: The Board of Directors of  
NTT DATA Corporation

KPMG AZSA LLC  
Kensuke Sodekawa, C.P.A. (seal)  
Engagement Partner  
Takeshi Nakatani, C.P.A. (seal)  
Engagement Partner  
Tomokazu Kayama, C.P.A. (seal)  
Engagement Partner

**Audit opinion**

We have audited, pursuant to Article 436 (2) (i) of the Companies Act, the financial statements of NTT DATA Corporation, namely, the non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of shareholders' equity and notes to non-consolidated financial statements, and supplementary schedules attached thereto (hereafter the "financial statements") for the 32nd fiscal year from April 1, 2019 to March 31, 2020.

In our opinion, the above financial statements present fairly, in all material respects, the assets and profit and loss during the period related to the said financial statements in accordance with the corporate auditing standards generally accepted in Japan as being fair and reasonable.

**Basis for audit opinion**

We conducted our audit in accordance with the auditing standards generally accepted in Japan as being fair and reasonable. Our responsibilities under those standards are described in the "Auditor's responsibilities for the audit of financial statements." We are independent from the Company in accordance with the ethical requirements in Japan, and we have fulfilled other ethical responsibilities as an auditor. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the financial statements**

The management is responsible for preparing and appropriately presenting financial statements in accordance with the corporate accounting standards generally accepted in Japan as being fair and reasonable. This responsibility includes establishing and operating internal control that the management deems necessary to ensure the financial statements are prepared and appropriately represented without any material misstatement caused by fraud or error.

In preparing the financial statements, the management is responsible for assessing whether it is appropriate for the Company to prepare the financial statements as a going concern and disclosing, as applicable, matters related to going concern in accordance with the corporate accounting standards generally accepted in Japan as being fair and reasonable.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the execution of the duties by the directors with regard to the establishment and operation of the Company's financial reporting process.

**Auditor's responsibilities for the audit of financial statements.**

Our responsibilities are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express our opinion from an independent perspective on the financial statements in an auditor's report. Misstatements can arise from fraud or error and are considered material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In accordance with the auditing standards generally accepted in Japan as fair and reasonable, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Audit procedures are selected and applied at our discretion. We obtain sufficient and appropriate audit evidence to provide a basis for our opinion.
- Consider with the Company, the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances in evaluating the risks, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies and their application method used by the management and the reasonableness of accounting estimates and related notes made by the management.
- Conclude on the appropriateness of preparing the financial statements according to the management's use of the going concern basis of accounting, and based, on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes in the financial statements or, if such notes are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and notes of the financial statements are in accordance with the corporate accounting standards generally accepted in Japan as being fair and reasonable, and evaluate the overall presentation, structure, and content of the financial statements, including the relevant notes, and whether the financial statements represent the underlying transactions and events in a manner that achieves a fair presentation.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the audit, significant audit findings including any significant deficiencies in internal control that we identify during our audit, and any other matters required by the auditing standards.

We also report to Audit & Supervisory Board Members and the Audit & Supervisory Board that we have complied with the relevant ethical requirements in Japan regarding independence, and the details of safeguards in place, if any, to eliminate or mitigate matters and obstacles that may reasonably be thought to bear on our independence.

**Conflicts of interest**

There are no particular conflicts of interest between the Company and the auditor or its engagement partners that should be described in accordance with the provisions of the Certified Public Accountants Law.

END

## AUDIT & SUPERVISORY BOARD'S REPORT (English translation of the certified copy)

### AUDIT REPORT

With respect to the performance of duties by directors during the 32nd fiscal year from April 1, 2019 to March 31, 2020, the Audit & Supervisory Board has examined the reports from each corporate auditor and prepared this Audit Report as follows:

#### 1. Audit methodology adopted by auditors and the Audit & Supervisory Board

The Audit & Supervisory Board determined auditing policies, received reports from the auditors on the progress and results of the audit, received reports from directors and the independent audit, and requested explanations when necessary.

In accordance with the auditing policies determined by the Audit & Supervisory Board, the auditors communicated with directors and employees of the Internal Audit Department and other divisions, made efforts to collect information and establish the audit environment, and performed the audit using the following methods:

- (1) The auditors attended the meetings of the Board of Directors and other important meetings, received reports from directors, employees, and etc. on the performance of their duties, requested explanations when necessary, reviewed documents of important decisions, etc. and investigated the business and financial conditions at the head office and principal branch offices. Further, as to the subsidiaries, the auditors communicated and exchanged information with their directors and auditors, and received their business reports when necessary.
- (2) The auditors have received regular reports from directors, employees, etc., requested explanations as necessary and expressed opinions on the situations of establishment and operation of the system (internal control system) which is established based on the Board of Directors' discussions and resolutions concerning the establishment of the system to ensure that directors perform their duties in conformity with laws and regulations and the Articles of Incorporation and other systems necessary to ensure that the Kabushiki Kaisha and their corporate group consisting of subsidiaries are operated appropriately.
- (3) The auditors monitored and verified whether or not the independent audit maintained its independence and appropriately performed audits, received reports from the independent audit on the progress of its duties, and requested explanations when necessary.

They also received a notice from the independent audit that "the system to ensure that the independent audit's duties are appropriately performed" (items stipulated in Article 131 of the Regulation on Corporate Accounting) has been established based on "Quality Control Standards for Audit" (made public by Business Accounting Council on October 28, 2005), etc. and requested explanations when necessary.

Based on the methods described above, the auditors examined the business reports and supplementary schedules attached thereto, the financial statements for the fiscal year (the non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of shareholders' equity, and non-consolidated notes to financial statements) and supplementary schedules attached thereto, and the consolidated financial statements (the consolidated statement of financial position, consolidated statement of income, consolidated statement of changes in equity, and notes to consolidated financial statements).

#### 2. Audit results

##### (1) Audit results of the Business Report, etc.

- (i) The Audit & Supervisory Board finds that the Business Report and supplementary schedules attached thereto fairly present the situation of NTT DATA in accordance with the laws and the Articles of Incorporation.
- (ii) The Audit & Supervisory Board ascertains that there is no fraudulent act or fact of a materials breach of applicable laws or regulations or the Articles of Incorporation with respect to the performance of duties by directors.
- (iii) The Audit & Supervisory Board finds that the details of the resolution of the meeting of the Board of Directors concerning the internal control system are adequate. In addition, the Audit & Supervisory Board ascertains that there is no matter that needs to be indicated with respect to the contents of business reports concerning the internal control system and the performance of duties by directors.

##### (2) Audit results of financial statements, supplementary schedules attached thereto, and consolidated financial statements

The Audit & Supervisory Board finds that the audit methodology adopted by the independent audit, KPMG AZSA LLC and the audit results are adequate.

May 13, 2020

NTT DATA Corporation

Audit & Supervisory Board

Standing Audit & Supervisory Board Member (Outside Audit)

Standing Audit & Supervisory Board Member (Outside Audit)

Standing Audit & Supervisory Board Member (Outside Audit)

Audit & Supervisory Board Member (Outside Audit)

Tetsuro Yamaguchi

Tetsuya Obata

Katsura Sakurada

Rieko Sato

END