

■ **Basic Approach to Corporate Governance**

NTT DATA views corporate governance as “the system and process for ensuring transparency, efficiency and rationality in management” and is taking stronger corporate governance measures that include the establishment of a Board of Corporate Auditors, the creation of a Corporate Management Committee, and formulating Internal Control Systems. To maximize corporate value, the Company is working hard to strengthen corporate governance.

While taking in recent trends as well as the views and opinions of a wide range of people from outside the Company, NTT DATA has set an objective of further increasing corporate value through stronger management by forging a more efficient and transparent management system as it continuously works to fortify corporate governance.

■ **Roles of Each Corporate Entity**

NTT DATA has a corporate governance structure centered on a Board of Corporate Auditors. The Company has three primary governing entities, namely the General Meeting of Shareholders, the Board of Directors, and the Board of Corporate Auditors. In addition, NTT DATA has a Corporate Management Committee to speed decision-making on matters related to business execution.

With the goal of introducing a broader management perspective, one of the seven members that make up the Board of Directors is an outside director. Moreover, the Board of Corporate Auditors is comprised of four corporate auditors, three of whom are outside corporate auditors. All outside corpo-

rate auditors are standing corporate auditors. The Board of Directors is composed of seven directors and four corporate auditors, which means that 40% of the members of the Board of Directors consist of auditors who audit Board discussions.

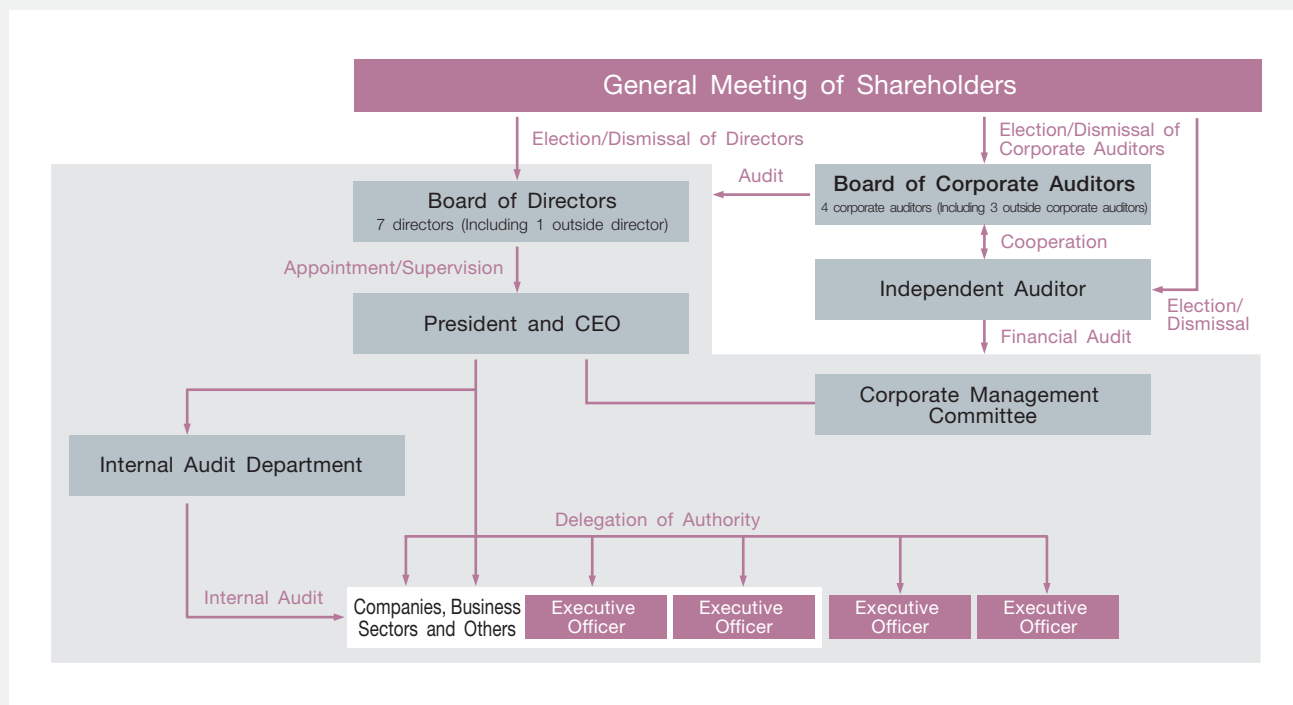
● **Board of Directors**

The Board has seven members, including one outside director (an employee of the parent company, Nippon Telegraph and Telephone Corporation [“NTT”]). The Board holds regular meetings once a month and additional special meetings as necessary and is responsible for decision-making and supervision regarding important matters related to management and regarding issues mandated by law. Outside directors are commissioned with the expectation for their opinions from wide-ranging viewpoints in accordance with their experience, and from a standpoint independent of those who execute business operations.

● **Board of Corporate Auditors**

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

Each corporate auditor attends important meetings, such as meetings of the Board of Directors, and regularly audits business execution. The Corporate Auditors’ Office, a dedicated organization, has been established to support these activities.



● Corporate Management Committee

The Corporate Management Committee consists of the president, vice presidents and the heads of other relevant important sections. This Committee meets once a week, in principle, to supervise and decide on matters concerning day-to-day operations in a rapid and efficient manner.

During the fiscal year ended March 31, 2009, the Board of Directors and Board of Corporate Auditors held a total of 22 and 26 meetings, respectively. The Corporate Management Committee held a total of 47 meetings.

■ Executive Officer System

NTT DATA has appointed executive officers responsible for the execution of business operations so that the Board of Directors can concentrate on decision-making concerning important matters and supervise business execution. By delegating significant executive authority from directors to executive officers, NTT DATA aims to accelerate decision-making and speed up management processes.

■ Remuneration for Directors

The Board of Directors determines the remuneration of directors and other matters.

The remuneration of directors comprises monthly remuneration and bonuses. Monthly remuneration is paid on the basis of the significance of the position and responsibility of each director. Bonuses are provided after taking into account such factors as the Company's business performance.

Furthermore, to provide further long-range incentives for improving performance over the medium and long terms, a certain amount of monthly remuneration at or above a prescribed level is contributed for the purchase of the Company's own shares through the NTT DATA Directors' Share-holding Association. The association holds all of the shares purchased during the terms of directors. Please see page 59 for details on the total amount of remuneration for directors in fiscal 2009.

■ Relationship with Parent Company

NTT, NTT DATA's parent company, is a principal shareholder of the Company, with ownership of 54.2% of its voting shares.

In addition, one employee of NTT has been appointed as an outside director of NTT DATA. In light of the fact that the Board of Directors currently has a total of seven members and other factors, the Company believes that the appointment of the outside director from NTT does not hinder independent decision-making by management at NTT DATA.

NTT DATA discusses and reports important issues to NTT. However, NTT and NTT DATA maintain close cooperation while sufficiently respecting one another's autonomy and independence in the course of daily business operations, as part of efforts to enhance operating results in pursuit of sustained growth and development.

■ Strengthening Group Governance

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

In addition, because the number of Group companies is increasing through M&A activities, NTT DATA established the Group Management Rules in March 2008 to clarify important matters to which each Group company should adhere. This is to realize the swift management operations of each Group company as well as to set out the policies used in their decision making. NTT DATA promotes the thorough adoption of these rules by each Group company.

■ Disclosure

NTT DATA has formulated a Disclosure Policy based on its Disclosure Guidelines. In line with its fundamental approach, this policy states that NTT DATA provides timely and fair disclosure to deepen understanding of the Company among a diverse array of stakeholders, including shareholders and other investors, so as to ensure the proper valuation of NTT DATA.

More specifically, at every quarterly earnings announcement, NTT DATA holds a presentation to explain its operating results and forecasts in detail to various stakeholders. In addition, NTT DATA holds small meetings and one-on-one sessions with investors and analysts resident in Japan and overseas.

Efforts are also directed at constantly improving NTT DATA's investor relations website. Presentation handouts, news releases and other information are posted on this website in a timely manner and presented in a clear format.

■ NTT DATA's Investor Relations Website

<http://www.nttdata.co.jp/en/investor/index.html> (English)

<http://www.nttdata.co.jp/corporate/ir/index.html> (Japanese)