



Toward the Realization of an Information Society
Friendly to Humans and the Earth

CSR Digest 2009
Year ended March 31, 2009

TOWARD THE REALIZATION OF AN INFORMATION SOCIETY FRIENDLY TO HUMANS AND THE EARTH

In April 2008, we unveiled the NEC Group Vision 2017, which represents our aspirations and what we envisioned for the company 10 years in the future, and the NEC Group Core Values, a set of values and guiding principles that employees will embrace to realize this vision. In the past year, I have been sharing The NEC Way, which encompasses the Vision and Core Values, with NEC Group employees around the world in a direct dialogue. In the process, while reaffirming our founding principles, we have worked to transform the NEC Group with an eye to the future.

However, in fiscal 2009, the year ended March 31, 2009, NEC could not avoid recording a consolidated net loss of ¥296.6 billion, due to the impact of the global economic downturn under way since the second half of 2008.

Business conditions are expected to remain harsh in fiscal 2010. Against this backdrop, NEC must urgently transform its earnings structure in order to ride out the downturn and achieve sustainable long-term growth. To this end, we are reducing costs across the company to transform our earnings structure while actively implementing new growth measures.

It is precisely because the world is now at a major turning point that we see a perfect opportunity to transform the NEC Group into a global company that can fulfill its social responsibilities over the long term and continue to deliver value to all stakeholders. To seize on this opportunity, we are currently accelerating reforms.

In April 2009, we introduced a new organizational framework and business management systems. In addition to streamlining our organization, we will pursue simple and speedy business operations that meet global standards in terms of internal controls and accounting standards. By integrating sales functions for each business division into a unified sales force, we have built a business structure where the customer is the starting point for all activities, as part of our "One NEC" concept.

Under the new structure, we will

step up our ability to address a myriad of issues faced by our customers and society at large, as we work to realize "an information society friendly to humans and the earth."

One "friendly to the earth" priority is to combat global warming. Under the NEC Environmental Management Vision 2010, we aim to reduce NEC's overall impact in terms of net CO₂ emissions to zero by fiscal 2011. In addition to rigorous production process innovation activities, we are implementing varied initiatives such as the development of highly energy-efficient products such as the ECO CENTER server, which won numerous awards in 2008, and highly effective solutions for reducing CO₂ emissions. In April 2009, we established the Smart Energy and Green Business Development Division to promote development of our Environment & Energy Solutions business, which we see as a potential growth driver. Our first project is the full-scale launch of automobile lithium-ion battery operations.

The "friendly to humans" aspect involves business activities that help to eliminate the digital divide between advanced and developing countries. NEC has been involved for many years in the development of network infrastructure chiefly for communications and broadcasting. Going forward, we aim to expand these businesses further to create and develop application services integrating IT and networks, such as telemedicine, distance learning and e-government services. Separately, we are looking to offer hybrid products (next-generation handsets) that combine the functions of PCs and mobile phones based on universal design principles. Through these kinds of products, we aim to realize an "information society that is friendly to humans." We want everyone to be able to benefit from the information society, anytime, anywhere, irrespective of regional or generational disparities.

NEC strives through "C&C" (the integration of Computers and Communications) to help advance societies worldwide toward deepened mutual understanding and the fulfillment of human potential, together with customers and other stakeholders. In closing, I hope that readers of this report will give us the benefit of their honest feedback.

May 2009



Kaoru Yano
President, NEC Corporation



Innovating the NEC Group With the NEC Group Vision 2017 and Core Values (Fiscal 2009)

The NEC Group is pressing ahead with reforms based on the NEC Group Vision 2017 and Core Values that were formulated in April 2008. During fiscal 2009, all NEC Group employees participated in the development of various measures aimed at sharing and understanding the meaning of the Vision and Core Values and their connection to each person's work. In Japan, NEC appointed around 80 Vision and Core Values Promoters. Monthly meetings were conducted to exchange information on promotion methods and progress status as part of fostering a common understanding. In July 2008 and January 2009, dialogue sessions were held at once in workplaces across the NEC Group to discuss the significance of the Vision and Core Values in relation to each workplace and to operational issues. The president of NEC and other executives used various occasions to convey to employees the importance of reforming the NEC Group through this initiative and underlined the Company's commitment to The NEC Way including the Vision and Core Values. In addition, web-based training programs were held, with participation by a total of 65,000 employees worldwide. Below are specific examples of promotion activities in Japan and Europe.

Addressing "Challenges Across Organizational Boundaries" — Japan

The Social Infrastructure Solutions Business Unit (BU) chose discussion topics for identifying and solving cross-divisional issues, including divisions and NEC Group companies. At a two-day overnight training session, employees presented specific daily measures that would allow them to continue addressing "challenges across organizational boundaries" with the view to capturing synergies among divisions. These events stimulated a lively discussion within the BU about how to realize the "One NEC" concept.



The Vision and Core Values Discussed in Management Training Session — Europe

In Europe, the annual management training session featured a series of lectures and exercises on the theme of how to incorporate the Vision and Core Values into one's own work, leading to presentations of action plans for realizing the Vision based on group discussions. One participant commented: "I was able to reaffirm the importance of incorporating the Vision and Core Values into my own work and determining how to change organizational and individual behavior."



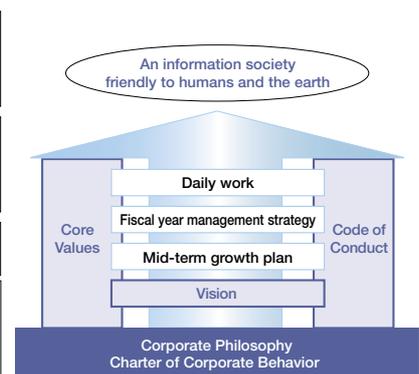
Vision, Core Values and The NEC Way

In April 2008, the NEC Group formulated the NEC Group Vision 2017, which represents what we envision as a company and the society the NEC Group will strive to help realize in 10 years, based on the NEC Group Corporate Philosophy. Separately, to realize the Corporate Philosophy and Vision, we formulated the NEC Group Core Values, which defines important values and principles of behavior that every employee of the NEC Group should share and implement. Additionally, we have organized NEC Group business activities, including the NEC Group Charter of Corporate Behavior and NEC Group Code of Conduct, into a cohesive framework called The NEC Way.

NEC Group Corporate Philosophy, Vision, and Core Values



The NEC Way: Collective Activities of NEC Group Management



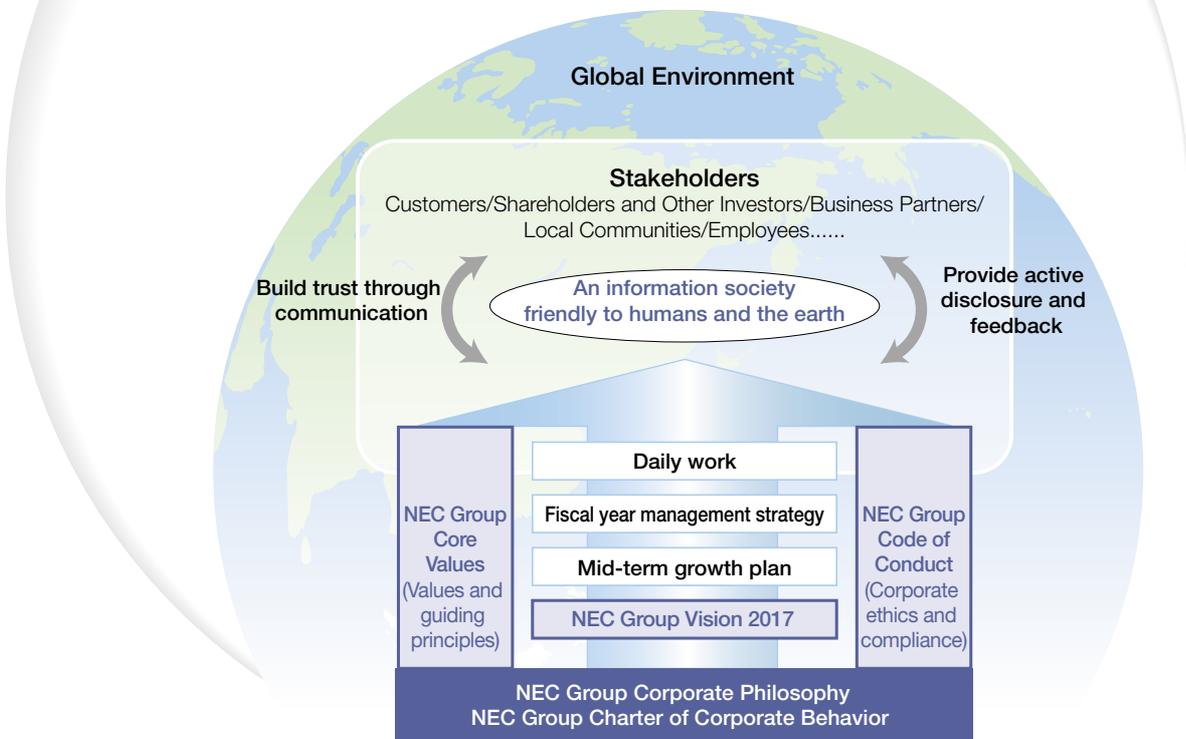
NEC'S CORPORATE SOCIAL RESPONSIBILITY

At NEC, we consider CSR (corporate social responsibility) initiatives to be inseparable from corporate activities. We aim to ensure the sustainable development of society and the NEC Group by implementing The NEC Way, which we formulated in April 2008.

It is crucial that companies recognize that their existence is premised on society, and at the same time is part and parcel of the global environment that is precious to all forms of life on the earth. NEC seeks to realize “an information society that is friendly to humans and the earth,” as set forth in the NEC Group Vision 2017 that was formulated in 2008 based on its Corporate Philosophy. To this end, in the course of daily operations, every employee will rigorously adhere to corporate ethics and compliance standards, practice the NEC Group Core Values, and help solve issues faced by customers and society. Our important social responsibilities also include ensuring full accountability to stakeholders through the active disclosure of information on the results of our CSR initiatives and related issues, and communicating with stakeholders to improve our corporate activities and build trust.

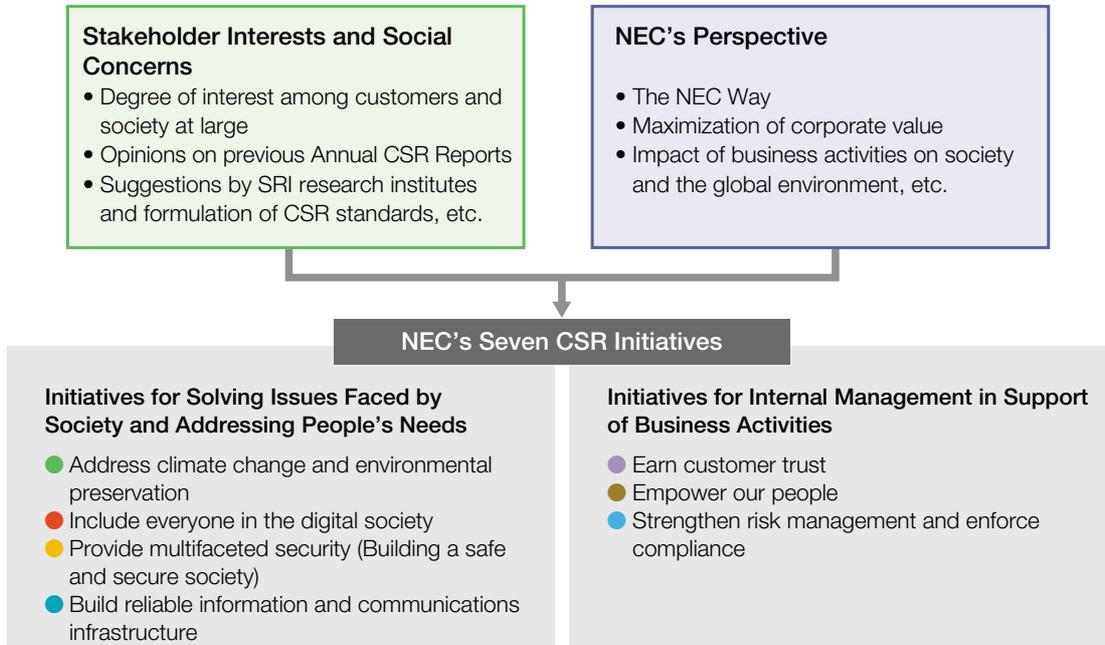
Through this process, we aim to contribute to the sustainable development of customers, society and the NEC Group.

Sustainable Development of Society and the NEC Group Through The NEC Way



NEC's CSR Initiatives and Highlights of Activities

Selecting the CSR Initiatives



Fiscal 2008	<ul style="list-style-type: none"> • Formulation of themes for NEC's Seven CSR Initiatives by CSR Promotion Committee and implementation of specific measures based on the two themes "Address climate change and environmental preservation" and "Include everyone in the digital society" (promotion of universal design) • Launch of REAL IT COOL PROJECT to reduce power consumption of customers' IT platforms
Fiscal 2009	<ul style="list-style-type: none"> • Formulation and sharing of the Vision and Core Values and The NEC Way across entire NEC Group • Theme of "Include everyone in the digital society" established by CSR Promotion Committee; efforts promoted in areas of 'eliminating the digital divide in developing nations via business development' and 'promotion of universal design' <ul style="list-style-type: none"> [Eliminating the regional digital divide] <ul style="list-style-type: none"> - Initiatives started to promote business development and creation in developing nations (including holding CSR-related seminars and provision of information to local overseas subsidiaries on CSR-related business case studies) [Universal design (UD)] <ul style="list-style-type: none"> - Creation of UD promotion framework (including web-based training, development of basic checklists and evaluation support tools) - Launch of FOMA N706ie and docomo STYLE series N-05A easy-to-use mobile phones • The ECO CENTER server won a number of awards for energy saving, including the IT Energy-Saving METI Award at the Green IT Awards 2008 and the Minister's Prize, the Ministry of Environment, in the Eco-Products Category of the 5th Eco-Products Awards. • NEC was ranked the "No. 1 Solution Provider in Customer Satisfaction for System Planning and Construction Service among Large Enterprise Market in a Tie" in a survey conducted by J.D. Power Asia Pacific (see p.11 for details). • NEC was ranked 1st overall in the "Best Companies to Work for 2008" Survey (<i>Nihon Keizai Shimbun</i>). • Incidents of information leakage reduced by half following institution of Group-wide preventive measures • More than 400 BCPs formulated on a cumulative basis, with 18 NEC Group businesses acquiring certification to the BSI standard BS25999-2 • CSR activity status surveys conducted at 57 suppliers (118 on cumulative basis) • The NEC Make-a-Difference Drive (MDD), a program of corporate citizenship activities for local communities in which NEC Group employees participate voluntarily, achieved new records in terms of participating sites (881), number of programs (3,828), cumulative number of participants (174,160) and participation time (153,725 hours).
Fiscal 2010	<ul style="list-style-type: none"> • Promotion of management reforms aimed at realization of the NEC Group Vision 2017 <ul style="list-style-type: none"> - Introduction of new organizational and operational management systems aimed at "One NEC" management - Fundamental review of internal processes aimed at participation in customer-centric business activities by all employees across NEC Group - Reinforcement of Group management - Promotion of information disclosure at Group and global levels • Acceleration of business development aimed at realization of the NEC Group Vision 2017 <ul style="list-style-type: none"> - Promotion of businesses providing a competitive advantage (such as those related to the environment, digital inclusion and universal design)

ADDRESS CLIMATE CHANGE AND ENVIRONMENTAL PRESERVATION

In March 2003, NEC announced the NEC Environmental Management Vision 2010. Under this framework, NEC is implementing environmental management targeting zero net CO₂ emissions by fiscal 2011. In addition to cutting CO₂ emissions generated by production activities, NEC is helping customers reduce emissions by supplying energy-efficient products and IT solutions.

An Eye in Space Watching the Earth Breathing

TANSO: The World's Highest Performance Satellite-mounted Observation Sensor

IBUKI (GOSAT), the world's first manmade greenhouse gas (GHG) observation satellite, was launched from the Tanegashima Space Center on January 23, 2009.

A joint project of the Japan Aerospace Exploration Agency (JAXA), the National Institute for Environmental Studies and the Ministry of the Environment, IBUKI is equipped with a sensor known as TANSO for measuring concentrations of GHGs, which are a cause of global warming.

As an IBUKI project member, NEC was responsible for developing and manufacturing TANSO, one of the world's highest performance sensors. GHG observations have until now only been done from the ground or using aircraft at a limited number of sites worldwide (286 in total as of May 2009) that are distributed unevenly across regions. Through observations from space, IBUKI

will be able to cover the entire earth, providing around 56,000 observation points (roughly 200 times the current number). In addition, by covering each of these points every three days, IBUKI will regularly provide up-to-date data. It will orbit the globe every 100 minutes or so, with TANSO observing areas about 10 km in diameter in fine detail over virtually the entire surface of the world. The margin of error for CO₂ concentrations is expected to be less than 1%, making TANSO one of the world's most accurate satellite-mounted sensors of this kind.

This data will be distributed free of charge to scientists and government institutions worldwide. The information from IBUKI is set to make an international contribution.

Due to the many factors involved, establishing a way of accurately measuring the distribution of GHG concentrations around the world is a major step forward in the prevention of global warming. The IBUKI project has an important mission for the future of the planet.

NEC technology is playing a vital role on manmade satellites high up in space. In providing a practical solution for observing the earth from space, NEC hopes to contribute to the development of a more safe, secure and affluent society.

URL www.nec.co.jp/eco/en/annual2009/hl/01.html

→ Comments from the manager



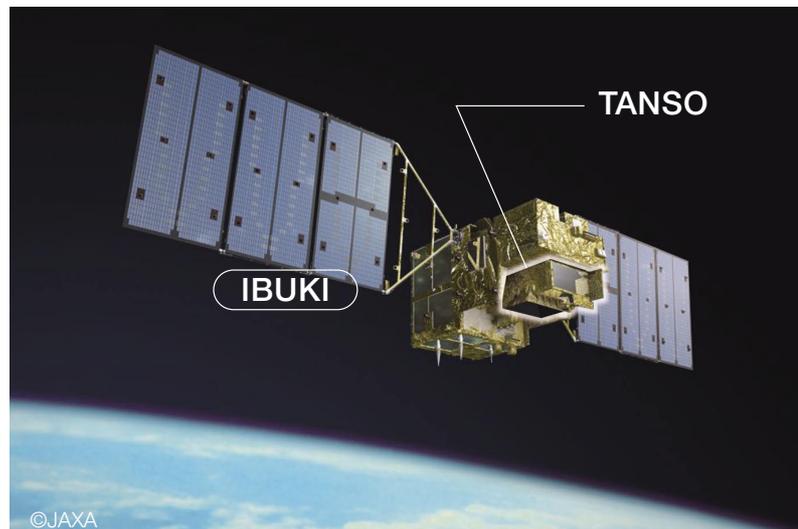
"Our motivation is being able to contribute to humanity."

Yoshihiko Katsuyama
Chief Manager
NEC Toshiba Space Systems, Ltd.

→ Comments from the customer

"IBUKI is a satellite for everyone living 50 or 100 years from now."

Mr. Takashi Hamazaki
GOSAT Project Manager
GOSAT Project Team
Space Applications Mission Directorate
Japan Aerospace Exploration Agency



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REDUCTION IN TOTAL GHG EMISSIONS FROM FISCAL 2006 TO FISCAL 2009:

29%

Turning Datacenters into “Green IT” Solutions Through Energy Cost Optimization

Reducing the power consumption of datacenters, each of which has many servers and data-storage devices installed, has become a major issue. In May 2008, NEC launched the Express5800/ECO CENTER as an energy-efficient server to address this issue. Compared with existing models, the new server uses up to 54% less energy, is 50% more compact and weighs 60% less.

The new server has garnered a number of awards (see right) and is being installed in an increasing number of datacenters, including those of Kyoto University and Hong Kong-based NTT Com Asia Limited.

In a conventional datacenter, the facility is believed to consume as much power as the installed IT equipment. This means that any energy-saving efforts must also target the air-conditioning units and other cooling devices. In November 2007, NEC unveiled the “REAL IT COOL PROJECT,” an initiative aimed at speeding up energy-saving developments for IT platforms. Through this project, NEC aims to actively develop and supply technology and services to reduce and optimize the power consumption of customer IT environments – encompassing not just the equipment, but also energy savings at the operating level and inside corporate machine rooms, datacenters and other IT facilities.



Express5800 ECO CENTER

- 👑 IT Energy-Saving METI Award, Green IT Awards 2008
- 👑 Minister's Prize, the Ministry of Environment, Eco-Products Category, 5th Eco-Products Awards
- 👑 Environment Minister's Commendation, Global Warming Prevention Activities (FY2009)
- 👑 Interop 2008: Best of Show Award, plus Grand Prize in 2 categories (Green IT; PCs, Servers, Storage & Peripheral Devices)
- 👑 51st New Product Awards (2008), *Nikkan Kogyo Shimbun*

In November 2008, the “REAL IT COOL PLAZA” was opened at NEC Headquarters to showcase the ECO CENTER server and electronic facilities services. Visitors can see a demonstration to check the performance of the latest datacenter technology.



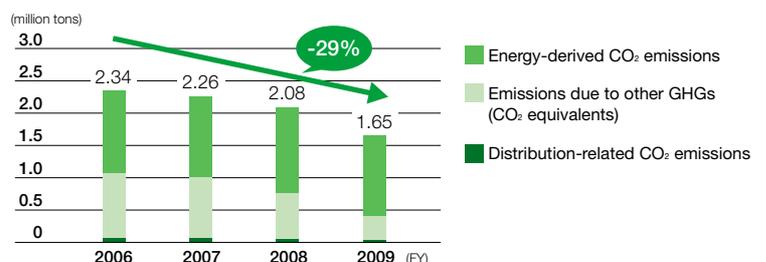
URL www.nec.co.jp/eco/en/annual2009/hl/02.html

Fiscal 2009 Reduction in GHG Emissions (CO₂ Equivalents)

In fiscal 2009, NEC reduced annual energy-derived CO₂ emissions by roughly 100,000 tons mainly through production innovation activities designed to enhance productivity and planned introductions of energy-efficient equipment. NEC also achieved emissions reductions of around 330,000 tons (CO₂ equivalents) of greenhouse gases other than CO₂ by replacing PFCs, HFCs and other substances, and by introducing neutralization equipment.

As a result, in fiscal 2009, NEC reduced overall GHG emissions by roughly 430,000 tons compared with fiscal 2008.

CO₂ and Other GHG* Emissions From NEC Group Production Activities



INCLUDE EVERYONE IN THE DIGITAL SOCIETY

NEC introduced Thailand's first WiMAX* system for hospitals, supporting the realization of telehealth services through wireless broadband communications. Meanwhile, as one of Japan's leading mobile handset manufacturers, NEC is focusing on universal design (UD) from a user-centered perspective.

* WiMAX ("Worldwide Interoperability for Microwave Access") is a technology that enables wireless broadband communications based on the global IEEE 802.16 standard. The WiMAX Forum has worked to certify full interoperability across manufacturers and systems.

Supporting Telehealth Services WiMAX System for Hospitals

The Crown Prince Hospital Foundation is a charitable foundation that operates more than 20 hospitals in regional areas of Thailand with underdeveloped medical infrastructure. As part of these operations, the Foundation has begun offering telehealth services using wireless broadband communications. NEC installed a WiMAX system at the Crown Prince Hospital in Chiang Khong, a town located in northern

Thailand close to the border with Laos. Through this project, NEC played an important role as a systems integrator.

Multiple Primary Care Units (PCUs) are dotted around the hospital. Previously, nurses attended to the patients at each PCU. If a diagnosis by a doctor was required, the patient would need to go to the hospital, imposing a considerable burden on patients. The new system, installed in December 2008, uses a WiMAX network to provide wireless broadband communications to locations within a five-kilometer radius from the hospital, which currently includes three PCUs. This enables the provision of telehealth services via TV phones and video links. People can now receive high-quality medical examinations at a nearby PCU without visiting the hospital.

The hospital manager applauded NEC not only for solving technical issues, but also for working tirelessly to address system management issues. Based on the achievements of this project, NEC plans to continue efforts to contribute to broader penetration of telehealth services based on the use of WiMAX systems.

→ Comments from the manager



"This project showed us that we can contribute to society with cutting-edge technology."

Dr. Pairoj Termsinsuwan (Ph.D. in Information Sciences)
Executive Expert
Head of Mobile Communications & NGN Group
Carrier Division, NEC Corporation (Thailand) Ltd.

→ Comments from the customer

"We now have a system that the medical staff can use reliably."



Dr. Sompras Manjit
Director
The Crown Prince Hospital,
Chiang Khong

URL www.nec.co.jp/csr/en/report2009/contribution/con01.html



- 1 The patient at the PCU is visible on the WiMAX system screen
- 2 Telehealth consultation

ONE OF THE LONGEST CONTINUOUS STANDBY PERIODS FOR THE FOMA® SERIES

Around 700 Hours*

* Standby period with the continuous back side LCD reading turned off. This reading is turned on when handsets are purchased by customers. The standby period with the back side LCD reading turned on is around 520 hours.

Promotion of Universal Design in Mobile Phones

The FOMA N706ie and docomo STYLE series N-05A Anyone Can Use With Ease

Today, mobile phones provide not only voice communication, but also e-mail and Internet connectivity. They have also acquired camera, music player and electronic wallet functions. Recently, 1seg (terrestrial digital TV broadcasting services) functionality has also been added to mobile handset models. Providing a multitude of functions and services, mobile phones have become a truly indispensable part of modern life. To ensure that everybody can benefit from mobile phones, NEC is promoting universal design (UD) from a user-centered design perspective. This approach has given rise to the NTT DOCOMO

FOMA N706ie and docomo STYLE series N-05A.

The defining features of these models are that they are “easy to use,” “easy to watch,” “easy to hear,” and “enjoyable to use.” For example, from searching for a phone number or exchanging e-mails to online browsing or watching 1seg broadcasts, everything on the handset display is large and easy to read. It is easy to use, with expandable text for every menu layer and menu items are arranged to fit on the screen so users do not need to scroll up or down. It is also easy to hear voice communications even in noisy environments such as train station platforms. The handset also features useful health management functions that are easy to enjoy and it has specifications that allow users to continue using the handset reliably for a long time. For example, we achieved one of the longest continuous standby periods for the FOMA series.



The docomo STYLE series N-05A handset can be used reliably for extended periods

In addition, people are using mobile phones in an increasingly diverse range of settings. In response, NEC has developed the docomo PRIME series N-01A and N-06A handsets, which employ a design that adapts to three different usage styles. In this manner, NEC is proposing entirely new kinds of mobile handsets.

NEC will continue to further refine its approach to universal design so that all people can benefit equally from the digitalization of society.

→ Comments from the manager

“We aim to help people who want to more fully enjoy and more skillfully use their mobile phones.”



Yumi Kato
Mobile Terminals Division, NEC Corporation

- 3 The Crown Prince Hospital, Chiang Khong, operated by the Crown Prince Hospital Foundation
- 4 Telehealth consultations at The Crown Prince Hospital, Chiang Khong
- 5 The docomo PRIME series N-06A handset realizes three different usage styles

URL www.nec.co.jp/csr/en/report2009/contribution/con02.html

• FOMA is a registered trademark of NTT DOCOMO, INC.



PROVIDE MULTIFACETED SECURITY (BUILDING A SAFE AND SECURE SOCIETY)

NEC is helping to address issues facing various fields with food traceability systems, wireless network-based hospital solutions and other systems that take advantage of Radio Frequency Identification (RFID) sensors.

Carefully Safeguarding Product Freshness During Transit

Solutions Harnessing RFID Sensors

Through its slogan "IT in working boots," Sendai Suisan Co., Ltd. is widely known as an innovative distribution company at the vanguard of the fresh seafood wholesale sector. The utmost care is necessary to manage the in-process "logistical quality," or the freshness of seafood, the company's core product, throughout the distribution process, because any increase in temperature, change in humidity or external shock during transit could have a major impact on quality. NEC already had experience in the development of traceability systems for the distribution sector using RFID sensors, which are key devices in the ubiquitous networking era, and had accumulated a range of expertise in

operating such systems. Therefore, in November 2008, NEC and Sendai Suisan began testing the operation of what would become the seafood wholesale industry's first traceability system.

The system involves fitting specially designed packing boxes for carrying the merchandise with RFID tags with sensors capable of simultaneously measuring and storing readings of three different parameters: temperature, humidity and external shocks. This makes it possible to monitor and record product quality in transit. Operators use RFID readers/writers directly connected to a mobile handset to read the information on the RFID tags. The system allows workers to instantly check quality records stored on RFID tags at distribution sites. By routing the information over the Internet, the system also enables monitoring by managers at distant locations.

The new system has enabled Sendai Suisan to bolster freshness controls across its large supply chain. By raising operating efficiency, the system is also expected to lead to improvements in working conditions. RFID tags can also fulfill another role as electronic slips (delivery slips). Besides helping to conserve resources through paperless operations, the system also reduces complex clerical processes by eliminating cumbersome traditional data re-entry processes, for example.

→ Comments from the manager



"Innovation will help to re-energize Japan's primary-sector industries."

Atsushi Ogasawara
Assistant Manager
Sales Promotion Division, NEC Corporation

→ Comments from the customer

"This project has taken 'IT in working boots' one step further."

Mr. Hiroshi Sato
Executive Officer
Deputy General Manager, Management Division
General Manager, Information Systems Department
Sendai Suisan Co., Ltd.



- ① Distribution and traceability systems can also improve working conditions
- ② RFID sensor-based traceability system for fresh seafood distribution developed for Sendai Suisan
- ③ Reading product quality data in transit from RFID tags with sensors that are embedded in specially designed packing boxes



24 Hours

Another goal is to link the system with a common Business Message Standard (BMS).

Through this kind of innovation built around advanced IT, NEC will work hard to enhance

food safety and reliability as a matter of course, while crafting solutions for realizing NEC's vision of "an information society friendly to humans and the earth."

Enhancing Frontline Medical Safety and Reliability

Integrated Wireless LAN and Wi-Fi Tag Solution

U.S. healthcare regulators have established stringent standards for temperature monitoring of refrigerated and frozen hospital materials, such as pharmaceuticals and blood. NEC and NEC Unified Solutions, Inc., crafted a high-precision temperature monitoring system by integrating an RFID solution into the existing wireless IP network of St. Joseph's Hospital Health Center. Furthermore, the collected temperature readings can be checked and viewed 24-hours a day in real time using Web browsers. And if the temperature exceeds or falls below a set threshold, an alarm is triggered. These features help to enhance safety at the medical frontlines.



→ Comments from the customer

"We are committed to using even more sophisticated systems that help us to ensure safe and reliable medical care for everyone."

Mr. Chuck Fennell
Chief Information Officer (CIO)
St. Joseph's Hospital
Health Center



URL www.nec.co.jp/csr/en/report2009/contribution/con03.html



BUILD RELIABLE INFORMATION AND COMMUNICATIONS INFRASTRUCTURE

In its role as a total broadcasting solutions provider, NEC is supporting Morocco's complete shift from analog broadcasting to digital terrestrial broadcasting. In the process, NEC is helping to eliminate regional disparities in information access through the development of universal public broadcasting services.

Offering a Broad Range of Support From Cultural to Educational Broadcasting

Terrestrial Digital Broadcasting System

Société Nationale de Radiodiffusion et de Télévision (SNRT), Morocco's sole public broadcaster, provides programs that help in many different ways to preserve Morocco's unique cultural heritage, as well as facilitate the nation's socio-economic development, and improve medical care and public health systems, and education. At the same time, SNRT plays a crucial role in disseminating information through news programs, and eliminating regional disparities in information access.

In its role as a total broadcasting solutions provider, NEC has developed and supplied products for many different terrestrial digital broadcasting standards to an extensive range of broadcasters globally.

SNRT is a key user of many NEC digital TV transmitters. Using digital multi-channel technology to simultaneously broadcast multiple programs over a single spectrum, SNRT digitally broadcasts six channels, including a general public broadcasting channel, as well as sports, education, religion and film channels. Additionally, SNRT has begun offering Mobile TV Services via the DVB-H standard in certain cities. These services allow viewers to watch terrestrial digital broadcasting programs on their mobile phones. Terrestrial digital broadcasting already reaches 75% of the country's population. Plans call for ending analog TV broadcasting and going

fully digital by 2015. At that time, Morocco will have successfully deployed universal broadcasting services in which all channels and content can be viewed in every part of the country.

Going forward, NEC also remains committed to playing an active part in building highly reliable information and communications infrastructure in other African nations that put a premium on universal broadcasting services.

URL www.nec.co.jp/csr/en/report2009/contribution/con04.html

→ Comments from a project partner



"I'm deeply impressed by NEC's technologies and reliability."

Mr. Abderrahmane El Abidi, CEO
INTRATEL s.a.r.l.

→ Comments from the customer



"The complete shift to terrestrial digital broadcasting is not an end in itself, but only a beginning."

Mr. Lazrag Mohamed,
Directeur Général de la Télédiffusion
Société Nationale de Radiodiffusion
et de Télévision (SNRT)

Moroccan townscape and NEC digital TV transmitters delivered to SNRT



CUMULATIVE SHIPMENTS OF
TERRESTRIAL DIGITAL TV
BROADCASTING TRANSMITTERS

1,100 units

EARN CUSTOMER TRUST

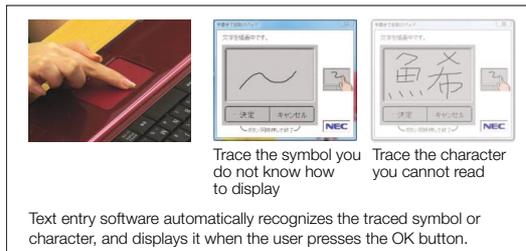
NEC strives to be trusted and chosen by customers by offering products and services they value and thereby creating customer satisfaction under the corporate motto of "Better Products, Better Services," in the NEC Group Core Values. In addition, from citizens' viewpoints, we work with customers to solve social and environmental issues.

Making Improvements by Listening to Customer Feedback

Customer feedback, which reflects many different customer expectations, is the starting point for customer satisfaction (CS) improvement activities. In fiscal 2009, in case of PCs and mobile handsets in Japan NEC focused on developing easier-to-use products. Overseas, we promoted CS improvement activities centered on Asia. In this section, we highlight some examples of these activities both in Japan and abroad.

● Making PCs Easier to Use

Regarding PCs, through customer contact points, many of our customers had provided us with feedback about the difficulty of entering into PCs *Kanji* (Chinese characters used in Japanese writing) and symbols that they do not know how to read. In response, we developed a tracing pad to solve this problem. With this feature, users can use their fingertips to trace symbols or *Kanji* on a touchpad, and the possible text candidate will appear on the screen. Users can now easily input *Kanji* and other symbols that are difficult to read.



● Customer Service Improvement in Thailand

NEC Corporation (Thailand) Ltd. provides products such as private branch exchanges (PBX), servers, and displays. As part of CS improvement activities, efforts have been made to improve the quality of customer service, primarily for the Call Center.



One of the most important things customers expect from the Call Center is fast and accurate service. To this end, the company strives to raise the percentage of problems solved on the first call, and reduce call waiting times by enhancing the information conveyed to the representatives. This entails maintaining close collaboration between the Call Center and sales and other divisions at all times. Thanks to these efforts, the percentage of problems solved on the first call was improved to 80% and the average call waiting time was reduced to 3 seconds. Also, customer complaints and requests are registered in the Customer Relationship Management (CRM) System, and provided as feedback to the service division where they are used to make improvements.

Taking a Rigorously Customer-Centered Approach—Bolstering the "One NEC" Framework

In order to increase the time that we spend with customers, we decided to drastically overhaul our internal processes to form the customer-based "One NEC" framework in April 2009; this framework is designed to foster a sense of unity within the NEC Group. Our approach to the framework is to conduct business activities based on full participation by NEC Group employees, positioning the customer as the starting point for every activity. Going forward, NEC will continue to create customer satisfaction as it provides products and services that are useful to society.

URL www.nec.co.jp/csr/en/report2009/cs/cs/index.html

J.D. POWER ASIA PACIFIC CUSTOMER SATISFACTION SURVEY

No. 1

NEC was ranked the "No. 1 System Planning and Construction Service in Customer Satisfaction among Large Enterprise Market in a Tie."

Disclaimer: J.D. Power Asia Pacific 2008 Japan Solution Provider Satisfaction StudySM. Study based on a total of 840 responses from 500 companies with 1,000 or more employees (up to two responses per company). www.jdpower.co.jp

EMPOWER OUR PEOPLE

Employees will play a crucial role in realizing the NEC Group Vision 2017. To this end, NEC is working hard in many ways to empower all employees. Measures include creating supportive and productive workplaces, offering human resources development programs and ensuring occupational health and safety.

“We aim to develop win-win relationships between NEC and employees.”

Tomoyuki Ueno
Assistant Manager of
Human Resources
Development Division
NEC Corporation



NEC Corporation has long worked to support a healthy balance between employees' careers and household commitments. For example, we introduced childraising leave and reduced working hours programs before legislation to support such programs was introduced in 1992. Recently, employees have said they would like to see the company help them to secure more time for work. Based on this feedback, we launched a program to provide financial support for grandparents' moving expenses and other expenses involved in sharing childcare responsibilities. This is one example of how we have incorporated employees' wishes into company policies.

NEC will continue to strive for a win-win relationship between the company and its employees, and explore various ways in which we can provide the support needed by those employees who are balancing work with childraising.

URL www.nec.co.jp/csr/en/report2009/employee/index.html
www.nec.co.jp/csr/en/report2009/employee/emp02_2.html
www.nec.co.jp/csr/en/report2009/employee/emp03_1.html

Education & Training Center Opens at NEC China

The newly established Education & Training Center at NEC (China) Co., Ltd. allows NEC to conduct group training and e-training courses in China using an NEC real-time interactive teaching system called “i-Collabo.Live.”

The group training course based in Beijing involves connecting to distance learning classrooms in Shanghai, Dalian, Hangzhou, Xian and Jinan via the Internet.

In fiscal 2009, a total of 34 different courses were offered to more than 3,000 participating employees. Going forward, NEC plans to enhance the content of training so as to develop more personnel who can perform sophisticated operations such as design and systems testing.

NEC Family Day

NEC Family Day was held to give NEC Group employees and their families an opportunity to think about health, as well as to open up NEC facilities and give both employees and their families a chance to learn more about NEC. NEC Family Day was held in 3 locations in Japan: NEC Headquarters Building, NEC Tamagawa Plant, and the NEC Kansai Building. Around 5,200 people attended. The “Awareness and Exercise” area featured a parent-child exercise workshop and health measurement stations. In the “Eating and Health” area, participants heard a lecture about nutrition and were given healthy menus, while in the “Learn About NEC” area, staff members explained the NEC Group’s businesses and participants were able to view NEC product demonstrations.

“BEST COMPANIES TO WORK FOR”

No. 1

NEC was ranked No.1 in the overall category of the “Best Companies to Work For 2008” Survey (*Nihon Keizai Shimbun*).

- ① Education & Training Center at NEC (China) Co., Ltd.
- ② Health measurements were taken at NEC Family Day



STRENGTHEN RISK MANAGEMENT AND ENFORCE COMPLIANCE

In accordance with the Company Law of Japan, NEC Corporation has stipulated its Basic Policy on Internal Control Systems and is working to strengthen risk management and compliance activities. In this section, we highlight the particularly important areas of information security, business continuity and partnership with suppliers.

Information Leakage Incidents Reduced by Half

The NEC Group reduced the number of information leakage incidents by half from the previous fiscal year, as a result of reinforcing information-leakage countermeasures. These countermeasures included the installation of the new InfoCage Series—a system designed to prevent the leakage of crucial customer/personal information—for approximately 140,000 computers connected to the NEC intranet, providing enhanced computer security and automatic encryption of electronic files. NEC is also preparing to install such systems at its suppliers, who are partners in NEC's businesses, in fiscal 2010 on a full scale.

URL www.nec.co.jp/csr/en/report2009/security/sec01.html

More Than 400 Business Continuity Plans Formulated

A business continuity plan (BCP) is a plan that specifies how an enterprise will keep critical functions operating if business resources suffer damage due to natural disaster or other occurrences, or else restore such functions swiftly if disrupted. By the end of fiscal 2009, the number of BCPs formulated since fiscal 2008 had reached more than 400 on a cumulative basis. In fiscal 2009, internal BCP formulation guidelines for NEC were formulated and communicated to the relevant people. NEC conducted three group training drills assuming earthquakes of seismic intensity 6 on the Japanese Meteorological Agency (JMA) intensity scale for roughly 2,400 participating employees.

PERCENTAGE OF PCS CONNECTED TO THE NEC INTRANET WITH INFORMATION-LEAKAGE PREVENTION SYSTEMS INSTALLED

100%

The NEC Group underwent testing for the BSI standard BS25999-2. In February 2009, 18 NEC Group businesses that formulated BCPs at an early stage obtained certification.

In regard to the threat of new strains of influenza, the NEC Group has formulated a basic group-wide policy and conducted preliminary surveys of operations crucial to maintaining critical social functions. NEC took countermeasures against the new influenza strain (swine flu) first identified in April 2009. At the same time, NEC formulated a BCP for the possible outbreak of a highly pathogenic new influenza strain.

URL www.nec.co.jp/csr/en/report2009/continued/index.html

Supporting Risk Management at Suppliers

From fiscal 2007, NEC has surveyed the status of CSR-related activities at suppliers (quality/safety, environment, information security, fair trading-related issues, OH&S, human rights). The survey uses the Supply-Chain CSR Check Sheet based on the Supply-Chain CSR Deployment Guidebook published by the Japan Electronics and Information Technology Industries Association. In fiscal 2009, we requested 57 suppliers in Japan and overseas to complete the survey, and issued feedback reports showing strengths, weaknesses and points for improvement to all 118 suppliers surveyed so far. The aim is to provide information useful to future activities. Furthermore, we prepared and distributed human rights training materials to all past survey respondents in Japan as a means of supporting their human rights awareness-building activities, an area where greater efforts would be desirable going forward.

URL www.nec.co.jp/csr/en/report2009/supplier/index.html

- 1 Training session conducted on May 21, 2008
- 2 Certificate of Registration for the BS25999-2 standard concerning business continuity



CSR PROMOTION ACTIVITIES: PERFORMANCE AND OBJECTIVES

The table below provides an overview of the status of NEC's CSR promotion activities, including fiscal 2009 objectives and achievements, and the degree of completion, and objectives for the medium term ↗

Key Points	Fiscal 2009 Activities and Objectives	Fiscal 2009 Activities and Results
Business continuity	<ul style="list-style-type: none"> Complete BCPs for businesses that have yet to be undertaken; implement training programs for formulated BCPs and institute BCM 	<ul style="list-style-type: none"> Activities expanded across NEC Group in Japan and BCPs formulated for virtually all business divisions (around 120 BCPs formulated in H1 and 220 in H2; including fiscal 2008, a total of more than 400 BCPs have been formulated on a cumulative basis). Training drills for formulated BCPs and BCM activities implemented; obtained BS25999-2 certification
Information security	<ul style="list-style-type: none"> Successfully install within the NEC Group and at its suppliers an enhanced version of the new InfoCage Series of information-leakage prevention systems and thin client terminals Increase the number of overseas subsidiaries that use the information security infrastructure that allow personal authentication-based information access control 	<ul style="list-style-type: none"> Finished installation of the enhanced version of new InfoCage Series in approx. 140,000 computers connected to the NEC intranet, thereby achieving PC security and auto-encryption of electronic files. Work is underway to expand the system to suppliers, with full-scale installation scheduled for fiscal 2010; installed 12,000 thin client terminals within NEC Group. Finished installing ID management and authentication platform at 13 subsidiaries in China and the NEC management subsidiary for the North American region
Supply chain-related developments	<ul style="list-style-type: none"> Develop CSR improvement and support structures for major suppliers 	<ul style="list-style-type: none"> We obtained completed surveys using the Supply-Chain CSR Check Sheet from 57 suppliers around the world, and issued feedback reports to every respondent. We also comprehensively analyzed the survey data. In addition, we provided human rights training materials to respondents as a means of supporting their human rights awareness-building activities.
CSR-driven core business activities to create social value	<ul style="list-style-type: none"> Construct framework to promote environmental and universal design (UD) aspects as critical elements of competitiveness Promote greater awareness of CSR-driven core business activities (that can help solve social issues) among senior managers of NEC business divisions Promote greater awareness among employees on an ongoing basis 	<ul style="list-style-type: none"> Developed internal systems that promote the environment as a critical element of competitiveness (launch internal projects, etc.); established UD promotion frameworks (Web-based training, check sheets, evaluation support tools, etc.) Held seminars on CSR business cases for senior managers (August and November 2008) Held "CSR through core businesses" seminar for managers (March 2009)
For customers	<ul style="list-style-type: none"> Dissatisfaction ratio from customer satisfaction (CS) surveys of corporate and public-sector clients Fiscal 2008: 2.2% → Fiscal 2009: 2.0% NEC will promote CS improvement activities at overseas consolidated subsidiaries. 	<ul style="list-style-type: none"> Based on a dissatisfaction ratio of overall sales activities of 2.6% (up 0.4 point year on year), we worked to make improvements mainly by keeping close dialogue with customers and providing rigorous training in proposal-based sales capabilities. • We newly appointed Quality Promoters at 9 overseas subsidiaries. Each local subsidiary, including those in Taiwan, Singapore and Thailand, is making improvements. (The overall satisfaction score at NEC Taiwan improved from 845 points in fiscal 2008 to 894 points in fiscal 2009.)
	<ul style="list-style-type: none"> Conduct UD-related e-learning for all NEC Corporation employees and develop training systems, including workshops and seminars Survey application status of UD and strengthen UD promotion framework Develop proprietary guidelines to reinforce usability 	<ul style="list-style-type: none"> More than 28,000 employees participated in e-learning; Created three training courses on UD and user-centered design; held 12 seminars and workshops Executed four UD process development projects to improve development process and promoted the development of products incorporating UD principles; built a framework for advancing UD and user-centered design We created a "UD Basic Checklist," a list of the basic aspects of UD that should be taken into consideration during the planning and development of various products and services. After making this checklist, it was internally disclosed to employees. We also developed UD evaluation support tools and internally disclosed these tools to employees.
For shareholders and other investors	<ul style="list-style-type: none"> Proactively provide information about growth strategies to shareholders and other investors 	<ul style="list-style-type: none"> Amid the global economic downturn, NEC was unable to deliver a convincing message on future growth strategies to shareholders and other investors. However, NEC held various briefings, including presentations by the president, to foster a full understanding of NEC's businesses and strategies.
For communities	<ul style="list-style-type: none"> Implement improvements (especially IT-based improvements) for at least one program in each of the areas identified in the medium-term objectives Commence at least two new programs as fresh initiatives MDD2008: Achieve gains over MDD2007 in terms of numbers of participating sites, programs, participants and total hours of participation. Gain fresh participation by at least two domestic and two overseas NEC Group sites 	<ul style="list-style-type: none"> Improved six programs, including incorporating email-based marketing of Big Issue into NEC IT CONNECTION • Commenced five programs, including the NEC IT Communication Support Course for People With Severe Disabilities • MDD2008: Participating sites: 881 (+239); number of programs: 3,828 (+756); cumulative number of participants: 174,160 (+80,789); participation time: 153,725 hours (+52,620 hours); number of newly participating sites: 10
For employees	<ul style="list-style-type: none"> Introduce a re-employment system for people who have left NEC Corporation for reasons such as childcare and nursing care Revise systems at NEC Corporation aimed at encouraging male employees to take leave or shorter working hours for childcare Extend human rights awareness training to NEC Group companies in Japan Reinforce the provision of information to students with disabilities to promote employment of people with disabilities at NEC Corporation 	<ul style="list-style-type: none"> Introduced a system to re-employ people who have left the Company for reasons such as spouse relocation, childcare and nursing care, provided certain requirements are met Eliminated eligibility requirements for childcare reduced working hours system and childcare leave system. (Enabled employees to utilize these systems even if they have a spouse or parents who are able to devote themselves to childcare) • Extended web-based human rights training at NEC Corporation to NEC Group companies in Japan • Provided more information via job-search magazines and websites; held NEC Group job fairs for people with disabilities in Japan
	<ul style="list-style-type: none"> Expand and upgrade rank-based training Expand and upgrade HR development programs for advanced experts Step up training of software development personnel in China Establish a strong base of human resource development activities 	<ul style="list-style-type: none"> "One NEC Program" of common training for NEC Group recruits; training reinforced for instructors of the recruits • Expanded menu of courses available through the newly established "Service Academy" and "Service High School" that are aimed at expanding service business; created new training structure for young hardware engineers • Education & Training Center established in China; full-scale training activities commenced (fiscal 2009: 34 different courses were offered, providing education to more than 3,000 employees) • Began full-scale global deployment of the Vision and Core Values training using e-learning platform LearningDoor (about 70,000 people trained)
	<ul style="list-style-type: none"> OH&S activities: Establishment of a daily activities inspection system in workplaces and rigorous cross-checking. Implement cross-checking between NEC Group companies in Japan • Mental healthcare: Review the content of web-based education and continue to conduct education for all employees of NEC Corporation • Prevention of health impairment: Introduce at Group companies in Japan with 1,000 or more employees a framework for preventing health impairment involving countermeasures to the risk of cerebrovascular and heart disease and to long working hours • NEC Health Innovation21: Implement activities for the purpose of raising awareness of health promotion 	<ul style="list-style-type: none"> Concerning cross-checking among NEC Group companies, put in place systems for sharing company information, etc. • Continued offering mental healthcare awareness training to all employees in fiscal 2009 (93% completion), adding hands-on instruction, such as a case study seminar covering typical situations (manager course) and a program on stress relief methods (stretch techniques) • Introduced framework for preventing health impairment at 20 Group companies in Japan by the end of fiscal 2009, centered on companies with 1,000 or more employees • Activities were focused on the three main themes of diet, exercise and smoking cessation. Concerning health mileage activities, preparations for implementation from fiscal 2010 were made.
For the environment	<ul style="list-style-type: none"> Reduce the CO₂ emissions (power consumption by products during use converted into CO₂) of products (performance basis) by 30% compared with fiscal 2006 • Develop three top-class environmentally friendly products Reduce total GHG emissions (in absolute terms) by 9% compared with fiscal 2006 	<ul style="list-style-type: none"> Reduced by 45% Developed three products Reduced by 29%
Promote information disclosure centered on the CSR Report and reflect stakeholder views in daily business activities	<ul style="list-style-type: none"> Formulate CSR-related information disclosure guidelines for the NEC Group and disseminate within the Group Promote NEC Group's CSR-related activities and information disclosure on consolidated basis Establish an effective process for responding to society-derived requests and promote related internal improvements 	<ul style="list-style-type: none"> In several fields, such as the environment, social contribution activities, and employee initiatives, NEC made progress with extending activities to the rest of the NEC Group and disclosing information based on disclosure policy in each field. • NEC improved the disclosure of information by providing feedback on SRI evaluations to related divisions. NEC remained a component of DJSI, FTSE4Good and other indexes. Ratings by Innovest Strategic Value Advisors improved from BBB to A, while those of oekom research AG improved from C+ to B-. • Development of a multi-faceted process for responding to society-derived requests (including the Independent Review of NEC Annual CSR Report, SRI/media-related evaluations, and feedback received by customer contact centers)

(fiscal 2008 to fiscal 2010) and fiscal 2010 objectives. Disclosing progress helps to raise transparency for all stakeholders and also provides a useful internal tool for self-checking and improvement at NEC.

(Degree of completion: ◎ achieved ○ mostly achieved △ some progress × no progress)

Degree of Completion	Medium-Term Objectives (Fiscal 2008 to Fiscal 2010)	Fiscal 2010 Activities and Objectives
◎	<ul style="list-style-type: none"> Complete BCPs for almost all NEC Group companies in Japan; institute BCM 	<ul style="list-style-type: none"> Formulate BCP for new strains of influenza (Japan and overseas) Institute a range of BCM activities, including training drills and reviews
◎	<ul style="list-style-type: none"> Implement comprehensive information security measures covering policies and rules, management systems and training, and information systems. Based on these measures, protect customer information, personal information, and trade secrets and supply safer and more reliable products and services to customers as a product, service and solutions provider 	<ul style="list-style-type: none"> At contractors: enhance the confidential information management process at contractors and contracting divisions at NEC, enhance contract management and management of re-commissioning and ensure execution of security countermeasures; inspect the status of the execution of countermeasures, and build a system for continual improvement using the PDCA cycle At overseas subsidiaries: carry out information leakage countermeasures, inspections and audits, incident reports, and information security training programs that have already been implemented in Japan
◎	<ul style="list-style-type: none"> Promote thorough compliance and risk management at suppliers 	<ul style="list-style-type: none"> Support CSR enhancement measures at key suppliers through surveys using the Supply-Chain CSR Check Sheet, the issuance of feedback reports and the provision of training materials
◎	<ul style="list-style-type: none"> Incorporate CSR-related elements (environmental protection and UD, etc.) into business processes (including definition of standards and incorporation into medium-term business planning) 	<ul style="list-style-type: none"> Develop examples of business projects that contribute to digital inclusion (regional and UD) and promote greater awareness among employees Communicate and entrench our approach to "achieving the sustainable development of society and the NEC Group through the implementation of The NEC Way" across the entire NEC Group
△	<ul style="list-style-type: none"> NEC gives top priority to providing products that can be used by customers with peace of mind. We therefore strive to improve the quality of employees, products and services, and business processes from the consumer's point of view, with the aim of becoming the industry No. 1 in CS. 	<ul style="list-style-type: none"> Establish a customer-based corporate culture: Build the "One NEC" framework so that all Group activities are based on customers' needs, work to foster a customer-oriented mindset among employees, etc. Steady execution of improvement initiatives based on CS surveys and opinions received from consumers: Enhance ability to address problems, strengthen sales capabilities, improve product usability, etc.
◎	<ul style="list-style-type: none"> Conduct initiatives in all business processes to deepen awareness of UD Expand product development that incorporates a UD viewpoint Reinforce accessibility and usability Enhance communication regarding NEC's UD initiatives 	<ul style="list-style-type: none"> Bring e-learning to Group companies; Establish UD and user-centered design training system and implement training regularly Plan and carry out UD development projects and promote the development of UD products and services. Also, create opportunities to share UD development know-how with the entire NEC Group Revise the UD evaluation support tools in conjunction with JIS revisions, and enhance the range of UD tools Enhance the information presented about UD on the Website by creating a user-centered design page, adding examples of UD products
△	<ul style="list-style-type: none"> Further enhance communication with shareholders and other investors 	<ul style="list-style-type: none"> Enhance IR activities led by management; bolster communication with shareholders and other investors by highlighting concrete measures related to Group-wide restructuring, earnings structure reforms and other themes
◎	<ul style="list-style-type: none"> Proactively contribute to resolving social issues based on the themes of: "Creating an information society friendly to everyone," "Protecting the environment and preventing global warming," "Developing talented personnel who work to solve social issues" and "Creating a highly diverse society in which all people can participate" 	<ul style="list-style-type: none"> Implement improvements (especially IT-based improvements) for at least one program in each of the areas identified in the medium-term objectives (at least four programs in total) Commence at least two new programs as fresh initiatives MDD2009: Achieve gains over MDD2008 in terms of numbers of participating sites, programs, participants and total hours of participation; gain fresh participation by at least two domestic and two overseas NEC Group sites (four new sites in total)
◎	<ul style="list-style-type: none"> Promote work-life balance (e.g., implement the Action Plan to Help Nurture the Next Generation) Employ people with disabilities and further promote human rights awareness training 	<ul style="list-style-type: none"> Reduce long overtime hours and bolster workplace management Follow-up on how persons with disabilities are settling into the workplace
◎	<ul style="list-style-type: none"> Company-wide measures to expand business and achieve further growth: 1) Cultivate leadership, 2) Cultivate advanced experts, 3) Cultivate employees for global operations, and 4) Establish a strong base of human resource development activities. In conjunction with its company-wide measures, NEC Corporation will be developing human resource programs customized for the special business features of each business unit and common programs for all occupations. In line with these measures, NEC will continue developing policies based on the "One NEC" concept to promote sharing of the Vision and Core Values 	<ul style="list-style-type: none"> Promote overall optimization of training activities Invest in growth strategies <ul style="list-style-type: none"> Cultivation of employees for global operations: create basic training course for key global personnel and continue GTI training program Cultivation of key service business personnel: strengthen plans to develop NCP professional personnel, commence "Service High School" Continue promoting The NEC Way: conduct training for newly appointed general managers, and revise training for newly appointed management personnel
◎	<ul style="list-style-type: none"> OH&S: Establish an OH&S management system at each worksite to bolster the OH&S system Health management: Not only to provide health care for high risk employees, but also to prevent healthy employees from becoming unhealthy by strengthening measures to promote improved mental and physical health 	<ul style="list-style-type: none"> OH&S: As the basis for legal compliance, establish a daily inspection function in workplaces and further reinforce management systems for auditing, monitoring, etc. Health Management: Follow-up on the results of Specified Health Examinations and Specified Health Guidance, and NEC Health Innovation21 activities, and make improvements
◎	<ul style="list-style-type: none"> Reduce the CO₂ emissions of products (performance basis) by 60% in fiscal 2011, compared with fiscal 2006 Aim for every business unit to develop at least one top-class environmentally friendly product in fiscal 2011 Reduce total GHG emissions (in absolute terms) by 30% in fiscal 2011, compared with fiscal 2006 	<ul style="list-style-type: none"> Reduce by 50% Develop four products Reduce by 20%
△	<ul style="list-style-type: none"> Disclose CSR-related information on a consolidated basis Establish improvement cycles for CSR-related initiatives derived from stakeholder opinions or other society-derived requests 	<ul style="list-style-type: none"> Promote the formulation of CSR approach and NEC Group guidelines on disclosure of CSR-related information, in concert with work on establishing group rules for bolstering Group-wide management Promote internal improvements based on feedback from society-derived views, such as SRI/media-related external evaluations Enhance employee awareness of CSR using the NEC intranet

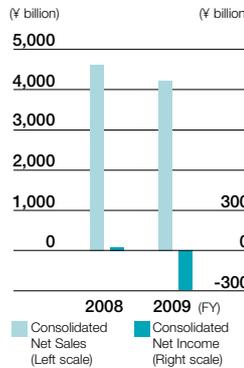
CORPORATE FACTS/SEGMENT INFORMATION/EDITORIAL POLICY

CORPORATE FACTS

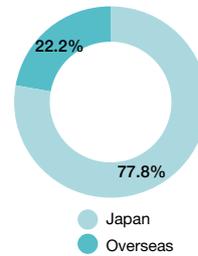
Company name: NEC Corporation
Address: 7-1, Shiba 5-chome, Minato-ku, Tokyo, Japan
Established: July 17, 1899
Capital: ¥337.9 billion*
Number of employees (consolidated): 143,327*
Consolidated subsidiaries: 328*

*As of March 31, 2009

Consolidated Net Sales and Net Income (Loss)

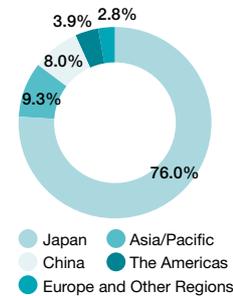


Composition of Consolidated Net Sales by Region (FY2009*)



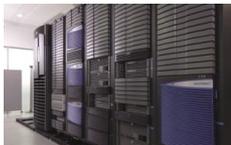
* Fiscal year ended March 31, 2009

Composition of Employees by Region (FY2009)



[Scope: NEC Corporation and consolidated subsidiaries]

SEGMENT INFORMATION



IT/Network Solutions Business

This business provides ubiquitous networking solutions, mainly targeting government agencies, communications service providers, and private-sector enterprises. Products and services offered include SI services, servers, computers, and communications network systems.



Mobile/Personal Solutions Business

Mainly targeting individual customers, this business supplies equipment such as mobile handsets and PCs to enable people to benefit from the ubiquitous networking society, as well as various Internet services.

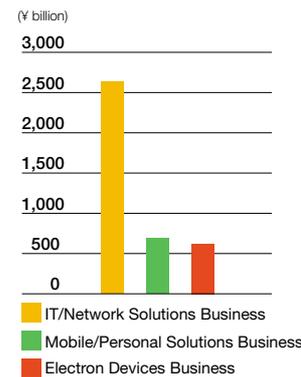


Electron Devices Business

This business provides the semiconductors, liquid crystal displays, electronic components and other products that play a vital role in realizing higher performance devices for digital home electronics, automobile and other manufacturers.

(As of March 31, 2009)

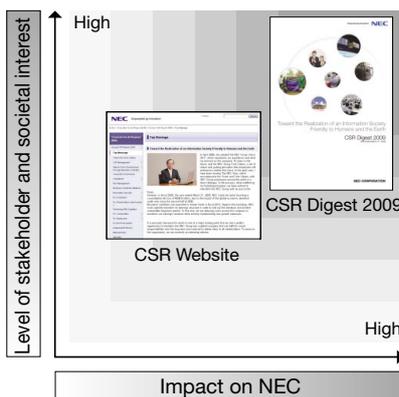
Composition of Consolidated Net Sales by Business (FY2009)



EDITORIAL POLICY

The NEC Annual CSR Report 2009 (website: www.nec.co.jp/csr/en/report2009/) covers in detail NEC's CSR activities and achievements mainly for fiscal 2009 (the fiscal year from April 1, 2008 to March 31, 2009). Meanwhile, the CSR Digest 2009 (this booklet) summarizes this content based on seven CSR themes that are significant and relevant (material) to our stakeholders and NEC.

NEC views these reports as important communication tools essential to earning the trust of all stakeholders.



Scope of Report

The content solely relates to NEC Corporation in certain sections but also includes subsidiary companies in other sections. For information covering a specific set of NEC and subsidiary companies, the scope of such information has been explicitly defined in each relevant section. Unless noted otherwise, NEC refers to NEC Corporation and its subsidiary companies in this report.

Other CSR-related Information

NEC reports further details on activities for the environment and communities at the following websites.



Annual Environmental Report 2009

www.nec.co.jp/eeco/en/annual2009/



Social Contribution Activities

www.nec.co.jp/community/en/

INDEPENDENT REVIEW OF NEC ANNUAL CSR REPORT 2009

This review was written based on an examination of NEC Annual CSR Report 2009 and on interviews with relevant NEC personnel with responsibilities in areas such as the environment, universal design (UD), customer satisfaction (CS), procurement, business continuity plans (BCPs), information security, compliance, occupational health and safety (OH&S), human resources, and social contribution activities. In my opinion, NEC's CSR activities involve the appropriate application of PDCA management cycles across a broad range of items, from measures to reduce the environmental impact of operations to efforts to involve suppliers and social contribution activities closely tied to the Company's core businesses.

Areas of Excellence

- NEC is progressing with a comprehensive range of initiatives aimed at reducing its environmental impact. NEC has upgraded efforts based on the NEC Environmental Management Vision 2010 to make products more energy-efficient at the usage stage, to develop eco-conscious products, and to conserve resources. In particular, NEC has implemented virtually all of the 112 "essential energy-saving measures" drafted for its production sites, and is also increasing efforts to improve the energy efficiency of the lighting, air-conditioning and automated equipment used in offices and datacenters. In future, we hope to see NEC set long-term targets for 10 and 40 years from now and to become more actively involved in biodiversity conservation programs.
- To promote universal design (UD), NEC has applied UD principles to equipment for use by many different people in everyday situations, including mobile phones, ATMs and automatic certificate issuance machines. NEC has also developed unique UD fonts specifically for display on screens. Going forward, we expect to see NEC apply UD to more products and services.
- To promote compliance, NEC has striven to cultivate an internal atmosphere that is conducive to employees contacting the NEC Help Line for advice or to report issues. These actions include internally disclosing the numbers of people contacting and consulting the NEC Help Line as well as examples of cases where contact and consultation led to the correction of problems.
- In the areas of information security and business continuity plans (BCPs), NEC has installed systems to prevent information leakages on approximately 140,000 PCs based on the auto-encryption of electronic files, while around 400 NEC Group business divisions in Japan have formulated BCPs and critical divisions have conducted joint training exercises as part of NEC's efforts to put an overall BCP framework in place.
- NEC has exceeded statutory OH&S requirements in upgrading and expanding its internal programs to protect the health and safety of employees. Examples include dietary measures, including displaying calorie information at POS registers at employee cafeterias; smoking cessation measures, including removing cigarette vending machines and substantial reductions in the provision of smoking rooms; and exercise measures, including workplace calisthenics and family friendly events. In future, we strongly hope to see NEC extend such programs to NEC Group companies in Japan and overseas.
- NEC continues to improve its systems to provide more flexible working conditions for employees with childcare or nursing care commitments. Eligibility requirements for childcare leave/reduced

working hours programs have been abolished, and the number of days of child nursing leave obtainable by employees has been increased. NEC also created a re-employment system for people who have left the Company for reasons such as childcare and nursing care. Improved access to these support systems has increased the utilization rate among employees at NEC Corporation to 4.9%. Going forward, we hope to see NEC extend similar measures to all NEC Group companies.

- In terms of social contribution activities, NEC has conducted workshops to provide health professionals with "Operate Navi" software to assist in communicating with patients with neurodegenerative disorders and has given support for e-mail-based marketing of the Big Issue in Japan to support the independence of homeless people. NEC is also expanding related activities that make effective use of its core competence in IT.

Areas Where Progress is Recognized yet Further Efforts are Desired

- In terms of improving customer satisfaction (CS), NEC has strengthened its CS promotion systems by commencing follow-up meetings between the CS Promotion Division and customers in the corporate and public sectors to gain direct feedback; appointed more Quality Promoters at overseas subsidiaries; and integrated customer service functions as part of organizational reforms that began in April 2009. Going forward, we would like to see NEC further enhance the effectiveness of its approach by providing more detailed analysis of "Dissatisfied" replies in customer surveys and by setting specific criteria for improving CS-related incident-response capabilities (one of the goals for fiscal 2010).
- Regarding CSR promotion at materials suppliers and the rest of the supply chain, NEC has formulated related guidelines, conducted checklist-based surveys at a total of 118 suppliers, and has prepared and distributed human rights training materials. In the future, we would like to see NEC institute an award system to recognize excellence in this area, based on broader surveys of business partners using more detailed checklists to assess the status of CSR-related activities, and to upgrade efforts to cultivate more cooperation between business partners in tackling such issues voluntarily through working groups for various issues or regions.

International Institute for Human, Organization and the Earth (IIHOE)



Chief Executive Officer: Hideto Kawakita

Organization Profile:

Established in 1994, IIHOE is a non-profit organization (NPO) dedicated to promoting "balanced and democratic development for all life on earth." Alongside its main activity of providing management support to civic groups and social entrepreneurs, IIHOE also offers CSR-related support to leading companies.
URL: <http://blog.canpan.info/iihoe/> (Japanese only)

Measures Taken in "Areas Requiring Greater Effort" Identified in NEC Annual CSR Report 2008

- With regard to the promotion of CSR-related activities by business partners, we would like to see NEC provide business partners with information about trends and issues identified by Supply Chain CSR Check Sheet-based evaluations, and further encourage them to implement appropriate actions not only in terms of environmental measures, but also in OH&S, management of working hours and other human rights-related issues. For example, NEC could create a platform for promoting voluntary CSR improvements across the supplier base, by establishing working groups for various issues or regions, or by instituting an award system to recognize excellence.
- NEC has issued feedback reports to suppliers after analyzing various issues based on the results of Supply-Chain CSR Check Sheet surveys conducted by the end of fiscal 2009. Based on the analysis results, NEC also prepared and distributed human rights training materials to all past respondents in Japan who have completed the Check Sheet. This was done in support of their human rights activities, an area where greater efforts are desirable.

- For companies operating in the global marketplace, employment of a diverse personnel base is an essential basic strategy for raising the value of products and services on an ongoing basis. We hope that NEC will review and enhance measures to support those in the minority at present, while deepening cooperation with NPOs in related areas so that the upper levels of management can also start to reflect greater diversity in human resources.
- In fiscal 2007 we offered web-based training for all management-level employees on the topic of providing management support to employees with work and childcare commitments. We have provided the same training to newly promoted managers on an annual basis since fiscal 2008. In cooperation with the NPO Madre Bonita, we are holding NEC Working Mothers Salon workshops for working mothers. We have also encouraged more members of families of NEC employees (both current and retired) to volunteer their time to work inside local government-funded Family Support Centers, which provide childcare assistance across Japan.

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For further details, please see the NEC Annual CSR Report 2009 at the following URL:

URL <http://www.nec.co.jp/csr/en/report2009/>

C ontents

- 00 Toward the Realization of an Information Society Friendly to Humans and the Earth
- 02 NEC's Corporate Social Responsibility
- 04 Address Climate Change and Environmental Preservation
- 06 Include Everyone in the Digital Society
- 08 Provide Multifaceted Security (Building a Safe and Secure Society)
- 10 Build Reliable Information and Communications Infrastructure
- 11 Earn Customer Trust
- 12 Empower Our People
- 13 Strengthen Risk Management and Enforce Compliance
- 14 CSR Promotion Activities: Performance and Objectives
- 16 Corporate Facts/Segment Information/Editorial Policy
- 17 Independent Review of NEC Annual CSR Report 2009

Statements in this report other than historical or current facts are forward-looking statements based on NEC's assumptions and beliefs in light of information currently available. We caution that these forward-looking statements are subject to changes in business conditions and other factors.

NEC stock has been included in the following SRI indices:

- Dow Jones Sustainability World Index
- FTSE4Good Global Index
- MS-SRI Morningstar Socially Responsible Investment Index



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