

Cooperation with Local Communities

Policy

Within its statement of **Purpose**, NEC has committed itself to creation of the social values of safety, security, fairness and efficiency to promote a more sustainable world where everyone has the chance to reach their full potential.

Guided by this concept, each member of NEC, from directors to employees, acts as a good corporate citizen by carrying out "NEC Make-a-Difference Drive" corporate citizenship activities aimed at solving social issues over the medium to long term.

Through these activities, we work with local communities, NPOs and NGOs, local governments, universities, etc., to promote three universal themes: "Personnel Development," "Environmental Preservation," and "Regional Contribution Activities and Disaster Aid." NEC recognizes sustainable local communities are what enables business activities to be carried out in those communities. As members of communities, we want to support them in achieving the solutions.

This thinking is also connected to "coexistence with local communities" in the "NEC Group Code of Conduct."

In addition, NEC has positioned the "NEC Make-a-Difference Drive" as a key plank in its efforts to promote "Sustainably and socially literate human resources," which is specified in our "materiality," which are priority management themes from an ESG perspective. Through the "NEC Make-a-Difference Drive," officers and employees engage in dialogue and co-creation with various stakeholders, such as local communities and the social sector. This provides them with situations and opportunities to experience social problems that merit NEC's attention as a Social Value Innovator.

We believe that through these situations and opportunities, employees acquire a mindset for volunteerism and co-creation, enabling them as highly socially literate personnel to sensitively grasp the true nature of issues facing customers and society, so they can create businesses inspired by social issues.



The social contribution programs and collaborating NPOs under the "NEC Make-a-Difference Drive" are selected based on the following policies and guidelines.

- ▶ [Basic Policy of Social Contribution Program Creation](#)
- ▶ [Guidelines for Coordination with NPOs](#)

Furthermore, we have established an evaluation system for social contribution programs, and we regularly confirm their social impact and promote program improvements and revisions.

- ▶ [Social Contribution Program Assessment System](#)

Promotion Framework

NEC's corporate citizen activities are conducted under three main promotion frameworks:

- Social contribution programs planned and executed under the initiative of the Corporate & Social Engagement Promotion Office of the NEC Corporate Communications Division and the Social Contribution Promotion Departments of NEC Group Companies,
- Activities for contributing to local communities planned and participated in by NEC Group employees around the world,
- Various grants by foundations

Corporate Citizenship Activities

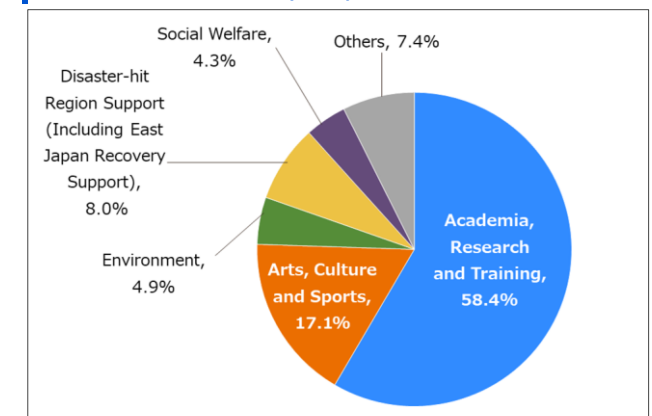
In fiscal 2020, the total corporate citizenship activity expenses for the NEC Group were approximately 493 million yen. We were involved in various regions around the world following three main themes in five areas, including "Academia, Research and Training" and "Arts, Culture and Sports." Corporate citizenship activity expenses included the following:

- 1) Financial assistance, 2) Charitable donations of products quoted on a unit price basis, and 3) Public use of NEC facilities (converted into monetary amounts based on the unit price of using equivalent external facilities to quantify the cost of using NEC facilities for socially beneficial purposes)

Activity Expenses

FY2018	FY2019	FY2020
523 million yen	613 million yen	493 million yen

Fiscal 2020 Activity Expenses Breakdown



* Data on areas of activity expenses was extracted from the Survey of Social Contribution Activities (Japan Business Federation)

Sustainable Management	Environment	Governance	Social	67-70 Inclusion and Diversity 71-74 Human Resources Development and Training 75-76 Creating a Diverse Work Style Environment	77-79 Health and Safety 80 AI and Human Rights 81-83 Personal Information Protection and Privacy	84-86 Information Security and Cyber Security 87-88 Ensuring Quality and Safety 89 CS (Customer Satisfaction) Initiative	90-91 Cooperation with the Local Communities
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Main Activities and Results for Fiscal 2020

NEC Social Entrepreneurship School

In fiscal 2003, we began the NEC Social Entrepreneurship School, a project for nurturing young social entrepreneurs that we launched in cooperation with the NPO ETIC. By fiscal 2019, 62 groups had graduated from the school. The project has been called a gateway for the success of social innovators because of the large number of celebrated young social innovators that it has produced.

In January 2020, the NEC Social Entrepreneurship School invited young social entrepreneurs (alumni and current participants) to take part in a special program, involving a dialogue with NEC employees and social entrepreneurs. The program aims to help participants to identify various social issues and learn more deeply about the spirit of social entrepreneurship by speaking directly with active entrepreneurs who are leading social transformation. At the program were 100 employees who are either currently engaged in solving social issues or intending to begin tackling them.

The six social entrepreneurs below explained global social issues that they are tackling before discussing the potential for using ICT to resolve them. We continued examining the use of ICT after the dialogues.

<Participating Social Entrepreneurs>

- KATARIBA (graduated in fiscal 2005) Kumi Imamura
- Carepro. Inc. (graduated in fiscal 2009) Takashi Kawazoe
- AsMama Inc. (graduated in fiscal 2011) Keiko Kouda
- Chance for Children (graduated in fiscal 2014) Yuusuke Imai
- Tsunagari Music Lab. (graduated in fiscal 2020) Sakiko Muto
- Ocean's Love (graduated in fiscal 2020) Ryoshi Ito

▶ [NEC Social Entrepreneurship School](#)

NEC Paddy Making Project

The NEC Paddy Making Project started in cooperation with NPO Asaza Fund to improve the environmental awareness of NEC Group employees and their families to achieve "Return Japanese Ibises to Nature in 100 years."

The project is a nature experience program, from rice growing to sake making, held throughout the year. So far, approximately 15,000 NEC Group employees and family members of employees have participated on fields such as ravine rice paddies in the vicinity of Kasumigaura, Ibaraki Prefecture.

In fiscal 2020, as a new initiative we cooperated with HIROSE Company, a sake brewer, to introduce the NEC Sake Moromi (Sake Mash) Analysis Cloud Service to the process for brewing a Japanese sake product for this project, with a playful nickname meaning "Laughing for Love of Sake," which also sounds like "Eco with IT" in Japanese. The service records temperature and composition testing results using a smartphone or tablet device, and creates graphs needed for brewing automatically, thereby creating a visual representation of the sake brewing expertise.

This enables a visualization of the experience and instincts of master sake brewers, as well as comparison with past training data and analysis of relationships to the manufacturing process, which are expected to increase the quality of Japanese sake even further. Looking ahead, we will work to create new functions for the service and make further improvements through co-creation activities with HIROSE Company and others.



Using the NEC Sake Moromi (Sake Mash) Analysis Cloud Service

▶ [NEC Paddy Making Project](#)

Partnership with Tokyo Voluntary Action Center

In October 2019, NEC concluded a comprehensive cooperation agreement with the Tokyo Voluntary Action Center, which plays a leading role in promoting volunteer activities in Tokyo. We will cooperate on promoting the development of a volunteer culture stimulated by international sports events held in Tokyo, the creation of a volunteer legacy, and the realization of a society based on co-existence.

With the conclusion of the agreement, around 1,000 NEC Group employees (annually) are planning to participate in volunteer activities spanning a wide range of themes, such as "inclusion & diversity," "international cooperation," "sports," and "disaster aid." Through our cooperation with the Tokyo Voluntary Action Center, we have already conducted the Para Art Project, Pro Bono, and Disaster Assistance for Areas Damaged by Typhoon Hagibis, among other projects.

Disaster Assistance

The NEC Group started the "NEC Group "TOMONI" Project" (Tohoku reconstruction volunteers) after the Great East Japan Earthquake of 2011. We have been active since December 2011, mainly in the town of Minamisanriku in Miyagi Prefecture. We have conducted wide-ranging activities, including debris removal, agricultural land regeneration, and assisting with the reconstruction of the town (Blue-Sky Tent Town), while through the NEC Pro Bono Initiative, we assisted the marketing operations of the Minamisanriku-cho Tourist Association and helped with town building through ICT. Our continuous efforts to rebuild the town of Minamisanriku through these activities were acknowledged with a letter of appreciation from the mayor of Minamisanriku in August 2019.

The NEC Group also engaged in a range of support activities in disasters that occurred in Japan and overseas during fiscal 2020.

When Typhoon Hagibis struck in October 2019, we set up cashless donations at our in-house stores using a POS system, and a team of 60 employees participated in volunteer activities to remove debris and so forth in Kawasaki City and in Iwaki City, Fukushima Prefecture.

Furthermore, during the forest fires that started in Australia in September 2019, the Canberra office of NEC Australia received an evacuation order. At this time, NEC Australia employees carried out firefighting activities as volunteer firefighters.