

# Achievement of Fiscal 2021 Targets

## NEC Group Environmental Management Action Plan 2020/2030

We are moving forward with initiatives aimed at realizing the NEC Group Environmental Management Action Plan 2020/2030. Formulated in July 2016, the plan sets long-term targets for environment-oriented business management and has climate change countermeasures at its core. Thanks to its concerted efforts, the Group was able to achieve all targets set for the milestone year of fiscal 2021.

The Group contributed to a 26.55 million-ton reduction in CO<sub>2</sub> emissions in society as a whole through increased provision of IT solutions, including the iStorage HS8 series, the UNIVERGE PF series, and the ULTRAFIX logistics solution. In addition, we achieved a 65.0% improvement in the overall energy efficiency of our products thanks to improvements in such products as mobile infrastructure equipment and internet provider network equipment. As for climate change readiness, with preparations for weather-related disasters proceeding throughout society, we were able to provide 23.60 million tons of value in terms of CO<sub>2</sub>\* emissions by providing more emergency communication and safety confirmation systems.

Also, we successfully reduced our own CO<sub>2</sub> emissions intensity by accelerating our measures through the acquisition of Science Based Targets certification, which resulted in a rise in the use of renewable energy that significantly surpassed our target.

\* Based on the upward trend in greenhouse gas (CO<sub>2</sub>, etc.) emissions and the upward trend in the effect of climate change (natural disasters, health hazards, etc.), a correlation is found for each risk, and the magnitude of damage and costs that could potentially be mitigated by the use of ICT is converted into an amount of contribution to the reduction of CO<sub>2</sub> emissions.

### Progress of NEC Group Environmental Management Action Plan 2020/2030

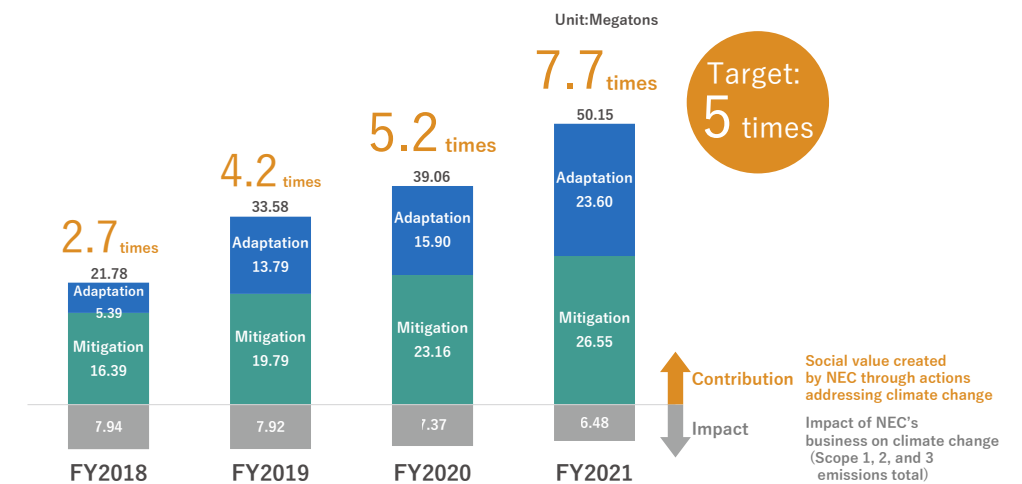
		FY2021 Results	FY2022 Targets	FY2031 Targets
Contribution to "mitigation"	① Reduction in overall CO <sub>2</sub> emissions by society through provision of IT solutions	26.55 megatons	23.00 megatons	50.00 megatons
	② Improvement in product energy efficiency Reduction of total CO <sub>2</sub> emissions when products are used (compared with FY2014)	65.0% improvement	65.0% improvement	80.0% improvement
Contribution of "adaptation"	③ Preparation for the impacts of climate change by providing solutions for society	23.60 megatons (values converted to CO <sub>2</sub> )	Strengthen competitive power of solutions to social issues and expand contribution through business activities	
Reduction of CO <sub>2</sub> emissions from business activities (Scope 1 and 2)	④ Reduction of CO <sub>2</sub> emissions (absolute value) through efficiency of energy use (compared with fiscal 2018)	- 18.0% improvement	- 8.0% improvement	- 33.0% improvement
	⑤ Expansion in the use of renewable energy Amount of electric power used from renewable energy	63,381 MWh	28,600 MWh	-

## The 2020 Climate Change Countermeasure Goals

In July 2014, NEC quantified the social value of its contribution to climate change countermeasures and set a target of contributing to a five-fold reduction in CO<sub>2</sub> emissions relative to the total CO<sub>2</sub> emissions of the Group's supply chains by fiscal 2021. To this end, in fiscal 2021 we not only reduced the environmental footprint (total CO<sub>2</sub> emissions) throughout our supply chains (Scope 1, 2 and 3) but also contributed to mitigation of (reduction of greenhouse gas emissions) and adaptation to (preparation for the impact of) climate change (global warming) through the provision of Solutions for Society in the form of advanced ICT-enabled social infrastructure.

In fiscal 2021, we surpassed our goal by contributing to a 7.7-fold reduction in CO<sub>2</sub> emissions relative to our Scope 1, 2, and 3 CO<sub>2</sub> emissions. We believe that this achievement resulted from our inclusion of concrete targets in the NEC Group Environmental Management Action Plan 2020/2030 and our stepped up efforts to provide solutions that help both in mitigating and adapting to climate change.

### Goals of Climate Change Countermeasures up until Fiscal 2021



Scope 3 emissions for fiscal 2018 and subsequent fiscal years have been revised to reflect a revision of the coefficient for Scope 3, Category 1. "Footprint" refers to the total volume of CO<sub>2</sub> emissions from our supply chains, such as production sites, offices, and the use of products. With respect to NEC's "contribution," "mitigation" includes the reduction in CO<sub>2</sub> emissions for society overall through the products and services we provide to customers as well as our improvements in the energy efficiency of products. Meanwhile, "adaptation" includes the contribution to the curbing of society's overall CO<sub>2</sub> emissions that results from NEC's solutions.