Contents

NEC is a signatory to the United Nations Global Compact.





ESG Data

2 Message from the President and CEO3 What is NEC

23 ESG-related Objectives, Achievements and Progress, and Degree of Completion



Management for Sustainability

- 5 Management for Sustainability
 - 9 The Progress of Sustainability Promotion and Our Response to the Human Rights Risks under Purpose-driven Management Dialogue
 - 11 Understanding Global Trends in Climate Change and the Risks and Opportunities for NEC Dialogue
- 12 Participation in International Initiatives
- 13 Priority Management Themes from an ESG Perspective—Materiality
- 16 Topic: Climate Transition Plan
- 17 Topic: Respecting Human Rights
- 20 Topic: Risks and Opportunities
- 21 Dialogue and Co-creation with Our Diverse Stakeholders



- 28 Policy and Targets
- 31 Achievements
- 34 Environmental Business NEC's GX (Green Transformation) Business for Carbon Neutrality
- 36 Environmental Management
- 40 Climate Change
- 46 Water
- 47 Resource Circulation and Pollution Prevention
- 49 Biodiversity
- 51 Overview of Environmental Impact



Social

- 53 Inclusion and Diversity
- 56 Human Resource Development and Training
- 59 Creating a Diverse Workstyle Environment
- 61 Health and Safety
- 64 Al and Human Rights
- 66 Personal Information Protection and Privacy
- 69 Information Security and Cyber Security
- 71 Ensuring Quality and Safety
- 73 CS (Customer Satisfaction) Initiatives
- 74 Cooperation with Local Communities



- 77 Innovation Management
- 80 Corporate Governance
- 81 Compliance and Risk Management
- 84 Basic Approach to Tax Matters
- 85 Promoting Fair Commercial Transactions
- 7 Business Continuity
- 88 Supply Chain Management
 - 92 Toward Further Development of Human Rights Initiatives in Procurement Dialogue



- 94 Data Collection
- 101 Third-party Assurance
- 103 External Ratings and Evaluations
- 105 Comparison Table
 - Global Reporting Initiative (GRI)
 Standards
 - **Global Compact**
 - **SASB Standards**
 - ISO 26000

Information Disclosure Policy

Basic Policy

Aiming to be a "Social Value Innovator," NEC Corporation considers communication with stakeholders to be a critical initiative because communication provides an opportunity for us not only to recognize our obligation to carry out our social responsibility but also to understand the fundamental issues of our customers and society. Our commitment to promoting dialogue and co-creation with stakeholders is embedded in the concept of "Orchestrating" as stated in our Purpose, "Orchestrating a brighter world."

We use our sustainability website and sustainability reports (PDF) as tools to enable this communication, disclosing the sustainability initiatives and their results as viewed from an environmental, social, and governance (ESG) prespective. NEC's integrated report also presents the essence of our sustainability reports, mainly with a focus on "materiality," as well as the essence of our securities report, which discloses our financial activities.

Scope of This Report

In principle, the content relates to NEC Corporation in certain sections but also includes subsidiary companies and affiliates in other sections. "NEC" refers to NEC Corporation and its subsidiary companies, unless otherwise noted.

When referring to fiscal years, "fiscal 2022" refers to the fiscal year ended March 31, 2022.

Disclosure Format

Sustainability Website and Sustainability Report (PDF)

NEC regularly discloses the latest information on its sustainability activities via its sustainability website. Furthermore, it emphasizes detailed coverage of information to ensure conformance with international reporting initiatives such as GRI, while addressing the needs of sustainability professionals such as ESG research institutions, the news media, universities, and NPOs/NGOs.

The sustainability report (English version) posted on the sustainability website is published each year in PDF format. The previous sustainability report in English was published in September 2021.

NEC Integrated Report

NEC Integrated Report explains our management strategies, which are aimed at promoting the sustainable growth of NEC and society as a whole, from both financial and non-financial perspectives. NEC has published integrated annual reports containing both financial and non-financial information since fiscal 2014. In July 2018, NEC changed the name of the report to "Integrated Report," upon having defined its materiality.

Reference Guidelines

With the aim of achieving conformance with international reporting initiatives, NEC reports on its sustainability activities with reference to the following guidelines:

- Global Reporting Initiative (GRI)'s Sustainability Reporting Guidelines Standards
- United Nations Global Compact (UNGC)
- · Sustainability Accounting Standards Board (SASB)
- International Organization for Standardization (ISO) 26000
- Japan's Ministry of Economy, Trade and Industry (METI)'s "Guidance for Collaborative Value Creation"

Third-party Assurance

Achievements marked with ⊘ have received third-party guarantees or verification.