

Business Continuity

Policy

NEC has prepared a business continuity plan (BCP) and is promoting business continuity management so that the Company can fulfill its social responsibilities by continuing to stably supply customers with products and services even when risks actualize in the form of earthquakes, typhoons, and other natural disasters; global pandemics; wars; or terrorist attacks. Our goal is to be able to continue NEC Corporation's business as far as possible, and to recover operations quickly if they are interrupted.

Our Basic Disaster Response Policies

1. Ensure the safety of employees and visitors
2. Rapidly recover and establish a business environment that enables NEC to fulfill its social responsibilities, including the maintenance and recovery of backbone systems, such as communications, public infrastructure, traffic, defense, and finance
3. Minimize management damage caused by operation disruption

Implementation Framework

NEC Corporation will continue business proactively and flexibly through the following three functions. The status of activity will be reported regularly to the Board of Directors.

1. Business Continuity and Disaster Recovery Headquarters
This function is headed by the president and comprises corporate divisions such as the Human Resources and General Affairs Department. The Headquarters maintains senior management's decision-making function and prepares an environment for recovering operations.
2. Business Unit BCP Teams
These teams are formed in each business unit. They conduct activities for recovery of business (customer response, gathering information of damage to operations, recovery, logistics, and securing materials, etc.).
3. Workplace BCP Teams (Bases)
These teams are formed at the workplace and base level. They secure the safety of the workplace, confirm the safety of employees, quickly recover worksite infrastructure, support employees' lives, assist those who wish to return home, and coordinate with the community.

In addition, internationally we have formulated BCPs in response to each country's risk under the global system of five Regional Headquarters (RHQ), along with information escalation rules in the case of emergencies.

Measures and Main Fiscal 2022 Activities

■ Response to COVID-19

NEC has taken the following measures to prioritize the lives and safety of its employees in response to COVID-19, which has been a pandemic since 2020.

- All employees take thorough precautions against COVID-19, including:
Temperature checks each morning, handwashing, gargling, staggered work hours, telework, online meetings, staying home when sick, etc.
- Thorough measures to prevent COVID-19 within NEC include:
Following rules for reporting when not feeling well, checking movement history around time of testing, main-

taining distance from other people, disinfecting surfaces, etc.

- NEC publishes internal guidelines for dealing with COVID-19, which include:
Taking precautions at worksites, limiting business trips, setting rules for internal and external events, etc.
- NEC provides on-site vaccinations to NEC Group employees:
About 10,000 people affiliated with the NEC Group received their first/second vaccinations; employees eligible for a third vaccination can also have family members receive a third vaccine shot.
- NEC provides large venues for COVID-19 vaccinations, which entail:
Supporting the smooth rollout of vaccines to people in the region; protecting the safety and health of local residents, thereby helping businesses remain open in local communities and regions.

■ Education, Exercises, and Training on Disaster Prevention and Business Continuity

| | |
|---|--|
| Online training and workplace discussion events | NEC and affiliated companies in Japan conduct the following training and drills every year to prepare for large-scale natural disasters with the aim of minimizing damage and resuming operations as quickly as possible. • NEC conducts drills to confirm disaster response procedures at workplaces, which had relatively few employees in attendance because most employees were teleworking as a COVID-19 countermeasure. • NEC holds online training and workplace discussions that served as opportunities to think about how to act during a natural disaster, what can be done beforehand, and the necessary preparations for dealing with a large-scale earthquake, while drawing up specific natural disaster scenarios. |
| Enhancing the degree of completion of BCPs | • Since 2016, NEC has introduced systems for visualizing the business continuity status for each company and division by using indices such as "organizational state in regular times and at the time of disaster," "leadership," "disaster prevention and business continuity plan," "support status," "effective operation," and "evaluation and improvement." • We will refine the system to cement a business continuity mindset as part of our organizational culture and continue making improvements across the entire NEC Group to enable each division and employee to think and act autonomously during disasters. |

■ Responding to the Risk of Storm and Flood Damage

NEC Corporation has constructed a system in which the Company's internal disaster information sharing system automatically receives disaster information from the Japan Meteorological Agency and displays the range of impact on a map. This allows us to understand at a glance information regarding the Company's sites, customers, suppliers, and others located within that range.

Further, we prepare for storm and flood damage by using the latest hazard maps to evaluate storm and flood damage risk at each business site. Based on these evaluations, while taking into account the balance between the impact of a disaster and cost, we are establishing periphery flood barriers at facilities that would require considerable time to restore.

■ ISO 22301:2019 Certification Acquisition

NEC has acquired ISO 22301:2019 certification, mainly in its system maintenance divisions and datacenter operation divisions. ISO 22301:2019 is an international standard for Business Continuity Management Systems (BCMS). Moreover, divisions that have not acquired ISO 22301 certification are complying with the international standard as far as possible and have put in place efficient and effective countermeasures to prepare for potential threats to business continuity, including earthquakes, floods, typhoons, and other natural disasters; system faults; pandemics; power outages; and fires.

 ISO 22301:2019 Certification