

As we stand on the threshold of the 21st century, the preservation of the earth's environment has become an issue that demands the collective efforts of all humankind. NEC, realizing the need to maintain the delicate balance of nature, is dedicated to protecting the global environment in every area of its corporate activities. In addition, as a good corporate citizen, NEC endeavors to help communities grow and people live more prosperous lives. To these ends, NEC activities relating to social contributions focus on five specific areas: volunteer work; environmental preservation; social welfare activities; community involvement; and the arts, culture, and sports.

Major Activities of the Year

- Efforts to attain ISO14001 environmental certification continued
- Program to procure environment-friendly "green" products initiated
- Mercury-free external-electrode lamp developed
- Recycling of computer components promoted
- El Niño's effects analyzed with NEC's supercomputer
- Children's nature camp sponsored
- Satellite tracking study of sea eagle migratory patterns initiated
- NEC Guide Dog Project launched
- World Youth Choir featured at NEC Super Tower Concert
- Support for NEC Early Music Series started

Efforts to Attain ISO14001 Environmental Certification Continued

NEC has devoted its efforts to building environmental management systems and is continuously improving its business activities to qualify for ISO14001 certification, the International Organization for Standardization's set of standards relating to environmental management systems. As of March 1998, all NEC's domestic R&D and manufacturing facilities and six of its overseas manufacturing companies had received ISO14001 certifications.

Through its efforts to further strengthen its environmental management systems, NEC aims to achieve ISO14001 approval for all its domestic

service companies by April 2000 and for all its overseas manufacturing companies by October 2000.

NEC Initiates Program to Procure Environment-Friendly "Green" Products

In June 1997, NEC began a program that places priority on the procurement of parts for manufacturing and office supplies that are environment friendly, or green. In fiscal 1998, about 30 percent of NEC's office supplies by type were green, and NEC plans to expand this program across the worldwide NEC Group.

Mercury-Free External-Electrode Lamp Developed

As one example of product development activities that put the welfare of the environment first, the NEC lamps that are used in color image scanners produced by a major U.S. computer manufacturer no longer contain mercury. Instead, the lamps use xenon gas for discharge, a substance with minimal environmental impact.

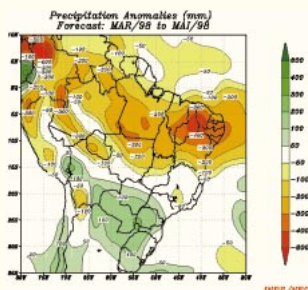
Recycling of Computer Components Promoted

Through the years, NEC has been recycling used computer components collected from corporate users, and in fiscal 1998 nearly 90 percent of the products by weight NEC collected were recycled. By continuing to disassemble products and sort them into reusable parts for repair as well as into steel and other materials for recycling, NEC aims to push this figure even higher. NEC's environmental management activities cover every stage of the product's life cycle, from parts procurement through disposal and recycling.

El Niño's Effects Analyzed with NEC's Supercomputer

NEC was entrusted by the Center of Weather Forecasting and Climates Studies of Brazil with predicting the effects of El Niño on the climate of South America.

Such enormous amounts of data as 30 years worth of average rainfall and air temperature measurements were analyzed with NEC's SX-4 supercomputer. The predictions of El Niño's effects on the climate of South America are being used for agricultural and other purposes in these regions.



Satellite Tracking Study of Sea Eagle Migratory Patterns Initiated

NEC supports environmental preservation activities to ensure that future generations may live in a world abundant with nature, sparkling water, and clean air. In 1997, NEC teamed up with the Wild Bird Society of Japan to study by

use of satellites the migratory patterns of sea eagles, which are threatened with extinction.

Besides gaining valuable information about the eagles' yearly movements, under this project NEC provides computer simulations to help researchers better understand sea eagles' behavior and thus aid their survival.



NEC Sponsors Children's Nature Camp

In August 1997, NEC sponsored the Children's Nature Camp, a camp where children from foster homes can experience nature, outdoor cooking, and the joy of teamwork with their peers. NEC volunteers assisted the children at the camp.



NEC Guide Dog Project Launched

In the area of social welfare, in October 1997 NEC launched the Guide Dog Project. Despite the exemplary service these dogs provide to the visually impaired in terms of companionship and support, in Japan there is a severe shortage of guide dogs as well as a lack



of understanding of their role in society. NEC's program helps fund the training of these guide dogs and contributes to the better understanding of guide dogs.

World Youth Choir Featured at NEC Super Tower Concert

As part of its community involvement program, NEC invites local residents and people with disabilities to its Super Tower concerts. At these events, NEC personnel volunteer to assist the physically challenged. In fiscal 1998, the Super Tower Concert, which was performed at the NEC head office building, featured the World Youth Choir, an assembly of more than 80 gifted young vocalists from around the world.

NEC Starts Support for Early Music Series

For a number of years, NEC has participated in a variety of activities to support the Boston Symphony Orchestra and other cultural organizations.

In fiscal 1998, NEC introduced the NEC Early Music Series to its list of cultural programs. This new program



contributes to such associations as the Bach Collegium Japan, whose performances have included a series of cantatas composed by Johann Sebastian Bach.