

# NEC Innovation Day

A portrait of Motoo Nishihara, a middle-aged man with grey hair and glasses, wearing a dark suit jacket over a light blue striped shirt. He is smiling slightly and looking towards the right. The background is a blurred office interior with warm lighting and wooden accents.

NEC

Executive Vice President, CTO  
and Member of the Board

**Motoo Nishihara**

# Relentless Challenges Toward Innovation

December 17, 2021

NEC

Executive Vice President, CTO and Member of the Board

Motoo Nishihara

# \Orchestrating a brighter world

NEC creates 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.



**01** Global Innovation Unit Which Leads Innovation

**02** Advanced Technologies to Drive Mid-term  
Management Plan 2025 / NEC 2030VISION

**03** The Challenge of New Business Development



**01** **Global Innovation Unit Which Leads Innovation**

**02** Advanced Technologies to Drive Mid-term  
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**03** The Challenge of New Business Development

# Social Issues on a Global Scale

**Infection**

**Global  
environment**

**Growing  
disparity**

## **Era of VUCA**

People's values, lifestyles, work styles, the nature of society and responses to the global environment are changing significantly.

VUCA : An acronym of volatility, uncertainty, complexity, and ambiguity

# Social Issues on a Global Scale

Digitalization of real world

**Physical First**  
(Existing constraints)



**Digital Support**  
(Incremental improvement)

There is a limit to transformation



Toward Digital First

**Digital First**  
(Powerful DX)



**Physical Support**  
(Radical optimization)

Social consensus is important



# NEC 2030VISION

## Life

**Bringing people together and filling each day with inspiration**

## Society

**Nurturing prosperous cities with inclusive and harmonious societies**  
**Creating sustainable societies by shaping new industries and workstyles**  
**Sharing hopes that transcend time, space, and generational boundaries**

## Environment

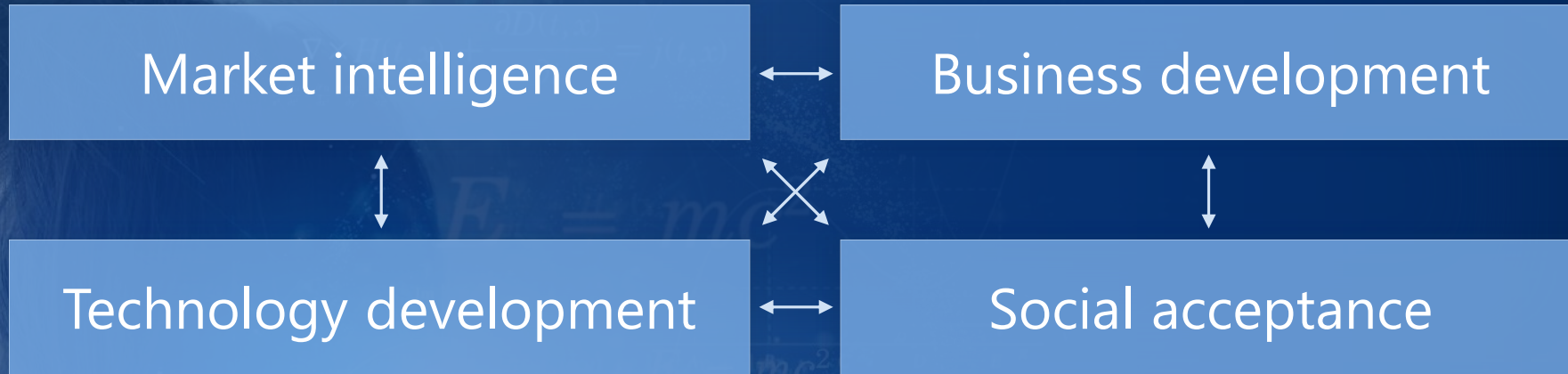
**Living harmoniously with the earth to secure the future**

# NEC's Challenges in the Era of VUCA



# Implementing Technology in Society to Realize NEC's Purpose

$\nabla \times E(t, x) + \frac{\partial B(t, x)}{\partial t} = 0$   
 $\nabla \cdot D(t, x) = p(t, x)$   
Social Implementation Scheme



## Expand R&D co-creation

Create No.1 / Only 1 technologies as a source of innovation

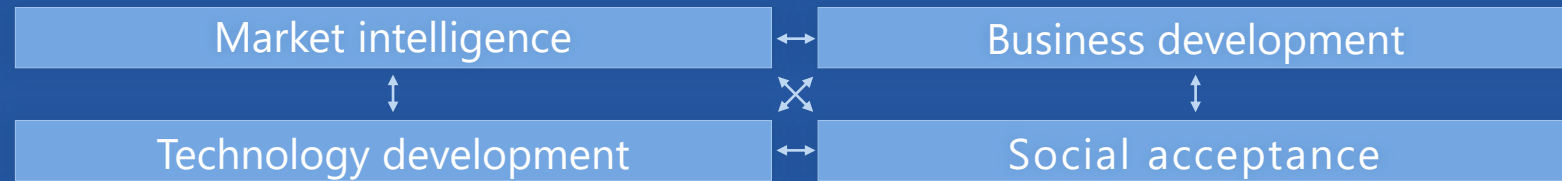
## New business development

Create new businesses that becomes the next growth pillar

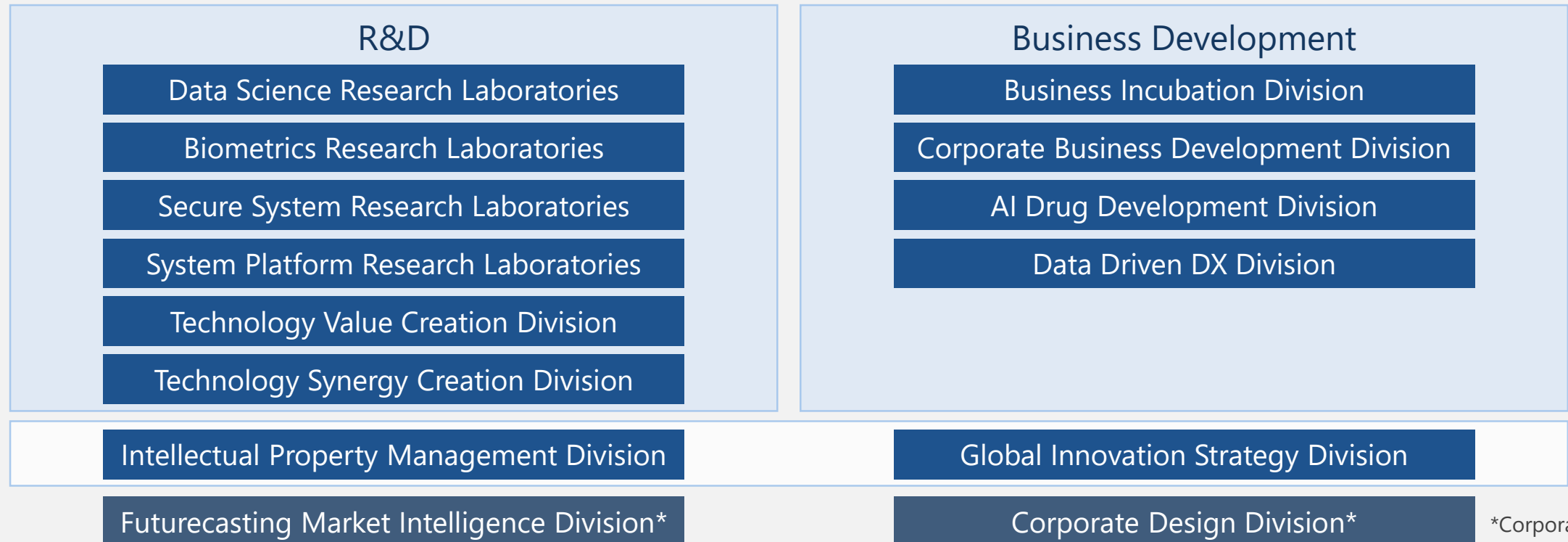
## Thought leadership

Foster social acceptance by creating a shared vision for a brighter future

# Achieve the Mid-term Management Plan 2025 and create new growth businesses



## Global Innovation Unit



\*Corporate Functions

# Expanding R&D and Business Development Opportunities, Utilizing Our Global Assets

## NEC Laboratories Europe

Creation of solutions and technology through EU projects and high-tech implementation activities

## AI drug development

Personalized therapies using Cutting-edge AI technologies

## NEC Laboratories America

R&D of cutting-edge technologies, taking locational advantage of latest technological leader region

## NEC X (North America/Europe)

Supports of startup companies that contributes to successful business establishment

## Israel Research Center

Rapid creation of solutions that combine NEC's technology with advances in technology from outside the Group, leveraging the world's largest source of start-ups

## NEC's Four Domestic Research Laboratories

Controls over NEC R&D worldwide. Mainly focus on AI (analysis and recognition), security, ICT Platforms developments, and other cutting-edge Technologies such as quantum computing and devices

## BIRD INITIATIVE

Unprecedented co-creation type of R&D business originated in Japan

## NEC Laboratories China

AI and Network related R&D

## NEC Laboratories Singapore

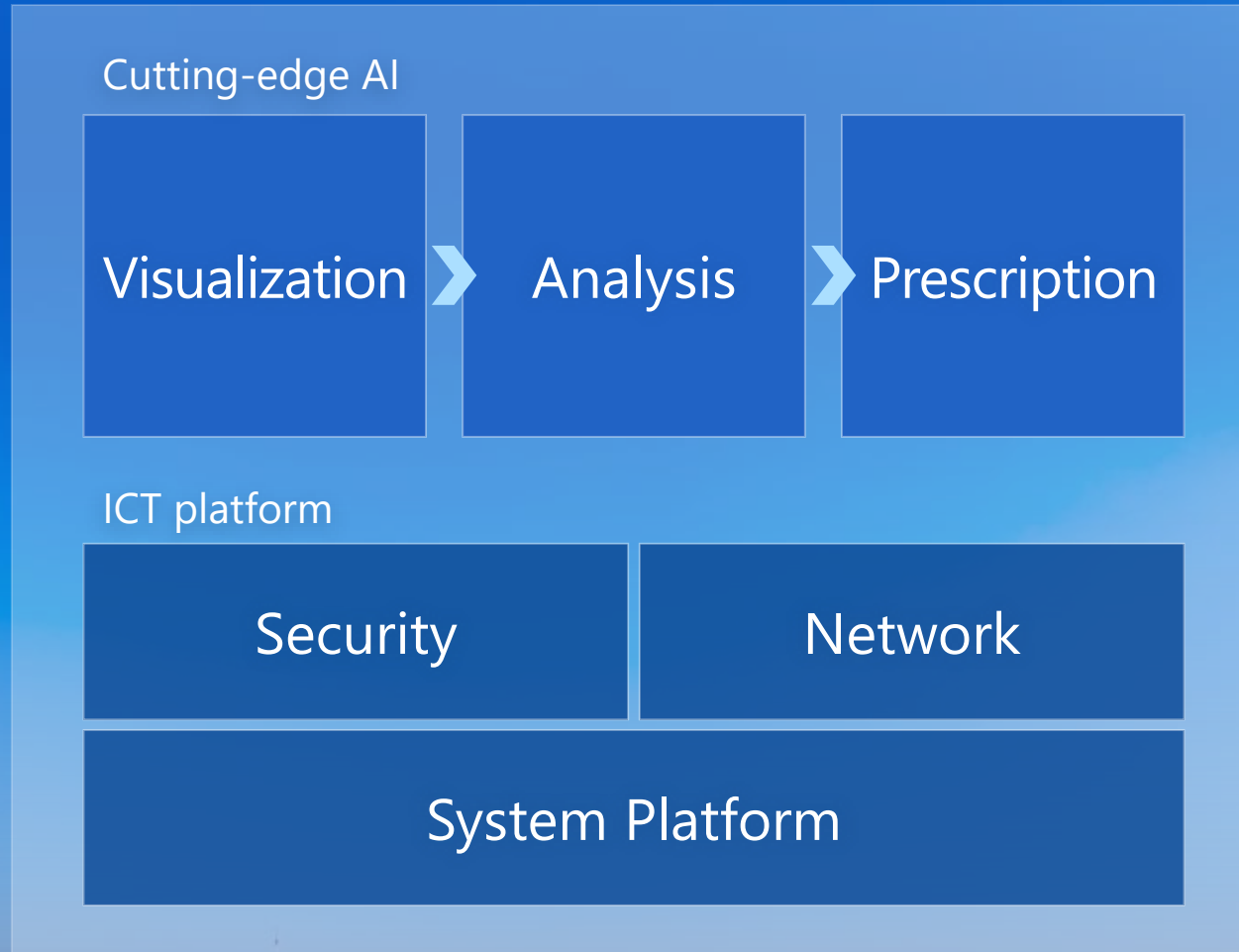
Co-creation of innovative solutions with customers and partners, mainly for developed countries

## NEC Laboratories India

Creation of core technologies and solutions to address the challenges of emerging countries

# NEC Technology Vision as a Driving Force for Creating Social Value

Social Issues ➤



➤ Social Values

# NEC Technology Vision as a Driving Force for Creating Social Value

Social Issues ➤

## Digital twin for co-creation and trial of the future

Provide a foundation to support the convergence of the real world and cyber world

## AI that co-works with humans and becomes prevalent in society

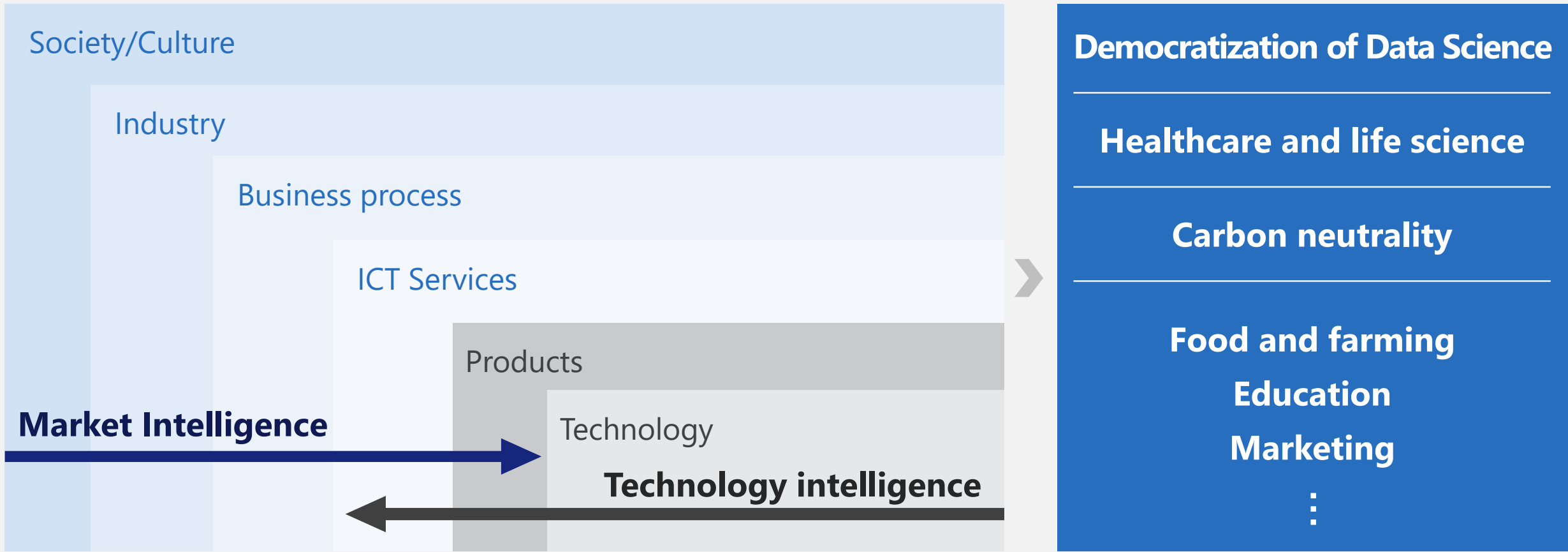
AI that people can trust, AI that people can accept

## Platform to support environmental friendliness, high reliability, and high efficiency

Integrate App/IT/Network & Security & Secure Data Platform

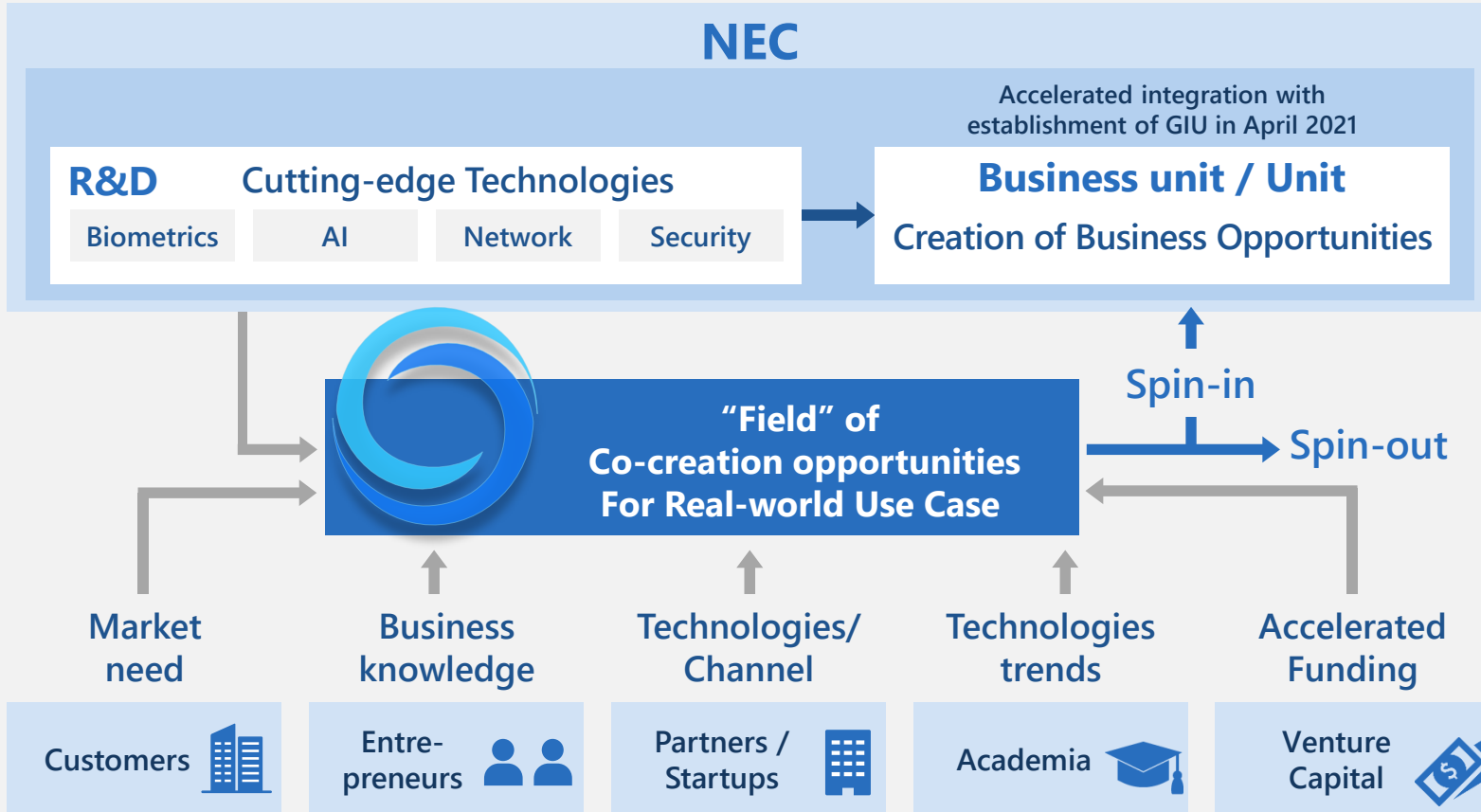
➤ Social Values

# Market Vision that Drives Creation of Social Value





# Accelerating New Business Development by Eco-System



**Cases of New Business Developments**

- Apr. 2018 **dotData**
- Jun. 2018 **NEC X**
- May 2019 **AI Drug Discovery**
- Sept. 2020 **BIRD INITIATIVE**

# Taking leadership in creation of the environment for social implementation ~Thought Leadership~

## Open co-creation and standardization

### ■ Rule-making

Strengthen global collaborations using data utilization



Newly joined Gaia-X in November 2021

### ■ Promote co-creation activities with universities

CO<sub>2</sub> reductions with The Andlinger Center for Energy and the Environment at Princeton University

VTTI\* Smart City with Virginia Tech Transportation Institute

\*Virginia Tech Transportation Institute

## Delivering messages for social system reform



<Japanese only>

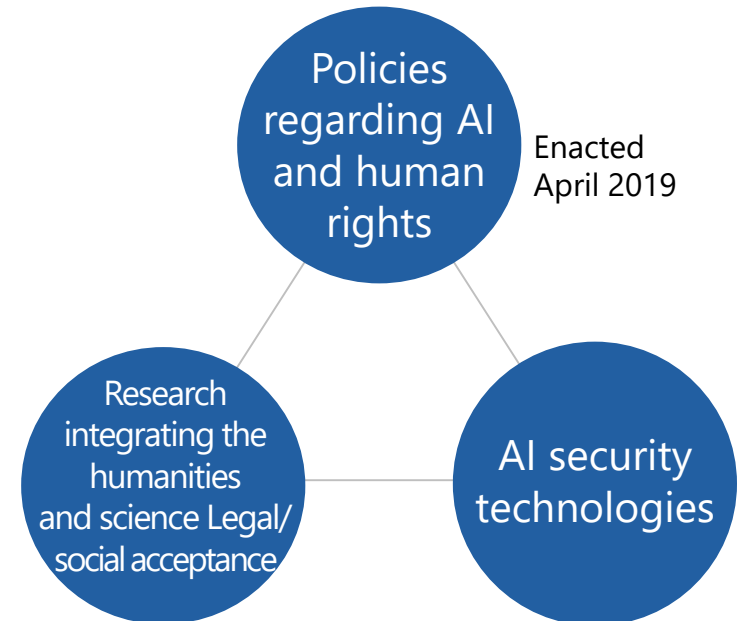
NEC Fellow  
Hitoshi Imaoka



<Japanese only>

NEC  
Managing Executive  
Eiki Momotani

## Enhancing AI ethics



Enacted April 2019



- Life science/fraudulent image detection
- Privacy protection learning
- Universal learning

# Augmentation and Development of Highly Human Resources

## Selective Compensation Program for Professional Researchers

### ■ Personnel system that achieves greater and faster research results

- A system where leading young researchers, including new graduates, challenge to achieve high-level goals and awarded benefits according to their results, with [no upper limit on compensation](#).
- Since introducing the system, have continued strengthening investment in human assets in such ways through fair assessments and creating environments where they can produce their best results

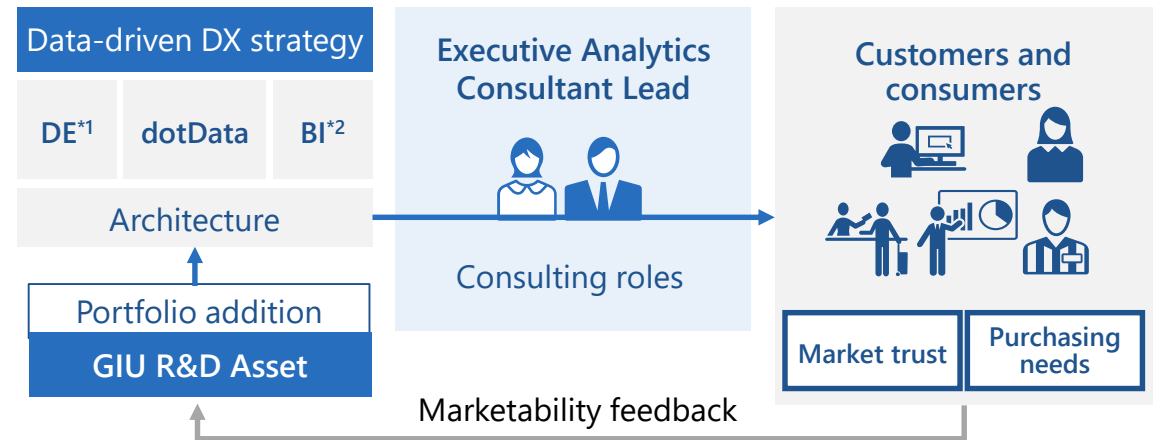
Fiscal 2022/3 **Cumulative total :promoted 20 people**

## internal side business system (-Dec. 2021)

- Accelerate fusion of R&D and Business Development Divisions
- Development of human resources who is highly skilled in both of Technologies and Business

## Business Development Professionals Highly Skilled Professionals System

- A high-risk, high-return system providing highly skilled business development professionals who possess outstanding skills with benefits based on their market value
- In fiscal 2022, established the new position of [Executive Analytics Consultant Lead](#) for Data-driven DX Business, in addition to AI drug professionals



\*1 DE : Data Enrichment \*2 BI : Business Intelligence

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# Advanced Technologies to Drive Mid-term Management Plan 2025 / NEC 2030VISION

## 2025 Mid-Term Plan NEC's Growth Model

**DIGITAL GOVERNMENT**  
**DIGITAL FINANCE**

**GLOBAL 5G**

**Business focus**

**Biometrics**

**AI**

**5G/TOMS**

**Cloud**

**+ M&A**

**Security**

**R&D**

**Public & Communication  
Infrastructure**

**CORE DX**

**IT SERVICES &  
PRODUCTS**

**Transformation**

# High Technological Competitiveness in the World

## Artificial intelligence

Machine learning

The number of papers accepted by top-quality international academic conferences \*1

**Ranked 7<sup>th</sup> in the World**

Video and image processing

The number of papers accepted by top-quality international academic conferences\*2

**Japan No.1**

## Communication \*3 / Security \*4

Cyber Security

CRYPTO2019, the top-quality international academic conferences

**Best Paper Award**

Optical communication

Paper acceptance by top-quality international academic conferences

**30+ consecutive years**

## Patents

Top 100 Global Innovators\*5

Global survey of patent activities

**10 year consecutive Selection**

Facial Recognition

Number of international patent applications\*6

**World No.1**

Biometrics authentication + video analytics + AI

Number of international patent applications\*6

**World No.1**

## Machine learning Ranking of paper acceptance by top-academic conferences (Companies)

Rank	Corporate name	Number of papers
1	Microsoft	994
2	IBM	831
3	Google	830
4	Yahoo	336
5	DeepMind	267
6	Facebook*7	205
<b>7</b>	<b>NEC</b>	<b>184</b>
8	Alibaba	150
9	Amazon	132
10	Tencent	126

\*1 NeurIPS, ICML, KDD, ECML-PKDD, ICDM

\*2 CVPR, ICCV, ECCV, ACCV, ICPR

\*3 Security: ACM CCS, Eurocrypt, IEEE S&P, etc.

\*4 Communication: OFC/ECOC, etc.

\*5 TOP100: <https://clarivate.com/top-100-innovators/>

\*6 Number of international patent applications: cumulative number of applications since 2001 (our research)

\*7 Current company name: Meta

2000-2020 Our research

# World No.1 Biometric Authentication Technology

## Technology



Facial recognition



**World No.1**

- FRVT Ongoing (2021)
- FRVT(2019)
- FIVE (2017)
- FRVT (2013)
- MBE (2010)
- MBGC (2009)



Iris recognition



**World No.1**

- IREX 10 (2021)
- IREX IX (2018)  
(Iris Exchange IX)



Fingerprint recognition



**World No.1**

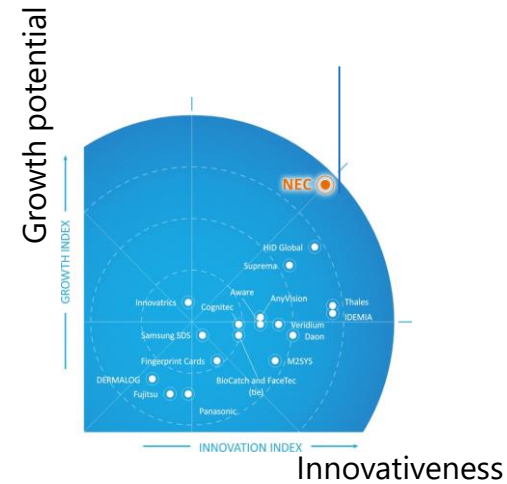
- MINEX(2016,2006)
- PFT/PFTII(2013,2009)
- FpVTE (2012,2003)
- SlapSeg(2004)
- ELFT(2007)

※ NEC's fingerprint recognition, Facial recognition, and iris recognition technology are ranked No.1 in benchmark testing conducted by the National Standards and Technology Research Laboratories (NIST).  
 ※ Evaluation results by NIST do not recommend any particular product/service/companies by the U.S. government.

## Business

NEC's biometric solutions  
(out of 62 global companies)

**World No.1**



Up-to-date survey by Frost & Sullivan, a research firm

## Brand

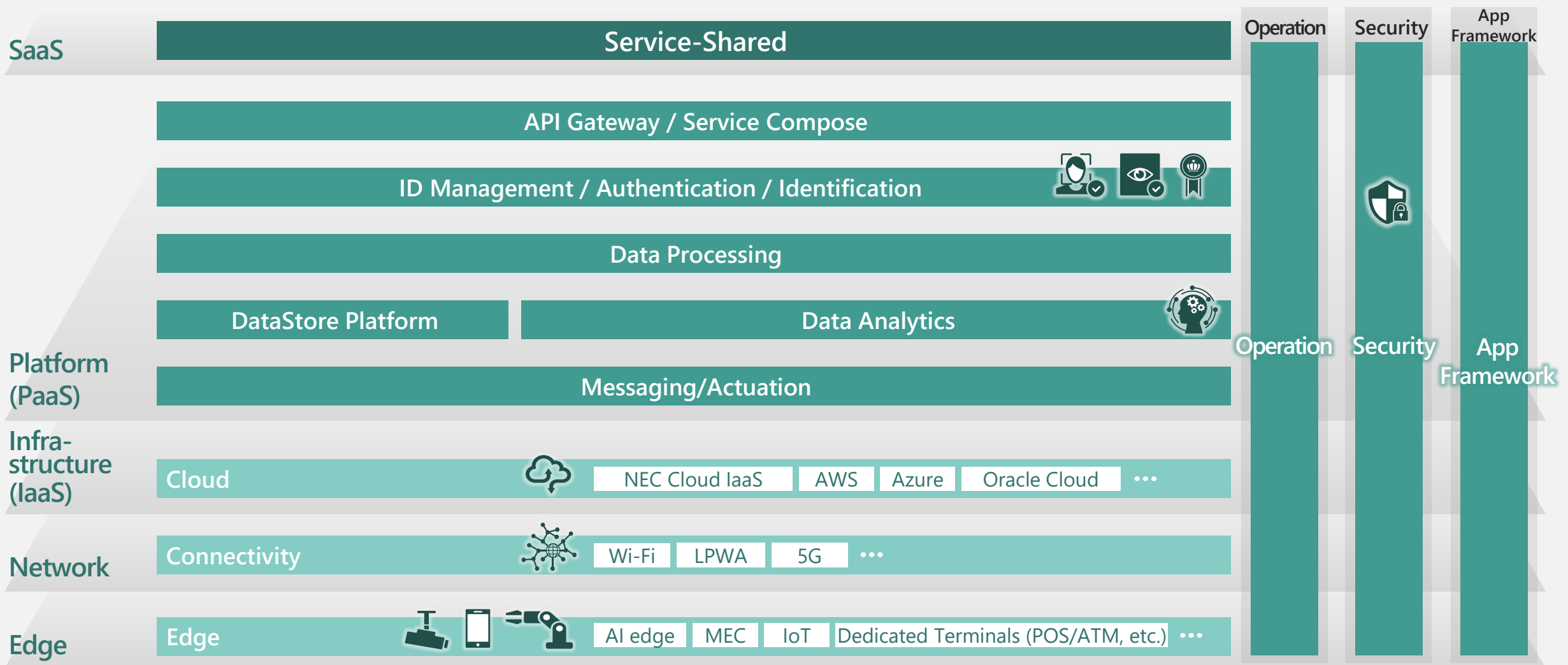
"Biometric authentication"

**No.1**  
**Share of mind**

Rank	Corporate name
<b>1</b>	<b>NEC</b>
2	Fujitsu
3	Hitachi
4	Panasonic
5	Google

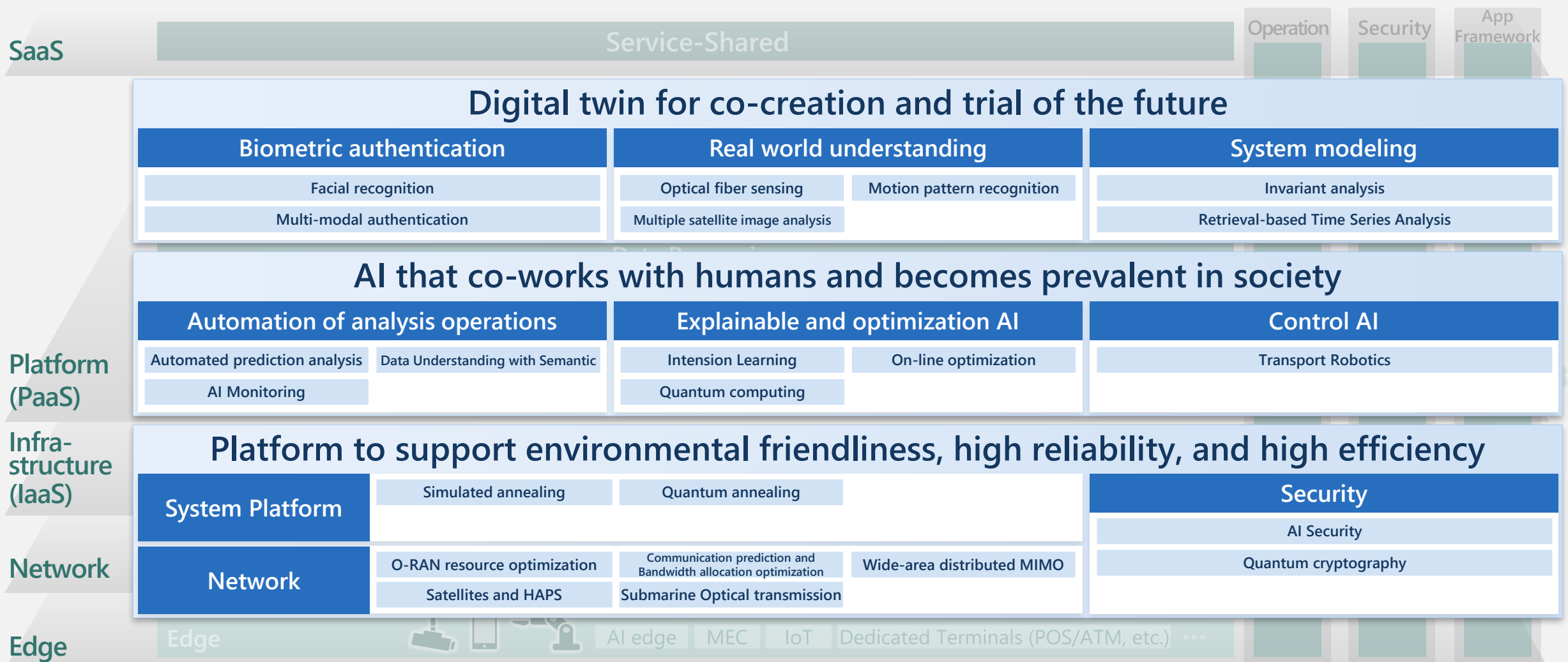
NEC survey (2021)

# NEC Digital Platform = NEC's Common Platform to Drive Growth Businesses





# R&D Technologies Supporting NEC Digital Platform

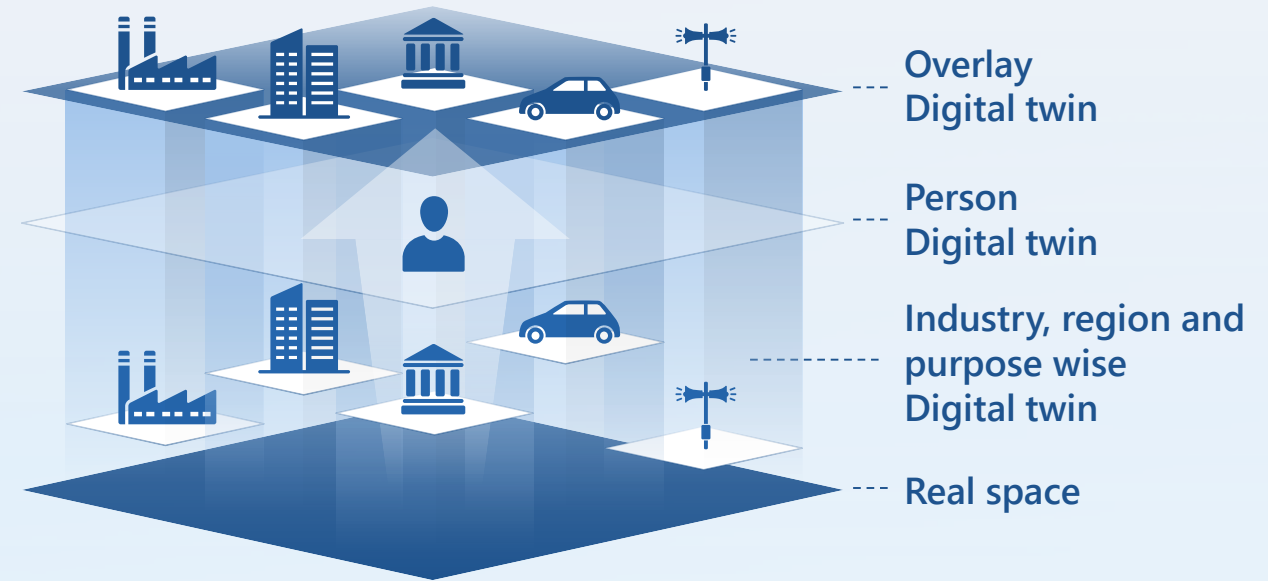


\*1 HAPS: High Altitude Platform Station \*2 MIMO: Multiple Input Multiple Output

# Digital twin for co-creation and trial of the future

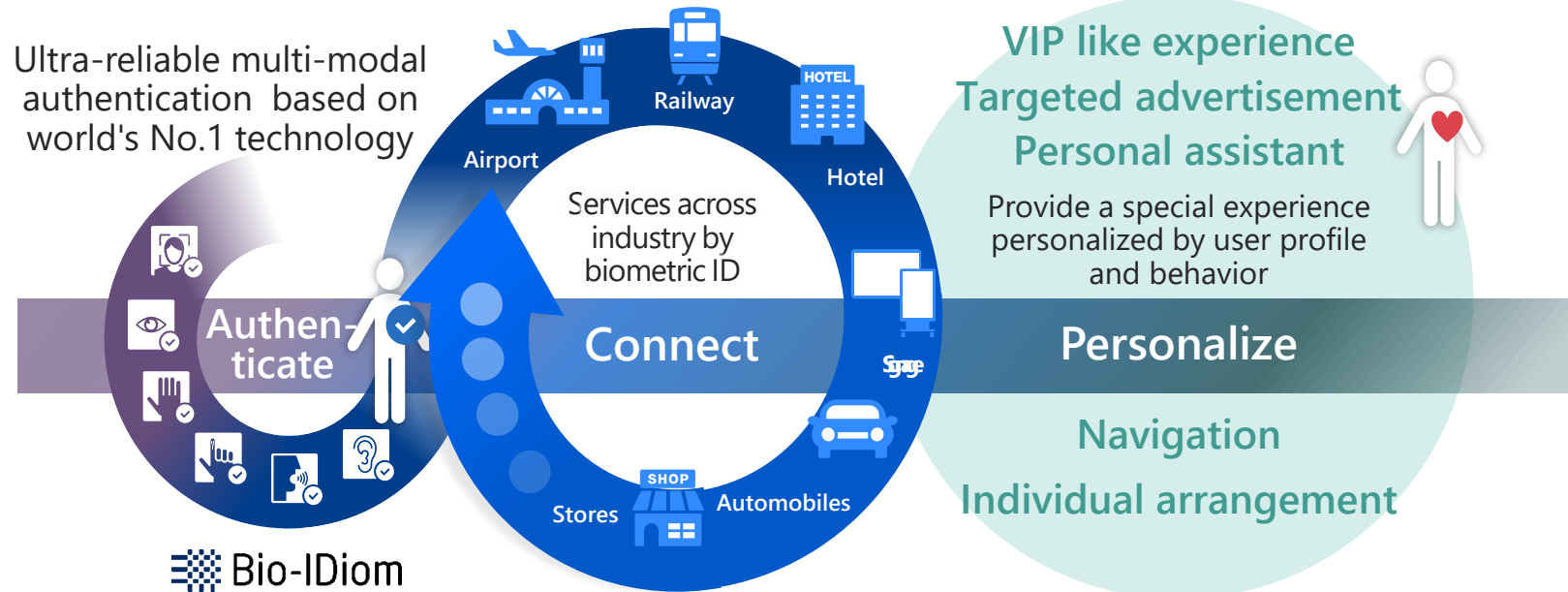
Provide a foundation to support the convergence of the real world and cyber world

Visualize and model all worlds of society/individuals/environment, and perform real-time optimization through AI driven simulations. Achieve the development of society, environmental protection, and individual wellbeing simultaneously.



# Optimal Personalized Services through Biometric Authentication Demonstration ▶

## World we aim with biometric authentication



※ Hitoshi Imaoka, "Facial Authentication Textbook" <Japanese only>

- Using biometric ID to connect various services (connect)
- Optimizing services for each individual (personalize)

### Multi-modal biometric authentication distinguishing 10 billion persons\*



Realize personalization through authentication distinguishes all the people on Earth

\* Achieved 1/10 billion false acceptance rate of a wrong person.

# Realize Safe and Secure Society through Visualization

## Earth

### No.1

NEC leads this technological area in IOWN Global Forum \*

**Optical fiber sensing to visualize the distribution of earthquakes and traffic flow over an ultra-wide area**

Utilize **globally spread optical fiber for communications** as a sensor. **By special signal processing, sensing not only vibration but also temperature etc. per a meter over several hundred km (more than 10 times that of other companies)** with high sensitivity.



### Only 1 / No.1

**Multi-satellite image analysis to detect all kinds of changes in the earth's surface**

The conventional method can detect changes **in only specific locations every two weeks. Even at night or in bad weather such as storms**, this technology can detect changes **in the ground surface at any points with higher frequency (within an hour to a day)**. Technology for flexibly integrating observed images from multiple SAR satellites / optical satellites



## Human

### Only 1

**Motion pattern recognition that instantly detects minute contaminants in liquid with high accuracy**

High-precision detection of **foreign matter and foam of about 50μm (1/200mm)**, which was difficult to achieve in the conventional method, by video analysis. **Achieved reduction of visual inspection and uniformity of inspection quality for chemical liquids**, etc. in glass bottles.

**Co-creation with Ono Pharmaceutical Co., Ltd.**



# Support Society by Mission-Critical Infrastructure

**Only 1** Invariant analysis and model-free analysis of time-series data

## Lockheed Martin collaboration



### Development of the manned spacecraft Orion of the manned lunar exploration project Artemis by NASA

The technology enables anomaly detections **for the design, development, manufacture, and testing stages** of spacecraft  
**Generate a normal operation model** by finding **22 billion relations** from **150,000 sensors** on the spacecraft within several hours

## Large plants



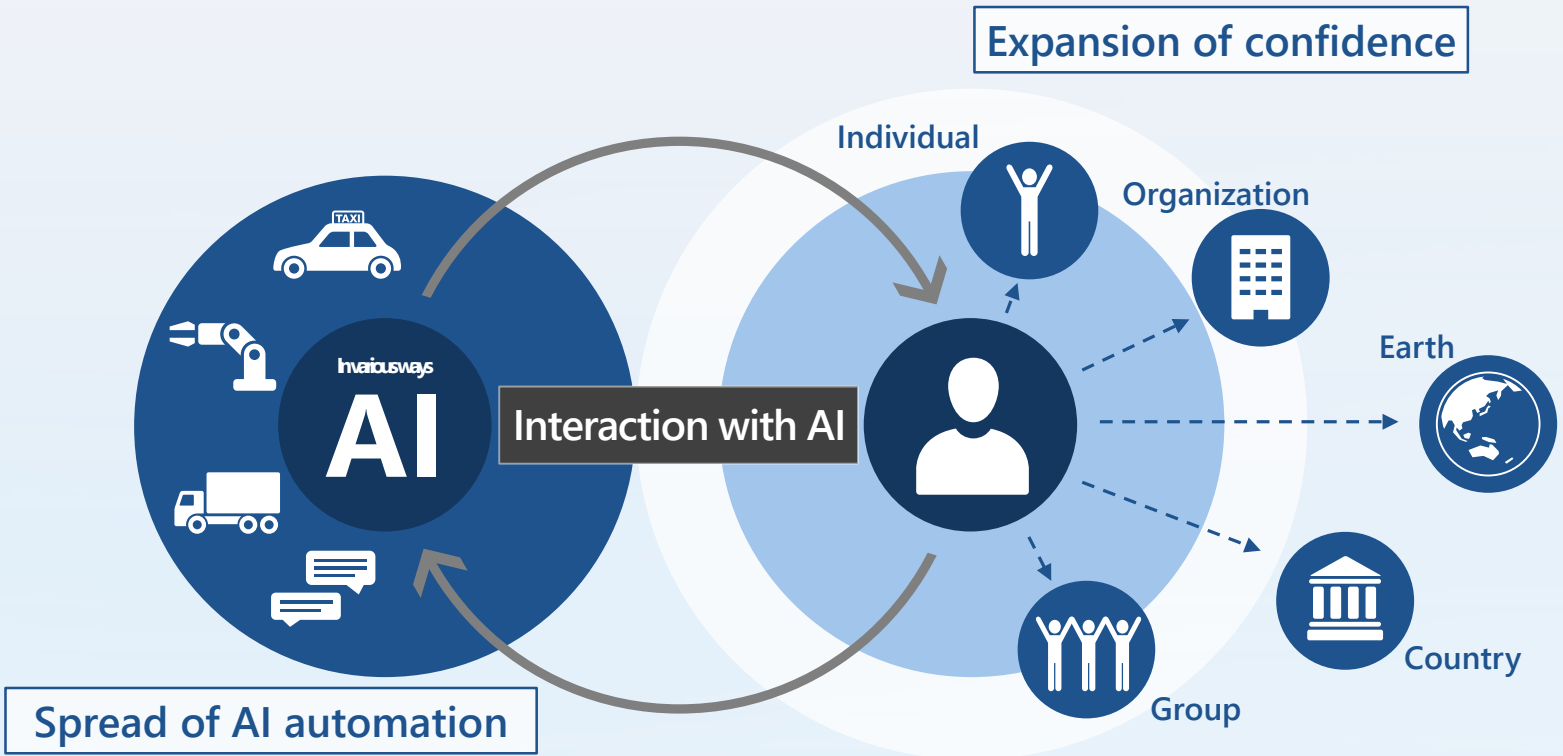
### Case Study: Nippon Steel Corporation, Sumitomo Bakelite Co., Ltd., ENEOS Corp., etc.

**Automatically detect “unusual” signs of malfunctions**  
**Preventing deterioration of product quality** due to **equipment outage** or failure

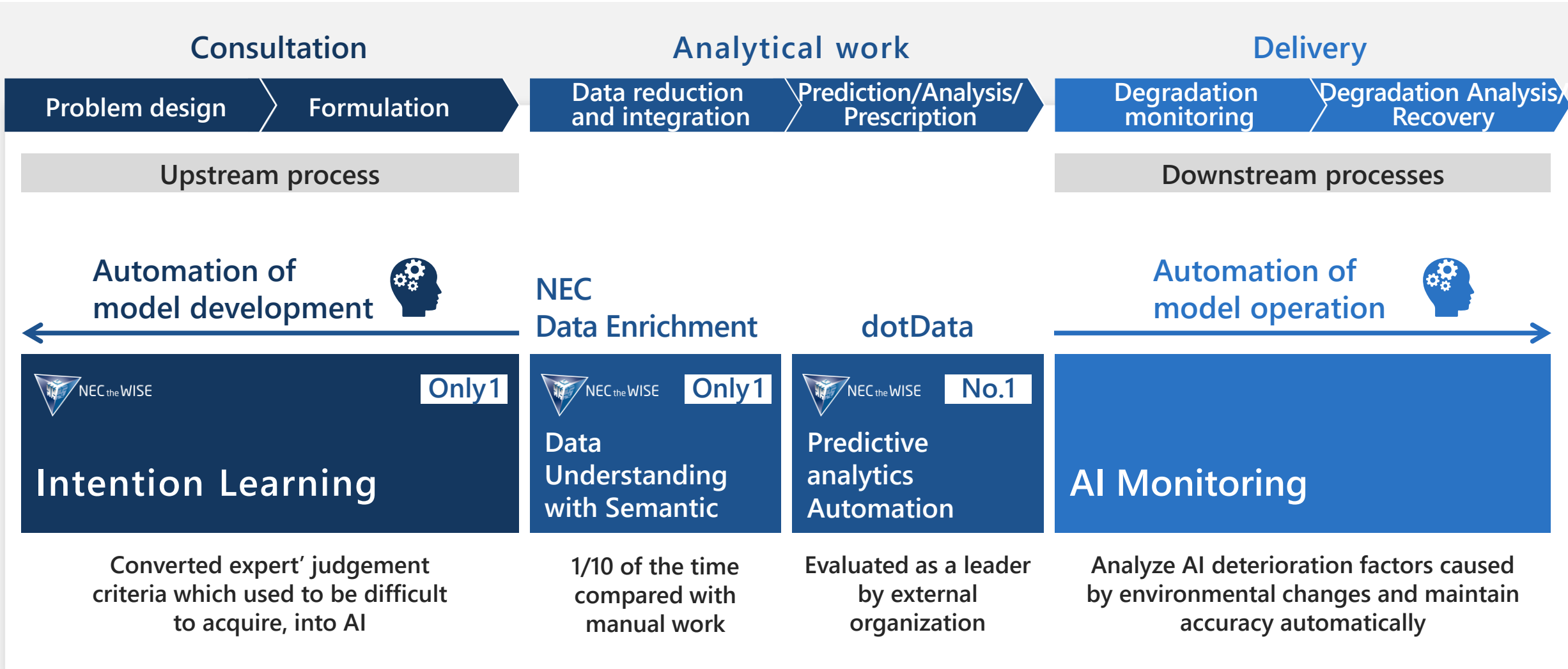
# AI that Co-works with Humans and Becomes Prevalent in Society

AI that people can trust, AI that people can accept

Toward AI as a partner being close to people for drawing out human capabilities by interacting with humans with a sense of confidence and security



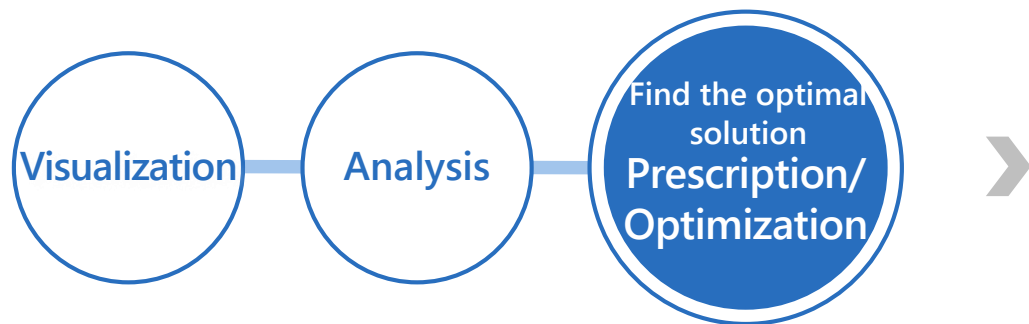
# Data Analysis for Everyone - Democratization of Data Science



# Making Society Efficient and Green through Optimal Prescriptions

Demonstration ▶

Visualization/analysis by AI ⇒ Prescription/optimization will generate further social value in the future



- Intention Learning ... Absorb expert intentions (Everyone is convinced)
- On-line optimization technology ... Become smarter while trying
- Quantum Computing ... Find an optimal solution at high speed

Use case

Human resource allocation

Recommendation Optimization

Vehicle dispatch plan

Dynamic pricing

Timetable correction

press release on November 26, 2021  
<Japanese only>

NEC begins providing support services for introducing optimization technologies that automate decision making with AI.

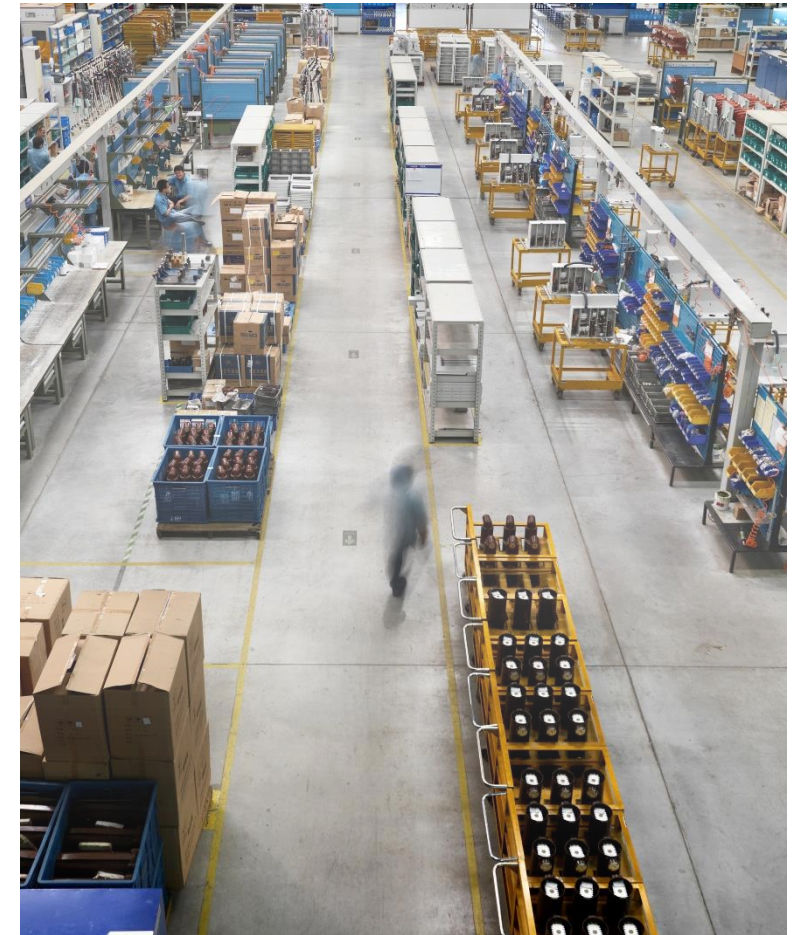


# Support Prosperous Lifestyles with AI being Close to People

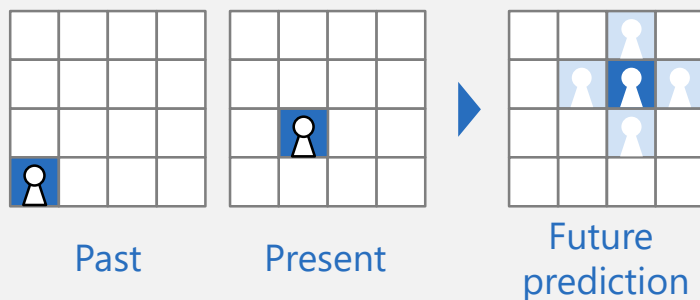
## Only 1

### Simple transfer robots that work in coordination with humans in a coexistent environment while achieving both safety and work efficiency

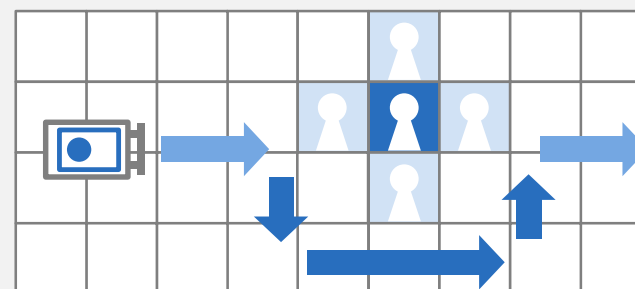
- A large number of simple transfer robots cooperatively move in the field where the worker goes. Collision with human is also predicted and avoided.
- "Cloud (AI control) + in-facility camera + wireless network" realizes this solution without renovating existing facilities



### Dynamic obstacle prediction



### Collision risk avoidance



\*Avoiding congestion in warehouses, etc., twice as much transport efficiency as conventional transport robots

# Realizing Efficient Social Systems by consulting and negotiating agreeable conditions among Multiple AIs

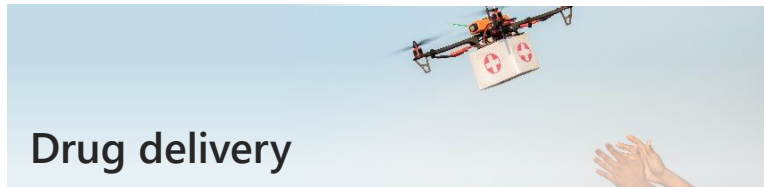
## Only 1 AIs Negotiation Technology



### ■ Drone Logistic System by AIs Negotiations

Press Release on November 4, 2021

**Demonstrated Japan's first flight services** in Wakkanai City **involving diverse drone operators and service providers** towards commercialization



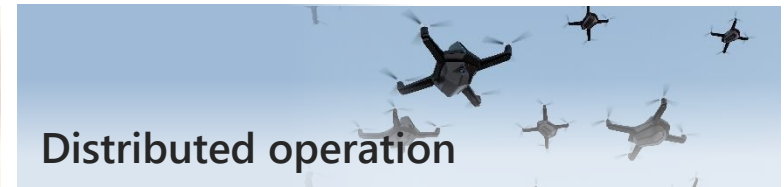
Drug delivery

Operation of drones in accordance with the "Guidelines for Drawn Distribution of Medicines"



Logistics operations in airports

Drone takeoff and landing for distribution to the airport where scheduled air flights are in service



Distributed operation

Distributed drone operation management system under international standardization

### ■ Established Automated Negotiation SCM Consortium (33 members)

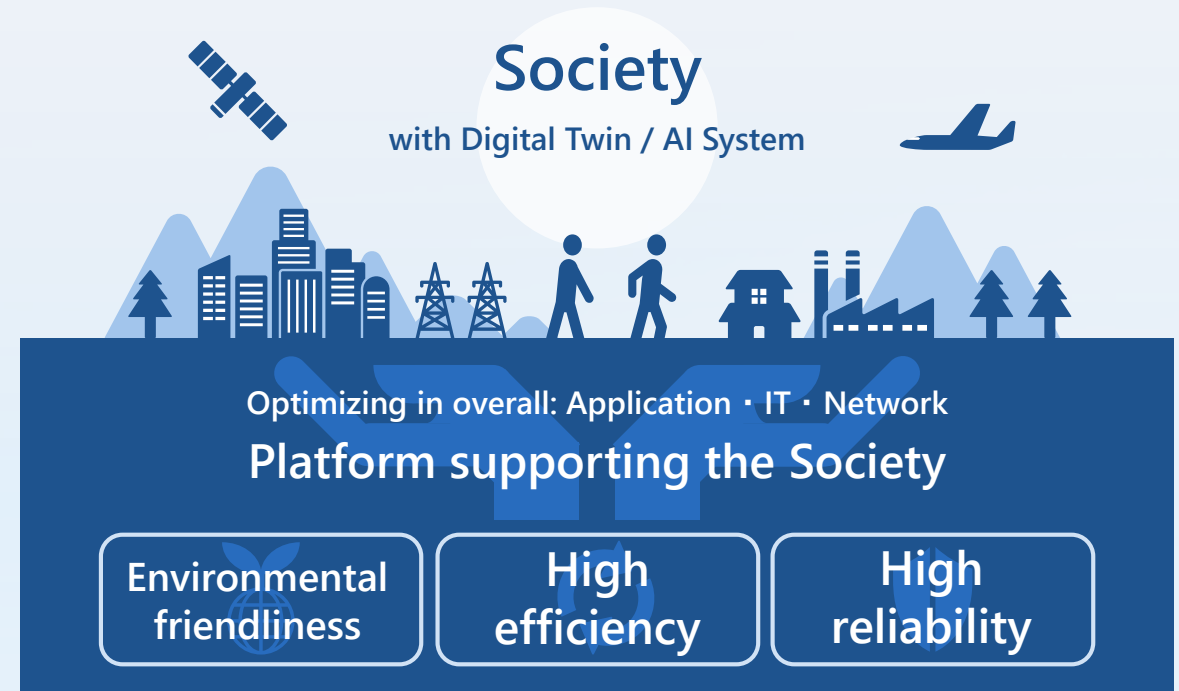
Press Release on September 17, 2021

Dramatically streamline the day-to-day "coordination of interests and behaviors among companies, organizations, and individuals" in the supply chain


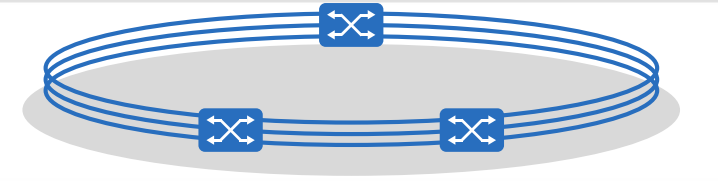
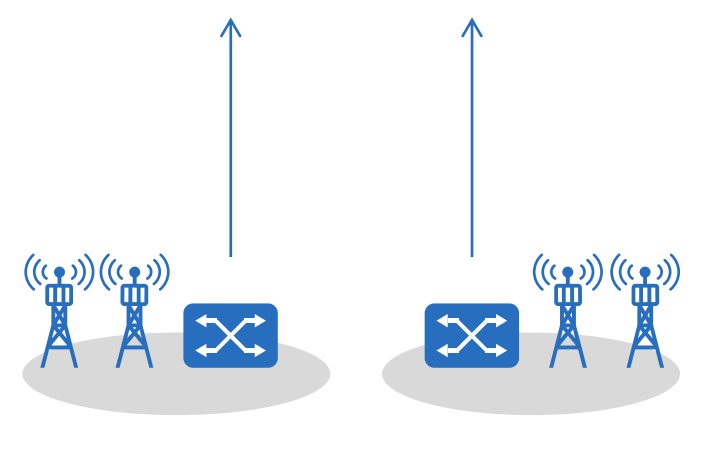
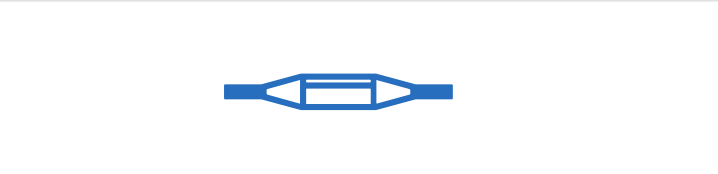
# Platform to Support Environmental Friendliness · High Reliability and High Efficiency

Integrate App/IT/Network & Security & Secure Data Platform

Provide environmentally friendly and sustainable infrastructure through integrated optimization including applications, IT and networks in addition to high reliability with security and data protection technologies



# Integrating AI × Communications × Computing

<p><b>Non-Terrestrial Networks</b></p>		<p><b>Satellite constellation · HAPS*1</b></p> <ul style="list-style-type: none"> <li>■ Providing communications over a whole globe such as <b>Gbps-level optical communication between satellites 40,000 km away</b>. They are key technology of Beyond 5G.</li> </ul>
<p><b>Optical Core Networks</b></p>		<p><b>All Photonics Network</b> (non-linear distortion compensation · photonics chip)</p> <ul style="list-style-type: none"> <li>■ <b>Wavelength Conversion technology</b> targeting <b>&lt;1/100 low latency &amp; power</b></li> <li>■ Successfully implemented <b>optical processing</b> on the photonics chip and proved the principle (Joint Research w Princeton Univ.)</li> </ul>
<p><b>5G Access Networks</b></p>		<p><b>Communication prediction · optimized BW allocation (Guarantee End to End QoE)</b></p> <ul style="list-style-type: none"> <li>■ Optimized ITNW process based on <b>the application's quality demand. Minimize BW usage upto 1/10</b></li> </ul> <p><b>O-RAN resource optimization</b></p> <ul style="list-style-type: none"> <li>■ 30% less power consumption through automatic optimization of Wireless &amp; CPU resource allocation of O-RAN equipment (CU/DU) . <b>Minimize BW usage up to 1/10</b></li> </ul> <p><b>Distributed MIMO*2</b></p> <ul style="list-style-type: none"> <li>■ Low cost &amp; small O-RAN equipment (RU/DU) by distributed antenna system deployment of small antennas and high precision clock synchronization</li> </ul>
<p><b>Submarine Optical Fiber Cables</b></p>		<p><b>Submarine Optical Communication</b></p> <ul style="list-style-type: none"> <li>■ Succeeded <b>world's first long-haul transmission with 4 core fiber cable Uncoupled multicore fiber transport systems</b></li> <li>■ Contributed to PO in the North Atlantic through joint demonstration with Facebook/Google/Amazon et. al</li> </ul>

\*1 HAPS: High Altitude Platform Station \*2 MIMO: Multiple Input Multiple Output

# Quantum Technologies Driving the Next Generation

## Solving social issues with unprecedented computing power

### Quantum Computing

NEC is a pioneer\*1 of quantum computing

**Now** Beginning service

- Vector Annealing service 300x faster
- D-Wave's Leap™ Quantum Cloud Service with Japanese support

**Future**

- Superconducting quantum computing circuit
  - Practical use targeted 2023
  - 100x quantum coherence time
  - Scalability for solving large-scale problem
- Leading National Projects
  - NEDO\*2 : Quantum annealing machine (2023)
  - JST\*3 : Fault tolerant quantum computer (2050)

## Absolute secure communication

### Quantum Cryptography Communication

Driven over 20 years of R&D in Japan

**Now**

- 2000~  
Leading QKD R&D along with National Projects  
The secure QKD\*4 equipment in Japan which has been evaluated by 3rd parties\*5

**Future**

- 2022 **High End model**  
BB84 Long-distance communication  
**Deploy at commercial environments in FY2022**
- 2024 **Prevailing model**  
CV-QKD sharable with existing fiber



\*1 Demonstration of world's first solid-state quantum bit operation(1999) \*2 New Energy and Industrial Technology Development Organization  
\*3 Japan Science and Technology Agency \*4 Quantum Key Delivery \*5 Joint research with NICT, Hokkaido Univ., Tokyo Univ. <K.Yoshino et al., npj Quantum Info. 4, number 8 (2018) >



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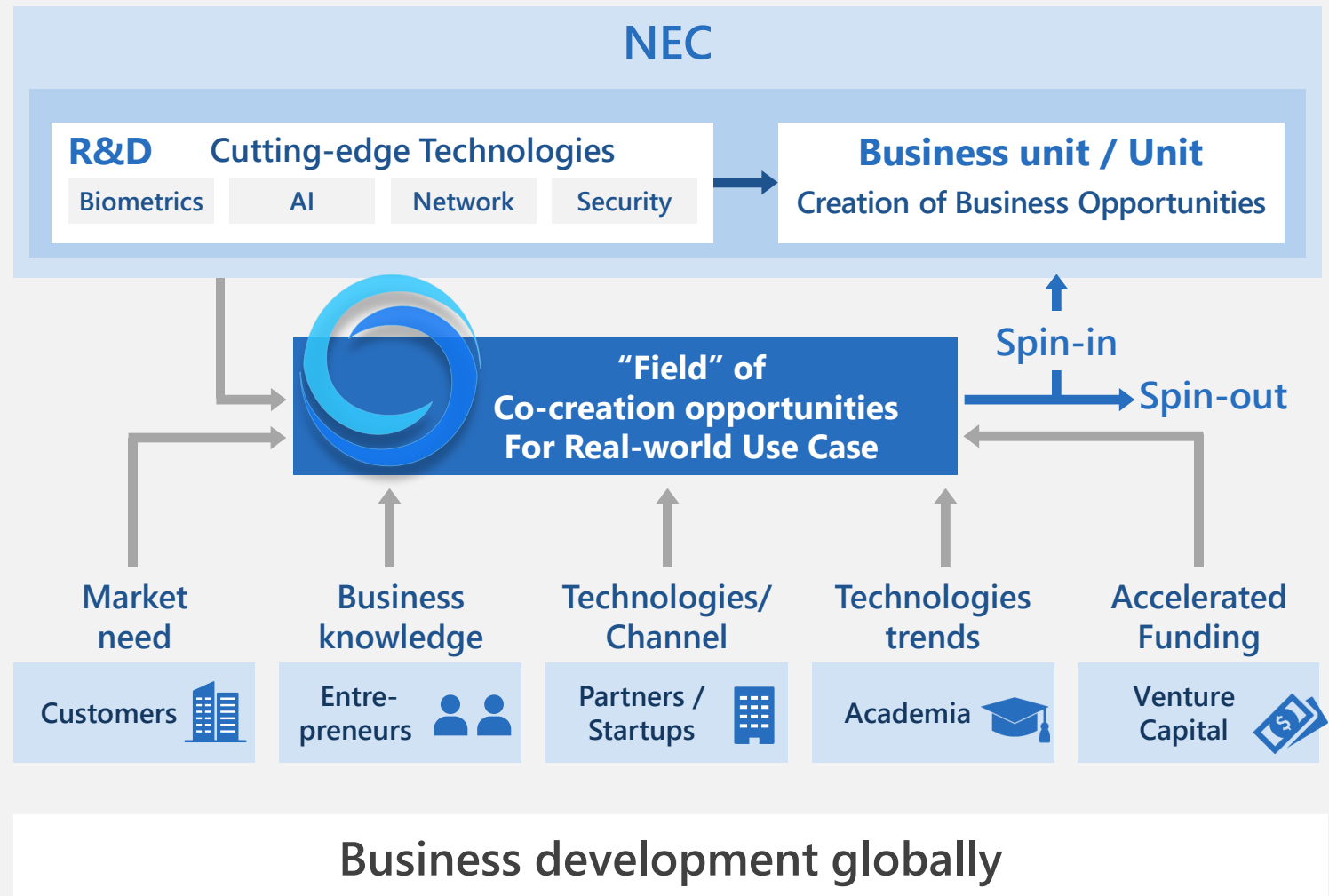
# Direction of New Business Development

## Strategies

Proactively use external resources

Take on the challenge to be high-value businesses with social impact

Strengthen partnering (with major companies, universities, and startups)



# Unprecedented co-creation type of R&D business originated in Japan



BIRD INITIATIVE



September 2020

Established by six companies from different industries incorporating business companies, finance, and academia



Revenue YoY

7 times\*

Steady progress in the business development consulting service

Carve out planned for fiscal 2023

2 projects

assimee

To a world where digital twins are a given  
Analysis shows threefold improvement in investment efficiency at a major semiconductor manufacturer

Automated negotiations x Drone

Realization of smart logistics and smart factories  
Japan's first 3 tests were completed in the city of Wakkanai

\*Forecast value as of November 2021



# Unprecedented co-creation type of R&D business originated in Japan

## DigitalTwin × AI (Automatic Simulation)

- Oct. 2021 Jointly developed cutting-edge AI × 3D simulator with Genetec Corporation, firmly implementing DX in manufacturing and logistics
- Nov. 2021 Collaborating with ITOCHU Techno-Solutions Corporation on DX acceleration businesses for customers and society with DigitalTwin

## Automatic Negotiation × SCM

Sept. 2021 Established 'Autonomous Adjustment SCM Consortium' (Initial members; 33 companies) In order to significantly eliminate 'operational coordination work among companies', organizations' and individuals' various interests and actions' that arise daily in supply chains, organize and verify practical coordination work flow, advance and penetrate jointly driven by members of various positions and views

## Automatic Negotiation × Drones

Jun. 2021 Participated in regional proving tests conducted by NEDO at City of Wakkanai in Japan

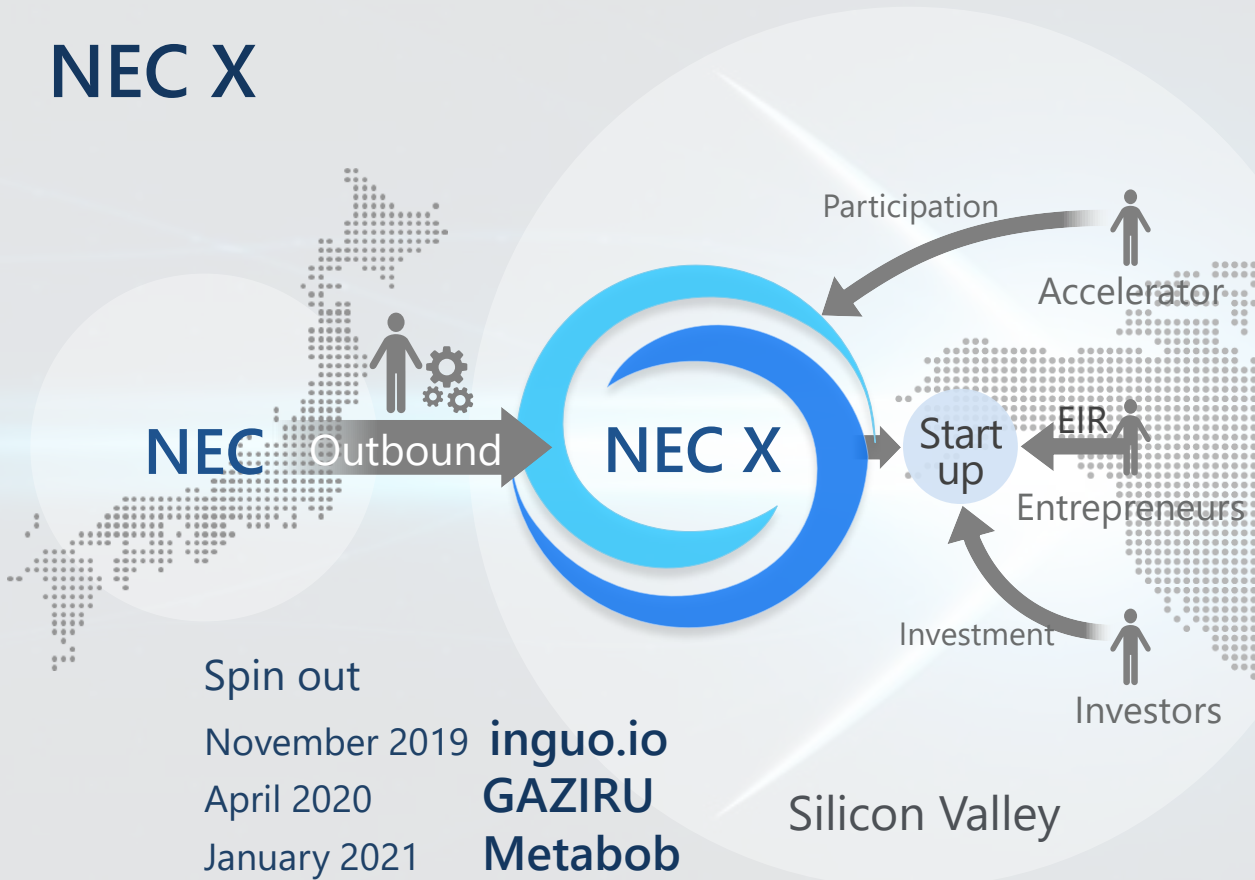
Three Firsts in Japan

1. Drones flown according to guidelines for drone for medicine delivery
2. Takeoff and landing of drones within an airport where regularly scheduled flights are in service
3. Decentralized operation management which has recently been internationally standardized

Decentralized adjustments of overlapping necessary flight plans detected or resolved  
BIRD INITIATIVE is an operator of Unmanned Aircraft System Service Provider (UASSP)

# Expand Venture Investors and Entrepreneurs Network to enhance New Business Developments

## NEC X



- Spin out
- November 2019 **inguo.io**
- April 2020 **GAZIRU**
- January 2021 **Metabob**

Various other spinouts are anticipated during 2021 and 2022

Introduce the Stanford MBA case study



May 18, 2021

Concluded a partnership with Alchemist Accelerator, LLC

### Network

Venture capitalists

Entrepreneurs-in-residence (EIRs)

**5,000** people

**1,700** people

# Expand Venture Investors and Entrepreneurs Network to enhance New Business Developments

## inguo.io (Causality Analysis Technology)

Nov. 2019 Established in NY, US.

Oct. 2020 NEC began to offer as causality analysis solution in Japan

Automatically draws cause and effect from observation data which enables objective analysis of cause and effect



## GAZIRU (Object Fingerprint Technology)

Apr. 2020 Established in Japan

Capital Injection by Global Catalyst Partners

Highly precise sorting of various images through smartphone cameras  
Offering core solution that enables establishment of new services that incorporates image recognition and information provision



## Metabob (AI for Code Analysis)

Jan. 2021 Established

Dec. 2020 Participated in Alchemist Accelerator Program

Code review and debug support tool for software developers  
Visualize code structures and discovers bugs using machine learning models (Currently only supports Python)



# Strengthen New Business Development through Collaboration with Major Companies/Universities

## Progress in the strategic partnership with NTT

### Innovative technological development

Fundamentally reduce security risks associated with using Open and capture the global 5G market using a safe and secure O-RAN

October 27, 2021

Developed supply chain security risk reduction technology for ICT infrastructure



## Construct ecosystems through collaboration with universities

### Social implementation

Aim to create results, form a vision, and foster social consensus taking into account the Beyond 5G domain through to social implementation

November 1, 2021

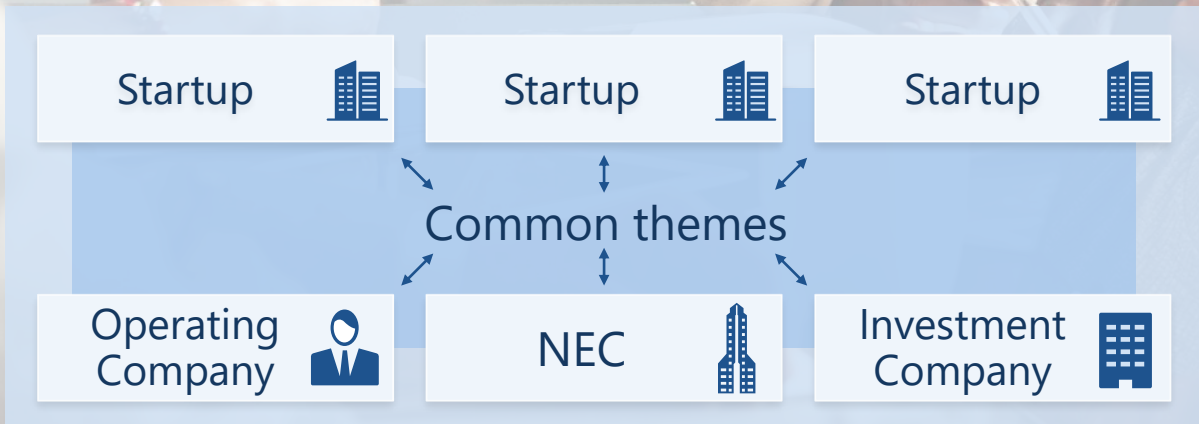
NEC Beyond 5G Collaborative Research Institute

大阪大学

# Establishment of NEC Orchestrating Future Fund

## Investment Mainly in 6 Areas

5G / 6G	Smart Cities
DIGITAL GOVERNMENT DIGITAL FINANCE	DX
Healthcare · Life Science	Carbon Neutrality



## Externally Raised Fund Anchored by NEC

Co-create and Formulate Eco-system through Investments in Late Stage Startups in addition to Early Stage

Size

**Approx. 17 billion yen**

Add one company per one business domain as Limited Partner towards final close In June 2022

# Cases of New Business Developments

# dotData and Data-driven DX Business

## Creating New Business Value from a Data Starting Point

### dotData/Data-driven DX Business Division

dotDat

- April 2018  
**Established dotData**
- October 2019  
**Completed dotData Series A**
- June 2020  
**Started collaboration with Teradata**

NEC Japan (Becomes the Data-driven DX Business Division from FY 2022)

- July 2018  
**Launched commercial sales**
- September 2020  
**Concluded reseller agreement with Techfirm**
- October 2020  
**Tableau alliance**

NEC acquired the exclusive sales rights for dotData in the Japanese domestic market  
Expand sales in the Japanese domestic market and the related service business

FY 2022 Targets  
Business value  
50 billion Yen

➤ Total Financing  
Amount  
by Series A

**43M\$**

September 2021

**Concluded partnership with Tableau Software**

Number of paid services  
provided  
Double sales yearly until FY 2021

**More than  
70 companies\***

April 2021

**Established the Data-driven DX  
Business Division**

Shift to DX business that realize customer's Data-driven management

October 2021

**Started providing DX human resources  
development services using dotData**

\* As of November 2021

# AI Drug Development

## Personalized Cancer Immunotherapy using Cutting-edge

**Paradigm shift of drug development processes optimized for each patient**

### Technological progress

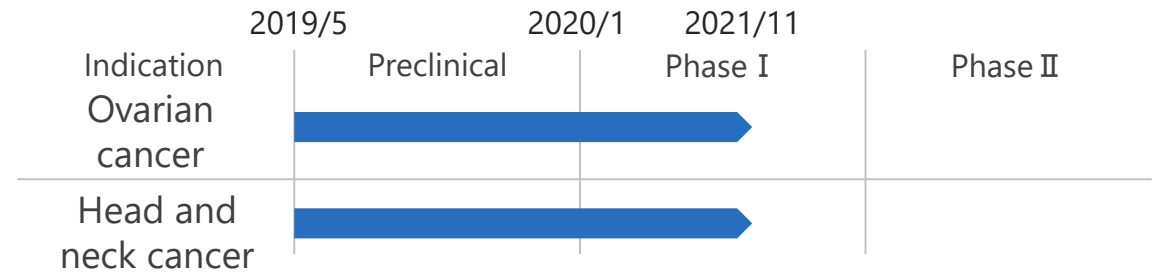
Personalized vaccine design using AI

**Graph-based associative learning**

**Multiracial vaccine design technology**

\*) Calculation by market scale of drug development pipelines, development phases, value amount of competitors and pipelines of drug development, as general method of medication development

2025 Business value **300** billion Yen



November 24, 2021

**Transgene and NEC report positive preliminary data from Phase I clinical trials**

Induced robust anti-tumor cellular immune responses against multiple neoantigen targets in all evaluable patients (4 cases/4 cases)



# Healthcare / Life Science

## Strategic Global Partnership with BostonGene Corporation

April 2019  
Investment of  
USD50M

July 2020  
Collaboration on analysis  
of oncology patients under  
clinical trials

October 2020  
Collaboration on analysis on genetic  
analysis of ovary as well as head and neck  
cancer patients under clinical trials

December 2021  
Expanded into  
Strategic Global Partnership

Medical  
Care

Recommend  
Optimized  
Medical care

Expand Globally

**NEC**

**BostonGene**

Life  
Science

AI Drug  
development

Co-creation  
On clinical trials

### Jointly cultivated global markets

Offer services to hospitals utilizing NEC's networks in areas of healthcare / life science in Japan

### Platform of BostonGene

AI based profiling of molecules and immunity that enables doctors to offer diagnostic support to Individual oncology patients

**Conducted 7 Joint Researches  
in the U.S.**

Massachusetts General Hospital (Oct. 2021, Jan. 2020)  
University of Texas MD Anderson Cancer Center (Sept. 2021)

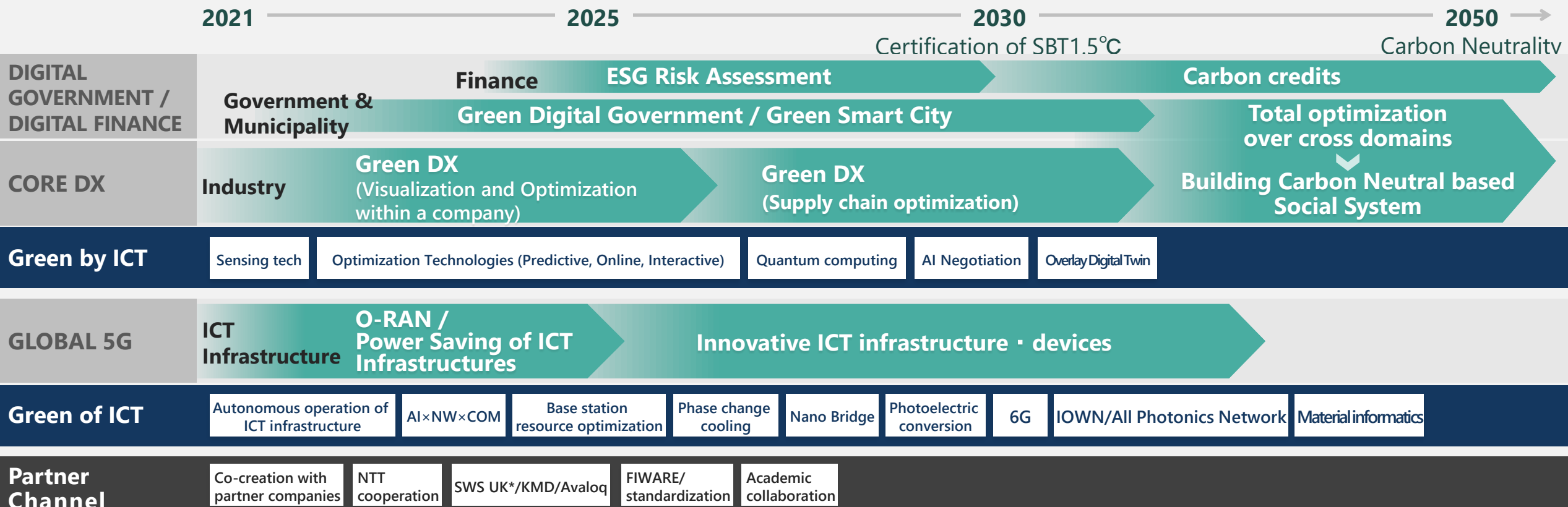
# Carbon Neutrality

## Leading Society by "Green by ICT" and "Green of ICT"

(DIGITAL GOVERNMENT / DIGITAL FINANCE, CORE DX)

Lead Carbon Neutrality through total optimization across all stake holders; Industry, Government & Cities

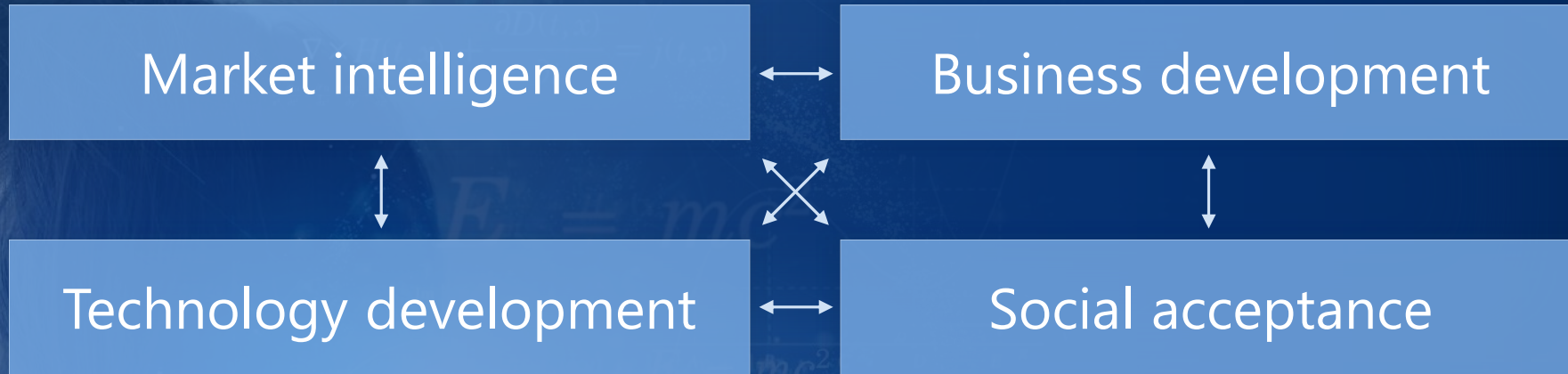
Build Green based social system and industrial innovation



\* NEC Software Solutions UK

# Implementing Technology in Society to Realize NEC's Purpose

$\nabla \times E(t, x) + \frac{\partial B(t, x)}{\partial t} = 0$   
 $\nabla \cdot D(t, x) = p(t, x)$   
Social Implementation Scheme



## Expand R&D co-creation

Create No.1 / Only 1 technologies as a source of innovation

## New business development

Create new businesses that becomes the next growth pillar

## Thought leadership

Foster social acceptance by creating a shared vision for a brighter future

**Realizing new social value creation through  
innovation brought  
about by a shared vision  
for a brighter future and technology**

