Management for Sustainability

Metrics and Results During the Mid-term Management Plan 2025 Period GRI 3-3

In Mid-term Management Plan 2025, NEC established KPIs for fiscal year 2026 as benchmarks to measure progress on materiality, reviewed the results and challenges annually, and considered additional measures or revised targets as needed. The KPIs for each materiality item in fiscal year 2026 and the initiatives results are as follows. The engagement score, which is a KPI for "diverse human resource development and cultural transformation," was 48%, falling slightly short of the target value of 50%, but improved to a domestically top-level standard. In addition, the ratio of female managers was 12.1%, which did not reach the target value of 20%.

	Materiality	KPIs for Fiscal Year 2025	Results for Fiscal Year 2025
Growth Materiality	A Society That Enables Well-being through the Digitalization of Government and Financial Institutions	• DGDF revenue: 320.0 billion yen Adjusted operating profit margin: 11.9%[3]	• DGDF revenue: 333.5 billion yen Adjusted operating profit margin: 9.5%
	Stress-free Communication with Low Environmental Impact	-[4]	-[4]
	Transforming Society and Industry with the Power of Digital Technology	• NEC BluStellar revenue: 624.0 billion yen Adjusted operating profit margin: 13.2%[5] • Total human resources involved with DX: 12,000	• NEC BluStellar revenue: 705.0 billion yen Adjusted operating profit margin: 14.5% • Total human resources involved with DX: 13,492
	Living Freely in Our New Era of Healthcare and Life Science	• Continuously create new businesses in healthcare and life sciences to achieve a business value of 500 billion yen by fiscal year 2031	• Confirmation of immunogenicity of personalized cancer vaccines and commencement of joint research with a major pharmaceutical company toward creating cancer vaccines • In collaboration with universities, commencement of research on a virtual medical platform toward realizing patient-centered healthcare • Verification of the effectiveness of technology to support doctors' operation of electronic medical records through generative AI
	Driving Carbon Neutrality for Our Customers and Society	• Business expansion in areas such as carbon management to support corporate decarbonization	• Release of solutions for promoting decarbonization including the supply chain • Expansion of AI-based analysis of risks and opportunities related to corporate natural capital from environmental Client Zero to customer services • Promotion of collaboration with universities and partner companies regarding calculation of decarbonization effects in agriculture and forestry
Fundamental Materiality	Environmental Action with a Particular Focus on Climate Change (Decarbonization)	• 25.0% reduction in Scope 1 and Scope 2 CO_2 emissions (compared with fiscal year 2021) to achieve carbon neutrality by 2040	• Approximately 55.8% reduction in Scope 1 and Scope 2 CO_2 emissions (compared with fiscal year 2021)
	Security to Maximize ICT Possibilities	• Three times the number of internationally certified personnel[5] (compared with fiscal year 2021)	• More than a total of 670 internationally certified personnel[6], approximately 4.5 times the number in fiscal year 2021
	Provision and Utilization of AI with Respect for Human Rights as the Highest Priority (AI and Human Rights)	• Application of the NEC Group AI and Human Rights Principles	• Application of the NEC Group AI and Human Rights Principles
	Diverse Human Resource Development and Cultural Transformation	• Engagement score: 50% • Ratio of female managers to all managers: 20%[6]; Ratio of female or non-Japanese officers to all officers: 20%[7]	• Engagement score: 48% • Ratio of female managers to all managers: 12.1%[8]; Ratio of female or non-Japanese officers to all officers: 17.2%[9]
	Corporate Governance Aiming to Continuously Create Social Value and Maximize Corporate Value	• Increase sophistication of governance by transitioning to a company with a Nomination Committee, etc., with a majority of independent outside directors	• Strengthened the monitoring function of the Board of Directors • Ratio of independent outside directors: 72.7%[10]
	Supply Chain Sustainability through Collaboration and Co-creation with Suppliers	• Suppliers agreeing to the Procurement Guidelines: 75%[10]	• Suppliers who have agreed to the Procurement Guidelines: 88%[11]
	Compliance as a Social Value Innovator	• Zero cases of serious involvement with cartels and/or bid-rigging	• Zero cases of serious involvement with cartels and/or bid-rigging

3. Target changed in fiscal year 2026.
4. Removed from KPIs due to changes in the external environment.
5. CISSP (Certified Information Systems Security Professional)
6. Includes transfers effective April 1, 2026 determined within fiscal year 2026.
7. Directors, executive officers, corporate senior executive vice presidents, corporate executive vice presidents and corporate senior vice presidents of the Company as of March 31, 2026 (including executive officers, corporate senior executive vice presidents, corporate executive vice presidents and corporate senior vice presidents whose appointment is determined during fiscal year 2026 and transfer is scheduled for April 1, 2026).
8. As of March 31, 2026. The ratio of female managers to all managers was 13.0% as of April 1, 2026.
9. Directors, executive officers, corporate senior executive vice presidents, corporate executive vice presidents and corporate senior vice presidents as of March 31, 2026. The ratio of female and non-Japanese officers to all officers was 17.5% as of April 1, 2026.
10. As of March 31, 2026.
11. Percentage based on procurement amount.