

NEC Networks & System Integration Corporation

Environmental Report 2018



1. Environmental Policy

Basic Principles

As a “Communication Systems Integrator” in an information-oriented society, we strive to be a company whose employees pursue earth-friendly business activities and which operate in harmony with the environment, and contribute to the realization of an enriched society.

Action Guidelines

We regard harmony with the environment as a key management issue and each employee works to promote the following environmental activities.

1. Recognize that there is an environmental impact throughout every aspect of business activities, try to continually improve environmental management systems, and endeavor to enhance environmental performance.
2. Work to prevent environmental pollution, mitigate climate change and promote climate change adaptation activities.
3. Comply with laws, regulations, agreements and other requirements related to the environment, and manage activities, products and services with the potential to impact the environment.
4. Set targets for the activities, promote resource and energy conservation at each stage of an activity, product or service, work to reduce waste, and promote the preservation of biodiversity.
5. Document the environmental policy, disseminate the policy among employees, and implement and maintain the policy by way of an environmental management system.
6. Release the environmental policy widely and contribute to local communities.

Established: March 1, 1996
Revised: June 23, 2017

President
NEC Networks & System Integration Corporation

Pressing Ahead with Environmental Management

The NESIC Group formulated the NEC Networks & System Integration Corporation Group Statement in January 2017 to document its long-nurtured values and its DNA as well as its vision what the Group should be. With this statement, we aim to realize “a safe, secure and plentiful tomorrow.” Offering value to society by facilitating communication is central to this objective.

The NESIC Group will address global issues specified in the Sustainable Development Goals (SDGs) adopted at the United Nations in September 2015 through environmental management.

We understand that communication with insiders and outsiders concerning environmental activities are vital to building relationships of trust with all stakeholders. I would be grateful for your understanding of our commitment to the environment and any candid feedback.



Komei Sakanashi
Senior Vice President

Sustainable Development Goals (SDGs) related to the environment to which the NESIC Group is committed



Ensure access to affordable, reliable, sustainable and modern energy for all

Capitalizing on construction capabilities developed in communication infrastructure works around the world, we engage in construction and maintenance of mega solar power plants as a renewable energy source with outstanding potential.

Main business and actions: Construction and maintenance of mega solar power plants



Promote inclusive and sustainable economic growth, employment and decent work for all

Comprehensive support, including the development of an ICT environment that facilitates work-style innovation and proposals on institutional design and operation rules, paves the way for paperless work, working without concern for distance, location or time constraints to enhance productivity and to help resolve energy issues.

Main business and actions: Work-style innovation solutions



Ensure sustainable consumption and production patterns

We are working on green purchasing, and on the recycling of industrial waste generated from construction and other work and used products.

Main business and actions: Green purchasing, reuse and recycling



Take urgent action to combat climate change and its impacts

We are working to promote products with superior energy efficiency and to use and practice our solutions that help reduce greenhouse gas emissions.

Main business and actions: Sales of energy efficient products and reduction of greenhouse gas emissions



Revitalize the global partnership for sustainable development

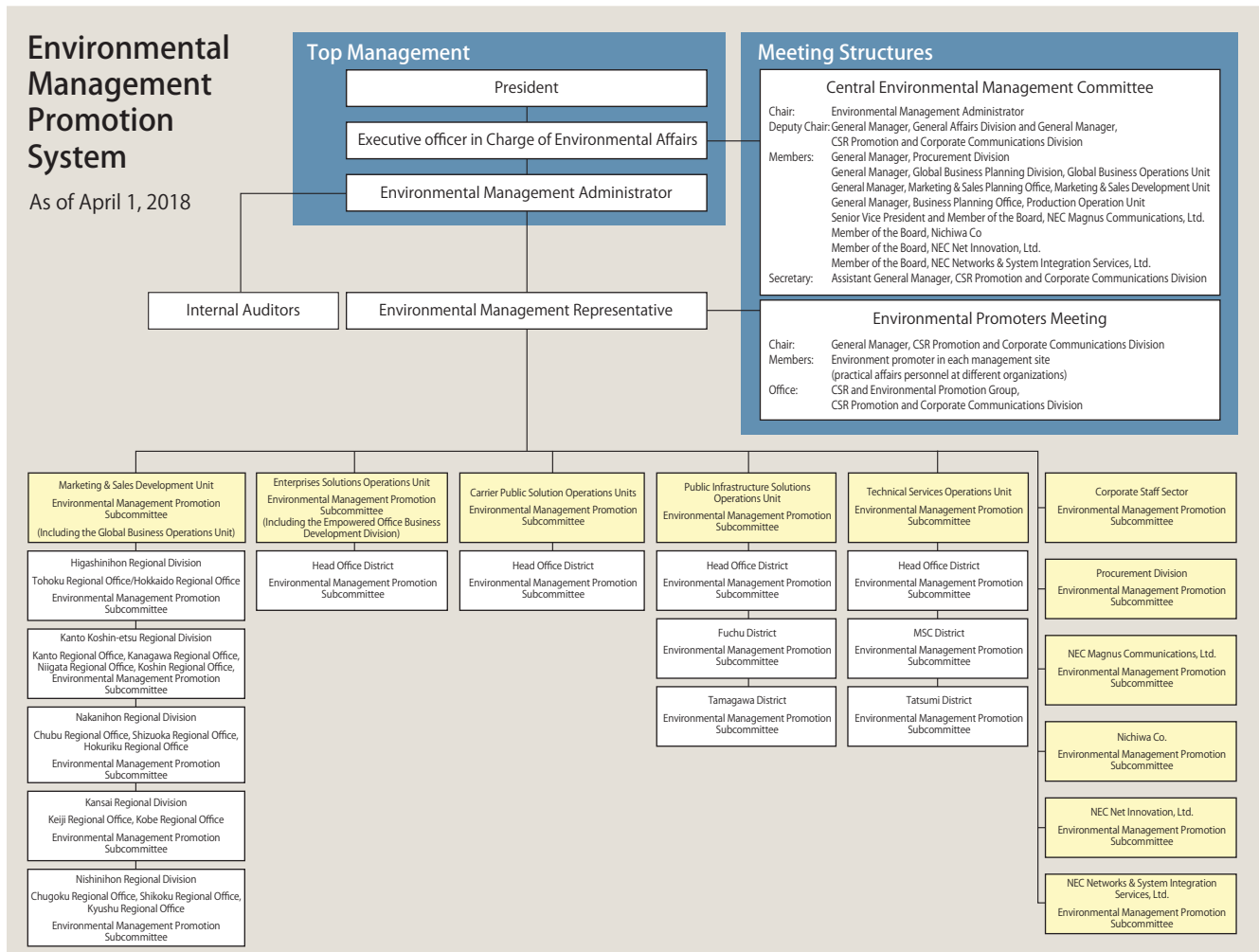
Not limited to all Group employees but the entire supply chain including suppliers are promoting environmental activities.

Main business and actions: Overall environmental activities

● Operation Structure

NESIC Group regards environmental management as one of its most important management issues and has strengthened mechanisms and systems designed to promote environmental management. Specifically, the Central Environmental Management Committee, (chaired by the executive officer in charge of environmental affairs) deliberates over and decides on company-wide

environmental strategies and policies, and follows up priority issues. As a subordinate organization, an Environmental Promoters Meeting is convened every other month, chaired by the general manager of the CSR Promotion & Corporate Communications Division (Environmental Management System Supervisor) to promote environmental management activities.



● ISO 14001 Certification

NESIC received ISO 14001 standard certification for environmental management systems on July 28, 1999.

For FY ended March 2018, the NESIC Group including NEC Networks & System Integration Services, Ltd., an affiliated company, underwent an assessment for enlargement, renewal and transfer on November 7-16 2017. With its system based on the ISO 14001:2015 standard recognized as being continuously effective, the Group maintained its certification. As a result of this assessment, all four subsidiaries wholly owned by NESIC have obtained ISO certification.



| | |
|--|--|
| 1. Certifying Body: Japan Quality Assurance Organization (JQA) | 4. Date of Expiration: December 16, 2020 |
| 2. Date of Registration: December 17, 1999 | 5. Certificate Number: JQA-EM0640 |
| 3. Date of Renewal: December 17, 2017 | 6. Registered Organization: NEC Networks & System Integration Corporation, 2-6-1 Koraku, Bunkyo-ku, Tokyo, Japan |

● Internal Audits

For FY ending March 2018, NESIC carried out internal audits on 28 management sites, and the results were as follows. They were reported to the Environmental Management Administrator and the management system was improved.

| Number of management sites audited | Satisfactory cases | Minor non-conformance | Opportunities for improvement |
|------------------------------------|--------------------|-----------------------|-------------------------------|
| 28 | 57 | 0 | 18 |

Benefits

- ① All personnel received general environmental education.
- ② Activities for both the environment and social contribution were conducted.
- ③ A change in the setting of environmental targets based on business activities was confirmed.

● Compliance

Placing the highest priority on compliance in its management, NESIC has long developed in-house management systems and implemented activities to raise awareness.

For FY ended March 2018, NESIC invited outside lecturers to provide education on the Waste Disposal Act so that its staff would strictly observe the laws by learning about the points to note in the treatment of construction-related waste and about the wide-area recycling designation system*.

With regard to waste management, NESIC systematically implemented manifest management, reporting to the

governmental sector and on-site checks of waste treatment operators.

As a result of these actions, there were no incidents with a significant impact on the environment around its offices and plants, and no cases of the violation of environment-related laws and ordinances.

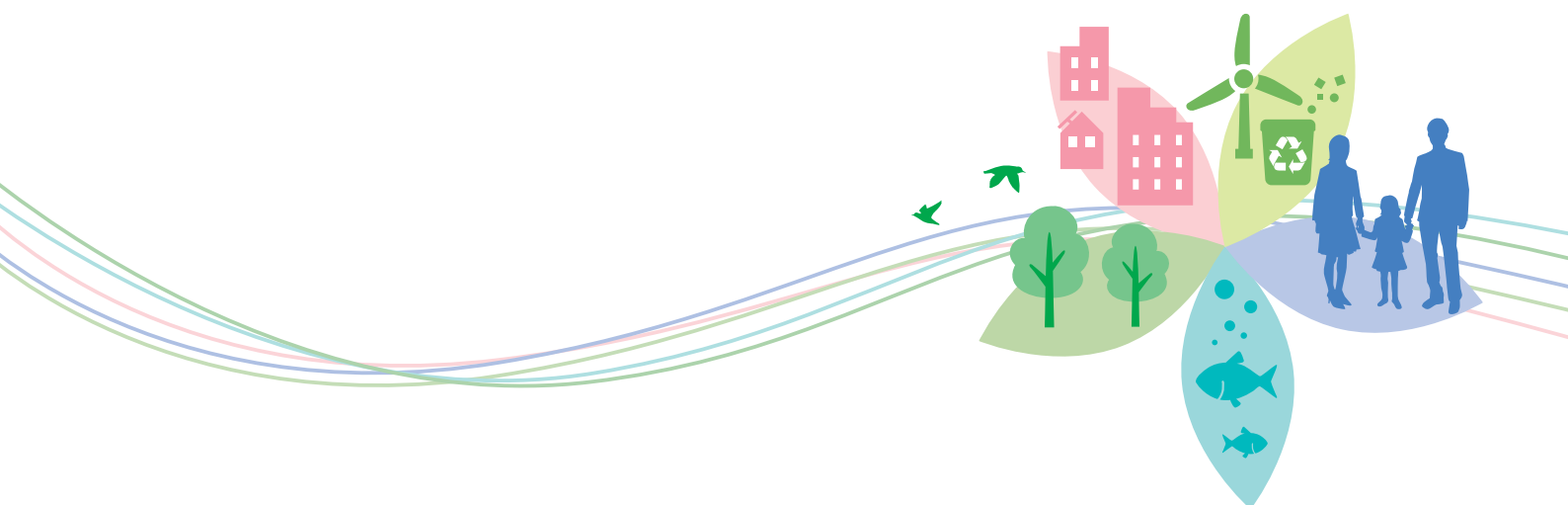
In addition, with a view to ensure continuous compliance with legislation, NESIC started to educate compliance evaluators on individual management sites using the Management Innovation of NESIC Human Resources Value System (MiNRV), which is NESIC's personnel education system. 50 personnel participated.

* An exceptional program under the Waste Disposal Act that gives manufacturers a qualification to collect and recycle used products with the use of the existing logistical system

● Staff Development and Raising of Environmental Awareness

To provide employees with environmental education, NESIC prepares and implements general environmental education, education on the Waste Disposal Act and several other education programs. Among others, the general environmental education uses MiNRV, to achieve a state in which all the personnel received the education. In addition, NESIC also provides training for developing

internal auditors and education for environmental promoters in a bid to maintain and improve its environmental management system. To ensure that staff are capable of offering customers better proposals on the spot, it mainly encourages employees at regional sites to acquire the Certification Test for Environmental Specialists. (Eco Test)





2. Actions in Environmental Activities

Mitigating global warming



Cutting power consumption

Mitigation of global warming requires effective and reduced use of different kinds of energy including electricity. NESIC is introducing EmpoweredOffice*1 to its Head Office at Koraku, Bunkyo-ku, Tokyo, and to all its regional divisions and offices to implement workstyle innovation solutions throughout the company. It is part of the actions for cutting power

*1. A work-style innovation solution that changes ways of working and workplaces to draw out the personnel's capabilities to the fullest degree

*2. Ratio of reduction in unit power consumption based on the formula specified for periodic reports under the Act on Rationalizing Energy Use

consumption. As a result, for FY ending March 2018, NESIC attained a 6.4% reduction in terms of unit power consumption*2 from the previous fiscal year.

● Unit power consumption

Year on year change:

Down **6.4%**

Introducing environmentally-friendly company-owned vehicles and encouraging green driving to improve fuel efficiency

NESIC began introducing hybrid vehicles in FY ended March 2008. As of the end of March 2018, it owned 89 vehicles that conform to the fuel efficiency standards for FY ending March 2021, which accounted for 38% of the vehicles owned by the company.

It advises all the registered drivers of vehicles for business use to implement green driving, and encourages all its employees to do so as an appropriate way of everyday driving. Automotive equipment with voice guidance was introduced to all vehicles,

which is effective not only for safety while driving but also for fuel conservation. It helped maintain an average fuel efficiency target of 16.8 km per liter and improve fuel efficiency.

Maintenance and improvement of average fuel efficiency by encouraging green driving

Target 16.4 km/ℓ

Actual 16.8 km/ℓ

Improved approx. **4%**

Reducing the environmental impact of logistical operations by increasing the rate of cargo consolidation on trucks departing from the Tokyo area

The Act on Rationalizing Energy Use obliges all cargo owners to rationalize their use of energy at their own initiative. NESIC works to increase the efficiency of the operation of vehicles for transport from its material centers

to its worksites. The number of items of cargo consolidation was 0.65 above the target. CO₂ emissions were cut by around 112 tons.

● Increasing the cases of cargo consolidation for trucks departing from the Tokyo area

Increase the number of delivery items per truck to reduce the environmental impact of logistical operations

Target 3.40 items

Actual 4.05 items

Target met and surpassed by **0.65 items**

CO₂ emissions

Reduced by **112 tons**

Use of green power

NESIC has part of its power consumption at the showroom (EmpoweredOffice Center) on the 33rd floor of the Head Office building covered by green power generated from solar power. This has helped reduce CO₂ emissions by some 4 tons in a year. At the Customer's Fairs (Customer's Fair refers to NESIC's exhibition and seminars for customers) held in FY ended March 2018, all the power consumption at the exhibition space was covered by green power, which cut CO₂ emissions by almost 5 tons.



Green Power Certificate
Customer's Fair Tokyo



Green Power Certificate
EmpoweredOffice Center



Green Power Certificate
Customer's Fair Osaka



Carbon Offsetting Certificate

Actions for carbon offsetting

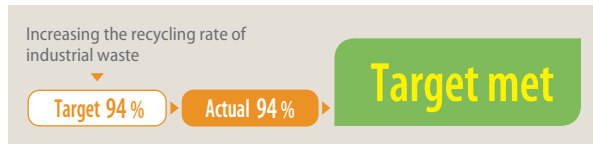
NESIC purchases offsetting credits under the J-VER scheme* to reduce part (12 t) of the CO₂ emissions from the kitchen for the Head Office canteen.

* The J-VER scheme was established by the Ministry of the Environment, and it is aimed at recognizing greenhouse gas reduction and absorption rates achieved by domestic reduction projects as credits.

Effect use of resources

Increasing the recycling rate of industrial waste

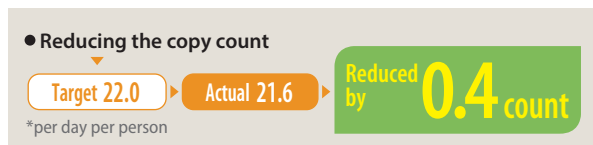
NESIC implements thermal recycling to recycle 94% of its industrial waste.



Encouraging paperless operation with the use of ICT solutions

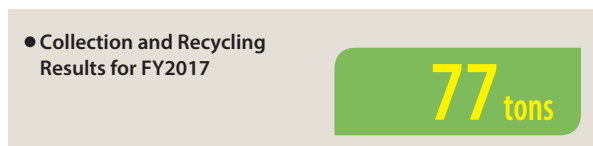
NESIC used digital multifunctional photocopiers to change paper data into electronic form and implemented paperless operation meetings to drastically reduce photocopying paper and achieve the target set for FY2017.

(58% reduction in the copy count per day per person from the FY 2008 level)



Collection and recycling information and communication equipment manufactured by NEC, such as computers and communication devices

NESIC is an NEC Group company certified by the Minister of the Environment for the wide-area treatment of industrial waste. It thus contributes to collection and recycling of information and communication equipment manufactured by NEC, such as computers and communication devices.



Promoting provision of environmental and energy-saving solutions

Promoting the provision of environmental and energy-saving solutions, including the EmpoweredOffice work-style innovation solution for energy conservation, resource conservation (paperless operation) and space saving

NESIC offers EmpoweredOffice and many other environmentally-friendly solutions to contribute to the reduction of CO₂ emissions and other environmental impacts on customers, thereby improving the global environment.



Ecosystem and biodiversity conservation activities



To aware that biological diversity is a significant foundation for a sustainable society, NESIC strives to minimize the impacts of corporate business activities and employees' lives, encourages employees' activities that contribute to the conservation of biological diversity and pushes ahead with the provision of environmental and energy conservation solutions.

It also works to raise environmental awareness among its employees in a bid to deepen their understanding of the conservation of biological diversity and to behave independently in consideration of biological diversity at offices and at home alike.

The NESIC Group Rice Paddy Cultivation Project

As part of the efforts to preserve eco-systems and biological diversity, the NESIC Group Rice Paddy Cultivation Project was launched in FY ended March 2013. This Rice Paddy Cultivation Project revives fallow rice paddies at Higashitanaka in the city of Ishioka, Ibaraki Prefecture to bring back various living species, thereby restoring the ecosystem.

This project was designed for NESIC Group employees and their family members as a year-round hands-on nature program. The participants carry out activities from planting

(rice for sake) to threshing and ecosystem research under the guidance of local experts. (Cumulative total number of participants until FY ended March 2018: 980)

A local brewer has kindly offered cooperation for brewing harvest rice, and this helps advertise the activity.

It has been cultivating glutinous rice since FY ended March 2016. It asks Akebono-so, a facility for providing assistance to people with disabilities, to process *kirimochi*, or cut rice cakes. The product was used to support sufferers of the Kumamoto Earthquake.



Environmental campaign



Plant Growing Experience

As part of the initiatives for raising environmental awareness, NESIC planned to run a Plant Growing Experience campaign to provide its group staff with an opportunity to think about the mechanism of nature and have greater interest in planting by growing plants at home and in workplaces.

Many participants chose to grow plants that produce an edible harvest and experienced difficulties until the harvest. In 2017, high precipitation affected plant growth, but it heightened interest in the natural environment. Some regional divisions, offices and affiliates applied to participate in the campaign. 7 different prizes were prepared, including the top prize, the prize for growing rare plants and the prize for children's, and were presented to 39 participants.



● Environmental Accounting

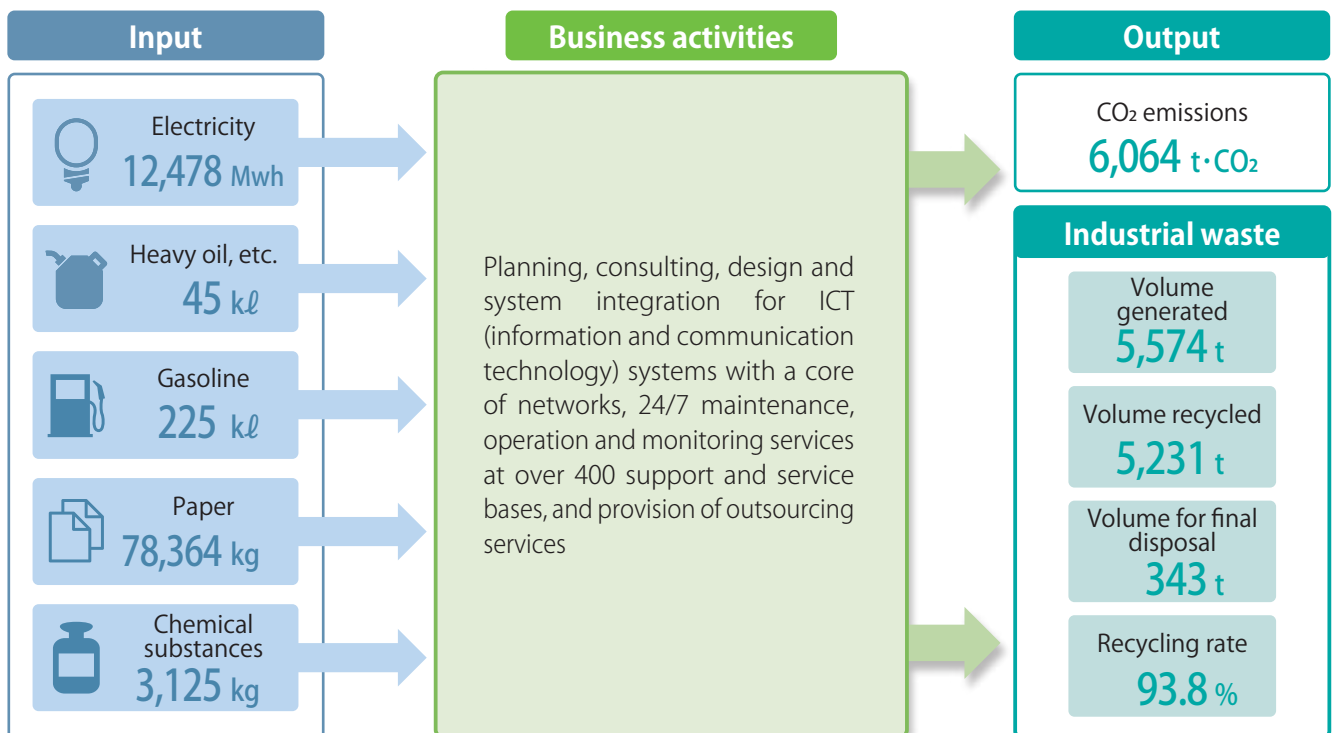
The following shows the environmental accounting for FY ending March 2018.

(thousand yen)

| Large classification | Middle classification | Small classification | Investments | Costs | Economic effect* |
|---|--|---|-------------|---------|------------------|
| Costs within business area | Prevention of global warming | Prevention of global warming | 5,403 | 0 | 31,117 |
| | Effective utilization of resources | Effective utilization of resources | 0 | 0 | 3,479 |
| | Recycling of resources | Recycling of resources | 0 | 22,493 | 0 |
| | | Costs of waste disposal | — | 103,541 | — |
| | Risk management | Pollution prevention measures | 0 | 0 | — |
| | | Compliance | 0 | 200 | — |
| Management of chemical substances & waste | | 0 | 0 | 0 | |
| Upstream & downstream costs | Design of environmentally sound products | Green purchasing of products | 0 | 300 | — |
| | | Environmentally sound products | 0 | 0 | — |
| Management activities costs | Management activities | Personnel costs related to environmental activities | — | 42,165 | — |
| | | Maintenance of ISO certification & environmental audits | 0 | 6,478 | — |
| | | Human resources development | 0 | 14,338 | — |
| Research & development costs | Research & development | Research & development | 0 | 0 | — |
| Social activities costs | Social activities | Nature conservation | — | 0 | — |
| | | Contribution to society | 0 | 11,881 | — |
| | | Information disclosure | — | 870 | 0 |
| Costs of environmental damage, etc. | Other | Other | 0 | 8 | 0 |
| Total | | | 5,403 | 202,274 | 34,656 |

* Economic effect: the potential economic effect obtained by converting the amount of the reduction of environmental impact into monetary value

● Environmental Impact (Material Balance)



* Calculated using the formula specified in periodic reports under the Act on Rationalizing Energy Use for CO₂ emissions of individual electric utilities published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry

Legend

Input

- Electricity: Power consumption in offices
- Paper: Consumption of photocopying paper in offices
- Chemical substances: Paints, adhesives and others

Output

- CO₂ emissions: Volume of carbon dioxide generated by consuming electricity, utility gas and other energy
- Industrial waste: Total volume of industrial waste
- Volume recycled: Total volume of industrial waste recycled into resources
- Volume for final disposal: Total volume of industrial waste incinerated or put into landfill

3. Environmentally Sound Solutions

● Work-style innovation solutions

NESIC has been offering EmpoweredOffice solutions to enable people to work more efficiently and creatively since 2007. Accordingly, it has been pursuing the implementation of practices that eliminate the use of paper, overcome distances between offices and facilitate more collaborative work and developing the results into solution services in a bid for business expansion. In FY ended March 2018, it revamped the offices for sales operations and system engineering by making active use of AI, RPA and other digital transformation technologies as well as the latest visual communication tools for promoting collaboration with insiders and outsiders. Therefore, accelerating actions towards more creative workstyles. This produces the effect of reducing energy and resource consumption, CO₂ emissions from transport and other environmental impacts.

Environmental effect of workplace development at NESIC Head Office and its regional divisions and offices



NESIC Head Office



Tohoku Regional Office



Chugoku Regional Office



Shikoku Regional Office



Niigata Regional Office

(Downward arrow symbol (↓) represents a decrease.)

| | Head Office | Niigata Regional Office | Tohoku Regional Office | Chugoku Regional Office | Shikoku Regional Office |
|---|---------------|-------------------------|------------------------|-------------------------|-------------------------|
| Number of workers | Approx. 3,000 | Approx. 30 | Approx. 110 | Approx. 70 | Approx. 45 |
| Office cost | 20% ↓ | 25% ↓ | 7% ↓ | 17% ↓ | 6% ↓ |
| CO ₂ emissions reduction* | 150 t ↓ | 3 t ↓ | 6 t ↓ | 8 t ↓ | 2 t ↓ |
| Floor area | 36% ↓ | 25% ↓ | 7% ↓ | 7% ↓ | — |
| Power consumption | 28% ↓ | 15% ↓ | 10% ↓ | 7% ↓ | 31% ↓ |
| Volume of photocopying paper purchased | 25% ↓ | 47% ↓ | 10% ↓ | 20% ↓ | 32% ↓ |
| Business trip costs (number of business trips in parentheses) | 20% ↓ | (35% ↓) | 15% ↓ | 15% ↓ | (20% ↓) |

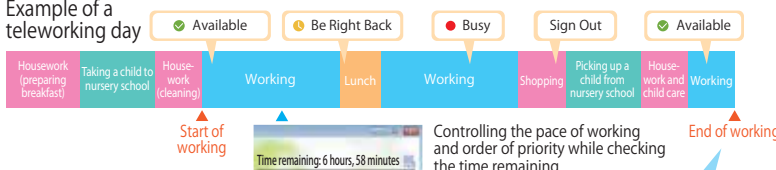
* The CO₂ emissions reduction represents the cumulative total value for a six-month period. Unit: tons
 * Of all photocopying paper purchased at the Head Office, consumption for internal operations was reduced by 60 percent. ↓

● Encouragement of teleworking for environmental contribution

From 2015, NESIC carried out two demonstration trials of teleworking to improve work-life balance. Through the demonstration trials, it has formulated the rules for the operation of the scheme and developed the Telework Watch* app for teleworking management with a view to effectively implement teleworking. In July 2017, it introduced a teleworking scheme for all of its employees. In FY ended March 2018, the encouragement of teleworking produced an environmental effect of reducing power consumption at offices and transport for commuting, eventually reducing CO₂ emissions.

* Telework Watch for teleworking management is a Windows application that retrieves the presence data on Microsoft Skype for Business (Lync 2015) to count and record working hours. It documents and manages working and non-working hours from the application for teleworking to the end of teleworking.

Example of a teleworking day



Estimated CO₂ emission reduction by a decline in commuting transport for FY2017:

6.4 tons / year

Skype for Business

- Available (V)
- Busy (B)
- Do Not Disturb (D)
- Be Right Back (E)
- Off Work (W)
- Away (A)
- Offline (F)
- Sign Out (N)
- Exit (X)

Working
Not working

List of presence statuses to be used as a reference
 Record the time when each status is indicated

Output the data of the attendance/absence log as supporting data

| Status | Total Time 1 | Total Time 2 |
|----------------|--------------|--------------|
| Available | 02:23:22 | 08:00:00 |
| Busy | 01:34:59 | 08:00:00 |
| Do Not Disturb | 02:10:17 | 03:30:00 |
| Be Right Back | 01:19:42 | |

Power consumption reduction effect at offices:

Approx. 5%

(according to a comparison between an ordinary day and a teleworking day in July 2017)



● Construction and Maintenance of Mega Solar Power Plants

NESIC commercially engages in the construction and maintenance of mega solar power plants with the use of its integrated service structure encompassing construction to maintenance. In 2016, it won a large project to erect two power plants in Miyagi Prefecture, which are currently under construction towards a start of operation in 2018. Their rated power production after completion will total 58 MW. The estimated annual power generation will equal power consumption of around 15,000 general households. Their operation will help reduce CO₂ emissions by 38,500 tons per year*.

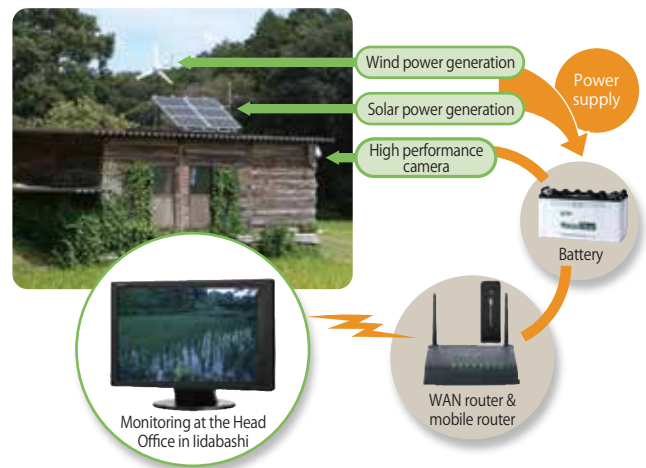
In FY ended March 2018, NESIC won additional orders for large-scale mega solar power plants with a total capacity of 96 MW and commenced construction. It will contribute to CO₂ emission reduction through this business.

* In compliance with the standards for calculation of the amount of emission reduction contribution established by the Liaison Group of Japanese Electrical and Electronics Industries for Global Warming Prevention



● Green Remote Observation System

The system links Higashitanaka in the city of Ishioka in Ibaraki Prefecture, where the NESIC Group Rice Paddy Cultivation Project takes place, and NESIC Head Office in Bunkyo-ku, Tokyo via a mobile line to remotely control a 360-degree 72x zoom camera for the real-time observation of rice growth. The system is powered by renewable energy generated with solar power generation and wind power generation systems.





4. Contributions to Local Communities

NESIC's regional bases actively carry out activities that contribute to the environment and local communities.

Hokkaido

General Cleaning of the Teshio River as a Hokkaido Heritage Site



The Teshio River is Japan's northernmost large river and a Hokkaido Heritage site. Cleaning activities were conducted to pass down the nature of the surroundings and the quiet, beautifully flowing river to the next generation.

Tohoku

Cleaning the Hirose Riverbed



A non-profit organization called the Society for Conserving the Clear Stream of the Hirose River carries out cleaning activities in the Hirose Riverbed. Some NESIC employees and their family members take part.

Niigata

Participation in the Awashima Cleanup Operation



Cleanup activities were conducted along the coast of the island of Awashima. Participants were split into two groups so that one group would clean Uchiura-Mozaki Beach on the side facing the mainland and the other would clean Kamaya-Onamachi, on the other side. NESIC joined the first group.

Hokuriku

Volunteer Support Program



Cleaning activities are conducted at different places in the city of Kanazawa on National Route 159 and surrounding municipal roads.

Chubu

Participation in the Naka Ward Safe and Reassuring Community Development Event in Nagoya



Chubu Regional Office is located in Naka-ku (Naka Ward) in the city of Nagoya. It participated as a local firm in the Safe and Reassuring Community Development Event within the ward.

Kansai

OBP Clean Community Creation



Monthly cleaning activities are conducted under the name of Clean Community Creation around the NEC Kansai Building in cooperation with NEC and NEC Facilities.

Matsuyama

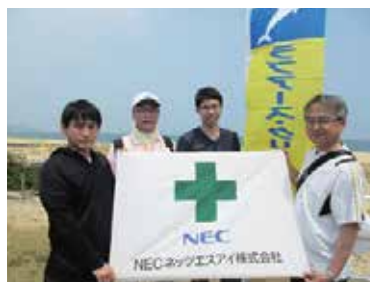
Ai-Beach Cleaning Activities



The NEC Group as a whole supports the Ehime Prefecture Public Civil Facilities Preservation Project and engages in these activities.

Kyushu

Love Earth Clean Up



NESIC took part in Love Earth Clean Up, a local environmental cleanup initiative for beaches, rivers, parks and others in cooperation with citizens, businesses and government.

Okinawa

Cleaning Project in Association with PIRIKA



Volunteers from NEC Group employees took part in cleaning activities around the office.

5. Third Party Comments

The Sustainable Development Goals (SDGs) are a large issue underlying Environmental Report 2018.

The United Nations adopted them in 2015, in a document formally titled *Transforming our World: the 2030 Agenda for Sustainable Development*.

The declaration reads: "We envisage a world in which every country enjoys sustained, inclusive and sustainable economic growth and decent work for all by 2030. A world in which poverty and hunger are eradicated and climate change and environmental protection are addressed. We are committed to achieving sustainable development in its three dimensions – economic, social and environmental – in a balanced and integrated manner." In addition, it says: "As we embark on this collective journey, we pledge that no one will be left behind." It is followed by 17 Sustainable Development Goals. This concept is consistent with NESIC's corporate principles that read: "We strive to be a company which operates in harmony with the environment, and contributes to the realization of an enriched society."

The SDGs are a common international recognition of sustainability. Discussion of NESIC's corporate activities within that framework will attract understanding from more people and emphasize NESIC's philosophy and achievements. Corporate assets include employees, property, technologies, funds, information and corporate culture. We need to recognize that today's companies are required to explain how they effectively use these elements in different SDG-related areas and that the methods of use are directly regarded as corporate value.

According to the concept of the ecological footprint, three Earths are required to ensure that everyone around the world can continuously lead the same lifestyle as people in Japan. The modern age that has sought material affluence has become unsustainable and people think about reforming the world. This reform has future market potential. In this sense, the reference to business domains in association with the SDGs at the beginning of the Environmental Report will be very helpful to employees, outside stakeholders and investors seeking stable returns in the medium and long term.

This report specifies Goals 7, 8, 12, 13 and 17 as those concerned with the environment and addressed by the NESIC Group. We will take a closer look at each goal.

Goal 7: Affordable and Clean Energy

NESIC constructs and repairs large-scale solar power plants to supply clean energy. This means contributing its technical strengths to create a renewable energy society. The next report should probably explain how the contribution of the LCA in the entire supply chain that covers the upstream and downstream parts of NESIC's business, including land development for solar power generation plants, manufacturing, supply, future disposal and recycling will contribute to continuity and what future targets are set.

Goal 8: Decent Work and Economic Growth

NESIC's achievement in commercializing not only the creation of a working environment using information and communication technologies but also the provision of operation rules and services that contribute to Goal 7. It is



Dr. Juichi Shibusawa

President
Network for Coexistence
with Nature

an excellent example of creating share value (CSV). Currently, there are calls for workstyle reform in Japan, which will be an area of growing significance. I hope that NESIC will continue to present to the world specific solutions that have the potential to realize a happy society.

Goal 12: Responsible Consumption and Production

NESIC's attitude of intensively working on green purchasing, waste recycling and reuse towards its own targets has been emphasized for a long time. It is clear that the global environmental issues are largely due to human consumption over the past 50 years. I hope that NESIC will continue to positively offer proposals that encourage customers to choose lifestyles that lead to greater continuity.

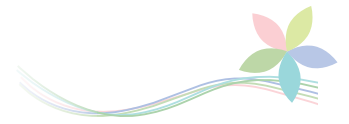
Goal 13: Climate Actions

NESIC has long worked to provide energy-efficient products and to cut greenhouse gas emissions. In light of the recent extreme weather, climate change is an urgent issue for humanity. Global warming will lead directly to disasters and food crises. There is an urgent need to change the systems for energy, industry, transport, communication, food, agriculture and forestry. It is hoped that NESIC's corporate assets will contribute in these areas, especially in the domains of communication and CSR.

Goal 17: Partnerships for the Goals

Not only employees of the NESIC Group, but its entire supply chain are engaged in environmental conservation activities. They are NESIC's greatest corporate asset and they reflect the philosophy of the management team and are what investors regard as most important.

While the corporate stance is led by management, the corporate culture is similar to the mindset and behavior imparted to employees and stakeholders as a result of long-term development. The process in which all employees gain the perspective of the management, in which stakeholders, investors and consumers freely express their opinions and in which NESIC's uniqueness is forged in a bottom-up approach, will be its corporate value. I hope that NESIC will share this story with society. To quote the SDGs: "We pledge that no one will be left behind."



Editorial Policy

NESIC has been publishing an Annual Report since fiscal 2016.
As a result, this Environmental Report focuses on
environmental activities.

- ◆ Period Covered: April 1, 2017 to March 31, 2018
- ◆ Scope of Report: NESIC Head Office, five bases in the Tokyo area,
five regional divisions and 31 regional offices
- ◆ NESIC Webpage on the Environment:
<http://www.nesic.co.jp/english/csr/environment.html>
- ◆ Contact (e-mail): csr-kankyo@dm.nesic.com