

# Medium-Term Strategy of Environmental & Social Solutions Business

May 30 & June 9, 2022

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(TSE: 1973, NESIC)

# Self Introduction



## Hiroshi Nagao

Senior Vice President and Executive General Manager,  
Environmental & Social Solutions Business Unit

### Career summary

- Joins the Company in 1982  
Engages in construction, design, maintenance and operation in Japan
- 2013 General Manager, Nishinohon Systems Division
- 2016 Assistant Senior Vice President
- Assumed his current position in 2020

# Overview of Environmental & Social Solutions (ESS) Business

Operating businesses ranging from design and systems integration to support for social public infrastructure in Japan and beyond

## Main services

- Networks (construction and maintenance)
- Safety (disaster prevention and disaster response)
- Energy solutions
- Smart buildings

## Main customers

- |                              |   |
|------------------------------|---|
| Fire and disaster prevention | Electric power and new common carrier (NCC) |
| Governments                  | CATV  |
| Local governments            | General companies                           |

## Business strengths and characteristics

- One of Japan's largest resources for nationwide resources for construction
- Nationwide support service system
- Three divisions area management system to cover entire Japan

## Relationship with the SDGs



## Recent topics

- Comprehensive collaboration agreements signed with a local government seeking zero carbon (May 2022)
- Power consumption of container-type data centers cut by 43% with liquid cooling of servers (Mar. 2022)
- Full-scale launch of urban development-related services based on digital technologies and local strengths (Jul. 2021)



# Basic Strategy on Environmental & Social Solutions

Stay close to local communities, work with customers and enhance practical and highly efficient DX services

<2024 Vision>

An area ICT orchestrator that serves regional markets in Japan and overseas

## Urban development DX x Beyond 5G

1

Promote digital town business

2

Step up actions  
towards a green society

3

Shift to advanced construction  
and maintenance platforms

# Growth Strategy

## 2030 Vision

A business operator for creating and developing safe and secure communities where people want to continue living, harnessing strengths in engineering and support, while serving local communities in harmony with the recycling society in Japan and abroad

- ✓ Earn confidence through engineering  
<Retain the trust of local communities>

- ✓ Cordial support  
<Stay in harmony with local communities>

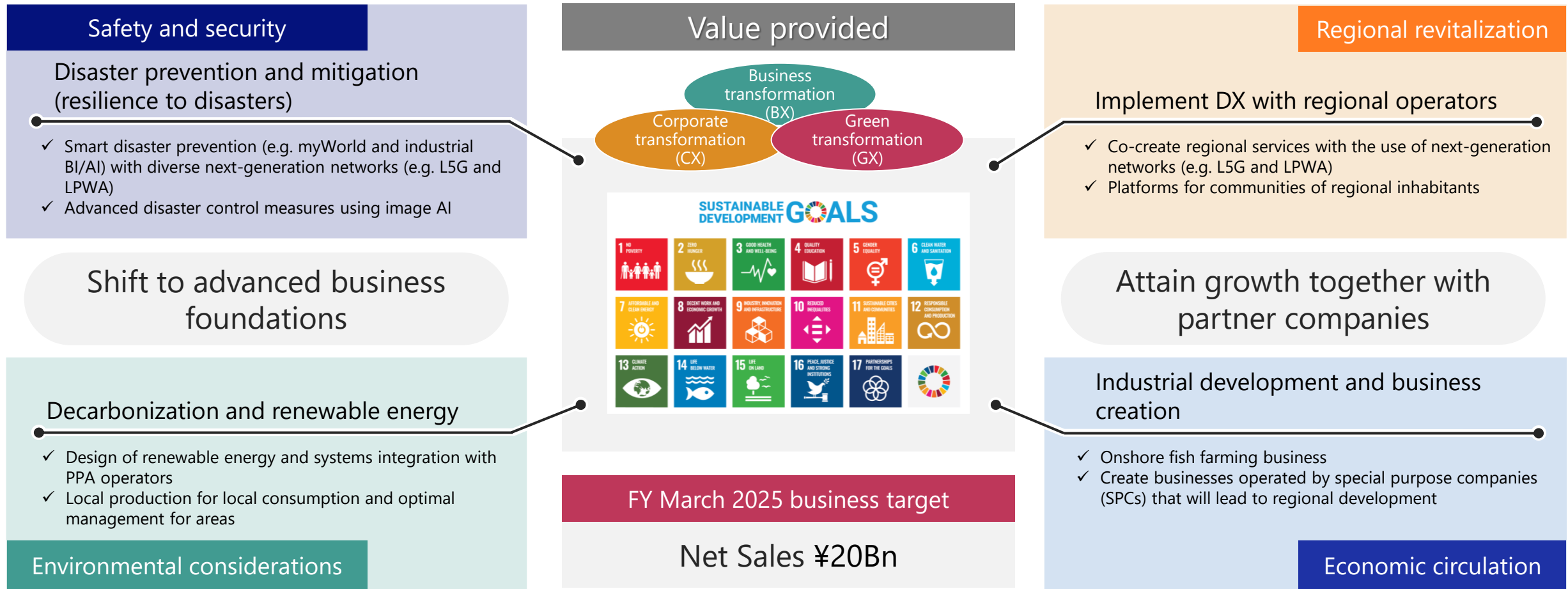
- ✓ Provision of value to society
- ✓ Develop an organization where employees can take initiative





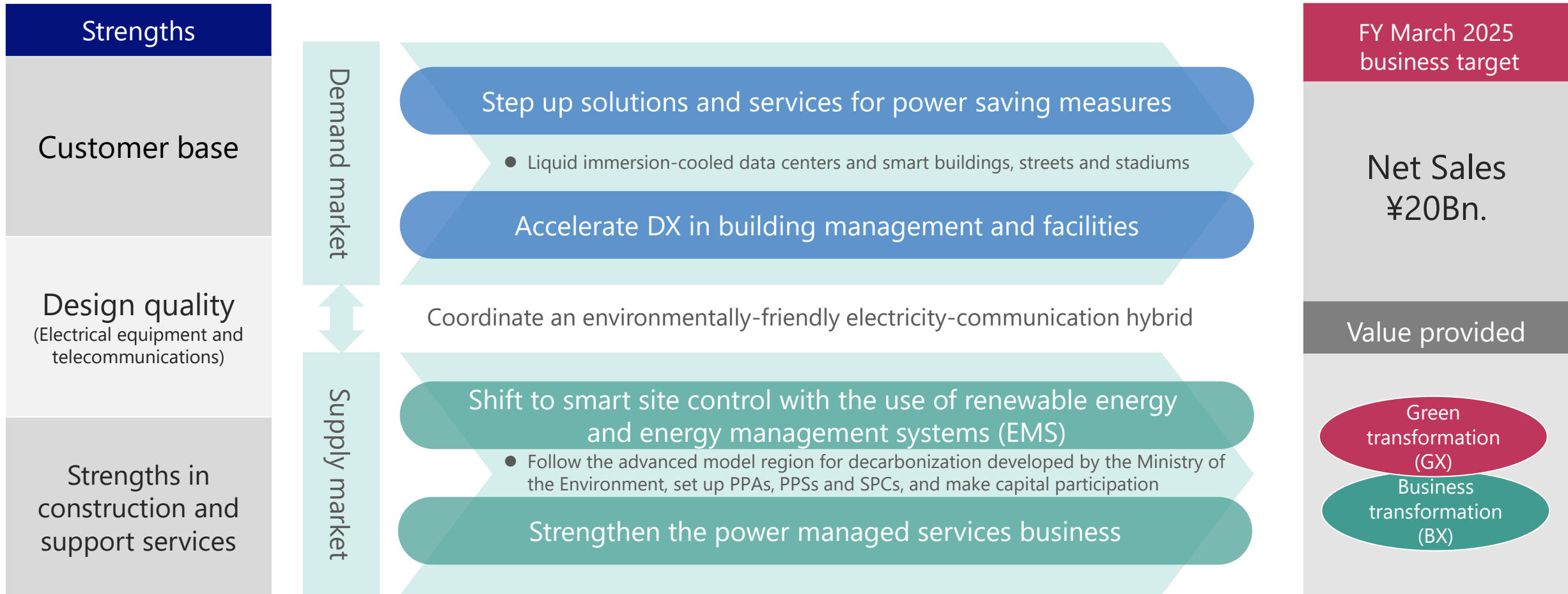
# Key Strategy 1: Promote digital town business

Together with local customers, create smart communities that are safe and secure and that are places where people want to keep living



# Key Strategy 2: Step Up Actions towards Green Society

Continue offering eco-friendly designs, products and services, make efforts on zero carbon and tackle climate change for stepping up actions for solving regional issues



# Key Strategy 3: Shift to Advanced Construction and Maintenance Platforms

Continue internal practice to evolve nationwide foundations to an advanced level.  
Implement digital technologies supporting realization of growth strategies in society  
to serve local communities.

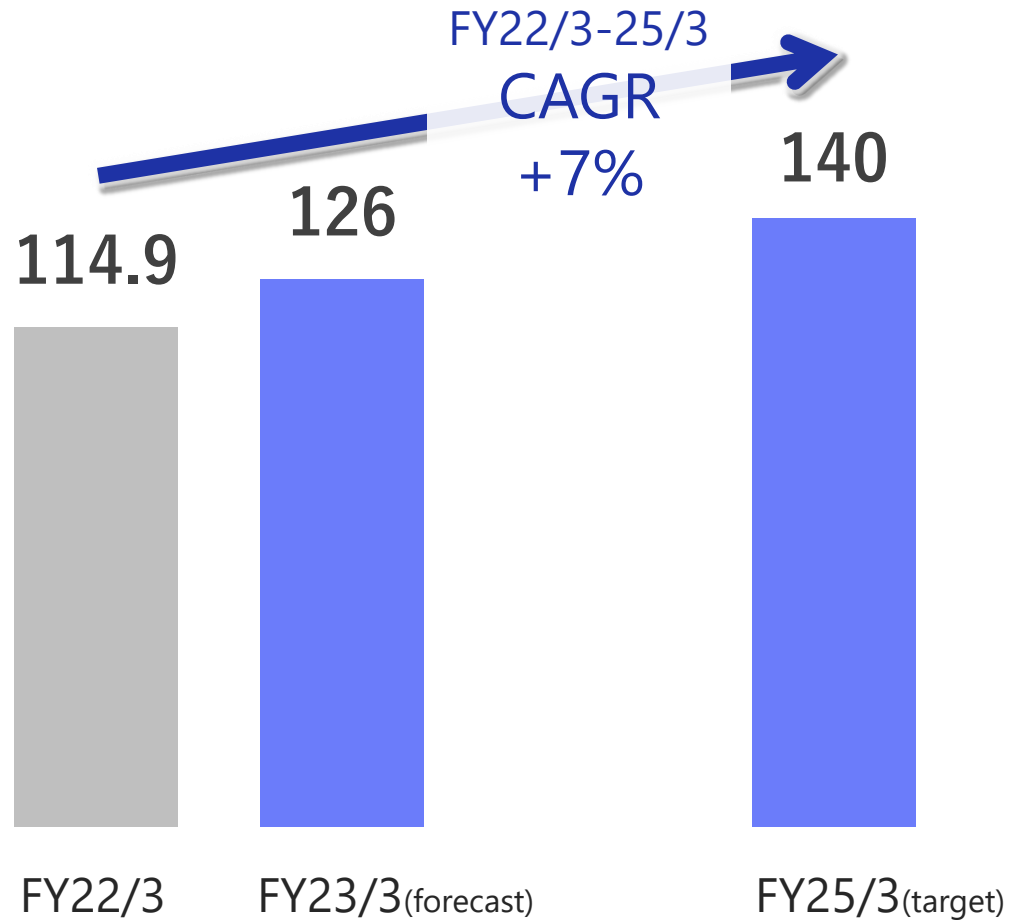


\* QCDSE stands for Quality, Cost, Delivery, Safety and the Environment.

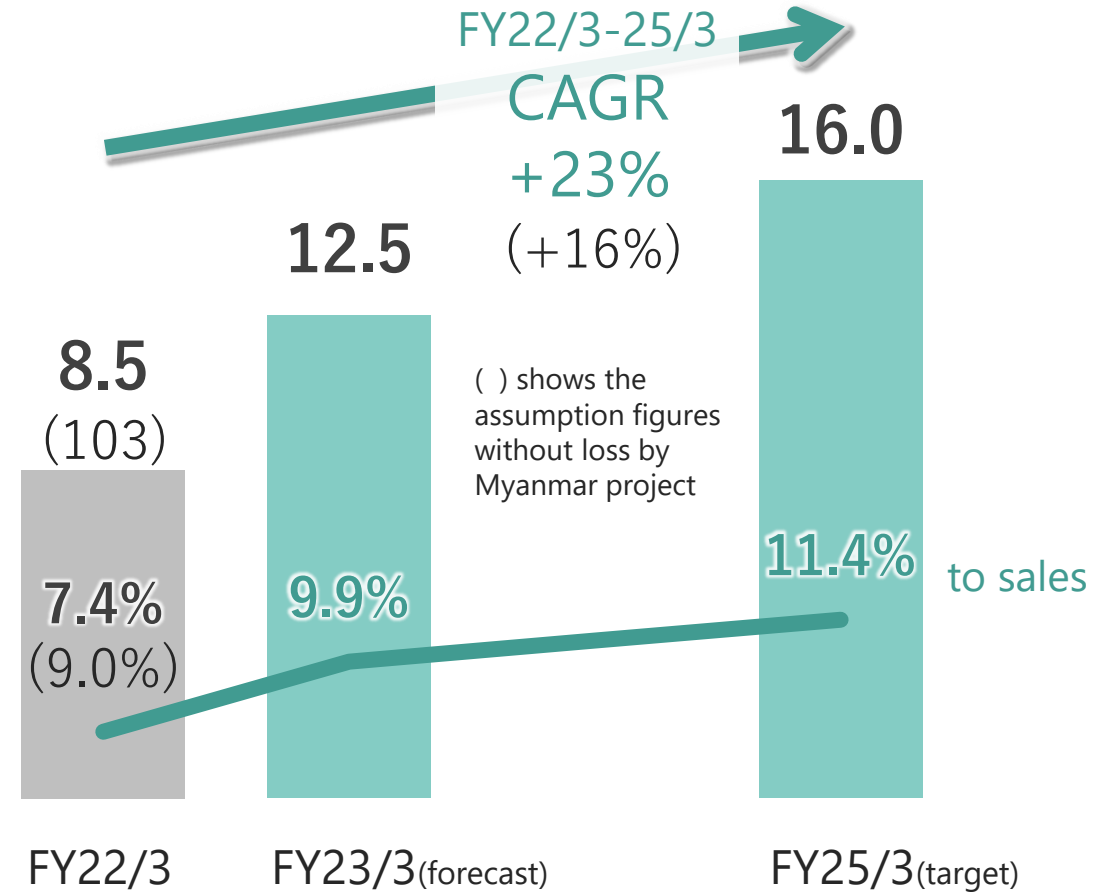


# Medium Range Targets of ESS

## Net sales



## Operating income



\*FY22/3 figures are numbers for reference by rough reclassification. Audited figures will be disclosed.  
FY23/3 forecasts and FY25/3 targets are as at May 2022.



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# Cautionary Statement

Forecasts and targets of results mentioned in this document are future estimates and are thus inclusive of risks and uncertain factors since they are not based on definite facts. Please be aware that a variety of factors could cause actual results to differ significantly from those projected. The major factors affecting actual results include the economic climate and social trends surrounding the business of this Company's group, consumer trends vis-a-vis systems and services provided by this Company's group, as well as pressure to lower prices and ability to cope with the market in response to intensified competition.

Factors affecting results are not limited to the ones mentioned above.

There will be some change in our business segment according to a refine in our organization in April 2022. The new segment figures shown in these slides are numbers for reference by rough reclassification.