

75-84	Respecting Human Rights	85-93	Diversity and Inclusion
94-99	Creating a Diverse Work Style Environment		
100-105	<b>Human Resources Development and Training</b>		
106-111	Health and Safety	112-115	CS (Customer Satisfaction)
116-119	Ensuring Quality and Safety		

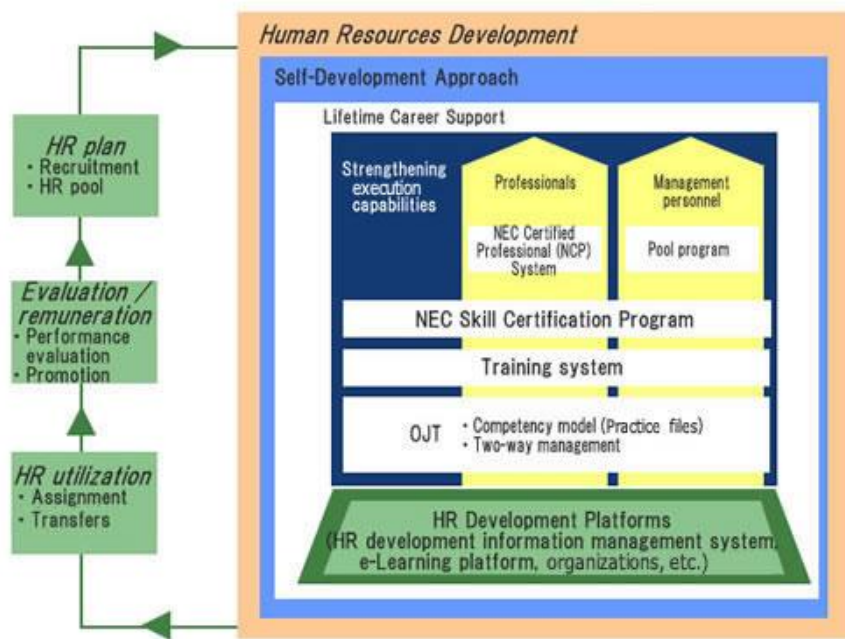
# Human Resources Development and Training

NEC is developing human resources who can contribute to its operations by utilizing the "NEC Way." This is based on a self-development approach in which employees take the initiative to develop their own skills and capabilities.

In April 2016, NEC established a "People Philosophy" to train employees to take the initiative from the customer's point of view and continue to create social value, to grow an organizational climate and culture.

## Policy

At NEC, human resources development is rooted in the self-development approach and is focused on developing employees who contribute to business operations. This type of development is based on three core objectives: "strengthening capabilities," "cultivating professionals" and "developing management personnel."



Management of Human Resources Development at NEC

Based on the following "People Philosophy," NEC will train employees who have high ethical standards, always act from the customer's point of view by understanding the customer's fundamental issues and the market and continue to create social value.

**People Philosophy**

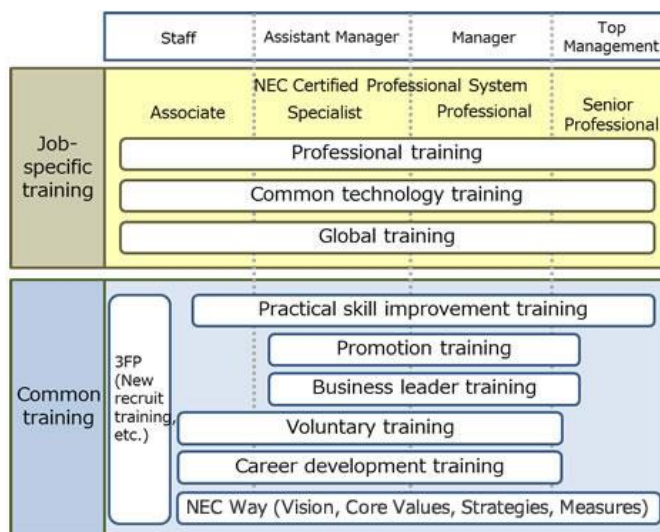
As NEC Group builds our Social Solutions businesses,  
we value employees  
who are ethical,  
who respect diversity,  
who think long term with a broad perspective,  
and who work in a boundaryless way to achieve results.  
Furthermore, NEC values executives and leaders who create  
organizations full of innovation and open communication.

75-84	Respecting Human Rights	85-93	Diversity and Inclusion
94-99	Creating a Diverse Work Style Environment		
100-105	<b>Human Resources Development and Training</b>		
106-111	Health and Safety	112-115	CS (Customer Satisfaction)
116-119	Ensuring Quality and Safety		

## Measures and Systems

### Human Resources Development

Our training organization, which plays an important role in achieving the above objectives, is comprised of common training courses that all employees at NEC Corporation take and job-specific courses that are developed for each type of job category to hone job-specific professional skills.



Training Program at NEC

NEC has a diverse menu of common training courses, ranging from those aimed at the personal growth and skill enhancement of individual employees to those taken when an employee is promoted or specifically selected to participate. Job-specific courses are also offered to provide employees seeking to become professionals in a specific field the opportunity to enhance and refine their expertise.

#### Global Training

As a company that does business all over the world, NEC carries out a variety of programs for global HR development. These include programs that focus on building comprehensive skills in language, multicultural communication and business, as well as practical programs in which participants engage in onsite field work overseas, normally in an emerging country. A new select training program was established in fiscal 2014 for senior management candidates from overseas subsidiaries and NEC headquarters. This leadership training program is conducted entirely in English. For employees working in overseas locations, we provide online training contents in English on topics that are common to the whole company, such as CS, human rights, and information security.

#### NEC Certified Professional (NCP) System

Recognizing that people are the most significant resources, NEC believes it is important to develop highly specialized professionals who can deliver true value to customers. The NEC Certified Professional (NCP) system was introduced for this purpose.

For each personnel category, such as SE or service personnel, the NCP system divides qualifications into four grades that define increasing degree of specialization corresponding to higher market value. Within each grade, separate personnel qualifications are defined for each category based on an analysis of which business processes are critical to a field. Qualifications specify in detail the levels of skills and performance required for certification at that grade. Approximately 10,300 individuals have been certified as career professionals under the NCP system as of April 2017.

75-84	Respecting Human Rights	85-93	Diversity and Inclusion
94-99	Creating a Diverse Work Style Environment		
100-105	<b>Human Resources Development and Training</b>		
106-111	Health and Safety	112-115	CS (Customer Satisfaction)
116-119	Ensuring Quality and Safety		

## Global Human Resources Information System – “SAKURA”

NEC, including domestic affiliates, use the “Global Human Resource Information System (SAKURA)” as the training platform to support human resources development activities. Currently, 23 companies have adopted the system.

## HR Utilization Program

The recruitment system for the NEC Group supports the autonomous career development of individual employees, enhances diversity in personnel assignments, and promotes greater dynamism throughout the organization. Under the system, divisions requiring additional personnel post job descriptions and qualifications on the NEC intranet. Employees are then able to apply for the positions based on their own career aspirations without having to consult with a supervisor. After employees apply, submitted documents are reviewed and interviews are conducted by the recruiting division, and successful applicants are then transferred to that division.

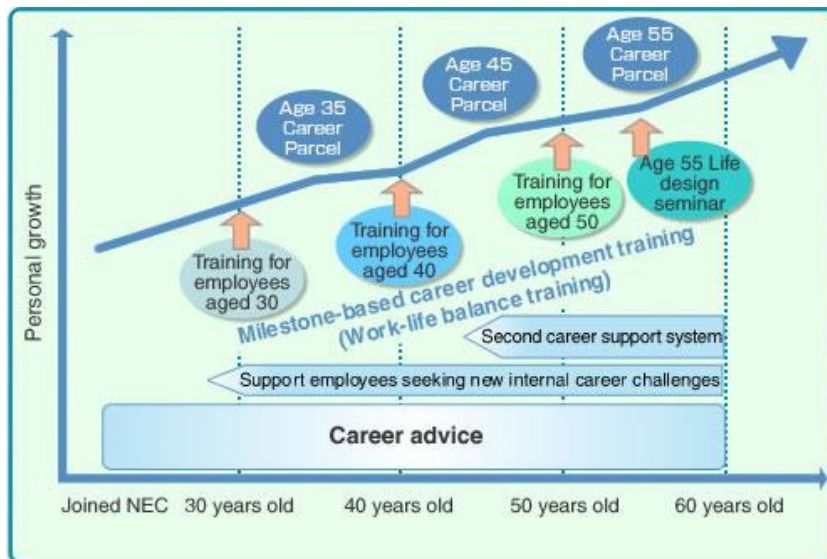
## Selecting NEC Group Key Positions (GKPs) and Developing Executive-Level Personnel

To ensure that the best people are assigned to important positions throughout the NEC Group regardless of geographic location, key positions are identified, with promotions for those positions and the training of successors conducted in a systematic manner.

## Career Development Support Programs - Lifetime Career Support

Self-development and autonomous growth at the level of individual employees requires a continual process of self-analysis, personal change, and skills development. NEC Corporation has introduced the lifetime career support system (career design support) since 2002 with the aim of helping individual employees to take spontaneous actions to promote career-long personal growth.

The following are the principal programs.



Lifetime Career Support Flow

75-84	Respecting Human Rights	85-93	Diversity and Inclusion
94-99	Creating a Diverse Work Style Environment		
100-105	<b>Human Resources Development and Training</b>		
106-111	Health and Safety	112-115	CS (Customer Satisfaction)
116-119	Ensuring Quality and Safety		

1. "Work and Life Balance" training: Participants who reach the milestone ages of 30, 40 or 50, review their own career paths and establish additional goals for skill development. Approximately 1,000 employees participated in this training in fiscal 2017.
2. "NEC's Career Parcel®": This program provides employees at the key intermediate milestone ages of 35, 45 and 55 with the opportunity to assess their future careers and life plans using career-related and other information appropriate to each group. For employees in the age 55 group in particular, we offer the Life Design Seminar, which focuses on online training on retirement benefits and pension plans.
3. "Career Advice": Through this program established in 2002, NEC provides employees with career advice to support self-guided career development. Professional career advisors, from their specialized perspective, consult with employees on career development, including on the issue of "Work and Life Balance" and making objective judgments on values and aptitudes. Four career advisors consult with around 700 employees each year.

\* NEC's Career Parcel® is a trademark of NEC in Japan.

## Main Activities and Results in Fiscal 2017

### Upgrade and Expand the Pool of Global Leaders

Guided by its "People Philosophy," NEC launched NEC School for Social Value Creation, headed by the NEC Chairman, as a new program for training leaders in July 2016, the month NEC was founded. The Seminar, which ran from July 2016 to February 2017, provided an opportunity for NEC's management executives and business key persons to dialog among themselves, as well as with various lecturers and stakeholders from inside and outside the company. The dialogs are aimed at enabling the participants to renew their commitment to high ethical standards and viewpoints and reaffirm their personal mission and goals, as well as enhance their capabilities for conceiving and executing ideas for realizing social values, as the leaders of a company aiming to become a Social Value Innovator.

Also, the "Drive NEC" program, which was launched in fiscal 2014 and is intended for selected members from overseas subsidiaries who have the potential to become leaders to spearhead future global business, was held in Japan for about one week in May in fiscal 2016. This provided an opportunity for candidate leaders from various regions to gather in one place to discuss and refine their business strategies and business models, while spreading their human network globally.

### Define an HR Ideal for "Solutions for Society"

NEC's Mid-term Management Plan 2015 set forth the goal of transforming itself into a Social Value Innovator, and to this end we reformed existing business models, launched "Solutions for Society," and defined specific job roles and career paths for highly talented business development personnel needed to further expand the business. In addition, on the basis of interviews with NEC members already involved in the field and with reference to other companies' initiatives and the conclusions of the Ministry of Economy, Trade and Industry's Frontier HR Research Committee, we defined the characteristics of the abilities of "super high-level human resources" and the skills needed in executing "super high-level processes." Going forward, we intend to utilize this model in creating specific development programs and schemes.

### Enhance the Organizational Training of Young Employees

The 3 YEARS Fundamental Program (3FP) was started in fiscal 2013 with the goal of enabling all young employees to acquire sufficient basic skills, imbibe the NEC Group Vision and NEC Group Core Values, and become industry-ready by the end of their third year at the company.

The program has a variety of components, including milestone training in which employees review their experiences each year, practical onsite training sessions at production facilities and in the sales arena, as well as a program in which employees utilize what they have learned to solve problems at their own workplaces.

NEC CSR Report 2017	CSR Management	Governance	Society	Environment
75-84	Respecting Human Rights		85-93	Diversity and Inclusion
94-99	Creating a Diverse Work Style Environment			
100-105	<b>Human Resources Development and Training</b>			
106-111	Health and Safety		112-115	CS (Customer Satisfaction)
116-119	Ensuring Quality and Safety			

Also, to foster a culture for nurturing young employees throughout the workplace, we extended the on-the-job development (OJD) period from one year to three years and held seminars intended for supervisors.

## Cultivate Key Global Personnel

Aiming to expand business to the global market, NEC is implementing various programs to reinforce global skills. In particular, we have increased the number of personnel sent to practical training programs where participants gain actual experience in the overseas market and learn to formulate business ideas and plans. In addition, other than the different business skill enhancement programs, we also actively send employees abroad for job training and studies.

## SAKURA Results

NEC utilizes the Global HR Information System (SAKURA), which manages the individual cultivation plan or result information and also serves as a platform for HR development activities, throughout the entire company. The number of training days per NEC employee and per NEC Group employee registered in the system in fiscal 2017 was 5.1 and 4.5 days respectively.

## Monitoring and Improvement

The HR development programs in which the needs of each business division are also reflected are evaluated and improved. For example, from fiscal 2017 to fiscal 2018, we are planning and implementing training programs intended for all employees involved in the key business domains, namely, AI, IoT, and cyber security.

In addition, in cooperation with NEC Management Partner, Ltd., NEC seeks to evaluate and revise training courses periodically based on evaluations by course participants.

## Objectives and Achievements

### Objectives for the Midterm (From fiscal 2017 to fiscal 2019)

1. Upgrading and expanding the next generation of business managers
2. Upgrading and expanding the highly-skilled professionals who play a critical role in business growth
3. Maintaining the platform to strengthen human resources

75-84	Respecting Human Rights	85-93	Diversity and Inclusion
94-99	Creating a Diverse Work Style Environment		
100-105	<b>Human Resources Development and Training</b>		
106-111	Health and Safety	112-115	CS (Customer Satisfaction)
116-119	Ensuring Quality and Safety		

**Fiscal 2017 Objectives, Achievements and Progress, and Degree of Completion**

Objective	Achievements and Progress	Degree of completion
1. Upgrading and expanding the next generation of business managers: Launch "NEC Social Value Creation Seminar" and upgrade and expand the training program to cultivate the next generation of business managers.	<ul style="list-style-type: none"> <li>Under NEC's "People Philosophy," we launched NEC School for Social Value Creation, headed by the NEC Chairman, as a new program for training leaders in July 2016, on the month NEC was founded, and held the Seminar from July 2016 to February 2017.</li> </ul>	Mostly achieved
2. Upgrading and expanding the highly-skilled professionals: Upgrade and expand ways to cultivate highly skilled professionals.	<ul style="list-style-type: none"> <li>We established a community of NEC Certified Professional (NCP) System for Seniors, composed of advanced professional engineers, as a venue for discussing the creation of the process for training professional human resources and exchanging opinions towards new value creation, and started discussions within the community (2 teams per session)</li> </ul>	Mostly achieved
3. Maintaining the platform to strengthen human resources: Implement the Global HR Information System (SAKURA).	<ul style="list-style-type: none"> <li>Through the Global HR Information System (SAKURA) introduced in April 2016, we collected, compiled, and searched data on multifaceted and promising human resources; these data can be used for various human resource development measures. Going forward, we plan to standardize job categories, grades, and skill levels, and further expand access permissions.</li> </ul>	Mostly achieved

**Fiscal 2018 Objectives**

1. Enhance the training of next-generation managers, including overseas personnel	<ul style="list-style-type: none"> <li>Expand the NEC Social Value Innovation Seminar launched in fiscal 2017 to enhance the next-generation managers training program on a global scale, including overseas human resources.</li> </ul>
2. Enhance the training of advanced professional human resources	<ul style="list-style-type: none"> <li>Accelerate discussions carried out through the "Community of NCP for Seniors" launched in fiscal 2017, and create the process for training professional human resources.</li> </ul>
3. Reconstruct the training system based on NEC's People Philosophy	<ul style="list-style-type: none"> <li>Promote understanding of the People Philosophy throughout the entire NEC Group, and reconstruct the training system and review the training programs.</li> </ul>