

Diversity and Inclusion

Policy

Developing “socially literate human resources” is one of NEC’s “materiality,” the priority management theme from an ESG perspective, and promotion of diversity is a necessary effort so that other cultures and ways of thinking can be accepted.

The “NEC Group Human Rights Policy” includes a declaration of respect for diversity, as follows:

In every aspect of all corporate activities, we will respect fundamental human rights and will not act in such a way that may offend the dignity of any individual or be prejudicial on the grounds of race, beliefs, age, social position, family origin, nationality, ethnicity, religion, gender and gender identity, sexual orientation, physical or mental handicap.

We consider “respect for individuality” to be at the core of diversity promotion. This is why this respect is listed as one of the basic principles of behavior of the “NEC Group Core Values,” which encapsulate NEC Group employees’ values and principles of behavior. In addition, NEC’s “People Philosophy,” which sets forth the vision and mindset of human resources who lead the creation of social value, also specifies that people who respect diversity are valued.

We believe that new social value and innovations arise where there is a rich foundation on which diverse personnel in each organization and department can work actively while incorporating diverse viewpoints and ideas, and at the same time maintaining a healthy “work-life” balance.

- ▶ [“NEC Group Core Values”](#)
- ▶ [Priority Management Themes from an ESG Perspective - Materiality](#)



Activity Objectives, Achievements and Progress

Objectives for the Mid-term (from fiscal 2019 to 2021)

1. Promotion of women's active participation
 - Systematic promotion of each measure to achieve the numerical targets based on the Act on Promotion of Women's Participation and Advancement in the Workplace. (Numerical target: Increase the ratio of female managers in Department Head or higher positions to 5% by fiscal 2019.)
2. Employment of people with disabilities
 - NEC: Achieve a ratio of employees with disabilities of 2.3% by April 2021 including special subsidiary company
 - Consolidated subsidiaries in Japan: Achieve the statutory employment rate at all consolidated subsidiaries

Objectives, Achievements and Progress, and Degree of Completion

(Degree of completion: ◎Achieved, ○Mostly Achieved, △Some Progress, ×No Progress)

Objectives for the Mid-term	FY2018 Objectives	FY2018 Achievements and Progress	Degree of Completion	FY2019 Objectives
1. Promotion of women's active participation	• Ensure the implementation and achievement of action plans and numerical targets based on the Act on Promotion of Women's Participation and Advancement in the Workplace.	• Achieved 4.3% of employment rate of female managers in Department Head or higher positions.	△	• Continue to ensure the implementation and achievement of action plans and numerical targets based on the Act on Promotion of Women's Participation and Advancement in the Workplace.
2. Employment of people with disabilities	• Attain the revised statutory employment rate (enforcement began in April 2018). (Expand duties and employment for people with disabilities)	• Achieved 2.2% of employment rate by approval to calculate the total ratio of NEC Corporation, NEC Friendly Staff, Ltd. a special subsidiary company, and NEC Management Partner, Ltd.	○	• Study and carry out various measures to achieve ratio of employee with disabilities of 2.3%.
3. Support for sexual minorities (LGBT)	• Formulate measures in support of LGBT within personnel system and benefit program.	• Had interviews with LGBT people	△	• Formulate measures in support of LGBT within the benefits and welfare system.

Promotion Framework

As the unit dedicated to the promotion of diversity at NEC, the Diversity Promotion Group was established in NEC Corporation's Human Resources Development Division in July 2013. The role of the Diversity Promotion Group is to make full use of the individuality and

uniqueness of diverse employees and to create a corporate culture where everyone can work and participate at their full potential. This group carries out various measurements such as providing support and promoting understanding for women's active

participation, employment of people with disabilities, and sexual minorities (LGBT) while building cooperation with related departments.

Measures and Systems

Promotion of Global Recruitment of Human Resources

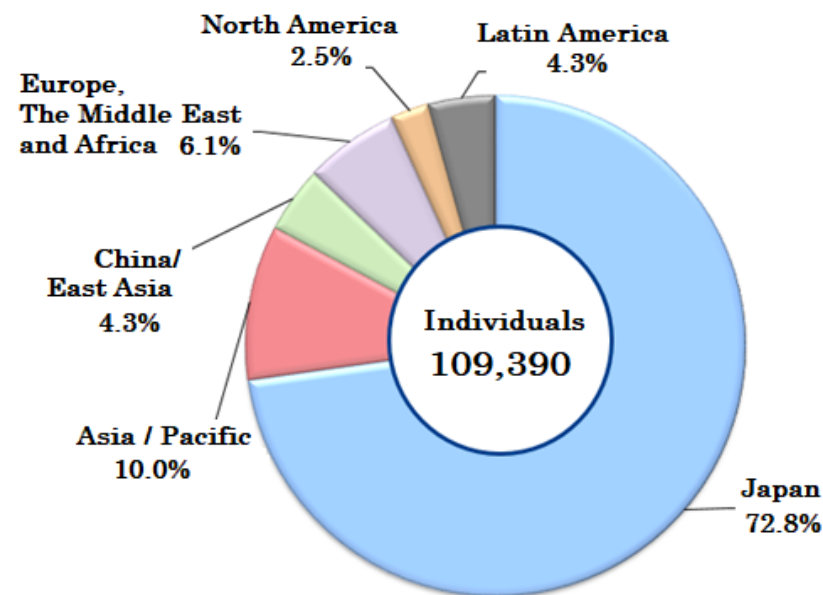
To achieve global business expansion, we are working to recruit non-Japanese individuals who possess the skills and specialized knowledge needed by NEC in its research, technology, sales, and corporate administration departments. Through these efforts, NEC strives to increase the quality of its workforce and promote diversity in each department. NEC is also working proactively to recruit employees of overseas subsidiaries to work at NEC Headquarters and to facilitate interactions with these personnel and develop human resources.

For the cultivation of global human resources, please also refer to the section on "Human Resources Development and Training."

▶ ["Human Resources Development and Training"](#)

Promoting Women's Active Participation in the Workplace

Before the 1985 Equal Employment Opportunity Act came into effect, NEC Corporation was already keen to hire and promote people regardless of their gender, and the proportion of female new employee hired in recent years has ranged between 25% and 30%. The proportion of female employee in all managers has already exceeded 5%, and there are 95 women occupying managerial positions at the level of organization leaders, department heads and above (as of April 1, 2018).



Ratio of Employees by Region as of March 31, 2018 [Scope: NEC Corporation and its Consolidated Subsidiaries]

Compliance with the Act on Promotion of Women's Participation and Advancement in the Workplace


NEC Corporation has formulated and is pursuing the following action plans and numerical targets based on the "Act on Promotion of Women's Participation and Advancement in the Workplace," which came into effect in April 2016.

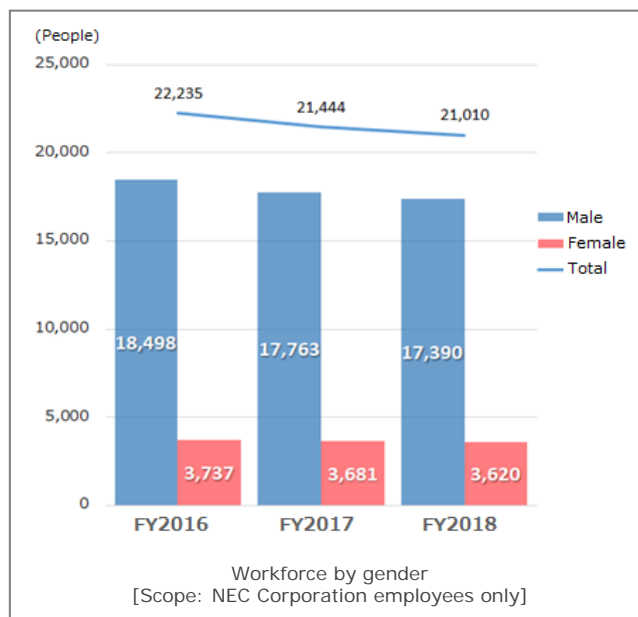
- 1) Appoint women to positions at or above the level of department head in a planned way. By fiscal 2019, the proportion of women operating at this level will be at least 5%.
- 2) Provide career advancement opportunities and management support for mid-career staff who are just below managerial or directorial level.
- 3) Promote Work Style Reform using ICT.

By meeting all the five criteria for certification, namely recruitment, continued employment, working hours, percentage of women in managerial positions, and diversity of career courses, NEC became the first company in April 2016 to receive the "3-star" mark, the highest level under the "L-boshi" Certification given in recognition of companies based on their compliance with the Act on Promotion of Women's Participation and Advancement in the Workplace. Since the Act covers companies with more than 300 employees, NEC Corporation conveyed the purpose of the Act accurately to all Group companies in Japan covered by the Act, and requested those affiliates to formulate their respective action plans and numerical targets.

NEC provides support and holds career-formation and other events for its Group company employees returning to work after taking maternity and childcare leave, engaging in promoting women's participation and advancement in the workplace throughout the entire NEC Group.

NEC's numerical data in regard to the promotion of women's active participation are published in the "Database of companies promoting women's participation and advancement in the workplace" in the website of the Ministry of Health, Labour and Welfare. (For details, refer to "Data Collection.")

 **"Data Collection"**
[Database of companies promoting women's participation and advancement in the workplace \(Ministry of Health, Labour and Welfare website, Japanese\)](#)



Average length of employment
[Scope: full-time NEC Corporation employees only]

	End of March 2016	End of March 2017	End of March 2018
Male	18.7 years	18.9 years	19.2 years
Female	18.2 years	18.3 years	18.3 years

Number of female managers and ratio of female managers to the total number of managers
[Scope: NEC Corporation employees only]

	April 2016	April 2017	April 2018
Number of female managers (Ratio to total number of managers)	374 (5.4%)	368 (5.5%)	372 (5.8%)
Department Head and above (Ratio to total number of Department Head and above)	97 (4.1%)	102 (4.5%)	95 (4.3%)

Promoting Employment of People with Disabilities

Since 1979, NEC's "Central Committee for the Promotion of Employment of People with Disabilities," chaired by the corporate officer in charge of human resources, has been promoting the employment of people with disabilities.

Guided by the principle of "do what you can do on your own, and help each other for things you cannot," there are currently more than 320 people with disabilities employed in NEC (NEC Corporation, NEC Friendly Staff, Ltd. and NEC Management Partner, Ltd.).

To promote a "barrier-free" recruitment process, we established an employment liaison service in the Human Resources Development Division and are actively participating in joint interviews for people with disabilities held by Public Employment Security Office called "Hello Work" that operated by the Japanese government. In addition to arranging for sign language interpreters and conducting examinations in Braille, we provide support according to the nature of individual disabilities, such as confirming the availability of barrier-free facilities before they enter the company.

Likewise, after a person with disability joins the company, we also regularly make sure that the necessary work accommodations are being taken through career review interviews. In addition, since April 2016, our human rights hotline has included consultations regarding "reasonable accommodation."*

In addition, we have established a NEC Group Diversity Promotion Committee which includes human resource officers of its affiliated companies in Japan as members. Also, in collaboration with experts in the field, NPOs and other organizations such as Hello Work, we are conducting regular study sessions to deepen our understanding of the nature of disabilities and the business aptitude of persons with disabilities throughout the entire NEC Group, and are pursuing initiatives to diversify our work styles and introduce new modes of employment, as well as to broaden the range of career opportunities for people with disabilities.

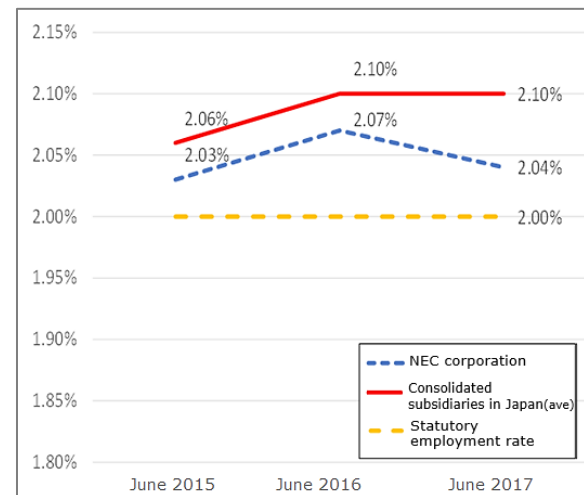
* Measures to improve conditions that are barriers for a worker with disability to exercise his or her abilities effectively.

Special Subsidiary Company: NEC Friendly Staff, Ltd.

In March 2003, NEC Corporation established NEC Friendly Staff, Ltd. as a special subsidiary company for employing people with disabilities including mentally handicapped people. Its head office is located in the NEC Fuchu Plant, and employees work in offices in Tamachi, Abiko, and Tamagawa. As of April 1, 2018, it employs 81 people with disabilities.

Employees are engaged in administrative support, cleaning and afforestation services, and the service of converting business-related contract documents into PDFs. In addition, they provide support for the "NEC Make-a-Difference Drive," through which NEC Group members participate in the social contribution activities.

Their work contributes to strengthening management practices in terms of compliance, as well as improving business efficiency at NEC. The company will continue to expand its business as a special subsidiary company by providing a wide range of business support services.



Changes in the ratio of employee with disabilities
[Scope: NEC Corporation and its consolidated subsidiaries in Japan]

Supporting Diverse Work Styles for Seniors

NEC Corporation has implemented systems that enable employees to choose their career support programs by themselves in order to meet the diverse needs of employees seeking to start a new career outside of the company or those approaching retirement age. These programs are designed to support proactive life planning initiatives by providing financial and time benefits to employees choosing to plan and prepare for new careers outside of the company. NEC has been implementing these programs since 1998, and is currently offering four programs to employees aged 45 and over that provide support by granting periods of leave for skills training and development, provide financial assistance for post-retirement career support, subsidize the costs of related skills training, and provide reemployment support services.

In addition, NEC provides a system that enables employees who wish to work beyond the age of 60 to extend their employment to a maximum age of 65. This system is offered with the intent of giving highly motivated and skilled personnel the opportunity to continue being active in the workplace. Since fiscal 2016, NEC has also begun a personnel recruiting system for those extending their employment that works to match the needs of individuals and hiring organizations, based on type of work, job description, employment terms and other conditions.

Major achievements in fiscal 2018

Promotion of Global Recruitment of Human Resources

NEC Corporation is devoting energy to recruiting international students who newly graduated in Japan. In addition, we also began hiring directly from overseas universities, with 37 international students joining as new hires in fiscal 2018.

NEC Corporation has established a system that enables international students, Japanese students enrolled in overseas universities, and other students studying abroad to join the company in October instead of April. Also, in response to the increase in the number of international employees, we have completed the preparation of English versions of not only documents related to employment procedures but also the main internal rules and regulations and other internal documents. English language support is also provided in the training of new employees in efforts to create an environment for hiring diverse human resources.

Promoting Women's Success in the Workplace

For fiscal 2018, we implemented the following measures and events centered on the formation of career paths for female employees and raising awareness.

Participation in work style reform and diversity promotion activities by female managers

The voluntary association of female members of NEC's management "Scarlet Elegance in NEC (SELENE)" has been holding events for female employees since 2014. These include discussions with invited board members, executives and outside lecturers and the study sessions. From fiscal 2018, the association has been supporting the planning of events to meet the needs of female employees at each individual workplace.

In addition to discussions with female employees in diversity promotion activities at other companies and advice and support for young working mothers activities in NEC, SELENE is carrying out a variety of activities to improve working styles in NEC by participating in panel discussions with male executives and having dialogues with young employees.

Seminar for Employees Returning from Childcare Leave

This seminar, begun in fiscal 2015, was held for the fourth time in February 2018. Its aim is to enable employees on childcare leave who are due to return to work soon to enrich their careers while balancing the demands of work and childcare.

The fiscal 2018 seminar was attended by 65 employees on childcare leave. Participants learned about measures and systems including company trends and work-life support systems. In addition, they did group work where they visualized work-life balance after returning to work.

At the seminar held in February 2018, a survey was held among senior employees currently balancing work and childcare regarding their life after returning to work and the ways by which they achieve balance. Responses from a total of about 130 female and male employees were received and summarized as "realities of senior employees" who have been through the same experience. It was shared to participants of the seminar, to the survey respondents, and to superiors of returners. As a result of these efforts, NEC Corporation has achieved a record return rate of nearly 100%.



Seminar for Employees Returning from Childcare Leave

Career Development Event Held for Women in Sales

At NEC Corporation, cross-company development of female sales personnel and future leaders is considered as a very important theme.

In fiscal 2018, NEC held nationwide networking events and leadership training for women in sales positions in other industries. These events create opportunities for women to discuss their careers with executives, managers, and other senior employees, and are part of an effort to expand the participants' networks and their view of working potential to a nationwide level. By holding networking events with sales personnel in other industries, NEC also supports networking with individuals outside of the company, expanding the viewpoints and thinking.

Summer "Riko-Challe" 2017 for Female Junior and Senior High School Students

NEC actively hires female talents in the fields of science and technology.

However, very few women still choose a science or engineering career path in Japan. NEC has therefore been participating in "Riko-Challe," a program being promoted by the Gender Equality Bureau Cabinet Office, since 2016. This program seeks to increase female junior and senior high school students' motivation to choose careers in science and engineering.

In August 2017, NEC held a conversation event for female junior and senior high school students at the showroom of NEC Platforms, Ltd. Through experiencing the room entry/exit security system and point-of-sales system developed by NEC and having conversations with female employees working as researchers or engineers at NEC, the participants had an opportunity to have a first-hand experience of ICT.



Female junior and senior high school students visit NEC Platforms, Ltd. as part of "Riko-Challe"

Promoting Employment of People with Disabilities

For fiscal 2018, we held the following activities aimed at creating employment for people with disabilities.

NEC Group Job Fair for People with Disabilities

Since fiscal 2013, NEC has been offering shared employment support services using NEC Management Partner, Ltd. as a point of contact, with the goal of strengthening cooperation among NEC Group companies with regard to hiring people with disabilities. In fiscal 2018, we held a job fair for people with disabilities, targeting new graduates and midcareer recruits. Seven companies participated.

At NEC Corporation and its Group companies in Japan, when there are people with hearing difficulties present at recruitment events, during the selection process or during training events after joining the company, we offer assistance by providing a sign language interpreter or displaying summarized captions on a PC. We are also working towards providing a barrier-free working environment by allowing commuting by car and making our facilities and equipment as accessible as possible.

Assisting the Self-Empowerment of NEC Group Employees with Hearing Difficulties

Since fiscal 2016, we have been holding study sessions in order to deepen the knowledge of NEC for employees with hearing difficulties in the NEC Group. This started from a comment we received at the annual event of NEC, C&C User Forum & iEXPO, where a hearing employee given the task of looking after customers who also had hearing difficulties expressed a wish to learn more about the company's business on a regular basis rather than just before an event, but commented that there were not enough learning opportunities of this sort.

In fiscal 2018, four study sessions attended by a total of 210 people were held on themes that are considered important for all employees of the NEC Group, such as introduction of products and solutions, presentation training, and seminar for customer satisfaction. Also, by holding meetings for discussions and presentations among workers with hearing difficulties, we are contributing not only to deepening business knowledge and know-how but also to the construction of cross-department networks that transcend organizational boundaries.

In these study sessions, in addition to provide the contents of lectures via sign language, we are also using ICT to guarantee access to information, such as projecting a summary of the content on a screen or installing audio induction loop devices which make it easier to hear through a hearing aid.

NEC will continue to use ICT to supplement communication and bridge the digital divide in order to provide a workplace where employees can operate effectively.

Commitment to LGBT

NEC believes in prioritizing a correct understanding of LGBT^{*1} issues and increasing the number of allies^{*2} in order to create a work environment where every individual can fully express oneself at the workplace without fear of discrimination. In fiscal 2018, we carried out the following initiatives.

Promoting Fair Employment

We added the items about LGBT issues in interview manuals, and are promoting awareness so recruiters can carry out appropriate interviews.

- 1) Absolutely do not conduct interviews that discriminate or violate human dignity from the perspective of human rights.
- 2) Even if a person comes out as an LGBT, for example during an interview, do not ask questions only concerning LGBT.
- 3) Judge a candidate only by the person's capabilities and suitability for the job.

Online Training "Diversity in Companies"


We held an online training course for all managers called "Diversity in Companies" in March 2017 to deepen the understanding of LGBT issues. Besides raising awareness of correct understanding of LGBT issues as part of respect for diversity, the training also raised awareness about preventing harassment and outing^{*3} of LGBT people.

^{*1} LGBT stands for lesbian, gay, bisexual and transgender <person whose sex and gender do not correspond such as person with gender identity disorder>, and is a collective term for sexual minorities.

^{*2} A supporter who understands the situation of LGBT individuals

^{*3} Public disclosure to a third party about a person's sexuality without that person's approval.

A list of NEC's particular initiatives related to LGBT issues can be found at the Japan Business Federation (Keidanren) website.

 [Toward the Realization of a Diverse and Inclusive Society](#) (Japan Business Federation (Keidanren) website)