

## Health and Safety

### Policy

NEC has established a basic philosophy as part of its “Company-wide Occupational Health & Safety (OH&S) Policy Action Guidelines” stating that “NEC should maintain and enhance a comfortable and supportive workplace to ensure the health and safety of all who work at its business sites.” In line with this philosophy, the General Affairs Division, charged with safety and health activities, the Health Care Center, and the Safety and Health Management Organization in each business site offer various programs for safety and health focusing on preventive management.

#### <Safety>

On the basis of its “Company-wide Occupational Health & Safety (OH&S) Policy” NEC has established the following action guidelines to maintain and enhance a comfortable and supportive workplace and to ensure the health and safety of its employees including dispatched workers.

[OH&S Policy Action Guidelines]

1. Improve occupational health and safety management systems by continuously and efficiently implementing occupational health and safety activities.
2. Promote the identification of sources of danger, as well as risk assessment and risk management, with the aim of reducing labor accidents to zero.
3. Comply with laws and regulations, and other rules and decisions regarding occupational health and safety.
4. Strive to make the occupational health and safety obligations known to ensure understanding and fulfillment of these obligations.
5. Actively provide disclosure of information regarding occupational health and safety activities.
6. Endeavor to enhance the mental and physical health of workers and develop a comfortable workplace.
7. Ensure the appropriateness and effectiveness of these policies and the occupational health and safety management systems through regular reviews.

#### <Health>

NEC Group has been implementing various programs under the “NEC Health Innovation 21” initiative for all employees to prevent lifestyle-related diseases since fiscal 2009. These programs are measures for metabolic syndrome, stress and cancer prevention. These efforts have been acknowledged and NEC was certified as 2018 Health and Productivity Management Organization (White 500). NEC will promote maintaining and promoting physical and mental health, as one of its business initiatives; this should serve as the base of employees’ continuous growth.

[NEC Health Innovation21 – Major activities]

- NEC will promote various programs and activities for all employees from the perspective of preventing lifestyle-related diseases:
  - Enhancing specific health guidance including the items not designated by law
  - Activities that promote exercise and events
  - Food service (menus) that contributes to a healthy diet
  - Nutritional education
  - Activities that encourage people to stop smoking.
- NEC will promote the use of ICT tools to enhance the effects of the above programs and activities.



2018 Health and Productivity Management Organization (White 500) Certification

## Activity Objectives, Achievements and Progress

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

1. Occupational Health and Safety (OH&S)
  - Operating and improving effectively the occupational health and safety management system within the NEC Group.
  - Completing enforcement of occupational health and safety management appropriate to the workplaces, branch offices and diverse workplace environments (i.e., construction sites, offices at other companies).
2. Health Management
  - Maintaining and promoting the physical and mental health for the base of the NEC Group employees' continuous growth.

### 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. OH&S                     | <ul style="list-style-type: none"> <li>• Improve the OH&amp;S management system at each NEC workplace, strive to maintain the management system, and further enhance the OH&amp;S management in the fields outside the NEC workplace.</li> </ul> | <ul style="list-style-type: none"> <li>• Maintained OHSAS Certification for the OH&amp;S management system at each NEC workplace.</li> <li>• Assigned a staff to the division that carried out construction in the field, held monthly meetings and established guidelines of NEC as the criteria for OHSAS management for construction in the field.</li> </ul> | ◎                    | <ul style="list-style-type: none"> <li>• Maintain operations of the OH&amp;S management system at each NEC workplace and improve it according to the situation.</li> <li>• Thoroughly operate the OH&amp;S management guidelines for construction in the fields outside the NEC workplace.</li> </ul> |
| 2. Health management        | <ul style="list-style-type: none"> <li>• Strengthen preventive measures for mental and physical health through collaboration between the Health Insurance Association and Health Care Center.</li> </ul>   | <ul style="list-style-type: none"> <li>• Implemented mental health education and health education by ages for all employees and management-level employees.</li> <li>• Executed new "Health Point" activity to raise the awareness of employees' physical and mental health and promote the health-enhancing activities.</li> </ul>                              | ◎                    | <ul style="list-style-type: none"> <li>• Disseminate and promote "NHI21 Third Season."</li> <li>• Promote "Health Point" activities.</li> <li>• Maintain "Health and Productivity Management Organization (White 500)" certification.</li> </ul>  |

84-90 Respecting Human Rights  
99-106 Diversity and Inclusion  
114-119 Human Resources Development and Training

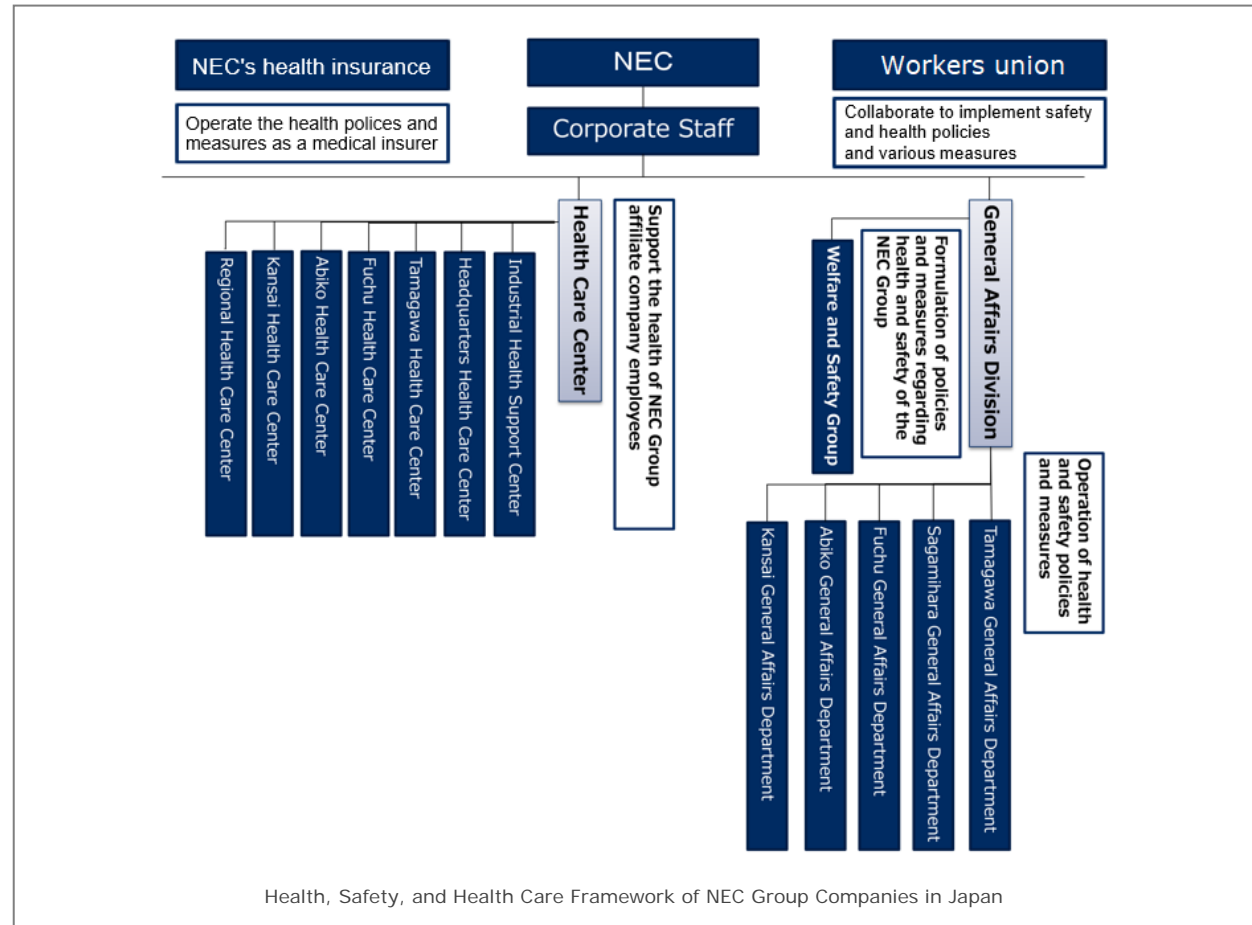
91-98 Personal Information Protection and Privacy  
107-113 Creating a Diverse Work Style Environment  
120-125 **Health and Safety**

## Promotion Framework

At NEC, the General Affairs Division of NEC Corporation formulates its policies and measures including its Group companies in Japan, regarding health and safety for employees. We deploys the measures for each region by cooperating with the safety and health manager in the regional support division and the Health Care Center (i.e., industrial doctors and health nurses). NEC also ensures health and safety in the workplace through a community health and safety committee with the participation of the safety and health commissioners and labor union members selected by each division and by following up the implementation of health-related measures.

For everyday reportable items, the applicable general affairs division or an executive officer is responsible, but when something important arises, such as a major disaster or pandemic, the matter will be deliberated by the Business Strategy Committee attended by corporate management, such as the President or Directors.

Operational methods, however, are recommended at an information exchange meeting on health issues and labor accidents with the NEC Group's overseas subsidiaries. This is done to set up coordination with existing operations being carried out under the occupational health and safety management system.



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## Main Activities and Results for Fiscal 2018

### Occupational Health and Safety (OH&S)

NEC Corporation conducts OH&S activities from two standpoints that address “company-wide issues” as well as “specific issues reflecting unique conditions faced by individual Group companies and business sites.”

As a company-wide initiative, in fiscal 2011 NEC formulated a “Company-wide OH&S Policy” based on the “NEC Group Charter of Corporate Behavior” and the “NEC Group Code of Conduct,” as a sign of its commitment to stakeholders. And, in fiscal 2013, NEC formulated the “Occupational Health and Safety Management Regulations” as part of efforts to enhance the quality of its OH&S activities.

As an initiative to address specific issues reflecting unique conditions faced by individual Group companies and business sites, NEC has been working to obtain the “OHSAS 18001” standard for occupational health and safety since fiscal 2011. In fiscal 2018, 7 NEC Group affiliate companies out of 14 companies at the business sites in Keihin District obtained the “OHSAS18001.”



OHSAS18001 Specification Certificate

### Health Management

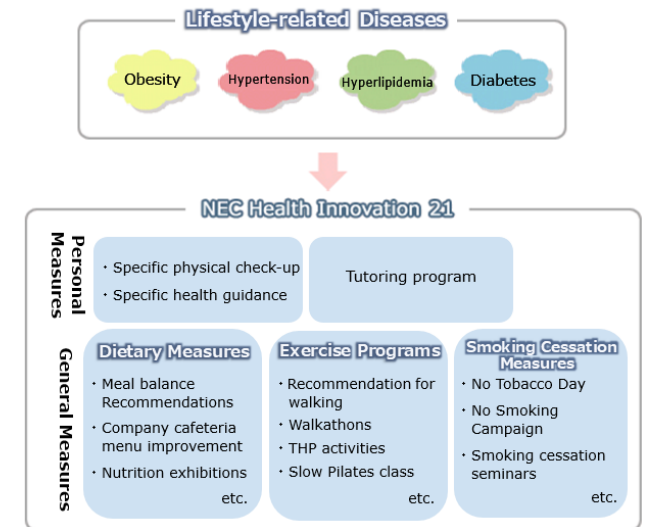
#### Prevention of Health Impairment Due to Overwork

NEC Corporation supervisors at specific workplaces and the personnel affairs divisions manage employee's working conditions everyday and monitor work hours by using a work management system to make sure that the workers (including dispatched workers) are not working too many hours based on agreements between labor and management. For those workers who may be working long hours, the system automatically issues a monthly alarm e-mail around the middle of each month to further manage their working conditions.

For employees who have worked long hours, based on the “Comprehensive Program for the Prevention of Health Impairment Due to Overwork” by the Ministry of Health, Labour and Welfare, we use a Web-based interview sheet (health check sheet) to ascertain accumulated fatigue. Furthermore, the Health Care Centers select employees for compulsory follow-up on the basis of working hours (long hours) and health check (regular checkup and metabolic syndrome examination) data and has them consult with an industrial physician/health professional, and restricts work hours, among other measures.

### “NEC Health Innovation21” Activities

NEC is promoting “NEC Health Innovation 21 (NHI21)” activities to promote employee health. NHI21 has launched various measures and programs for each age group, including those for metabolic syndrome, mental health care, promotion of smoking cessation, cancer prevention and dental health.



Prevent lifestyle-related diseases and realize an environment where employees and families lead healthy lifestyles.

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## Measures for Metabolic Syndrome

NEC has focused its attention on metabolic syndrome since 2004 and has provided lifestyle improvement advice to employees with high risk for cerebrovascular problems or heart disease. Since April 2008, it has been enhancing measures for metabolic syndrome as a part of its NHI21 activities.

Since fiscal 2014, NEC has expanded the health guidance given by nurses for those who were selected for monitoring (ages in odd-years). As a result, the ratio of the NEC Group employees with metabolic conditions and potentially metabolic conditions was reduced from 33.1% in fiscal 2009 to 24.4% by the end of fiscal 2017. (Reduction rate: 26.3%).

## Mental Health Care Initiatives

NEC Corporation positions mental health care as a key health care priority. Accordingly, NEC conducts measures focused on prevention and is creating a healthy workplace by maintaining the mental health of its employees.

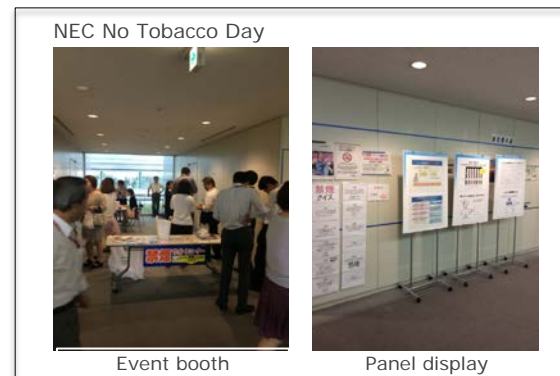
- **Mental Health Support Program:** Introduced in February 2005. This program consists of three elements: 1) "early stage support" focused on early identification and treatment of mental disorders; 2) "follow-up support" for people receiving treatment for mental disorders; and 3) a "return-to-work support program" that helps people on leave make a smooth return to work.
- **Return-to-work support program:** The process and standards for determining whether an employee on leave may return to work was clarified in fiscal 2011. As a result of initiatives to help employees on leave smoothly return to work, there has been increasing number of consultations from individual employees and their supervisors during the early stages of onset of mental illness, showing a stronger recognition of mental health care within NEC.
- **Mental health education and primary care education for management-level employees:** These programs have been implemented as preventive measures for management-level employees since fiscal 2012. They are designed to enable management-level employees themselves to consider how to provide care and manage their staff in order to prevent mental health impairment and disorders, including increasing communication, building even better human relationship, and developing worksite environment conducive to consultations.

- **Consultation desks (In-house/Outside the company):** Employees and their supervisors can consult with someone when they notice an irregularity. The in-house consultation desks are staffed by industrial physicians and health professionals using dedicated internal telephone lines called the "Mental Health Consultation Hotline" installed at the health care center of each business site. The external consultation desk is provided by a specialist external institution based on an arrangement with the NEC Health Insurance Association. It provides a system for employees themselves as well as their families (dependents) to consult on mental health via the telephone and other means.
- **Stress checks:** Since fiscal 2017, NEC has been conducting stress checks for all employees based on the Revised Industrial Safety and Health Act enforced in December 2015.

NEC is working on further enhancing the primary care initiative by following up on interviews and promoting early consultations with those employees.

## Smoking Cessation

NEC has instituted an "NEC No Tobacco Day" in conjunction with the World Health Organization (WHO) "World No Tobacco Day," to promote smoking cessation. Moreover, it provides consultation on smoking cessation by pharmacists at the health management center of each business site, distributes nicotine gum or patches ("No Smoking for Only a Half Day" program) and holds events such as panel displays.



The smoking rate at the NEC Group was lowered from 31.1% in fiscal 2006 to 22.0% by the end of fiscal 2017. (Reduction rate: 29.3%)

## Measures for Preventing Lifestyle-Related Diseases, Cancer Prevention and Infectious Diseases

NEC has been implementing measures to prevent lifestyle-related diseases for its employees (including dispatched workers) and their families (dependents). The "NEC Health Fair," an event at which employee families can participate, offers programs such as prevention of metabolic syndrome, cancer screening, and measures for infectious diseases (i.e., seasonal influenza). The health management center delivers "Health News" every month featuring topics related to health such as cancer screening, dental health, smoking, infectious diseases, etc., to promote the health awareness.

## Activities for Each Age Group

NEC Corporation has been prioritizing improving the awareness of self-care by targeting the younger age group and has also been providing specific health checkups and specific health guidance for employees in their 30s since fiscal 2009. Since fiscal 2015, it added blood tests and measuring abdominal circumference as part of the regular health checkups for employees in their 20s. Interviews are conducted to give advice based on checkup results, enhancing the health support activities for its younger employees.

- **"Fresher's Interview":** At the time of initial employment, NEC conducts health checkups and health education, and interview by nurses to provide advice based on the checkup results.
- **"Interview for all 27-year-old employees":** An interview conducted by nurses for all employees who reach the age of 27.
- **"Health College 30":** A group education about self-care for all employees who reach age 30.
- **Seminars on lifestyle-related diseases for employees of specified age groups or anyone who wants to attend:** For example, at the Fuchu plant, health promotion programs (seminars, stretching exercises, measurements of physical fitness, etc.) are offered for employees aged 25, 30 and 35.

## Labor Accidents and Disasters

Labor accidents at NEC Corporation are mostly minor, such as tripping on stairs at train stations or falling on the street during business trips or sales calls. There have been no major disasters. Looking ahead, in order to raise awareness concerning occupational safety, we intend to continue conducting OH&S Committee activities, daily workplace inspections and cross-checking, while aiming to reduce the number of labor accidents and disasters.

The graph shows the changes in the frequency and severity rates of NEC Corporation for the past several years. The "frequency rate" remains low at 0.37, which is about one-fourth the nationwide manufacturing sector average rate of 1.02. The "severity rate" has remained at 0.00, whereas the nationwide manufacturing sector average rate is 0.08.

