Health and Safety

NEC has established a basic philosophy believing that the company "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 Centers, and the Safety and Health Management Organization in each business site offer various programs focusing on preventive health.

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.

[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 the 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.

Promotion Framework

At NEC, the General Affairs Division formulates the NEC Group’s policies and measures regarding health and safety for employees in Japan, and deploys 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 ensures workplace safety by operating a regional safety and health committee and deploying 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.
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.

- In February 2005, NEC introduced the Mental Health Support Program. 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.
In fiscal 2011, NEC worked to enhance initiatives to help employees on leave smoothly return to work. This was achieved by clarifying the process and standards for determining whether an employee on leave may return to work through revision of the return-to-work support program. As a result of making these sorts of programs known, early stage consultations from individual employees and their worksite supervisors have increased, instilling a stronger recognition of mental health care within NEC.

Since fiscal 2012, NEC has been implementing primary care training for management-level employees as a prevention measure. This training program is 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 relationships, and developing worksite environment conducive to consultation. These considerations formed the basis for the participants to devise future action plans. NEC has also put a system in place where employees and their supervisors can promptly consult with someone when they notice an irregularity, comprising consultation desks both in-house and outside the company. 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 agreement 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.

In fiscal 2017, NEC conducted stress checks for all employees by responding to the Revised Industrial Safety and Health Act, enforced in December 2015, and will further enhance the primary care initiative by following up on interviews and promoting early consultations with those employees.

**NEC Health Innovation21 Activities**

NEC has focused its attention on metabolic syndrome since 2004. For employees with many risk factors for cerebrovascular problems or heart disease, we have provided lifestyle improvement advice.

- Since April 2008, partly in response to the Specified Health Examinations and Specified Health Guidance accompanying the amendment of laws, we have been enhancing NEC Health Innovation21 (NHI21), a program of activities designed to prevent metabolic syndrome.
  From fiscal 2009 to the end of fiscal 2015, there was a 27.2% reduction in cases of metabolic syndrome, significantly exceeding the target value set by the Health, Labor and Welfare Ministry.

- Since fiscal 2014, we have been implementing NHI21 Second season, which includes a measure to set up physical and mental health promotion activities by ages by adding measures for mental health, cancer prevention and oral hygiene to NHI21. Under the NHI Second season we hold the NEC Health Fair, a family participation event aimed at getting families to work on measures to prevent lifestyle-related diseases; a program has been implemented to raise awareness of cancer screening and infectious diseases such as seasonal influenza, as well as about metabolic syndrome.

**Implementing Physical and Mental Health Promotion Activities**

**Activities aimed at all employees**

- Education of OH&S Committee members (held at individual business sites) (About 500 people took part.)
- Web-based mental health education (*)
- Mental health training for managers (for managers with subordinates who have mental health disorders)
• Mental health training for managers (primary care)
• Smoking cessation seminar for smokers or smokers who want to stop smoking at each business site
  * Implemented as group courses in all cases except web-based mental health education.

### Activities for each age group

- 20s: Health checkup, done at the time of employment and "Fresher's Interviews" (interviews for all new employees by the health nurse)
- Lifestyle-related disease seminar for employees of specified age groups or anyone who wants to attend. For example, at the Fuchu plant, the health promotion programs (seminars, stretch exercises, measurements of physical fitness, etc.) are for employees age 25, 30 and 35.

### Activities for employees of a particular rank or attribute

- Mental health training for managers for managers with subordinates who have mental health disorders
- Mental health training for managers, primary care
- Smoking cessation seminars for smokers or smokers who want to stop smoking at each business site

### Labor Accidents and Disasters [Scope: NEC Corporation]

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, the company intends to continue conducting OH&S Committee activities, daily workplace inspections and cross-checking, while aiming to reduce the number of labor accidents and disasters.

<table>
<thead>
<tr>
<th>Labor Accidents and Disasters</th>
<th>FY2014</th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017 (Target)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NEC frequency rate (<strong>1</strong>)</td>
<td>Results : 0.19</td>
<td>Results : 0.27</td>
<td>Results : 0.25</td>
<td>0.40</td>
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<tr>
<td>Nationwide manufacturing sector (100 or more employees) frequency rate</td>
<td>0.94</td>
<td>1.06</td>
<td>1.06</td>
<td></td>
</tr>
<tr>
<td>NEC severity rate (<strong>2</strong></td>
<td>Results : 0.00</td>
<td>Results : 0.00</td>
<td>Results : 0.00</td>
<td>0.00</td>
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<tr>
<td>Nationwide manufacturing sector (100 or more employees) severity rate</td>
<td>0.10</td>
<td>0.09</td>
<td>0.06</td>
<td></td>
</tr>
</tbody>
</table>

*1 Frequency rate: Number of deaths and injuries due to industrial accidents divided by total working hours multiplied by 1 million

*2 Severity rate: Number of lost working days divided by total working hours multiplied by 1,000
Objectives and Achievements

Objectives for the Medium Term (From fiscal 2014 to fiscal 2016)

1. OH&S: Introduce and operate OH&S management systems within the NEC Group including overseas subsidiaries.
2. Health Management: Strive to enhance employees’ mental and physical health by implementing mental and physical health measures based on the life stage of each age group across the entire NEC Group.

Fiscal 2016 Objectives, Achievements and Progress, and Degree of Completion

<table>
<thead>
<tr>
<th>Objective</th>
<th>Achievements and Progress</th>
<th>Degree of completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. OH&amp;S: From the viewpoint of strengthening OH&amp;S management systems throughout the supply chain, comprehensively operate OH&amp;S management systems at each NEC workplace.</td>
<td>Extended the scope of application for the HH&amp;S management system in NEC and group companies at business sites.</td>
<td>☑️</td>
</tr>
<tr>
<td>2. Health management: Strengthen preventive measures for mental and physical health through collaboration between the Health Insurance Association and Health Care Center.</td>
<td>Strengthened preventive measures by implementing mental health education and health education by ages for all employees and management-level employees.</td>
<td>☑️</td>
</tr>
</tbody>
</table>

Objectives for the New Medium Term (Fiscal 2017 to fiscal 2019)

1. OH&S: Effectively operate and improve the OH&S management system in the NEC Group.
2. Health management: Implement mental and physical health measures based on the life stage of each age group across the entire NEC Group.

Fiscal 2017 Objectives

1. OH&S: Improve the OH&S management system at each NEC workplace, strive to strengthen and maintain the management system.
2. Health management: Strengthen preventive measures for mental and physical health through collaboration between the Health Insurance Association and Health Care Center.