CS (Customer Satisfaction)

Since its founding in 1899, NEC has continued to develop a corporate culture based on "Better Products, Better Services". This means creating products and services that are more valuable to customers. It also means that every one of us at NEC understands, considers, and quickly responds to what our customers expect in order to make NEC a company that is trusted and chosen by customers.

The word "Better", not "Best", in our statement of "Better Products, Better Services" embodies our desire to "continuously make improvements to achieve our very best in providing better products for customers".

"Customer Satisfaction" appears in the first paragraph of the NEC Group Charter of Corporate Behavior. We believe that improving CS (Customer Satisfaction) is critical to establishing a strong trust relationship with our customers.

Policy

NEC formulated the Customer Satisfaction Management (CSM) concept in 1992. The CSM concept consists of "Significance", which refers to the ideal state of NEC's CS management; "Activity System", which specifies how to address CS management; "Goal", which the achievement of CS No.1 in the industry; and "CS Action Plan", which outlines the direction of our activities in concrete terms.

[CS Action Plan]

Everyone at NEC will continuously strive to:

- Have the common goal of "providing customer satisfaction".
- Refine sensitivity to our customer's needs and wishes and quickly respond to those needs and wishes.
- Give top priority to customer convenience and ease-of-use and provide products and services that customers can use with confidence and peace-of-mind.
- Enhance perceptions to precisely gauge customer needs and wants and provide new value for customers and visions of the future
- Consider the customers of our customers, the society and environment of the customers, and solutions to issues.

Promotion Framework

CS Improvement activities at NEC are carried out mainly by CS promoters selected from NEC's business units and group companies in Japan and overseas. (There were about 300 CS promoters at the end of March 2016). The basic responsibility of a CS promotor is to continuously promote improvement activities by closely examining the activities in the company from the customer's point of view and striving for higher value business activities. Particularly critical matters are reviewed at Business Strategy Committee at which the president and top-level management participate.

Entire Workforce in Pursuit of Higher Quality

The customer's voice reaches NEC not only through surveys but also through various organizations and activities. NEC offers specialized help desks for customer inquiries, comments or requests about NEC products and services. Each help desk responds to the customer's voice appropriately while gaining the expertise needed about NEC products and services.

Contact Form
Main Activities and Results for Fiscal 2016

As an activity to improve customer satisfaction, NEC analyzes problems and finds their causes based on the "voices" heard in customer satisfaction surveys or sent to our help desks. This has led to improvements in products and services. We find a potential need by analyzing the customer's "voice" and offering a new business.

CS Activities in Business Units

Each business unit sets a theme and goal for those items that must be improved and then designs appropriate CS activities. We think and act by first considering the kinds of things that NEC should do to enhance customer trust to become a corporation selected by customers. For example, activities may be those that enhance internal collaboration or improve customer communication.

Case Studies and Group-wide Applications

Some employees indicated a desire to learn from more concrete cases of success and failure, so examples of practices at the division, project, team and individual levels were publicized internally on the CS No. 1 Activities portal site.

This site introduces various CS No. 1 activities, including examples of quick responses and Workplace Roundtable initiatives, as well as activities for individuals, teams and divisions. Employees commented on how the problems and solutions from other projects are valuable as a reference and how the effect of other divisions has been instructive for their own division's initiatives.

Instituting a Customer-Oriented Corporate Culture

People are the basis of developing and supplying products and services that deliver high customer satisfaction. We visualize the image of NEC employees that customers envisage and implement and enhance various human resource cultivation initiatives so that we can improve the value we offer to our customers.

Recognizing what employees expect from NEC, we offer various kinds of education and training by occupation and grade so that we can develop employees capable of taking notice of issues and making improvements. Moreover, NEC implements
ways to recognize CS improvement initiatives undertaken from the standpoint of the customer, as well as the "customer beyond the customer" (i.e., general public and consumer), with the aim of further motivating employees.

**Details on CS Education**

### CS Education and Training for All NEC Group Employees

<table>
<thead>
<tr>
<th></th>
<th>CSR Management</th>
<th>Governance</th>
<th>Society</th>
<th>Environment</th>
</tr>
</thead>
<tbody>
<tr>
<td>84-91</td>
<td>Respecting Human Rights</td>
<td>92-104</td>
<td>Diversity and Inclusion</td>
<td></td>
</tr>
<tr>
<td>105-107</td>
<td>Labor Practices</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>108-113</td>
<td>Human Resources Development and Training</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>114-118</td>
<td>Health and Safety</td>
<td>119-122</td>
<td>CS (Customer Satisfaction)</td>
<td></td>
</tr>
<tr>
<td>123-126</td>
<td>Ensuring Quality and Safety</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Group-wide training seminars to foster a customer-oriented mindset (customer-oriented business)**

In 2015, NEC deployed "Customer-oriented Business" (Educational program for NEC Group employees (mainly for new employees)) in Japanese and English.

This training focused on helping employees learn "what is value?" or "what is it that needs to be done?" through studying various initiatives and programs such as "Better Products, Better Services" (NEC's commitment since its founding), "Universal CS Mind" (Five points to offer value to customers), and various case studies.

Among the thoughts expressed by those who have undergone the training were, "I reaffirmed my understanding that each activity we do connects directly with the customer", "I learned that one simple split second mistake can destroy the trust relationship we have built with our customers". In 2016, we want to incorporate these opinions and continue this kind of training for all employees.

**Training seminars to foster a CS mindset (CS Mind Seminar - Introduction/Practice)**

At NEC, responding to those requests of wanting to "...learn more about CS" or "...have a better understand more concretely this practice method...", the "CS Mind Seminar - Introduction/Practice" as an individual comprehensive education was held eight times over a year, in addition to the education for all employees. Since 2009, about 1,600 persons have participated in the Introduction and Practice seminars.

In the Introduction seminar, participants learn about CS as something immediate not a special thing and can take the initiative from something they can be tackled immediately. In the Practice session, participants can think logically about "CS Improvement", learn what kind of capability is needed so that customers will continue to select NEC products and services and perform the self-development program they build by themselves.

Participants commented "I learned that feelings about caring about your loved one is closest to the CS mind"; "I was excited to know that changing myself changes the results"; "By acting first, I want to promote CS initiatives to those around me", etc.
Objectives and Achievements

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

All employees become more conscious of its customers and aim to transform NEC as the first corporation selected by customers through the "CS No. 1 Initiative" where NEC as a whole makes a higher level contribution.

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

(Degree of completion: © Achieved / ○ Mostly achieved / ◯ Some progress / X No progress)

<table>
<thead>
<tr>
<th>Objective</th>
<th>Achievements and Progress</th>
<th>Degree of completion</th>
</tr>
</thead>
</table>
| 1. Perform improvement initiatives based on the opinions received from customers utilizing a suitable method for each business division not a universal method for the whole company. | We formulated improvement plans suitable for each business division for a particular issue, and performed PDCA by implementing the plans as solutions.  
- NEC was ranked No. 1 in three categories in the 2015-2016 Nikkei Computer Customer Satisfaction Surveys. [Laptop PC category, Network Device category, Integrated Operation Management Software (Server/Network Management System) category]  
- NEC was ranked No. 1 in six categories in the 2016 Nikkei Computer Partner Satisfaction Survey. [PC Server category, Enterprise Server category, Tablet category, Storage category, Network Device category, Integrated Operation Management Software (Server/Network Management System) category] | ◯ |
| 2. Strive to foster a customer-oriented mindset among employees and share information on best practices with a view to ensuring that all Group activities are based on customer needs, in order to strengthen a customer-based corporate culture. | Every member of the NEC Group engaged in discussions about CS through the President's message to employees, CS training, informal gatherings of new employees and the President, "The NEC Group Values Day" (July 17, NEC's foundation day).  
NEC is working to establish a CS corporate culture in several ways, such as sharing good examples within and outside the company through the in-house magazine and an internal website. | © |

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

Obtain solid trust from customers and continue to be "a Selected Corporation".

Fiscal 2017 Objectives

1. Improvement activities based on customers' opinions are not implemented across the NEC Group, but according to the characteristics of each respective business.

2. To strengthen the Corporate Culture from the customer point of view, strive to foster a CS mind and share information on good examples of CS activities among NEC Group employees in Japan and overseas.