NEC CSR Report 2017	CSR Mana	agement Governance	Society	Environment
	75-84	Respecting Human Rights	85-93	Diversity and Inclusion
	94-99	Creating a Diverse Work Style	e Environment	
	100-105	Human Resources Developme	ent and Training	
	106-111	Health and Safety	112-115	CS (Customer Satisfaction)
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# **Diversity and Inclusion**

At NEC, we employ a broad diversity of people at each of our organizations and departments, and creating an environment that accepts diverse viewpoints and ideas is an essential part of our management strategy. Diversity involves recognizing and respecting one another's individual differences, and is based on the principle of valuing people precisely because of what sets them apart from others.

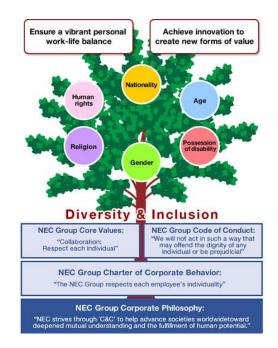
NEC will continue to contribute to the advancement of society by implementing a more proactive diversity and inclusion program by giving people the opportunity to show mutual respect for diverse individuals.

### Policy

NEC has established "NEC Group Human Rights Policies" that aims to promote diversity not only in terms of race, belief, age, social status, family origin, nationality, ethnicity, religion, gender/gender identity, sexual orientation and disability, but also in terms of work style, career, point of view, and sense of values.

We consider respect for individuality to be at the core of diversity promotion, which is why it is listed as one of the maxims of the NEC Group's values.

We are promoting diversity and inclusion in the belief that achieving a healthy work-life balance, enabling many different types of people to work together in each organization and department, and incorporating diverse viewpoints and ideas lead to the creation of new values and the generation of innovations.



### Promotion Framework

In July 2013, we established the Diversity Promotion Group in our human resources department as a specialist unit for the promotion of diversity at NEC. This group expands and strengthens various activities, including promoting women in the workplace and providing counseling and support for people with disabilities and sexual minorities (LGBT). At NEC, our most important mission is to promote the individuality and uniqueness of diverse employees and to provide support for a corporate culture where everyone can work and participate at their full potential. The role of the Diversity Promotion Group is to implement policies and to build a framework for cooperation between related departments.

75-84Respecting Human Rights85-93Diversity and Inclusion94-99Creating a Diverse Work Style Environment100-105Human Resources Development and Training106-111Health and Safety112-115CS (Customer Satisfaction)116-119Ensuring Quality and Safety	NEC CSR Report 2017	CSR Mana	agement Governance	Society	Environment
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# Measures and Systems

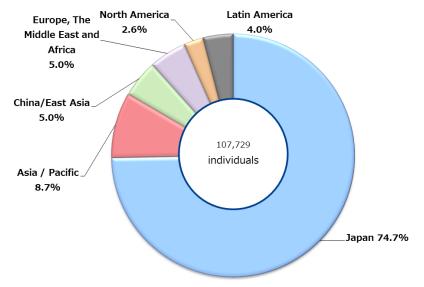
# Promotion of Global Recruitment of Human Resources

NEC Corporation is working to recruit non-Japanese individuals who possess the skills and specialized knowledge needed by the Company in the areas of research, technology, sales, and corporate administration, with the view to achieving global business expansion. Through these efforts, NEC strives to increase the quality of its workforce and promote diversity in each area. NEC Corporation has proactively provided opportunities for employees of overseas subsidiaries to work at NEC Headquarters to facilitate interaction with these personnel and develop human resources.

For the cultivation of global human resources, please also refer to the page on human resources development.

#### Human Resources Development

Ratio of Employees by Region as of March 31, 2017 [Scope: NEC Corporation and Consolidated Subsidiaries]



### Promoting Women's Success in the Workplace

Before the 1985 Equal Employment Opportunity Act came into effect, NEC was already keen to hire and promote people regardless of their gender, and the proportion of female college graduates hired in recent years has ranged between 25% and 30% percent. The overall proportion of women among our management has already exceeded 5%, and there are 102 women occupying managerial positions at the level of organization leaders, department heads and above (as of April 1, 2017).

#### Compliance to the Promotion of Women's Career Activities Act

NEC 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) We will make plans to appoint women to positions at or above the level of department head. By FY 2019, the proportion of women operating at this level will be at least 5%.
- 2) We will provide stronger career opportunities and management support to mid-career management staff (those who are just below managerial or directorial level).
- 3) We will use ICT to promote reforms of working patterns.

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

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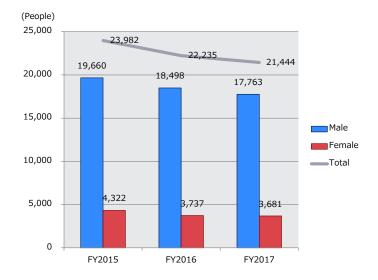
than 300 employees, NEC ensured the proper dissemination of the substance and purpose of the Act to all domestic affiliates covered by the Act, and requested those affiliates to formulate their respective action plans and numerical targets. NEC provides support and holds career-formation and other events for Group company employees returning to work after taking maternity and childcare leave, as part of efforts to promote women's participation and advancement in the workplace throughout the entire NEC Group.

NEC's numerical data in regard to the Act on Promotion of Women's Participation and Advancement in the Workplace 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)

Workforce by gender [Scope: NEC Corporation employees only]



Average length of employment (scope: full-time NEC employees only)

	End of March 2015	End of March 2016	End of March 2017
Male	18.6 years	18.7 years	18.9 years
Female	18.3 years	18.2 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 2015	April 2016	April 2017
Number of female managers (Ratio of female managers)	386 (5.2%)	374 (5.4%)	368 (5.5%)
Department Head and above managers	96	97	102

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# Promoting Employment of Persons with Disabilities

Since 1979, NEC has been running a central committee chaired by the corporate officer in-charge of human resources to promote the employment of people with disability.

Guided by the principle of "doing what you can do on your own, and helping each other for things you cannot," there are currently more than 320 persons with disabilities employed in the company.

To promote a "barrier-free" selection process, we established an employment liaison service in the Human Resources Development Division and are actively participating in joint interviews for persons with disability held by employment services such as "Hello Work" (operated by the Japanese government). Other than 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 their joining the company, we also regularly ensure that the necessary work accommodations are being taken through career review interviews. Also, starting April 2016, we have expanded the support provided through the human rights hotline to include consultations regarding "reasonable accommodation."

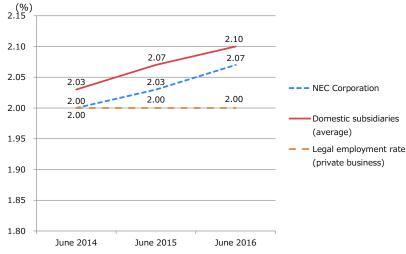
In addition, we have established a Group-wide committee for promoting the employment of persons with disability, which includes human resource officers of domestic affiliates as members. Also, in collaboration with experts in the field, NPOs and other organizations such as Hello Work, we are conducting 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, such as by introducing new modes of employment, as well as to broaden the range of opportunities for people with disability.

### Subsidiary Company for Employees with Special Needs: NEC Friendly Staff, Ltd.

In March 2003, NEC established NEC Friendly Staff, Ltd. as a subsidiary company for employing people with disabilities. This company actively employs people with intellectual and mental disabilities, and as of April 1, 2017 had hired 48 such individuals. At its offices located in the NEC Fuchu Plant, the company primarily provides administrative support, cleaning and afforestation services, as well as support for NEC's social contribution activities.

Since April 2014, we have also provided an office in NEC's headquarters district (Minato ward, Tokyo), where we have been expanding into new business centered on the conversion of business-related contract documents into PDFs. The office employs 15 people, including four supervisors. These activities contribute to strengthening management practices in terms of compliance, as well as promote business efficiency at NEC. Going forward, the company will aim to expand its business as a subsidiary company for employees with special needs by providing a wide range of business support services.

Changes in the employment rate of people with disabilities (Scope: NEC Corporation and domestic consolidated subsidiaries)



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# Supporting Diverse Work Styles for Seniors

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

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 desired, job description, employment terms and other conditions.

# Main Activities and Results for Fiscal 2017

## Promoting Global Recruitment of Human Resources

The company has set a target of having international students account for 10% of planned new hires and has conducted hiring activities on this basis. In fiscal 2014, the number climbed to 47 students, or 13% of hires. In addition to continuing to hire international students in Japan, the Company also began hiring directly from universities overseas, with 39 foreign students joining as new hires in fiscal 2017.

Japanese students graduate in March and generally start working for companies in April, but at NEC we provide a system where it is possible to join the company in October in order to accommodate people who fall outside this pattern, including foreigners and Japanese people returning from overseas studies or work experience. Also, in response to the increase in the number of employees of foreign nationalities, beginning with documents related to employment procedures, we have completed the preparation of English versions of 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.

Since fiscal 2015, we have been holding exchange meetings at the Sales Divisions for employees of foreign nationalities to interact with their seniors and with company executives, enabling them to form and expand their network of personal contacts, as well as broaden their perspectives on work styles and career paths.

# Promoting Women's Success in the Workplace

For fiscal 2017, we implemented the following measures and events centered on the formation of career paths for female employees and raising awareness of the available options.

### An Interactive Event for Young and Mid-career Female Employees hosted by Female Managers

The interactive events for female employees sponsored by female members of NEC's management (SELENE: Scarlet Elegance in NEC), which has been held since fiscal 2015, were held in fiscal 2017 in accordance with the specific workplace needs. A panel discussion themed "Enabling women to work actively for a long time" was held during the Business Division Kick-off held in October 2016.

In February 2017, a group discussion themed "Enabling women to more actively draw their career path" was held at the training for promoting women's participation and advancement in the workplace geared for female managers of domestic affiliates.

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#### Seminar for Employees Returning from Childcare Leave

This seminar, which was started in fiscal 2016, was held for the third time in February 2017, with about 50 employees on childcare leave attending. The latest seminar was also attended by employees belonging to domestic affiliates. This seminar was held with the aim of enabling employees who are due to return to work soon to enrich their careers while balancing the demands of work and childcare. It provided information about company trends as well as policies and systems, including systems to support work-life balance, and used group work to help participants visualize how their life balance would turn out after returning to work.

In preparation for the seminar, a survey was held among senior employees who have returned to work and are 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 150 female and male employees were received and summarized into a booklet on the realities of senior employees who have been through the same experience. The booklet was distributed to participants of the seminar, to the survey respondents, and to superiors of returners. As a result of these initiatives, NEC has achieved a record return rate of 97.7%.



Seminar to support employees returning to work from childcare leave (Scene during the group discussion)

#### Career Development Event Held for Women in Sales

Among sales personnel committees Company-wide, cross-Company development of female sales personnel and future leaders is considered as a very important issue. This is why, since fiscal 2014, NEC has held nationwide networking events and leadership training for women in sales positions. 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 the Company, further expanding the viewpoints and thinking.

#### Summer "Riko-Challe" 2016 for female junior and senior high school students

NEC actively hires talents in the fields of science and technology and believes in the prime importance of women pursuing science and technology careers in securing the future human resources. In this connection, we held an interactive event for female junior and senior high school students in August 2016 with the aim of enhancing their motivation to choose careers in science and engineering. Through a tour of the NEC Showroom and discussions with women employees working as researchers or engineers at NEC, the event provided the participants an opportunity to have a first-hand experience of ICT.



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# Promoting Employment of Persons with Disabilities

For fiscal 2017, we held the following activities aimed at creating employment for persons with disabilities. As of 1st June 2016, the ratio of disabled employees is 2.07% at NEC and 2.10% (on average) at our domestic consolidated subsidiaries.

### NEC Group Job Fair for Persons 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 persons with disabilities. In fiscal 2017, the NEC Group held a job fair for persons with disabilities, targeting new graduates and midcareer recruits.

At NEC and its domestic affiliates, when there are hearing impaired persons present at recruitment events, during the selection process or during training events after people have been hired, 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 considering people who commute by car and making our facilities and equipment as accessible as possible.

### Sharing of Knowhow on the Hiring of Persons with Disabilities

In September 2016, for the benefit of staff responsible for hiring persons with disabilities at domestic affiliates, we held a study session regarding reasonable accommodation and employment creation in view of future revision to the statutory employment rate. Exemplary job creation cases at NEC and the activities of NEC Friendly Staff, Ltd. were introduced, and measures to further increase each company's disabled employment rate were tackled though group discussions.

### Assisting the Self-Empowerment of NEC Group Employees with Hearing Disability

Since fiscal 2016, we have been holding study sessions at NEC in order to deepen our knowledge of employees with hearing disabilities in the NEC Group. This grew from a comment we received at the annual C&C User Forum & iEXPO event, where a hearing impaired employee given the task of looking after customers who also had hearing disabilities 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 2017, five study sessions attended by a total of 250 persons were held on themes that are considered important for all employees of the NEC Group, such as introduction of products and solutions, critical risks and measures, and mental health.

In these study sessions, we are not only providing the contents of lectures via sign language, but 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). Also, by holding meetings for discussions and announcements between hearing-disabled workers, 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.

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.



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# Commitment to LGBT (sexual minorities)

NEC believes in prioritizing a correct understanding of LGBT<sup>\*1</sup> issues and increasing the number of allies<sup>\*2</sup> in order to create a work environment where every individual can fully express oneself at the workplace without fear of discrimination. In fiscal 2017, we carried out the following initiatives.

## Promoting Fair Employment

For the benefit of persons conducting job interviews, we added LGBT-related items to the employment interview manual and provided pointers in conducting appropriate interview sessions.

1) From a human rights viewpoint, there must be no discrimination or disrespect of individuals.

2) At no point should any interview turn to the subject of LGBT, even if the individual concerned has already come out.3) Hiring decisions must be made solely on the basis of individual ability and business aptitude.

### Online Training on Human Rights Awareness "Business and Human Rights"

We added LGBT-related items to the online training on human rights awareness "Business and Human Rights" held in December 2016. We also conducted activities aimed at deepening the understanding of LGBT issues and raising awareness to prevent harassment and outing of LGBT persons. From April 2016, we added the role of LGBT counselor to the human rights hotline and announced the initiative throughout the company.

## Supporting Employment of LGBT Persons

NEC, led by members of the CSR Promotion and Social Contribution Office, participated in an event to support employment of LGBT persons sponsored by ReBit (an NPO established by the graduates (Batch 13) of the "NEC Social Entrepreneurship School" in fiscal 2015). Through the event, we provided support to LGBT persons by helping them overcome doubts and anxieties in relation to employment.

\*1 An abbreviation of Lesbian, Gay, Bisexual, and Transgender (a generic term for sexual minorities)

 $^{\ast 2}$  Ally (a supporter who understands the situation of LGBT individuals)

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

Realizing a diverse and inclusive society (Keidanren website, only in Japanese)

# **Objectives and Achievements**

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

1.	Promotion of women's activities	<ul> <li>Systematic promotion of different measures to achieve the numerical targets based on the Act on Promotion of Women's Participation and Advancement in the Workplace.</li> <li>(Numerical target: Increase the ratio of female managers in Department Head or higher positions to 5% by fiscal 2019)</li> </ul>
2.	Employment of people with disabilities	<ul> <li>NEC: Achieved an disabled employment rate of 2.2% as of April 2018 (including subsidiary companies for employees with special needs)</li> <li>Domestic consolidated subsidiaries: Achieved the statutory ratio of employees with disabilities at all consolidated subsidiaries</li> </ul>

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

# Promoting Diversity in the Workplace

Objective	Achievements and Progress	Degree of completion
<ol> <li>Promotion of women's career activities         <ul> <li>Individual training of promising individuals and their planned deployment to external training programs [continuing]</li> <li>Raising awareness on career options for midcareer female employees sponsored by female managers [continuing]</li> <li>Holding of seminars to support employees returning to work from childcare leave [continuing]</li> <li>Implementing management support programs for Department Head-level staff to encourage participation and advancement of women [new]</li> <li>Promoting the reform of working patterns with an awareness of productivity through the use of ICT, etc. (Company-wide activity) [continuing]</li> </ul> </li> </ol>	<ul> <li>We made a list of promising individuals and provided individual training and promotion opportunities.</li> <li>We provided support to workplace events sponsored by female managers (SELENE) (Business Support Division, NEC Engineering, Ltd.)</li> <li>We held seminars to support returning from childcare leave (NEC and five Group companies)</li> <li>We added contents on maternity harassment to the materials used for the online training to support work-life balance for newly appointed managers.</li> <li>We expanded the experiments aimed at formulating conditions for telecommuting for the entire NEC Group, and relaxed the requirements for "bring your own device" (BYOD).</li> </ul>	Mostly achieved
<ul> <li>2. Deployment of people with disabilities <ul> <li>Promoting compliance to the revision of the statutory employment rate for fiscal 2019 onwards (promoting new employment initiatives for other disabilities)</li> <li>Further expansion of new business areas (conversion of documents and contracts to PDF) centered on subsidiary companies for employees with special needs</li> <li>Domestic consolidated subsidiaries: Attained statutory employment rates in all consolidated subsidiaries</li> </ul></li></ul>	<ul> <li>We provided support to the regular study sessions for hearing impaired persons.</li> <li>We expanded the business areas of NEC Friendly Staff, Ltd. and increased the number of employees (Started consignment of operations at the Tamagawa area from April 2017).</li> </ul>	Mostly achieved
<ul> <li>3. Promoting the hiring of foreign nationals <ul> <li>Planned hiring of employees of foreign nationalities among new graduate recruits</li> <li>Promoting measures aimed at facilitating the hiring of employees of foreign nationalities (holding of cross-cultural understanding and exchange meetings)</li> </ul> </li> </ul>	<ul> <li>We have continued to hire employees of foreign nationalities (39 persons).</li> <li>We regularly conducted cross-cultural exchange events.</li> </ul>	Some progress

# Fiscal 2018 Objectives

Promoting Diversity in the Workplace

1. Promoting women's activities	<ul> <li>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.</li> </ul>
2. Employment of persons with disabilities	<ul> <li>Attain the revised statutory employment rate to be enforced in April 2018 (Expand duties and employment for persons with disabilities).</li> </ul>
3. Support for LGBT persons	<ul> <li>Formulate measures in support of LGBT within the human resources and benefit and welfare systems.</li> </ul>