

Inclusion and Diversity

Policy

In today's world, where rapid change has made the future difficult to predict, we at NEC believe that in order to continue providing value to society, we must facilitate innovation and always be changing. The fact is, however, that it is difficult to create new value and make appropriate decisions in a homogenous culture.

NEC believes that hiring employees of various backgrounds under the principle of equal employment opportunities enables the organization to take on challenges and grow by receiving new input, and that this can lead to new ideas and generate innovation.

For this reason, it is important to create a culture in which employees can understand, respect, and empathize with diverse values and perspectives.

With regard to respecting and empathizing with different values, the NEC Group Code of Conduct strictly prohibits people at NEC from acting with prejudice on the grounds of race, belief, age, social position, family origin, nationality, ethnicity, religion, gender, sexual orientation and gender identity, and physical or mental disability. Furthermore, the NEC Group Human Rights Policy sets out detailed policies for our initiatives on human rights based on the "NEC Way," and explicitly states that we must respect the individuality of each person and not act in any way that may offend the dignity of any individual.

It is one of NEC's management strategies to firmly establish a culture that is truly based on inclusion and diversity ("I&D") in this way. We believe this is a source of competitive advantage, and we are promoting initiatives on the following points.

- Set the development of "socially literate human resources" as one of NEC's "materiality" themes, which are priority management themes from an ESG perspective. We will develop leaders who will inspire teams that can understand and accept different values and cultures and thrash out various ideas to create social value and drive innovation.
 - Understand unconscious bias correctly and provide equal employment and career opportunities through management, regardless of age, nationality, gender, sexual orientation and gender identity, and physical or mental disability.
- NEC's ultimate goal is to "transform its organization structure and culture into one that transforms individual differences into strengths, responds with agility to change, and continues to compete strongly and win."

- ▶ [NEC Group Human Rights Policy](#)
- ▶ [Priority Management Themes from an ESG Perspective - Materiality](#)
- ▶ [Respect for Human Rights](#)
- ▶ [Human Resources Development and Training](#)

Promotion Framework

The Diversity Promotion Group was established within the Human Resource Development Division (at the time) in 2013 as a dedicated organization for promoting diversity within NEC. To further promote inclusion, which was conventionally a part of promoting diversity, in April 2019 the Diversity & Inclusion Team was set up within the People and Organization Development Division.

In October 2019, the team members were increased, and the team is now working on various measures such as providing support and promoting understanding for women's career advancement and active participation, employment of people with disabilities, and sexual minorities (LGBT^{*1}), while building cooperation with related departments. The team is also engaged in measures related to smooth onboarding^{*2} of foreign-national employees and mid-career hires. In this way, the team is fostering NEC's culture by proposing and implementing

measures to enable these kinds of diverse internal human resources to make full use of their individuality and uniqueness to work and participate at their full potential.

Moreover, we have established the NEC Group Inclusion & Diversity Promotion Meeting, which is chaired by the corporate officer in charge of human resources and comprises officers in charge of diversity at each company. At the meeting, we carry out measures and share best practices for NEC Group companies.

*1 LGBT stands for lesbian, gay, bisexual and transgender, and is a collective term for sexual minorities.
*2 Providing a basic introduction to new people joining an organization or service and helping them to become accustomed to the new environment

Strategies and Main Activities and Results for Fiscal 2020

Promotion of Global Recruitment of Human Resources

To achieve global business expansion, NEC is working to recruit non-Japanese individuals in our research, technology, sales, and corporate administration departments. Through these efforts, we strive to increase the quality of our workforce and promote diversity in each department. We are 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. We are also devoting energy to recruiting international students who newly graduated in Japan. In addition, at the Central Research Laboratories, we began hiring directly from overseas universities such as the Indian Institute of Technology. In fiscal 2020, we welcomed 17 international students joining as new hires.

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. In March 2020, we opened a prayer room in the Head Office building for employees who need to make religious observances.

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

Sustainable Management	Environment	Governance	Social	67-70 Inclusion and Diversity	77-79 Health and Safety	84-86 Information Security and Cyber Security	90-91 Cooperation with the Local Communities
				71-74 Human Resources Development and Training	80 AI and Human Rights	87-88 Ensuring Quality and Safety	
				75-76 Creating a Diverse Work Style Environment	81-83 Personal Information Protection and Privacy	89 CS (Customer Satisfaction) Initiative	

Promoting Women's Career Advancement and Active Participation in the Workplace

NEC Corporation was already keen to hire and promote people regardless of their gender even before the 1985 Equal Employment Opportunity Act came into effect.

As a global company, we believe it is preferable to have more female employees participating in management decision-making and leadership positions, and we are conducting initiatives aimed at the following three targets:

[Targets]

- (1) Ratio of female managers in department manager or higher positions: 5% by fiscal 2021.*³
- (2) Ratio of female employees: 30% by fiscal 2026*⁴
- (3) Ratio of female managers: 20% by 2026*⁴

As of April 1, 2020, we have achieved the following ratios for the above targets: (1) 5.4%, (2) 19.2%, (3) 6.4%. With regard to (1), we have achieved the planned target one year ahead of schedule, while for targets (2) and (3), we will take the following measures.

[Measures]

- (1) Enhance management capabilities for diverse human resources.
- (2) Increase career awareness of women through role models.
- (3) Create systems for identifying and developing female employees with potential.

In fiscal 2020, NEC Corporation was ranked second in the "Diversity Workstyle Promotion" category of the "100 Best Companies Where Women Actively Take Part" published by *Nikkei WOMAN* in its "Survey on Female Workers' Workplace Opportunities." The Company was recognized for its initiatives to support flexible workstyles in response to life events such as marriage and childbirth, its initiatives to make full use of women's potential and its results. By steadily promoting the above measures, we will continue to promote women's career advancement and active participation in the workplace.

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

*3: As of April 1, 2021

*4: As of April 1, 2026

Unconscious Bias Training

To meet diverse stakeholder needs in an era of rapid change, it is essential to develop the abilities of individuals as professionals and to create a culture that enables those individuals to demonstrate their abilities. In fiscal 2020, we started implementing unconscious bias training for corporate officers and business division managers, aiming to strengthen our management ability with regard to diverse human resources.

We are holding discussion-based training workshops on leadership in an era of change, aiming to promote understanding of global trends around I&D and understanding of unconscious bias among management.

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 study sessions.

In fiscal 2020, we connected Tokyo and Beijing in a teleconference to hold an exchange of opinions regarding women's career development and workstyles with female managers at NEC (China) and NEC Solutions (China). At NEC Solutions (China), women's career advancement and active participation in the workplace is ahead of Japan, with a ratio of female managers of 25% and ratio of female managers in department manager or higher positions of 14%. There was much to learn from them about taking a proactive approach to careers.

Bringing Female Managers Together

Each NEC Group company has formed a female managers' network, and a gathering of female managers was held in September 2019 to support them in finding suitable role models and mapping out further career steps. Around 200 people attended from 10 NEC Group companies in Japan, including NEC Corporation, and 115 participated using a teleconferencing system.

The program included a keynote speech on "Trends in women's active participation in the workplace" by Outside Director Noriko Iki, an overview of corporate initiatives to advance women's careers in companies today, a discussion at the meeting venue, and a networking lunch, which provided an opportunity for participants to share their day-to-day challenges and interact directly. Going forward, this program will be expanded to more companies to bring together a wider range of participants.

Seminar for Employees Returning from Childcare Leave

This seminar was started in fiscal 2015. 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.

This year, the seminar was held for NEC Group companies in Japan, with 70 people from seven companies attending over two days, and 40 participating by teleconferencing. Participants learned about measures and systems including Company trends and work-life support systems. In addition, they received a message from their companies encouraging them to design their own workstyle and build their careers, even with the time restrictions imposed by childcare. They also participated in group work where they visualized their work-life balance after returning to work, and a roundtable discussion with senior employees. The ratio of male employees taking childcare leave has also been increasing recently, and many men were observed taking part in the seminar. As a result of these efforts, NEC Corporation has achieved a return rate of nearly 100%.

Career Development for Women in Sales

At NEC Corporation, the ratio of women in sales positions has been increasing each year, mainly among young employees, and cross-Company development of female sales personnel and future leaders is considered to be a very important theme.

NEC has been holding a nationwide networking event and leadership training for women in sales positions continuously since 2015. This year, over 80 women in sales positions came together from around Japan for a two-day event that included lectures from corporate officers and senior female colleagues, group work, networking lunch, and networking with female sales personal from industries outside the Company.

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Furthermore, 47 female sales personnel of similar age participated at the networking event with other industries, which has been held by five companies in Japan, including NEC Corporation, since last year. By interacting with female sales personnel from other industries, participants form networks outside the Company and expand their horizons, which provides an excellent opportunity for them to consider their career plans for continuing in sales.

▮ Talent Management Program for Female Employees

In fiscal 2020, we revamped our talent management program for developing the next generation of human resources, selecting promising female employees from a wide range of ranks to begin development through training assignments at other companies, assessments and coaching from in-house career coaches, group mentoring, and female networking, among other activities. We are engaged in the following main activities aimed at increasing the ratio of female managers.

- Develop and implement a systematic development program for female managers for department manager level or higher, with a view to producing corporate officers from internal sources
- Hold group mentoring program from female managers at section leader level run by people from department manager level or higher
- Start program for talent identification and development from the assistant manager level

▮ Promoting Employment of People with Disabilities

NEC has established the Corporate Human Rights Promotion Committee and 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 383 people with disabilities employed in NEC (as of June 1, 2020, total of NEC, NEC Friendly Staff, Ltd. and NEC Management Partner, Ltd.).

To promote a “barrier-free” recruitment process, we established an employment liaison service and we arrange for sign language interpreters and conduct examinations in Braille. We provide support according to the nature of individual disabilities, such as confirming the availability of barrier-free facilities at the place of assignment together with internal staff before recruits 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.”^{*5}

These efforts were recognized when NEC Corporation was awarded the Excellent Company Award for Employment of People with Disabilities (Bureau of Industrial and Labor Affairs Director General’s Award) for outstanding initiatives in proactively developing skills and improving conditions for people with disabilities.

In addition, the NEC Group Inclusion & Diversity Promotion Meeting also recognized the status of employment of people with disabilities within the NEC Group.

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

▮ Signatory to The Valuable 500

NEC has agreed with and become a signatory to The Valuable 500 initiative for promoting active participation of people with disabilities in the workplace, which was launched at the World Economic Forum Annual Meeting in Davos in January 2019. In addition to continuously promoting initiatives to create environments that allow employees with disabilities to demonstrate their full potential, we will also strive to realize safety, security, fairness, and efficiency to enable a rich range of social activities by supporting people with disabilities through employment and contributing to society through support for paraspports.

▶ [NEC joined The Valuable 500](#)

▮ Special Subsidiary Company: NEC Friendly Staff

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 June 1, 2020, it employs 119 people with disabilities.

Employees are primarily engaged in administrative support, cleaning and afforestation services, and the service of converting business-related contract documents into electronic format. They also provide support for the “NEC Make-a-Difference Drive,” a corporate citizenship activity, among other 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.

▮ 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.

In fiscal 2020, four study sessions attended by a total of 200 people were held on themes such as business trends, internal culture transformation, initiatives for the Olympic and Paralympic Games, and methods for creating materials that are easy to understand. 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.

▮ Supporting Diverse Work Styles for Seniors

NEC Corporation has implemented systems that enable employees to choose their career support programs 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.

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 operated 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.

▮ Commitment to LGBT

NEC believes in prioritizing a correct understanding of LGBT issues and increasing the number of allies^{*6} in order to create a workplace environment where every individual can fully express themselves without fear of discrimination.

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In addition, to provide LGBT employees with equal opportunities to use our systems, in fiscal 2020, we carried out the following initiatives.

*6 Ally: A supporter who understands the situation of LGBT individuals

Workshops to Promote Understanding

To promote commitment by management for inclusion of LGBT people, the President led sessions for all officers designed to foster understanding of LGBT, with lectures provided by the people involved. After the sessions, feedback from the management showed personal commitment to action, such as wanting to build teams that accept diverse values, wanting to lead by example on supporting LGBT people, and resolving to become an LGBT ally.

Ahead of these sessions, a workshop was held in September and December 2019 for around 70 participants serving at primary consultation desks, mainly people in charge of human resources. Participants learned about how to handle issues by studying actual cases, in order to create environments offering a high level of mental safety for LGBT employees.

Launch of the Ally Community

In October 2019, a group of eight members, primarily from the People and Organization Development Division, started activities as LGBT allies with a public face, who provide direct responses to inquiries and consultation requests from LGBT people. They also held an LGBT Salon for people to deepen their understanding of LGBT and become personally involved. LGBT people working at other companies were invited to speak about their company's initiatives and their experiences as LGBT people. Through initiatives such as this, we will increase support for LGBT people and enhance their mental safety.

Revision of Internal Regulations

In October 2019, we revised 14 internal regulations, such as adding "a person who is a de facto marriage partner or in a partner relationship" to the definition of "spouse" in order to give de facto marriage partners including same-sex marriage partners, equal treatment to legally married couples.

Revision of Internal Regulations

In fiscal 2019, we added the following items about LGBT issues in interview manuals and are promoting awareness so recruiters can carry out interviews appropriately. We also abolished the field for stating gender on the entry form.

- 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 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.

Inclusion of Mid-Career Hires

In fiscal 2020, the number of mid-career hires was around 270, compared to around 500 new graduates. In conjunction with the increase in numbers of mid-career hires, we have launched a project to help them find their feet quickly after joining the Company through smooth onboarding. Through this project, we distributed onboarding manuals to departments where mid-career hires are assigned and conduct training.

In addition, we hold a round-table discussion for mid-career hires around three months after they have joined the Company, where they have a conversation with the Chief Human Resource Officer (CHRO) and the general manager of the People and Organization Development Division, while building networks with other employees who joined at the same time.

Mid-career hires have diverse approaches and perspectives based on their experience working at other companies outside NEC. At the round-table discussion, they discuss questions about their current duties and proposals for improvements, among other topics. By acting as a catalyst for discussion about stopping long-embedded work practices and activities that have lost their original purpose but have persisted, mid-career hires help to accelerate cultural transformation.

Diversity Café—A Place for Employees to Learn and Interact

With the concept of "Having a chat about diversity over a cup of tea," this dialogue session was launched in fiscal 2020 to promote thinking about diversity and letting anyone work in their own style. Each session picks up on

two different diversity themes and invites relevant business founders to come and engage in multiple dialogues.

To date, sessions have focused on LGBT and Promoting Women's Participation, Hearing Difficulties and Developmental Disabilities, and Cancer and Nursing Care. Employees who are involved either directly or have someone close who is involved, and employees who have an interest in diversity are among the participants from various positions and affiliations who gain a deeper understanding of I&D through this cross-section of diversity themes. In addition, participants have also found the sessions useful as opportunities for connecting with other employees, including the autonomous formation of communities, such as a cancer survivors community.

Initiatives in the Local Community

NEC continues to actively promote awareness and understanding of I&D within the local community by conducting the following corporate citizenship activities.

- NEC has supported wheelchair tennis for more than 29 years, and NEC employees have participated in volunteer activities, such as by serving as linespersons in national competitions since 1991.
- Since 2008, NEC has supported "ICT Communication Support Course for people with severe disabilities" to spread and promote awareness about using IT to support communication of people with severe disabilities, such as amyotrophic lateral sclerosis (ALS) and muscular dystrophy.
- As an initiative to respond to the rights of children set out in the Children's Rights and Business Principles developed by Save the Children (NGO), UN Global Compact and UNICEF, NEC has implemented e-Net Caravan, which offers awareness raising and guidance for elementary school students (junior high school) to high school students as well as other guardians and educational professionals to teach them how to use the internet safely and securely.

 [e-Net Caravan](#)