

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 homogeneous 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 those who have 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, as well as physical or mental disability, and strictly prohibits actions that belittle individuals, including bullying, harassment, child labour, and forced labour. Furthermore, the NEC Group Human Rights Policy sets out and advocates detailed policies for our initiatives on human rights based on the NEC Way and explicitly states that in all types of corporate activities we must respect the individuality of each person and not act in any way that may harm their dignity.

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 out diverse human resources as one of NEC's priority management themes from an ESG perspective—materiality—and develop employees who lead teams that are able to 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, as well as physical or mental disability



NEC's ultimate goal is to “transform its organizational 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 Code of Conduct
-  NEC Group Human Rights Policy
-  [Priority Management Themes from an ESG Perspective—Materiality](#)
-  [Respecting Human Rights](#)
-  [Human Resource Development and Training](#)

Implementation 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 2019 the Inclusion and Diversity Team was set up within the People and Organization Development Division.

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 (LGBTQ*¹), while building cooperation with related departments. The team is also engaged in measures related to smooth onboarding*² of non-Japanese employees and mid-career hires. In this

way, we are fostering our in-house 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 I&D Promotion Meeting, which is chaired by the Chief Human Resources Officer (CHRO) 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 LGBTQ stands for lesbian, gay, bisexual, transgender, and questioning or queer and is a collective term for sexual minorities.

*2 Onboarding means providing people who have newly joined an organization or service with a basic introduction to it and assistance in becoming accustomed to a new environment.

Measures and Main Fiscal 2021 Activities

● Promotion of Global Recruitment of Human Resources

To achieve global business expansion, NEC is working to recruit non-Japanese individuals in its research, technology, sales, and corporate administration departments. Through these efforts, we strive to increase the global competence of our workforce and promote diversity in each department. We are also working proactively to recruit employees of international subsidiaries to work at NEC Head office 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, we are hiring research personnel directly from universities abroad, such as the Indian Institute of Technology and the University of Pennsylvania. In fiscal 2021, we welcomed 11 international students joining as new hires.

NEC Corporation has established a system that enables international students, Japanese students enrolled in universities abroad, 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 Resource Development and Training](#)

● 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 by April 1, 2026	As of April 1, 2021
1. Ratio of female employees: 30% by fiscal 2026	19.6%
2. Ratio of female managers: 20% by fiscal 2026	7.2%
3. Percentage of officers ranked executive officer or higher who are female or non-Japanese: 20% by fiscal 2026	3.6%

Scope: NEC Corporation

With the aim of reaching the targets, we will take the following measures.

Measures

1. Actively hire women for all job types and employee ranks
2. Foster readiness and awareness
3. Steadily implement promotion through talent management

In 2021, NEC Corporation was ranked first 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.

Figures on the advancement of women’s careers



Talent Management Program for Female Employees

In fiscal 2020, we revamped our talent management program for developing the next generation of human resources. Under this program, we select promising female employees from a wide range of ranks and foster them through training assignments at other companies, assessments and coaching provided by in-house career coaches, group mentoring, and networking for female employees, among other activities.

Our main measures aimed at increasing the ratio of female managers are as follows.

- Developing and implementing a systematic development program for female managers ranked department head or higher with the aims of encouraging their further contribution as leaders who epitomize our Code of Values and producing corporate officers in-house
- Holding roundtable discussions among the Chief Human Resources Officer (CHRO) and female managers ranked department head or higher
- Implementing a group mentoring program for female section heads, conducted by corporate officers and managers ranked department head or higher
- Implementing a program for talent identification and development at the assistant manager level

Joining the 30% Club Japan

With the aim of improving the gender balance among our corporate officers, we joined the 30% Club Japan in October 2020. Established in the United Kingdom in 2010 to help sustain corporate growth, the 30% Club is a global initiative that aims to increase the percentage of women in key corporate decision-making bodies, including boards of directors.

Members of the 30% Club Japan believe that a healthy gender balance in corporate decision-making bodies, such as boards of directors and senior management teams, will help strengthen corporate governance, promote sustainable growth, and improve global competitiveness and, ultimately, contribute to the building of a sustainable Japanese society. These goals also represent important themes for NEC and coincide with its aim of realizing a sustainable society—a goal the Company pursues based on the Purpose of the NEC Way.

NEC endorses the aims and activities of the 30% Club Japan. As a member of the club, we will tackle a range of measures to improve the gender balance among our corporate officers.

In-house Online Event for International Women’s Day

On March 8, 2021—International Women’s Day—NEC hosted an in-house online panel discussion open to all NEC Group employees, which was themed on Inclusion and Diversity as a Management Strategy.

With a view to promoting understanding of the relationship between corporate value and the empowerment of women and other components of diversity-driven management, three senior-level female leaders and the CHRO participated as panelists in a discussion on the significance of I&D from the viewpoint of increasing corporate value and strengthening competitiveness. The panelists also recounted examples from their own experiences of diversity-driven management. The event received a great deal of positive feedback. In a questionnaire conducted after the event, 98% of participants responded that it had given them a greater awareness and understanding of I&D.

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.

In fiscal 2021, we conducted online training to deepen understanding of unconscious bias and the importance of diversity-driven management as well as to enhance managers’ ability to demonstrate leadership in an era of transformation.

In addition, targeting employees involved in advertising operations and media content, we held an online seminar on using visual content that incorporates diversity, which was conducted by an outside expert. Approximately 300 employees participated in the seminar and furthered their understanding of unconscious bias toward gender and other attributes, trends in visual content, and key points to consider when selecting visual content. The seminar proved to be a meaningful opportunity for employees to extend their knowledge, with more than 90% of participants stating that the seminar had been understandable and useful in response to a questionnaire conducted after the seminar.

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. Since fiscal 2020, NEC has extended the seminar's target group to include employees of the Group companies in Japan.

In fiscal 2021, we held the seminar online over two days, and 133 people from eight companies participated in it. 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 Companywide development of female sales personnel and future leaders is considered to be an extremely important theme.

In fiscal 2021, 49 junior female sales personnel from different industries participated in an online networking event, which has been held by five companies, including NEC, since fiscal 2018. Interacting with female sales personnel from other industries gave participants insight into the world beyond their companies and broadened their horizons. Moreover, by enabling participants to talk with peers as well as more senior employees in other companies, the event provided a good opportunity for participants to think about plans for their careers as sales personnel.

Also, a nationwide networking and leadership training event for female sales personnel, which we have held since fiscal 2016, brought together 50 personnel from across the country. Under the theme of using the present juncture as a vantage point from which to think about sales during and after the COVID-19 pandemic, the online event included talks by corporate officers and group work.

Diversity Promotion Activities Conducted by Female Managers

Since 2014, a voluntary association of NEC's female managers, Scarlet Elegance in NEC (SELENE), has been holding events for female employees. These include discussions with invited corporate officers, members of the senior management team, and outside lecturers as well as study sessions.

● Promoting Employment of People with Disabilities

NEC currently employs 387 people with disabilities, which is the total for NEC Corporation, NEC Friendly Staff, Ltd., and NEC Management Partner, Ltd., as of June 1, 2021. These employees work based on the principle of "doing on your own the things you can do and helping each other with the things that cannot be done alone."

To promote a barrier-free recruitment process, we have established an employment liaison service for people with disabilities. In this process, we use Zoom as an online tool and explain our "reasonable accommodation"*3 measures for each person. Also, we provide support that caters to the disability of each person. For example, before prospective employees join us, existing employees accompany them in an examination of assigned workplaces and other frequented locations to confirm that they are barrier free.

As part of our recruitment drive targeting 2022 graduates, we held online seminars. Further, to help them understand the work they would engage in and the support they would receive upon joining us and to envision working for us with peace of mind, we explained our business lines, hosted informal gatherings attended by NEC employees with disabilities, and circulated an email newsletter. Also, as a representative of the corporate viewpoint we participated in an episode of an NHK Educational TV show on living with hearing difficulties, which focused on giving support and advice related to the problems faced by job seekers with hearing difficulties.

Using a sign language interpreter, we address students' questions and doubts and further understanding of the employment of people with disabilities, thereby helping alleviate the anxieties of students with disabilities who are job hunting.

In addition, the NEC Group Inclusion & Diversity Promotion Meeting monitors the NEC Group's progress in employing people with disabilities.

*3 Measures to improve conditions that are barriers for disabled workers so that they can exercise their 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 parasports.

 NEC Joins 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 people with intellectual or mental disabilities. The subsidiary's head office is located at the NEC Fuchu Plant, and employees work at offices in Tamachi, Abiko, and Tamagawa. As of June 1, 2021, the company employs 133 people with disabilities.

The company's employees support the Group's businesses in many ways. As well as providing long-established services, such as cleaning services and services for the conversion of business-related documents into electronic format, the subsidiary's employees are helping other Group companies adapt to telecommuting and other workstyle changes by assuming more tasks on a consignment basis. For example, the subsidiary provides support for the launch of online training, checks postal mail sent to employees working from home and forwards it, and performs various types of dispatching.

These services improve the work efficiency of NEC's other employees as well as helping to strengthen the management of compliance. Going forward, NEC will continue expanding the work of the special subsidiary company by having it provide an even wider range of administrative support services.

Assisting the Self-development of NEC Group Employees with Hearing Difficulties

Since fiscal 2016, we have been holding study sessions to deepen knowledge of NEC among NEC Group employees with hearing difficulties.

In fiscal 2021, the COVID-19 pandemic made it difficult to hold study sessions where employees with hearing difficulties meet directly.

For this reason, with the aim of realizing “new normal” workstyles premised on telecommuting, we organized an exchange of opinions focused on the innovative techniques and measures that we could introduce for online meetings and discussions. Also, we are holding study sessions on the use of actual online communication tools to enhance communication.

● Supporting Diverse Workstyles 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.

Further, beginning from fiscal 2022, NEC will launch an initiative for dispatching and arranging the placement of highly experienced personnel. Under this initiative, we will send project managers and other personnel with skills and qualifications based on advanced technical expertise or long experience to workplaces inside and outside the NEC Group. Thus, we will develop opportunities for senior personnel to make long-term contributions to society in ways suited to their lifestyles.

● LGBTQ Initiatives

In creating a workplace environment where every individual can fully express themselves without fear of discrimination, we believe that having a correct understanding of LGBTQ issues and increasing the number of “allies”^{*4} are top priorities. Also, to provide LGBTQ employees with equal opportunities to use our systems, since fiscal 2020 we have been implementing the following initiatives.

- Training for managers on understanding LGBTQ issues and training for members of the Human Resources Division, who may serve as primary contact points, on responding appropriately so that LGBTQ employees feel safe and at ease when seeking advice
- Establishment of a community of allies as “visible mentors” who help LGBTQ employees feel safe and at ease
- Participation since 2016 in RAINBOW CROSSING TOKYO, a career forum themed on promoting LGBTQ-related initiatives and other forms of diversity

^{*4} Someone who understands the situation of, and strongly supports, LGBTQ individuals

Launch of an Ally Community and the Promotion of Understanding among Employees

Since fiscal 2020, a group of eight employees, primarily from the People and Organization Development Division, have been acting as visible LGBTQ allies and responding directly to inquiries and consultation requests from LGBTQ employees. Further, as part of our emphasis on respect for diversity, our Human Rights and Business web-based training for all employees heightens awareness of the importance of harassment prevention and outing prevention. Through such initiatives, we are increasing the supporters of LGBTQ employees and giving them greater peace of mind.

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.

Participation in RAINBOW CROSSING 2020 as a Sponsor

In 2020, for the fifth consecutive year, we exhibited at RAINBOW CROSSING, one of the largest career conferences in Japan that is focused on promoting I&D, including LGBTQ initiatives. Last year’s conference was held online, and university students with a high level of interest in this theme participated from all over Japan. Through the conference, we provided participating students with an understanding of our I&D initiatives. Also, at an online networking event, our LGBTQ allies and promoters of I&D took the platform as role models and spoke directly with participating students.

Rated “Gold” in the PRIDE Index 2020

We have received a “Gold” rating—the highest rating—in PRIDE Index 2020, which is formulated by the voluntary organization work with Pride and reflects evaluations of initiatives for LGBTQ individuals and other sexual minorities at companies and organizations.

We met all of the indicator’s evaluation criteria with respect to a declaration of conduct, a community of concerned parties, awareness-raising activities, human resource systems and programs, and social contributions and liaison activities. Specifically, the following initiatives were well received.

Toward Fair Recruitment Activities

In fiscal 2019, we added the following items about LGBTQ issues in interview manuals. Since then, we have been promoting awareness so that 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 LGBTQ, for example during an interview, do not ask questions only concerning LGBTQ.
3. Judge a candidate only by the person’s capabilities and suitability for the job.

● Inclusion of Mid-career Hires

Since fiscal 2021, we have been providing web-based training on interviewing to employees responsible for conducting interviews with prospective mid-career hires. Designed to improve the interviewing skills of employees by deepening their understanding of the entire process from recruitment strategies through to actual interviewing methods, our program uses role playing and other types of interactive training. The program also helps participants understand the importance of conducting interviews in a manner that ascertains suitability, eliminates bias, and recruits diverse personnel.

Aside from roughly 600 new graduate hires, we hired approximately 400 personnel mid-career in fiscal 2021. Given the increasing number of mid-career hires, we are facilitating onboarding so that they find their feet and begin contributing soon after joining us. For example, when mid-career hires join NEC, it holds online orientations. Also, we distribute onboarding manuals to departments to which mid-career hires are assigned.

In addition, about three months after joining the Company, mid-career hires participate in an online roundtable, which gives them an opportunity to participate in a discussion with the CHRO or the general manager of the People and Organization Development Division. The roundtable also helps employees build networks with those who joined the Company around the same time as them.

Mid-career hires have diverse approaches and perspectives based on their experience working at other companies outside NEC. At the roundtable 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.

● Initiatives in the Local Community

NEC continues to promote awareness and understanding of I&D within local communities and address issues through the following corporate citizenship activities.

- NEC has supported wheelchair tennis for more than 30 years, and NEC employees have participated in volunteer activities, such as by serving as linespersons in national competitions since 1991.
- 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), the UNGC, and UNICEF, NEC has implemented e-Net Caravan, which offers awareness raising and guidance for elementary school students (third and fourth grade) through to high school students as well as other guardians and educational professionals to teach them how to use the internet safely and securely. Nationwide, 300 of our employees currently participate in this initiative as certified instructors.
- Every winter, NEC Corporation India Private Limited conducts a Gift the Warmth Drive. In fiscal 2021, the 12th year of the program, the subsidiary distributed 1,000 sets of thermal underwear and sweaters to senior citizens in straitened circumstances. Since 2015, through the local community we have been contributing to the health of the women at a

residential facility for widows, called Radhakund Aashram, by distributing nutritious food such as fruit and milk and conducting health check-ups twice a week year-round. Further, in cooperation with the NGO Krish, at two rural schools we support the education of underprivileged girls so that they acquire the knowledge, skills, and self-confidence that will help them avoid economic and social insecurity.

 Wheelchair Tennis

 e-Net Caravan