

Health and Safety

Policy

NEC Corporation has established a basic philosophy as part of its “Companywide Occupational Health & Safety (OH&S) Policy Action Guidelines,” stating that “NEC should maintain and enhance a comfortable and supportive workplace to ensure the health and safety of all who work at its business sites.” We offer various programs for safety and health focusing on preventive management.

● Safety

On the basis of its Companywide OH&S Policy Action Guidelines, NEC Corporation has established the following action guidelines to maintain and enhance a comfortable and supportive workplace and to ensure the health and safety of its employees including dispatched workers.

Companywide OH&S Policy Action Guidelines

1. Improve occupational health and safety management systems by continuously and efficiently implementing occupational health and safety activities.
2. Promote the identification of sources of danger, as well as risk assessment and risk management, with the aim of reducing labour accidents to zero.
3. Comply with laws and regulations, and other rules and decisions regarding occupational health and safety.
4. Strive to make the occupational health and safety obligations known to ensure understanding and fulfillment of these obligations.
5. Actively provide disclosure of information regarding occupational health and safety activities.
6. Endeavor to enhance the mental and physical health of workers and develop a comfortable workplace.
7. Ensure the appropriateness and effectiveness of these policies and the occupational health and safety management systems through regular reviews.

Occupational Health and Safety Management in Construction and Installation Work

 Ensuring Quality and Safety

● Health

In fiscal 2020, NEC established the NEC Group Health Declaration. Rather than simply focusing on the prevention of illness among employees, the declaration calls for efforts to improve the health of employees so that they work with mental and physical vitality and achieve self-actualization. In this way, the Group aims to create even more social value.

To achieve this aspiration, we are conducting various health promotion activities under the health slogan “Better Condition, Better Life.” These are based on the three axes of literacy, practice, and technology, and seek to reform health awareness, change behavior, and support people in maintaining their changes.

NEC Group Health Declaration

Better Condition, Better Life
—Better Individual Lives Make a Richer Society—

We will create an environment in which employees can work with enthusiasm toward their dreams, and a culture in which employees and members of their family can look after their own physical condition and take care of their health. Harnessing the health and vitality of all our employees, we will contribute to the realization of a richer society.

In recognition of such initiatives, NEC received certification as a Health and Productivity Management Organization (White 500). Through health and productivity management, beginning from fiscal 2022 we will heighten job satisfaction and our employee engagement score and become an employer of choice, which is a goal of the Mid-term Management Plan 2025.

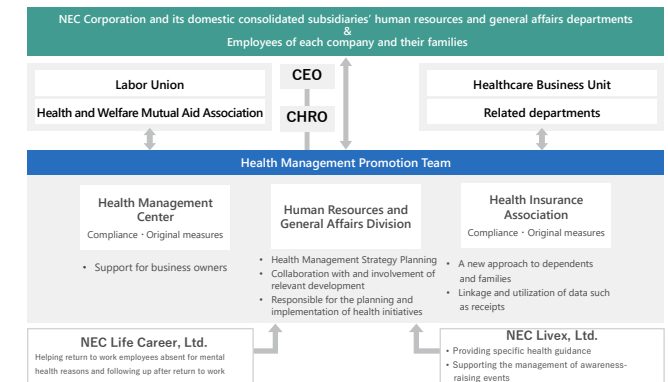
Implementation Framework

The Human Resources and General Affairs Division establishes targets and key measures for the fiscal year in accordance with NEC’s Companywide OH&S Policy Action Guidelines and the NEC Group Health Declaration.

To realize these targets and measures, the division prepares and implements specific measures for each in-house geographical area, business site, and consolidated subsidiary in Japan. Particularly with regard to health and productivity management, the Human Resources and General Affairs Division, the Health Care Center, and the NEC Health Insurance Association act as a health promotion team for the Company and its consolidated subsidiaries in Japan. As well as conducting independent health-related activities, the organizations work in close collaboration and pool their data and expertise to advance initiatives.

Further, to help us achieve the goals of the Mid-term Management Plan 2025, we set KPIs in consultation with the CHRO and based on the World Health Organization’s definition of health as “a state of complete physical, mental, and social well-being.” Consequently, the KPIs now focus on social health along with our existing emphasis on physical and mental health. Under the direction of the CEO, the CHRO oversees activities related to OH&S throughout the Company, including risk management, and reports on these activities to the Board of Directors.

The NEC Group’s Health and Productivity Management Implementation Framework



At each region and business site, health and safety committees meet each month to take action on ensuring health and safety at business sites and promoting comfortable workplace environments. Committee members include health and safety commissioners and labor union representatives selected by each division, as well as employee representatives, and industrial physicians and healthcare nurses from the Health Care Center. They share information on the status of labour accidents and the promotion of various measures, as well as discussing new health and safety countermeasures and health-related measures, among others.

Furthermore, labor union members also participate in a monthly worksite inspection conducted by an industrial physician, exchanging opinions with workplace representatives and gathering opinions. When new risks arise regarding health and disasters, the information is quickly gathered and discussed by the committee.

These initiatives are overseen by the Human Resources and General Affairs Division, with its internal organization, the Regional Affairs Department, handling routine matters by acting in the role of the promotion office. The Regional Affairs Department posts the discussions and deliberations of the health and safety committee on the intranet, and shares information within each region, while performing the function of a regional center in accordance with the OH&S management systems. It also receives inquiries from a wide range of employees and organizations as the internal contact desk.

Meanwhile, important matters such as a major disaster or pandemic are handled by the Business Strategy Committee attended by corporate management, such as the president or directors. The committee decides on important themes each year, reviews the flow for countermeasures, and conducts exercises. (Our response to the pandemic is described in the section on “Business Continuity.”)

Furthermore, we provide a channel for exchanging information with subsidiaries abroad to share safety confirmation information during disasters and take steps to ensure workplace safety.

 Business Continuity

Measures and Main Fiscal 2021 Activities

● Occupational Health and Safety

NEC Corporation conducts OH&S activities from two standpoints that address “Companywide issues” as well as “specific issues reflecting unique conditions faced by individual Group companies and business sites.”

In our initiatives on Companywide issues we formulated the “Companywide OH&S Policy” in fiscal 2011, and in fiscal 2013, we formulated the “Occupational Health and Safety Management Regulations” as part of efforts to enhance the quality of our health and safety activities.

In fiscal 2020, we conducted a web-based training in “Companywide Occupational Health and Safety Training” as an initiative to increase OH&S awareness among all NEC Corporation employees.

Companywide OH&S Training Participants (Percentage)

| FY2020 | FY2021 |
|--------------|----------------|
| 18,688 (89%) | 18,380 (90.9%) |

Scope: NEC Corporation

Furthermore, to address specific issues reflecting unique conditions faced by individual Group companies and business sites, NEC has been conducting initiatives based on the OH&S management systems. Until fiscal 2021, NEC’s four main business sites and six NEC Group companies conducted activities based on OHSAS 18001. In fiscal 2021, however, the NEC Group established OH&S management systems and began implementing such activities under the new systems. Also, we conduct a range of different training programs for employees engaged in occupational health and safety activities.

Employees Completing the Basic Lifesaving Workshop

| FY2020 | FY2021 |
|--------|--------|
| 142 | 109 |

Scope: NEC Corporation

● Health Promotion

The NEC Group has set out three axes for its initiatives: Literacy, Practice, and Technology. We are conducting a range of initiatives such as introducing the NEC Health Checkup Forecast Simulation, holding regular awareness-raising events, and promoting smoking cessation. Reflecting a favorable evaluation of these initiatives, NEC received certification as a Health and Productivity Management Organization (White 500).

Health Checkups

We provide blood tests for all employees of NEC Corporation and 24 affiliated companies in Japan, including all items on the regular health examination, with the goal of identifying lifestyle diseases at an early stage and responding quickly. This enables us to implement comprehensive countermeasures against lifestyle diseases right through from joining the Company to retirement.

NEC Health Checkup Forecast Simulation

From July 2019, approximately 60,000 NEC Group employees have been offered an online service that enables them to simulate for themselves their future health risks and what would happen if they improved their current lifestyle. The service uses software called NEC Health Checkup Forecast Simulation,*1 which is based on heterogeneous mixture learning technology,*2 one of NEC the WISE*3’s group of advanced AI technologies.

The service explains the significance of the figures in the health checkup results using a video, while offering proposals for highly effective lifestyle improvements based on AI analysis and a visualized forecast of the impact of implementing them. By using this service, we can foster employees’ awareness to improve their health autonomously and support them in changing their behavior. In fiscal 2021, we enhanced the capabilities of the service through such measures as making the software usable in English and adding liver function-related test values to the list of items included in the forecast. In response to a questionnaire, 74% of employees said that using the simulation had motivated them to improve their lifestyles.



NEC the WISE

*1 NEC Health Checkup Forecast Simulation is developed by NEC Solution Innovators, Ltd., an NEC Group company.

*2 Heterogeneous mixture learning technology: is an analysis technology that can automatically identify highly accurate regularities within highly heterogeneous and diverse data to achieve highly accurate results even in complex forecasts that are difficult to perform manually.

*3 NEC the WISE is the name for NEC’s group of advanced AI technologies.

Health Promotion Events

We regularly hold such events as exercise seminars conducted by professional trainers and lectures on diet and sleep conducted by experts. The events are intended to provide an opportunity for employees to think for themselves about their own health, and take steps to maintain and improve their mental and physical condition, and to support them in making health activity a regular part of their lives.

In fiscal 2021, as a COVID-19 countermeasure, we held the aforementioned events online. As well as incorporating into seminars such topics as how to address telework-related health issues, we invited industrial physicians to conduct seminars aimed at improving cancer literacy. As a result, employees from business sites nationwide were able to attend events, with the number of participants doubling year on year. Post-event questionnaires showed that most participants were highly satisfied with the events and willing to improve lifestyle habits.

Smoking Cessation

NEC is supporting employees who seek to quit smoking, since there is no room for medical doubt that smoking is harmful to health and runs counter to health promotion. In July 2019, we announced the Company's policy of strongly promoting a total ban on smoking during work hours (including outside the Company).

NEC Corporation has been phasing out smoking areas and extending non-smoking hours, and has also provided counseling as needed for those who wish to quit smoking.

In addition, NEC has instituted an "NEC No Tobacco Day" in conjunction with the World Health Organization's "World No Tobacco Day," to promote smoking cessation.

Moreover, NEC provides lung age measurement by health professionals and consultation on smoking cessation by pharmacists at the health management center of each business site, distributes nicotine gum or patches ("No Smoking for Only a Half Day" program), and undertakes other activities.

As a result, at NEC Corporation and 24 affiliated companies in Japan the number of smokers had decreased from 31.1% of employees at the end of fiscal 2006 to 19.8% by the end of fiscal 2020. In other words, the number of smokers fell by 36.4%.

In fiscal 2021, in collaboration with the NEC Health Insurance Association, we began providing an online Quit Smoking Program, which offers employees free outpatient consultations with a doctor

about giving up smoking. Approximately 90.0% of the participants in this program have been able to quit smoking permanently.

In addition, NEC Corporation and affiliated companies in Japan will phase in a full smoking ban covering all NEC Group sites.

Mental Healthcare Initiatives

We position mental healthcare as a key healthcare priority, and we are creating a healthy workplace by maintaining the mental health of our employees.

- Web-based training
Completion rate: 98.5%
(Target: NEC Corporation and 17 consolidated subsidiaries in Japan)
- Mental health training for managers
- Stress checks
- Mental Health Support Program
- Return-to-work support program
- Consultation desks (In-house/External)

Health Support for Young Employees

NEC Corporation and 24 affiliated companies in Japan are implementing the following initiatives designed mainly to foster a self-care mindset.

| | |
|-----------------------|---|
| Newly hired employees | A talk given by an industrial physician soon after joining the Company and "freshers' interview" health guidance provided by health nurses and clinical nurses after assignment |
| 27-year olds | All interviewed |
| 30-year olds | "Health College 30" (Participatory group training) |

Initiatives for Preventing Lifestyle-Related Diseases

At NEC Corporation and 24 affiliated companies in Japan, industrial physicians and healthcare professionals provide healthcare guidance not only to employees whose overall health checkup result indicates a need for treatment but also for those who require lifestyle improvement. For employees whose specific diagnostic results indicate metabolic conditions or potential metabolic conditions, we provide support with health guidance for those aged 30 and over in addition to those in the legally mandated age bracket of 40 and over. As a result, by the end of fiscal 2020 the percentage of NEC Group employees with metabolic conditions

or potential metabolic conditions had decreased significantly from the level of 33.1% at the end of fiscal 2009. During this period, the number of such employees fell by 23.9%.

With respect to dental and oral hygiene, employees can avail themselves of free dental checkups, which are provided based on a contract with the NEC Health Insurance Association.

As general measures to raise health awareness with the aims of further enabling self-treatment and encouraging health promotion activities among employees and their families, the NEC Health Insurance Association operates the health portal HAPPYLTH (a points-based health program) and has posted 15 online videos themed on sleep, diet, and exercise.

Measures against Cancer

In collaboration with the NEC Health Insurance Association, we have established an environment that allows employees to receive the same screening tests as they would at an external medical institution for a lower self-coverage cost, and to take the examinations during work hours. In fiscal 2021, efforts to raise awareness in relation to cancer included inviting industrial physicians to conduct 10 seminars on themes ranging from cancer prevention through to treatment and support for employees receiving treatment.

Supporting Employees Receiving Treatment While Working

To improve the working environment to allow people to work with peace of mind while receiving treatment for cancer or other intractable diseases, in May 2018 we formulated guidelines covering the Company's position, direction, points for employees and supervisors to be aware of, and so forth. Depending on the situation, we will support individual employees receiving treatment by coordinating with them, their workplaces, the Health Care Center, and the Human Resources and General Affairs Division.

Communication of Various Health-related Information

Each month we provide monthly "Health News" information that can be implemented straight away using an intranet portal, digital signage, the labor union email magazine, and various other media and forums such as the health and safety committee meetings. In fiscal 2021, we dealt with a wide range of topics, such as break-time workouts and meditation when working from home—topics we featured in response to the impact of the COVID-19 pandemic. Other topics included e-cigarettes, periodontal disease, and women's health management. Also, we provided information

on menopause to promote understanding among the coworkers of employees who are undergoing this transition.

Results and Medium-term Targets as of March 31, 2021

| | Results for FY2021 | Targets for FY2026 |
|--|--------------------|--------------------|
| Employees absent for mental health reasons*4 | 0.96% | 0.80% |
| Percentage of smokers*5 | 18.10% | 10.00% |
| Obesity percentage (BMI ≥ 25) Men (Aged 20–69)*5 | 35.60% | 28.00% |
| Obesity percentage (BMI ≥ 25) Women (Aged 20–69)*5 | 25.30% | 19.00% |
| Percentage who have had cancer screening*6 | 33.80% | 50.00% |

*4 Scope: NEC Corporation

*5 Scope: NEC Corporation and consolidated subsidiaries in Japan

*6 Scope: NEC Corporation and 27 companies belonging to the NEC Health Insurance Association

Countermeasures for Transmissible Diseases

At NEC, we have established a consultation window on transmissible diseases at the Healthcare Center, and we also provide financial assistance for seasonal influenza vaccinations.

When employees are sent on assignment abroad, we make them aware of the need to be careful and receive vaccinations for transmissible diseases that are commonly seen in the local area, including transmissible diseases that require notification such as tuberculosis and malaria. We also take the necessary countermeasures prior to the posting. In addition, we pay careful attention to employees' health management after their return to Japan.

Our measures in response to COVID-19 are included in the "Business Continuity" section.

Response to COVID-19

 Business Continuity

Labour Accidents and Disasters

Labour accidents at NEC Corporation are mostly minor, such as tripping on stairs at train stations or falling on the street during business trips or sales calls. There have been no major accidents.

When a labour accident has occurred, the person responsible for labour accidents checks on the status of people affected by the accident, determines the causes, and implements measures to prevent a

recurrence as needed. Even for minor labour accidents such as tripping or falling, the details and countermeasures are shared throughout the Company via the OH&S Committee, the intranet, and other means. We strive to prevent labour accidents that could be caused by natural disasters, for example, calling on employees to remain at home or to return home early if a typhoon or heavy snowfall is forecast.

Looking ahead, in order to raise awareness concerning OH&S, we intend to continue conducting OH&S Committee activities, daily workplace inspections, and cross-checking, while aiming to reduce the number of labour accidents and disasters.

As shown in the graph below, the frequency rate in 2020 remained low at 0.0300 compared to the nationwide manufacturing sector average rate of 1.21.

The severity rate has remained low at 0.0000, where the average rate for the manufacturing sector nationwide is 0.07.

Labour Accidents and Disasters

