

Inclusion and Diversity

Policy

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 innovation, 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

Topic: Respecting Human Rights

Human Resource Development and Training Implementation Framework

Implementation Framework

The Inclusion & Diversity Group, led by a corporate executive, works with related departments within NEC to promote a variety of measures, which include providing support for and promoting the understanding of women's career advancement and active participation, and the employment of people with disabilities and sexual minorities (LGBTQ). This group is also engaged in measures related to smooth onboarding of non-Japanese employees working in Japan 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.

To ramp up these efforts one step further, in fiscal 2022 NEC established the I&D Steering Committee chaired by the CEO, and the I&D Acceleration Team as Companywide entities. Under the strong leadership of senior management, managers, and other personnel in charge gather to hold theme-based discussions where participants propose ideas to promote I&D, and then decide upon and implement specific actions. The committee posts the contents of its meetings via the company intranet and discloses decision-making processes of senior management internally.

Measures and Main Fiscal 2022 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.

Hiring of non-Japanese employees in each division	• In addition to accepting international students as new graduate hires, NEC also conducts recruiting activities targeting researchers at overseas universities. (Number of new non-Japanese graduate hires in fiscal 2022: 8)
Employee interaction	• We work proactively to recruit employees of international subsidiaries for employment at the NEC head office, to facilitate interactions with these personnel and to develop human resources.
October entry system	• This system enables international students, Japanese students enrolled in universities abroad, and other students studying abroad to join the Company in October instead of April, when new employees usually join Japanese companies.
Establishment of a prayer room	• A prayer room has been established in the head office building for employees who need to make religious observances.

New employees who are new graduates with non-Japanese citizenship (Data collection)

Human Resource Development and Training

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

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 (to achieve by April 1, 2026)	2022
Targets and progress	1. Ratio of women or foreign nationals among directors, Audit & Supervisory Board Members (KANSAYAKU), and corporate officers: 30% by fiscal 2026	9.4% (as of June 30, 2022)
	2. Ratio of women in all management positions: 20% by fiscal 2026*1	8.1% (as of April 1, 2022)
	3. Ratio of women among all employees 20%: by fiscal 2026	20.3% (as of April 1, 2022)
Measures	<ul style="list-style-type: none"> • Actively hire women for all job types and employee ranks • Foster readiness and awareness • Steadily implement promotion through talent management 	

Scope: NEC Corporation

*1 Managers, employee data, corporate governance, etc. (Data collection)

Joining the 30% Club Japan

NEC joined the 30% Club Japan in 2020 with the goal of improving the gender balance among our corporate officers. This goal also coincides with NEC's 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.

Talent Management Program for Female Employees

The goal of this program is to identify promising human resources from a wide range of female employees and increase the number of women in all management positions.

Therefore, we have developed and implemented a systematic, position-based development program for our human resources, with the aims of encouraging their further contribution as leaders who epitomize our Code of Values and producing corporate officers in-house.

- Providing our human resources at the assistant manager level with leadership development programs, forums, panel discussions with women in senior positions, and workshops for their supervisors
- Making a conscious effort to ensure a strong percentage of promising female employee participation in our human resource development programs at every level
- Holding roundtable discussions with officers and the CHRO regarding promising human resources

Events, Training, and Promotion Activities Inside and Outside NEC

In-house online event for International Women's Day	<ul style="list-style-type: none"> • On March 8, 2022, NEC held its NEC Inclusion & Diversity Day to coincide with International Women's Day. The in-house event, which was held online and themed on inclusion and diversity, expressed our goal to be a company that supports and appreciates the active participation of female employees as well as one that will continue to spark innovation through the active participation of a diverse group of human resources. • NEC also held an associated event in conjunction with HuffPost Japan that dealt with the theme of "Diversity and Careers." The event featured guest speaker Keiko Kojima, a Japanese television and radio personality and essayist on a broad range of topics. This event was held in addition to the monthly CEO Town Hall Meeting, which provides an opportunity for employees and NEC CEO Takayuki Morita to engage in dialogue. • NEC also held a panel discussion by CEO Morita and leaders from overseas subsidiaries and Group companies titled "Driving Innovation for the Future." • Approximately 13,000 NEC Group employees joined the event in real time from around the world.
Unconscious bias training	<ul style="list-style-type: none"> • In fiscal 2020, we started implementing unconscious bias training for corporate officers and business division managers. • In fiscal 2021, we conducted online training to deepen understanding of unconscious bias and the importance of diversity-driven management. • In addition, in fiscal 2022 the number of employees engaged in marketing-related work who received unconscious bias training from external experts expanded to approximately 300. In addition to these efforts, we held a course on utilizing visual content that incorporates diversity, among other activities, to deepen understanding.
"Welcome Back" seminars—Design your workstyle and career	<ul style="list-style-type: none"> • Since fiscal 2015, NEC has conducted seminars for employees returning from childcare leave. • In fiscal 2020, these seminars were expanded to include members from affiliated companies in Japan. • In fiscal 2022, the seminars were held online over the course of two days, with a total of 115 participants from eight companies. As the number of men taking childcare leave also continues to rise, we are telling management to anticipate that their male team members will be taking childcare leave going forward and that managers should maintain proper communication with their team.
Career development for women in sales	<ul style="list-style-type: none"> • In fiscal 2022, a nationwide networking and leadership training event for female sales personnel, which we have held since fiscal 2016, brought together 47 personnel from across the country to participate in a world café and discussion. In a breakoff session of this event, a total of 27 participants were grouped by generation to discuss "the female body and health." • In fiscal 2022, 97 junior female sales personnel from different industries participated in an online networking event, which has been held by five companies, including NEC, since fiscal 2019.

Activities to promote diversity led by women in management positions	<ul style="list-style-type: none"> • Since fiscal 2014, we have held dialogue events and study sessions for female employees through Scarlet Elegance in NEC (SELENE), an association of volunteer women in management positions at NEC.
Involvement of senior management	<ul style="list-style-type: none"> • In September 2021, CEO Morita, two senior-level female leaders, and 55 Group employees participated in the International Conference for Women in Business, held online.

Efforts to Promote the Use of Childcare Leave Among Male Employees

We are working to encourage male employees to take advantage of childcare leave by conducting interviews with both employees who have taken leave and their supervisors and then sharing their experiences within the Company.

Creating a Diverse Workstyle Environment

■ Promoting Employment of People with Disabilities

NEC currently employs 399 people with disabilities, which is the total for NEC Corporation, NEC Friendly Staff, Ltd., and NEC Management Partner, Ltd., as of June 1, 2022. 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." As of 2022, NEC Corporation exceeds the statutory employment rate of 2.3%, but some Group companies have yet to reach this rate.

Employment liaison service for people with disabilities	<ul style="list-style-type: none"> • Established an employee liaison service for people with disabilities to promote a barrier-free recruitment process • During the selection process, every attempt is made to ensure applicants can understand information during online exams or interviews through descriptive audio, braille exams, or other means. In addition, we make efforts to ascertain each candidate's disability through cooperation with a specialized agency and then investigate reasonable accommodations.*2 • Before a prospective employee with a disability joins the Company, they receive special support according to their disability that includes being accompanied to their assigned workplace and other frequented locations by existing employees to ensure that these places are barrier free.
Measures for recruiting new graduates for fiscal 2024	<ul style="list-style-type: none"> • Held online seminar run jointly by NEC Group companies • Seminars were aimed at helping attendees with disabilities understand the work they would engage in and the support they would receive upon joining the Company. To help them envision working for us with peace of mind, we explained our various businesses, hosted informal gatherings attended by NEC employees with disabilities, and circulated an email newsletter.
The NEC Group I&D Promotion Meeting	<ul style="list-style-type: none"> • Confirms the NEC Group's progress in employing people with disabilities as well as the nature of related initiatives • We encourage the exchange of information among those in charge of hiring people with disabilities at each Group company, and promote joint projects such as seminars and tours.

*2 Measures to improve conditions that are barriers for disabled workers so that they can exercise their abilities effectively

Creating a Diverse Workstyle Environment

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 Joins The Valuable 500

Special Subsidiary Company: NEC Friendly Staff, Ltd.

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, 2022, the company employs 145 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. In addition, as a long-term expansion measure, the subsidiary has been tasked with carrying out operational work related to the large amount of learning data created by the development division of the Group's AI/DX business. 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.

Supporting Diverse Workstyles for Seniors

Extended employment	<ul style="list-style-type: none"> 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 operated a personnel recruiting system for those extending their employment that works to match the needs of individuals and hiring organizations, based on the type of work, job description, employment terms, and other conditions.
Dispatch and placement arrangements to locations inside and outside the Group	<ul style="list-style-type: none"> Beginning from fiscal 2022, NEC launched an initiative for dispatching and arranging the placement of highly experienced personnel. Under this initiative, we send project managers and other personnel with skills and qualifications based on advanced technical expertise or longtime experience to workplaces inside and outside the NEC Group. This initiative creates 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"^{*3} are top priorities. Also, to provide LGBTQ employees with equal opportunities to use our systems, since fiscal 2020, we have provided training for management to better understand LGBTQ issues as well as training for employees who work at our primary consultation desk to ensure LGBTQ employees who use the service can do so with a sense of safety and peace of mind.

^{*3} Someone who understands the situation of, and strongly supports, LGBTQ individuals

Launch of an ally community and the promotion of understanding among employees	<ul style="list-style-type: none"> Since fiscal 2020, a group of five employees has 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 Diversity and Human Rights web-based training for all employees heightens awareness of the importance of harassment prevention and outing^{*4} prevention.
Revision of internal regulations	<ul style="list-style-type: none"> 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 DIVERSITY CAREER FORUM 2021 as a sponsor	<ul style="list-style-type: none"> In 2021, for the fifth consecutive year, we exhibited at DIVERSITY CAREER FORUM 2021. The fiscal 2022 forum was held online, and university students with a high level of interest in diversity issues 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 PRIDE Index 2021	<ul style="list-style-type: none"> Repeating our achievement in fiscal 2021, we received a "Gold" rating—the highest rating—in PRIDE Index 2021, 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 five out of five of the 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.
Toward fair recruitment activities	<ul style="list-style-type: none"> 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. <ul style="list-style-type: none"> Absolutely do not conduct interviews that discriminate or violate human dignity from the perspective of human rights Even if a person comes out as LGBTQ, for example, during an interview, do not ask questions only concerning LGBTQ issues Judge a candidate only by the person's capabilities and suitability for the job

^{*4} Publicly stating a person's sexuality to a third party without consent of said person

Inclusion of Mid-career Hires

We hired roughly 600 new graduate hires on par with the previous fiscal year. In light of the increasing number of mid-career hires, we are implementing the following initiatives.

Training for employees responsible for conducting interviews	<ul style="list-style-type: none"> Since fiscal 2021, we have been providing web-based training on interviewing to employees responsible for conducting interviews with prospective mid-career hires. The program includes a variety of interactive training methods designed to improve the interviewing skills of employees by deepening their understanding of the entire process from recruitment strategies through to actual interviewing methods. The program encourages participants to understand the importance of conducting interviews in a manner that ascertains suitability, eliminates bias, and recruits diverse personnel.
After joining NEC	<ul style="list-style-type: none"> Mid-career hires join an online orientation. We distribute onboarding manuals to departments to which mid-career hires are assigned. We collect employee feedback via a questionnaire after a fixed period upon joining NEC.

Mid-career hires have diverse approaches and perspectives based on their experience working at other companies outside NEC. These employees serve as the catalyst for cultural transformation by putting forth ideas to improve existing operations in their assigned places of work.

 Cooperation with Local Communities
 Human Resource Development and Training

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.