

# Corporate Governance

For details, please refer to the NEC Corporate Governance Guidelines and our Corporate Governance Report.

## Policy

NEC Corporation (the “Company”) is committed to strengthening its corporate governance practices through:

1. Assurance of transparent and sound management;
2. Realization of prompt decision making and business execution;
3. Clarification of accountability; and
4. Timely, appropriate and fair disclosure of information.

- 📖 Corporate Governance
- 📖 NEC Corporate Governance Guidelines

## Corporate Governance System

An overview of the Company's corporate governance system is as follows:

1. The Company has adopted the company with the Audit & Supervisory Board Members (KANSAYAKU) (the “A&SBMs”). The Company considers that the audit by A&SBMs and advice from Outside Directors in making decisions of the material business executions are effective for the sound management of the Company.
2. The Company has introduced a corporate officer system to expedite business execution based on prompt decision making and separate management supervision from business execution. This has involved delegating substantial authority for business execution from the Board of Directors to corporate officers.
3. In order to strengthen a company-wide strategy, the Company has introduced Chief Officers to delegate substantial authority from the President to Chief Officers, aiming to strengthen the corporate functions of the NEC Group.
4. The Company has established the Nomination Committee and the Compensation Committee to enhance objectivity, fairness and transparency of nomination of Directors, representative Directors, the A&SBMs, Chairman of the Board and the President including succession planning for the President, and remuneration of Directors and corporate officers.

- 📖 Corporate Governance System

### Board of Directors

The Board of Directors is responsible for making important decisions for the Company's business execution, including decision on its basic management policies, as well as supervising overall business execution. To effectively fulfill its role and responsibilities, the Board of Directors is comprised with consideration given to the balance between diversity, in such factors as career background, specialist field, internationality and gender, and appropriate size.

### Nomination Committee

The majority of the members of the Nomination Committee are Independent Outside Directors. The Company ensures independence by appointing the chairperson from among such Independent Outside Directors.

### Compensation Committee

The majority of the members of the Compensation Committee are Independent Outside Directors. The Company ensures independence by appointing the chairperson from among such Independent Outside Directors.

### Audit & Supervisory Board (KANSAYAKU-KAI, the “A&SB”)

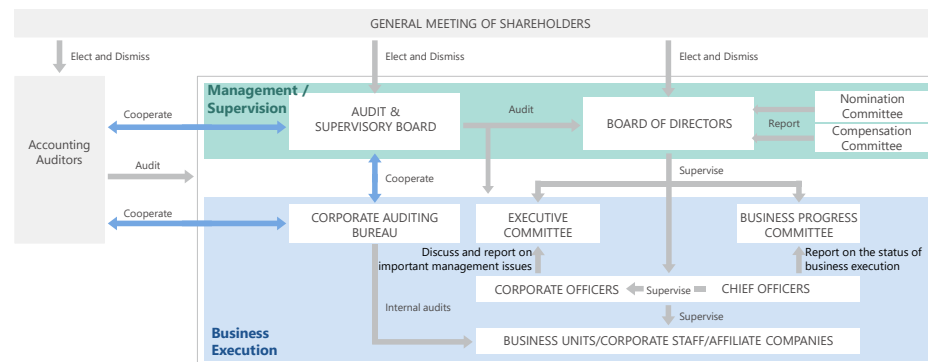
The Company appoints as A&SBMs the personnel who have the knowledge and experience necessary for audits, such as considerable expertise in finance and accounting or experience as an attorney at law, and strengthen the auditing functions of the A&SBMs.

### Main Committees in Business Execution

The Company has the Executive Committee, which comprises corporate officers, and the Business Progress Committee, which comprises corporate officers, managing directors, and other members.

- 📖 Directors and Audit & Supervisory Board Members (KANSAYAKU)
- 📖 Reasons for nomination and attendance at meeting of Outside Directors and Audit & Supervisory Board Members
- 📖 Career Skill Matrix for Directors
- 📖 Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members (KANSAYAKU)
- 📖 Remuneration for Directors and Audit & Supervisory Board Members (KANSAYAKU)

## Corporate Governance System



## Evaluation of the Effectiveness in Fiscal 2022

The Company conducts evaluations of the effectiveness of the Board of Directors, the Nomination and Compensation Committee and the A&SB every year. The Company discloses a summary of the results of such analysis and evaluation in its Corporate Governance Report.

- 📖 Corporate Governance Report
- 📖 Evaluation of the Effectiveness of the Board of Directors