I have been an outside director of NEC for one year now. Over this time, NEC has made tireless efforts to create more profitable businesses while continuing to hone its advanced technologies. In addition, I have felt that the Company’s various initiatives, such as international M&A, are gradually bearing fruit.

Furthermore, NEC has employees with high social sensitivity who will create innovation going forward, including employees from all over the world who are supporting the NEC brand globally, and a high ratio of employees who return to work following time off to raise children. These human resources have the power to drive NEC’s transformation. With my experience in foreign diplomacy and labor administration, my role is to support these human resources so that they can realize even more of their potential.

However, in consideration of a rapid increase in investors making decisions based on a company’s sustainability in terms of environmental, social, and governance (ESG) aspects, I feel that NEC has to improve how it communicates the efforts and activities of its diverse workforce in the fields of environment and society. NEC has already been actively holding dialogues with investors globally, mainly on financial themes, and it needs to take further steps to communicate the transformation of NEC, including non-financial aspects. In particular, the Company is appointing diverse human resources to its executive division using a new remuneration plan that started from fiscal 2020, partly as a way to attract high-level talent that is essential for global business success.

Visible Efforts to Make Meaningful Changes at NEC

Noriko Iki
Outside Director

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While making use of the abilities of its human resources, I expect to see NEC undergo a clear transformation.

Governance is another growing strength of NEC, including its Board of Directors, which hosts frank and vigorous discussions. I myself will study diligently each day to contribute to solving management issues and to play my role in NEC’s steadfast governance.

Noriko Iki
Outside Director

Emphasizing Discipline Based on a Sense of Values

Kazuyasu Yamada
Outside Audit & Supervisory Board Member (KANSAYAKU)

When corporate misconduct occurs, governance problems are often picked up, but in most cases the root cause that gave rise to the situation is not illuminated. This shows how difficult it is to find objective evidence for the state of mind of the people involved, which is the essential cause of the misconduct, even if the facts are investigated. As a result, rather than identifying the essential cause and tackling the issues for resolving it, companies implement measures to prevent a recurrence in form only, and sometimes apply excessive systems and rules.

However, systems and rules do not work without discipline, which is controlled by people’s states of mind. Governance also requires discipline based on a sense of values in order to function—not just systems and forms. It is of prime importance that each individual acts with discipline in fulfilling their respective roles, and that this kind of discipline is present throughout every part of the organization.

I have served as an outside Audit & Supervisory Board member for three years. Over this time, compliance and ethics issues have increasingly been discussed by the Board of Directors. Moreover, as shown by initiatives to transform NEC’s culture, there is increasing interest in the conduct of directors and employees, as well as in themes such as values and discipline. It is not easy to ensure that reforms and improvements reach every part of a large organization; however, NEC is making steady, positive efforts.

In the Audit & Supervisory Board, where I am active, we constantly recognize issues through our annual evaluation of effectiveness and by making efforts to promote reforms and improvements. As a Member of the Board, I will strive to contribute to improving NEC’s governance.

Kazuyasu Yamada
Outside Audit & Supervisory Board Member (KANSAYAKU)