Respecting Human Rights

As a company that operates its business globally, NEC is committed to mitigating and preventing any negative impacts its corporate activities may have on the rights of its stakeholders. In particular, by making use of ICT, including social implementation of AI and utilization of biometrics and other data, each and every member of the Group, from executives to employees, shall maintain respect for human rights and view this issue as a top priority, making it a central theme to the Group’s conduct and business practices.

NEC Group Human Rights Policy

In 2015, NEC formulated the NEC Group Human Rights Policy, declaring its intention to advance initiatives to promote respect for human rights across its entire value chain through dialogue and consultation with stakeholders and by implementing human rights due diligence.

In June 2022, this policy was revised and these revisions clearly show senior management’s commitment to respecting human rights as well as its governance system, as required by the United Nations Guiding Principles on Business and Human Rights (UNGPs). The policy’s revisions were reported to the Board of Directors in fiscal 2023.

The NEC Group Human Rights Policy applies to all officers and employees of NEC and its consolidated subsidiaries, including fixed-term contract employees, temporary employees, and part-time employees. We also encourage our supplier, business partners, and customers to understand this policy and share our commitment to respecting human rights.

Promoting Human Rights Due Diligence in Accordance with the UNGPs

In fiscal 2020, we utilized the human rights risk data of the international NGO Business for Social Responsibility (BSR) to compile a list of NEC’s human rights issues. From this list, three salient human rights issues were identified and reported to the Board of Directors in fiscal 2021—new technology and human rights (AI and human rights), labour in supply chains, and employee safety and health.

In fiscal 2021, from a third-party standpoint BSR conducted interviews targeting 22 divisions with a particular focus on business divisions to confirm the specific details of the business activities and management systems of these divisions as well as the issues they face in front-line operations. Subsequently, the list of human rights issues was updated to better reflect actual situations.

In fiscal 2022, we also conducted a gap analysis at the corporate level with the UNGPs and leading global companies as part of efforts to visualize issues at NEC. Results of the analysis made it clear that, to prevent and mitigate human rights risks according to global trends, NEC needs to clarify its system for governing respect for human rights as well as its policy regarding human rights initiatives, and it must also respond to risks from the impact of conflicts and in high-risk countries and regions, which are general issues within NEC.

Therefore, in fiscal 2023, the Risk Control and Compliance Committee furthered discussions with the Sustainability Advisory Committee regarding human rights associated with geopolitical risks and the newly identified “human rights risks related to geopolitical situations and conflicts” as a salient human rights issue. From these discussions a resolution was reached, which was then reported to the Board of Directors and made as part of an effort to improve NEC’s system for preventing and mitigating human rights violations in the value chain.

New Technology and Human Rights (AI and Human Rights)

• New technology and human rights (AI and human rights)
• Human rights risks related to geopolitical situations and conflicts
• Labour in supply chains
• Employee safety and health

NEC’s Human Rights Issues

Labour in Supply Chains

NEC has designated “supply chain sustainability” as a material issue (materiality) and is enhancing cooperative ties with its suppliers through collaboration and co-creation. To address “labour in supply chains,” positioned as a salient human rights issue, we are moving forward with efforts such as inspections, audits, and corrective measures using a risk-based approach.

NEC’s Human Rights Issues

NEC establishes targets for each fiscal year in accordance with its Companywide OH&S Policy Action Guidelines and the NEC Group Health Declaration. To meet these targets, we prepare and implement specific measures for each in-house geographical area, business site, and consolidated subsidiary in Japan. Regarding indicators for these measures, we set KPIs based on the World Health Organization’s definition of health as “a state of complete physical, mental, and social well-being.” Furthermore, the CHRO works under the direction of the CEO to oversee activities related to OH&S throughout the Company, including risk management, and then report on these activities to the Board of Directors.

Promoting Human Rights Due Diligence in Accordance with the UNGPs

NEC’s system for preventing and mitigating human rights violations in the value chain.

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NEC’s Human Rights Issues

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New Technology and Human Rights (AI and Human Rights)

In accordance with the NEC Group Human Rights Policy, we are committed to the following three initiatives:

1. Ensure that all products and services are implemented and utilized by NEC employees, customers, and partners appropriately
2. Continue to develop advanced technology and talent to further promote AI utilization with respect for human rights as the highest priority
3. Engage with a range of stakeholders to build partnerships and collaborate closely

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