

Message from the CHRO

Since 2018, the NEC Group has been working on reforming its ability to execute to the fullest extent of its employees' capabilities with the Engagement Score Driven.

The source of our ability to execute is the physical and mental health of each and every employee, and we are strengthening our efforts in "work styles and physical and mental conditions" as a priority area that is highly correlated with engagement scores, along with "penetration of company-wide policies and strategies" and "evaluation, compensation, promotion, and career".

In FY2024, in order to accelerate the movement toward health management and collaborative health, NEC and NEC Health Insurance Association have started to visualize and actively utilize data with the aim of reducing individual and organizational health risks and maximizing performance, as well as to operate as a single organization. We have also started "Client Zero" in the area of health application services, in which we implement new technologies with our own company as the zeroth client.

The NEC Group's mission is to create social values of safety, security, fairness, and efficiency, and to realize a sustainable society in which everyone can fully realize their human potential. We will continue to move forward to achieve further growth and become the "Company of Choice. It is "people" who support this, and we will further maximize the potential of our employees while maintaining and improving the physical and mental health of our employees and their families.

Corporate EVP and CHRO, NEC

Daisuke Horikawa 堀川 大介

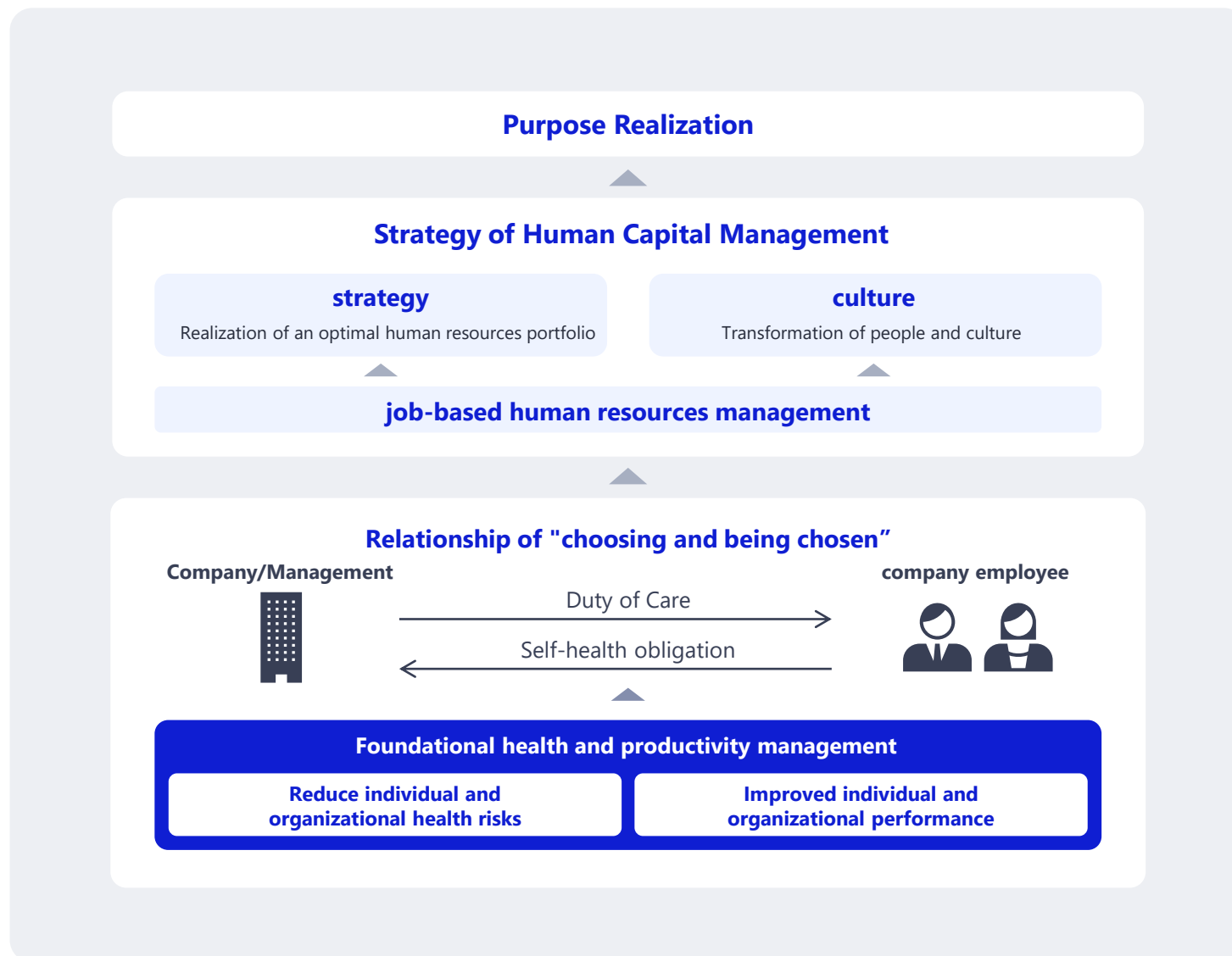


Concept of health and productivity management

Concept of health and productivity management at NEC

The NEC Group is promoting the 2025 Mid-Term Management Plan with a dual focus on strategy and culture in order to realize its purpose. From the perspective of Strategy of Human Capital Management, based on job-based human resource management, which has been fully implemented at NEC since fiscal 2024, we are focusing on "realizing an optimal human resource portfolio that enhances the ability to execute strategies" and "transforming our people and culture to maximize the strengths of our employees. We believe that the underlying foundation of our efforts is the physical and mental health of our employees and their families, and that only when each individual is in good physical and mental condition can we maximize our organizational performance and enhance our ability to execute our strategies.

In job-based human resource management, the relationship between the company and employees is changing to one of "choosing and being chosen". In the area of "health and productivity management," the company will deepen this relationship by fulfilling its obligation to ensure that employees' physical and mental health is not compromised (Duty of Care), and employees will fulfill their duty to take care of their own health and safety and work in good condition (Self-health obligation). NEC is working to reduce individual and organizational health risks and improve performance by promoting understanding and practice by each employee and developing various initiatives, such as literacy improvement and digital utilization, based on the Health Declaration announced in 2019.



Policy and Structure

NEC Group Health Declaration and Three Initiative Policies

Based on the NEC Group health slogan, "Better Condition, Better Life," NEC has set three policies for health promotion: "Literacy," "Practice," and "Technology, NEC is implementing a variety of health promotion activities based on the three policies of "Literacy," "Practice," and "Technology.

NEC Group Health Declaration

Better Condition, Better Life

Toward a better life and a prosperous society
for each and every one of us

A culture in which each and every employee and their family members take care of
their own physical and mental condition and health,
We create an environment and state where people are excited to work toward their dreams.
We will contribute to the realization of a prosperous society, driven by the health and vitality of all employees.

Initiative Policy

Literacy

Increase literacy

Aiming to become
a health literate organization,
we will provide information
and learning opportunities to enhance
their respective capabilities.

Practice

Continue better lifestyle habits

Provide opportunities
for activities to condition oneself
and support the continuation
of better lifestyle habits.

Technology

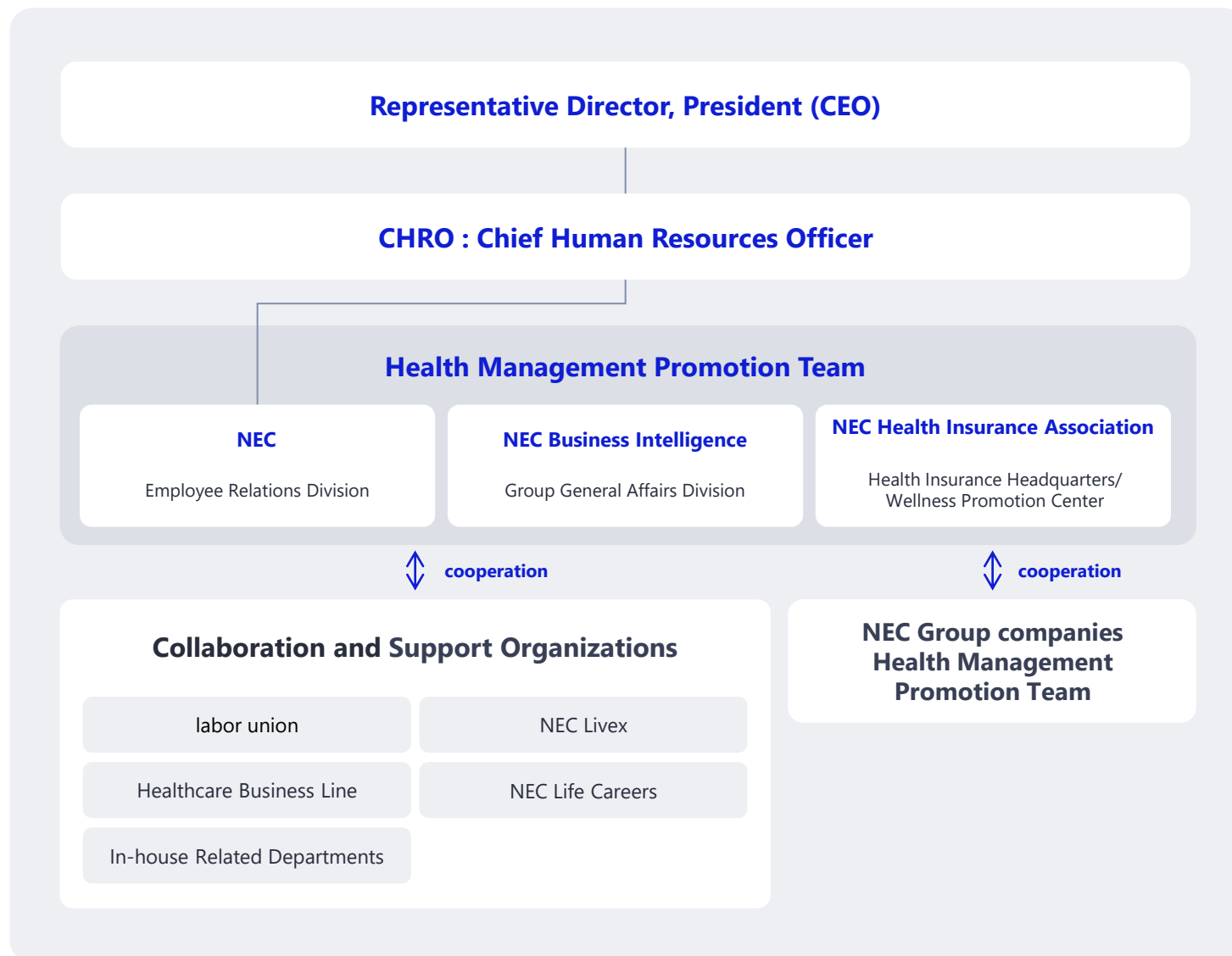
Utilize digital technology

We will actively utilize
digital technology
to visualize health conditions
and predict future health
checkup results.

Health Management Promotion System in FY2024

In order to accelerate the movement toward health and productivity management and collaboration health, NEC has shifted to an organizational structure that integrates NEC as a business and NEC Health Insurance Association as an insurer in FY2024.

NEC's industrial physicians and healthcare nursing staff members are now affiliated with the NEC Health Insurance Association, and the company has changed to an operation that does not create organizational "barriers" such as a business/insurer. Early detection of illnesses and early intervention will become possible by promoting the recommendation of medical examinations to employees through the use of health checkup data and medical data (receipts) by professionals, which has been difficult to achieve under the conventional framework. This is expected to have the effect of preventing the deterioration of employees' health conditions.



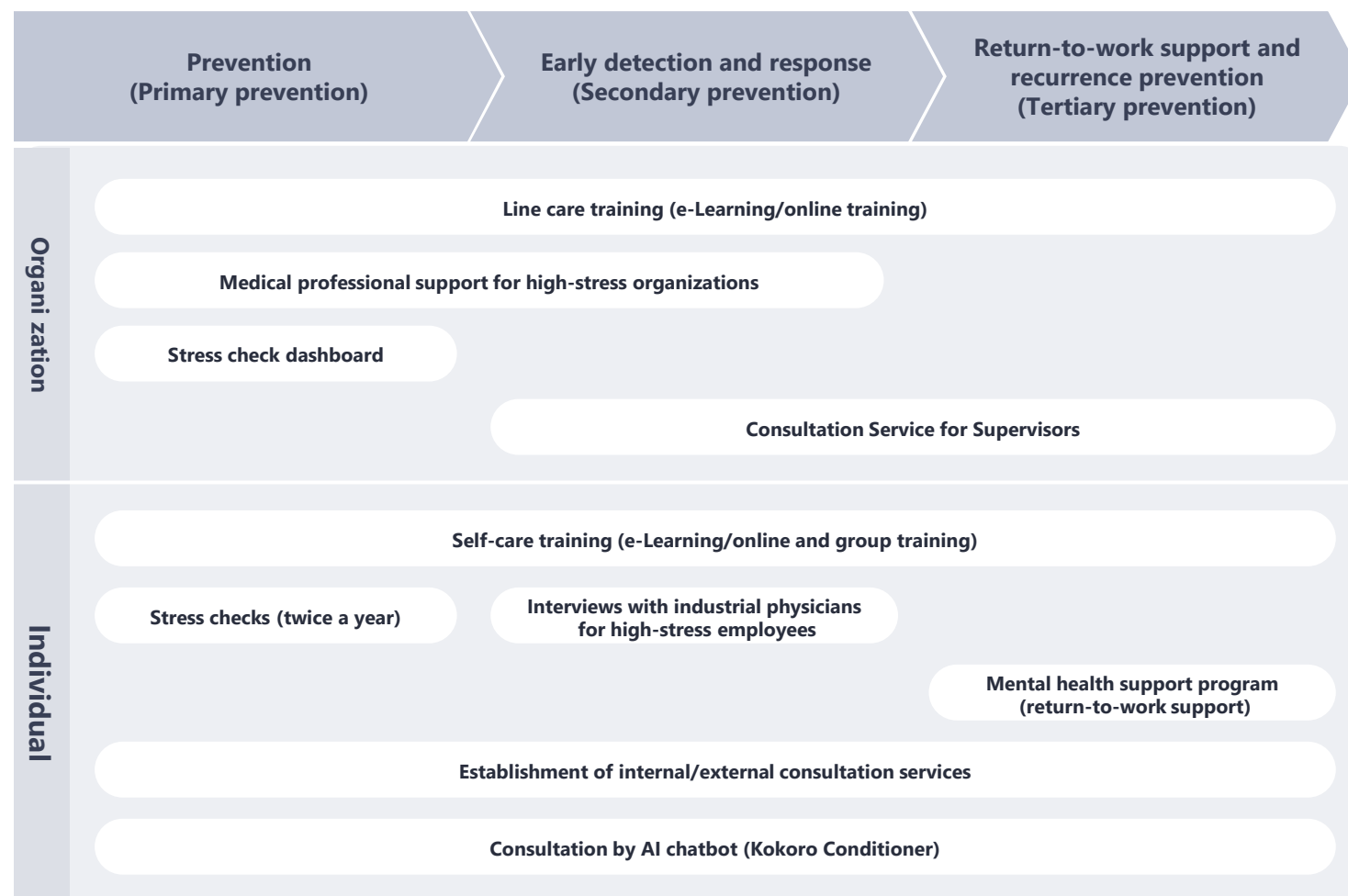
Specific Efforts

Mental Health Support

Literacy | Practice | Technology

NEC has positioned mental health care as an important theme for health management and is promoting the creation of a healthy workplace by maintaining the mental health of employees.

We also provide education to help you detect and respond to the signs of your own/subordinates' ailments at an early stage.



Examples of Initiatives

Line Care Training

Develop the mental health response skills and mindset of managers and encourage member support from the perspectives of occupational physicians, public health nurses, and HR members, respectively

degree of
satisfaction **84%**

Appropriate
level of difficulty **89%**



Self-care training

Focusing on sleep as one of the key issues affecting mental health, an industrial physician explained about breathing techniques and other ways to improve sleep.

degree of
satisfaction **92%**

Appropriate
level of difficulty **95%**



Efforts to Optimize Working Hours

Literacy | Practice | Technology

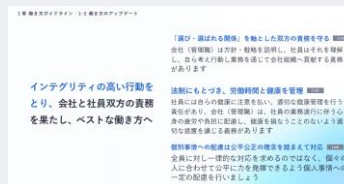
We are promoting various initiatives to optimize working hours with the aim of creating a workplace environment where each employee can autonomously practice the best working style and work in a healthy and lively manner.

In the "Working Guidelines" and the "Working Rule Book," which serves as a code of conduct for voluntary work management and health management, the company and employees are provided with a list of obligations and rules to be fulfilled by both the company and employees, and employees are encouraged to improve their literacy through e-Learning and other forms of training.

In addition, the Company operates a system for the proper understanding of working hours and conducts high-risk monitoring. In high-risk monitoring, we monitor employees whose working hours exceed a certain standard or who may pose a health risk, and then proceed with a process for improvement. We will address not only individual work styles, but also organizational issues such as reviewing the workload and staffing of the organization and teams as a whole.

Literacy Improvement

Work Guidelines



NEC Way, based on employment regulations and systems in accordance with integrity, and updated according to changes in the social environment and changes in company policies and strategies.

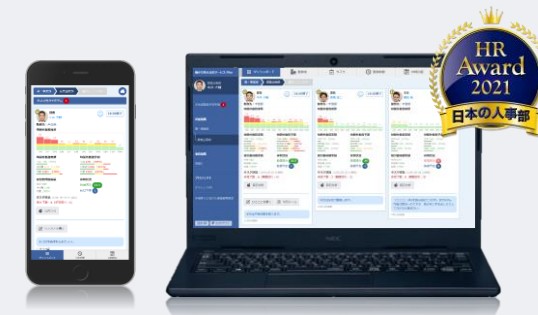
Work Rulebook



Specific descriptions of Do's (things that should be practiced) and Don'ts (things that should be avoided) to help employees understand and practice from their perspective.

Appropriate understanding of working hours

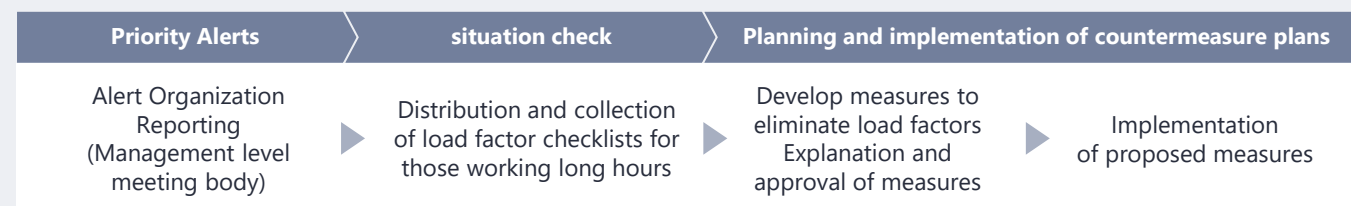
NEC Workflow Visualization Service Plus



Visualize PC operation status, link to work management systems, and promote proper understanding of working hours by using the system to remind employees to work.

High Risk Monitoring

Monitoring to eliminate overwork levels of work. Plans to strengthen measures for proper management of working hours. The human resources department works with the target organization to identify the causes of overwork and implement measures to eliminate it.



Promotion of physical checkups

(cancer screening)

Literacy | Practice | Technology

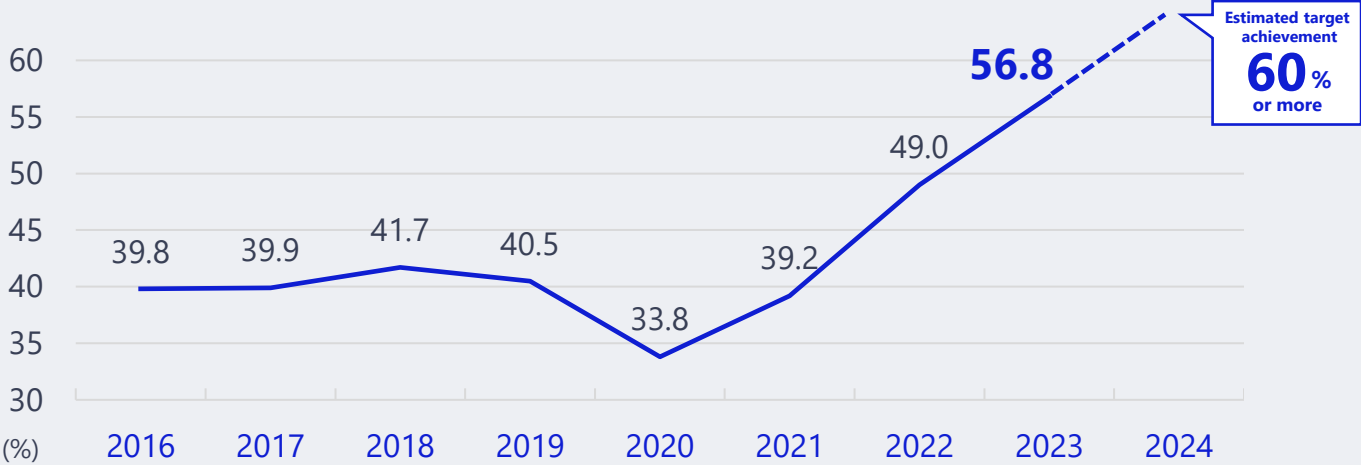
Cancer significantly impacts not only the Quality of Life (QoL) of affected employees and their families but also exerts a considerable influence on the company through potential work absences due to treatment, reduced productivity, and other related factors.

Given this context, early detection and treatment have become paramount importance. Early diagnosis not only alleviates the burden on employees but also supports their smooth return to work after treatment, thereby contributing to maintaining the company's productivity.

Within the NEC Group, we aim to achieve a cancer screening rate of 60%. To facilitate easier access to screenings, we have implemented measures such as integrating cancer screening into regular health checkups and offering free health checkup programs. As a result, the projected be examined rate for 2024 exceeds the target of 60%, indicating positive progress.

Cancer screening uptake rate in the NEC Group

Target: Female insured persons aged 30 and male insured persons aged 40 and older



Outline of Health Examination Assistance Program

Free physical examinations and cancer screenings	Free of charge in principle with increased co-payments by health insurance and company
Gastroscopy assistance Cervical cancer screening for young women	<div>① Subsidies for gastroscopy are also available (up to a maximum amount).</div> <div>② Establishment of a new course for women 20 years of age and older to receive regular health checkups and cervical cancer screening at the same time.</div>

Health Checkup Prediction Simulation

Literacy | Practice | Technology

The "Simulation for Prediction of Health Examination Results" uses NEC Group's AI technology to predict changes in each test value up to three years later based on the results of employees' regular health examinations, and shows data on future health conditions if they continue with their current lifestyle habits or review their lifestyle habits. Advice on how to improve lifestyle is also provided.

In a user survey, more than 70% of employees responded that there was a positive change in their lifestyle habits as a result of using this system. It was also confirmed that there was a significant difference in the percentage of improvement in test values depending on whether the system was used or not, indicating that the system is supporting lifestyle improvement.

Utilization Process



Video review of past health checkup results

What is my current state of health?



Risk Simulation

What will happen in the future if we don't?



Life Improvement Simulation

What are the most effective lifestyle habits? How does reevaluating your life change it?



Health Tips

What exactly are the options? What is the best way to improve my life?

Examples of Effectiveness

Results of User Questionnaire

Percentage of respondents who answered that they were more or somewhat motivated to improve: 76%.

Presented at the Japan Society for Occupational Health

There was a significant difference in the comparison of the percentage of examinees who improved their laboratory values (weight, abdominal circumference, and systolic blood pressure) with and without using the system.

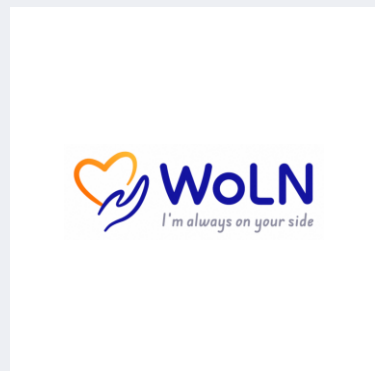
WoLN - NEC Health Point Service -

Literacy | Practice | Technology

WoLN is a health application service provided by NEC for local governments, and has been offered to employees and their dependents enrolled in the NEC Health Insurance Association since fiscal 2024, with the aim of improving the health of users.

Based on the concept of "Client Zero" (the idea that one's own company is the zero first customer), we will reflect the experiences and needs of users in our services through our own practices, leading to increased value from the user's perspective.

By providing activity and health data in an easy-to-read format, WoLN expects that users will gain a better understanding of their own health, leading to behavioral changes. Compared to working alone, working with others while having fun is more effective, sustainable, and leads to better health..



POINT 1

7 lifelog data that can be easily recorded and Visualization of medical information through Mynportal API

Lifelog data : meals, weight, exercise, sleep, blood pressure, body temperature, number of steps

POINT 2

Various fun game features
Promotes ongoing health activities for users

POINT 3

AI's advice to users to
and improve awareness of health crises,
Supports daily health activities

Outline of Initiatives

Events to achieve a healthy number of steps while enjoying walking and, Developed initiatives to motivate teams to compete against each other for the number of steps taken, etc.



グループ歩数ランキング結果 上位10位

順位	グループ名	平均歩数 (歩/人)
1位	11月までとある	17,296
2位	2/2月/11月/12月/チーム	16,555
3位	3/3月/チーム	16,017
4位	4/4月/チーム	15,817
5位	5/5月/チーム	15,444
6位	6/6月/チーム	14,602
7位	7/7月/チーム	14,186
8位	8/8月/チーム	12,955
9位	9/9月/チーム	12,257
10位	10/10月/チーム	12,212

Group Walks Ranking

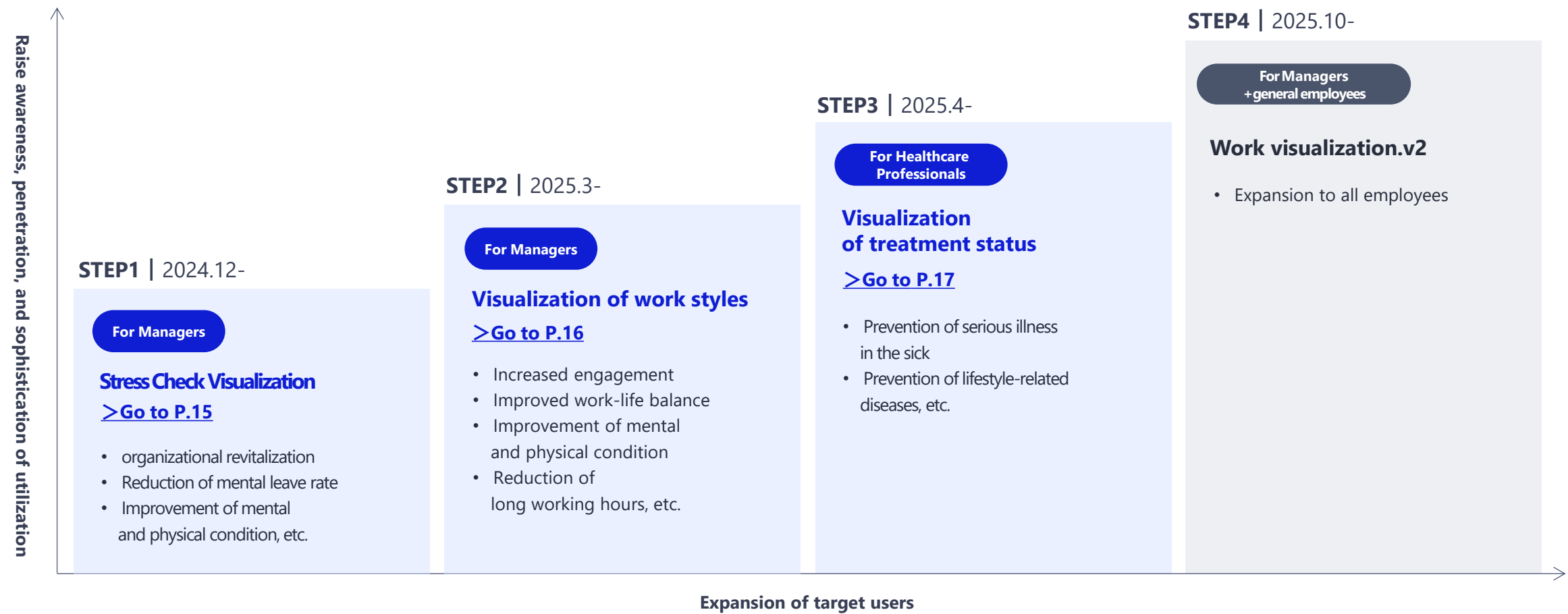


walk rally

Steps to use data in organization and team

Literacy | Practice | Technology

NEC is committed to going beyond personalized health support for employees and focuses on leveraging health data to mitigate organizational and team-wide health risks while maximizing performance. In addition to health data, NEC also utilizes data related to employee engagement and work styles to promote communication within the organization and team, create a healthier work environment, and improve productivity.



Stress Check Visualization

Literacy | Practice | Technology

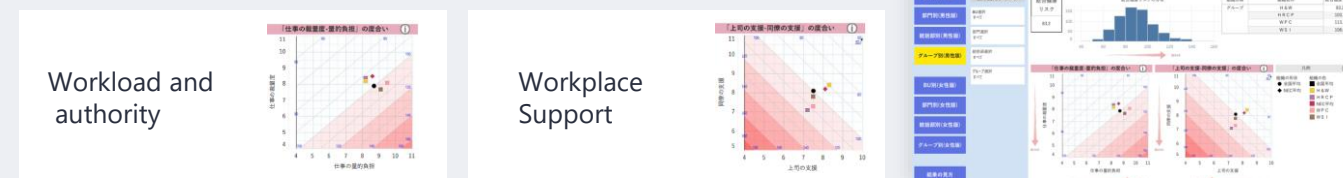
A dashboard is available for managers to visualize the status of stressors workload, authority, and workplace support. We have created an environment where each organization can plan and execute improvement actions in collaboration with the HR department to reduce health risks and maximize individual and organizational performance.

In developing this dashboard, we have established a forum for management and managers to promote understanding of the stress check.

In addition, as an improvement activity, we provide support according to the organization's situation, rather than in a one-size-fits-all manner. We will measure the effectiveness regarding operational status and health risk reduction, and will continue to update the data to be visualized and the specific support and improvement actions required in the field.

Stress Check Dashboard

Dashboard of biannual stress checks to visualize organizational trends



Understanding

For Management

Share the status of organizational units and reflect it in organizational management

For Managers

Lecture on how to understand the team situation

Organizational Improvement Activities

1. Standard support

For organizations that are proactively working on organizational revitalization, reviewing work styles, etc. Based on the results of stress checks, medical professionals collaborate in the planning and operation of improvement activities and propose support menus.

2. Support for high-risk organizations

For particularly high-risk organizations, the human resources department in charge intervenes in the organization as soon as possible in collaboration with the medical profession.

Visualization of work styles

Literacy | Practice | Technology

We are also developing an environment to cross-tabulate and visualize data on engagement, working hours, stress check results, etc.

By visualizing the status of work practices defined for each organization and risks related to safety and health, executives, managers, and the human resources department can quickly identify and resolve potential issues within each organization.

The results of these analyses are also used in the management of each organization to improve employee job satisfaction and productivity by increasing engagement, reducing long working hours, and improving physical and mental conditions.

Engagement × Working Dashboard



**Engagement /
Code of Values*
Visualization of
the level of practice**

**Visualization
of working hours**

**Visualization
of stress checks**

* [Code of Values] : A code of conduct that describes the daily way of thinking and behavior that all employees should embody.

Visualization of treatment status

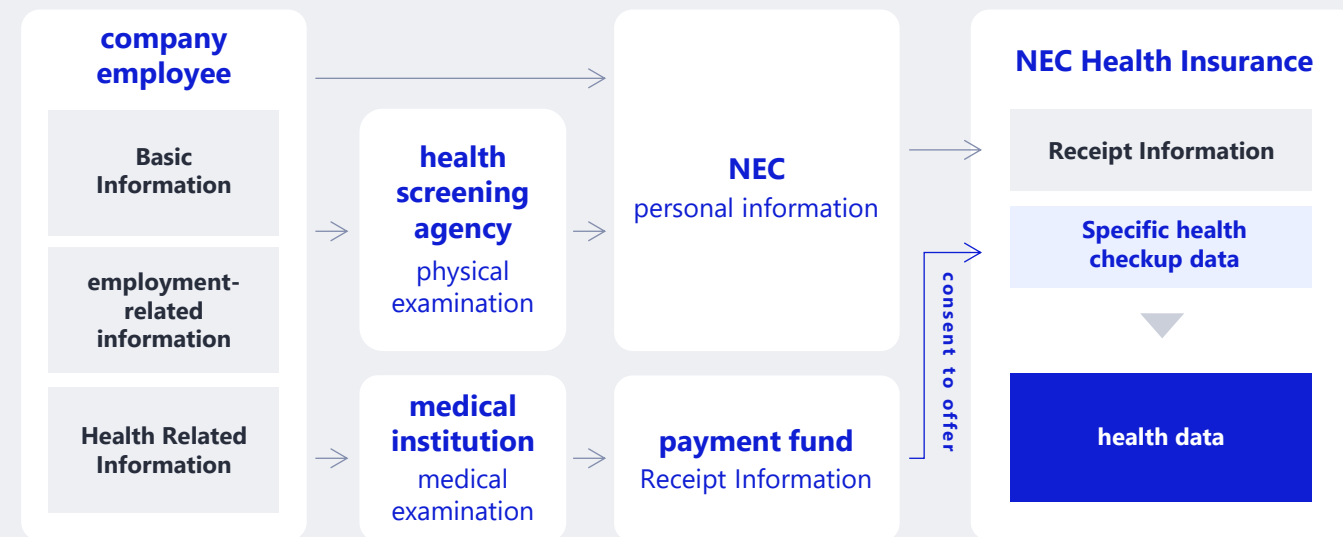
-Increased response to high-risk individuals in cooperation with insurers.

Literacy | Practice | Technology

By integrating NEC and the NEC Health Insurance Association into a single organizational operation system, it has become possible to centrally manage industrial health data and insurer data within the health insurance association and to comprehensively analyze the health status of employees. In addition, industrial physicians and public health nurses affiliated with the health insurance association can provide more proactive health guidance to employees.

From FY2025, a database that combines data on the status of medical treatment (whether or not hospital visits are made) and health checkup results from receipt information will be constructed to strengthen efforts by public health nurses and others to prevent serious illnesses and diseases among those at high risk.

Building a Health Data Lake



How to utilize occupational health data x insurer data

1 Prevention of serious illness

PUSH to promote visits to medical institutions for high-risk individuals in need of treatment

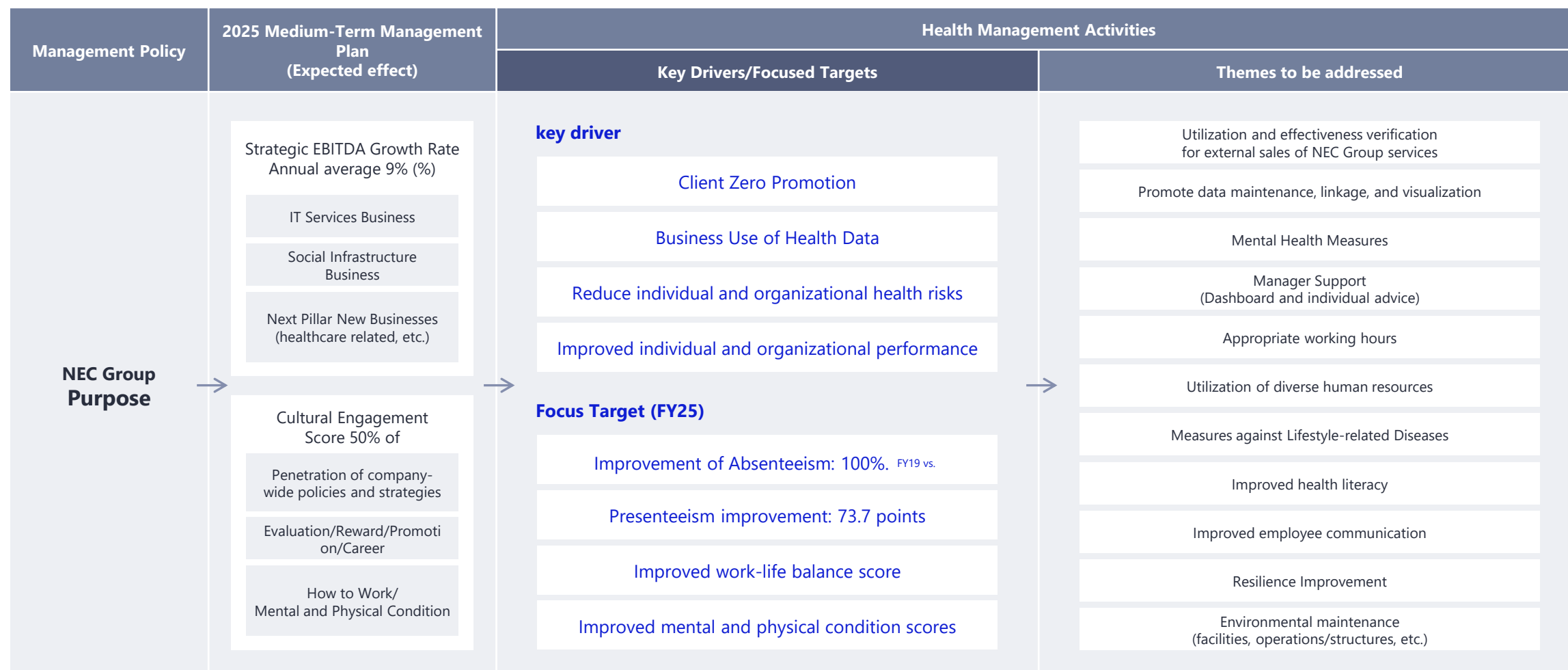
2 DiseasePrevention

Effective health support for high-risk individuals who need to prevent or improve lifestyle-related diseases

Indicators and Results

Health Management Strategy Map

The following strategic map summarizes the relationship between each initiative and the management issues that NEC aims to address through its health and productivity management. health and productivity management activities are premised on the implementation of occupational health and safety activities.



Health Management Initiatives Indicators and Achievements

NEC's health management activities are based on a strategic map, with indicators set for each activity, We monitor performance and measure effectiveness.

outcome measure

	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
Pulse Survey "Efficient Work Styles" Positive Response Rate *1	33.3%	33.9%	-
Pulse Survey "Job Satisfaction" Positive Response Rate *1	27.6%	29.1%	-
Pulse Survey "Good Physical and Mental Condition Positive response rate for "Well-being" *1	34.2%	34.2%	35%.
Engagement Score (Number of people measured: 65,836, (Response rate: 85%) *1*7	35%.	36%.	39%.
presenteeism (Number of people measured: 22,723; response rate: 91%) *2*6	73.7 points	69.9 points	70.7 points
Absenteeism (number of people measured: 21,790) *3	89.8%	107.5%	102.9%

Indicators for Initiatives

	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
Percentage of employees receiving regular health checkups *6	100%.	100%.	99%
Stress check examination rate*6	92%	95.1%	-
Specific health guidance implementation rate (completion rate)*5	37%.	40.5%	43.4%

Indicators related to change in awareness and behavior of employees, etc.



	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
Obesity rate (BMI≥25) males (20-60 yrs)* ²	35.1%	35.2%	34.2%
Obesity rate (BMI≥25) women (40-60 years)* ²	22.3% (%)	23.1%	22.9%
Percentage of smokers* ²	17%.	16.5%	16.2%
Questionnaire items in the Predictive SIM for health checkup results Percentage of respondents who said they were "more motivated to improve their lifestyles" ** ² .	74%.	73%.	73%.
Questionnaire "Working to maintain and improve appropriate lifestyle habits" Improvement in the percentage of employees* ² .	45.8	45.4%	45.7%
Improvement in the percentage of employees with a medical questionnaire "in good physical condition" ** ² .	47%.	48.3%	45.6%
Number of participants in the online smoking cessation program* ³	526 persons	352 persons	-
Cancer screening uptake rate* ³	40.1%	49%	59.2%
Percentage of patients receiving a medical checkup* ¹ .	53%.	67%.	73%.
Percentage of patients requiring medical treatment* ¹ .	-	72%	67.0%
Stress check examination rate* ¹ .	92.0%	95.1%	93.7%
Percentage of medical professionals interviewed through stress checks* ¹ .	1.3%	1.4%	1.5%
Mental Health Factor Leave Rate* ¹ .	0.79%	1.05%	1

	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
New mental leave rate* ¹ .	0.47%	0.49%	0.38%
Rate of recurrent mental absences* ¹ .	0.08%	0.18%	0.16%
Average monthly overtime hours for employees	21.6h	22.1h	23.1h
Number of days with pay Average for all employees, excluding carry-over	21.5 days	21.5 days	21.5 days
Percentage of annual paid leave taken	59.0%	62.5%	62.7%
Number of days granted for Family Friendly Leave *Excluding carry-over	five days	five days	five days
Percentage of employees taking Family Friendly Leave	-	33.9%	33.8%
Number of employees taking parental leave* ⁸	187	204	292
Return-to-work rate for parental leave* ⁸	99%	98.6%	99.6%
Number of employees working shorter hours for childcare	489	421	361
Number of employees taking nursing care leave* ⁹	16	17	17
Number of employees working shortened nursing care hours	7	10	13

- *1 Scope: NEC Corporation
- *2 Scope: NEC Corporation and 24 domestic consolidated subsidiaries
- *3 Coverage: NEC Corporation and 36 NEC Health Insurance Association member companies
- *4 Scope: NEC Group as a whole
- *5 Average score of work performance (out of 100) within the last 4 weeks for NEC alone
- *6 Annual number of days absent from work for NEC on a non-consolidated basis, assuming FY 2019 as 100%.
- *7 The NEC Group defines engagement as "the feeling that each and every employee always plays a leading role in the company, and that they are proud and passionate about their work and never give up until they achieve results that exceed expectations,The NEC Group defines engagement as "a feeling that each employee always takes the lead and has pride and passion in his or her work and will not give up until they achieve results that exceed expectations.
- *8 Employees who started childcare leave in the fiscal year in question, excluding executive officers (2021-2022), executive officers (2023), non-regular employees, advisors, and employees accepted for secondment, and including employees seconded to other companies.
 Based on the provisions of the "Act on the Welfare of Workers Who Take Care of Children or Other Family Members Including Child Care and Family Care Leave" (Act No. 76 of 1991),In accordance with the provisions of Article 71-4-1 of the "Ordinance for Enforcement of the Law Concerning the Welfare of Workers Who Take Care of Children or Other Family Members Including Child Care and Family Care Leave" (Ordinance of the Ministry of Labor No. 25 of 1991)
 The percentage of employees taking childcare leave is calculated based on Article 71-4, Item 1 of the Enforcement Regulations for the Law Concerning the Welfare of Workers Who Take Care of Children or Other Family Members Including Child Care and Family Care Leave. Spousal maternity leave is not included.
- *9 Employees who have been on nursing care leave during the relevant year, excluding executive officers (2021-2022), executive directors (2023), commissioned officers, advisors, and acceptances of secondment, and including those seconded to other companies.

Status of Certification as an Excellent Health Management Corporation

NEC's health management activities are based on a strategic map, with indicators set for each activity, We monitor performance and measure effectiveness.

status	name of company	type of industry	Rank / Deviation
 健康経営優良法人 KENKO Investment for Health ホワイト500	Japanese telecommunications system	Information and communication industry	151-200th / 63.5
	NEC Solution Innovator, Ltd.	Information and communication industry	201-250th / 63.1
	NEC	electronic goods	301-350th / 62.4
 健康経営優良法人 KENKO Investment for Health	NEC Business Intelligence	service industry	501-550th / 61.0
	NEC Netz S.I.	Information and communication industry	551-600th / 60.4
	NEC Nexa Solutions	Information and communication industry	1101-1150th / 56.1
	NEC Aerospace Systems NEW	Information and communication industry	1351-1400th / 54.1
	NEC Fielding	service industry	1501-1550th / 53.2
	NEC Platforms, Ltd.	electronic goods	1651-1700th / 52.2
	NEC Capital Solutions	Other financial services	2251-2300th / 48.3
	NEC Space Technology NEW	electronic goods	2451-2500th / 47.0
	NEC Health Insurance Association NEW	health insurance association	2601-2650th / 46.0
	NEC Livex NEW	service industry	2951-3000th / 43.4
	NEC Network & Sensors NEW	electronic goods	3051-3100th / 42.7

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NEC

\Orchestrating a brighter world