



CSR Report 2017

Fujitsu Group

shaping tomorrow with you

55 With Our People 84 With Our Stakeholders 109 Community Involvement

121 Fujitsu Group Profile 123 Financial & Non-Financial highlights 128 GRI Guideline Comparison Table 124 Editorial Policy

125 Third Party Verification Report

Contents

Top Message	03
The Fujitsu Group's CSR	04
Our Approach to CSR	05
CSR Policy and Promotion Framework	08
Initiatives Promoting Respect for Human Rights	22
SDG-related Activities in Fujitsu	30
United Nations Global Compact	32
External Assessments	33
Management Systems	34
Corporate Governance	35
Compliance	41
Risk Management	46
Information Security	51
With Our People	55
Embracing Diversity and Inclusion	56
Creating Good Working Conditions	65
Occupational Safety and Health and Health Management	71
Human Resource Development and Career Design	75
List of Employee related Indicators	82
With Our Stakeholders	84
With Our Customers	85
Quality Initiatives	92
With Our Suppliers	99
With Our Shareholders and Investors	105
Collaboration with External Parties	107
Community Involvement	109
Approach to Social Contribution Activities	110
Promoting Learning & Education, and	117
Cultural and Sponsorship Activities	112 115
Contributing to Society through Sports International Support and Disaster-Relief	113
Activities	118
Example Activities in FY 2016	119

Fujitsu Group Profile	121
Financial & Non-Financial highlights	123
Editorial Policy	124
Third Party Verification Report	125
CSR Report 2017 GRI Standard Comparison Table	128

FUJITSU GROUP CSR REPORT 2017

03 Top Message 04 The Fujitsu Group's CSR 34 Management Systems

55 With Our People 84 With Our Stakeholders 109 Community Involvement

121 Fujitsu Group Profile 123 Financial & Non-Financial highlights 128 GRI Guideline Comparison Table 124 Editorial Policy

125 Third Party Verification Report

Top Message

Achieving Digital Co-Creation by aligning Fujitsu's approach with common global goals – the UN's Sustainable Development Goals (SDGs)

An approach that integrates CSR and management planning to support businesses offering solutions to social issues

For the Fujitsu Group's continued viability, it is crucial that we bear in mind the future of global society and we undertake a transformation of our management methodologies and corporate systems in order to respond to the expectations of stakeholders. I believe the role of Corporate Social Responsibility (CSR) in this process should be based on the concept of technology making people happier, and in our business activities we must maximize the positive elements and minimize any negative elements.

The trend of digital transformation is accelerating and a core growth strategy for the Fujitsu Group is to realize "connected services", thereby creating global ecosystems that encompass a broad range of stakeholders, including academic institutions, international agencies and other organizations - in addition to our customers. We must flexibly transform our own activities and business approaches to optimize the new value that we create, while aligning our thought processes with other parties on a global level.

In this regard, one critical consideration is the set of common global goals to be achieved by 2030 that was defined by the United Nations as the



President and Representative Director Tatsuya Tanaka

Jatsuya Janaka

Sustainable Development Goals (SDGs). The Fujitsu Group has positioned these SDGs as a key element in realizing its connected services offerings and is focused on a unified viewpoint with stakeholders for Digital Co-Creation that will help to meet these common global targets. Furthermore, the 160,000 members of the Fujitsu Group worldwide share the same objectives and are working through their daily business activities to scale-up the beneficial impacts to customers and society.

To ensure ongoing sustainable operations, the Fujitsu Group supports and is a signatory to the UN Global Compact's 10 principles in the areas of human rights, labor, the environment, and anti-corruption. Our corporate activities are focused on minimizing any negative outcomes for society and we are committed to reviewing and improving our socially responsible activities. In terms of compliance, we have implemented the Global Compliance Program throughout the Fujitsu Group to firmly establish a corporate culture where all executives and managers continue to lead each and every employee around the world in an environment with zero tolerance for any wrongdoing.

In this way, by integrating CSR as an essential part of our management and business practices, we are employing digital transformation to meet the expectations of customers and society, thereby helping to create a more prosperous society for all.

05 Our Approach to CSR 08 CSR Policy and Promotion Framework 22 Initiatives Promoting Respect for Human Rights 33 External Assessments

30 SDG-related Activities in Fujitsu 32 United Nations Global Compact



The Fujitsu Group's CSR

The Fujitsu Way, the corporate philosophy of the Fujitsu Group, advocates that "Through our constant pursuit of innovation, the Fujitsu Group aims to contribute to the creation of a networked society that is rewarding and secure, bringing about a prosperous future that fulfills the dreams of people throughout the world. " We strive to fulfill our responsibilities to society by putting this philosophy into practice.

Our Approach to CSR

Reflecting the Fujitsu Way, Our Corporate Philosophy, in Our Action

Fujitsu began its life in 1935 as a company handling core communications infrastructure such as telephone exchanges. Since then, the ideas and spirit of successive leaders who paved the way for our progress have been condensed and codified in the Fujitsu Way.

For the Fujitsu Group, Corporate Social Responsibility (CSR) means contributing to a sustainable, networked society by working with our customers to resolve a variety of social issues through the practice of the Fujitsu Way.

Our Corporate Philosophy "FUJITSU Way"

The Fujitsu Way facilitates management innovation and promotes a unified direction for the Fujitsu Group as we expand our global business activities, bringing innovative technology and solutions to every corner of the globe.

The Fujitsu Way facilitates management innovation and promotes a unified direction for the Fujitsu Group as we expand our global business activities, bringing innovative technology and solutions to every corner of the globe. The Fujitsu Way provides a common direction for the employees of the Fujitsu Group. By adhering to its principles and values to their daily activities, the employees enhance corporate value and their contributions to global and local societies. (The Fujitsu Way was enacted in 2002 and was revised into its present version in 2008.)

FUJITSU Way

Corporate Vision	aims to contribut	tant pursuit of innovation, the Fujitsu Group e to the creation of a networked society that is cure, bringing about a prosperous future that is of people throughout the world.		Global Citizenship Customer-Centric	We act as good global citizens, attuned to the needs of society and the environment. We think from the customer's perspective and act	
	What we strive for:		-	Perspective	with sincerity.	
	Society and Environment	In all our actions, we protect the environment and contribute to society.	Principles	Firsthand Understanding	We act based on a firsthand understanding of the actual situation.	
	Shareholders We seek to continuously increase our corporate value.	Spirit of Challenge	We strive to achieve our highest goals.			
		Speed and Agility	We act flexibly and promptly to achieve our objectives.			
Corporate	Global Perspective	We think and act from a global perspective.		Teamwork	We share common objectives across organizations, work as a team and act as responsible members of the team.	
a l	What we value:					
	Employees	We respect diversity and support individual growth.		We respect hum	an rights.	
Values	Customers	We seek to be their valued and trusted partner.	Code		all laws and regulations.	
	Business Partners	We build mutually beneficial relationships.	ofC		ness in our business dealings.	
	Technology	We seek to create new value through innovation.	Conduct	 We protect and respect intellectual property. We maintain confidentiality. 		
	Quality	We enhance the reputation of our customers and the reliability of social infrastructure.	÷.	We do not use of	ur position in our organization for personal gain.	

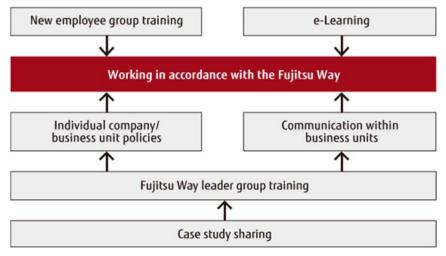
Promoting Group-wide Dissemination

Each Fujitsu Group company president or business unit head nominates Fujitsu Way leaders, who disseminate the Fujitsu Way to its all employees.

Cooperating with their respective presidents and business unit heads, the Fujitsu Way leaders plan appropriate activities in alignment with their business strategies. Through dialogs on the Fujitsu Way, the Fujitsu Way leaders help their colleagues to understand the relation between their daily work and the Fujitsu Way.

As of March 2017, approximately 300 Fujitsu Way leaders are working to disseminate the Fujitsu Way message in organizations across the Fujitsu Group, including subsidiaries in Japan and abroad. By taking surveys of conditions at home and overseas, the leaders also share information with each other on their progress in their respective organizations.

Fujitsu's framework for dissemination activities



Fujitsu Way Leader Training

In FY2016, approximately 40 newly appointed Fujitsu Way leaders gathered at the Numazu Plant for a training session. Over the course of the session, the new leaders visited the Fujitsu DNA Exhibition Hall^{*1} for a look back at the history of the Fujitsu Group, gained a fuller understanding of the concepts at the heart of the Fujitsu Way, and learned ways of solving issues that can arise in day-to-day operations. The participants also shared best practices for dissemination in their organizations and exchanged ideas to revitalize activities.

In FY 2016, like last fiscal year, we also offered a training program for approximately 20 prospective Fujitsu Way leader candidates. To develop capabilities to follow the Fujitsu Way, the participants searched for the relationships between their own visions and the Fujitsu Way to contribute to society through organizational activities. Each participant learned the importance of a spirit of challenge in becoming a person who contributes to society while also realizing individuality.

*1 Fujitsu DNA Exhibition Hall:

The hall displays records of the history of Fujitsu and the activities of our forerunners, along with the products that are their achievement. Occupying approximately 3,000 m of space in the Numazu Plant, this Fujitsu training facility is a space to learn the values and spirit Fujitsu has treasured, to experience the unique Fujitsu qualities created by our predecessors, and to help develop the next generation.

30 SDG-related Activities in Fuiitsu 32 United Nations Global Compact



Study tour



Training session

Workshops outside Japan

In FY 2016, building on last year's activities, we held Fujitsu Way and brand workshops in Vietnam, China (Beijing, Shanghai, and Hong Kong), Taiwan, and South Korea.

Each workshop welcomed around 210 participants, including executives in personnel, sales, and engineering, to re-engage with the basic thrust of the Fujitsu Way, the brand promise (shaping tomorrow with you), Qfinity activities (PDCA-based improvement activities), and how the Fujitsu Way ties into various elements. Operating on that common ground, the participants reaffirmed their roles as Fujitsu Group employees, took inventory of their own positions, and embarked on new quests to "shape tomorrow."



Workshop abroad

Communicating the Fujitsu Way

The cards and booklets explaining the Fujitsu Way are distributed to all employees around the world, and posters are distributed to offices. An e-Learning course on the Fujitsu Way is always available in 16 languages (as of March 2017, approximately 160,000 employees have taken the course). New employees have opportunities to take e-Learning courses and group training programs, as well. Fujitsu also delivered the Fujitsu Way card data format so that each business unit head could easily communicate with employees about goals in relation with the Fujitsu Way, our corporate philosophy.

A video message from Chairman Yamamoto talking about the Fujitsu Way is also available on our corporate intranet.

From time to time, President Tanaka also emphasizes the importance of the Fujitsu Way in his messages to all employees.

Through these efforts to communicate the Fujitsu Way, the Fujitsu Group is determined to spread the core concepts and give the entire Fujitsu family a clear picture of what the Fujitsu Group is aiming for, how it plans to get there, and how employees are called to contribute to that initiative.



Fujitsu Way card



Fujitsu Way on smart phone

05 Our Approach to CSR 08 CSR Policy and Promotion Framework 22 Initiatives Promoting Respect for Human Rights 33 External Assessments

30 SDG-related Activities in Fuiitsu 32 United Nations Global Compact

CSR Policy and Promotion Framework

To Advance CSR Activities as an Integral Part of Business

In December 2010, the Fujitsu Group established a corporate social responsibility (CSR) policy and determined five priority issues around which it will focus its CSR practices.

Based on this CSR policy, the Group will focus on five priorities in a more forceful response to the multiple needs and expectations of stakeholders so as to contribute to the sustainable development of society and the planet, discharging its responsibilities as a truly global ICT company. In addressing the priority issues, Fujitsu will set short- and medium-term objectives and follow the PDCA cycle in making actual progress.

Regarding these priority issues, we have set Medium-Term Targets to be achieved in FY 2020, and are steadily advancing initiatives through periodic reviews by the CSR Board Meeting and the CSR Promotion Committee.

The Fujitsu Group leverages the framework of ISO26000, the international standard for social responsibility, and follows a PDCA cycle that begins with an annual survey of Group companies.

Looking ahead, we will disclose and share our progress within and outside the company, and will move forward with CSR activities that are an integral part of management.

*1 The Fujitsu Group's Stakeholders:

The Group sees its customers, employees, business partners, shareholders and investors, and global and local communities as its stakeholders. Government authorities, NPOs, and NGOs are particularly important stakeholders in these global and local communities.

CSR Policy

CSR at Fujitsu is practiced by implementing the Fujitsu Way. In all its business activities, by implementing the Fujitsu Way in light of the expectations and needs of multiple stakeholders, the Fujitsu Group contributes to the sustainable development of society and the planet. Our CSR initiatives focus on the five challenges below.

In addressing these challenges, we demonstrate a commitment to responsible business operations as a global ICT company.

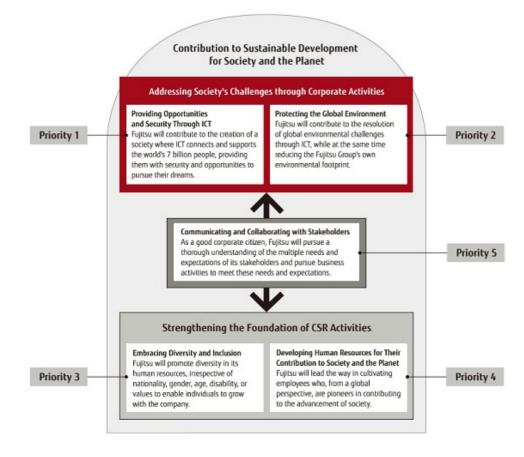
Key CSR Issues

Within the Fujitsu Group, the basic strategy working group established in 2012 by the CSR Promotion Committee conducted interviews with outside experts regarding the expectations and demands on Fujitsu, based on an awareness of international CSR norms and global social issues. The working group then formulated five key challenges in its basic CSR guidelines.

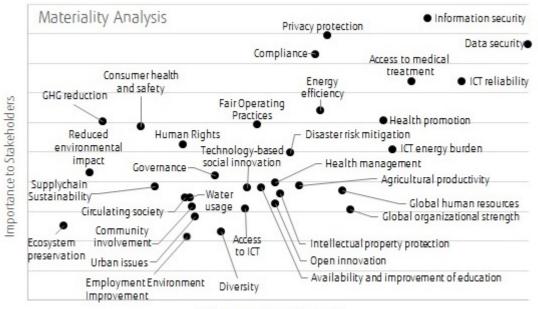
To update these guidelines in FY2016, an internal survey (targeting unit heads and higher) was conducted with the aim of identifying Group-wide issues. The survey was based on a list of issues compiled from changes in the business environment and the latest international trends in sustainability. At the same time, dialogue sessions with outside experts were again held to clarify the expectations and demands on Fujitsu and key areas were identified from both internal and external perspectives.



Mitsuya Yasui Corporate Executive Officer



Going forward, we will be working to finalize and integrate the key issues for the entire Group, as well as selecting KPIs that will be effective in boosting corporate value.



Significance to Fujitsu Group

CSR Activity Targets and Achievements

The Fujitsu Group conducts CSR activities in line with 5 priority issues, with the aim of meeting its medium-term targets for 2020.

Levels of Performance

- $\star \star \star$: Achieved plan targets
- $\star\star$: Not all plan targets were achieved and some issues remain to be addressed
- : Plan targets have not been achieved \star

Basic CSR Management

Targets and Achievements

Category	FY 2016 Targets	FY 2016 Performance		FY 2017 Targets	Medium-Term Targets (FY 2020)
Promoting CSR Activities Across the Group	 Review key issues and determine new policies, based on materiality assessment. Enhance the CSR Board Conferences and the Local Execution Personnel Meetings. 	 Reviewed key issues and determined policies for CSR activities based on materiality assessment. Held CSR Board Conferences and implemented resolutions made by Local Execution Personnel and Local Representatives. 	* *	 Formulate KPI and promote related activities based on the new CSR policies. Enhance the CSR Board Conferences and the Local Execution Personnel Meetings. 	 We have CSR management processes in place across the Group and implement CSR initiatives in line with global standards, including those for value chains.
Implementi ng the PDCA Cycle Based on Our Vision	integrated reports.	 Issued Integrated Report 2016. Held human rights workshops in Europe and Japan. Joined the EICC and began implementing CSR management based on the EICC Code of Conduct. 	* * *	 Enhance the integrated reports. Improve and execute internal processes based on international norms and industry standards. 	 We work continuously to bring our CSR efforts to the next level by setting shared short and medium-term targets for the entire Group and utilizing the PDCA (plan, do, check, act) cycle.
CSR Penetration and Execution	 Enhance the CSR community within the Group, including global sites. Further enhance information transmission by utilizing the internal website. Continue improving CSR dissemination methods such as lectures. 	 Launched the CSR Community Site to promote information sharing within the Group, including global sites. Held a briefing and lecture on Integrated Report 2016. Held internal workshops on business from the perspective of social issues and bolstered internal understanding of SDGs. 	* *	 Enhance the CSR community within the Group, including global sites. Further enhance information transmission by utilizing the internal website. Continue improving CSR dissemination methods such as lectures. 	 Fujitsu Group employees take it upon themselves to promote CSR with a comprehensive view to economic, environmental, and social dimensions.

Priority 1 Providing Opportunities and Security Through ICT

Targets and Achievements

Category	FY 2016 Targets	FY 2016 Performance		FY 2017 Targets	Medium-Term Targets (FY 2020)
Providing New Values Through ICT	 Expand examples for solving social issues through means including the use of computers. Expand solutions related to core areas in Japan and overseas. 	 Developed a supercomputer for deep learning applications geared toward solving social issues through artificial intelligence. Expanded solutions for preventing and reducing disasters and traffic issues in and out of Japan. Collaborated with the United Nations Development Programme and Tohoku University to build a database for reducing damage caused by natural disasters and provided ICT technologies for improving administrative capabilities for disaster prevention. 	* *	 Expand efforts to solve social issues in Japan and abroad in hopes of achieving SDGs. Expand solutions related to core areas in Japan and overseas. 	 We are using global cutting-edge computing to generate simulations of the future, and employing them to help solve an array of tough problems like climate change, resource shortages, and disaster damage. In addition, we are globally deploying ICT-enabled solutions for various issues affecting cities, food, medicine, education, and more.
Increasing ICT Accessibility	precedents	 Released Al-driven multilingual versions of meeting support systems for those with hearing disabilities. Added new business and field pilot projects in countries in Southeast Asia, the Middle East, and so on, including disaster prevention, agriculture, and transportation issues. 	* * *	 Expand business precedents incorporating Universal Designs. Expand solutions- oriented businesses in emerging countries. 	 So that as many people as possible in the world can leverage ICT to pursue their potential, we are opening doors to cyber society, providing devices and interfaces that are easy to use for all, and offering systems supporting ICT deployment to developing countries.

30 SDG-related Activities in Fujitsu 32 United Nations Global Compact

Category	FY 2016 Targets	FY 2016 Performance		FY 2017 Targets	Medium-Term Targets (FY 2020)
Reliability and Security through ICT	 Further implement security training thoroughly. Deepen coordination with the government and international institutions. Complete implementation of a communication platform in desired locations of Fujitsu Group companies overseas. Further expansion of solutions based on in-house adoption 	, , ,	*	 Further implement security training thoroughly. Deepen coordination with the government and international institutions. Further expansion of solutions based on in- house adoption. 	 We deliver reliability and security through the stable operation of ICT systems, the infrastructure underpinning economic and social activity. Further, we provide ICT solutions to realize highly secure environments where personal and proprietary information is protected.

Priority 2 Protecting the Global Environment

Targets and Achievements

Category	FY 2016 Targets ^(*1)	FY 2016 Performance		FY 2017 Targets ^(*1)	Medium-Term Targets (FY 2020)
Our Society	 Contribute to sustainable development of society through provision of ICT services. Achieve top-level energy efficiency of more than 50% of the newly developed products. 	 Published 9 case studies after holding discussions with customers to help push SDGs progress. Achieved top-level energy efficiency of 71%. 	* * *	 Contribute to sustainable development of society through provision of ICT services. Achieve top-level energy efficiency of more than 50% of the newly developed products. 	See the link below for more information on Fujitsu's mid/long-term targets for Priority 2. <u>http://</u> www.fujitsu.com/ global/about/ environment/ approach/ vision/
Our Business	 Reduce greenhouse gas emission over 5% compared to FY 2013 by the end of FY 2018. Reduce CO₂ emissions per sales from transport over 2% each year. Increase usage of renewable energy to at least 5.5% of total usage. 	 Reduced by 9.4% compared to FY 2013. Reduced by 3.4% compared to FY 2015. Increased usage to 5. 2%. 	*	 Reduce greenhouse gas emission over 5% compared to FY 2013 by the end of FY 2018. Reduce CO₂ emissions per sales from transport over 2% each year. Increase usage of renewable energy to more than 6% of total usage by the end of FY 2018. 	

(*1) All items in the Fujitsu Group Environmental Action Plan (Stage VIII):

http://www.fujitsu.com/global/about/environment/approach/plan/

Priority3 Embracing Diversity and Inclusion

Targets and Achievements

30 SDG-related Activities in Fujitsu 32 United Nations Global Compact

Category	FY 2016 Targets	FY 2016 Performance		FY 2017 Targets	Medium-Term Targets (FY 2020)
Helping Individuals Flourish	 Expand continuous "talent management" for female employees from their early years of employment, aiming to support their promotion to management positions. 	 Promoted measures to support the active participation of female employees at each level - Implemented "Female Leadership Development Program" (53 students). Held a trial career workshop for female employees (12 participants). Hosted career development support seminars (3 times). Hosted events per demographic segment to support the success of employees with disabilities, foreign employees, and employees in childcare and nursing (Also aimed at domestic group companies). Hosted seminar for managers supervising employees caring for children. (Also aimed at domestic group companies.) Fujitsu: - Ratio of female managers: 5.24% Ratio of employees with disabilities: 2.00% 	* * *	 Expand continuous talent management from a young age to nurture more female senior staff, etc. 	 Fujitsu is creating workplaces in which employees recognize each other, and can exhibit the full added value they possess to contribute to the organization.
Promoting a Work- Life Balance	 Expand support measures for transforming work styles for each individual employee. 	 Results of each system's use in the Fujitsu Group: Employees using child- care leave: 336. Male employees taking paternity leave: 482. Held a workshop on "Transforming Work Styles through Digital Technology." 	* *	 Expand support measures for transforming work styles for each individual employee. 	 We are helping every employee to achieve a work-life balance and maintain a mutually beneficial relationship with society.

Priority4 Developing Human Resources for Their Contribution to Society and the Planet

Targets and Achievements

Category	FY 2016 Targets	FY 2016 Performance		FY 2017 Targets	Medium-Term Targets (FY 2020)
Working to Develop Employees Who Can Support a Truly Global ICT Company	training programs in	 Systematically carried out training programs to develop next- generation business leaders (77 participants). * Long-term training includes persons currently in classes 	\sim	 Implement various training programs in the next-generation business leaders development program system. 	 We are contributing to the advancement of society by fostering business leaders that can balance the pursuit of business strategies with the creation of social value. Every employee grasps and acts in accordance with our corporate philosophy to create new value for society.

Priority5 Communicating and Collaborating with Stakeholders

Targets and Achievements

Category	FY 2016 Targets	FY 2016 Performance		FY 2017 Targets	Medium-Term Targets (FY 2020)
Stakeholder Communic ations	2	 Participated in events (domestic/international) and held lectures to showcase Fujitsu's CSR activities. Developed measures for encouraging information sharing among Group companies, including overseas companies. Engaged regularly with local residents and companies for neighborhood development (69 times). 	* * *	 Reconsider global CSR communication. Engage regularly with local residents and companies for neighborhood development. 	 We have forged relationships built on trust with diverse stakeholders by maintaining mutual lines of communication.

30 SDG-related Activities in Fujitsu 32 United Nations Global Compact

Category	FY 2016 Targets	FY 2016 Performance		FY 2017 Targets	Medium-Term Targets (FY 2020)
Collaborat ion With Stakehold ers	 Relationship-building with local governments, NGOs, international organizations, and other diverse stakeholders through our main business, and initiatives to resolve social issues aimed at achieving the sustainable development goals (SDGs) promoted by the UN. 	 Implemented the following activities to make progress toward SDGs together with stakeholders. Identified key SDG goals for Fujitsu to pursue Sponsored an SDG workshop with the World Business Council for Sustainable Development (WBCSD) Launched a joint project with the United Nations Development Programme (UNDP) and the International Research Institute of Disaster Science at Tohoku University to help reduce the damage caused by disasters 	* * *	 Relationship-building with local governments, NGOs, international organizations, and other diverse stakeholders through our main business, and concrete initiatives to resolve social issues aimed at achieving the sustainable development goals (SDGs) promoted by the UN. 	 Fujitsu Group employees practice optimal collaboration with stakeholders in delivering value which meets society's needs.
Harmony with Society	 Promote horizontal expansion and activation throughout the group through social contribution activity incentives and announcements. Continuously implement social contribution programs as follows: Expand the internal database of social contribution activities and improve precision. Promote various measures for encouraging volunteer activities. 	 Horizontally expanded throughout the group through social contribution activity incentives and announcements. Continuously implement social contribution programs as follows: Expand the internal database of social contribution activities and improve precision. Number of registrations in FY2016: 912 Promote various measures for encouraging volunteer activities. 	* *	 Promote horizontal expansion and activation throughout the group through social contribution activity incentives and announcements. Continuously implement social contribution programs as follows: Expand the internal database of social contribution activities and improve precision. Promote various measures for encouraging volunteer activities. 	 Most employees take part in social contribution activities that leverage their strengths.

Organization Promoting CSR

Strengthening the Global CSR Governance Structure

From April, 2015, to promote and disseminate Fujitsu Group's global CSR activities, we are enhancing our governance structure. Specifically, we have established a "CSR Board Meeting" as a platform for the heads of four regions*2 to provide their opinions and discuss regional issues, policies and initiatives implemented by Liaison Delegates (LDs) and at the individual office level. Furthermore, the Fujitsu Group has newly established a "CSR Global Community". This will be utilized as global communication platform, such as sharing information approved by the CSR Board Meeting, promotion of CSR initiatives by individual themes in coordination with related departments, and sharing of good practices within the group. Through both top-down and bottom-up approaches, the Fujitsu Group will promote cross-regional CSR activities.

*2 Four regions: EMEIA: Europe, Middle East, India, and Africa, America, Asia (including Japan), Oceania

Fujitsu Group 3rd CSR Board Meeting



Heads of region and Liaison Delegates



Corporate Executive Officers and members of the relevant departments from headquarters

Today, the social responsibility borne by global companies has become a shared theme in countries and regions around the world, and we must earnestly align ourselves more closely with global standards in order to achieve the rapid globalization of business. At the third CSR Board Meeting held in April 2016, the following initiatives were discussed.

Key Acknowledgements Approved at the 3rd CSR Board Meeting

Approved Item	Policy / Measures
Group management (Human rights/labor-related)	Report on the adoption of a human rights due diligence process (including the status of the implementation of e-learning based on a "Business and Human Rights" workshop held in the U.S. in collaboration with Shift, a U.S. human rights NGO, as well as on the UN Guiding Principles on Business and Human Rights)
Supplier management (CSR procurement-related)	Initiative aimed at EICC members • Step 1: Formulation of plans for self-assessment questionnaire (SAQ) / auditing • Step 2: Risk evaluation at Fujitsu / suppliers • Step 3: Implementation of inspection / remediation measures at high-risk FGCs / suppliers
Information disclosure (reporting)	Issuing/distribution of CSR reports and integration reports based on international guidelines and frameworks
Implementation of CSR activities in regional areas	Regional updates and expectations / demands regarding CSR activities issued to Head Office, etc.

CSR Promotion Committee

To promote CSR management across the entire Fujitsu Group, the CSR Promotion Committee has been established under the chairmanship of the Corporate Executive Officer (EVP, Head of Legal, Compliance & IP Unit) and with administrative support from the CSR Division. The Committee sets key performance indicators (KPI), communicates CSR information, and holds regular reviews of Fujitsu's business as well as new examples of our social contribution activities and the status of our business and a sustainable society.

Implementing CSR Activities Utilizing ISO 26000

Strengthening Global CSR Management in the Fujitsu Group

In order to engage in CSR activities integrated with management, since FY 2012 the Fujitsu Group, along with the major departments below, have conducted CSR surveys based on ISO 26000, the international standard for social responsibility, aimed at Group companies in Japan and overseas.

The purpose of this monitoring is to ensure that our two initiatives of risk mitigation and value creation are taken up at all Group companies. First, in terms of risk mitigation, we will establish prevention and correction processes (due diligence) to minimize the effects of latent human rights and labor practice risks, including in our supply chain, which may negatively impact our corporate value. And, in terms of value creation, we contribute to solving issues facing regional societies, while maximally leveraging Group resources and undertaking activities conducive to generating value in the entire Group.

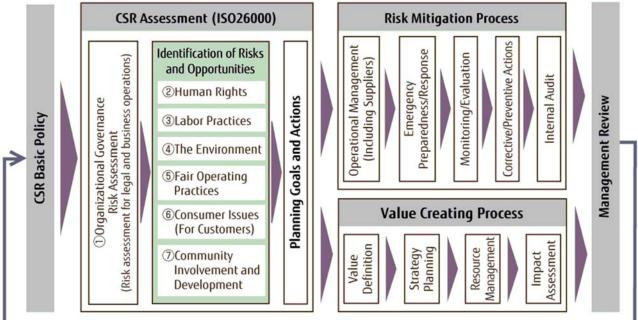
ISO 26000 (The seven core subjects)	Department(s) in charge					
Organizational Governance	FUJITSU Way Office, CSR Division, Corporate Affairs and Risk Management Unit					
Human Rights	Diversity Promotion Office					
Labor Practices	Human Resources Unit					
The Environment	Corporate Environmental Strategy Unit					
Fair Operating Practices	Legal, Compliance & IP Unit, Corporate Purchasing Unit					
Consumer Issues (for customers)	Marketing Strategy Unit, Corporate Affairs and Risk Management Unit, Corporate Quality Management Unit					
Community Involvement and Development	Corporate Affairs and Risk Management Unit					

ISO 26000 Project Organization (Project office: CSR Division)

In FY 2017, we are following up on the previous year's efforts by implementing a CSR management system for Group companies, structured as shown below. Specifically, while assessing the expectations and demands toward issues by each company's stakeholders, we will implement autonomous and continuous improvement processes through the CSR management system in each company in cooperation with the major departments listed above by supporting the formulation of goals and action plans, as well as the execution of initiatives aimed at those issues.

Chart Showing CSR Management System Operation

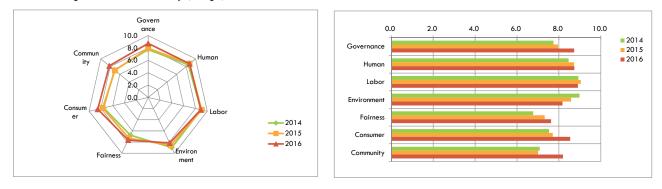
CSR Management System Plan \Rightarrow Do \Rightarrow Check \Rightarrow Action



Continuous Efforts and Future Development of CSR Surveys based on ISO26000

Following on from last year, we are conducting our 5th CSR (ISO26000)/Governance Survey at 101 key Fujitsu Group companies both inside and outside Japan (75 Japanese and 26 overseas companies). As this is the fifth year of undertaking this survey, and following discussions with the major departments mentioned above, the content of the questions this year was revised to better ascertain the actual status of CSR activities and to more clearly identify the problems that must be addressed in the future. In particular, having identified issues with activities in areas such as "Community", "Governance" and "Environment" at many Asian companies in previous surveys, we are confirming the results at each company by conducting interviews, etc. We are also working to enhance CSR activities that are synchronized with the individual measures for each of the major departments.

Making use of this survey, we will continuously scrutinize management issues in accordance with the status of each Group company and based on the 7 core subjects of ISO26000. In addition, while constructing a PDCA cycle for headquarters and Group companies, we will progress the organization of the CSR promotional framework throughout the Group.



Secular Changes in the Entire Group (image)

Survey Results by Theme (image) (Example below covers "Human Rights" and "Labor Practices")

2.Hum	an Rights (Diversity)		2.Huma	n Rights	(Dive	rsity)	-		1			
2-1	Promotion of Human Rights					2-1	-	(
2-2						2-2	-					
2-3	Accurate Grasp of Current Situation Concerning Human Rights				-	2-3			-			
2-4	Prohibition of Discrimination	1				2-4						
2-5	Promotion of Career Opportunities for Women		-			2-5		1				
2-6	Prohibition of Child Labor and Forced Labor					2-6		100				
2-7	Redress System					2-7						
3.Labo	or Practices (Diversity)	3.	Labor P	ractices	(Dive	rsity)	1					
3-1	Fair Employment					3-1						
3-2	Compliance with International Labor Standards(SA8000 etc)					3-2						
3-3	Childcare Leave					3-3						
3-4	Labor Environment Suited for the Local Community					3-4						
3-5	Fair Overtime Work					3-5						
3-6	Dialog Involving Labor and Management	1				3-6						
3-7	Occupational Health and Safety management system					3-7						
3-8	Mental Health					3-8					÷.	
3-9	Human Resource Development					3-9						

Initiatives Promoting Respect for Human Rights

Our Approach to Global Human Rights

Guiding Principles in Our Efforts to Promote Respect for Human Rights

The shared values articulated in the Code of Conduct of the FUJITSU Way are guidelines for each employee to comply with in conducting daily business operations. Prime among them is "We respect human rights," a principle that underpins all our corporate and individual activities and disciplines the actions of every member of the Group.

To promote activities that respect human rights in accordance with the Fujitsu Way Code of Conduct, Fujitsu has created the "Fujitsu Group Human Rights Statement" and the "FUJITSU Guiding Principles of Respect for Human Rights in Employment," Fujitsu has publicly announced its support for the ten principles of the United Nations Global Compact*1 based on universal principles regarding human rights and rights at work, such as the "Universal Declaration of Human Rights," and the International Labour Organization's (ILO) "Declaration on Fundamental Principles and Rights at Work," and will continue to move forward with management that places a high priority on human rights.

*1 Ten principles of the United Nations Global Compact:

Ten principles in the areas of human rights, labor practices, the environment, and anti-corruption, that corporations should uphold.

Fujitsu Group Human Rights Statement

Fujitsu announced "Fujitsu Group Human Rights Statement" in December 2014, and aims to promote the following initiatives. The statement has been translated into 21 languages including Japanese and English. Fujitsu aims to disseminate the statement to all group companies.

The advancement of global economy and digital society enlarges the sphere of business influences on people and society. In this circumstance, we develop the Fujitsu Group Human Rights Statement in order to continuously strengthen the activities to respect human rights in accordance with the FUJITSU Way. We will strive to pursue the responsibility to respect human rights under the global matrix structure.

30 SDG-related Activities in Fuiitsu 32 United Nations Global Compact

Fujitsu Group Human Rights Statement

The Fujitsu Group ("FUJITSU") is committed to respecting human rights of all stakeholders related to our business operations, products and services ("activities") in accordance with the FUJITSU Way, which embodies the philosophy of FUJITSU and the values and principles that we follow in our daily activities. This document summarizes FUJITSU's position on key human rights issues based upon the FUJITSU Way's code of conduct statement "We respect human rights."

1. Global Approach

Our business approaches to human rights recognize the importance of international standards, especially the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economics, Social and Cultural Rights, and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. We are committed to comply with local laws and regulations protecting human rights in our activities. Where local laws and regulations are not fully consistent with the principles of internationally recognized human rights, we will seek ways to advance those principles in a manner respectful of local requirements.

2. Human Rights Due Diligence

Recognizing the United Nations Guiding Principles of Business and Human Rights, we are striving to conduct human rights due diligence. Considering the impacts human rights violation can cause, we will prioritize appropriate actions to identify, prevent or mitigate those impacts in our value chains. We will regularly review and update the progress on our efforts, and annually communicate the results through our CSR report and other communication tools. Where we identify that we have caused or directly contributed to adverse human rights impacts, we would engage in appropriate remediation processes by ourselves or in cooperation with other stakeholders.

3. Responsibilities as an ICT Company

ICT penetrates into every corner of human society, and can empower people by delivering information that can aid their actions and judgments. As a leading ICT provider, we strive to leverage the power of ICT to have a positive impact on human rights, although we recognize the negative impacts that ICT may cause in our rapidly changing environment. We will engage with our stakeholders on emerging issues, such as data security and privacy, in furtherance of our responsibilities as an ICT provider.

4. Embedding Human Rights

We will continuously conduct awareness-raising efforts about the responsibility to respect human rights within FUJITSU in accordance with the FUJITSU Way. We value stakeholder collaborations and a culture of diversity and inclusion to contribute to the sustainable development of society and to help us promote innovation.

FUJITSU Guiding Principles of Respect for Human Rights in Employment

In the "FUJITSU Guiding Principles of Respect for Human Rights in Employment," Fujitsu is thoroughly commited to providing equal opportunity, respecting human rights in employment practices, eliminating discrimination, and banning forced labor and child labor.

FUJITSU Guiding Principles of Respect for Human Rights in Employment (Full Text)

With a view to realizing our growth and profits, respect for human rights must be an integral part of our business culture. FUJITSU is committed to creating a culture in which employees respect the dignity and worth of individuals.

To this end, FUJITSU will strive to foster respect for human rights in all the countries and regions where we operate our business while providing an environment that encourages employees to understand and realize importance of human rights.

1. Equal Employment Opportunity and Respect for Human Rights

FUJITSU strives to provide equal employment opportunities.

FUJITSU is committed to treat our employees with no illegal discrimination based on race, color, religion, creed, sex, social status, lineage, physical or mental disability, sexual orientation and any other legally protected category that is unrelated to the legitimate interests of FUJITSU.

- 2. Compliance with Employment Laws and Regulations FUJITSU adheres to the applicable laws and regulations of the countries and regions in which it operates in treating our employees.
- 3. Prohibition of Forced Labor / Child Labor FUJITSU will not use any form of forced or compulsory labor.

4. Work Environment

FUJITSU strives to achieve and maintain a healthy and safe work environment that motivates its employees.

Building a Human Rights Due Diligence Scheme and Related Activities

In accordance with the above Fujitsu Group Human Rights Statement, the Fujitsu Group is engaged in the construction of a Human Rights Due Diligence Scheme that identifies the human rights impacts of our business activities throughout the entire global value chain, as well as prevents and mitigates any negative impacts.

In FY2016, Fujitsu held workshops targeted at relevant staff in Fujitsu and in the European region. The workshops were intended to promote greater understanding of human rights and to allow discussion of issues relating to human rights in the Fujitsu Group. Based on the outcomes of those workshops, we undertook the activities shown below to address human rights issues and the significant impact they have on Fujitsu Group business practices.

Areas	Human rights	Main activities in FY2016		
	issues			
Supply chain	Work	\cdot Written survey of approximately 500 major Japanese and international suppliers to check		
	environment /	on the status of their implementation of CSR activities, including measures to address		
	conflict minerals	conflict minerals and respect for human rights		
		 CSR implementation audit of 12 overseas suppliers to our suppliers 		
		\cdot CSR procurement workshop held by Fujitsu Group procurement staff to promote greater		
		understanding and cooperation		
		\cdot Fujitsu Group joined the Electronic Industry Citizenship Coalition (EICC), a global CSR		
		alliance		
Employees	EmployeesDiscrimination• Written survey of 100 domestic and overseas Group compare			
	and harassment	standard to check on the status of initiatives promoting respect for human rights		
	/ working hours	\cdot Posters distributed in domestic and overseas Group companies to promote broader		
		familiarity with our human rights statement		
		\cdot " Business and Human Rights" e-learning program initiated for all employees, with more		
		than 100,000 people worldwide completing the course		
Customers and	Privacy and	ullet Relevant internal departments and working groups coordinated to begin investigations		
end-users	data security			

In FY2017, we will continue to exchange ideas with experts around the world and will cooperate on a global level to implement specific measures to address human rights issues in the company while further progressing the development of our Human Rights Due Diligence Scheme.

Framework for Canvassing Opinions in Our Efforts to Promote Respect for Human Rights

We have been operating the Fujitsu Alert/Compliance Line to handle reports and provide consultations for all Fujitsu Group employees (including seconded, contracted, part-time or other short-term employees as well as temporary staff).

In August 2009, the Fujitsu Group also established the Supplier Compliance Line as a channel to receive reports from suppliers regarding any actions that are potential or actual instances of non-compliance in our purchasing activities.

Whistleblowing Hotline

- http://www.fujitsu.com/global/about/csr/management/compliance/
- Supplier Compliance Line (only in Japan) http://www.fujitsu.com/jp/about/csr/management/compliance/complianceline/index.html

30 SDG-related Activities in Fuiitsu 32 United Nations Global Compact

Communicating the Fujitsu Group Human Rights Statement Within the Company

In order to communicate the Fujitsu Group Human Rights Statement throughout the company, we created posters timed with Human Rights Day on the theme of "Business and Human Rights," and posted these at approximately 230 sites in Japan and overseas.

In addition, to increase awareness of human rights issues among all our employees, we developed an e-learning program for all employees with regard to "business and human rights". Some 100,000 employees in Japanese and overseas Group companies completed the course by the end of FY2016, and in FY2017 we plan to continue rolling out the program to all remaining staff.



"Business and Human Rights" poster (Pattern 1 at left, Pattern 2 at right)

Initiatives for Preventing Forced Labor and Child Labor

The Fujitsu Group has stipulated that it will not use forced labor or child labor. In FY2016, we conducted a written CSR survey based on the ISO26000 standard among our 100 related companies in and outside Japan. Through that survey, we confirmed information on initiatives for the prevention of forced labor and child labor.

We also make our business partners aware of the Fujitsu Procurement Guideline, which includes provisions on the elimination of forced labor and child labor. In FY2016, we asked our approximately 500 primary suppliers to complete a written survey on the status of CSR initiatives, including steps for the elimination of forced labor and child labor.

- Basic Policy on CSR (CSR activities applying ISO26000) http://www.fujitsu.com/global/about/csr/vision/iso26000/index.html
- With Our Suppliers http://www.fujitsu.com/global/about/csr/society/procurement/index.html

Initiatives to Promote Respect for Human Rights in Japan

Organizational Structure and Reform Process for Human Rights

In the Fujitsu Group, we implement activities to promote human rights awareness through the Human Rights Promotion Committee, which is chaired by the board member in charge of human resources. Regional human rights promotion committees comprised of regional workplace representatives act as implementation organizations, and group companies have established similar committees. The head office of the Human Rights Promotion Committee regularly checks on the status of activities and issues at regional and group company human rights promotion committees. Findings are used by Human Rights Promotion Committees to summarize activities and set directions for the pursuit of ongoing, systematic education and training.

Human Rights Promotion Structure

Human Rights Promotion Committee Committee chair: HR Board member Committee members: Chairs of the regional human rights promotion committees Head office (Diversity Promotion Office) (Regional) Human Rights **Promotion Committees** Committee chair: Plant manager, branch manager, or equivalent Committee members: Workplace representatives, **HR** Division line managers

Initiatives led by the Human Rights Promotion Committee



Framework for Canvassing Opinions in Our Efforts to Promote Respect for Human Rights

In an effort to create an environment where each individual employee can work with peace of mind and fully exercise their capabilities, the Fujitsu Group has established internal consultation services to which employees may bring their human rights concerns. These services have been established in each region as well as at our headquarters to make it easy for employees to raise their human rights concerns. Contact information for human rights consultation services are posted on our intranet and made known to employees via posters, training sessions, etc., and regular training is held for personnel engaged in the provision of consultation services, so that they can perform their roles appropriately.

The personal information and privacy of employees who make use of the consultation services are protected, enabling employees to seek advice on matters like relationships with coworkers, harassment, and troubles and doubts concerning human rights, and ensure the consultation services are able to help improve workplace environments. Matters brought to the attention of consultation services are reported - with proper precautions to protect personal information and privacy - to Human Rights Promotion Committees and regularly communicated

to corporate auditors. This is done to monitor use of the consultation services and to use information on the reported matters to prevent recurrences.

Human Rights Consultation Service

Group Consultation Service

Receives consultations from all business sites

Regional Consultation Services

Established as consultation services in closer proximity to employees

Names and contact information for consultants are clearly communicated to employees, so they can choose a service to consult.

Activities Undertaken as Initiatives to Promote Respect for Human Rights

Training and Education Regarding Human Rights

Findings are used by Human Rights Promotion Committees to summarize activities and set directions for the pursuit of ongoing, systematic education and training. There are training programs that all employees attend when joining the company and upon promotion, as well as other training programs held year-round. At the training programs, various human rights issues are discussed, such as Buraku discrimination, workplace harassment, understanding of LGBT issues, and human rights issues in business execution. In FY2016, a total of 14,375 employees attended these group training programs. The Fujitsu Group also provides an e-learning program for all group employees and actively engages in initiatives such as a variety of training programs and events held outside the company...

Human Rights Seminar for New Group Officers

To instill a corporate culture that respects human rights, Fujitsu believes that it is crucial for the top management to understand human rights. Newly appointed officers attend a seminar to study corporate activities based on international human rights standards. In FY2016, approximately 70 officers, including those from Group companies, attended this seminar.

Various Awareness-Raising Activities

In conjunction with Human Rights Week every December, we hang posters on human rights awareness and hold a contest in which employees and their families devise slogans on human rights awareness. In FY2016 we received 6,398 submissions across the company, and gave commendations for excellent works at each site. We also submitted representative works to a slogan project by the Industrial Federation for Human Rights, Tokyo, and received awards for excellence from among the 553,213 submissions received by the organization in FY2016.

In addition, through actions such as distribution of human rights promotion leaflets to all employees, we work to foster an environment in which everyone can think about and discuss human rights to promote respect for human rights in households and local communities with connections to the Fujitsu Group.

Understanding gender diversity -- creating workplaces friendly to LGBT workers and other sexual minorities --

To create an environment where everyone can work and exhibit their capabilities to the fullest, Fujitsu has taken measures to increase understanding of gender diversity (LGBT, etc.).

In FY2016, the key message issued to all Fujitsu Group employees was to build workplace environments that are also welcoming to LGBT workers as we aim for greater diversity and inclusion. In Japan, the scope of internal systems, such as congratulatory or condolence payments and vacation and sick leave, was expanded to also include same-sex partners.



While we have been working to raise company-wide recognition levels by conducting human rights training and distributing leaflets, we are also holding "LGBT + Ally" meetings where staff can meet with a range of LGBT supervisors as an initiative to widen the circle of "allies" (people who understand and assist with LGBT issues). Participants affix rainbow-colored stickers -- symbols of respect for LGBT workers -- to their office PCs and business card cases, and have begun a movement to declare themselves as LGBT allies.

In October 2016, this initiative was awarded a "Gold index", the highest accolade in the "Pride index" LGBT assessment regime run by the "work with Pride" organization.

05 Our Approach to CSR 08 CSR Policy and Promotion Framework 22 Initiatives Promoting Respect for Human Rights 33 External Assessments

30 SDG-related Activities in Fujitsu 32 United Nations Global Compact

Initiatives to Promote Respect for Human Rights in Other Regions

"Business and Human Rights" Workshops in EMEIA and Japan

"Business and Human Rights" workshops were held for relevant parties at one of our U.K. Group companies in London, in October 2016, and at Fujitsu Head Office in Tokyo, in December 2016. The London workshop was attended by 16 participants, primarily senior management from Group companies in EMEIA, while the Head Office event attracted 15 participants, mainly managers from related departments. Both workshops leveraged the knowledge of Shift, a U.S. non-profit organization engaged in business and human rights, to create understanding of the respect for human rights that is demanded of companies. Participants engaged in active discussions of human rights issues pertaining to the Fujitsu Group.

In FY2017, we will hold similar workshops in other regions as we undertake initiatives at the global level.

"Business and Human Rights" workshop in Japan



SDG-related Activities in Fujitsu

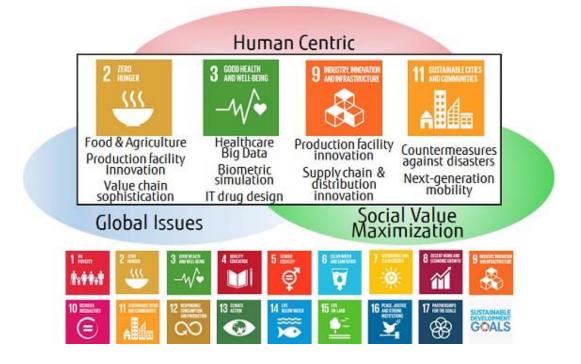
SDG-related Activities in Fujitsu

The Sustainable Development Goals (SDGs) adopted by the United Nations in 2015 are a set of common goals to be achieved worldwide, including by developed countries, by 2030. Achieving these goals places considerable demand on private-sector enterprises to play an active and useful role through their technology and capacity for innovation.

The Fujitsu Group sees the SDGs as a global common language and undertakes SDG-related activities as an opportunity for wide-ranging collaboration with other organizations, including international agencies and governments, private companies and nongovernmental organizations (NGOs). Fujitsu recognizes SDGs as one of the elements in an ecosystem for achieving its growth strategy of 'connected services', seeing new business opportunities through ventures that work to resolve social issues. By adopting a multifaceted approach through cooperation with a large numbers of partners, we can create and grow social value on an even larger scale.

Adopting an approach that overlaps common international social goals with the role that Fujitsu must play will allow us to flexibly transform our management and business in ways that are not bound by existing approaches and methodologies. Through this process, we will re-examine ourselves in light of society's expectations and demands and will actively use the SDGs as a tool in our management strategy for achieving sustainable growth.

As a first step, we have identified some of the goals that we need to address strategically, given the nature of our own businesses and the external environment. Using the digital technology that is at the core of our business, the Fujitsu Group is focused on goals 2, 3, 9 and 11 as the areas where it can deliver the greatest value and is progressing business initiatives in these areas.



Promotion Systems

Because the creation of value on a large scale by addressing the SDGs is inextricably tied to innovating its own business, Fujitsu is promoting a company-wide project that cuts across all levels. This is focused on staff members and includes executives in the Corporate, Sales and Business divisions, but also incorporates related divisions such as Fujitsu Laboratories and the Fujitsu Research Institute. From the perspective primarily of sustainability and social responsibility by the Corporate division, the perspective of business development by the Sales division, and the perspective of solutions by the Business division, as a starting point we are collaborating in the verification and promotion of businesses that offer solutions to social issues – cementing new ties through the co-creation of both social and economic value.

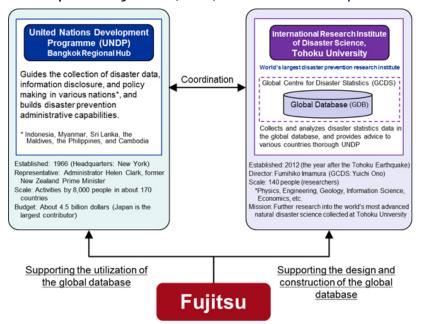


Specific Activities

Collaboration with the United Nations Development Programme (UNDP) and Tohoku University

In March 2017, Fujitsu entered into a partnership to build and operate a global database at the Global Centre for Disaster Statistics (GCDS), newly established by Tohoku University's International Research Institute of Disaster Science and the United Nations Development Programme (UNDP).

Fujitsu will provide the FUJITSU Cloud Service K5 at no charge to assist in designing and building the global database for the GCDS and will also support the UNDP in using the database to improve other countries' disaster prevention policy capabilities by providing data visibility and analysis services. This partnership will work to mitigate the damage associated with natural disasters, now estimated to exceed 56 trillion yen in value worldwide each year.



Other Activities

For information on Fujitsu's other initiatives, please refer to the following: FUJITSU Technology & Service Vision 2017 Book 1, P.26-29 "Responsible Business" (*Paste URL here) http://www.fujitsu.com/global/microsite/vision/download-center/index.html

05 Our Approach to CSR 08 CSR Policy and Promotion Framework 22 Initiatives Promoting Respect for Human Rights 33 External Assessments

30 SDG-related Activities in Fuiitsu 32 United Nations Global Compact

United Nations Global Compact

Fujitsu announced its support of the United Nations Global Compact in December 2009. The Fujitsu Group is committed to global CSR activities that uphold the 10 principles of the Global Compact. Through this commitment, we will meet the demands of various stakeholders in international society, and uphold responsible management as a true global ICT company contributing to the creation of a sustainable society.

What is the Global Compact? The UN Global Compact consists of 10 principles in the four areas of human rights, labor standards, the environment, and anti-corruption with which companies should rigorously comply. Human Rights Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: make sure that they are not complicit in human rights abuses. Labor Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; Principle 4: the elimination of all forms of forced and compulsory labor; Principle 5: the effective abolition of child labor; and Principle6: the elimination of discrimination in respect of employment and occupation. Environment Principle 7: Businesses should support a precautionary approach to environmental challenges; Principle 8: undertake initiatives to promote greater environmental responsibility; and Principle 9: encourage the development and diffusion of environmentally friendly technologies. Anti-Corruption Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery. As of July 31, 2013

OBAL COA WE SUPPORT

activities we conducted in FY 2016, contained in the Fujitsu Group CSR Report 2017 (PDF Version, available in the end of July, 2017). (http://www.fujitsu.com/global/documents/about/resources/reports/sustainabilityreport/2017-csrreport/fujitsu-csr-gri-2017-e.pdf)

Please refer to the GRI Guideline Comparison Table which shows the relationship between the United Nations Global Compact and CSR

* We have been reporting our COP (Communication on Progress) at the Advanced Level since FY 2012.

05 Our Approach to CSR 08 CSR Policy and Promotion Framework 22 Initiatives Promoting Respect for Human Rights 33 External Assessments

30 SDG-related Activities in Fuiitsu 32 United Nations Global Compact

External Assessments

Social and environmental activities in the Fujitsu Group are highly evaluated worldwide, and the group has been continuously included among major External Assessments stock indices and funds listed below.

Status of Inclusion in SRI-related Stock Indices

Dow Jones Sustainability Indices (World, Asia Pacific) The globally renowned SRI index, DJSI World, captures the top 10 percent of the world's 2,500 largest companies, based on economic, environmental and social performance. Fujitsu has been included 17 times in 5 consecutive years.

RobecoSAM Sustainability Award

RobecoSAM evaluates the economic, environmental, and social sustainability of approximately 2,500 major global companies, out of which the top 10% are awarded as "Gold Class," "Silver Class," or "Bronze Class" companies. Fujitsu has been received the highest "Bronze Class" award in the industry to which Fujitsu belongs.

FTSE4Good Index Series

One of the world's leading SRI indexes established by the Financial Times and London Stock Exchange, FTSE4Good measures a company's performance of environmental, social and governance (ESG) aspects. Fujitsu has been listed for 8 consecutive years.

UN Global Compact 100

This stock index selects 100 companies out of 8,000 global companies that have signed the UN Global Compact. It considers their activities relating to the UNGC's 10 principles in the 4 fields of human rights, labor, environment, and anti-corruption. Fujitsu has been selected for 4 consecutive years.

oekom research

Oekom research AG, a CSR rating company based in Germany, is known for ranking and evaluating companies for their economic, social, and cultural aspects. Fujitsu has been given the certification of "Prime" since 2011.

Ethibel Sustainability Index (ESI) (Excellence Register)

The Ethibel Excellence Investment Register is an investment universe operated by Forum ETHIBEL, a Belgium-based NGO. Its index comprises companies that display good performance from CSR perspective. Fujitsu has been included since 2013.

Morningstar Socially Responsible Investment Index

Morningstar Japan K.K. selects 150 companies out of approximately 4,000 domestically-listed companies that are superior for their corporate governance, environmental, social, and utilization of human resources. It is the first domestic Socially Responsible Investment Index, and Fujitsu has been included since 2004. (as of January 4, 2017)



MEMBER OF

Dow Jones

Sustainability Indices

In Collaboration with RobecoSAM 🐽

ROBECOSAM Sustainability Award Bronze Class 2017



FTSE4Good









35 Corporate Governance 41 Compliance



Management Systems

The Fujitsu Group seeks the continued improvement of its corporate values, and carries out business management in which each function and position are made clear in the value creation process.

Corporate Governance

Basic Stance on Corporate Governance

As a resolution of the Board of Directors meeting held in December 2015, Fujitsu established the "Corporate Governance Policy" to define the company's basic stance on corporate governance. The policy set out a framework of Fujitsu's corporate governance structure as follows;

Structural framework

The company outlines the following rules to ensure the effective oversight and advice from a diverse perspective of Non-Executive Directors (hereinafter, the term used for the combination of Independent Directors and Non-Executive Directors appointed from within the company) to Executive Directors on their business execution as part of the Board of Directors function while taking advantage of the company with the Audit & Supervisory Board system:

- a Same number or more Non-Executive Directors responsible for oversight are appointed as Executive Directors responsible for business execution.
- b Independent Directors are appointed as the core members of Non-Executive Directors, and at least one Non-Executive Director is appointed from within the company.
- c Independent Directors must meet the independence standards (hereinafter referred to as "Independence Standards") established by the company.
- d In nominating Non-Executive Director candidates, the company takes account of the background of candidates and their insight on the company's business.
- e The company has the Audit & Supervisory Board Members' external audit and oversight on the Board of Directors, the voluntary Executive Nomination Committee and Compensation Committee composed mainly of Non-Executive Directors and Auditors (hereinafter, the term used for the combination of Non-Executive Directors and Audit & Supervisory Board Members), and the Independent Directors & Auditors Council, all function to complement the Board of Directors.
- f Independent Audit & Supervisory Board Members shall be the External Audit & Supervisory Board Members who meet the Independence Standards.
- Corporate Governance Policy and Independence Standards for External Directors & Auditors
 <u>http://pr.fujitsu.com/jp/ir/governance/governancereport-b-en.pdf</u>

Overview of Corporate Governance Structure (as of June 26,2017)

Overview of Board of Directors

The Company has a Board of Directors to serve as a body for making important decisions and overseeing management. The Board of Directors delegates the decision-making authority over business execution to the Representative Directors and subordinate Corporate Executive Officers to the broadest extent that is permitted by law and the Articles of Incorporation of the company and is considered to be reasonable and will mainly perform as oversight and advisory function. Moreover, the oversight function of the Board of Directors has been strengthened by actively appointing External Directors with high independence and diverse perspective.

Furthermore, in order to better define the management responsibility of the Directors, their terms were reduced from two years to one year in accordance with a resolution at the June 23, 2006 Annual Shareholders' Meeting.

The Board of Directors is comprised of 10 members in total: 4 Executive Directors and 6 Non-Executive Directors (including 4 External Directors and two of them are women).

Overview of the Audit & Supervisory Board

The Company has an Audit & Supervisory Board that performs the auditing and oversight functions. The auditing and oversight functions are carried out by Audit & Supervisory Board Members, who review the Board of Directors as well as business execution functions and attend

35 Corporate Governance 41 Compliance 46 Risk Management 51 Information Security

important meetings, including meetings of the Board of Directors.

The Audit & Supervisory Board has five members, comprising two full-time Audit & Supervisory Board Members and three external Audit & Supervisory Board Members.

Executive Nomination Committee and Compensation Committee

The Company has established the Executive Nomination Committee and the Compensation Committee as advisory bodies for its Board of Directors to ensure the transparency and objectivity of its process for nominating Directors and Audit & Supervisory Board Members and its process for determining executive compensation as well as to ensure the fairness of the method and level of executive compensation.

The Executive Nomination Committee deliberates about candidates for Director and Audit & Supervisory Board Member positions in accordance with the Framework of Corporate Governance Structure and the Procedures and Policy of Directors and Auditors Nomination stipulated in the Company's Corporate Governance Policy and provides its recommendations to the Board of Directors. In addition, the Compensation Committee provides its recommendations about the level of base compensation and the method for calculating performance-based compensation to the Board of Directors in accordance with the Procedures and Policy of Determining Directors and Auditors Compensation stipulated in the Company's Corporate Governance Policy.

According to the Corporate Governance Policy, each committee is composed of a majority of Non-Executive Directors and Auditors with at least one Independent Director. In fiscal 2016, each committee consists of three Non-Executive Directors and Auditors (including two Independent Director) and one Executive Director. Both Committee's members in fiscal 2016 are as follows.

Chairman of both Committees: Tatsuzumi Furukawa

Members of both Committees: Jun Yokota Masami Yamamoto, and Chiaki Mukai

The FY 2016 term of the above committee members ended at the close of the regular Annual Shareholders' Meeting on June 26 2017. Appointment of members of the committees for fiscal 2017 is scheduled for July 2017.

Independent Directors & Auditors Council

Fujitsu established this council as part of its initiative to strengthen its growth-oriented governance, which serves to improve profitability over a medium- to long-term horizon. The Independent Directors & Auditors Council is comprised of all independent officers (including four External Directors and three External Audit & Supervisory Board Members).

To invigorate discussions on the medium- to long-term direction of the Company at its Board of Directors Meetings, Fujitsu established the council to enable Independent Directors & Auditors, who maintain a certain degree of separation from the execution of business activities, to consistently gain a deeper understanding of Fujitsu's business. In the Independent Directors & Auditors Council, members share information and exchange viewpoints so that they can each formulate their own opinions.

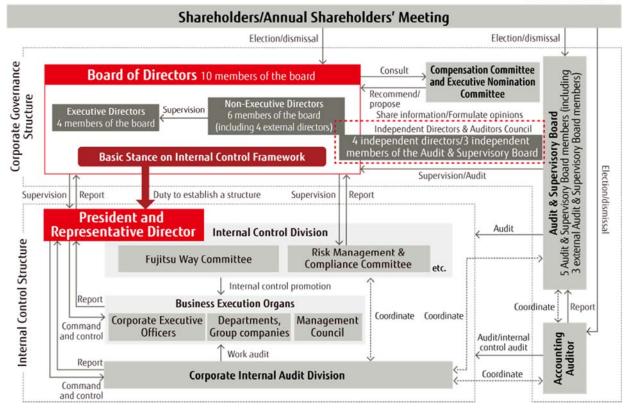
Reasons for Adoption of Current Corporate Governance System

We believe that both direct oversight to business execution by the Non-Executive Directors and the oversight by Audit & Supervisory Board Members that stays distant from the decision making and operation of business execution should work jointly to ensure highly effective oversight performance. The company adopts "the company with Audit & Supervisory Board system" that establishes the Audit & Supervisory Board, which is composed of the Audit & Supervisory Board Members appointed as an independent agent.

The Board of Directors comprises same number or more Non-Executive Directors as Executive Directors to ensure its capacity to correct faulty, insufficient, or excessive business executions. While External Directors should be the core of Non-Executive Directors on account of their high independence, at least one Non-Executive Director is appointed from within the company to complement the External Directors' knowledge in the business fields and the corporate culture of the company so that the efficiency of oversight performance by the Non-Executive Directors are enhanced.

Corporate Governance Structure

⁽as of June 26, 2017)



Policy on the Determination of Executive Compensation

Compensation of Directors and Audit & Supervisory Board Members is determined in accordance with the Executive Compensation Policy below, which was determined by the Board of Directors following the recommendation by the Compensation Committee.

[Reference] Executive Compensation Policy

To secure exceptional human resources required to manage the Fujitsu Group as a global ICT company, and to further strengthen the link between its financial performance and shareholder value, while at the same time improving its transparency, Fujitsu establishes its Executive Compensation Policy as follows.

Executive compensation is comprised of the following: "Base Compensation," specifically a fixed monthly salary in accordance with position and responsibilities; "Performance-based Stock Compensation," which is a long-term incentive that emphasizes a connection to shareholder value; and "Bonuses" that are compensation linked to short-term business performance.

Basic Compensation

Base compensation is paid to all Directors and Audit & Supervisory Board Members. A fixed monthly amount shall be determined for each executive in accordance with the position and responsibilities of each executive.

Bonuses

- Bonuses shall be paid to Directors who carry out executive responsibilities. The amount of a bonus shall reflect business performance in the respective fiscal year.
- As a specific method for calculating a bonus, Fujitsu shall adopt an "On Target model" that uses consolidated revenue and consolidated operating profit as indices and the amount shall be determined in accordance with the degree of achievement of the performance targets for the respective fiscal year.

Performance-based Stock Compensation

- Performance-based stock compensation shall be granted to Directors who carry out executive responsibilities, in order to share the profit with shareholders and as an incentive to contribute to enhancement of medium- tolong-term performance.
- A base number of shares in accordance with respective rank, performance judging period (three years) and mid- to long-term
 performance targets in terms of consolidated sales revenue and consolidated operating profit, and coefficient according to
 performance achievement level vis-à-vis the mid- to long-term performance targets shall be set in advance. The number of
 shares to be allocated for each fiscal year shall be calculated by multiplying the base number of shares and the coefficient
 according to the performance achievement level, and the total number of shares calculated shall be allocated upon completion
 of the performance evaluation period.

In accordance with the resolution of the Annual Shareholders' Meeting, the total amount of Base Compensation and Bonuses (monetary compensation) for Directors shall not exceed 600 million yen per year, Performance-linked Compensation (non-monetary compensation) shall not exceed 300 million yen per year, and the total number of shares to be allocated shall not exceed 430,000 shares per year. The Base Compensation for Audit & Supervisory Board Members shall not exceed 150 million yen per year.

	Basic Compensation			Performance-based Stock
Category	Management Oversight Portion	Business Execution Portion	Bonuses	Compensation
Directors	0	_	_	_
Executive Directors	0	0	0	0
Audit & Supervisory Board Members	0		_	_

(Reference) Types of Executive Compensation and Eligibility

Basic Stance on Internal Control System

To continuously increase the corporate value of the Fujitsu Group, it is necessary to pursue management efficiency and control risks arising from business activities. Recognizing this, Fujitsu is working toward the practice and penetration of the FUJITSU Way, the basic principles behind the Fujitsu Group's conduct. At the same time, the Board of Directors has articulated the Policy on Internal Control Framework as systems and rules to pursue management efficiency and control the risks arising from the Company's business activities.

Overview of the Policy on the Internal Control System

The Policy on the Internal Control System sets forth internal structures of the Fujitsu Group, including the following.

Decision-making and Structure of Management Execution

By dividing the management execution authority of the President & Representative Director, who is the chief executive officer, among the corporate executive officers, and by establishing a Management Council to assist in the President and Representative Director's decision-making, the Company aims to enhance management effectiveness.

In addition, the framework makes clear that the President & Representative Director bears responsibility for the construction and operation of an internal control framework, and the Board of Directors shall fulfill its oversight responsibility by appropriately examining the operation of the internal control framework.

Risk Management System

The Company shall establish a Risk Management & Compliance Committee, and in addition to preparing systems to control the overall risk of financial losses of the Fujitsu Group, the Company shall also prepare systems for managing risks pertaining to defects and failures in products and services, as well as systems for managing contracted development projects, information security, and financial risk.

Compliance System

Primarily through the Risk & Management Compliance Committee, the Company shall promote the preparation of the internal rules, education, and oversight systems required for compliance with the Code of Conduct set forth by the FUJITSU Way, and also with laws and regulations concerning the business activities of the Fujitsu Group.

The Company shall also prepare management systems to ensure the appropriateness of financial reporting, as well as systems for information disclosure and internal auditing.

• The Policy on the Internal Control System and the Overview of the Status of Operation of the System <u>http://www.fujitsu.com/global/Images/notice117b.pdf</u>

Overview of the Status of Operation of the System to Ensure the Properness of Fujitsu Group Operations 1. Systems to Ensure that Directors Carry Out Their Responsibilities Efficiently

The Company delegates management execution authority of the President and Representative Director to Corporate Executive Officers in order to ensure the efficiency of decision-making and management execution.

The Management Council, in principle, meets three times a month, discusses important management execution and assists the President and Representative Director in decision-making.

In addition, rules for delegation of duties and various systems for approvals and reaching decisions are put in place and are operated so that efficient and proper management execution is ensured based on these rules and systems.

2. Risk Management System and Compliance System

The Company positions the risk management system and the compliance system at the heart of the "Policy on the Internal Control System" and has established the Risk Management & Compliance Committee(the "Committee"), which supervises these systems globally and reports to the Board of Directors.

The Committee is chaired by the Representative Director and President and consistsmainly of Executive Directors. The Committee meets periodically and determines policies for preventing risks in business operations from arising and for countermeasures for losses caused by risks that have arisen.

The chairman of the Committee has appointed a Chief Risk Compliance Officer (CRCO) who executes the Committee's decisions.

Regarding compliance violations and risks in business operations, including information security, the Committee has established and operates a system that covers not only the Company but the Fujitsu Group and ensures reporting to the Committee in a timely manner. It also operates the internal reporting system.

The Company has appointed a Chief Information Security Officer (CISO) under the Committee and formulates and implements information security measures. In addition, the Company has established the Cyber Security Committee under the Committee. While ensuring security throughout the Fujitsu Group, the Company is working to ensure and enhance information security of customers through products and services that embody Fujitsu's security practices.

In the course of operating the systems described above, besides reporting when risk shave arisen, the Committee periodically reports the progress and results of its activities to the Board of Directors and is supervised. Immediately after the violation of the Antimonopoly Act concerning transactions with Tokyo Electric Power Co., Ltd. came to light, the Company established a special compliance investigation committee and conducted a thorough investigation of the compliance violation. This was one of the extraordinary measures implemented by the Committee under the supervision of the Board of Directors.

3. System to Ensure Proper Financial Reporting

As for a system to ensure proper financial reporting, the Company has established the FUJITSU Way Committee. Under this committee chaired by the Representative Director and President and consisting of Executive Directors and some Corporate Executive Officers.

Under this committee's direction, the responsible organization has established a system called "Eagle Innovation." In accordance with the rules established by the Company based on the principles of the Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting published by the Business Accounting Council, internal control over financial reporting throughout the Fujitsu Group is assessed.

4. System to Ensure the Properness of Fujitsu Group Operations

The risk management system, the compliance system, and the system for ensuring proper financial reporting cover the Fujitsu Group.

Especially for risk management and compliance systems, Regional Risk Management &Compliance Committees have been established for individual Regions, which are geographical executive divisions of the Fujitsu Group worldwide. These regional committees are positioned under the Risk Management & Compliance Committee to function so that the entire Fujitsu Group is covered.

In addition, as a part of a system to ensure the properness of Fujitsu Group operations, the Company has established the Rules for Delegation of Authority called "Global DoA" that determines authority for decision-making of important matters of Fujitsu Group companies (excluding certain subsidiaries) and the decision-making process. The Company has its Group companies comply with the Global DoA. In addition, Group companies are required to report on their operations to the Company. In this way, the Company has put in place systems for decision-making and reporting of important matters at the Group.

The status of operation of the internal control system centering on the above is periodically reported to the Board of Directors.

Corporate Governance Report (As of June 27, 2017)
 <a href="http://pr.fujitsu.com/jp/ir/governance/govevernance/governance/governance/governance/governance/governance/g

Compliance

Activities Promoting Compliance

The Risk Management & Compliance Committee, directly reporting to the Board of Directors and headed by the President, supervises compliance matters globally for the entire Fujitsu Group, in accordance with our Basic Policy on Establishment of Internal Control System. The Risk Management & Compliance Committee is responsible for and has appointed a Chief Risk Management & Compliance Officer (CRCO) who executes the committee's decisions concerning compliance and also works to raise awareness of and compliance with our Fujitsu Way Code of Conduct throughout the Group by establishing the Global Compliance Program and coordinate with the Region Risk Management & Compliance Committee set up in each region as a lower committee.

The Risk Management & Compliance Committee and the Region Risk Management & Compliance Committees monitor the implementation status of the Global Compliance Program on a periodical basis and report to the Board of Directors.

The Fujitsu Way Code of Conduct

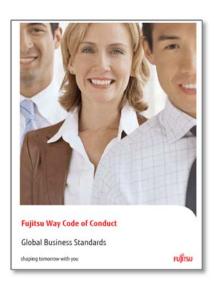
The Fujitsu Way includes the following Code of Conduct, with which all Fujitsu Group employees must comply:



Fujitsu has also rolled out our Global Business Standards (GBS), which provides further guidance on how to apply the Fujitsu Way Code of Conduct and to ensure compliance with laws and regulations. The GBS is available in 20 languages to be applied uniformly across the Fujitsu Group.

 \cdot GBS (Global Business Standards)

http://www.fujitsu.com/global/about/philosophy/codeofconduct/gbs/index.html



Initiatives by Top Management

Through messages from top management to employees as well as other regular communication regarding our commitment to compliance, Fujitsu is working to promote our Code of Conduct and GBS across the Fujitsu Group.

In FY2016, Fujitsu's President sent repeated messages to all employees in Japan after the competition matter in connection with the sale of communication equipment to electric power companies, declaring again our determination to break away from compliance breach, including bid rigging and cartel. Other executives in the executives in the management also worked to embed a culture of compliance by visiting sales offices in Japan and explaining the importance of compliance to employees directly.

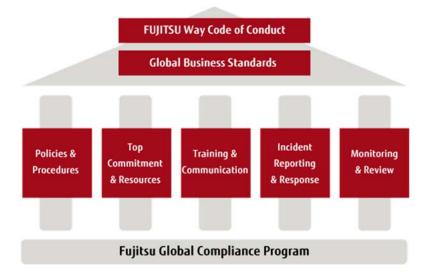
In overseas Group companies, the region heads and the top management are continuously sending messages to their employees, explaining our corporate culture of "Zero Tolerance". For example, on December 9, 2016, four overseas regions coordinated messaging declaring Fujitsu's support of the United Nation's "International Anti-corruption Day".

Promoting the Global Compliance Program

In order to promote and implement the Fujitsu Way Code of Conduct and GBS, Fujitsu has established the Global Compliance Program (GCP) and is working to maintain, review and improve its global structure for legal compliance across the Fujitsu Group.

The GCP systematically organizes our existing activities concerning compliance into five pillars, clarifies items that Fujitsu should continuously work on, and seeks to promote external understanding of our compliance structure and activities.

Various measures and approaches are taken in each region based on the GCP, as well as local laws and government guidelines.



Fujitsu Global Compliance Program

1. Establishment of Rules and Procedures

The Fujitsu Group has established and implemented various internal rules to align globally with the GBS.

In Japan, to enforce compliance and enact sustainable improvement in our corporate value, we established the Compliance Policy with the approval of the Risk Management & Compliance Committee, and have applied the rule throughout domestic group companies. We established more specific and detailed regulations and guidelines based on the Compliance Policy in the areas with significant impact on business: antitrust, anticorruption and anti-social forces. In our overseas entities, with the approval of the Risk Management & Compliance Committee, we have been establishing basic internal rules that are the minimum requirements to be globally implemented within each entity. These rules are organized in the form of global guidelines, which are in turn adopted by our overseas Group companies, allowing them to take into account the applicable laws, culture, and customs of each country. We issued the General Compliance Guideline, corresponding to the Compliance Policy in Japan above, for overseas Group companies, along with a global guideline on competition law, and other guidelines concerning the prevention of bribery, covering matters including the proper procedures for giving

35 Corporate Governance 41 Compliance 46 Risk Management 51 Information Security

gifts and entertainment to government officials, due diligence on third party suppliers, and facilitation payments. In addition, we have developed an online third party due diligence process that is being used by major overseas Group companies in Europe, Asia, Oceania, and North America.

2. Top-level Commitment and Securing of Resources

As noted above, Fujitsu is working to promote and implement the Fujitsu Way Code of Conduct and GBS across the Fujitsu Group through messages from top management to employees and other regular communication of our commitment to compliance.

We have also assigned compliance officers to each region, Japan, EMEIA, Asia, Americas, and Oceania, and have formed a global network with local risk and compliance representatives, in order to secure a structure to execute our GCP.

The compliance representatives from overseas Group companies meet annually at the Global Compliance Forum to share and discuss headquarter's policies concerning the execution of GCP, as well as share their experiences in risk management and compliance. Also, the risk and compliance representatives in Fujitsu and domestic Group companies meet annually at the Risk and Compliance Seminar to share updates and knowhow related to risk management and compliance.

3. Training and Communication

To embed and implement the Fujitsu Way and GBS, Fujitsu Group conducts various compliance training and awareness raising activities for executives and employees. The Fujitsu Group has been printing the Code of Conduct of the Fujitsu Way on wallet-size cards and has been distributing these to Group employees. These cards are designed to serve as a quick reference of the Code of Conduct for employees when they are uncertain about a decision in the course of daily operations in dealing with customers and/or business partners.

Fujitsu and domestic Group companies conduct compliance training for executives every year, which is provided by outside lawyers as well as Fujitsu's legal and compliance function. For new managers, we also regularly hold in-house training where a Fujitsu instructor explains the importance of the Code of Conduct and compliance, while also providing case studies of typical scenarios and situations.

In FY2016, Fujitsu and domestic Group companies provided an e-learning course called "Compliance of Fujitsu Group: Cartels/Bribes" for the employees (Target completion rate is 100 %. Completion rate of Fujitsu is 97% as of March 2017, and the



domestic Group companies are still conducting the training.). Aimed to increase the effectiveness of the training by completely renewing the contents from the previous versions to include documentary drama that introduces Fujitsu's antitrust case referenced above. We also conducted a series of face-to-face training for over 3,700 employees of public sector business and other sales divisions.

For overseas Group companies, we also conduct compliance training based on the laws, custom and realities of business in each country and region. In FY2016, we provided e-learning courses on anti-trust/anti-competition and on the GBS. These courses were provided in 20 languages to 51 overseas Group companies. We also conduct face-to-face trainings for high-risk departments and entities. For example, we conducted anti-bribery training in South Korea following the enactment of a significant anti-bribery law in September 2016.

Going forward, we will continue to engage in these activities and conduct face-to-face training focused on prevention of cartel and bribery.

4. Incident Reporting and Response

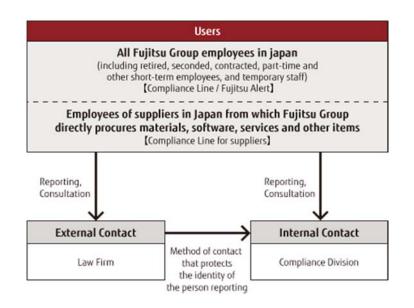
(1) Whistleblowing Hotline

Fujitsu Group has been operating the Compliance Line/Fujitsu Alert for both internal and external reports. The Compliance Line/Fujitsu Alert handles reports and provides consultations for all employees in the Fujitsu Group (including retired, seconded, contracted, part-time or other short-term employees as well as temporary staff). Both domestic Group companies and overseas Group companies have established are operating internal reporting system. These reporting lines are made known to the employees via websites, posters and wallet-size cards with contact information. Reports are accepted in 20 languages, at any time, on any day.

Moreover, we opened a Compliance Line for Suppliers in Japan to handle reports and inquiries from the employees of companies

that directly supply Fujitsu and domestic Group companies with their products, services or software, etc.

Our Compliance Line/ Fujitsu Alert and Compliance Line for Suppliers system forbids any and all retaliation against any individual or supplier who makes the report, and meticulous care is taken in handling the information so as to preserve their anonymity. If the issue raised is substantiated, the relevant practice is corrected and measures are taken to prevent recurrence.



(2) Report to the Risk Management & Compliance Committee

Our Risk Management Rule stipulates that the executive or the employee who recognizes a compliance violation or signs of violation must immediately report to compliance team, who will then report to the Risk Management & Compliance Committee and the Board of Directors if necessary, following the reporting structure set by the Head of Business Unit.

The status of key compliance issues is reported regularly to the Risk Management & Compliance Committee and the Board of Directors.

5. Monitoring and Assessment

Through activities such as risk assessments and audits, we periodically check the efficacy of the GCP and work to continually improve it.

Last fiscal year, Fujitsu started the review of audit plan in order to confirm observance of the Antimonopoly ACT, and we will continue to implement as a more effective audit program by incorporating opinions from the external experts going forward.

For overseas, Fujitsu headquarters' compliance team conducts risk assessments by visiting Group companies in countries and regions with a high risk of corruption, and through the interviews with executives and employees, as well as checks on internal policies and processes, the compliance team analyzes the potential compliance risks in local business and provides proposals and supports to mitigate these risks.

The outcome of all risk assessments and the status of the GCP implementation are reported regularly to the Risk Management & Compliance Committee, the Region Risk Management & Compliance Committees and the Board of Directors.

Response to Compliance Matters

In July 2016, Fujitsu Limited was found to have violated the Antimonopoly ACT concerning order coordination for equipment for electric power security communication for Tokyo Electric Power Co., Ltd. (TEPCO) and Fujitsu received an cease and desist order and a surcharge payment order. Subsequently, in February 2017, Fujitsu was found to have violated the Antimonopoly Act concerning transactions of hybrid optical communication equipment and transmission-path equipment for Chubu Electric Power Co., Inc.

Fujitsu's sales personnel in charge of Chubu Electric Power had already stopped engaging in order adjustment with other companies before the TEPCO case was detected. Following the detection of TEPCO case, Fujitsu swiftly conducted an internal investigation

based on the resolution by the Board of Directors and found that similar order adjustment had been conducted with Chubu Eletric Power. Subsequently, having received approval by the Board of Directors, Fujitsu swiftly applied for immunity from or reduction of surcharge and received the above finding in February 2017.

Because of the timely application for immunity from or reduction of surcharge, Fujitsu was fully exempted from payment of the surcharge and was also not subject to a cease and desist order. Fujitsu deeply apologize for all the concerns that we have caused by letting this regretful incident occur.

Fujitsu has taken disciplinary action against the employees who took part in the violation, and given salary reduction to 7 executives including the Chairman and the President based on the resolution of the Board of Directors (10-30% of the monthly salary was reduced for 3 months).

Immediately following the detection of TEPCO case, the President swiftly declared that all bid rigging and cartel behavior will not be tolerated, and has sent repeated messages to all executives and employees. The executives in charge of business has also reminded employees of the intention to compliant. Additionally, Fujitsu has conducted compliance training as mentioned above to all executives, employees, and the entire Group.

Furthermore, in Japan, Fujitsu has established a domestic compliance program based on the Japan Fair Trade Commission's "Compliance Program for Companies to Comply with The Antimonopoly Act", in order to secure effectiveness of the GCP. Based on this program, Fujitsu consider "training", "audit" and "emergency response" as focused measures, and is working on creating an environment that fosters "zero tolerance" for bid rigging.

Going forward, Fujitsu will continue to strengthen the compliance activities based on this program and strive to prevent reoccurrence in order to win back the trust quickly.

Initiatives for Security Export Controls

For the purpose of maintaining global peace and security, the export of goods and the transfer of technology that could be utilized for the development or production of weapons of mass destruction, conventional weapons, etc. are strictly controlled under an international framework for security export controls ("International Export Control Regimes"). Japan is also implementing security export controls consistent with the same framework under the "Foreign Exchange and Foreign Trade Act".

Following the stipulation to "comply with all laws and regulations" in the Fujitsu Way Code of Conduct, we are thoroughly working to implement our Security Export Control policy in line with not only Japan's "Foreign Exchange and Foreign Trade Act", but also the U.S.'s extraterritorial "Export Administration Regulations" (EAR).

Fujitsu has established a system by which our President is the designated Chief Export Control Officer for the company and the "Security Export Control Office" in the "Legal, Compliance and Intellectual Property Unit" is the designated organization in charge. Product classification and transaction screening (of end use and end users) is performed by this office for all export of goods and overseas transfer of technology, so that the export of goods or transfer of technology will not happen without export licenses required by governments. Furthermore, the above Security Export Control policy requires us to issue a prompt report in the event of a legal violation. In terms of business execution, we strive for strict management to prevent any acts that could lead to non-compliance with export control laws, keeping close touch with the Ministry of Economy, Trade and Industry as the competent authorities for security export control in Japan. In order to maintain an appropriate level of export controls, we conduct annual export control audits and provide export controls training for executives and employees. In FY2016, we conducted regular internal audits of 30 in-house departments, assessed the appropriateness of internal operations, and provided quidance for making improvements.

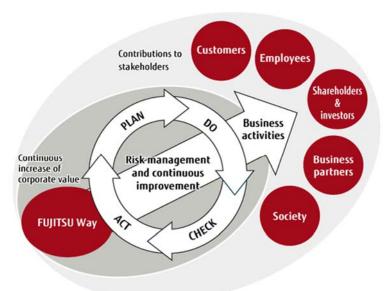
Fujitsu also offers guidance to Group companies inside and outside Japan for developing frameworks for security export controls and tailoring in-house rules, provides in-house export control training and audits, and annually organizes the gathering of Group companies to exchange mutually beneficial information. In FY2016, we offered an e-learning course to all employees of the Group's 64 companies in Japan, and a total of approximately 44,000 employees took the course. The Security Export Control Office also visited 7 Group companies in East Asia and Southeast Asia for the purpose of audits, training, and strengthening of frameworks for security export controls. Since FY2013, the Office has also been developing an e-learning training course covering security export controls in 20 languages for Group companies located across the globe.

35 Corporate Governance 41 Compliance

Risk Management

Risk Management Guidelines

Through its global activities in the ICT industry, the Fujitsu Group continuously seeks to increase its corporate value, and to contribute to its customers, local communities and indeed all stakeholders. Properly assessing and dealing with the risks that threaten the achievement of our objectives, taking steps to prevent the occurrence of these risk events, and establishing measures to minimize the impact of such events if they do occur and to prevent their reoccurrence are assigned a high priority by management. Moreover, we have built a risk management and compliance system for the entire Group and are committed to its continuous implementation and improvement.



Business Risks

The Group identifies, analyzes and evaluates the risks that accompany business activities and works on measures to avoid or reduce them, and to deal with them quickly in the unlikely event that they materialize.

Major Business Risks*1

- Product and service deficiencies and flaws risk
- Economic and financial market trend riskCustomer risks
- · Competitor and industry risk
- Investment decision and business restructuring risk
- Supplier and alliance risk
- Public regulations, public policies and tax matters risk
- Natural disasters and unforeseen incidents risk
- Financial reporting risk
- Financial risk

- Compliance risk
- Intellectual property rights risk
- Security risk
- Human resource risk
- Fujitsu's facilities and internal system risk
- Environmental risk

*1: These are just some of the business risks. More detailed risk-related information can be found in our earnings report, securities reports and other published reports.

Risk Management & Compliance Structure

In order to prevent potential risks of loss in business execution from materialization, to respond aptly to materialized risks, and to prevent their recurrence, the Fujitsu Group has established a Risk Management and Compliance Committee under the Board of Directors. This committee acts as the highest-level decision-making body on matters involving risk management and compliance.

The Risk Management and Compliance Committee assigns Chief Risk and Compliance Officers to each of the Fujitsu Group's divisions and Group companies in Japan and overseas. Also, we established Regional Risk Management and Compliance Committees in April 2016. These organizations work collaboratively with each other, building a risk management and compliance structure for the entire Fujitsu Group that encourages them to both guard against potential risks and mitigate risks that have already materialized.



The Risk Management Framework

The Risk Management & Compliance Committee is responsible for grasping the status of risk management and compliance in all Fujitsu business groups and Group companies in Japan and overseas, establishing the appropriate policies and processes, etc., and both implementing and continuously improving them. In practical terms, it decides on risk management regulations and guidelines, applies them and continuously reviews and improves them.

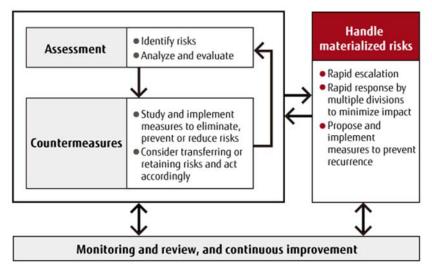


35 Corporate Governance 41 Compliance

Risk Management Processes

The Risk Management & Compliance Committee. which maintains regular communications with Chief Risk Compliance Officers, identifies, analyzes and evaluates the risks of business activities, and sets out and reviews the responsive measures, upon confirming the detailed measures intended to deal with major risks by averting, minimizing, transferring or retaining them. It also reports identified, analyzed, and evaluated important risks regularly to the Board of Directors.

The Risk Management Committee also prepares responses against the materialized risks despite the implementation of various preventive measures. If a critical risk



such as a natural disaster, product breakdown or defect, a problem with a system or service, a compliance violation, an information security breach, or an environmental problem materializes, the department or Group company reports immediately to the Risk Management & Compliance Committee. The Risk Management & Compliance Committee coordinates with the related divisions and workplaces for rapid resolution of the problem by appropriate measures such as establishing a task force. At the same time, the Risk Management Committee strives to identify the causes of the problem and propose and implement solutions. Additionally, for critical risks, the committee also reports as appropriate to the Board of Directors.

The Risk Management & Compliance Committee continuously confirms the implementation status of these processes and works to make improvements.

Risk Management Education

To enforce risk management across the entire Fujitsu Group, we conduct education and training at every level.

Specifically, in activities aimed at newly appointed executives and managers as well as Chief Risk Compliance Officers, we are working to communicate our basic concepts on risk management and the rule for prompt escalation to the Risk Management and Compliance Committee; to introduce specific examples of troubles concerning products, services, and information security; and to continually improve awareness and strengthen response capabilities with regard to risk management.

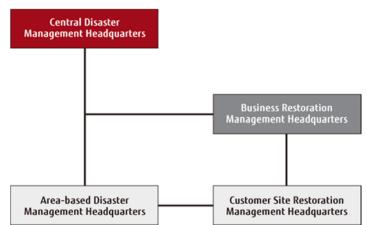
Examples of education programs implemented in FY2016

- New executive training: Training for around 80 newly appointed executives in Fujitsu Limited and the domestic Group companies.
- Risk compliance seminar: The seminar targeted at risk compliance officers and their assistants in Fujitsu Limited and the domestic Group companies, and was attended by around 200 participants.
- Group-wide disaster response drills, mock disaster exercises, BCM training, etc.: As well as enhancements to the central response functionality of the entire Fujitsu Group, disaster response drills and BCM training are conducted throughout the year at a range of different levels, including for entire business units or Fujitsu Group companies (offices or factories throughout the country).
- Training for personnel stationed outside Japan: Group training in areas such as risk management and safety for around 200 personnel working outside Japan.

Group-Wide Disaster Management

The basic policy of the Fujitsu Group in Japan is to ensure the safety of staff and facilities when disasters occur, to minimize harm and to prevent secondary disasters. We also aim to ensure that business operations resume quickly, and that we can assist in disaster recovery for our customers and suppliers. To this end, we are working to build robust collaborative structures in our internal organizations and strengthen our capacity for business continuity.

In particular, we are working to build "areabased disaster management systems" that enable the businesses in a given region to cooperate effectively, and to promote responses that use the management structures in each business unit and group company.



To verify the efficacy of our disaster preparedness systems and enhance our response capabilities, we conduct drills tailored to every level, from the entire company through to task force, workplace and even the individual level. We also implement voluntary inspections and verification activities to prevent accidents and minimize the level of harm in each of our facilities.

These efforts enable us to accurately identify existing issues, consider and implement measures to address those issues, and work toward continually improving our capacity to prepare for disasters and sustain our business operations.

Fujitsu Group Joint Disaster Response Drills

On Japan's annual National Disaster Preparedness Day on September 1st, we carry out nationwide disaster response drills that incorporate mock disaster exercises. These drills are used to build a group-wide disaster preparedness organization to ensure and verify that the Group companies in Japan are fully versed in the essentials of dealing collaboratively with the various major disasters likely to impact the different regions.

FY2016 marks the 22nd year of systematic training drills for a potential major earthquake in Tokyo or along the Nankai trough. This year's drills, which were held at around 90 companies including Fujitsu Headquarters, envisioned a "Hokuriku-Shin'etsu earthquake" affecting large numbers of customers and the Fujitsu Group companies.

In the course of these drills, we collaborated with the affected offices to identify key initial response measures and steps to allow continued business operation, and confirmed the measures needed to assist in restoring customers' ICT systems. In addition, training was carried out at sites throughout Japan to verify the initial response procedures adopted by local recovery task forces immediately after a disaster (checking employee safety, assessing the extent of damage to work premises, rescue and aid activities, etc.).

These training exercises provide a channel for examining the issues identified and for improving the organization's disaster preparedness and its capacity to sustain its business operations.

Carrying Out Joint Inspections by Specialist Teams

Joint inspections are conducted at facilities selected from among all the Fujitsu Group companies in Japan as being those most at risk and where any damage would have the greatest impact. These inspections are led in the field by teams drawn from internal departments for environmental management, facility management, risk management and the safe operation of manufacturing equipment and processes. The teams check that laws are being upheld and also conduct inspections and provide guidance intended to prevent accidents that could arise from aging infrastructure or from fires and other natural disasters. This serves to boost safety at the inspected facilities.

The sharing of case studies illustrating the improvements and the most successful disaster preparedness measures resulting from these inspections also helps to promote consistent safe operations throughout the entire Fujitsu Group in Japan.

Business Continuity Management (BCM)

Recent years have seen a significant increase in the risk of unforeseen events that threaten continued economic and social activity, such as earthquakes, floods and other large-scale natural disasters, disruptive incidents or accidents, and pandemics involving infectious diseases.

To ensure that we can continue to provide a stable supply of products and services offering the high levels of performance and quality that customers require even when such unforeseen circumstances occur, the Fujitsu Group in Japan has formulated a Business Continuity Plan (BCP) and also promotes Business Continuity Management (BCM) as a way of continuously reviewing and improving that BCP for establishing in the field. Through the BCM process, the lessons learned in the course of the Great East Japan Earthquake and the 2016 Kumamoto earthquake are now reflected in our BCP.

Improving Business Continuity Capability through Training

To fulfill our social responsibility as a company that supports social infrastructure, the Fujitsu Group companies in Japan organizes and analyzes business continuity issues at the business and site levels, and conducts ongoing training aimed at strengthening and improving our business continuity capability.

Promoting Appropriate BCM Activities through Business Continuity Capability Surveys

Our business continuity capability survey checks and assesses the level that Fujitsu units and Fujitsu Group companies in Japan have achieved in implementing management, education, and training in business continuity, and the level of their measures to resume business activities within the target recovery time objective.

The purpose of the business continuity capability surveys is to clarify the performance indicators (levels) to be achieved in the Fujitsu Group in Japan. By putting in place measures aimed at attaining those indicators, we are promoting appropriate BCM activities (workload and investment optimization) by the Fujitsu Group.

Training Specialists in BCM

The Fujitsu Group in Japan is systematically training specialists in order to further promote, implement and improve BCM. With the support of the Company-wide Promotion Office, BCM specialists from each department practice actual BCM activities to understand the essence of BCP and to become able to appropriately perform BCM activities.

Looking ahead, we plan to promote BCM activities within units and companies, centered on specialists with practical experience, to improve the business continuity capability of the Fujitsu Group in Japan.

Measures Against Infectious Diseases

The Fujitsu Group in Japan is also formulating countermeasures against new strains of influenza and other infectious diseases based on a three-pronged approach of safeguarding lives, preventing the spread of infection, and ensuring business continuity. We created a "Pandemic influenza Preparedness Action Plan" that stipulates preventive measures in everyday operations and the response process to be used if an outbreak occurs. We work to disseminate these to all employees through e-Learning and by distributing pamphlets. To assist with the continued operation of social infrastructure businesses and of our customers' businesses in the event of a pandemic or a particularly virulent new strain of influenza, we have also formulated a "Business Continuity Plan for New Influenza Strains (BCP)."

Strengthening BCM for Our Entire Supply Chain

In order to consistently supply products and services even under unforeseen circumstances, the Fujitsu Group has been continuously supporting the improvement of business continuity capability with our business partners since FY 2007, with the belief that it is essential to strengthen business continuity capability along our entire supply chain. With this in mind, the Fujitsu Group in Japan is promoting BCM activities throughout the entire supply chain, with efforts that include providing support for improvement of business continuity capability in our suppliers. Refer to the following for details: <u>"Enhancing Supply Chain BCM" with our suppliers</u>

Information Secutiry

Basic Policy

To realize the "creation of a safe, pleasant, networked society" as proposed in the FUJITSU Way group vision and values, the Fujitsu Group is working to ensure and improve information security based on the "Fujitsu Group Information Security Policy," our global security policy.

Fujitsu Group Information Security Policy

As a company that places ICT as our core business, the Fujitsu Group's corporate vision is to contribute to the "creation of a safe, pleasant, networked society," under which we work to ensure information security throughout the group, while ensuring and improving the level of customer information security by providing ICT products and services.

With the publication of the "Cybersecurity Management Guidelines" by the Ministry of Economy, Trade and Information and the Information-technology Promotion Agency, Japan (IPA) in December 2015, our Risk Management and Compliance Committee, which reports directly to the Board of Directors, reviewed our group-wide global security policy, and in April 2016 formulated the "Fujitsu Group Information Security Policy."

Fujitsu Group Information Security Policy (excerpt*) (Global Security Policy)

I. Purpose

In accordance with the "Cybersecurity Management Guidelines" formulated by the Ministry of Economy, Trade and Industry, the purpose of the Information Security Policy (hereafter, the "Basic Policy") is to set forth the measures, frameworks, and other basic matters required to ensure information security within the Fujitsu Group, as well as execute our corporate vision set forth in the FUJITSU Way, by which we have declared, both internally and externally, that the Fujitsu Group aims to ensure information security throughout the group and actively work to ensure and improve the information security of our customers through our products and services as a company that has placed ICT as the core of its business.

II. Basic Principles

- (1) The Fujitsu Group, in all its business dealings, shall appropriately handle information provided by customers and partners as individuals and organizations, thereby protecting the rights and interests of said individuals and organizations.
- (2) The Fujitsu Group, in all its business dealings, shall appropriately handle trade secrets, technical information, and any other information of value, thereby protecting the rights and interests of the Fujitsu Group.
- (3) The Fujitsu Group shall endeavor to conduct research and development and train personnel, as well as provide products and services that contribute to ensuring and improving our customer's information security in a timely and reliable fashion in order to contribute to the continued growth of our customers and society as a whole.

Fujitsu Group Information Security Policy (full text)
 <u>http://www.fujitsu.com/jp/documents/about/csr/management/security/security-2016-04.pdf</u>

35 Corporate Governance 41 Compliance

Management Frameworks

Given the recent increase in cyberattacks, the Fujitsu Group appointed a Chief Information Security Officer (CISO) under the authority of the Risk Management and Compliance Committee in August 2015. Moreover, in aiming to strengthen our global information security management framework, we have appointed Regional Chief Information Security Officers (Regional CISO) around the world under the authority of the CISO. Specifically, we are working to strengthen the global information security governance that supports our global ICT business in the five regions of the US, EMEIA, Oceania, Asia, and Japan.

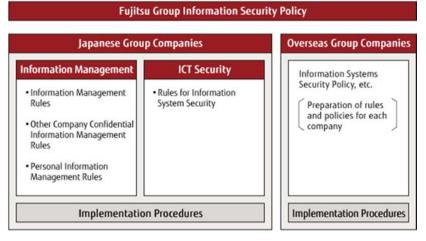
Information Security Management Frameworks



Security Management Function

Company Security Policy Formulation

Based on the "Fujitsu Group Information Security Policy," each Fujitsu Group company around the world prepares internal policies for information management and ICT security, by which they implement information security measures. Under the shared global Fujitsu Group Information Security Policy, we have prepared policies related to information management and information security for the group companies. each overseas group company creates and prepares unique rules and policies in accordance with the restrictions of the respective country. Framework of Information Security Rules



Security Inspection and Auditing

The Fujitsu Group conducts information security audits for each business department globally. These audits are conducted by an audit department that is independent of the business departments. The audits are conducted in a manner that considers the characteristics, business strategies, and ongoing information security measures, etc., of the different business departments. For example, , in addition to conducting on-site investigations to determine whether setup is in accordance with the rules at the time the intranet was installed, we also preform audits at the time public servers on the internet go on-line, as well as regular vulnerability audits in Japan.

In accordance with ISO27001 compliant security requirements, overseas group companies utilize assessment tools to evaluate the management condition. Business departments that have been audited then work to improve their information security measures based on the audit results.

35 Corporate Governance 41 Compliance 46 Risk Management 51 Information Security

Information Security Training

To prevent information leaks, we feel it is important to raise the security awareness and skill level of each individual employee, not simply inform our employees of the various policies. Therefore, all 100,000 employees of Fujitsu and group companies in Japan are provided with information security training during new employee training and promotion/advancement training, and all employees, including officers, are provided with security e-Learning in both Japanese and English every year.

Similarly, we provide employees of our overseas group companies with security training once per year in approximately 10 languages. Moreover, we provide international information security managers with the required security training for managers.

Information Security Awareness Development

Fujitsu Group conpanies in Japan formulated and raised a new domestic shared group slogan, "Declaration for complete information management! Information management is the lifeline of the Fujitsu Group" in 2007. Along with posting educational posters in the business offices of Fujitsu and our domestic group companies, we place seals on every employee's work computer, for example, to raise the awareness of each individual employee regarding information security.

In addition to these measures, we encourage the alertness of our employees by using our intranet to inform them of the frequent and global occurrences of information leaks, and hold security check days once per month as a way of ensuring that our managerial employees verify the security status of their own departments.



Complete Information Management Seal

Collaboration with Partners

As a result of dramatic changes in the ICT environment in recent years, the risk of information leaks has never been higher. In response, the Fujitsu Group has held information security presentations not only for Group employees but also for domestic business partners to which we outsource software development and services, and has worked to share information on challenges and to thoroughly implement prevention measures. In detail, please refer to the folliwing pages;

[With Our Suppliers] : Promoting Information Security Measures (<u>http://www.fujitsu.com/global/about/csr/society/procurement/</u>) [Information Security Report 2017] P.10 : Collaboration with Partners

*English version of Information Security Report will be published by the end of August, 2017.

Security Measure Implementation Function

In accordance with the security policies for all companies, the Fujitsu Group implements the following security measures for all companies across the entire group. In detail, please refer to the page. 11 of Infomration Security Report 2017.

- · Network Security
- Internet Access Security
- \cdot Endpoint Security

- \cdot E-mail Security
- · Remote Access

Authentication Security

FUJITSU GROUP CSR REPORT 2017 53

Monitoring, Analysis, and Evaluation Function

Security Monitoring

We record 1 billion logs per day using security monitors located around the world. When implementing information security management, it is essential to efficiently and effectively manage these logs.

The Fujitsu Group has established a Security Operations Center (SOC) that functions 24 hour a day, 365 day a year, and have created a mechanism that allows for fast, accurate incident and security alert response. The logs generated from the "Security Monitors" installed in multiple locations within the company's network are compiled and centralized in the "Log Integration Management System." These logs are then transmitted to "Systemwalker Security Control," a log automation and control tool, which then sends an alert notification e-mail to the SOC if it confirms a threat.

The SOC is comprised of "Local Operators," "Incident Managers," and "Security Assistants," who analyze the details of the received alert notification e-mail, determine the quality, scope, and weight of the threat, rank the response priority, and handle the threat in a fast, accurate manner.

White Hat Hacker Internet Behavior Surveys

To respond to the evolving threat of cyberattacks, we use white hat hackers to investigate global incidents and vulnerabilities, and use cyber intelligence to investigate logs based on the risk information generated from unauthorized access and malware analysis, thereby minimizing the risk of new threats and preventing the occurrence of incidents.

Personal Information Protection

Fujitsu acquired the PrivacyMark* in August 2007, and have continuously worked to strengthen our personal information protection framework, which includes annual personal information handling training and audits. Our domestic group companies have also acquired the PrivacyMark when necessary, and work to ensure personal information management. On the public websites of our international group companies, we post privacy policies designed to meet the laws and social requirements of each country. For a list of domestic group companies that have acquired the PrivacyMark, please see Third-party Evaluation and Certification (p.37) discussed later.



*PrivacyMark :

A certification system relating to the handling of private information. The system is operated by the Japan Institute for Promotion of Digital Economy and Community.

Information Security Report

Since 2009, Fujitsu has globally publicized its information security efforts through its annual "Information Security Report" in order to maintain trust from its shareholders, customers, and other stakeholders.

*English version of Information Security Report will be published by the end of August, 2017.

[[]Infomration Security Report 2017]

56 Embracing Diversity and Inclusion 65 Creating Good Working Conditions 71 Occupational Safety and Health and Health Management 75 Human Resource Development and Career Design 82 List of Employee related Indicators



With Our People

Based on the statement "We respect diversity and support individual growth" in the Corporate Values of the Fujitsu Way, we respect the diversity of our employees. We also support our employees in their efforts to enhance their capabilities and develop skills through their work so they can achieve individual growth. 56 Embracing Diversity and Inclusion 65 Creating Good Working Conditions 71 Occupational Safety and Health and Health Management 75 Human Resource Development and Career Design 82 List of Employee related Indicators

Embracing Diversity and Inclusion

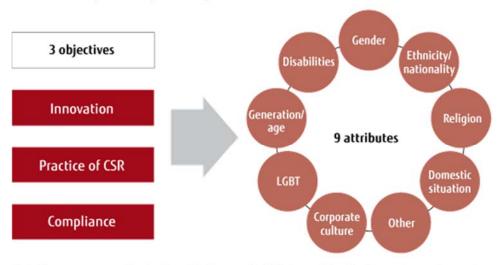
Approximately 160,000 employees are active across the world in the Fujitsu Group. We would like to grow as an organization together with each employee by embracing individuality and bringing together a diverse group, without bias toward nationality, gender, age differences, or disabilities.

Diversity and Inclusion Policies

Based on the statement "We respect diversity and support individual growth" in the Corporate Values of the Fujitsu Way, in 2014 the Fujitsu Group organized its policies on diversity and inclusion as follows, and is working as a Group to further promote these.

Direction of Fujitsu Group Diversity and Inclusion

The Fujitsu Group will undertake the promotion of diversity and inclusion, primarily initiatives aimed at nine attributes with the following three objectives, and will connect this undertaking to strengthened competitiveness as a company.



Direction of Fujitsu Group Diversity and Inclusion

Each Group company will prioritize objectives and attributes matched to its country, region, and corporate situation, and will accordingly set targets and undertake specific promotion activities. (Among attributes, gender will be given special priority.)

In 2008, Fujitsu set up the Diversity Promotion Office as an organization to promote activities aimed at respect for diversity. Drawing on "Diversity-Driven Innovation" as its theme, the Diversity Promotion Office's vision for Fujitsu sets forth the following two objectives:

• Improving individual growth and job satisfaction

That all employees will have mutual respect for one another, that each will demonstrate their own personal added value and that everyone will contribute to the organization.

Improving corporate competitiveness and growth

That we will continue to create new knowledge and technologies through free and active discussions from a variety of viewpoints.

To achieve these two objectives, we are aiming to create workplaces where people can work energetically, create new value, realize coexistence and mutual prosperity with society, and develop Fujitsu into an even better company.

Our Framework for Promotion of Diversity

The Diversity Promotion Office engages in the promotion of diversity under the company President and the officer in charge of diversity (the current Vice-President).

In Japan, diversity promotion managers selected from each company engage in this work while sharing information in diversity promotion manager meetings at domestic Group companies.

Overseas, Fujitsu promotes diversity within each of four regions while sharing information at venues such as the Global Human Resources Conference.

Efforts at Promoting Diversity

To review the status of its diversity promotion, Fujitsu has been carrying out an annual survey on Diversity and Inclusion, aimed at corporate officers, employees and temporary staff.

The survey, together with other sources of information, revealed four items to be addressed by the company: management by supervisors, the workplace environment, awareness among individual employees, and work-life balance. Based upon these, we are placing our focus on undertaking three key activities: reform of mindset and culture in the organization, support for individual success, and reform of way of working.

Initiatives for the Promotion of Diversity



Targets and Primary Measures

	Period	Target	Primary Measures to Address Targets
1	2008-2010: Awareness and Under-standing	 Foster awareness and understanding of diversity promotion among all corporate officers and employees 	 Conduct surveys of employee awareness of diversity Implement e-learning programs Build human networks for minorities
2	2011-2013: Under-standing and Practice	 Promote workplace diversity Support more active participation by female employees Promote measures among Group companies in Japan 	 Select managers to represent diversity promotion in business units and hold study meetings. Determine the actual status of workplaces through interviews of division managers Set quantitative targets for active participation by female employees and conduct training Hold briefings for domestic Group companies, hold events for employees of domestic Group companies
3	2014-2016: Practice and Business Contribution	 Support diversity promotion at workplaces oriented toward generating innovation Expand and improve our pipeline for producing a variety of employees (focusing on female employees) with leadership skills Promote measures among domestic and overseas Group companies 	 Implement specially designed activities to address issues and needs in different divisions and positions Implement level-specific measures to support the active participation of female employees Survey the status of each Group company and share the results

56 Embracing Diversity and Inclusion 65 Creating Good Working Conditions 71 Occupational Safety and Health and Health Management

Key Examples of Specific Measures

In addition to working on targets specific to Stages 1, 2, and 3, we are also implementing the following measures across all three Stages.

Main activities	Specific measures
Reform of mindset and culture in the organization	 Communication of Top Message from the management Companywide diversity promotion forums Surveys concerning diversity Interviews with top management and meetings with experts Workplace management training (for all directors and section managers) Implementation of e-Learning (currently rolling out at Group companies in Japan) Support for initiatives at all workplaces Expansion within Group companies in Japan and overseas
	 [Measures to promote active participation by women] Female Leadership Development Program (for female leaders) Career Workshop for Female Employees (for female leaders) Career Development Seminar (for female leaders, primarily younger employees) Diversity mentors (GM class) Networking events (by position/area)
	 [Measures to support the disabled] Forum for employees with disabilities Establishment of special subsidiaries Expansion/publication of the Work Style Guidelines
Support for individual success	 [Measures for foreign national employees in Japan] Forum for foreign national employees in Japan Seminar for department heads managing foreign national employees Employment-support website for foreign national employees
	 [Support for employees with time limitations] Forum for employees with younger children Forum for supervisors of employees with younger children Seminar for establishing a better understanding of infants, toddlers, and employees raising small children Seminar on finding a balance between work and nursing care
	[LGBT-related measures] Expansion of the scope of internal systems Seminar on LGBT issues
Reform of way of working	 Seminars on reforming ways of working (childcare/nursing care and childcare-conscious bosses, etc.) Workshop on reforming ways of working through digital technology

Accolades

Recognition in the Diversity Management Selection 100 Program (FY2013) The Japanese Ministry of Economy, Trade and Industry recognized Fujitsu as a company that engages in management practices that generate innovation and create value by promoting diversity and utilizing a diverse mix of human resources.	DIVERSITY MANAGEMENT SELECTION 100
Platinum Kurumin certification (FY2015) The Minister of Health, Labour and Welfare gave Fujitsu special certification as a company that supports families	7575 Fast
raising children.	HT. TURNER
Selection as a Nadeshiko Brand (FY2015)	
The Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange selected Fujitsu as a FY2015 "Nadeshiko Brand," a designation recognizing enterprises that work to empower women in the workplace.	
Eruboshi (Level 3) certification (FY2016)	+++
The Minister of Health, Labour and Welfare, under the provisions of the Act on Promotion of Women's Participation and Advancement in the Workplace, certified Fujitsu as a company demonstrating excellent performance in promoting the active participation of women, etc.	H Hana K
PRIDE Index Gold Award (FY2016)	work with Pride
Work with Pride, a private organization, named Fujitsu a recipient of a PRIDE Index Gold Award, which recognizes companies that satisfy all elements of the "Pride Index"-Japan's first index to evaluate LGBT-related efforts by corporations, etc.	

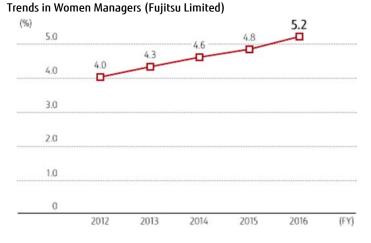
Supporting the Active Participation of Female Employees

As an immediate high-priority issue, Fujitsu is setting quantitative targets to reliably create significant numbers of female managers, while promoting activities to achieve these targets.

In more specific terms, we are selecting female employees who are or team leaders and, in coordination with the relevant

workplace, management level, HR division, and the Diversity Promotion Office, establishing and implementing training programs appropriate for these individuals as candidates for promotion. For other levels of employees, we also hold workshops and events to encourage them to review their careers and envision their future career path. We are also planning and implementing networking events as opportunities to receive fresh encouragement from others.

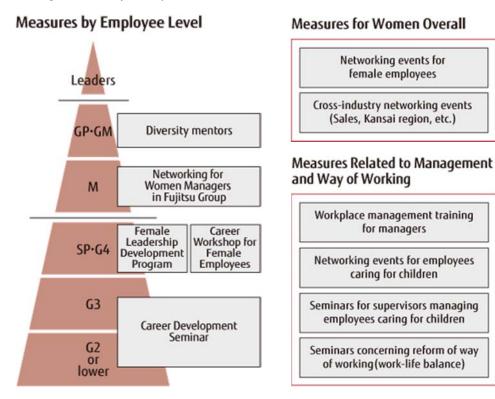
Furthermore, to help our female employees improve their self-esteem and enhance job satisfaction, we hold forums for all our female employees and giving publicity to role models.



Note that we use the same recruitment standards regardless of gender with respect to promotion of managers at Fujitsu.

56 Embracing Diversity and Inclusion 65 Creating Good Working Conditions 71 Occupational Safety and Health and Health Management 75 Human Resource Development and Career Design 82 List of Employee related Indicators

Measures Aimed at Promoting Active Participation by Women



Female Leadership Development Program (from FY 2011)

Fujitsu has initiated the Female Leadership Development Program, designed to support long-term career furtherance by its female employees. Through the program, Fujitsu is developing human resources to serve in leadership roles, while grooming future management staff.

Open to members selected by each division, this roughly half-year program seeks to boost awareness of career options and develop managerial skills through intensive classes centered mainly on team activities, coupled with on-the-job training. Diversity mentors, acting as team activity advisors and role models, provide advice and guidance, and each team offers its own suggestions to management at the end of the program.



Scene from team exercise

To enhance effectiveness, the program is conducted in coordination with key staff members from worksites, management, personnel, the Diversity Promotion Office, and Fujitsu University, who all work together for the program's success.

Over 60% of all program graduates have already earned promotions, an achievement that testifies to the program's importance in helping women flourish.

Career Workshop for Female Employees

One of Fujitsu's new measures for FY2016 was the Career Workshop for Female Employees, which gave a select group of employees a valuable opportunity to develop their careers.

Tailored to leadership class-ranking female employees at various sites, the program brought participants together for conversations with several role models and discussions with top management in an effort to help women secure appointments and promotions. Participating in the program allows female employees to dispel their own preconceived notions of executive appointments, broaden their career options, and nurture the kind of far-reaching perspective that higher-ranking positions demand.

56 Embracing Diversity and Inclusion 65 Creating Good Working Conditions 71 Occupational Safety and Health and Health Management 75 Human Resource Development and Career Design 82 List of Employee related Indicators

Career Development Seminar

Fujitsu offers seminars for applicants from the G3 (sub-team leader) level, aimed at career development for female employees.

Through group discussions and lectures by role models inside and outside of the company, this program aims to foster a mind-set for taking on daily challenges and to foster mid- and long-term career consciousness aimed at sustainable growth of the individual.

Diversity mentors

Starting in FY 2011, we have been setting up "diversity mentors," selected from the ranks of upper level female managers, who will support the personal and career development of our female employees from a different standpoint than their immediate supervisors. Diversity mentors act as advisors for team activity in the above Female Leadership Development Program, offering advice and guidance as role models for program participants.

We also conduct dialog circles led by diversity mentors and officers on the theme of active participation by women.

Participation in the Kanagawa Women's Activity Support Group

In November 2015, Fujitsu became one of the supporting companies of the Kanagawa Women's Activity Support Group, an entity consisting of top officials from local governments (Kanagawa Prefecture), companies, universities, and other organizations to support women's activities. In this initiative, supporting members communicate the related initiatives of their own organizations in the form of declarations of conduct, with the aim of generating a movement to support women's activities in society overall.

All members of the support group are men, selected from top management of companies that are headquartered in Kanagawa or have major workplaces in the Prefecture, and that are proactive in initiatives to help women exert their capabilities and be active. In FY2015, the group consisted of top management from 10 corporations and was headed by the Prefectural Governor.





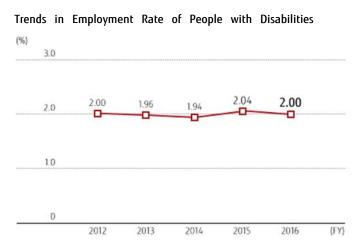
At the formation ceremony on November 5, Fujitsu President Tanaka delivered a declaration of conduct aimed at expansion of the movement to promote activity by women.

Welcoming 10 new member companies in FY2016, the group will continue to energize its activities.

Supporting the Active Roles and Promoting Employment by People with Disabilities

Fujitsu employs people with disabilities without limitations on where they may work. People with disabilities, therefore, are working in a wide variety of positions, including as researchers, developers, sales staff, systems engineers, and business staff.

To hire people with disabilities, we have prepared a pamphlet for students with disabilities and included in it specific information such as interviews with current employees with disabilities, Fujitsu's perspective on hiring people with disabilities, and the range of jobs available once a person is hired. We hope this assuages any anxiety and conveys an environment where anyone can actively work, with or without a disability. Correspondingly, we implement long-term follow up from initial human resource development until the employee is



75 Human Resource Development and Career Design 82 List of Employee related Indicators

established, so that workers can stay with Fujitsu for the long term. One example of this is training for new employees and interviews together with their workplace in order to bring out the best of the individual's abilities.

In addition, Fujitsu holds forums on the creation of networks of disabled employees and the creation of workplaces where everyone can produce results regardless of any disability they may have. Moreover, we publicize on our intranet role models and manuals for workplaces that can accept disabled employees.

Diversity promotion forums for employees with disabilities

Fujitsu holds forums aimed at supporting the active participation of employees with disabilities. In FY2015, to address the "reasonable accommodation" mandated by the Act on the Elimination of Discrimination against Persons with Disabilities and the Handicapped Person's Employment Promotion Law (Amended) in April 2016, we conducted lectures and workshops to facilitate understanding of basic stances for both disabled persons and the members who work with them.

Establishing Special Subsidiaries^{*1} for Promoting the Employment of People with Disabilities

Fujitsu establishes special subsidiaries to provide more forms of employment for workers with disabilities. These subsidiaries give consideration to the particularities of each employee's disability and aim to be workplaces where these employees can play a more active role.



Work in progress at Fujitsu Harmony Limited

*1 Special subsidiary:

A subsidiary that requires authorization by the Minister of Health, Labor and Welfare and is established with particular consideration for people with disabilities.

Special subsidiaries of the Fujitsu Group

Company name	Establishment	People with disabilities	Main work	Workplace
Fujitsu FSAS & Sun LTD.	1995	30	Repair of ATMs, PCs, circuit boards; other work related to Fujitsu's maintenance services	Верри
Fsol Act LIMITED	2011	43	Data management, recycling, cleaning, in-facility delivery, health-keeping	Bunkyo Ward, Aomori, Sapporo, Nagano, Sendai, Niigata, Omiya
Fujitsu Harmony Limited	2013	23	Creation of PDF documents, document disposal, recycling, miscellaneous support	Kawasaki, Numazu
Fujitsu FMCS Challenged Ltd.	2014	8	Office support work, printing / binding, document disposal, in-facility delivery	Yokohama

* As of April 1, 2017, Fujitsu absorbed Fsol Act and Fujitsu FCMS Challenged into Fujitsu Harmony.

56 Embracing Diversity and Inclusion 65 Creating Good Working Conditions 71 Occupational Safety and Health and Health Management

Recruitment of and Support for Active Participation by Global Talent

With sights on global business expansion, Fujitsu takes part in career events in and outside Japan geared to foreign students, as well as holding its own seminars and accepting university students from abroad for internships. Through these and other actions, Fujitsu is recruiting foreign nationals studying in Japan and university graduates from other countries, bringing the total of foreign nationals working at Fujitsu to 272 as of March 31, 2015.

Support for Foreign Employees in Japan

Fujitsu launched the Integr8 project in 2007 to enable foreign national employees to contribute and utilize their full potential. We have since undertaken the creation of good working environments for these employees.

At the launch of the project, we set up a system in English on our intranet to field questions and requests for consultation, and created an intranet to explain rules, regulations, personnel-related procedures for activities such as business travel, the visa acquisition process, living necessities, and so on, to help foreign national employees settle into the Fujitsu organizational environment and life in Japan.

Since then, Integr8 has expanded the scope of its activities to encourage cross-cultural interaction among employees of differing nationalities and to support the international integration of Fujitsu workplaces. With the goal of supporting the formation of global society within the Fujitsu Group and fostering a mindset that accepts cultural differences and embraces diversity, the program holds lectures and other events, including discussions aimed at the supervisors of foreign national employees.

Seminar for department heads managing foreign national employees

Fujitsu held a workshop to share best practices involving the issues faced by foreign nationality employees and the management issues faced by their supervisors. The workshop, which targeted department heads who manage such foreign employees, made use of the Practical Manual for Making Use of High-Level Foreign Human Resources that was planned and produced by Fujitsu Research Institute under contract by the Ministry of Health, Labour and Welfare.

Expansion within Group Companies in Japan and Overseas

In fiscal 2011, we held briefings for diversity promotion managers at each of our Group companies in Japan, and in fiscal 2014, reported on the state of domestic Group companies overall and presented case studies from the companies. Fujitsu also carried out events, questionnaire surveys, e-Learning, and other activities targeting Group companies in Japan. As a new policy measure in FY2015, we held a networking event for female executives in domestic Group companies, attended by 50 female executives from Fujitsu and Group companies.

At venues including our Global Director's Meeting for Human Resources Conference, we share the status of progress and best practices in each company and region while communicating our Group-wide policies on diversity and inclusion, with the aim of further strengthening collaboration.

Creating Good Working Conditions

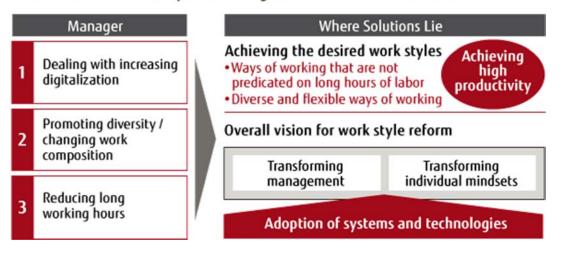
Workstyle Transformation

Policies and Goals

The issues around current ways of working include increasing digitalization and diversity, changing work-related tasks and reducing long working hours. The solutions to these issues concerning how people work, lie in achieving increased productivity through ways of working that are not predicated on long hours of labor and that are diverse and flexible.

To reach this goal, Fujitsu is reviewing its internal systems, using the latest ICT to enable changes to management practices and to transform the mindsets of individual employees.

Issues with Current Way of Working and Where the Solutions Lie



Promoting Diverse Work Styles

1. Commitment by senior management

Through the President's message on Workstyle Transformation, Fujitsu is promoting innovation in workstyles from the top down. Fujitsu has also established a Committee to Promote the Transformation in Ways of Working to promote transformation within the Group

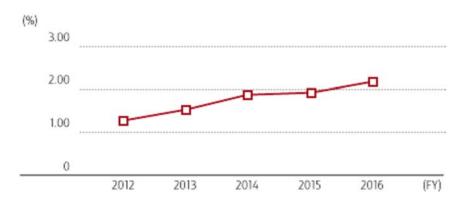
2. Formulation of Workstyle Transformation implementation plans for each division/ unit

Our initiatives for transforming ways of working are being driven by the heads of various divisions and units within Fujitsu. Specifically, these efforts involve all the divisions and units drawing up plans for independent, constructive workstyle transformations that take into account the characteristics of their work-related tasks and customers' individual circumstances. To assist with this Workstyle Transformation in the workplace, the corporate divisions are undertaking systemic reviews and enhancing environmental factors, such as through the provision of ICT tools.

Providing Environments

So that each and every one of our employees can work efficiently to create even higher added value, Fujitsu is endeavoring to create a workplace environment that supports a diverse range of employees. This includes the introduction of a telework system and options for employees whose circumstances involve childcare or nursing commitments.

Turnover Rate (Fujitsu)



1. Fujitsu Telework System

In April 2017, Fujitsu formally introduced a telework system that allows for flexible ways of working that are not tied to a specific location. This system is available to all 35,000 Fujitsu employees in Japan and includes working from home or a satellite office as well as working during business trips.

The introduction of the system was preceded by a series of explanatory briefings.

Telework System

Telework System		
Applicable workers/ workplaces	Applies to entire organizations and targets employees looking to work autonomously or in a planned way.	
Frequency	There is no limit on how many times this option can be used. However, full-day teleworking is limited to twice per week initially.	
Rules of use	Strict adherence to prior notification of the immediate supervisor/manager. Reporting on a work plan with start/end times and targets achieved.	
Rules outside working hours	Teleworking is generally not permitted on holidays or during the night. Full-day teleworking shall be no more than 8hours.	

• Goals of the system

- To boost individual productivity and maximize the benefits of team work
- To build an environment that supports continued participation by a diverse range of staff
- To ensure business continuity and rapid responses to disasters

75 Human Resource Development and Career Design 82 List of Employee related Indicators

2. Arranging Systems to Support Pregnancy and Child Care

In regards to pregnancy and child care, we have established and implement our action plans*1 in accordance with the Law for Measures to Support the Development of the Next Generation. In addition, we provide babysitter subsidies and have established and are operating in-house childcare facilities at some of our sites. Furthermore, we conduct a forum to assist and help build networks for employees who have just returned to the workplace after child care leave, or who are taking child care leave and will return to the workplace.

In FY2016, we continued hosting forums for Fujitsu and Group company supervisors who manage employees with children, as well as forums for Fujitsu and Group company employees who have returned to work during the past year after taking maternity or childcare leave. Since FY2016, qualifying workers have been required to attend returning workers' forums, which have included health advice from public health nurses, presentations by female executives with experience in child-raising, and talks and group discussions with external speakers.

The number of forums being held for company supervisors who manage employees raising children has been increased to promote better management of diversity. These forums have served as a venue for talks by the Health Promotion Division on the particular needs of female employees raising children, as well as group discussions and talks on management-related issues by invited speakers. As a new initiative in FY2016, we also held a 'Seminar on understanding infants and employees responsible for infants' focusing on infant illnesses and injuries, with practicing paediatricians attending as guests. It was recommended that employees raising children attend this seminar together with their immediate managers to promote mutual understanding in the workplace.

*1 Action plans:

Fujitsu has implemented action plans from 2005, and is now implementing the fifth action plan (July 1, 2015 to March 31, 2018).

• 5th Action Plan (5 KB)

http://www.fujitsu.com/jp/documents/about/csr/employees/system/season-5-action-plan.pdf

We formulate action plans based on Japan's Law for Measures to Support the Development of the Next Generation in Japan. Among companies that have acquired the "Kurumin" certification mark, we received "Platinum Kurumin" certification in November 2015 from the Minister of Health, Labour and Welfare, for our advanced initiatives in balancing life and work.



3. Nursing Care

With regard to nursing care, we renamed our current Family Care Leave system as the 'Family Care & Preparatory Leave' system to clarify the aims and role of the leave period offered, in preparation for returning to work.

We also revamped the content of our existing seminars on balancing work and nursing care committments, and in FY2016 trialed basic seminars offering a course in the basics of nursing care. In the upcoming fiscal year, these seminars will be formalized and made more widely available, and other opportunities will be offered that will provide information catering to a range of needs.

Number of Employees Using the Care Leave Support System (FY 2016, Fujitsu Limited)

System	Total ^{*2}	Men	Women
Child care leave	336	38	298
Family care leave	14	10	4
Reduced working hours (child care)	789	16	773
Reduced working hours (family care)	17	7	10
Paternity leave	482	482	-

Return to Work Rate/Continuous Work Rate after Child Care or Family Care Leave (FY 2016, Fujitsu Limited)

System	Return to work rate	Continuous work rate ^{*3}
Child care leave	98.5%	98.2%
Family care leave	100%	97.1%

*3 Continuous work rate:

The proportion of employees continuing work 12 months after returning from child care leave or family care leave.

*2 Numbers of Users:

Numbers of Users: Figures include employees who have continued to use the system from the previous fiscal year. The percentage of employees who return to the workplace after taking child care leave is nearly 100%, for both men and women.

4. Holding a Variety of Forums

We are implementing a variety of forums to improve both productivity and individual job satisfaction and fulfillment based on the many different ways people work with the theme "Reforming the Way We Work."

We focused on understanding differences in ideas through FY 2009, and since FY 2010, we have been implementing training based on concrete, practical measures. In FY 2015, we held forums in the Keihin region, focusing on the theme of remote nursing care, to call appropriate attention for both work and nursing care needs. These forums consisted of talks and group discussions and were intended to give all employees an opportunity to develop their understanding of job approaches, and make immediate changes, that would allow them to balance nursing care and work, and continue working with a sense of worthwhileness.

In FY2016, Fujitsu held workshops on the topic of work style reform through digitalization. The venue for these workshops was the FUJITSU Digital Transformation Center, which offers the very latest in ICT. Employees from various divisions took part in the workshops and were involved in discussions on ways to further boost productivity by adopting more diverse work styles.

• FUJITSU Digital Transformation Center

http://www.fujitsu.com/jp/about/corporate/facilities/dtc/

Initiatives Aimed at Reducing Long Working Hours

The Fujitsu Group aims to improve the work-life balance and the productivity of every employee through a variety of initiatives aimed at reducing long working hours. As an example, at Fujitsu Headquarters, every Wednesday is designated as a day for leaving work on time. On these days, the company turns off lights at 6:00 p.m. to encourage employees to return home.

Examples of specific initiatives aimed at improving long working hours

- · Adoption of flex time, a discretionary labor system for professional work, and a discretionary labor system for management-related work
- · Sending of alert e-mails for overtime work
- Not scheduling meetings outside of scheduled working hours
- \cdot $\;$ Setting of recommended days for taking annual leave
- Enforcement of leaving work on time one day a week
- Leaving work one hour earlier every day
- Enforcement of working hours management in management training
- Promotion of a telework system aimed at diverse work practices
- \cdot $\;$ Adjustment of work style and rest style according to busyness of work

Employee Benefits Program

The Fujitsu Group has programs in place that are suited to the life styles of employees and strive to allow them and their families to lead healthy and prosperous lives.

In order to respond to the advance of globalization and diversity and to the changing needs of employees, in October 2014 Fujitsu introduced the "F Life+" cafeteria plan*4 as a new employee benefits program.

In addition to this, under the idea that active work and growth by every employee leads to the growth and development of the company, we have established a variety of initiatives to support employees' own efforts at preparations for the future, including savings/property accumulation programs, an employee shareholding association, group insurance benefits, housing support, medical support, health support, and child support.

*4 Cafeteria plan::

A system by which employees select desired or needed employee benefits from a diverse menu prepared by the company, taking advantage of the options in the form of using up "employee benefits points" granted by the company.

Measures to Energize Communication

Labor Relations

Based on labor-management agreements with the Fujitsu Labor Union, Fujitsu holds discussions about various employment conditions and explains management policies and business conditions, along with business reorganization and other matters, to its employees through regular and ad hoc meetings such as the Labor Council or Productivity Council. Furthermore, these agreements stipulate the collective bargaining rights of the union.

Note that since Fujitsu adopts a union shop system, all ordinary employees are members of the Fujitsu Labor Union. (The Fujitsu Labor Union membership rate 76%^(*5))

In Europe, the Fujitsu European Annual meeting has taken place every year since 2000, with the overall financial conditions of the Fujitsu Group and other issues shared with the employee representatives from Fujitsu Group companies.

*5 Union participation rate:

The 75.8% figure quoted is the ratio of normal employees out of all full-time employees (including managers).

Topics

Issues and Solutions for China's 'Two Child Policy'

At a meeting in October 2015, the Chinese Communist Party announced the nationwide 'two-child' policy to create a more balanced population and to actively develop measures for dealing with an aging population. On January 1, 2016, the Population and Family Planning Law of the People's Republic of China was revised accordingly. This is a major change that abolishes the 'one-child policy' that has been in force since the 1970s and encourages China's citizens to have two children. As a result, generous maternity leave will be afforded to female employees, while spouses will also be granted leave to attend the birth.

In this sort of environment, issues arise around career development for employees after they return from maternity leave and around maintaining and improving their motivation. Thought must also be given to ways of promoting multi-tasking by staff redeployed to positions left vacant when employees take maternity leave, or to the hiring of new staff.

At Fujitsu Group companies in China affected by these issues, a Group-wide working group is inviting external experts to give

56 Embracing Diversity and Inclusion 65 Creating Good Working Conditions 71 Occupational Safety and Health and Health Management

presentations on the key aspects of the legislative changes and points to consider when addressing those changes. These talks are accompanied by discussions and dialogue sessions to consider the problems and how best to deal with them. Fujitsu will continue to pursue initiatives to maintain and boost staff motivation by providing a comfortable and flexible working environment for employees and by supporting employee education and career growth.

Establishment of a Consultation Service for Human Resource Programs, etc.

Fujitsu established a consultation service as a contact point for e-mail and phone calls to the Human Resources and Administration Units, as we work to build a structure that makes it easy for employees to seek guidance on human resource and administrative programs.

Employee Satisfaction Survey

In order to continue as "an organization wherein all employees are strongly motivated, have ample opportunities for advancement and work with pride and confidence" in accordance with the Fujitsu Way, the Fujitsu Group conducts employee satisfaction surveys that provide opportunities for serious thinking about ways by which management in each organization can improve employees' motivation.

We have been gradually introducing our Employee Engagement Survey in Japan since FY2002, and outside Japan we began conducting the survey across all our overseas Group companies in FY2011.

The same survey was conducted comprehensively both in Japan and overseas for the first time in FY2016. The survey targeted around 71,000 employees at 79 Group companies in Japan (including some 26,000 Fujitsu staff), while 41,000 overseas employees were surveyed, primarily at Group companies. A total of 104,000 Japanese and overseas employees responded to the survey. The survey response rate was 88% in Japan, 71% overseas and 82% globally.

The global consistency of the survey means that we can now both compare regions within the Fujitsu Group and also benchmark ourselves against our competitors in each country and region. Based on analysis of the results, we have identified issues specific to countries and regions, and to divisions and occupations, and are now working toward improving management and reforming our organizational culture.

Response Trends

Questions relating to engagement, such as "I feel proud to work for Fujitsu" attracted positive responses from 60% of our employees ("Neither agree nor disagree": 28%; negative responses: 12%).

The increase in positive respondents overseas compared with previous years included a rise in responses such as "I receive praise when I do a good job." and "I am treated with respect as an individual", indicating progress in our improvements to the organizational culture in the workplace.

In Japan also, there was an increase in responses such as "I am treated with respect as an individual".

Occupational Safety and Health and Health Management

Health and Safety Policy

Based on the Fujitsu Corporate Values, the Fujitsu Group ensures the safety of employees by providing work environments where people can work in safety and comfort. Furthermore, the Fujitsu Group has set a Health and Safety Policy based on the Fujitsu Corporate Values. The Group's human resource department, health promotion department, and health insurance society work together to create a safe and comfortable working environment and corporate culture, ensuring the health and safety of Fujitsu's employees.

Fujitsu Group's Health and Safety Policy

Ensuring the health and safety of Fujitsu's employees is one of the most important management topics, and it is given the highest priority in all of Fujitsu's business activities.

Efforts to Improve Occupational Safety and Health

The Fujitsu Group aims for zero industrial accidents, and is committed to organizing occupational safety and health activities. To raise awareness for industrial accident prevention, the Fujitsu Group promotes health and safety education within its department and habitually conducts safety drills to prevent falls. Furthermore, from FY2014, the Fujitsu Group conducts voluntary inspections and third party inspections by specialized site surveyors to minimise accident risks at its production sites.

Occupational Safety and Health Promotion System

The Fujitsu Group has established a Central Safety and Health Committee, comprising the directors responsible for the Human Resources Unit, and the Health Promotion Unit, representatives from the Labor Union, and other parties, to coordinate the safety and health committees in place at individual business sites. Meeting yearly, the Central Safety and Health Committee discusses accidents that have occurred at business sites, works to develop measures for preventing accidents, reports to and shares information with management and business sites, and formulates Group-wide policies on occupational safety and health.

The safety and health management organizations at individual business sites hold monthly meetings of their Safety and Health committees. These committees establish directions suited to the unique characteristics of the business site and work to create safe, healthy workplaces according to the policies related to the Occupational Health and Safety Management System. Each business site's safety and health management organization also performs workplace inspection tours and takes other steps to check for and rectify dangerous locations and factors that may impair health, while conducting risk assessments. Certain business sites have also acquired the international standard certification, OHSAS18001.

Medium-Term Plan (FY2013-FY2018)

In light of current issues and the 12th Industrial Accident Prevention Plan (issued by the Ministry of Health, Labour and Welfare), the Fujitsu Group focuses on implementing the following policies.

(1) Industrial accident prevention policies

- (a) Promote measures to prevent industrial accidents
- (b) Validate efforts to prevent industrial accidents at manufacturing sites

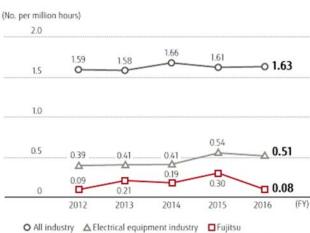
(2) Health maintenance/enhancement policies

- (a) Promote measures to improve mental health
- (b) Promote measures to prevent lifestyle-related diseases, etc.
- (c) Promote measures to prevent passive smoking

Occurrence of Work-Related Accidents

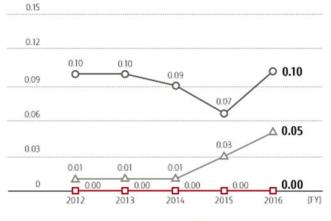
The accident frequency rate and severity rate have been kept at a level far below the national average. Falls were the most common type of work-related accidents that occurred in 2016. There were zero work-related deaths.

Frequency Rate Transition (Fujitsu Limited)



Frequency rate: Number of accidents requiring off-time from work + Total Working hours × 1,000,000





O All industry ▲ Electrical equipment industry ■ Fujitsu Severity rate: Lost Labor days + Total Working hours × 1,000

Initiatives Overseas

The Occupational Health and Safety Group for the EMEIA Region is currently implementing a comprehensive approach to ensure proper compliance and enhance preventive measures in the field of occupational safety and health.

Embracing the spirit of the World Day for Safety and Health at Work, an annual initiative by the International Labour Organization (ILO), the EMEIA Region strives to raise awareness and cultivate a stronger understanding of its employees' occupational safety and health on a far-reaching basis. In FY2017, the Region is working to encourage the prevention of industrial accidents by focusing on collecting and utilizing industrial accident data. Another objective is to implement a cross-sectional incident management system by the end of the fiscal year.

Having laid out these specific policies and other objectives in FY2016 as medium-term goals, the EMEIA Region is now working to cultivate a culture intolerant of industrial accidents by bolstering its governance structure, establishing management systems, training human resources, and encouraging skill development.

Health Management and Enhancement Initiatives

The Fujitsu Group has established Health Promotion Centers and Health Care Centers at each business site and is undertaking activities that seek to maintain or enhance the health of employees and their families, and elevate health literacy (knowledge of health-related matters). Eligibility for health support services includes not only employees and their families but also retirees.

Implementing Safety and Health Education

The Fujitsu Group provides all of its employees with valuable opportunities to learn about and develop a stronger awareness of safety and health-related issues. To ensure that educational programs meet specific needs, the Group also tailors its offerings to workplace environments at specific business sites.

Education and training activities (ex.)

- Safety and health education for new employees (approx. 1,200 employees/year)
- Mental health education for employees receiving promotions (approx. 1,300 employees/year)
- Online mental health e-Learning program (approx. 800 employees/year)
- Workplace management training for executives (approx. 1,800 employees; once every three years)
- Safety and health education at individual business sites (approx. 800 employees/year at major business sites in the Tokyo-Yokohama area, for example)

Promoting Health Checkups

The Fujitsu Group conducts regular health checkups, which cover the items required by law and a variety of test items designed for different age groups. In addition to receiving feedback on their results from the Group's industrial physicians and industrial health staff, employees can manage their own health even more effectively by viewing results via a system that they can access from their own desks. In addition, the Group collaborates with the Fujitsu Health Insurance Organization to help detect diseases early by offering free gynecological and obstetric examinations and providing subsidies to defray the costs of brain and lung checkups.

Efforts to Enhance Health and Foster a Self-Care Mindset

The Fujitsu Group is actively working to improve health literacy. In addition to offering consultations (both in person and by phone) to help prevent lifestyle-related and mental illnesses, the Group also organizes various seminars, health-related lectures, and other activities that encourage employees to take good care of their physical and mental well-being.

The Group also holds walk rallies and other activities to promote exercise, provides support for health-oriented events, and offers healthy lunch seminars. These activities are part of a wide-ranging initiative that not only encourages exercise, healthy eating, and good sleep habits but also aims to help employees quit smoking and provide education on women's health.

Mental Health Services

Fujitsu has an in-house mental health support office, and full-time psychiatrists and counselors offer consultations and counseling services, provide occupational support for individuals with mental health issues, help prevent relapses, and engage in various forms of mental health education.

As the government gears up to create legal frameworks requiring stress checks, the Fujitsu Group has taken the initiative to implement its own stress check system, help employees enhance their own self care through diagnostic measures, provide management with feedback on organizational diagnostics, and coordinate with ES studies to improve and enliven the organizational climate. To take follow-up measures in response to stress check results, the Group has trained specialists provide employees with educational programs and workshops on line care and self care. More and more sites are making effective use of mental health-related findings, which provide a powerful impetus for making independent, self-motivated improvements to workplace environments.

Efforts to Safeguard against Infectious Diseases

To keep its employees safe from infectious diseases ranging from new strains of influenza to tuberculosis and HIV, Fujitsu offers health consultation services and provides employees with relevant information on a timely basis. The health consultations do not include any HIV antibody tests, as the Fujitsu Group is committed to ensuring the privacy of infected individuals.

75 Human Resource Development and Career Design 82 List of Employee related Indicators

Initiatives for Enhancing Work Engagement

Since FY 2012, the Fujitsu Group has been using a stress check tool developed in-house with questions related to lifestyle and work engagement (realizing increases in vitality through work). The purpose of this tool is to provide data for analyzing issues for future health measures. Advice on organizational stress tests is received from professors at the University of Tokyo, and we work with not only our industrial health staff but also our human resource department to enhance work engagement and invigorate workplaces.



Stress check question forms

Measures to Promote a Healthy Workplace

In December 2014, Fujitsu implemented the Healthy Living Workplace Certification System – Starter Accreditation set by the Forum for Creating a Healthy Living Workplace*1, which is jointly established by the Japan Productivity Center and The University of Tokyo Graduate School of Medicine, Department of Mental Health. The Healthy Living Workplace Certification System is a system to evaluate Fujitsu's policies, future plans, and measures to promote mental health and improve organizational productivity. Fujitsu has achieved stellar results for many of its policies. Its health promotion headquarters plays a key role in providing readily available workplace stress assessment results, covering positive mental health in the various business divisions which helps to create a lively workplace.



These activities have pioneered stress checks that will be implemented with Fujitsu's Industrial Safety and Health Act amendment in December 2015, and Fujitsu plans to continue such measures.

* Forum for Creating a Healthy Living Workplace:

A new initiative based on a concept of new mental health measures in corporations, proposed at the stakeholder meeting of the Ministry of Health, Labor and Welfare. The goals of the forum are to prevent issues with employees' mental health, and realize a positive and healthy corporate culture where employees can work happily and contribute to their organization.

Health Management Initiatives

In February 2017, the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi certified Fujitsu one of the "White 500 Health and Productivity Enterprises", a designation recognizing companies that make strategic efforts to improve employee health management as an important part of their management operations.



Fujitsu Clinic

The Fujitsu Clinic was established as a medical clinic in 1944 on the premises of Fujitsu's Kawasaki Plant, for the purpose of providing medical treatment and health management services to employees and their families. Since its establishment, the Clinic has also answered the demand for community healthcare, providing medical treatment to local residents. The center conducts various health checkups for employees (about 30,000 people a year) along with the Fujitsu Health Management Center on the premises.

Human Resource Development and Career Design

Human Resource Development

The employees of Fujitsu Group are our biggest assets, and we believe that each individual is full of potential. Fujitsu is committed to planned and continuous human resource development using various approaches, so that its employees can enhance their abilities and specialties through work to grow as individuals, and learn to take on the challenges of transformation, and adapt to the intense changes and competition in society.

Guidelines for Human Resource Development

To develop high-level human resource, the Human Resources Development Unit of the Fujitsu Group collaborates with each business group and Human Resources Unit, and the Group has implemented systematic education programs emphasizing the following four principles.

Four Major Themes of Human Resource Development

Developing Global Business Leaders	Promoting Professionalism
Long-term development of employees to succeed as global business leaders	Develop professionals and within the industry and global standard framework
Baseline Reinforcement	Creating a Culture Where Various Individuals Can Succeed
Enhance stratified education to emplace employees ranging from young employees to senior employees in the right positions	Support individual employees through the promotion of diversity and career support, etc.

Promotion System

The Fujitsu has established a Group-Wide Talent Strategy Committee, comprising executives at the management level and above. The committee regularly discusses Fujitsu's human resource approach for implementing its vision and business strategies. Under the policies of the Group-Wide Talent Strategy Committee, the human resource development explores priority measures, works on frameworks for implementing measures, handles other related tasks, and designs common human resource development programs for the entire company. Each unit has a human resource development division, which conducts training for the unit and related Group companies in Japan to enhance the specializations that employees need for their respective business domains.

The group companies, Fujitsu University Limited, and Fujitsu Learning Media Limited, both specializing in education, carry out the training sessions.

75 Human Resource Development and Career Design 82 List of Employee related Indicators

Human Resource Development System

	Group-Wide	Talent Strat	egy Committ	ee	
	Human Reso	ources Devel	opment Offi	ce	
Group-Wide Common Training	Departn	nent/ Job Cal	egory Specia	lized Trainir	ng
Human Resources Development	Department	Sales/ Global Marketing	Global Services Integration	Digital Services	Service Platforms
Office	Job Category	HRD Div.	HRD Div.	HRD Div.	HRD Div.
	Sales				
	Integration SE	<			\rightarrow
	Service Engineer	<			
Group-Wide Common	Software Development	-	_		
Training Project	Hardware Development		_	_	
	Network Development			•	
	Manufacturing	<			
	Bears the function	on of examir	ning job cate	gory educat	ion
Fujits	Execution of hu u University Limite	ıman resour d/Fujitsu Le	ce developm arning Medi	ent: a Limited, e	etc.

Measures and Achievements

Educational System

For all employees at Fujitsu Group companies in Japan, we provide common education focused on foundation training for individual positions and roles, as well as specialized training to improve the specialization of various departments and occupations. We also provide self-development support for employees who wish to carry out self-learning. For our rank-specific training programs, which represent a major component of our common training framework, we incorporate the Management By Belief* ideology across all ranks to provide consistent training.

Our unit for implementing human resource development, meanwhile, uses questionnaires from various training programs, the latest educational methods, and other resource to improve our training offerings on a continuing basis.

*Management By Belief:

A new management method concept advocated by Honorary Professor Ikujiro Nonaka of Hitotsubashi University, where all employees engage in their work with a sense of emotional involvement.

75 Human Resource Development and Career Design 82 List of Employee related Indicators

Human Resource Development Structure

	Common Training						peci	- Day			Self- Development Support						
	Business Leadership Rank-Specific				iness cation	Career			Trai				Self-	Support			
			Tra	Officer iining nit Heads			nar	_				_					
tives	Global Knowledge Institute (GKI) - E course		Tra Nev Pre	w Vice sident ining			Career & Life (C&L) Design Seminar						Professional Certification				
Officers/Executives	Global Knowledge Institute (GKI) - A course			place Jement ning	S	X	X	8	ife (C&L) I						rofessional	tc.	
Offic	Global Organization Leadership Development Program		New Director Training Workplace Management Training		Expatriat	Career & I	bu	tion				đ	Seminar e	ucation			
	Global	grams	New Manager Training Evaluator Training		Training for Expatriates	Fundamental BusinessKnowledge		Sales / Global Marketing	Global Service Integration	Digital Services	Service Platforms	Fujitsu Laboratories		Self-development Seminar etc.	Language Education		
	- d course	Management Programs	Manager Pre- Promotion Training SP Promoted Person Training		Fundame Career Design Workshoo	areer Design Workshop	E .	Sales / G	ilobal Se	Dig	Servi	Fujitsu		Self-d	_		
es	Female Leader Training Global Exchange Program Innovation Seminar (Souzou-Juku)	Aanagen					orkshop										
Ordinary Employees	Global Competency		G4 Promoted Person Training				Care										
inary E	Development Program			omoted Training						l							
Ord				Education 2nd Year Training New Employee Training													

Average Hours Dedicated to Training Per Employee (Fujitsu Limited) (FY2015)

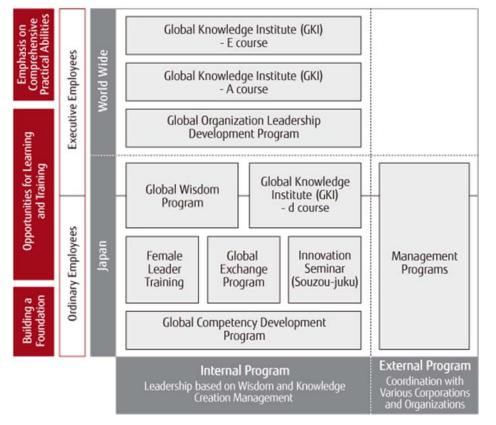
Executive	Ordinary	Total Average
Employees	Employees	
36.3 Hours	55.2 Hours	50.8 Hours

75 Human Resource Development and Career Design 82 List of Employee related Indicators

Global Business Leader Training

With the aim of long-term development, Fujitsu selects personnel with high potential among the young to mid-range employees, and provides opportunities for growth through action learning through practice and experiencing tough situations (being placed in a challenging position) as the pillars of their training. Additionally, to expand its business in the field of innovation, Fujitsu is strengthening its organizational framework and human resource development so as to promote collaboration with various personnel to generate business opportunities.

Development System for Global Business Leaders



At the core of the global leader development are the "Global Knowledge Institute-A course" and "Global Knowledge Institute-D course," both started in 2000, with a total of over 1,000 graduates as of FY2016 in Japan and abroad.

Course graduates are driving innovation in a wide variety of fields, with executives leading management initiatives for the Fujitsu Group and business leaders continuing to create new business with customers.



GKI-A President's Session

Efforts to Develop Human Resource in Accordance with the Management Strategy

In addition to group-wide efforts, Fujitsu is carrying out human resource development at each department with an emphasis on specialization closer to their respective fields.

Sales	 Fujitsu is making the following efforts to enhance sales coordination on a global scale. Fujitsu conducts training programs at its domestic and overseas sales sites to help employees experience and gain a firsthand understanding of each other's real business situation and nurture a Fujitsu sales mindset, [Overseas training program for sales persons in Japan: 25 participants in FY2016; 40 participants scheduled for FY2017] [Training program in Japan for overseas site sales persons: 35 participants in FY2016; 40 participants scheduled for FY2017] Fujitsu is providing a program for enhancing practical communication skills (presentations, meetings/email, and intercultural communication) among sales units in Japan. [147 participants in FY2016; 150 participants scheduled for FY2017] Fujitsu is working with the Asia Region's Human Resources Development Unit to expand the company's training programs for enhancing sales abilities into the Asia Region. [The company implemented a pilot program at Fujitsu Philippines, Inc. in FY2016]
Global Marketing	Using resources from the FUJITSU Digital Business College, Fujitsu will train marketing specialists with technical expertise. (Note) The FUJITSU Digital Business College, a long-term program set to launch in July 2017, aims to train to human resource for promoting customers' digital business.
Global Services Integration Business	 Fujitsu is making the following efforts to develop Global SEs capable of applying global business skills. Fujitsu is offering various training programs for improving communication skills and developing a global mindset. [1,384 participants in FY2016] Fujitsu is implementing overseas workshops (Global Workshop Training [GWT] programs) at overseas business facilities for selected trainees. [38 participants in FY2016; 50 participants scheduled for FY2017] Fujitsu will launch the Digital Innovator Training Program in FY2017 to get an early start on developing digital business leaders. Program organizers are planning to train 200 participants in FY2017 and aiming to expand to 1,200 participants in five years.
Digital Service Business	In an effort to create new markets, Fujitsu will continue to accelerate the development of value-added services and bolster its existing infrastructure business services. The first stage of that process centers on sharing the company's policies and technologies among all Group employees via an e-Learning framework. Digital Innovation/AI: 99,000 participants scheduled for FY2017 (each course) MetaArc/K5: 156,000 participants scheduled for FY2017
Service Platform Business	 Fujitsu is making the following efforts to get a head start on developing engineers for the emerging era of digital business. 1. Training for young business leaders Fujitsu is implementing fast-track training for selected young engineers. [25 participants in FY2016; 30 participants scheduled for FY2017] 2. Fast-track training for core engineers To get an early start on developing engineers capable of adapting to the changing times, Fujitsu will begin enhancing its educational offerings in FY2017. 3. Overseas workshop programs for developing a global mindset Fujitsu sent employees on short-term study-abroad trips [9 participants in FY2016] and offered overseas business trip programs [18 participants in FY2016].
Global Corporate	Fujitsu is dispatching employees to sites, graduate schools, and other locations overseas to help employees develop stronger expertise in their respective functions.
Fujitsu Laboratories	Since 1970, Fujitsu Laboratories has offered one-year overseas dispatch programs for young researchers, sending participants to prestigious graduate schools and research institutions in hopes of helping the researchers deepen their expertise and forge a global network of colleagues. Over the last five years, the programs have sent 19 participants to various locations, mostly in North America.

Promoting Professionalism

1. Professional Certification System

At the Fujitsu Group, we have established a certification system for professionals to develop in various specialized fields. Every year, a screening process takes place via an essay-writing exercise and interviews. In addition to new certifications, we hold regular screenings for certificate renewals to help employees retain their skills.

Furthermore, certified employees engage in community activities in various categories to further enhance their own skills, distribute information, and mentor their successors.

Professional Certification Categories (FY2016, including group companies)

- Sales: 487 certified employees Strategy/Account Management/Solutions
- System Engineers: 2,010 certified employees Consulting/Project Management/Business Architecture/IT Architecture/Service Management/Quality Management/Product Architecture/IP Management
- Engineers: 527 certified employees Product Planning/Architecture Development/Hardware and Firmware Development/Software Development/Manufacturing and Production Skills/Quality Assurance Skills

Career Design Support

The Fujitsu Group works to energize its organizations and workforce by cultivating a rewarding workplace culture that values career development and providing various forms of support that encourage each employee to pursue self-initiated career growth. To do so, we have created organizations that focus exclusively on career design support. This activities are in line with the revisions to the Human Resources Development Promotion Act in effect since April 2016.

Career Seminar

In collaboration with organizations specializing in education, Fujitsu hosts training programs for all employees, including managers, to encourage future career planning. The training programs welcome roughly 2,000 employees every year.

Participants have given glowing reviews of the content of the training sessions. "The session helped me take inventory of my own values and strengths," one employee said, while another commented that, "The program showed me how important it is to start working on my future

C	areer S	Semi	inar :	System	(Mano	latory	courses)	



career path now." The program acts as a catalyst for development: "Through the session, I started to figure out what I'd need to do to live my life and do my job the way I want to—I'm more motivated than ever to enhance my skills and use my strengths."

Career Counseling

Fujitsu provides counseling services to its employees upon request, offering an opportunity to focus on their future career plans and find ways to further their career development on their own.

Internal Recruiting Program/Free Agent (FA) Program

To help employees design their careers, Fujitsu has established the following measures and aims to create a stimulating corporate culture, self-initiated career promotion, and optimal placement of employees by providing employees additional career-advancing opportunities.

Internal Recruiting Program

The Fujitsu Group's internal recruiting program posts job openings and target employee qualifications on our intranet, with the openings categorized by projects in fields in need of stronger personnel, focused reinforcement, etc. Widely soliciting employees across the Group for job posts leads to more active utilization of our human resource and greater discovery of employee skills and talents that are not as readily accessed through our primary employee placement system. The in-house promotion program has been implemented twice annually since 1993 and is now firmly established. To date, approximately 3,000 employees (as of the end of FY2016) have changed positions through this program.

Free Agent (FA) Program

In addition to the in-house promotion program, the Group also has a program that puts more emphasis on an employee's own goals and volition, allowing employees to choose on their own to apply for a different position. The program gives the opportunity to move into a desired position or department, provided that the employee has a specified level of experience. This program has been implemented once a year since 2003 and approximately 600 employees (as of the end of FY2016) have transferred positions as a result.

Active Support of Senior Employees

In addition to the above, employees who wish to seek opportunity outside of Fujitsu are changing careers and succeeding in the new companies/organizations, with the support from our specialized career counselors.

Furthermore, with the post-retirement re-employment system, Fujitsu caters flexibly to the varied needs of seniors, such as providing work-life balance and nursing care.

75 Human Resource Development and Career Design 82 List of Employee related Indicators

List of Employee Related Indicators

*Items listed in the third party verification report.

Employees in Fujitsu group

		FY 2014	FY 2015	FY 2016	GRI
Total		158,846	156,515	155,069	
	Japan	99,355	98,905	98,447	
Number of employees	Asia	17,956	17,668	17,209	G102-7, 8
by region*	Oceania	4,145	3,662	3,422	UIUZ-7, 0
	The Americas	7,903	7,573	7,821	
	EMEIA	29,487	28,707	28,170	
Number of Employees by Type	Full-time	158,846	156,515	155,609	
of Contract (person)	Non Full-time*	17,103	16,871	16,307	

* Including fixed term employees (contracted, part-time, etc.) and excluding dispatched workers.

Board of Directors (As of June 26, 2017)

		End of June, 2015	End of June, 2016	End of June, 2017	GRI
	Total	12	10	10	
Directors*	Male	10	8	8	
	Female	2	2	2	G405-1
Outside directors		4	4	4	
Non-Japanese directors		1	1	1	

Diversity (Fujitsu Limited)

		FY 2014	FY 2015	FY 2016	GRI
Number of employees*	Total	25,627	24,112	33,095	
Average age*		43.3	43.3	43.1	
	Under 30	3,114	2,978	4,281	
Number of employees by age group *	30-49	15,900	14,174	18,875	
group	50 and over	6,613	6,960	9,939	
Number of employees by gender	Male	21,668	20,248	27,754	
(person) *	Female	3,959	3,864	5,341	G405-1
Ratio of female employees (%)		15.4%	16.0%	16.1%	
Ratio of female managers (%)*		4.60%	4.82%	5.24%	
Ratio of newly appointed female managers (%)* (qualified personnel)		6.6%	9.5%	10.1%	
Number of non-Japanese employees (person)		240	248	343	
Trend in employment rate of people with disabilities (%)* (counted in every June)		1.94%	2.04%	2.00%	

75 Human Resource Development and Career Design 82 List of Employee related Indicators

Employment (Fujitsu Limited)

		FY 2014	FY 2015	FY 2016	GRI
	Total	500	500	740	
Hiring of Recent College Graduates (person)*	Male	359	344	490	G401-1
and dates (person)	Female	141	156	250	
	Total	20	20.3	20	
Average year of service*	Male	20.4	20.7	20.6	
	Female	17.8	18.1	17.2	

Using the Care Leave and Short Work Hours system (Fujitsu Limited)

		FY 2014	FY 2015	FY 2016	GRI
	Total	259	272	336	
Number of employees using child care leave*	Male	10	23	38	
	Female	249	249	298	
Return to work rate after child car	e leave (%)	100%	97.5%	98.5%	
Continuous work rate after child c	are leave (%)	97%	95.7%	98.2%	
	Total	10	13	14	
Number of employees using family care leave*	Male	0	4	10	
	Female	10	9	4	
Return to work rate after family ca	are leave (%)	100%	93.8%	100%	G401-3
Continuous work rate after family	care leave (%)	100%	100%	97.1%	
	Total	585	556	789	
Reduced working hours (child care)*	Male	18	10	16	
	Female	567	546	773	
	Total	4	11	17	
Reduced working hours (family care)*	Male	0	2	7	
	Female	4	9	10	
Leave for supporting childbirth and childcare*	1	496	463	482	

Occupational Safety and Health (Fujitsu Limited)

	FY 2014	FY 2015	FY 2016	GRI
Frequency rate*	0.19	0.30	0.08	G403-2
Severity (rate)	0.000	0.000	0.000	U405-2

Human Resource Development (Fujitsu Limited)

	FY 2014	FY 2015	FY 2016	GRI
Average Hours Dedicated to Training Per Employee (Fujitsu)	43.8	50.8	(To be updated)	G404-1

85 With Our Customers92 Quality Initiatives99 With Our Suppliers

105 With Our Shareholders and Investors 107 Collaboration with External Parties



With Our Stakeholders

As a good corporate citizen, Fujitsu undertakes corporate activities to identify stakeholders' (customers, shareholders and investors, clients and business partners, regionalcommunities, etc.) diverse expectations and needs.

With Our Customers

To Increase Customer Satisfaction

Fast-changing social and economic environments make it difficult to see far ahead, what is demanded of us is to quickly and accurately grasp customers' wishes and change ourselves while thinking and acting from the customer's point of view. We are aiming for management innovation by using the "Program to Improve the Quality of Management,"^{*1} and taking a number of initiatives to form an innovative corporate culture that can keep pace with customer changes.

*1 Program to Improve the Quality of Management:

A framework for customer-centric management excellence modeled on the Malcolm Baldrige National Quality Award of the United States, the de facto global standard for management innovation.

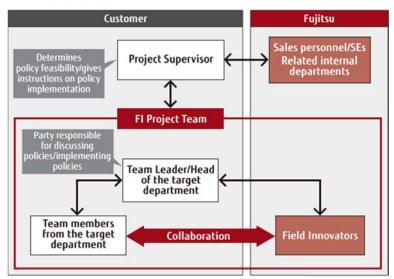
Promoting Field Innovation with the Customer

Field Innovation closely visualizes the actions and the awareness of people at customers' workplaces to uncover waste in processes and hints for effecting reforms. It seeks to maximize the value of ICT while contributing to the evolution and expansion of customers' business.

Fujitsu launched Field Innovation activities in 2007, working together with a wide variety of customers in a diverse mix of industries. In FY2016, the Field Innovation activities implemented 384 projects.

Collaborating with customers and spearheading the Field Innovation initiative are "Field Innovators" (FIers)—a select group of managers who boast extensive experience in Fujitsu's various business areas and a skill set that includes a capacity for driving reform, a mastery of visualization techniques, and an ability to achieve consensus. Teams of FIers head to customer business locations to learn about top management's intentions, interview employees in the field, and visualize conditions to help pinpoint issues to address. After identifying problems, the FIers collaborate with customers on possible solutions from a third-party perspective.

Promotion Structure



The Field Innovation Process

Learning about management's intentions	Visiting actual working environments and visualize the conditions	Translating on-site conditions into policies	Implement policies and validate effects		
 Interview management 	 Conduct field (on-site) observations Interview employees in the field Analyze work-related data 	 Organize workshops to formulate policies 	 Implement policies Validate effects 		
Flers share insight into ideal conditions, strategies for getting there, and management's awareness of relevant issues	Flers visit actual workplaces, use a variety of visualization techniques to create intuitive visual renderings of actual conditions, and examine any gaps between how the company perceives issues and how problems actually occur in/affect the field	Flers help on-site personnel take charge of developing solutions to address the issues evident in the actual conditions	Implement policies in a systematic fashion and validate the corresponding effects on a regular basis		

• Examples of Field Innovation

http://www.fujitsu.com/jp/about/businesspolicy/fieldinnovation/en/case-studies/

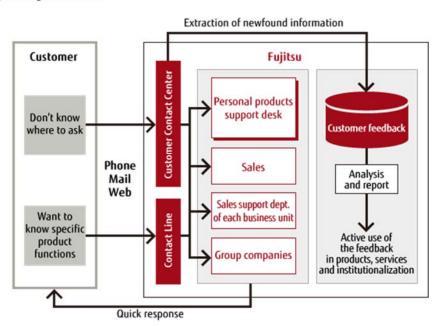
Operation of the Fujitsu Customer Contact Center and the Fujitsu Contact Line

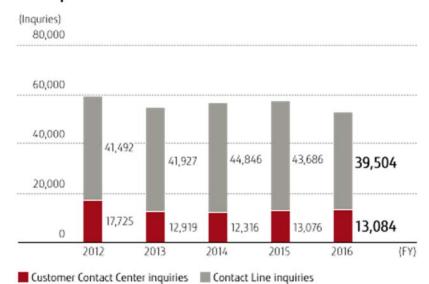
We established the Fujitsu Customer Contact Center in 2003 to handle inquiries concerning products and services from customers who are not sure where to address their issues together with other general complaints. Also, in order to respond quickly to corporate customers concerning the functions and prices of products and services before they make their purchases, we established the Fujitsu Contact Line in 2005 as a single contact point for all pre-purchase telephone inquiries, listing one sole telephone number on our corporate website and in brochures, press releases, and advertisements. The Contact Line provides a convenient, one-stop contact to help Fujitsu boost customer satisfaction.

The role of the Fujitsu Customer Contact Center and the Fujitsu Contact Line is to quickly connect the customer to the department best suited to answer his/her inquiry and monitor the status of inquiries to prevent delayed or unresolved responses. The organizations not only increase customer satisfaction through accelerated responses but also analyze what customers say, using that valuable input for product and system development and quality improvement.

Since 2014, we have also been operating a framework in coordination with group companies outside Japan to provide quick responses to cross-border inquiries.

Operating Framework





Trends in Inquiries

PC Support Center for Individual Customers

To handle the diversifying needs and environments of our individual customers, we have put in place the "personal products support desk" to provide consultation concerning Fujitsu personal computers. Through this support desk, we are building a system for handling a wide range of questions on matters regarding the use, troubleshooting, and servicing of Fujitsu personal computers.

Examples of Improvements Based on Customer Feedback

[Example 1]

A customer let us know that a product's official "Product name" and "Serial number"—two items that customers need to get help over the phone or submit an application for repair—were too far away from each other on the product itself and in a very small font, making the information both hard to locate and difficult to read. In response, we decided to print both items on the same label and in a larger font size beginning with models released in January 2016.

[Example 2]

A customer provided valuable input on the protective film covering the built-in webcam on a Fujitsu personal computer. Noting that the sticker was transparent and hard to notice, the customer explained that he forgot to take the film off—which ended up creating a blurry, cloudy webcam image. Starting with the January 2017 models, we began attaching a blue "tab" (tape) to the protective film to make it easier for users to see and remove.

[Example 3]

Another customer told us about a problem she experienced when she put her tablet in a keyboard cover, which ended up concealing the microSD card slot and preventing her from inserting any microSD cards. In response, we came up with a structure that keeps the external-connection ports on the side accessible and rolled the new design out with the January 2017 lineup.

Qfinity

Since FY2001, the Fujitsu Group has engaged in Qfinity, an activity that inspires improvement and innovation. Qfinity encourages team activities to create higher customer value by improving various work processes, making products, providing services, enhancing office management, and addressing all our other day-to-day operations. "Qfinity" comes from the words "Quality" and "Infinity," expressing the pursuit of "Quality to Infinity." The Qfinity concept reflects the Fujitsu Group's DNA and embodies our inner brand.

The various improvement and innovation activities in the Fujitsu Group are practiced and shared under Qfinity, and are inherited as a part of the company's DNA. Qfinity encourages all employees to act according to the principles of the Fujitsu Way: Global Citizenship, a Customer-Centric Perspective, Firsthand Understanding, the Spirit of Challenge, Speed and Agility, and Teamwork. The Qfinity Program provides e-learning and workshops on Kaizen, reports on case studies, holds conventions for sharing experiences, and gives out awards to recognize excellent projects.

• Education Programs

In addition to the basic and technical education on improvements and innovations through e-Learning and group classes, we are enhancing our practical skills through organization-oriented individual instructions and workshops. We provide employees with handbooks and educational materials containing topics including how to advance Qfinity and how to resolve problems.

In FY2016, we launched a basic education program in Asia to help Qfinity take root overseas.

Information Communication and Sharing of Good Activities

We centrally manage examples of activities using the Qfinity System and share these activities across the company. We also utilize e-mail newsletters and our website to introduce good activities and communicate information on a regular basis.

Awards and Events

Outstanding activities across the Group are given awards for excellence on the anniversary of the company's foundation. The award-winning activities are also announced and shared at the Qfinity Company-wide Convention where Group employees come together.

Although Qfinity had a primarily domestic scope through FY2014, the initiative then began to spread overseas. Since FY2015, overseas Group companies have been eligible for Qfinity Awards and making presentations at Qfinity Company-wide Convention.

Through such Qfinity activities, we are receiving more and more award entries from Group companies in Japan (from 51 companies in FY2014 to 55 companies in FY2015 and 63 companies in FY2016) and abroad (from 2 companies in FY2014 to 13 companies in FY2015 and 17 companies in FY2016). The Qfinity initiative will continue to encourage every employee to pursue quality in work, enhance the power of the Fujitsu Group, and pass down the company's DNA.



Qfinity Company-wide Convention



The Qfinity handbook

Placing Importance on Connecting with Our Customers

The User Association 'Fujitsu Family Association'

The Fujitsu Family Association works to help resolve issues at member companies by making it easier to share ICT-related perspectives and value systems. The Family Association operates as an independent, member-driven organization, with Fujitsu providing operational assistance for various activities. As Japan's largest ICT user coalition, boasting a membership of approximately 3,800 companies and organizations, the Family Association makes significant contributions in helping member firms and Fujitsu exchange valuable information, interact, and forge lasting relationships.

The Family Association's branch office activities, which represent the organization's primary initiatives, include more than 400 ICT seminars, human resource development, community-rooted exchange projects, and other events per year. Another key component of the Family Association is the LS Research Committee, a special committee that concentrates on propelling the activities of research sub-committees. The Committee facilitates friendly, mutually beneficial competition between member companies and Fujitsu, fosters cross-industry collaborative research on the future of planning and information systems divisions, and shares the outcomes of those research initiatives to help all the member companies make forward progress.

In FY2016, the Committee conducted high-level studies into the latest ICT via united efforts that included 227 research subcommittee members from 100 companies and technical advisors from Fujitsu (SEs and business unit personnel). Through the organization's various activities, the fruits of these projects have a far-reaching impact on the management and business operations of member companies and Fujitsu by shaping new product development, solution proposals, and more. User firms from across the market have high praise for the Committee and the branch office activities of the Family Association, which continues to attract more and more members.

Directions in Advertising

In all advertising and publicity activities in the Fujitsu Group, we strive to observe all laws and internal corporate regulations and to use only fair and appropriate expressions and graphic symbols. In FY2016, the Fujitsu Group did not violate the Act against Unjustifiable Premiums and Misleading Representations. We are focusing on branding in FY2017, aiming to build awareness of our efforts in digital transformation.

To evaluate our advertising policies and cost performance levels, we set objectives, repeat the PDCA cycle, and measure and validate the effects of our advertising initiatives.

In addition, we use our company-wide Inquiry Response System to gather feedback from the general public on our advertising efforts. Using that important input, which we take very seriously, we address any emerging issues and work to enrich our communication initiatives.

85 With Our Customers 92 Quality Initiatives 99 With Our Suppliers

Universal Design

The Fujitsu Group strives to create through "ICT Universal Design" a society where people can live safely, securely, comfortably, and prosperously.

Fujitsu's Vision of Universal Design

Fujitsu is committed to understanding human diversity, responding to changing environments, and leveraging its ICT technologies to spark innovation that can drive solutions to social issues and open the doors to a new future. We want to use our ICT prowess to build a society where everyone, regardless of nationality, age, gender, or disability, can flourish through their own unique traits and skills. To spread our universal design vision across a broader scope, we have created a dedicated organization that serves to create universal design guidelines for systems development and promote compliance.



Examples of Universal Design Activities in FY2016 IAUD Award 2016

The International Association for Universal Design (IAUD), aiming to lay the "foundations of a society in which more people will feel comfortable to live," presents the IAUD Award to recognize groups and individuals who have conducted or proposed particularly noteworthy activities. The IAUD Award 2016 recognized the four Fujitsu initiatives below.

- Grand Award: FUJITSU GUI Next Plus (FGNP) A new GUI^{*1} design platform for creating a society where everyone has equal, fair access to software
- Gold Award: The spiral of diversity that links community, company, and employee to empower people
- Silver Award: Raku-Raku Smartphone, part of the Raku-Raku Phone Series
- Silver Award: Agricultural production management SaaS, a food/agriculture cloud service for revitalizing Japanese agriculture

*1 GUI: Graphical User Interface



At the award ceremony



Grand Award: FUJITSU GUI Next Plus

85 With Our Customers 92 Quality Initiatives 99 With Our Suppliers 105 With Our Shareholders and Investors 107 Collaboration with External Parties

The Grand Award-winning FUJITSU GUI Next Plus (FGNP) is a GUI design platform for developing software that ensures accessibility for a broader range of users, spanning a wide variety of different cultures, physical abilities, genders, and work styles. By working to enhance software quality across the board, Fujitsu not only aims to propel and stabilize systems and infrastructures across the social landscape but also cultivate a society where everyone has fair, safe, and secure access to software.

2016 Good Design Award

Good Design Special Award (Design for the Future): Ontenna

Ontenna is a new user interface that allows users to experience sound through strands of hair. Worn like a hair pin, the device detects sounds via a built-in sensor and transmits the features of the aural input to the user through vibrations and light. Aiming to help users "sense sound through hair, just like the whiskers of a cat sense movements in the air," the Ontenna team are collaborating with hearing-impaired individuals in a joint-development effort.



特別賞[未来づくり]

Efforts to Cultivate a Diverse Society

Fujitsu actively eengages in efforts to build a harmonious society through a variety of open events and support activities. The wide array of events, which include the Spring Festival at the Kawasaki Plant, the Kawasaki Ball Sports Festival, and IMAGINE "Diversity" 2020, build closer bonds between Fujitsu and local communities in open settings. We also offer our assistance with other activities, ranging from "DO-IT" initiatives that support students with disabilities to 24-hour design marathons that bring disabled individuals and students into close collaboration on design projects.



Wheelchair basketball workshop at the Fujitsu Spring Festival



IMAGINE "Diversity" 2020: An open event for discussion on diversity and ICT Tokyo Organising Committee of the Olympic and Paralympic Games Tokyo 2020 Participating Program

Spreading Expertise from the Inside Out

In addition to incorporating universal design and diversity insights into our internal work styles and product/service development, we are also working to spread our expertise outside the company organization.

The All Japan Business Committee is one of the many organizations aiming to create connections across the business world in the run-up to the 2020 Tokyo Olympic and Paralympic Games. As part of its efforts to "create a society where everyone can live in comfort," the Committee created "Barrier-Free Minds" pamphlets that draw on Fujitsu's expertise to offer guidance on fostering communication in diverse workplaces and other issues.

See "Creating Social Value through the Tokyo 2020 Olympics & Paralympics" for more information on "Barrier-Free Minds."



Fujitsu Universal Design

http://www.fujitsu.com/global/about/businesspolicy/tech/design/policy/ud/

Quality Initiatives

Philosophy on Quality and Product Safety

The commitment "We enhance the reputation of our customers and the reliability of social infrastructure" stated in the Fujitsu Way is one of the corporate values on which all Fujitsu Group employees must place importance. In order to put this into concrete practice, across the Group in Japan and overseas we have rolled out the Global Quality Policy of Fujitsu Group, which expresses the Fujitsu Group's shared philosophy on quality. We view quality as fundamental to our business activities, and are committed to continuous quality improvement.

Fujitsu Global Quality Policy

- 1. We pursue quality from the customer's perspective.
- 2. We ensure quality to support safety and security.
- 3. We engage in quality improvements together with our business partners.
- 4. We have constructed a quality management and quality assurance system and we continuously engage in quality improvement activities.
- Quality efforts: "Fujitsu Quality: Your Safety and Security"
 <u>http://www.fujitsu.com/jp/about/activities/quality/index.html</u>

Quality Assurances Activities Based on the Fujitsu Group Quality Charter

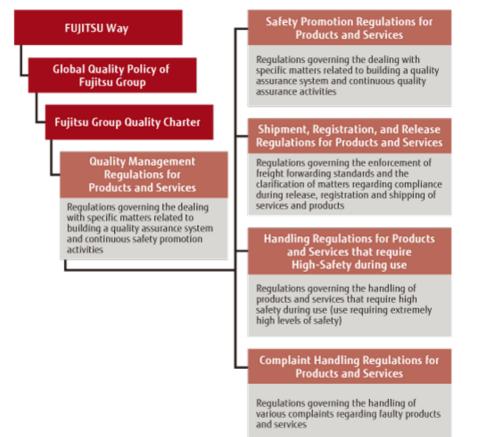
Quality is the basis of brand value for the Fujitsu Group. Products and services that customers can safely use is the essence of the Fujitsu Group's business. Based on this philosophy, in June 1994, ahead of the implementation of Japan's Product Liability Law (effective from July 1, 1995), Fujitsu formulated the "Fujitsu Product Safety Charter," the predecessor of the "Fujitsu Group Quality Charter."

Today, Fujitsu has formulated the Fujitsu Group Quality Charter based on the idea that safety is one part of quality, it is revising and creating various regulations and technical standards related to product quality, and it is thoroughly engaged in educating through new employee training, engineering department group training and quality meetings

To continue offering products and services that anticipate changes affecting our customers and their business environments, at every stage from design to evaluation, production, sales and support, we perform our quality improvement activities in line with the following principles laid out in the Fujitsu Group Quality Charter.

105 With Our Shareholders and Investors 107 Collaboration with External Parties

The System of Quality Safety Regulations



Quality Principles

- We pursue quality from the customer's perspective.
- We build in quality that anticipates changes.
- We achieve quality consistent with our social responsibilities.
- We use first-hand feedback based on the actual situation.
- We work with our business partners to improve quality.
- We seek to make public quality-related information transparently.
- We foster employees who think about quality.

Based on the policy of emphasizing safety in all aspects of our business activities, we strive for assured safety in product designs, collection and the publication of information on product-related problems, and rapid response to such problems.

Implementation Policy Related to the Safety of Products and Services

The Fujitsu Group recognizes its social responsibility to build a safe and secure society. The Fujitsu Group always considers and endeavors to improve the safety of products and services in every aspect of the group's business activities.

1. Observation of laws and regulations

We observe laws and regulations concerning product and service safety.

2. Efforts to secure safety

We try to ensure that products and services are safe in a variety of use situations and take measures as necessary to secure the safety of the products and services. In addition to legally specified safety standards, we develop and observe voluntary safety standards in our endeavors to improve products and services continuously.

3. Prevention of incidents caused by improper use, etc.

For the safe use of products and services by customers, we properly display notices and warnings in handbooks or on the body of the products in order to prevent incidents caused by improper use or carelessness.

4. Collection of incident information, etc.

We actively collect safety-related information from customers, including information on product and service incidents and what might lead to such an incident.

5. Handling of incidents

We immediately check the facts of any occurring incident related to a product or service, investigate the cause, and handle it properly. If the product or service has a safety problem, we provide that information to customers and take proper measures, such as product recall, service recovery, and prevention of further damage and other damage from occurring. We quickly report the occurrence of major product incidents to the proper authorities in accordance with laws.

ISO 9001/ISO20000 Certification Status

Fujitsu is continually striving to improve its processes in line with Quality Management Systems. As of the end of FY2016, 25 Business Units have acquired ISO 9001 certification, while 6 Business Units have received ISO 20000 certification.

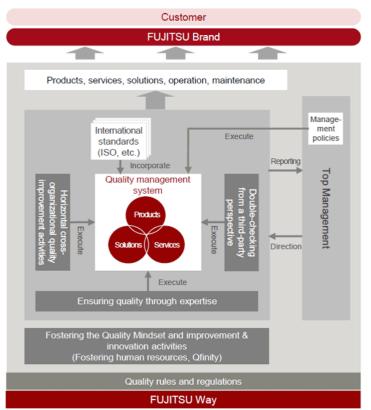
Establishing a Quality Assurance System

Quality Management System

To consistently provide products and services with quality that meets customer needs and expectations, it is essential to coordinate both internally (among the business units involved in product/service projects, planning, development, production, and testing; the field business units involved in operation and maintenance; and the various common business units that support them) and externally (business partners, sales units, and sales bases). It is also essential to have a platform to unify these systems and mechanisms.

This is why we build and operate our Quality Management System (QMS): to coordinate among these business units as appropriate for the corresponding products and services. QMS periodically verifies the progress of the PDCA cycle in light of international certification standards such as the ISO in the aim of achieving process improvements to realize even higher quality.

Our quality support framework



Our Approach to Promoting Quality Assurance

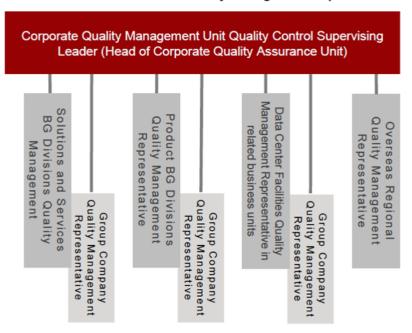
We conduct quality assurance activities on the level of individual business units and regions as well as on a company-wide basis, sharing know-how and information, promoting utilization approaches, and resolving common issues across organizational borders.

Not only do we prevent problems and recurrence by effectively sharing quality improvement activities, but we also raise our level of quality and work to consistently provide the highest-quality products and services to customers around the world.

The purpose of the Corporate Quality Management Unit, an organization that operates independently of our business units, is to promote these activities and drive them forward. It is made up of official Quality Management Representatives from related departments in Japan and overseas who have been selected to participate regularly in company-wide coordinated activitiess.

85 With Our Customers 92 Quality Initiatives 99 With Our Suppliers 105 With Our Shareholders and Investors 107 Collaboration with External Parties

The Corporate Quality Management Unit formulates quality policies and company-wide common quality rules based on Fujitsu Global Quality Policy. It is also in charge of initiatives for double-checking from a third-party perspective, escalation for compliance and problems, fostering human resources, QMS construction support in each division, and the horizontal deployment of common know-how and masures.



Promotion Framework under Quality Management Representatives

System for Addressing Major Quality Problems with Products and Services

In the event of a major quality problem concerning a product or service, executive officers and employees immediately report to the Risk Management & Compliance Committee in accordance with risk management regulations, which then reports to the Head of Business Unit according to the pre-defined reporting structure. The department manager reports the response status to the risk compliance committee as the occasion demands, and responds to any instructions. When a solution comes to light, the Head of Business Unit informs the committee of the history leading up to the risk and measures to prevent recurrence. The committee can instruct the Head of Business Unit to also report this information to the Board of Directors and Management Council.

Disclosure of Information Related to Product Safety

In situations where a problem has occurred in product safety, Fujitsu discloses such information under "Important Notices Regarding Product Safety" on the Fujitsu website to notify customers of the information immediately. In FY2016, two major product incidents (a possible cause of electric shock) occurred with a Fujitsu product. With regards to this accident, Fujitsu has followed the relevant laws and regulations (Consumer Product Safety Act) appropriately, and reported to the Consumer Affairs Agency, as well as posted the contents on its website.

Marking and Labeling of Products and Services Regarding Quality and Safety

Fujitsu is dedicated to observing all laws and internal regulations related to marking and labeling of products and services regarding quality and safety. During FY2016, we experienced no marking or labeling violations related to products or safety.

The Process for Improving Quality Efforts

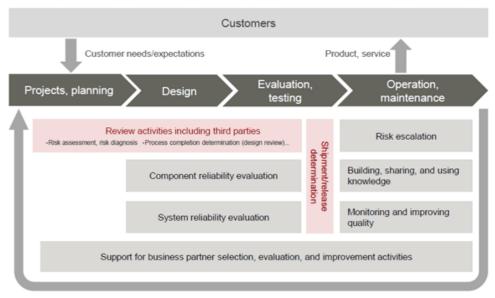
Customer-Centric Quality Assurance Activities for Products and Services

In providing products and services, we adopt the customer-centric perspective and work to improve quality by requiring and performing reviews and examinations with the involvement of third parties from the planning/design stage, to verify whether they the products and services meet customer needs and expectations.

At the final stage before a product or service is delivered to the customer, Fujitsu judges whether the product/service is to be delivered and released. Operating from a broad perspective and drawing on input from third parties, we use our skills and know-how to double-check that we have addressed the potential risks identified during development or through process judgments. This allows to determine whether the quality is suitable for application or use by y customers.

Through this process, we work from an objective standpoint to bring products and services that provide the value that customers expect.

Fujitsu product and service life-cycle

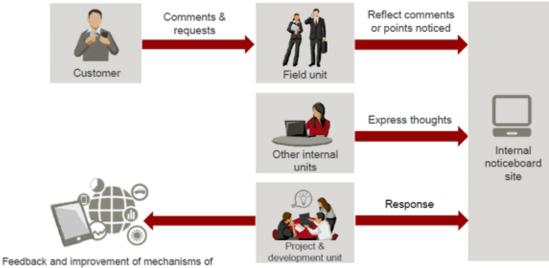


Feedback Activities

Fujitsu develops products and services in light of research and direct interviews on customer needs by the product/service planning and development units. In addition, we build structures that enable the planning and development units to get customer feedback from sales personnel, sales engineers (SEs), customer engineeris (CEs), and other professionals from business units that make frequent contact with customers (field business units). We also use our internal website to post customer opinions, allowing others to make comments on and show their support for various ideas.

In addition to fielding input and requests directly from customers, we collect information on problems that employees encounter, gather ideas for making improvements, and use our findings to provide input for future product/service planning and enhance existing products/services.

Flow of feedback



existing or future products and services

Initiatives to Improve Quality in Emerging Countries

In accordance with the expansion of the integration services in China and the Asian region, Fujitsu is making efforts to enhance local quality control and human resource development to further improve quality of services. For example, in China whereby, a project was carried out to operate and maintain a system, periodic maintenance related to SE contracts and work processes were carried out; workshops were also conducted to increase awareness of quality for local employees. In future, Fujitsu plans to extend such measures to all group companies in Asia.

Safe Production

As part of our effort to ensure product safety, we not only conform to international safety regulations but also enforce our own safety design standards, which incorporate past experience and information on accidents in the market. We also implement our own certification programs for Product Safety Experts and Product Safety Risk Assessors, training qualified personnel with a thorough command of the safety design standards. Under a system in which people who complete the programs are certified by the product safety management team in the Corporate Quality Management Unit, the programs certified 205 Product Safety Experts and 194 Product Safety Risk Assessors at the end of FY2016.



Product Safety Experts in training

Product Safety Experts get involved early on, participating in the design review stage, and work to check product safety along the way. If a qualified Expert cannot confirm the safety of a product, the product does not receive final approval to ship.

In order to ensure that customers can use our products safely, we also take united, company-wide action in the event of any injury, fire, or bodily harm attributable to a given product. If that type of problem occurs, we assemble a team of members from the relevant business organization and experts from across the Group to work on resolving the issue and preventing recurrence. We also require that information on any major accidents be immediately escalated to top-level executives and published on the company website.

Fujitsu's top-level executives see safety as an important management issue and take responsibility for steering safety-related initiatives by instructing personnel to conduct root-cause analyses in the field and take measures to prevent the occurrence and recurrence of the relevant issues. The Corporate Quality Management Unit evaluates and validates these activities from a third-party standpoint and reports to the executives, driving the PDCA cycle in an effort to help Fujitsu provide safer products.

With Our Suppliers

Socially Responsible Procurement Initiatives

In recognition of its growing responsibility to its corporate supply chain, the Fujitsu Group, together with its suppliers, undertakes socially responsible procurement practices with a view to promoting corporate social responsibility throughout the supply chain.

CSR Procurement Policy

The Fujitsu Group proposes "Co-existence with Suppliers", "Fair and Proper Evaluation and Selection of Suppliers" and "Promotion of CSR-Conscious Procurement Activities" as the procurement guidelines for its global procurement activities.

Fujitsu has formulated the "Fujitsu CSR Procurement Guideline" for its suppliers, setting out the key requirements in areas such as respect for human rights, labor, health and welfare, and fair trading, and requires that suppliers adhere to those guidelines. The content of the guidelines respects internationally recognized standards, including the ten principles in the UN Global Compact. To further promulgate an awareness of compliance with these guidelines among suppliers, Fujitsu has also drawn up the "Fujitsu Group Supply Chain CSR Guidebook", which provides further details of the guidelines. In the areas of human rights and labor, the guidelines are based on sources including ILO conventions and recommendations, with content that addresses CSR issues seen as international priorities, including explicit provisions in the fair trading section pertaining to the prevention of bribery. The Guideline and Guidebook apply to all suppliers who provide the Fujitsu Group with products and services used in its own products, including components, materials, construction work, equipment and software.

"Fujitsu Group CSR Procurement Guideline" formulation and revisions

FY	Policy/Measures
2005	Fujitsu CSR Procurement Guideline formulatedGuidebook formulated
2007	CSR surveys of suppliers begin
2011	Fujitsu CSR Procurement Guideline revised (addition of measures for conflict minerals)
2015	 Fujitsu Group CSR Procurement Policy formulated Fujitsu Group Supply Chain CSR Guidebook formulated

Fujitsu Group Procurement Policy and CSR Procurement Guideline
 <u>http://www.fujitsu.com/global/about/procurement/policy/</u>

Fujitsu Group Supply Chain CSR Guidebook
 http://www.fujitsu.com/global/documents/about/procurement/policy/FJ%20CSR%20Guidebook%20v2.0%20En.pdf

The Fujitsu Group considers that the dissemination of CSR activities among its suppliers in the supply chain, as well as within Fujitsu, is essential to ensuring stable product supply and greater corporate competitiveness. Through close communication between Fujitsu and our suppliers at the management level, we require an understanding of the importance and necessity of CSR, working toward our goal of raising the level of CSR throughout the supply chain.

Promoting Actives and Participation in Industry-standard Initiatives (Joining in EICC)

In March 2017, the Fujitsu Group became a member of the Electronic Industry Citizenship Coalition (EICC), a global CSR alliance centered on the electronics industry. The EICC is a non-profit organization established in 2004 with the aim of supporting the rights and wellbeing of workers and communities worldwide affected by the global electronics industry supply chain. It currently has a membership of over 110 global companies, primarily made up of electronic device manufacturers and other ICT companies but also including retail, automotive and toy industry-related enterprises. The EICC's Code of Conduct stipulates standards to be observed with regard to labor, health and safety, the environment, ethical issues and management systems in the supply chain. The Fujitsu Group is engaged in group-wide CSR activities through the implementation of its own policy and principles in the FUJITSU Way. In future, Fujitsu will also respect the EICC Code of Conduct, redoubling its CSR efforts in its own supply chain and in those of its suppliers.

Within Japan, we also take an active role in the programs and initiatives of organizations such as the Japan Electronics and Information Technology Industries Association (JEITA) and work to promote socially responsible procurement throughout the industry.

PRESS RELEASE: Fujitsu Joins EICC, a Global Corporate Social Responsibility Coalition
 http://www.fujitsu.com/global/about/resources/news/press-releases/2017/0329-01.html

Structures for Promoting CSR Procurement

Within the Fujitsu Group, relevant departments such as Human Resources and Labor Relations, Environment, Corporate Quality Management and Corporate Affairs all promote CSR activities under the company-wide guidelines established by the Head Office CSR Promotion Office. The CSR Promotion Department in the Corporate Purchasing Unit works with these and other relevant departments on CSR procurement to advance the cause of fair dealings with suppliers and CSR procurement along the supply chain. Through these promotional activities, we are integrating purchasing practices by our Fujitsu group companies both in Japan and overseas, driving socially responsible behavior back up the supply chain.

Processes for Promoting and Improving CSR Procurement

he Fujitsu Group is promoting CSR procurement among its suppliers to improve the implementation of CSR in its supply chain.

This begins with Fujitsu clarifying the compliance items through its CSR Procurement Guideline and the Supply Chain CSR Guidebook, and then requiring CSR activities of its suppliers. Subsequently, in order to confirm that CSR activities are being fully implemented by suppliers, they are asked to respond to a range of surveys on topics such as green procurement, information security and BCM.

The content of the returned CSR surveys is also subjected to diagnostic analysis. Fujitsu's

Processes for Promoting and Improving CSR Procurement



Suppliers' Performance Review system then returns the results of the analysis, together with other evaluation items, to the supplier as feedback. If the supplier fails to meet Fujitsu's standards, they undertake to make improvements. Suppliers who are identified as having

85 With Our Customers 92 Quality Initiatives 99 With Our Suppliers 105 With Our Shareholders and Investors 107 Collaboration with External Parties

particularly serious problems undergo a CSR audit. Such suppliers are then required to submit a remediation plan for the items identified by the audit and Fujitsu works with the suppliers to make the necessary improvements. Fujitsu is engaged in ongoing improvement processes and promotion of CSR procurement with the goal that ultimately CSR activities will be properly undertaken by suppliers and will become firmly entrenched.

CSR Surveys and Audits

surveyed in FY2016.

Supplier audit in progress

Evaluation and Remediation/Improvement Requests

In order to check the status of suppliers' CSR-related programs, we conduct annual CSR surveys. In FY2016, we surveyed approximately 500 major suppliers in Japan and overseas using the CSR survey forms that were also used for overseas Group companies. Analysis of the responses revealed that 90% or more of our major suppliers are actively engaged in CSR activities. To further increase our familiarity with the CSR activities of our suppliers and boost the level of implementation, we are also surveying suppliers' factories and requesting corrective action by any suppliers whose programs are lacking. A total of 12 suppliers were

In 1997, The Fujitsu Group introduced its Suppliers' Performance Review (SPR) system, a program that comprehensively assesses the procurement performance and basic profile of major suppliers as companies in terms of quality, technology, price, supply and CSR. The results of the assessments are fed back to suppliers at venues, such as management meetings between both parties, in an effort to both remedy any issues and strengthen the partnerships.

This assessment program also acts as a channel for clear feedback on any issues identified during CSR surveys and audits, and for requests for corrective action or improvements.

Supporting Suppliers Activities' improvements

As one form of assistance, Fujitsu invites its suppliers to CSR briefings to discuss the outcomes of CSR surveys. In FY2016, 14 staff from nine suppliers attended the briefings, where the importance of addressing CSR was explained and actual instances of CSR initiatives were examined. Feedback from participating suppliers included, "I came to appreciate our obligations to CSR procurement as a supplier" and "I'll be passing along the information provided in the briefing in my company right away", indicating their deeper appreciation of CSR activities.



Briefing for suppliers

Approaches against Conflict Minerals

The Fujitsu Group regards corporate responsibility with respect to conflict materials^(*1) as an important CSR issue. Together with our customers and suppliers, we are implementing measures in our procurement activities to ensure that our supply chain is transparent and that we act responsibly in our minerals procurement. In FY2016, Fujitsu's activities in this area included surveying its suppliers and responding to inquiries from new customers, taking part in information exchanges with researchers studying the issue of conflict resources in the Congo, and gathering information through our participation in the JEITA "Responsible Minerals Trade Working Group".

(*1) Conflict minerals::

Conflict minerals are minerals whose mining or trading finances armed groups and fosters conflict, or that are closely related to such issues as human rights abuses or labor issues.

The U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act requires companies listed on U.S. stock exchanges to report the use of conflict minerals to the U.S. Securities and Exchange Commission (SEC). This applies to conflict minerals such as tantalum, tin, tungsten, gold and any other minerals determined to be conflict minerals by the U.S. State Department where those minerals are mined in the Democratic Republic of the Congo or neighboring countries.

Green Procurement, Information Security and BCM

Promoting Green Procurement

The Fujitsu Group has set out its basic approach to the environmentally sound procurement of components, materials and products in the Fujitsu Group Green Procurement Direction, and we are working with our suppliers to promote green procurement activities. We are also engaged in an initiative to reduce CO2 emissions in the supply chain. Specifically, the Fujitsu Group requests that all of its suppliers call on their own suppliers (companies at two removes from the Fujitsu Group) to reduce their CO2 emissions. The goal of the Fujitsu Group is to promote activities that reduce environmental impacts throughout the supply chain.

• Promotion of the Fujitsu Group Green Procurement Direction and our initiatives to reduce CO₂ emissions in the supply chain http://www.fujitsu.com/global/about/procurement/green/

Promoting Information Security Measures

Based on the "Cybersecurity Management Guidelines" issued in December 2015 by Japan's Ministry of Economy, Trade and Industry and the Information-Technology Promotion Agency (IPA), the Fujitsu Group, along with its suppliers, has set the goal of "eliminating information security incidents", and is continuously implementing measures to prevent such incidents or recurrences thereof. These measures include education, awareness raising, auditing, and information sharing.

In recent years, there has been a significant increase in the commercial use of external services such as cloud computing and social networking services (SNS). There has also been a rapid increase in opportunities for the use of smart devices such as smartphones and tablet PCs. It is necessary to prevent not only emails sent by mistake and the theft or loss of PCs and smart devices, but also new kinds of risks involving information leaks such as internal crimes and cyber terrorism. In this context, when Fujitsu consigns work to suppliers, including offshore development work entrusted to overseas suppliers, it promotes education and awareness by requiring the same standards for information security management and the handling of personal information as it applies to itself. If any serious problem in information security comes to light at a supplier, or if the supplier fails to immediately implement corrective measures and no improvement is observed, Fujitsu will take steps such as reviewing its business relationship with that supplier.

Main Initiatives in FY2016

Initiatives	No. of participating/implementing companies
Information security briefings (OctNov. 2016) (Locations: Sendai, Tokyo, Kawasaki, Chiba, Nagoya, Osaka, Takamatsu, Fukuoka, Okinawa)	Approx. 1,200 staff from around 900 companies
Written survey on the state of information security measures (FebMar. 2017)	Approx. 1,600 companies
Audit of the state of information security measures (on-site checking) (Apr. 2016-Mar. 2017)	Approx. 190 companies

* Repeated status surveys, education and auditing of suppliers are fundamental to the maintenance of trouble-free operations.

Enhancing Supply Chain BCM

Fujitsu sees the enhancement of Business Continuity Management (BCM) throughout its supply chain as essential to ensuring a stable supply of products and services in the event of major disasters or other unexpected contingencies. Accordingly, since FY2007 Fujitsu has provided its suppliers with ongoing support to improve their BCM capabilities.

Each year, Fujitsu conducts a questionnaire-based survey of its suppliers on how they address BCM. In FY2016, we surveyed around 854 suppliers (approx. 2,203 sites), including some Group companies. We analyzed the results from around 2,194 sites (as of September 30) and provided feedback to the suppliers. Initially, Fujitsu formulated its own survey form, but in FY2013, an investigation subcommittee was established under the umbrella of the Japan Electronics and Information Technology Industries Association (JEITA) Materials Committee. This ledassembled product and component manufacturers to commence efforts aimed at standardization as an industry. Fujitsu also proactively participated in the planning of the subcommittee, progressing the formulation of a survey form that covered risk management items from the perspective of procurement with the focus on the supply obligations incumbent on suppliers. The completed form was made publicly available in September 2014 and has been used by Fujitsu since FY2014.

Fujitsu also conducts annual surveys of around 250 major solutions-related suppliers, analyzing the responses and providing feedback.

Communication with Suppliers

Business Meetings

Under the Suppliers' Performance Review (SPR) system discussed above, the Fujitsu Group holds management-level business meetings targeting around 200 of its major suppliers. These meetings provide both direct feedback on the assessment results in an interactive format as well as an explanation of Fujitsu's business outlook and procurement strategy. FY2016 marked the 51st such meeting. The feedback provided at these meetings also addresses CSR topics, and suppliers whose efforts do not meet Fujitsu's standards are asked to make improvements.

The assessment system for solutions-related suppliers established in 2004 was partially revised in FY2013 and is now used to evaluate around 1,300 companies. Of the companies surveyed, feedback on the results is provided to around 250 major suppliers.

85 With Our Customers92 Quality Initiatives99 With Our Suppliers

105 With Our Shareholders and Investors 107 Collaboration with External Parties

Fujitsu Suppliers' Reception

The Fujitsu Group has been holding receptions for its suppliers since 1997. These receptions provide an opportunity for Fujitsu's President to summarize the progress of Fujitsu's business ventures and for the VP in charge of purchasing to explain Fujitsu's purchasing strategy. The gatherings are also used to present letters of appreciation to those suppliers who have made exceptional contributions to our business, and to strengthen our partnerships with suppliers.

The FY2016 reception was held in January 2017 and was attended by approximately 630 representatives from around 340 domestic and overseas suppliers. This year's event was also used to request that suppliers expand their CSR activities to their own upstream suppliers.



Fujitsu Suppliers' Reception

Procurement Compliance among All Suppliers

Education of Procurement Divisions

The Fujitsu Group is promulgating and promoting awareness of socially responsible procurement among its procurement division managers through initiatives such as education and training. In FY2016, in addition to CSR procurement and green procurement, education was also provided in the areas of risk management (BCM activities) and compliance with legislation such as the Subcontracting Law and Worker Dispatching Business Law. These educational programs will continue in FY2017 with the aim of further increasing the awareness of CSR among procurement managers.

Supplier Compliance Line

In August 2009, the Fujitsu Group established the Supplier Compliance Line as a channel for receiving reports from suppliers regarding any actions that are potential or actual instances of non-compliance in our purchasing activities. Channels were set up both internally and externally through which we can verify and investigate the facts of each report and respond quickly.

Fujitsu's own internal reporting standards prohibit any adverse treatment of its own staff receiving such reports or those of suppliers making the reports.

Our agreements with suppliers also include explicit provisions on the elimination of anti-social forces and other such groups with the aim of preventing harmful actions by such anti-social forces (and avoiding any encouragement of their activities). The Fujitsu Group, including its suppliers, will have no relationship whatsoever with anti-social forces.

With Our Shareholders and Investors

Our Basic Stance

Based on the statement "We strive to continuously increase our corporate value" in the Corporate Values of the Fujitsu Way, in order to raise corporate value and meet the expectations of shareholders and investors, we aim to achieve long-term sustainable expansion of profit, and pursue strategic business expansion and focused management, while maintaining a sound financial standing.

We also provide timely and accurate disclosure of our corporate activities and financial information, improving management transparency so that shareholders and investors can better understand how well we perform in increasing corporate value.

Basic Policy on Information Disclosure

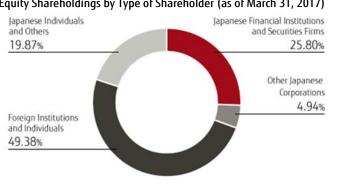
Fujitsu emphasizes fairness and continuity in disclosure of information, in accordance with the Financial Instruments and Exchange Act and other laws and regulations, as well as the rules of the exchanges on which its shares are listed.

Moreover, our policy is to be proactive in disclosing any information that we judge to be effective for helping shareholders, investors and other stakeholders to deepen their understanding of Fujitsu, even if such disclosure is not required by laws, regulations or other rules.

Policy on Dividends and Dividends Forecast

Article 40 of Fujitsu Limited's Articles of Incorporation grants the Board of Directors the authority to distribute retained earnings. As part of Fujitsu's basic policy on the exercise of this authority, a portion of retained earnings is paid to shareholders to provide a stable return, and a portion is retained by the Company to strengthen its financial base and support new business development opportunities that will result in improved long-term performance. In addition, while taking into consideration its level of profit, when a sufficient volume of internal reserves is secured, including through the acquisition of its own shares, Fujitsu aims to more proactively distribute profits to shareholders.

Our consolidated results in FY2016 yielded an increase in profits relative to the previous fiscal year due to several factors, including the effects of the business model transformations that we implemented in FY2015 and the solid performance of our service business in Japan. Having considered our performance levels, financial standing, and projections of business environment conditions from a comprehensive standpoint, we will raise our year-end dividends from 4 yen per share to 5 yen per share and set the annual dividend value to 9 yen per share. As we look ahead to FY2017, we aim to reap the benefits of our business model transformations over the last two years, make a major shift toward growth, and put ourselves on track to reach our Management Direction goal: achieving a consolidated operating profit margin of at least 10%. In terms of dividends for FY2017, we plan to increase our interim dividends from 4 yen per share to 5 yen per share, raise our yearend dividends from 5 yen per share to 6 yen per share, and set our annual dividend value to 11 yen per share.



Equity Shareholdings by Type of Shareholder (as of March 31, 2017)

Communicating with Shareholders and Investors

We are actively involved in IR activities in Japan and abroad, including holding briefing sessions for institutional investors and securities analysts, responding to requests for one-on-one meetings from investors, meeting with Japanese and international institutional investors, and posting information on the Fujitsu website as part of our efforts to improve communications with all investors.

We also disseminate press releases, providing information through the media to individual investors and the public at large as part of our active efforts to ensure fair disclosure policy.

For the Annual Shareholders' Meeting, we try to create an environment in which all shareholders feel comfortable asking questions. Moreover, the company president directly explains the company's management direction in his own words to all the shareholders. At the meeting, Fujitsu products are on display and expert staffs are on hand to explain Fujitsu's technologies and services. In addition, shareholders in other regions of Japan can observe the Annual Shareholders' Meeting, where it is relayed to four regional meeting places throughout Japan with approximately 1,000 shareholders participating. The video-streaming of the Annual Shareholders' Meeting is made publicly available on the Fujitsu website a couple of days after the meeting.

A Variety of Meetings for the Investment Community, both in and outside Japan

Fujitsu provides a variety of briefing meetings on financial results, management direction, and business with institutional investors and securities analysts in Japan.

For institutional investors outside Japan, we hold IR road shows by management regularly in Europe, North America, and Asia, and IR staff members in overseas locations also have meetings with institutional investors individually. In FY2016, we held 899 meetings for institutional investors and securities analysts (642 of them from foreign investors and 257 from domestic investors).

Communicating with Individual Shareholders and Investors

In addition to sending out interim and year-end financial reports for individual shareholders and investors, we promptly disclose financial results documents and presentation materials used at briefing sessions for investors and analysts and publish video on website related to presentations of financial results.

Publication on IR websites

Fujitsu publishes information that we would like our shareholders and investors to know on our Japanese and global IR websites. English versions of presentations and financial results reports used at briefings held in Japan are posted on our global IR site.

We also have been striving to utilize our IR websites for information disclosure and communication to deepen people's understanding of Fujitsu through IR activities, such as early public release of proposals submitted at shareholders' meetings.

		Apr. 2016	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan. 2017	Feb.	Mar.
in Japan	Annual Shateholders' Meeting				Annual	Shareholde	ers' Meetin	9					
	Management Direction Briefing								 Manager 	nent Direct Nomura		efing ment Forur	n
	Financial Results Briefings	•F	ull-Year F	inancial	Results	•10 Financ	ial Results	8	•2û Finan	cial Results		•30 Finan Results	cial
	Business Briefings			Securit	tý MetaArc	:		3	•R&D	Supercomp • Del		●AI	●ESG
Outside Japan	Roadshow		 North Americ 	a+Europ	e		•Asi	a	●Asia ●Eι	rope •Nor	th Ame	erica	•Asia

Main Results of IR Activities in FY 2016

85 With Our Customers 92 Quality Initiatives 99 With Our Suppliers 105 With Our Shareholders and Investors 107 Collaboration with External Parties

Collaboration with External Parties

Fujitsu collaborates with organizations such as Japanese and overseas industry groups and forums as well as governments and international agencies, considering specific proposals aimed at resolving social issues and then implementing those proposals. In this context, we also pursue activities that relate to public policy and to the formulation and revision of legislation.

Creating Social Value through the Tokyo 2020 Olympics & Paralympics

Japan will host the Rugby World Cup in 2019, the Tokyo Olympic & Paralympic Games (the Tokyo 2020 Games) in 2020 and the Kansai World Masters Games in 2021. Successive years of planning for these massive sporting events has sparked efforts across the industry, government and academic sectors aimed at ensuring that they are a success.

Fujitsu's involvement includes becoming, in February 2015, a "Tokyo 2020 Gold Partner" -- the highest domestic level in the Tokyo 2020 Sponsorship Program. In this role, Fujitsu will be supporting the success of the Tokyo 2020 Games as a datacenter hardware partner.

By bringing together ICT and sport with the focus on people, Fujitsu's goal is to help build communities in which everyone can live full and happy lives. Fujitsu understands the true power of sport as a vehicle for promoting the broader adoption of ICT by society through its customers, suppliers and regional residents. By resolving social issues in this way, we believe that we are stimulating growth toward a better future for Japan, and in turn, helping to create new business for ourselves and improve our corporate value.



Building a Society where Everyone Can Live in Comfort – based on the Concept of "Barrier-Free Minds"

At the Tokyo 2020 Games, the keys to success will be the work of the 100,000 volunteers planned for the event and the role of the Paralympics in promoting community participation by disabled people. Fujitsu is boosting its social contribution programs with the aims of cultivating a corporate volunteer culture and promoting diversity, working toward practical implementation at the Games.

To build a society that is welcoming to elderly and disabled citizens, we need to do more than simply provide the infrastructure (hardware). It is crucial that we also eliminate attitudinal barriers and actively encourage participation in society by the elderly and disabled through the concept of "Barrier-Free Minds".

In cooperation with the Business Community Conference for the Tokyo 2020 Olympic and Paralympic Games, Fujitsu is engaged in a range of volunteer programs, including trial sessions for wheelchair basketball and wheelchair assistance as well as cooperation with junior-high-school and high-school students in the drafting of accessibility maps. These maps indicate features such as steps in roads and pathways and the angle of incline on slopes, so that these elements can be taken into consideration by people pushing baby buggies or moving around in wheelchairs. These sorts of universal design initiatives are also examples of activities aimed at encouraging "Barrier-Free Minds".

105 With Our Shareholders and Investors 107 Collaboration with External Parties



Creating accessibility maps

Participation in the World Business Council for Sustainable Development (WBCSD)

The World Business Council for Sustainable Development (WBCSD) is a body headed by the CEOs of around 200 global corporations that aims to build sustainable communities through business activities. Fujitsu has become a member of this initiative and is active as a corporate board member for the Social Impact Cluster and the Sustainable Cities Leadership Project. In the Social Impact Cluster, we are progressing initiatives relating to business and human rights, while the Sustainable Cities Leadership Project provides the impetus behind the Sustainable Mobility Project, which is a sub-project targeting the concepts and designs for sustainable urban transport systems. Through these initiatives, Fujitsu is working to resolve a range of issues in communities worldwide.

• WBCSD

http://www.wbcsd.org/

WBCSD Sustainable Development Goals (SDGs) Workshop

In July 2016, the WBCSD and Fujitsu co-hosted a workshop in Tokyo with the theme "Business Risk and Opportunities in the Era of SDGs". The workshop provided an overview of areas such as the knowledge accumulated by the WBSCD and its programs. It also provided a venue for discussions with experts on a range of topics, including approaches that will lead to ongoing enhancements to corporate competitiveness as businesses work to resolve social issues, as well as specific methodologies and issues.



The workshop in progress

WBCSD Sustainable Development Goals (SDGs) Workshop
 "Business Risk and Opportunities in the Era of SDGs"
 http://www.fujitsu.com/jp/group/fri/en/resources/events/2016/160714.html

118 International Support and Disaster-Relief Activities 119 Example Activities in FY 2016



Community Involvement

The Fujitsu Group promotes diverse social contribution activities to realize a prosperous future where people can pursue their dreams.

Community Involvement

110 Approach to Social Contribution Activities112 Promoting Learning & Education, and Cultural and Sponsorship Activities115 Contributing to Society through Sports

118 International Support and Disaster-Relief Activities 119 Example Activities in FY 2016

Approach to Social Contribution Activities

The Fujitsu Group will create new value and knowledge together with our customers, communities, and people worldwide through ICT, and contribute to sustainable development for the earth and society to achieve a prosperous future where people's dreams are fulfilled.

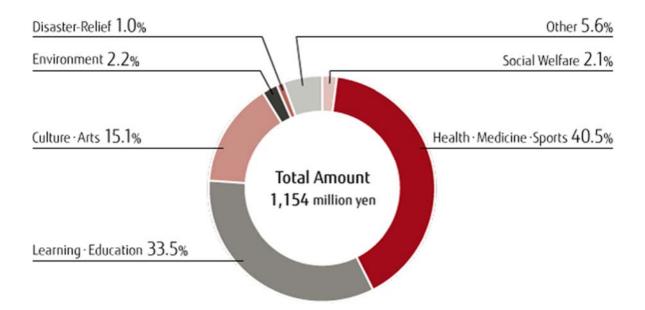
All Fujitsu employees are actively participating and engaging in social contribution activities together with a wide range of stakeholders and base those activities on four pillars: ICT for Everyone, Support for Challenges, Community Engagement and Environment.

In order to energize our social contribution activities and share best practices, we are building and have made viewable a record of our activities on our internal system. We also carry out an in-house award program using this database.



Total Amount of Investments for Social Contribution Activities

The following chart describe the investments for social contribution activities at Fujitsu in fiscal 2016.



Community Involvement

110 Approach to Social Contribution Activities 112 Promoting Learning & Education, and Cultural and Sponsorship Activities 115 Contributing to Society through Sports

Employee Volunteer Activity Support System

The Fujitsu Group has in place a volunteer activity support system to encourage each employee's active contribution to society. Additionally, we have also developed various programs customized to the characteristics of each region in order to support better local communities in each area where we have a business site.

In FY 2016, 40 employees took Reserve leave (a total of 118 days) to participate in volunteer activities.

Volunteer Activity Support System

Fujitsu has established the following programs for supporting volunteer activities undertaken by employees.

- System of leave of absence for participation in Japan Overseas Cooperation Volunteers or Senior Overseas Volunteer: up to three years
- Reserve leave: Five days paid leave per year, can be accumulated up to twenty days (to be used for specified purposes including volunteer work)

Challenges

Promoting Learning & Education, and Cultural and Sponsorship Activities

Fujitsu-JAIMS Foundation

The Fujitsu-JAIMS Foundation originated from a nonprofit educational institution founded by Fujitsu providing graduate level education. JAIMS was originally founded in 1972 in Hawaii, a place where Eastern and Western cultures meld with one another. The purpose of JAIMS was to foster mutual understanding between Japan and the U.S. and cultivate human resources. Since its founding, JAIMS had more than 23,000 graduates from 55 different countries and received the Foreign Minister's Commendation in 2006. It had become highly regarded for its efforts to promote international exchange.



Participants

To strengthen ties with Asia, which has come to play an important role in global business in recent years, the Fujitsu-JAIMS Foundation was established in Japan in July 2012. In April 2013, JAIMS moved its headquarters functions to the Fujitsu-JAIMS Foundation and embarked on a new stage of activity. Under a unique structure, with multiple virtual campuses forming a network, the Fujitsu-JAIMS Foundation works with the Hawaii campus (JAIMS) and its Asian partners to fulfill its mission of contributing to form a new community through human resources development and knowledge co-creation in the Asia-Pacific region, and by promoting knowledge collaboration that is flexible and multi-dimensional.

One of the main programs offered by the Fujitsu-JAIMS Foundation is Global Leaders for Innovation and Knowledge, an international management program developed based on the vision of Dr. Ikujiro Nonaka (Professor Emeritus of Hitotsubashi University), the global authority in knowledge creation theory. The goal of the program is to "nurture innovative leaders armed with a global perspective and local knowledge, so that they can create a virtuous future of their own accord." The participants study for 3.5 months in the Asia-Pacific region (Japan, the U.S. (Hawaii), Singapore, and Thailand) to nurture leadership capabilities, gain insights on how to capture the essence of situations at hand, exercise good judgment, and take action within a changing context. Not only can they refine their global business, through working hard in diverse cultural environment by competing with skilled participants mainly from East and Southeast Asia, as well as discussion with instructors who are preeminent authorities in their respective fields and experts in each country. A total of 140 participants from 15 countries such as Japan, the United States, and nations in the Asia-Pacific region have completed the program, which the Foundation has been offering twice a year since April 2013.

Fujitsu has contributed working capital and has an organization within the company that has been supporting Fujitsu-JAIMS' activities. In addition to comprehensive support of the Foundation, Fujitsu has been coordinating with Fujitsu-JAIMS by incorporating its own practical wisdom, ICT, and expertise into the Foundation's activities. Fujitsu has thus been pushing forward with its social contribution activities, furthering promotion of academic and educational fields as well as international exchange.

 Fujitsu-JAIMS Foundation <u>http://www.jaims.jp/en/index.html</u>

Challenges

Challenges

Fujitsu Scholarship Program

Fujitsu established the Fujitsu Scholarship Program in 1985 to commemorate the 50th anniversary of its founding. The aim was to foster business leaders who, through their deep understanding of Japan's culture, society, and business methods, will connect Japan with the rest of the world. 521 people have received scholarships as of April 1, 2017.

Although this program was started to provide scholarships for studying Japanese-style business management, it now provides opportunities to participate in the Fujitsu-JAIMS Foundation's program for business people in 18 countries and areas in the Asia-Pacific region.

Every year, Fujitsu receives many applications for its scholarships. Scholarship recipients are selected based on criteria that include English language skills and work experience, as well as a desire to make a contribution to their home country. Through efforts that include jointrecruiting programs, Fujitsu is working with Fujitsu Group companies doing business in the Asia-Pacific region to provide scholarships to people considering helping their country or community, and contribute to society by providing education rooted in local communities worldwide, aimed at developing business leaders and promoting cultural exchange and mutual understanding.

Fujitsu Scholarship Recipients

• Fujitsu Scholarship http: http://www.fujitsu.com/scholarship

Support for Mathematical Olympiad and Olympiad in Informatics

Fujitsu supports the Mathematical Olympiad Foundation of Japan and the Japanese Committee for the International Olympiad in Informatics (the latter being a nonprofit organization) to help discover and foster valuable human resources who will play leading roles in the future development of society. The Mathematical Olympiad Foundation of Japan was established in 1991 in order to discover gifted mathematicians for selection and entry as national representatives in the International Mathematical Olympiad (IMO) and to further develop their skills. The foundation is also committed to helping improve and promote education in mathematics from an international perspective. Fujitsu provided the basic funds for the establishment of the Foundation along with two other companies and one



The 16th International Olympiad in Informatics awards ceremony

individual. It provides additional support including offering supplementary prizes to the top performers at the Japan Junior Mathematical Olympiad (JJMO) and the Japan Mathematical Olympiad (MMO), the latter from which national representatives for the IMO are selected.

Meanwhile, the Japanese Committee for the International Olympiad in Informatics was established in 2005 to train human resources in support of Japan's mathematics and information science sector. It provides support for participants of the International Olympiad in Informatics (IOI), a programming contest for junior and senior high school students.

As a supporting member, Fujitsu provides assistance in the committee's operation, and presents supplementary prizes to the top performers at the Japanese Olympiad in Informatics, from which national representatives for the IOI are selected.



FUIITSU GROUP CSR REPORT 2017 113

Supporting a Programming Contest for Technical College Students

Through special corporate sponsorship, Fujitsu supports ProCon, the Japan technical college programming contest. We have established "Fujitsu Company Prize ", and we provide Fujitsu PCs to the winner.

In FY 2016, the Fujitsu company prize was given to National Institute of Technology, Ibaraki College, which created a system that uses sensors on jump ropes to synchronize movements with music for a more enjoyable exercise experience.

Fujitsu will continue to support the development of young ICT technicians.



Students from National Institute of Technology, Ibaraki College received the Fujitsu Company Prize in the 27th Japan technical college programming contest.



118 International Support and Disaster-Relief Activities 119 Example Activities in FY 2016

Contributing to Society through Sports

The Fujitsu Group promotes sports as a building block of a sound society. Company sports encompass the track and field team, the Frontiers American football team, and the RedWave women's basketball team. These organizations strive daily to improve their skills, embodying Fujitsu's proactive spirit.

Track and Field Team

Established in 1990 with the slogan "fostering athletes that can compete globally," the Fujitsu Track and Field Team has been a leader in Japanese track and field ever since, awarded the Best Team Prize for the Top Athlete Support Award at the JOC Sports Awards in 2008 and the 1st Industrial Track and Field Team of the Year consecutively in 2016 and 2017. The team has produced Japanese representatives for seven straight Olympics—from the Barcelona 1992 Olympic Games to the Rio 2016 Olympic Games. The top athletes who belong to the team actively participate in track and field clinics throughout Japan, helping to raise the level of track and field in Japan as well as fostering sports development in general.

In FY 2016, four Japanese representatives from Fujitsu participated in the Rio 2016 Olympic Games. Daichi Sawano finished 7th in the men's pole vault. With further achievements that include participating for 26 consecutive years in the New Year Ekiden, and Yusuke Suzuki setting a new world record for the Men's 20 km Racewalking, the team is a leader in the world of Japanese track and field.





Participating in the Fujitsu Stadium Kawasaki Sports Festival in February 2017.

Frontiers American Football Team



Established in 1985, Fujitsu's American football team named itself the "Frontiers" in recognition of its pledge to be a pioneer in the field of American football in Japan under the slogan "to be the best in Japan's amateur league, and at work."

The team has won the Bowl three times, including its first victory in 2003 at the Pearl Bowl, a tournament for East Japan Division teams of the Shakaijin (working adults) league. In 2014, the team won the Japan X Bowl, the championship game to decide the best team in Japan, as well as competing in and winning the Rice Bowl, the Japanese Championship title, for the first time. The team captured a second victory at the Rice Bowl in 2016 and has emerged as the top team in the X League.

Moreover, the Frontiers have been recognized as a Hometown Sports Partner by Kawasaki City where they are based, for community contributions. Since



Challenges

Community Engagement

Flag football Workshop "Friendship Classroom" held in FY

2016 at an elementary school in Kawasaki City. ©NANO Association

118 International Support and Disaster-Relief Activities 119 Example Activities in FY 2016

FY 2010, the team has been teaching in school physical education classes in Kawasaki City and engaging in other activities, as well, to popularize flag football, which is safe and easy to play.

RedWave Women's Basketball Team



Following its establishment in 1985, Fujitsu named its women's basketball team "RedWave" with the goal of becoming like a red wave that poses a threat to even the most formidable of opponents. The team took its first victory at the 72nd All Japan Basketball Tournament (Empress Cup) in 2006, holding on to the top spot for the three straight years through 2008. RedWave fulfilled a long-held ambition in FY 2007 when it won its first Women's Japan Basketball League (W League) title (2007-2008 (ninth) season).

The team has made it to the playoffs for 12 consecutive years since 2005. In 2017, the team advanced to the finals of the All Japan Basketball Tournament for the first time in 10 years and ultimately finished in second place. RedWave is now a highly-competitive force in the W League. For the first time ever, two members of RedWave were selected to represent Japan at the Rio 2016 Olympic Games and contributed to Japan's 8th-place finish.



Basketball Workshop "Friendship Classroom" held in FY2016 at an elementary school in Kawasaki City. ©NANO Association

As part of Fujitsu's social contribution activities and to encourage sports in the local community while building up the foundation of Japan's basketball world, the team has been recognized as a Hometown Sports Partner by Kawasaki City where the team is based, and it provides coaching in basketball workshops it conducts for elementary school students in Kawasaki City during PE classes. The team has conducted these workshops for 12 consecutive years since 2004, with 10 workshops conducted in FY 2016.

118 International Support and Disaster-Relief Activities 119 Example Activities in FY 2016

Support for Kawasaki Frontale

A Japan Professional Football League (J-League) member since 1999, the Kawasaki Frontale soccer team has Fujitsu as its official sponsor and is based in the city of Kawasaki. The team works to further the development of professional soccer, young local athletes, and sports culture.

The team set up the "Mind-1 Nippon Project" soon after the Great East Japan Earthquake in 2011, and has been continuously engaged in supporting midto long-term recovery efforts in the affected areas. In September 2015, the team concluded the "Takata Frontale Smileship" friendship agreement with the city of Rikuzentakata, where it had engaged in support activities. The team will continue its activities, aiming to move from support aid to a relationship of mutually supporting smiles.



Soccer class held in Rikuzentakata in FY 2016. © KAWASAKI FRONTALE

118 International Support and Disaster-Relief Activities 119 Example Activities in FY 2016

Community Engagement

Community Engagement

International Support and Disaster-Relief Activities

Supporting Tropical Rainforest Restoration Activities through Beverage Sales

As part of the Fujitsu Group's social contribution and environmental activities, Fujitsu sells its own private brand beverages to employees, a portion of the proceeds of which are directed to tropical rainforest restoration activities underway at the Fujitsu Group Malaysia Eco Forest Park. As of the end of FY2016, a total of around 2.93million beverages had been sold since the start of this initiative in 2009, which has helped contribute to promoting activities.

Activities that Contribute to Society by Group Employees

Employees of Fujitsu Group companies voluntarily participate in everyday social contribution activities, such as collecting used plastic bottle caps, stamps and prepaid cards and donating the proceeds to polio vaccine or seedling planting projects.

Employees participate in the "sutenai seikatsu", or waste free lifestyle, activities. "Sutenai seikatsu" activities are intended to support Shapla Neer (Citizen's Committee in Japan for Overseas Support), an international NGO engaged in volunteer activities, by donating the sales of used books and DVDs collected from employees.

Support for Damage from Natural Disasters

The Fujitsu Group is carrying out donation and contribution campaigns in order to assist with efforts to recover from the damage caused by natural disasters.

For examples of overseas cases where we donated and contributed to support natural disaster recovery, please see below (cases in Japan are covered on our Japanese website)

http://www.fujitsu.com/jp/about/csr/community/support/index.html



118 International Support and Disaster-Relief Activities 119 Example Activities in FY 2016

Example Activities in FY 2016

Visiting Lectures on Food and Agriculture

Japan faces the constant issues of the depopulation of farming villages, an aging population of farmers, and a lack of young people to act as successors to agriculture businesses. During the 5-year period from 2010 to 2015, the number of farmers who protect food in Japan has decreased by 20%^(*). In response to these issues, Fujitsu seeks to contribute to the invigoration of Japanese agriculture and future of a rich food culture through the power of Information and Communication Technology (ICT).

For example, as part of the next-generation educational support for elementary school and junior high school students who will be future leaders, Fujitsu holds tours and visiting

lectures for fostering understanding of activities at the Aizu-Wakamatsu Akisai Plant Factory. Activities at the plant utilize the Akisai Food and Agriculture Cloud, a kind of technology that was created by fusing ICT and agriculture. The visiting lectures allow students to learn about how Fujitsu is developing a variety of high added value vegetables and creating vegetables which can be cultivated in any location and environment. Students also learn about the special measures and efforts of people involved in food production, and how ICT supports the enjoyment of food culture and the future of agriculture. We have received a variety of positive comments from students who attended the lectures, including "I'm now more interested in agriculture," "I want to work in this kind of agriculture," and "I want to grow these kinds of vegetables." Fujitsu will continue this next-generation educational support to instill children with these kinds of dreams.

(*) Data Source: 2015 Census of Agriculture and Forestry in Japan Report and Data on the Result (Ministry of Agriculture, Forestry and Fisheries)

Holding Deaf-PC Cafe-A computer workshop for people hearing difficulties

EXAMPLE AND A Challenges

The actual employment rate at private corporations for people with disabilities in Japan is currently 1.92%^(*), below the legal employment quota. Amidst these conditions, Fujitsu Software Technologies Limited has cooperated with the Shizuoka Association of Deaf (Public Interest Incorporated Association) to hold the Deaf-PC Cafe for people with hearing difficulties since 2006.

In response to how computers skills have become increasingly important for employment in recent years, the Deaf-PC Cafe is held to help resolve ICT issues faced by people with hearing difficulties. Operated under the motto of "Enjoy Learning," participants are free to bring drinks and snacks to these cafe-style lessons. The Cafe also serves as a place for signlanguage communication with participation of sign-language staff from sign-language clubs.



ommunity Engagement

Learning at the Deaf-PC Cafe

We will continue to hold the Deaf-PC Cafe in order to contribute by eliminating the digital divide faced by people with hearing difficulties. (*)Data Source: Report on the "Status of Employment of Persons with Disabilities" in 2016 (Ministry of Health, Labour and Welfare)

Enabling Digital Access for Poor Communities



Fujitsu South Africa is fully committed to ensuring those in some of the poorest communities in the country still have access to technology that can enrich their lives. The Little Rose Centre is their local corporate charity partner, which provides day care services for vulnerable

E ICT for Everyone

Children take a visiting lecture



Community Involvement

110 Approach to Social Contribution Activities112 Promoting Learning & Education, and Cultural and Sponsorship Activities115 Contributing to Society through Sports

118 International Support and Disaster-Relief Activities 119 Example Activities in FY 2016

children in Kliptown, a township in Johannesburg with approximately 35,000 inhabitants.

Due to poverty and poor living condition, the community faces many challenges including high unemployment. Our business in South Africa works with the centre to provide short term support such as fundraising and donation drives, though most significant is the longer term sustainable support given, including installing an IT hub. This IT hub provides the community with access to computers and the internet. Employees also volunteer as IT coaches, teaching members of the community vital online skills. Activity has included running structured training programmes for grade 11 & 12 students, and also employment searches for the older



IT hub

members of the community. Fujitsu South Africa will continue to work with the Little Rose to ensure continued digital access.

Support for Underprivileged Children

Fujitsu Philippines Global Delivery Centre is committed to reaching out to underserved communities in the country. It has a well-established relationship with the Tuloy Foundation, which provides a home and education for homeless and abandoned children, providing practical training and a skills-based curriculum. Tuloy is 100% reliant on donations – and Fujitsu is proud to be a major donor of both funding and education.

Over 30 Fujitsu employees have been involved with Tuloy Foundation in the past three years, with at least 3 on-site visits each year and numerous other off-site fundraising activities carried out. Employees raise money through charity drives, and donate school

supplies, clothes and food. A number of employees have celebrated birthdays at Tuloy, providing an afternoon of fun and cake for the children. Fujitsu also takes on apprentices from Tuloy into technical roles, giving the students much-appreciated work experience.

Developing a Solution to Enhance Digital Learning in Africa

Fujitsu Netherlands are dedicated to supporting digital access and working. The country works closely with Viafrica, a charity committed to preparing students for their futures with education-enhancing digital learning in both Kenya and Tanzania.

With Viafrica planning to increase the number of tablets in their educational projects, it became apparent that a significant issue would be both unstable power supply and poor internet connectivity in many locations around Africa. Therefore Fujitsu put this challenge forward to their dedicated IT Specialists/ Architects. A Raspberry Pi mini-server has since been developed which provides the tablets with a Wi-Fi Access Point, Android software distribution, web server and mail facilities. This prototype enabled the delivery of 100 tablets into areas of need. New releases can be implemented by exchanging an SD card. Therefore, the tablets can be both installed and used without internet connection. The name of the solution is 'Elumi Pi' which means 'education' in Swahili.



Challenges

Elumi Pi



ommunity Engagement

Supporting Children

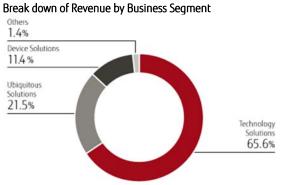
ICT for Everyone 🖉

Fujitsu Group Profile (as of March 31, 2017)

Company Name	Fujitsu Limited	Capital	¥324.6 billion
Addresses	• Kawasaki Main Office	Total Assets	s ¥3,191.4 billion (Liabilities: ¥2,172.2 billion,
	4-1-1 Kamikodanaka, Nakahara-ku, Kawasaki-shi, Kanagawa 211-8588, Japan		Net assets: ¥1,019.2 billion)
	Headquarters	Fiscal Year-er	end March 31
	Shiodome City Center 1-5-2 Higashi-Shimbashi,	Employees C	Consolidated 155,069 /
	Minato-ku, Tokyo 105-7123, Japan		Unconsolidated: 33,095
Representative Director President Tatsuya Tanaka		Directors	10 (incl. 2 female directors and 4 outside directors, as of June 26, 2017)
Established	June 20, 1935 Manufacture and sale of communications systems,	Consolidated	ed Subsidiaries 502 companies
Main Business Activities	information processing systems, and electronic devices, and the provision of services related to those products	Equity-meth Stock Exchan	t hod Affiliates 24 companies nge Listings Tokyo, Nagoya

Regarding Our Business Segments

The Fujitsu Group provides a wide range of services and products with the advanced technology, high performance and high quality essential for the future of the ICT sector, and operates an integrated total solutions business, from the development, manufacture and sale of those products and electronic devices to the provision of maintenance services.



Note: Revenue include intersegment sales

Ubiquitous Solutions

The Ubiquitous Solutions segment is involved in the development, manufacture and sale of PCs and mobile phones, as well as audio and navigation equipment and other types of mobilewear.



ARROWS NX F-01J

Technology Solutions

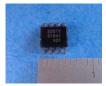
The Technology Solutions segment provides corporate customers around the globe with IT-driven business solutions based on our advanced technology and high-quality system platforms and services.



Data center (Tatebayashi)

Device Solutions

The Device Solutions segment provides LSI devices for digital consumer electronics, automobiles, mobile phones and servers, as well as semiconductor packages and other electronic components. The segment also offers electronic components, such as batteries, relays and connectors.



FRAM 「MB85RS256TY」







* As of March 31, 2017. Only datacenters are as of May 31, 2017.

55 With Our People 84 With Our Stakeholders 109 Community Involvement

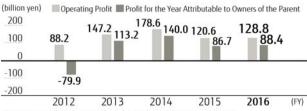
121 Fujitsu Group Profile 123 Financial & Non-Financial highlights 128 GRI Guideline Comparison Table 124 Editorial Policy

Financial & Non-Financial Highlights

Revenue

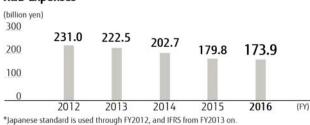
(billion yen) 6,000		1.767 1.	1. 752 2	(720 2	1 500 6	
4,000	4,381.7	4,702.4	4,755.2	4,739.2	4,509.0)
2,000						
0						
8	2012	2013	2014	2015	2016	(FY)

Operating Profit/ Profit for the Year Attributable to Owners of the Parent

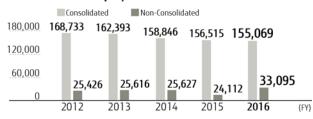


*Japanese standard is used through FY2012, and IFRS from FY2013 on.

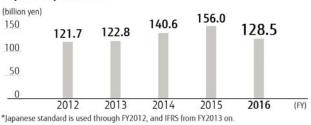
R&D Expenses



The Number of Employees



Capital Expenditures



Trends in Expenses and Economic Benefits

(billion yen) Expenses Actual benefits Estimated benefits 100 80 85.8 60 50 7 40 20 59.7 38.3 51.5 54.5



03 Top Message 04 The Fujitsu Group's CSR 34 Management Systems

55 With Our People 84 With Our Stakeholders 109 Community Involvement

121 Fujitsu Group Profile 123 Financial & Non-Financial highlights 128 GRI Guideline Comparison Table 124 Editorial Policy

125 Third Party Verification Report

Editorial Policy

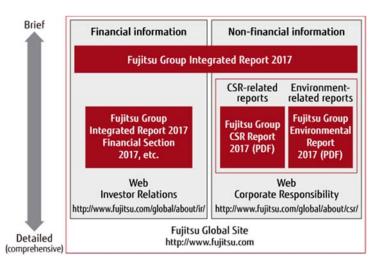
Available on our website and as a PDF document, the Fujitsu Group CSR Report 2017 presents a number of activities based on the Fujitsu Group CSR Policy.

Reporting System

Details concerning Fujitsu Group initiatives are reported in the format of the figure at right. In editing this report, we take into account matters including trends in reporting and the opinions of readers and stakeholders on the previous fiscal year's report. We are making efforts to convey more comprehensive information so that it can be easily read by the general public.

Guidelines Referenced

- **GRI Standard**
- ISO 26000 Guidance on Social Responsibility



Reporting Period

This report focuses on activities in FY 2016, from April 1, 2016 to March 31, 2017, and the data presented is actual performance data from that period. Content from times outside that period, however, is also presented.

Target Readership

This report is written assuming the following readership: Fujitsu stakeholders including customers, employees, stockholders and investors, suppliers and business partners, international society and local communities, public institutions and governments.

Organizations Covered

While the whole of the Fujitsu Group is covered in this report, when it is necessary to indicate the range of applicability, we will specify Fujitsu Group (to indicate the Group as a whole) or Fujitsu (to indicate Fujitsu, Ltd. as an independent entity).

About Third Party Verification

The Fujitsu Group CSR Report 2017 has undergone third-party verification by Bureau Veritas Japan to ensure the reliability of the information disclosed within.

Contact

CSR Division

Shiodome City Center, 1-5, 2 Higashi-Shimbashi, Minato-ku, 105-7123, Japan http://www.fujitsu.com/global/about/csr/contact/

Publisher

FUJITSU LIMITED

Authority for Publication: Tatsuya Tanaka President and Representative Director Published: July 2017 (The next report will be published in July 2018 and the previous report was published in August 2016.) 03 Top Message 04 The Fujitsu Group's CSR 34 Management Systems

 55 With Our People
 121 Fujitsu Group Profile

 84 With Our Stakeholders
 123 Financial & Non-Fina

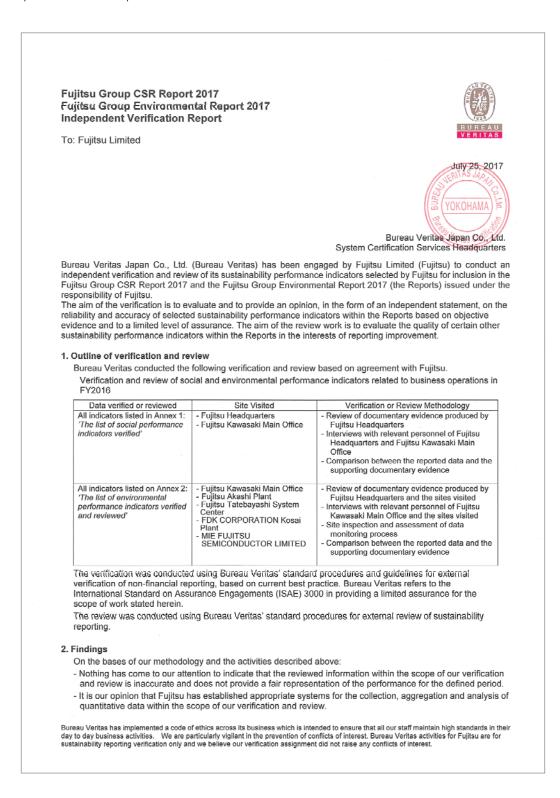
 109 Community Involvement
 124 Editorial Policy

 121 Fujitsu Group Profile
 125 Third Party Verification Report

 123 Financial & Non-Financial highlights
 128 GRI Guideline Comparison Table

Third Party Verification Report

In order to ensure the reliability of the contents of the Fujitsu Group CSR Report 2017, we asked a third party, Bureau Veritas Japan to examine and post a review of the report.



The list of easiel performance indicators useling	
The list of social performance indicators verified	
Performance indicators verified	Page
Number of attendees to Fernale Leadership Development Program	15
Rate of female managers	15, 60, 82
Employment rate of people with disabilities	15, 62, 82
Number of employees using the care leave support system	15, 68, 83
Foster global business leaders Number of attendees to Next-generation business leaders development programs	16
The number of periodic engagement with residents in regions with major business sites	16
The number of internal database records of social contribution activities	17
CSR activities with use of ISO26000 Number of group companies which performed survey based on ISO26000	20
Number of Directors	35, 82, 121
Frequency of industrial accidents	72, 83
Numbers and average ages of employees	82, 121, 123
Number of employees by age group	82
Hiring of recent college graduates	83
Employees by region	82, 122
Average years of service	83
Promoting socially responsible procurement (the number of written surveys to suppliers)	101

FUJITSU GROUP CSR REPORT 2017	03 Top Message	55 With Our People	121 Fujitsu Group Profile	125 Third Party Verification Report
	04 The Fujitsu Group's CSR	84 With Our Stakeholders	123 Financial & Non-Financial highlights	128 GRI Guideline Comparison Table
	34 Management Systems	109 Community Involvement	124 Editorial Policy	

ATTILEX Z	nex 2	2
-----------	-------	---

The list of environmental performance indicators verified and reviewed

Performanc	e indicators verified	Page	
Rate of newly developed products that are top-level energy efficient			
Improvement rate of resource efficiency in newly developed products		28	
Resource reuse rate of business ICT equipme	nt	30	
Amount of greenhouse gas emissions in our b	usiness facilities	32	
Improving rate of energy intensity in our busine	ess facilities	52	
CO2 emission from transport (Fujitsu and grou	p companies in Japan)	37	
Water usage		38	
PRTR Substance and VOC Emissions		39, 52	
Amount of waste generated		40	
Effective utilization ratio		40	
INPUT (design, procurement, manufacturing,	Water		
development)	Energy]	
INPUT (recycling)	Resource recycling rate]	
	Chemical substances		
	Atmospheric release Greenhouse gases total]	
	Atmospheric release CO ₂	52	
OUTPUT (design, procurement,	Atmospheric release Greenhouse gases other than		
manufacturing, development)	CO ₂		
	Volume of waste generated		
	Volume of thermal and material recycling		
	Volume of waste disposal		
OUTPUT (distribution) Atmospheric release C	O2 (Fujitsu and group companies in Japan)		
Scope3 (upstream) Transportation and distribution	ution (Fujitsu and group companies in Japan)		
Scope1 (reporting company) Direct emissions			
Scope2 (reporting company) Indirect emission	s from energy sources	53	
Scope3 (upstream) Purchased goods and sen	vices		
Scope3 (downstream) Use of sold products			
Energy usage in Scope1 and Scope2	·	54	

Performance indicators reviewed		Page
Amount of contribution to reducing emissions of greenhouse ICT	gases (GHG) through the provision of	23
Improvement rate of PUE		33
Percentage of reduced CO ₂ emission per sales from transport		
CO ₂ emission from transport (group companies in worldwide)		
Reduction in water usage		38
Environmental accounting		
INPUT (design, procurement, manufacturing, development)	Chemical substances	
INPUT (distribution) Energy		
OUTPUT (distribution) Atmospheric release CO2 (group com	panies in worldwide)	
Scope3 (upstream) Transportation and distribution (group co	mpanies in worldwide)	53

55 With Our People 34 Management Systems 109 Community Involvement 124 Editorial Policy

121 Fujitsu Group Profile 123 Financial & Non-Financial highlights 128 GRI Guideline Comparison Table

125 Third Party Verification Report

CSR Report 2017 GRI Standard Comparison Table

GRI S	itan	dard Indicator (※…Core performance indicator)	References	ISO 26000	UNGC principle
Organizat	iona	al Profile			
G102-1	*	Report the name of the organization.	◆ <u>Fujitsu Group Profile "Company</u> Name"		_
G102-2	*	Report the primary brands, products, and services	◆ <u>Fujitsu Group Profile "Main</u> Business Activities"	-	_
G102-3	*	Report the location of the organization's headquarters.	◆ <u>Fujitsu Group Profile "Addresses"</u> [Reference] <u>Organization</u>	-	—
G102-4	*	Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	◆ <u>Fujitsu Group Profile "Global</u> Business System"	_	_
G102-5	*	Report the nature of ownership and legal form.	 ▲ <u>Corporate Governance "Basic Stance</u> on Internal Control Framework" ▲ <u>Fujitsu Group Profile</u> <u>"Headquarters"</u> [Reference]<u>WEB(Worldwide)</u> 	_	_
G102-6	*	Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	◆ <u>Fujitsu Group Profile"Main Business</u> <u>Activities "Break down of Revenue</u> <u>by Business Segment"</u>	_	_
G102-7	*	Report the scale of the organization, including: Total number of employees - Total number of operations - Net sales (for private sector organizations) or net revenues (for public sector organizations) - Total capitalization broken down in terms of debt and equity (for private sector organizations) - Quantity of products or services provided	 ◆ Fujitsu Group Profile "Revenue","Capital","Total Assets","Employees","Main Business Activities","Global Business System" ▲ List of Employee related Indicators"Employees in Fujitsu <u>Group</u>" [Reference]Fujitsu at a Glance 	_	_
G102-8	*	 a. Report the total number of employees by employment contract and gender. b. Report the total number of permanent employees by employment type and gender. c. Report the total workforce by employees and supervised workers and by gender. d. Report the total workforce by region and gender. e. Report whether a substantial portion of the organization's work is performed by workers who are legally recognized as self-employed, or by individuals other than employees and supervised workers, including employees and supervised employees of contractors. f. Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries). 	 ◆ <u>Fujitsu Group Profile "Employees"</u> "Global Business System"」 ◆ List of Employee related Indicators 	6.4 6.4.3	_
G102-9	Ж	Describe the organization's supply chain.	◆ <u>With Our Suppliers</u>		
G102-10	*	 Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain, including: Changes in the location of, or changes in, operations, including facility openings, closings, and expansions Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations) Changes in the location of suppliers, the structure of the supply chain, or in relationships with suppliers, including selection and termination. 	 ◆Editorial Policy "Organizations Covered" ◆Integrated Report Financial Section 	_	_

GRI S	tan	dard Indicator (※…Core performance indicator)	References	ISO 26000	UNGC principle
G102-11	*	Report whether and how the precautionary approach or principle is addressed by the organization.	 ◆ Our Approach to CSR "Promoting Group-wide Dissemination" ◆ United Nations Global Compact ◆ Implementing CSR Activities Utilizing ISO 26000 ◆ Risk Management "Risk Management Framework" ◆ Risk Management "Risk Management Processes" [Reference] Environmental Policy• Action Plan 	6.2	_
G102-12	*	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	 ◆<u>United Nations Global Compact</u> ◆<u>Implementing CSR Activities</u> Utilizing ISO 26000 	6.2	_
G102-13	*	List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization: - Holds a position on the governance body. - Participates in projects or committees. - Provides substantive funding beyond routine membership dues. - Views membership as strategic.	◆ <u>United Nations Global Compact</u>	6.2	_
Strategy a	nd /	Analysis			
G102-14	*	Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability	◆ <u>Top Message</u>	6.2	_
G102-15		Provide a description of key impacts, risks, and opportunities.	◆ <u>Risk Management "Business Risks"</u>	6.2	
Ethics and	l Int	egrity			
G102-16	*	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	 ◆ Our Approach to CSR "Our Corporate Philosophy "FUJITSU Way" ◆ CSR Policy and Promotion Framework " Key CSR Issues" ◆ Compliance "The Fujitsu Way Code of Conduct" 	_	_
G102-17		Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines. Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	◆ <u>Compliance "4. Incident Reporting</u> <u>and Response"</u> ◆ <u>Initiatives Promoting Respect for</u> <u>Human Rights "Framework for</u> <u>Canvassing Opinions in Our Efforts to</u> <u>Promote Respect for Human Rights"</u>	_	_
		Governance			
G102-18	*	Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	◆ <u>Corporate Governance "Corporate</u> <u>Governance Structure</u> "	6.2	_

55 With Our People 84 With Our Stakeholders 109 Community Involvement

121 Fujitsu Group Profile 124 Editorial Policy

125 Third Party Verification Report 123 Financial & Non-Financial highlights 128 GRI Guideline Comparison Table

GRI St	andard Indicator (※…Core performance indicator)	References	ISO 26000	UNGC principle
G102-19	Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	◆ <u>Corporate Governance "Corporate</u> <u>Governance Structure"</u>	_	_
G102-20	Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	◆ <u>Corporate Governance "Corporate</u> <u>Governance Structure"</u>	_	_
G102-21	Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and any feedback processes to the highest governance body.	 ♦ With Our Shareholders and Investors "Communicating with Shareholders and Investors" ♦ Corporate Governance "Overview of Corporate Governance Structure" ♦ Compliance "4. Incident Reporting and Response" 	6.2	_
G102-22	Report the composition of the highest governance body and its committees by: - Executive or non-executive Independence - Tenure on the governance body - Number of each individual's other significant positions and commitments, and the nature of the commitments - Gender - Membership of under-represented social groups - Competences relating to economic, environmental and social impacts - Stakeholder representation	◆ <u>Corporate Governance "Overview of</u> <u>Corporate Governance Structure"</u>	6.2	_
G102-23	Report whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the organization's management and the reasons for this arrangement).	◆ <u>Corporate Governance</u> "Overview of <u>Corporate Governance Structure</u> "	6.2	_
G102-24	Report the nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members, including: - Whether and how diversity is considered - Whether and how independence is considered - Whether and how expertise and experience relating to economic, environmental and social topics are considered - Whether and how stakeholders (including shareholders) are involved.	◆ <u>Corporate Governance "Overview of</u> <u>Corporate Governance Structure"</u>	6.2	_
G102-25	Report processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders, including, as a minimum: - Cross-board membership - Cross-shareholding with suppliers and other stakeholders - Existence of controlling shareholder Related party disclosures	◆ <u>Corporate Governance "Overview of</u> <u>Corporate Governance Structure"</u>	6.2	_

03 Top Message 04 The Fujitsu Group's CSR 34 Management Systems

55 With Our People 84 With Our Stakeholders 109 Community Involvement

121 Fujitsu Group Profile 124 Editorial Policy

125 Third Party Verification Report 123 Financial & Non-Financial highlights 128 GRI Guideline Comparison Table

GRI St	andard Indicator (※…Core performance indicator)	References	ISO 26000	UNGC principle
G102-26	Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.	◆ <u>CSR Policy and Promotion</u> Framework "Organization Promoting <u>CSR"</u>	_	_
G102-27	Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	◆ <u>CSR Policy and Promotion</u> Framework "Organization Promoting <u>CSR"</u>	_	_
G102-28	 a. Report the processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Report whether such evaluation is independent or not, and its frequency. Report whether such evaluation is a self-assessment. b. Report actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics, including, as a minimum, changes in membership and organizational practice. 	◆ <u>CSR Policy and Promotion</u> <u>Framework "Organization Promoting</u> <u>CSR"</u> ◆ <u>Corporate Governance "Overview of</u> <u>Corporate Governance Structure"</u>	6.2	_
G102-29	 a. Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes. b. Report whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities. 	 ◆ <u>Corporate Governance "Basic Stance</u> on Internal Control System" ◆ <u>Risk Management "Business Risks</u>" ◆ <u>Risk Management " "Risk</u> <u>Management & Compliance Structure"</u> 	6.2	_
G102-30	Report the highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics.	 ◆ <u>Corporate Governance "Basic Stance</u> on Internal Control System" ◆ Risk Management "Risk Management & Compliance <u>Structure"</u> 	_	_
G102-31	Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.	◆ <u>Risk Management Risk</u> Management Processes"	6.2	
G102-32	Report the highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered.	◆ <u>CSR Policy and Promotion</u> Framework "Organization Promoting <u>CSR"</u>	_	_
G102-33	Report the process for communicating critical concerns to the highest governance body.	 ◆ <u>Corporate Governance "Basic Stance</u> on Internal Control System" ◆ <u>Risk Management " "Risk</u> <u>Management & Compliance</u> <u>Structure"</u> ◆ <u>Risk Management "Measures</u> <u>Against Infectious Diseases"</u> 	6.2	_
G102-34	Report the nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them.	_	_	_

121 Fujitsu Group Profile 124 Editorial Policy

125 Third Party Verification Report 123 Financial & Non-Financial highlights 128 GRI Guideline Comparison Table

GRI S	tan	dard Indicator (※…Core performance indicator)	References	ISO 26000	UNGC principle
G102-35		 a. Report the remuneration policies for the highest governance body and senior executives for the below types of remuneration: Fixed pay and variable pay: Performance-based pay Equity-based pay Bonuses Deferred or vested shares Sign-on bonuses or recruitment incentive payments Termination payments Clawbacks Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees 	◆ <u>Corporate Governance</u> <u>"Policy on the Determination of</u> <u>Executive Compensation"</u>	6.2	_
		b. Report how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives.			
G102-36		Report the process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration and whether they are independent of management. Report any other relationships which the remuneration consultants have with the organization.	◆ <u>Corporate Governance</u> <u>"Policy on the Determination of</u> <u>Executive Compensation"</u>	-	_
G102-37		Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.	 ◆<u>With Our Shareholders and</u> <u>Investors "Communicating with</u> <u>Shareholders and Investors"</u> ◆<u>Corporate Governance "Overview of</u> <u>Corporate Governance Structure"</u> 	6.2	
G102-38		Report the ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.	_	_	_
G102-39		Report the ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.	_	_	_
Stakehold	er E	ngagement			
G102-40	*	Provide a list of stakeholder groups engaged by the organization.	◆ <u>CSR Policy and Promotion</u> <u>Framework "The Fujitsu Group's</u> <u>Stakeholders"</u>	6.2	_
G102-41	*	Report the percentage of total employees covered by collective bargaining agreements.	◆ <u>Creating Good Working</u> <u>Conditions"Labor Relations"</u>	6.3.10 6.4 6.4.3 6.4.4 6.4.5	1,3
G102-42	*	Report the basis for identification and selection of stakeholders with whom to engage.	◆ <u>CSR Policy and Promotion</u> Framework "The Fujitsu Group's Stakeholders" ◆ <u>Stakeholder Dialogue</u>	6.2	_

FUJITSU GROUP CSR REPORT 2017	03 Top Message	55 With Our People	121 Fujitsu Group Profile	125 Third Party Verification Report
	04 The Fujitsu Group's CSR	84 With Our Stakeholders	123 Financial & Non-Financial highlights	128 GRI Guideline Comparison Table
	34 Management Systems	109 Community Involvement	124 Editorial Policy	

GRI S	tan	dard Indicator (※…Core performance indicator)	References	ISO 26000	UNGC principle
G102-43	*	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	 <u>Stakeholder Dialogue</u> <u>Customers, International Society,</u> <u>Local Community></u> <u>With Our Customers</u> <u>Quality Initiatives</u> <u>Approach to Social Contribution</u> <u>Activities</u> <u>Promoting Learning & Education,</u> <u>and Cultural and Sponsorship</u> <u>Activities</u> <u>Contributing to Society through</u> <u>Sports</u> <u>International Support and</u> <u>Disaster-Relief Activities</u> <u>Example Activities in FY 2016</u> <u>Shareholders and Investors></u> <u>With Our Shareholders and Investors</u> <u>With Our Suppliers</u> <u>Employees></u> <u>Diversity and Inclusion</u> <u>Initiatives Promoting Respect for Human Rights</u> <u>Creating Good Working Conditions</u> <u>Occupational Safety and Health and Health Management</u> <u>Human Resource and Carrer</u> <u>Development</u> 	6.2	1~10
G102-44	*	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	 <u>Stakeholder Dialogue</u> <u>With Our Customers</u> "Examples of Improvements Based on Customer Feedback" 	6.2	_
Identified	Ма	terial Aspects and Boundaries			
G102-45	*	 a. List all entities included in the organization's consolidated financial statements or equivalent documents. b. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report. 	 ◆ Fujitsu Group Profile"Main Business Activities" ◆ Editorial Policy "Organizations Covered" ◆ Integrated Report Financial Section [Reference]Organization 	6.2	_
G102-46	*	a. Explain the process for defining the report content and the Aspect Boundaries.b. Explain how the organization has implemented the Reporting Principles for Defining Report Content.	◆ <u>CSR Policy and Promotion</u> Framework "Organization Promoting CSR"	_	_
G102-47	*	List all the material Aspects identified in the process for defining report content.	◆ <u>CSR Policy and Promotion</u> Framework " Key CSR Issues"	—	—
G102-48	*	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	◆ Editorial Policy "Organizations Covered"	_	_
G102-49	*	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	◆ Editorial Policy "Organizations Covered"	_	_
G102-50	Ж	Reporting period (such as fiscal or calendar year) for information provided.	◆ Editorial Policy "Reporting Period"	—	_
G102-51	Ж	Date of most recent previous report (if any).	◆ Editorial Policy "Publisher"	—	_
G102-52	*	Reporting cycle (such as annual, biennial). Provide the contact point for questions regarding the	◆ Editorial Policy "Publisher"	_	_
G102-53	*	report or its contents.	◆ Editorial Policy "Contact"	-	-

GRI S	tan	dard Indicator (※…Core performance indicator)	References	ISO 26000	UNGC principle
G102-54	*	Report the 'in accordance' option the organization has chosen.	 ◆GRI Guideline/UNGC 10 Principles Comparison Table ◆<u>Third Party Verification Report</u> 	_	_
G102-55	*	Report the GRI Content Index for the chosen option.	 ◆GRI Guideline/UNGC 10 Principles Comparison Table ◆ Third Party Verification Report 		
G102-56	*	 Assurance a. Report the organization's policy and current practice with regard to seeking external assurance for the report. b. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided. c. Report the relationship between the organization and the assurance providers. d. Report whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report. 	◆ Third Party Verification Report	7.5.3	_
Identified	Ма	terial Aspects and Boundaries			
G103-1	*	For each material Aspect, report the Aspect Boundary within the organization, as follows: Report whether the Aspect is material within the organization	◆ <u>CSR Policy and Promotion</u> Framework " Key CSR Issues" ◆ <u>Editorial Policy "Organizations</u> <u>Covered"</u>	_	_
G103-2		Disclosures on Management Approach (DMA) a. An explanation of how the organization manages the topic. b. A statement of the purpose of the management approach c. A description of the following, if the management approach includes that component: i. Policies ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives	 Diversity and Inclusion "Our Framework for Promotion of Diversity" Diversity and Inclusion "Efforts at Promoting Diversity" Initiatives Promoting Respect for Human Rights "Our Approach to Global Human Rights" Occupational Safety and Health and Health Management "Efforts to Improve Occupational Safety and Health Management "Health Management and Enhancement Initiatives" Accupational Safety and Health and Health Management "Health Management and Enhancement Initiatives" Human Resource and Carrer Development "Guidelines for Human Resource Development" Human Resource and Carrer Development "Promotion System" Quality Initiatives "Establishing a Quality and Product Safety" Quality Initiatives "Establishing a Quality Assurance System" With Our Suppliers "CSR Procurement Policy" With Our Shareholders and Investors "Our Basic Stance" Community Involvement "Approach to Social Contribution Activities" 		
G103-3		An explanation of how the organization evaluates the management approach i. the mechanisms for evaluating the effectiveness of the management approach; ii. the results of the evaluation of the management approach; iii. any related adjustments to the management approach.	Achievements" ◆ With Our Suppliers "Processes for Promoting and Improving CSR		

FUJITSU GROUP CSR REPORT 2017	03 Top Message	55 With Our People	121 Fujitsu Group Profile	125 Third Party Verification Report
	04 The Fujitsu Group's CSR	84 With Our Stakeholders	123 Financial & Non-Financial highlights	128 GRI Guideline Comparison Table
	34 Management Systems	109 Community Involvement	124 Editorial Policy	

	GRI Standard Indicator by aspects	References	ISO 26000	UNGC principle
Economic				
Aspect: Eco	onomic Performance			
G201-1	Direct economic value generated and distributed.	_	6.8 6.8.3 6.8.7 6.8.9	_
G201-2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	_	6.5.5	7,8,9
G201-3	Coverage of the organization's defined benefit plan obligations.	[Reference] Integrated Report Financial Section	Ι	_
G201-4	Financial assistance received from government.	_		_
Aspect: Ma	rket Presence			
G202-1	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	_	6.4.4 6.8	_
G202-2	Proportion of senior management hired from the local community at significant locations of operation.	_	6.8 6.8.5 6.8.7	_
Aspect: Ind	lirect Economic Impacts			
G203-1	Development and impact of infrastructure investments and services supported.	 Promoting Learning & Education, and Cultural and Sponsorship Activities Contributing to Society through Sports International Support and Disaster-Relief Activities Example Activities in FY 2016 	$\begin{array}{c} 6.3.9\\ 6.8\\ 6.8.3\\ 6.8.4\\ 6.8.5\\ 6.8.6\\ 6.8.7\\ 6.8.9\end{array}$	8,9
G203-2	Significant indirect economic impacts, including the extent of impacts.	_	$\begin{array}{c} 6.3.9\\ 6.6.6\\ 6.6.7\\ 6.7.8\\ 6.8\\ 6.8.5\\ 6.8.6\\ 6.8.7\\ 6.8.9\end{array}$	_
Aspect: Pro	curement Practices			
G204-1	Proportion of spending on local suppliers at significant locations of operation.	_	6.6.6 6.8 6.8.5 6.8.7	_
Aspect: An	ti-corruption	·		
G205-1	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified.	_		10
G205-2	Communication and training on anti-corruption policies and procedures.	◆Our Approach to CSR "Communicating the <u>Fujitsu Way"</u> ◆ <u>Compliance "3. Training and Communication"</u>	6.6 6.6.3	10

	GRI Standard Indicator by aspects	References	ISO 26000	UNGC principle
G205-3	Confirmed incidents of corruption and actions taken.	-	6.6 6.63	_
Aspect: An	ti-competitive Behavior			1
G206-1	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	_	6.6 6.6.5 6.6.7	_
Labor Prac	tices and Decent Work			
Aspect: En	ployment			
G401-1	Total number and rates of new employee hires and employee turnover by age group, gender and region.	◆List of Employee related Indicators "Employees in Fujitsu group" ◆Creating Good Working Conditions "Turnover Rate"	6.4 6.4.3	_
G401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	◆ <u>Creating Good Working Conditions "Employee</u> Benefits Program"	6.4 6.4.3 6.4.4	_
G401-3	Return to work and retention rates after parental leave, by gender.	◆List of Employee related Indicators "Using the Care Leave and Short Work Hours system (Fujitsu)"	6.4 6.4.3	6
Aspect: La	bor/Management Relations			1
G402-1	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements.	_	6.4 6.4.3 6.4.4 6.4.5	_
Aspect: Oc	cupational Health and Safety			<u> </u>
G403-1	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	◆Occupational Safety and Health and Health Management "Efforts to Improve Occupational Safety and Health"	6.4	1
G403-2	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.	◆List of Employee related Indicators "Occupational Safety and Health (Fujitsu)"	6.4.6	_
G403-3	Workers with high incidence or high risk of diseases related to their occupation.	 ◆ Occupational Safety and Health and Health Management "Health Management and Enhancement Initiatives" ◆ Risk Management "Measures Against Infectious Diseases" 	$\begin{array}{c} 6.4 \\ 6.4.6 \\ 6.8 \\ 6.8.3 \\ 6.8.4 \\ 6.8.8 \end{array}$	1
G403-4	Health and safety topics covered in formal agreements with trade unions.	◆ <u>Occupational Safety and Health and Health</u> <u>Management "Efforts to Improve Occupational</u> <u>Safety and Health"</u>	6.4 6.4.6	_
Aspect: Tra	ining and Education			
6404-1	Average hours of training per year per employee by gender, and by employee category.	◆Human Resource and Carrer Development "Average Hours Dedicated to Training Per Employee (Fujitsu)"	6.4 6.4.7	_
G404-2	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	◆Human Resource and Carrer Development "Career Design Support"	6.4 6.4.7 6.8.5	6

FUJITSU GROUP CSR REPORT 2017	03 Top Message	55 With Our People	121 Fujitsu Group Profile	125 Third Party Verification Report
	04 The Fujitsu Group's CSR	84 With Our Stakeholders	123 Financial & Non-Financial highlights	128 GRI Guideline Comparison Table
	34 Management Systems	109 Community Involvement	124 Editorial Policy	

	GRI Standard Indicator by aspects	References	ISO 26000	UNGC principle
G404-3	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.	_	6.4 6.4.7	_
Aspect: Div	ersity and Equal Opportunity			
G405-1	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	 ◆List of Employee related Indicators "Board of Directors" ◆List of Employee related Indicators "Diversity (Fujitsu)" 	6.3.7 6.3.10 6.4 6.4.3	1,6
Aspect: Equ	al Remuneration for Women and Men			
G405-2	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	_	6.3.7 6.3.10 6.4 6.4.3 6.4.4	_
Human Rig	hts			
Aspect: Nor	n-discrimination			-
G406-1	Total number of incidents of discrimination and corrective actions taken.	_	6.3 6.3.6 6.3.7 6.3.10 6.4.3	_
Aspect: Fre	edom of Association and Collective Bargaining			
G407-1	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights.	 ◆ With Our Suppliers " Socially Responsible Procurement Initiatives" ◆ With Our Suppliers "Procurement Compliance among All Suppliers" ◆ Compliance "4. Incident Reporting and Response" 	$\begin{array}{c} 6.3\\ 6.3.3\\ 6.3.4\\ 6.3.5\\ 6.3.8\\ 6.3.10\\ 6.4.3\\ 6.4.5\end{array}$	_
Aspect: Chi	ld Labor			
G408-1	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	 With Our Suppliers " Socially Responsible Procurement Initiatives" With Our Suppliers "Procurement Compliance among All Suppliers" Compliance "4. Incident Reporting and Response" 	6.3 6.3.3 6.3.4 6.3.5 6.3.7 6.3.10	_
Aspect: For	ced or Compulsory Labor			
G409-1	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	 ◆ With Our Suppliers " Socially Responsible Procurement Initiatives" ◆ With Our Suppliers "Procurement Compliance among All Suppliers" ◆ Compliance "4. Incident Reporting and Response" 	6.3 6.3.3 6.3.4 6.3.5 6.3.7 6.3.10	_
Aspect: Sec	urity Practices			
G410-1	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations.	_	6.3 6.3.5 6.4.3 6.6.6	_

	GRI Standard Indicator by aspects	References	ISO 26000	UNGC principle
Aspect: Inc	ligenous Rights	L		
G411-1	Total number of incidents of violations involving rights of indigenous peoples and actions taken.	_	6.3 6.3.6 6.3.7 6.3.8 6.6.7	_
Aspect: Ass	sessment		1	<u> </u>
G412-1	Total number and percentage of operations that have been subject to human rights reviews or impact assessments.	◆Initiatives Promoting Respect for Human Rights "Building a Human Rights Due Diligence Scheme and Related Activities"	6.3 6.3.3 6.3.4 6.3.5	_
Aspect: Inv	vestment		•	
G412-2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	 ◆Our Approach to CSR "Communicating the Fujitsu Way" ◆Initiatives Promoting Respect for Human Rights "Training and Education Regarding Human Rights" 	6.3 6.3.5	1
G412-3	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.	_	6.3 6.3.3 6.3.5 6.6.6	_
Society				
Aspect: Lo	cal Communities			
G413-1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	_	6.3.9 6.6.7 6.8 6.8.5 6.8.7	8
G413-2	Operations with significant actual and potential negative impacts on local communities.	_	6.3.9 6.5.3 6.5.6 6.8.9	7,8
Aspect: Su	pplier Assessment for Labor Practices	I	1	1
G414-1	Percentage of new suppliers that were screened using labor practices criteria.	-	-	-
G414-2	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken.	-	_	_
Aspect: Pu	blic Policy			
G415-1	Total value of political contributions by country and recipient/beneficiary.	-		_
Product Re	sponsibility		1	1
Aspect: Cu	stomer Health and Safety			
G416-1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	 ◆Quality Initiatives "Customer-Centric Quality Assurance Activities for Products and Services" ◆ With Our Suppliers "Enhancing Supply Chain BCM" 	6.3.9 6.6.6	9
G416-2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes.	◆Quality Initiatives "Disclosure of Information Related to Product Safety"	6.7 6.7.4 6.7.5	_

	GRI Standard Indicator by aspects	References	ISO 26000	UNGC principle
Product Re	sponsibility			
G417-1	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements.	_	6.7 6.7.3 6.7.4 6.7.5	_
G417-2	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	◆Quality Initiatives "Marking and Labeling of Products and Services Regarding Quality and Safety"	6.7.6 6.7.9	_
G417-3	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes.	◆ With Our Customers "Directions in Advertising"	6.7 6.7.3 6.7.6 6.7.9	Ι
Aspect: Cus	tomer Privacy			
G418-1	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	◆Information Security	6.7 6.7.7	-
Aspect: Cor	npliance			
G419-1	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	_	6.6 6.6.3 6.6.7 6.8.7	_