



Sustainability Report 2018

Fujitsu Group

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Top Message

In Pursuit of 'Success' on the Path to Creating a Sustainable Society

The world is currently undergoing enormous change as a result of digital transformation. We expect leading-edge technologies, such as Artificial Intelligence (AI) and the Internet of Things (IoT), to generate improvements in our daily lives and make the world a better place. I feel that, just as this revolution was triggered by people, the impetus for ongoing digital transformation lies with the human connection. In this context, the Fujitsu Group is pursuing "connected services" with the objective of shaping digital ecosystems that link research institutions, international agencies and other organizations – in addition to our customers and partners.

At Fujitsu, we firmly believe that technology enables people's happiness and wellbeing. We are committed to using the power of ICT to help resolve social problems as we continue on the path toward a sustainable society. My view is that accelerating the pace of innovation to respond to societal expectations and demands will scale-up the beneficial impacts to people and society as a whole, while also contributing to the achievement of common global goals such as the Paris Agreement on climate change and the UN's Sustainable Development Goals (SDGs).

Further, 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. To ensure ongoing sustainable operations, I have initiated various measures aimed at minimizing any negative outcomes for people and society that result from our corporate activities. In terms of compliance, we are consolidating our global corporate culture, enabling all executives and managers to continue to lead by example in an environment that does not allow for exceptions and has zero tolerance for any wrongdoing.

The Fujitsu Group always reflects on its approach and practices and aims to help resolve social problems by harnessing the strengths generated by connecting people and society and then by linking those strengths with the power of ICT, thereby creating "success" as we work toward a sustainable society.



President and Representative Director
Tatsuya Tanaka

Tatsuya Tanaka



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	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.	
Corporate Values	What we strive for:	
	Society and Environment	In all our actions, we protect the environment and contribute to society.
	Profit and Growth	We strive to meet the expectations of customers, employees and shareholders.
	Shareholders and Investors	We seek to continuously increase our corporate value.
	Global Perspective	We think and act from a global perspective.
	What we value:	
	Employees	We respect diversity and support individual growth.
	Customers	We seek to be their valued and trusted partner.
	Business Partners	We build mutually beneficial relationships.
	Technology	We seek to create new value through innovation.
	Quality	We enhance the reputation of our customers and the reliability of social infrastructure.
Principles	Global Citizenship	We act as good global citizens, attuned to the needs of society and the environment.
	Customer-Centric Perspective	We think from the customer's perspective and act with sincerity.
	Firsthand Understanding	We act based on a firsthand understanding of the actual situation.
	Spirit of Challenge	We strive to achieve our highest goals.
	Speed and Agility	We act flexibly and promptly to achieve our objectives.
	Teamwork	We share common objectives across organizations, work as a team and act as responsible members of the team.
Code of Conduct	■ We respect human rights.	
	■ We comply with all laws and regulations.	
	■ We act with fairness in our business dealings.	
	■ We protect and respect intellectual property.	
	■ We maintain confidentiality.	
	■ We do not use our position in our organization for personal gain.	

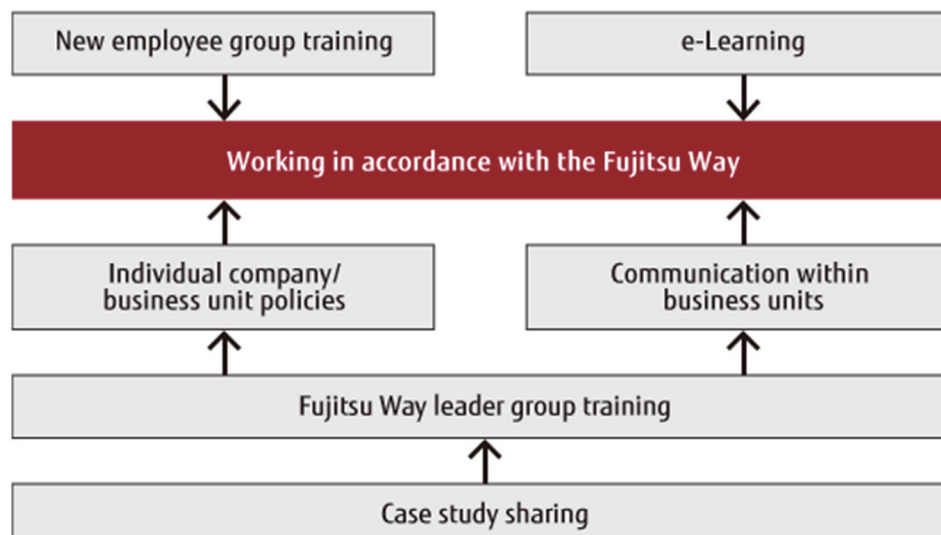
Promoting Group-wide Dissemination

Each 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 2018, 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 surveying the condition of activities 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 New Employee Education

In April 2018, Fujitsu welcomed approximately 950 new employees. These employees were divided into 25 classes for Fujitsu Way training. They learned the Fujitsu Group's reason for existence and values. They also learned the principles and the code of conduct for Fujitsu employees.

At domestic Fujitsu Group companies, Fujitsu Way cards and booklets were distributed at events such as company entrance ceremonies. Furthermore, each Fujitsu Group company added its own appropriate education.

Fujitsu Way Leader Training

In FY2017, approximately 60 newly appointed Fujitsu Way leaders gathered at the Numazu Complex for a look back at the history of the Fujitsu Group by visiting historic exhibitions of Fujitsu at Ikeda Memorial Room^{*1}, Fujitsu Archives^{*2}, and Fujitsu Heritage Hall^{*3}. Training participants gained a fuller understanding of the concepts at the foundation of the Fujitsu Way, and learned ways of solving issues encountered in the workplace. During the training, participants used data from employee satisfaction surveys to analyze issues at each workplace, and then reviewed proposals for improving the organizational climate in the spirit of the Fujitsu Way. The participants also shared best practices for dissemination in their organizations and exchanged ideas to revitalize activities.

^{*1} Ikeda Memorial Room:

Established at the same time as the opening of Numazu Complex, this Memorial Room celebrates the achievements of Toshio Ikeda, who drove the dawn of Fujitsu computers. The Room features preservation of a functioning FACOM128B, which is a relay computer manufactured in 1959. The Room also displays materials that introduce Ikeda's activities and provide insight into computer elements from long ago.

^{*2} Fujitsu Archives:

Visitors to the archives can view historical materials and products related to Fujitsu in each era. The main exhibit is a chronological table spanning from the foundation of the Furukawa Group in 1875 until 2010.

^{*3} Fujitsu Heritage 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 m² of space in the Numazu Complex, 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.



Ikeda Memorial Room



Fujitsu Archives



Fujitsu Heritage Hall



Training session

Fujitsu Way Workshops

In FY 2017, the Fujitsu Way Office visited workplaces upon request in order to support initiatives for reforming organizational climate. Analyzing the results of employee satisfaction surveys and preliminary questionnaires, the workshop participants tried to find key issues and make a step forward to solve them based on the Fujitsu Way.



Domestic Group company



Overseas Group company

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 translated in 16 languages. Also, Fujitsu Way cards data are distributed. So that each business unit head can add his or her message to the Fujitsu Way. Many business units actively utilize the data and post on internal portal websites, etc.



President Tanaka talking about the Fujitsu Way



Fujitsu Way on smart phone

On our corporate intranet, we started distributing a video message of President Tanaka talking about the Fujitsu Way based on his own personal experiences. Currently, the message is available in 18 languages including Japanese.

Through these efforts to make a chance to face the Fujitsu Way, the Fujitsu Group tries to spread the core concepts and make all employees understand the mission of Fujitsu and how they can contribute to shape tomorrow.

CSR Policy and Promotion Framework

To Advance CSR Activities as an Integral Part of Business

The Fujitsu Group is committed to being a truly global ICT corporation that remains keenly responsive to the needs and expectations of all its stakeholders*¹ while making a significant contribution to development that is sustainable for both society and the planet. With this in mind, in December 2010 the Fujitsu Group established a corporate social responsibility (CSR) policy and determined five priority issues around which to focus its CSR practices. We also set Medium-Term Targets for these priority issues, to be achieved in FY2020, and we have been steadily progressing toward those targets.

However, with the advent of developments such as the adoption of the Sustainable Development Goals (SDGs) by the UN and the issuing of the COP21 Paris Agreement, in recent years we have seen escalating demands for even greater efforts to build sustainable communities on a global scale. To increase the effectiveness of its global CSR activities in contributing to sustainable development, the Fujitsu Group is reviewing the priority issues and considering how best to build a global CSR management system, with a view to implementing it from next fiscal year. We will continue to promote CSR activities that are an integral part of our business and will disclose and share the results of our progress both inside and outside the company.



Nobuhiko Sasaki
Corporate Executive Officer and
Vice Chairman

*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

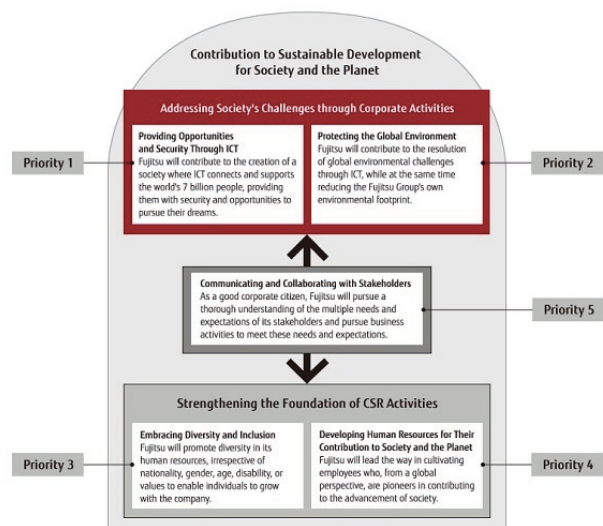
CSR at Fujitsu is practiced by implementing the FUJITSU Way. In all its business activities, by implementing the FUJITSU Way in light of the expectations and needs of multiple stakeholders, the Fujitsu Group contributes to the sustainable development of society and the planet. Our CSR initiatives focus 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 2010 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 priority issues in its basic CSR guidelines and has been promoting activities in line with those priority issues.

However, to provide more comprehensive CSR management, both domestically and internationally, a Group-wide review of the priority issues is under way. In FY2017, following discussions with managers in each region, six priority issues*² were determined based on the key business areas identified the previous year, and



the initiative was named the Global Responsible Business Strategy (GRBS). More intensive research was also conducted into each of the issues, and into the GRBS as a whole, with regard to building a globally unified activity promotion and management structure. In the future, we plan to set effective KPIs for the final deadline of 2030 and also to establish a scheme for checking our progress and applying enhancements, and from next fiscal year we will commence operations to globally address the new priority issues.

*2 The six priority issues:

Socio-economic ICT impacts; Environment; Ethical practices (compliance, supply chain management, occupational health and safety); Human rights and diversity and inclusion; Well-being and human resource development; Empowering community.

Organization Promoting CSR

Environmental Management Committee

As part of a reorganization at the end of June 2017, the Environmental Management Committee was established under the chairmanship of the President. The committee provides governance to ensure that the Fujitsu Group's global environmental and CSR activities are promoted and widely disseminated throughout the Group. At the semi-annual meetings of the committee, the executives in charge of activities right across the Business Groups, including the respective department and overseas region heads, discuss and approve activity policies and measures relating to the environment and CSR. They also offer guidance and advice on improvements to help achieve even more beneficial outcomes. As of FY2018, this committee will become the Environmental & CSR Management Committee.

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 Project Organization (Project office: CSR Division)

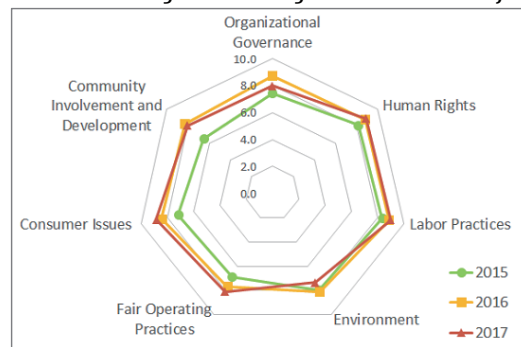
ISO 26000 (The seven core subjects)	Department(s) in charge
Organizational Governance	FUJITSU Way Office, CSR Division, Corporate Affairs and Risk Management Unit
Human Rights	Diversity Promotion Office
Labor Practices	Human Resources Unit
The Environment	Corporate Environmental Strategy Unit
Fair Operating 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

In the future, we will review and modify the content of our questions in a format that combines our Global Responsible Business Strategy with ISO26000 so that, through the survey, we can more effectively clarify CSR issues within the Fujitsu Group.

Continuous Efforts and Future Development of CSR Surveys based on ISO26000

In FY2017, we conducted our 5th CSR (ISO26000)/Governance Survey at 101 key Fujitsu Group companies both inside and outside Japan (75 in Japan and 26 overseas). Following discussions with the major departments mentioned above in the preparatory stages of the survey, the content of the questions was revised to better ascertain the actual status of CSR activities and to more clearly identify the problems we need to address in the future. To this end, new questions were formulated in the fields of 'Organizational Governance' and 'Environment'. This made it possible to identify in greater detail those areas where the actual scores have declined. Based on this survey, we are confirming issues at the various companies and working to enhance CSR activities that are synchronized with the individual measures for each of the major departments.

Overview of Progressive Changes for the Overall Fujitsu Group



Overview of Survey Results by Topic (the examples below cover Human Rights and Labor Practices)



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

★★★ : Achieved plan targets

★★ : Not all plan targets were achieved and some issues remain to be addressed

★ : Plan targets have not been achieved

Basic CSR Management

Category	FY 2017 Targets	FY 2017 Performance		FY 2018 Targets	Medium-Term Targets (FY 2020)
Promoting CSR Activities Across the Group	<ul style="list-style-type: none"> Formulate KPI and promote related activities based on the new CSR policies. Enhance the CSR Board Conferences and the Local Execution Personnel Meetings. 	<ul style="list-style-type: none"> Aggregated opinions from global sites to prepare for formulating global targets based on the new CSR policies. Established a new Global Management System to promote "responsible business." 	★★	<ul style="list-style-type: none"> Formulate global targets and implementation plans based on the new CSR policies. Instill global CSR management via a system to promote responsible business. 	<ul style="list-style-type: none"> We have CSR management processes in place across the Group and implement CSR initiatives in line with global standards, including those for value chains.
Implementing the PDCA Cycle Based on Our Vision	<ul style="list-style-type: none"> Enhance the integrated reports. Improve and execute internal processes based on international norms and industry standards. 	<ul style="list-style-type: none"> Issued Integrated Report 2017. Held human rights workshops in Europe and Japan. Started supply chain management based on the RBA (EICC) Code of Conduct. Reviewed internal rules based on the Code. 	★★★	<ul style="list-style-type: none"> Enhance the integrated reports. Improve and execute internal processes based on international norms and industry standards. 	<ul style="list-style-type: none"> We are working 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Established a Global Leader Team to promote "responsible business." Held internal lectures in order to expand internal understanding for SDGs initiatives and contents of integrated report. Launched a portal site for explaining SDGs and introducing related initiatives. 	★★★	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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 2017 Targets	FY 2017 Performance		FY 2018 Targets	Medium-Term Targets (FY 2020)
Providing New Values Through ICT	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> In order to widely spread the Fujitsu Group's environmental technologies throughout society and to contribute to protection of the global environment, participated as a partner in WIPO GREEN^{*1}, a marketplace operated by the World Intellectual Property Organization (WIPO). In cooperation with the Kagawa Prefectural Board of Education, Shodoshima Board of Education, and Kagawa University, developed "Learning Together" Project for using ICT to enable cooperative learning regardless of disabilities. Implemented and expanded solutions for agriculture, health, welfare, smart manufacturing, disaster prevention, disaster mitigation, and traffic issues in Japan and overseas. 	★ ★ ★	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Expand business precedents incorporating Universal Designs. Expand solutions-oriented businesses in emerging countries. 	<ul style="list-style-type: none"> Released the FACT-V Automated Teller Machine Series, which includes functions to support the elderly and those with disabilities, and Kid's Mobile F-30J, which includes functions to support children and parents. Added new business and field trials in countries in Southeast Asia, the Middle East, and so on, including disaster prevention, agriculture, and traffic issues. 	★ ★ ★	<ul style="list-style-type: none"> Expand business precedents incorporating Universal Designs. Expand solutions-oriented businesses in emerging countries. 	<ul style="list-style-type: none"> 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.

Category	FY 2017 Targets	FY 2017 Performance		FY 2018 Targets	Medium-Term Targets (FY 2020)
Reliability and Security through ICT	<ul style="list-style-type: none"> ● 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. 	<ul style="list-style-type: none"> ● Continued implementation of security training for Fujitsu employees, including executives (participation rate 99.1%). ● Joined the WBCSD and conducted activities as a corporate board member for the Social Impact Sector and Sustainable Cities Leadership Project. Participated in international projects as part of the World Economic Forum (WEF). Also, cooperated with the French government to promote the Digital Transformation Creation Project in France. ● Based on the experience gaining from in-house implementation including overseas companies, provided Digital Global Communication Service for transforming how people work. 	★ ★ ★	<ul style="list-style-type: none"> ● Further implement security training thoroughly. ● Deepen coordination with the government and international institutions. ● Further expansion of solutions based on in-house adoption. 	<ul style="list-style-type: none"> ● 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.

*1 WIPO GREEN:

A platform and global network for promoting the spread and innovation of environmental technology by connecting providers of environmental technologies and services with parties seeking innovation solutions. More than 3,100 instances of environmental technologies and needs from more than 100 countries are recorded in the database. The WIPO GREEN networks consist of more than 6,000 individuals and organizations in 170 countries throughout the world.

Priority 2 Protecting the Global Environment

Targets and Achievements

Category	FY 2017 Targets	FY 2017 Performance		FY 2018 Targets	Medium-Term Targets (FY 2020)
Our Society	<ul style="list-style-type: none"> ● 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. 	<ul style="list-style-type: none"> ● Selected 28 solutions for contributing to climate change measures and published 8 case studies. ● Achieved top-level energy efficiency of 68.3%. 	★ ★ ★	<ul style="list-style-type: none"> ● 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. 	<ul style="list-style-type: none"> ● See the link below for more information on Fujitsu's mid/long-term targets for Priority 2. http://www.fujitsu.com/global/microsite/fujitsu-climate-and-energy-vision/

Category	FY 2017 Targets	FY 2017 Performance	FY 2018 Targets	Medium-Term Targets (FY 2020)
Our Business	<ul style="list-style-type: none"> ● 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 6% of total usage by the end of FY 2018. 	<ul style="list-style-type: none"> ● Reduced by 16.6% compared to FY 2013. ● Reduced by 10% compared to FY 2016. ● Increased usage to 7.3%. 	<ul style="list-style-type: none"> ● 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. 	

• 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

Category	FY 2017 Targets	FY 2017 Performance	FY 2018 Targets	Medium-Term Targets (FY 2020)
Corporate Culture Reform	<ul style="list-style-type: none"> ● Further promote training and education for Fujitsu and domestic Group companies, led by the Human Rights Promotion Committee. ● Disseminate the "Human Rights Statement," and promote the creation of a corporate culture that values human rights throughout the entire global Fujitsu group. ● Support diversity promotion at workplaces oriented toward generating innovation. ● Promote measures among domestic and overseas Group companies. ● Expand cross-organizational measures to create an innovative organizational culture. 	<ul style="list-style-type: none"> ● Held human rights awareness workshops in each region of Japan besides promotional trainings. Held a company-wide human rights awareness week (human rights information, commendations, distribution of leaflets to all employees, and posting of posters). ● In creating a workplace where anyone can find it easy to work, formed a study group for interested employees, the promotional unit, and consultation desk by inviting an expert on LGBTs. Launched training programs according to the grade of employees to promote understanding. ● Held company-wide "Barrier-Free Minds" training to create an organizational climate in which all employees can 	<ul style="list-style-type: none"> ● Further promote training and increasing awareness for Fujitsu and domestic group companies with Human Rights Promotion Committees. ● Disseminate the "Human Rights Statement," and promote the creation of a corporate culture that values human rights throughout the entire global Fujitsu group. ● Support diversity promotion at workplaces oriented toward generating innovation. ● Promote measures among domestic and overseas Group companies. ● Expand cross-organizational measures to create an innovative organizational culture. 	<ul style="list-style-type: none"> ● We offer a good working environment for everyone, thanks in part to measures to further human rights promotion and diversity. ● Our corporate culture fosters ongoing creation of new knowledge and technologies inside and outside the organization through open and free discussion from a wealth of perspectives.

Category	FY 2017 Targets	FY 2017 Performance	FY 2018 Targets	Medium-Term Targets (FY 2020)
		<p>perform regardless of disabilities.</p> <ul style="list-style-type: none"> ● Following up the publication of the "Fujitsu Group Human Rights Statement" accommodating international human rights standards (in 21 languages), implemented e-Learning courses to foster a global, Fujitsu Group-wide understanding of the messages therein. ● Supported promotional activities for diversity unique to each workplace. ● Formulated the "Direction of Fujitsu Group diversity and inclusion". ● Established an index for an "Innovative Organizational Culture," incorporating the provision of opportunities for challenging and interesting works, set a group-wide goal and held activities in each organization. 		
Helping Individuals Flourish	<ul style="list-style-type: none"> ● Expand continuous "talent management" for female employees from their early years of employment, aiming to support their promotion to management positions. 	<ul style="list-style-type: none"> ● Promoted measures to support the active participation of female employees at each level <ul style="list-style-type: none"> – Expanded "Female Leadership Development Program" (76 students). – As part of mid- to long-term education for female employees, held a career workshop for female employees (27 participants). – Hosted career development support seminars (3 times). ● Hosted events per demographic segment to support the success of 	<ul style="list-style-type: none"> ● Expand continuous talent management from a young age to nurture more female senior staff, etc. 	<ul style="list-style-type: none"> ● Fujitsu is creating workplaces in which employees recognize each other, and can exhibit the full added value they possess to contribute to the organization.

Category	FY 2017 Targets	FY 2017 Performance		FY 2018 Targets	Medium-Term Targets (FY 2020)
		<p>employees with disabilities, foreign employees, and employees in childcare and nursing (Also aimed at domestic group companies).</p> <ul style="list-style-type: none"> ● Hosted seminar for managers supervising employees caring for children. (Also aimed at domestic group companies.) ● Fujitsu: <ul style="list-style-type: none"> – Ratio of female managers: 5.71% – Ratio of employees with disabilities: 2.15% 			
Promoting a Work-Life Balance	<ul style="list-style-type: none"> ● Expand support measures for transforming work styles for each individual employee. 	<ul style="list-style-type: none"> ● Results of each system's use in the Fujitsu Group: <ul style="list-style-type: none"> – Employees using child-care leave: 425. – Employees using child-birth/child-care support leave: 652. – As part of Telework Day and Telework Month, held a workshop to promote the utilization of related systems. 	★ ★ ★	<ul style="list-style-type: none"> ● Expand support measures for transforming work styles for each individual employee. 	<ul style="list-style-type: none"> ● 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 2017 Targets	FY 2017 Performance		FY 2018 Targets	Medium-Term Targets (FY 2020)
Working to Develop Employees Who Can Support a Truly Global ICT Company	<ul style="list-style-type: none"> Implement various training programs in the next-generation business leaders development program system. 	<ul style="list-style-type: none"> Established two new courses in order to further accelerate the development of next-generation business leaders (309 participants). * Long-term training includes persons currently in classes 	★ ★ ★	<ul style="list-style-type: none"> Implement various training programs in the next-generation business leaders development program system. 	<ul style="list-style-type: none"> 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 2017 Targets	FY 2017 Performance		FY 2018 Targets	Medium-Term Targets (FY 2020)
Stakeholder Communications	<ul style="list-style-type: none"> Reconsider global CSR communication. Engage regularly with local residents and companies for neighborhood development. 	<ul style="list-style-type: none"> 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 (58 times). 	★ ★ ★	<ul style="list-style-type: none"> Reconsider global CSR communication. Engage regularly with local residents and companies for neighborhood development. 	<ul style="list-style-type: none"> We have forged relationships built on trust with diverse stakeholders by maintaining mutual lines of communication.
Collaboration With Stakeholders	<ul style="list-style-type: none"> Relationship-building with local governments, NGOs, international organizations, and other diverse stakeholders through our main business, and strengthening of specific initiatives aimed at achieving the sustainable development goals (SDGs) promoted by 	<ul style="list-style-type: none"> Implemented the following activities to make progress toward SDGs together with stakeholders. <ul style="list-style-type: none"> At the 48th World Economic Forum Annual Meeting (commonly known as the "Davos forum") invited top corporate executives and persons of academic standing to participate in an 	★ ★ ★	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Fujitsu Group employees practice optimal collaboration with stakeholders in delivering value which meets society's needs.

Category	FY 2017 Targets	FY 2017 Performance		FY 2018 Targets	Medium-Term Targets (FY 2020)
	the UN.	<ul style="list-style-type: none"> exchange of opinions. – At Fujitsu Forum 2017, held an SDGs Conference and invited external scholars to participate. – For customers, NGOs, employees, etc., held an information sessions and lectures on SDGs initiatives (18th times). 			
Harmony with Society	<ul style="list-style-type: none"> ● Promote horizontal expansion and activation throughout the group through social contribution activity incentives and announcements. ● Continuously implement social contribution programs as follows: <ul style="list-style-type: none"> – Expand the internal database of social contribution activities and improve precision. ● Promote various measures for encouraging volunteer activities. 	<ul style="list-style-type: none"> ● Horizontally expanded throughout the group through social contribution activity incentives and announcements. ● Continuously implement social contribution programs as follows: <ul style="list-style-type: none"> – Expand the internal database of social contribution activities and improve precision. <ul style="list-style-type: none"> • Number of registrations in FY2017: 708 ● Promote various measures for encouraging volunteer activities. 	★ ★	<ul style="list-style-type: none"> ● Promote horizontal expansion and activation throughout the group through social contribution activity incentives and announcements. ● Continuously implement social contribution programs as follows: <ul style="list-style-type: none"> – Expand the internal database of social contribution activities and improve precision. ● Promote various measures for encouraging volunteer activities. 	<ul style="list-style-type: none"> ● Most employees take part in social contribution activities that leverage their strengths.

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". In June 2018, Fujitsu became the first Japanese company to publically express our support for the UN LGBTI business standards^{*2}.

We 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.

*2 UN LGBTI business standards

<https://www.unfe.org/standards/>

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.

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 committed 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 FY2017, Fujitsu held workshops for relevant staff in its Global Delivery Center and Corporate Purchasing Unit. The workshops were designed to promote greater understanding of human rights and to allow discussion of issues relating to human rights in those departments. Furthermore, seeking to promote due diligence in the future, we interviewed personnel in charge of a wide range of departments in Fujitsu and conducted in-depth investigations of potential human rights issues within the Fujitsu Group. We also engaged in the following activities to address human rights issues in these three areas, where our business activities are deemed to have a major impact.

Areas	Human rights issues	Major activities in FY2017
Supply chain	Work environment / conflict minerals	<ul style="list-style-type: none"> • RBA Code of Conduct adopted as the Fujitsu Group's CSR Procurement Guideline • Fujitsu Group Policy on Conflict Minerals formulated • Written survey of approximately 440 major Japanese and international suppliers to check on the status of their implementation of CSR activities, including measures to address conflict minerals and respect for human rights • CSR implementation audit of nine suppliers • In-house workshop on supply chain-related human rights held in cooperation with the U.S. NGO "Shift" • Compliance status of RBA Code of Conduct at Fujitsu manufacturing sites confirmed
Employees	Discrimination and harassment / working hours	<ul style="list-style-type: none"> • Written survey of 100 domestic and overseas Group companies based on the ISO26000 standard to check on the status of initiatives promoting respect for human rights • Mr. Hideki Wakabayashi (former executive director of Amnesty International Japan) invited to present a lecture on human rights and corporate responsibility at the global level to Fujitsu's Human Rights Promotion Committee • Continued conducting training for new and promoted employees, as well as human rights training by district throughout Japan, with the aim of preventing various types of discrimination and harassment • Conducted Groupwide "Barrier-Free minds" training (group-based training and e-learning) aimed at establishing workplaces and a society in which everyone can excel, whether disabled or not • Reviewed internal systems, used ICT, and reformed management in order to promote diversified, flexible workstyles that do not assume the necessity of long working hours • Changed internal corporate regulations to align with the RBA Code of Conduct
Customers and end-users	Privacy and data security	<ul style="list-style-type: none"> • Conducted interviews with personnel developing products and services for customers, as well as with sales departments, and collated information on potential issues that may require responses in the future

In FY2018, 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/>

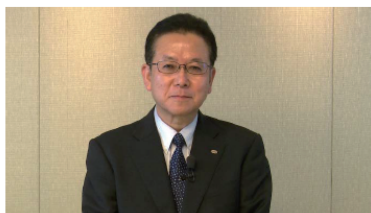
- Supplier Compliance Line (only in Japan)

<http://www.fujitsu.com/jp/about/csr/management/compliance/complianceline/index.html>

Communicating the Fujitsu Group Human Rights Statement Within the Company

In order to communicate the Fujitsu Group Human Rights Statement throughout the Group, we created "Business and Human Rights" posters 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 were enrolled in the program by the end of FY2017.

Message from President Tanaka



Tatsuya Tanaka
Representative Director and President
Fujitsu Limited

Hello everyone. Today, I would like to talk about human rights.

Fujitsu's business is focused on people. Our goal is to bring people happiness.

Fujitsu's business involves many people at every level, from customers, partners, and local communities, to employees.

In our business, importance is placed on people. In other words, each employee must maintain an attitude of respect for human rights, as laid out in the FUJITSU Way.

In order to promote business globally, we need to understand common global principles of human rights. We must also respect the culture and practices of countries and regions.

Through this e-learning, I hope that everyone will understand the basics of respecting human rights. And please use them in your work going forward.

Message from the President in the "Business and Human Rights" e-learning program

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/policy/#gripol3>

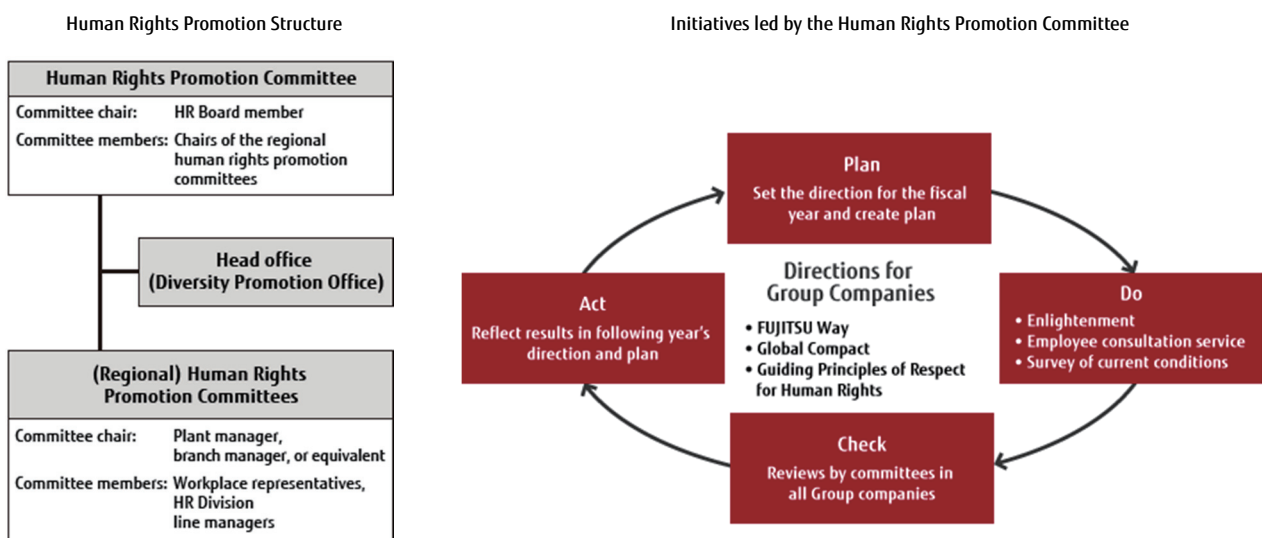
- Supply Chain Management

<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.



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



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 FY2017, a total of 17,082 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 FY2017, approximately 90 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 FY2017 we received 6,483 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 553,015 submissions received by the organization in FY2017.

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, distributing leaflets, sending intranet messages, and so on, 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 2017, around 60 employees volunteered to help screen a movie about same-sex marriage at the "Shiodome Diversity Film Festival."

In 2016 and 2017, these initiatives earned Fujitsu a "Gold index," the highest accolade in the "Pride index" LGBT assessment regime run by the "work with Pride" voluntary organization.

Initiatives to Promote Respect for Human Rights in Other Regions

"Business and Human Rights" Workshops in Europe and Japan

"Business and Human Rights" workshops were held for relevant parties in our Global Delivery Center in the United Kingdom in November 2017, and for our Corporate Purchasing Unit in Japan in March 2018. The Europe-based workshop was attended by around 25 people (primarily senior management) and focused on how the misuse of technologies affects human rights, as well as on human rights issues in the Global Delivery Center. The Japan-based workshop was attended by around 10 managers from the Corporate Purchasing Unit and focused on human rights in the Fujitsu Group's supply chain. Participants engaged in discussion while drawing on knowledge provided by "Shift", a nonprofit U.S. organization tackling issues related to business and human rights.

In FY2018, we will hold similar workshops in other regions as we undertake initiatives at the global level.



"Business and Human Rights" workshop in Europe



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 has worked for many years to utilize technology and create new innovation with the aim of achieving a “human centric intelligent society”. That is, a society which uses co-creation to generate outcomes that have a lasting impact on the community. These activities are recognized as being aligned with efforts by the international community toward achieving the SDGs.

In this sense, the SDGs are one element in an ecosystem aimed at achieving the Fujitsu growth strategy of ‘connected services’, pointing the way to new business opportunities through ventures that work to resolve social issues. 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 non-governmental organizations (NGOs). By adopting a multifaceted approach through cooperation with many partners, we can create and grow social value on an even larger scale.

Also, 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, using the digital technologies that are at the core of our business, we are focusing on the five areas shown below as those in which we can deliver the greatest value.

SUSTAINABLE DEVELOPMENT GOALS 17 GOALS TO TRANSFORM OUR WORLD



	Impact	Our initiatives (examples)
SDG2 	Sustainable Food and Agriculture Increase food productivity and resilience	<ul style="list-style-type: none"> Over 400 businesses in Japan use Fujitsu's agriculture cloud service Akisai to increase productivity. It is also available in other countries like Vietnam. We are operating our own precision agriculture facility and collaborating in smart agriculture with diverse industry partners.
SDG3 	Wellbeing of People Realize a high quality of life for everyone in an aging society, and eradicate difficult diseases by medical innovation	<ul style="list-style-type: none"> Fujitsu connected 7,000 hospitals, clinics, care facilities and pharmacies to help realize wellbeing for everyone. We co-created sensor-based monitoring services for patients and elderly people in Netherlands and Singapore. We are also collaborating with various research institutions in genome-based medicine and drug discovery, using our HPC and AI technologies.
SDG8 	Decent Work and Sustainable Economic Growth Accelerate innovation and realize a human-centric way to work	<ul style="list-style-type: none"> Fujitsu helps organizations transform their ways of working, enabling their people to work more creatively with the support of Human Centric AI. We provide a voice recognition and AI-based 19-language translation tool to support communications between diverse people including the hearing-impaired. We are actively accelerating open innovation with start-ups.
SDG9 	Sustainable Industrialization Realize intelligent industrialization through innovation	<ul style="list-style-type: none"> Fujitsu provides an industry platform to help manufacturing companies digitalize their businesses and accelerate intelligent industrialization through co-creation. We are supporting smart manufacturing in China and Singapore and digital innovation in France. We are also supporting the development of digital talent, for instance, through our Digital Business College.
SDG11 	Sustainable City Enable intelligent mobility, and increase safety and resilience to disasters	<ul style="list-style-type: none"> Fujitsu co-created innovative services with many organizations, using our location information cloud service SPATIOWL as a platform for mobility. We are jointly developing innovative solutions for urban challenges in Singapore. We globally provide HPC-based disaster prediction solutions as well as solutions to prevent and mitigate the damages by earthquakes, tsunamis and floods. UN Development Programme, Tohoku University and Fujitsu jointly developed a global database of disasters.

Promotion Systems

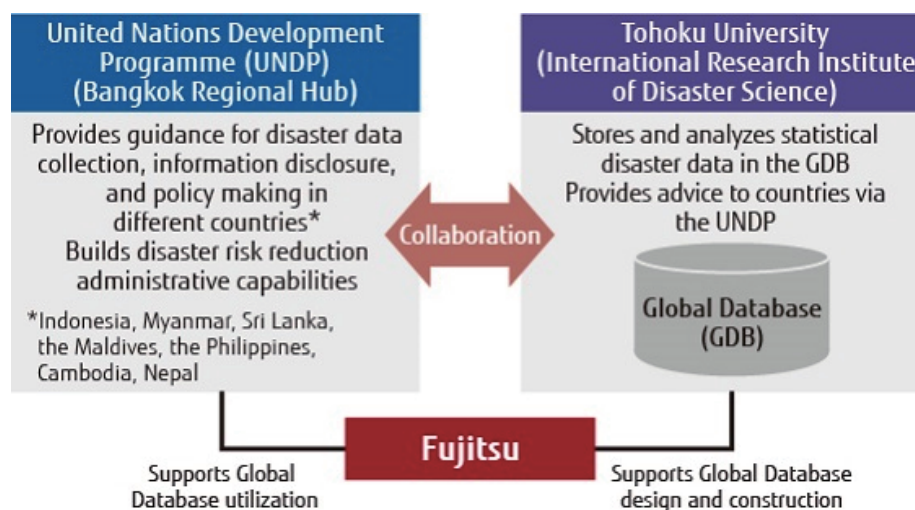
Because the creation of value on a large scale by addressing the SDGs is inextricably tied to innovating its own business, Fujitsu is promoting a company-wide project that cuts across all levels. This is focused on staff members and includes executives in the Corporate, Sales and Business divisions, 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.



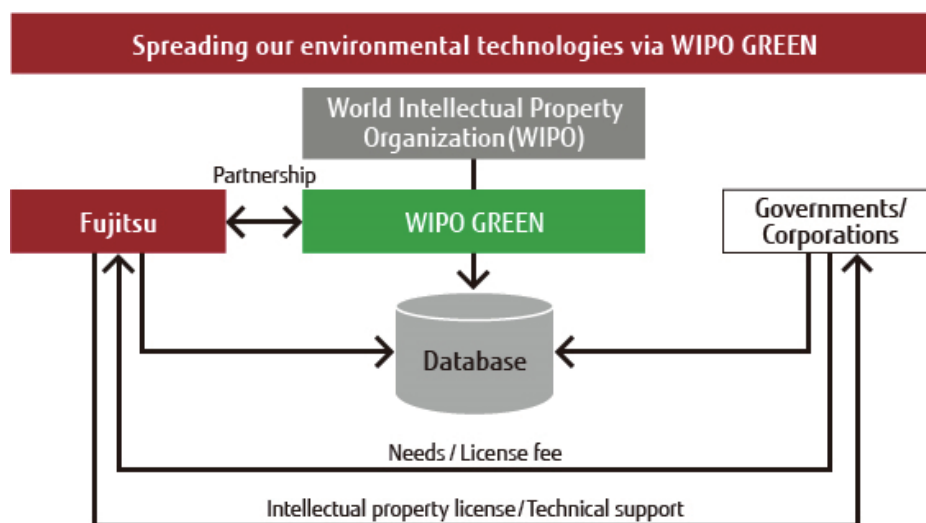
Participation in WIPO GREEN

Fujitsu aims to contribute to the preservation of the global environment by spreading its environmental technologies throughout society. As part of this effort, we have been participating as partners since September 2017 in the WIPO GREEN framework run by the World Intellectual Property Organization (WIPO), a specialized agency of the United Nations. This framework acts as a network for the exchange of environmental technologies and services.

Fujitsu holds a wealth of intellectual property relating to environmental technologies, including numerous patents and other specialized knowledge. At the same time, in order to spread its environmental technology broadly throughout society and contribute to reducing the impact on the environment, Fujitsu considers it important to not only employ this intellectual property in its own products and services, but also to utilize it in a variety of forms, promoting open innovation with third parties, including technology transfers. Over 200 items of Fujitsu intellectual property have already been registered on the WIPO GREEN database, with plans to register additional IP in the future. And we are doing more than simply registering our technology. Through technology matching, we are also gathering information on the requirements to address social issues in a range of countries and then feeding that information back into our technology development processes so that we can better contribute to attaining the SDGs.

- Press release

<http://www.fujitsu.com/global/about/resources/news/press-releases/2017/0919-02.html>



Other Activities

For information on Fujitsu's other initiatives, please refer to the following:

- FUJITSU Technology & Service Vision 2018 Book 1, P.41-43, "Human Centric Intelligent Society"

<http://www.fujitsu.com/global/vision/download-center/index.html>

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
- Principle 6: 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

WE SUPPORT



Please refer to the [GRI STANDARDS Comparison Table](#) which shows the relationship between the United Nations Global Compact and CSR activities we conducted in FY 2017, contained in the Fujitsu Group Sustainability Report 2018.

<http://www.fujitsu.com/global/documents/about/resources/reports/sustainabilityreport/2018-report/fujitsu-gri-2018-e.pdf>

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

External Assessments and Awards

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

Status of Inclusion in SRI-related Stock Indices

<p>Dow Jones Sustainability Indices (World, Asia Pacific)</p> <p>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 19 times in 7 consecutive years.</p>	<p>MEMBER OF</p> <p>Dow Jones Sustainability Indices</p> <p>In Collaboration with RobecoSAM</p>
<p>RobecoSAM Sustainability Award</p> <p>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.</p>	
<p>FTSE4Good Index Series</p> <p>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.</p>	
<p>CDP</p> <p>CDP is an international NGO that represents institutional investors with total outstanding assets under management exceeding 100 trillion USD. CDP conducts questionnaires in the environmental field for more than 5,000 companies throughout the world. In the survey, Fujitsu received the highest rank of "A" for surveys on climate change countermeasures and water resource management.</p>	
<p>UN Global Compact 100</p> <p>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 5 consecutive years.</p>	
<p>Oekom research</p> <p>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.</p>	
<p>Ethibel Sustainability Index (ESI) (Excellence Register)</p> <p>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 from 2013 to 2016 and in 2018.</p>	
<p>Ethibel Euronext Vigeo Index - World 120</p> <p>A sustainability index by Euronext, the world's largest stock exchange group, and Vigeo Eiris, European expert in the CSR assessment of companies. The index selects the top 120 companies for their environmental, social, and corporate governance. Fujitsu has been selected from 2013 to 2015, and in 2017 and 2018.</p>	

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 May 1, 2018)

**Main external awards received by Fujitsu (from FY 2017)**

Details	Date	Operated by	Received for
Won the Outstanding Award at the Environmental Personnel Cultivation Corporation 2017	May 2018	Japan's Ministry of the Environment, and the Environmental Consortium for Leadership Development	Outstanding initiatives in environmental personnel cultivation
Won Prize for the Grand Award of Global Warming Countermeasures (Japanese Environment Minister's Award) in Environmental Reporting at the 21st Environmental Communication Awards	February 2018	Japan's Ministry of the Environment and the Global Environmental Forum	Fujitsu Group Environmental Report 2017
Won Prize for the Biodiversity Action Award 2017	December 2017	Japan Committee for UNDB	Tropical Rainforest Regeneration Project on the island of Borneo, Malaysia ICT Using ICT to support conservation for the habiti of the endangered blakiston's fish owl
Won Prize for Excellence at the 18th Green Purchasing Principles	December 2017	Green Purchasing Network (GPN)	Contribution to a decarbonated society through the expansion of environmentally-friendly products/services
Global Warming Prevention Activities Japanese Environment Minister's Award 2017 Won prize for the Japanese Environment Minister's Award in "Technology Development / Productization"	December 2017	Japan's Ministry of the Environment	Development of PRIMERGY CX600 —CO ₂ reduction by using water cooling systems—
Won prize for "Excellence Award" at the 6th Kawasaki City Smart Lifestyle Awards	November 2017	Kawasaki City	Next-generation education through plant tours (onsite classes, conservation activities, etc.)
Won Grand Prize in the 26th Global Environment Award	April 2017	Fujisankei Communications Group	Development of the world's smallest and most efficient AC adapter using gallium nitride -Contribution to reduction of greenhouse gas-



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

<http://pr.fujitsu.com/jp/ir/governance/governancereport-b-en.pdf>

Overview of Corporate Governance Structure (as of June 25, 2018)

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 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 2017, each committee consists of three Non-Executive Directors and Auditors (including two Independent Director) and one Executive Director. Both Committee's members in fiscal 2017 are as follows.

Chairman of both Committees: Tatsuzumi Furukawa

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

After the selection of the above committee members in July 2017, the Executive Nomination Committee met 6 times by the end of fiscal 2017. The Executive Nomination Committee discussed the election of Representative Directors, the election of Directors, etc. and provided its recommendations to the Board of Directors. The Compensation Committee met in May 2018..

Independent Directors & Auditors Council

In response to the requirements of Japan's Corporate Governance Code, which facilitates the activities of Independent Directors and Auditors, and in order to invigorate discussions on the medium- to long-term direction of the company at its Board of Directors Meetings, the Company believes it essential to establish a system enabling Independent Directors and Auditors, who maintain a certain degree of separation from the execution of business activities, to consistently gain a deeper understanding of the Company's business. Based on this recognition, the Company established the Independent Directors and Auditors Council. In the Independent Directors and Auditors Council, members discuss the medium- to long-term direction of the company and share information and exchange viewpoints so that they can each formulate their own opinions.

In fiscal 2017, the Independent Directors and Auditors Council met 6 times. The members shared information and exchanged viewpoints on the Company's management direction, human resources development, the scope of business of the Company and of the Fujitsu Group, etc. and the Council provided advice to the Board of Directors based on the knowledge of its members.

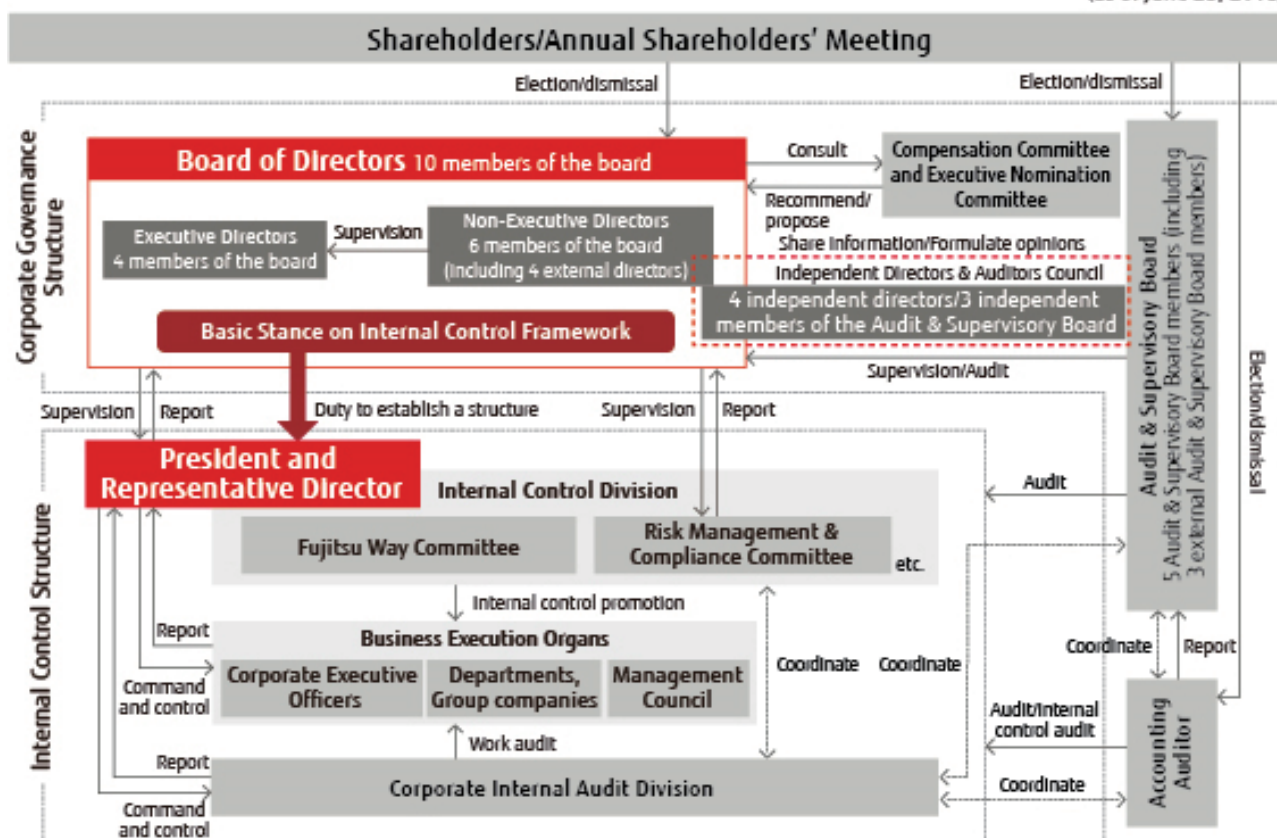
Reasons for Adoption of Current Corporate Governance System

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 25, 2018)



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- to long-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.

(Reference) Types of Executive Compensation and Eligibility

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

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
<http://www.fujitsu.com/global/Images/notice118b.pdf>

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 has Corporate Executive Officers who share business execution authority with the Representative Director and President, and the Corporate Executive Officers carry out decision-making and business execution in accordance with their responsibilities.

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

In addition, rules determining the scope of delegation of duties from Representative Directors to other executives and employees and other matters 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 consists mainly 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 risks have arisen, the Committee periodically reports the progress and results of its activities to the Board of Directors and is supervised.

Under the Risk Management & Compliance Committee, the Company has established compliance-related rules, which are adhered to worldwide. Moreover, the Global Business Standards, which provide guidance on how individual employees should apply the Fujitsu Way Code of Conduct in their actions and are available in 20 languages, are applied uniformly across the Fujitsu Group. Furthermore, the Company has established the Global Compliance Program to maintain and improve its global structure for legal compliance across the Fujitsu Group. In addition, various education programs and activities to raise awareness have been implemented.

As an initiative for information management during fiscal 2017, in January 2018 the Company applied to the Dutch Data Protection Authority (DPA) to obtain approval for its Binding Corporate Rules for Processors (BCR-P), which are common rules established across the Fujitsu Group related to the handling of personal data that customers have entrusted to Fujitsu for processing. This application is part of the Company’s effort to meet the legal requirements for the protection of personal data in Europe laid out in the General Data Protection Regulation (GDPR) of the EU.

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 26, 2018)
<http://pr.fujitsu.com/jp/ir/governance/governancereport-en.pdf>

Compliance

Activities Promoting Compliance

The Risk Management & Compliance Committee, directly reporting to the Board of Directors and headed by the President, oversees compliance globally for the Fujitsu Group, in accordance with our Basic Policy on Establishment of Internal Control System. The Risk Management & Compliance Committee raises awareness and secures compliance with Fujitsu Way Code of Conduct throughout the Group by appointing a Chief Risk Management & Compliance Officer (CRCO) who executes the committee's decisions concerning compliance, establishing the Global Compliance Program, and coordinating with the Region Risk Management & Compliance Committee set up in each region as a subcommittee.

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. Under the top management's initiative and supervision, internal rules, training, and oversight systems required for compliance with laws and regulations concerning the business activities of the Fujitsu Group are implemented and operated.

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.

- GBS (Global Business Standards)
<http://www.fujitsu.com/global/about/philosophy/codeofconduct/gbs/index.html>

Initiatives by Top Management

Through active and continuous communication of management's intention to take on compliance through initiatives such as top management's messaging to employees, Fujitsu is working to promote the Fujitsu Way Code of Conduct and GBS across the Fujitsu Group. Fujitsu's President sends repeated messages to all employees in Japan and overseas after the competition matter in connection with the sale of communication equipment to electric power companies, declaring again not to engage in any compliance breach, including bid rigging and cartel. In FY2017, the President's interview video was distributed, in which he talked about his commitment to compliance. Other executives in the management also issued messages expressing commitments to prevent of recurrence of the matter as one Group based on their experience from impact to business or client relationship.

In overseas Group companies, the region heads and the top management of each company are continuously sending messages to their employees, explaining our corporate culture of "Zero Tolerance".

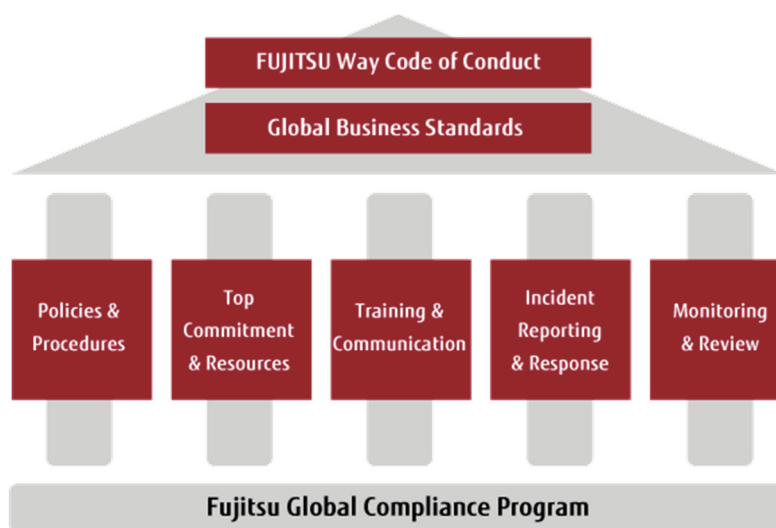
Moreover, "Fujitsu Compliance Week" was newly designated on December, 2017, aligned with the United Nation's "International Anti-corruption Day", and coordinated messages were sent out across the Group to promote giving thought to compliance and discussions to raise awareness.

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.



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.

For overseas Group companies, Fujitsu Group's minimum requirements for internal rules have been put together as global guidelines with the approval of the Risk Management & Compliance Committee, and they are adopted into the internal rules of each companies after coordination has been given with respect to the applicable laws, culture, and customs of each country. We issued the

General Compliance Guideline, corresponding to the Compliance Policy in Japan above along with a global guideline on competition law, and other guidelines concerning the prevention of bribery. We indicate what the actions are that have high risk for being bribery, such as gifts and hospitality for government officials, charity and donations to political parties, and facilitation payments, implemented online systems to secure compliance of gifts and hospitality for government officials, and third party due diligence in the locations with high risk of corruption in major Group companies of EMEA, Asia, Americas, and Oceania. Suppliers and partners are required to abide by the laws, regulations, and GBS by contracts and other means.

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, EMEA, Asia, Americas, and Oceania, and have formed a global network with each risk and compliance representative, in order to secure a structure to execute our GCP.

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, and the compliance representatives from overseas Group companies meet annually at the Global Compliance Forum to share and discuss headquarters' policies concerning the execution of GCP.

3. Training and Communication

To embed and implement the Fujitsu Way Code of Conduct and GBS, Fujitsu Group conducts various compliance training and awareness raising activities for executives and employees.

During the Fujitsu Compliance Week held in December 2017, various activities were conducted, such as distribution of compliance articles and putting up hotline posters, to facilitate discussion on compliance at each workplace. The Fujitsu Compliance Week will be held continuously. The Fujitsu Group has been printing 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 newly assigned executives every year, which is provided by outside lawyers as well as Fujitsu's legal and compliance function. For employees in managerial positions, 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 difficult situations. In FY2017, Fujitsu and domestic Group companies provided an e-learning course called "FUJITSU Compliance Training 2017 - 2018: Cartels/Bid-Rigging/Bribery" for all the employees (Completion rate as of April 2018:

Fujitsu 99%, the domestic Group companies 98%). Documentary drama that introduces Fujitsu's antitrust case referenced above is provided to increase the effectiveness of the training by having real life example and employees are to think about Fujitsu's corporate culture by setting things from the point of view of the people involved. We also conducted a series of face-to-face training for over 2,500 employees of public sector business and other sales divisions.

For overseas Group companies, we also conduct compliance training based on the local laws, customs and business in each country and region. In FY2017, we provided an e-learning course on GBS and anti-corruption, as well as antitrust/competition and export control. The course was provided in 20 languages to overseas Group companies in 72 countries (Completion rate as of April 2018: 97%). We also provide globally standardized e-learning courses for new employees. Moreover, according to the cartel and corruption risks, we conduct face-to-face trainings for different departments and entities focusing on the prevention of such risks. Compliance training for partners will be rolled out further. Going forward, we will continue with these activities and further the trainings and awareness raising activities.



4. Incident Reporting and Response

(1) Whistleblowing Hotline

Fujitsu Group has been operating the Compliance Line/Fujitsu Alert for both internal and external reports (also covering anonymous reports) handling reports and providing consultations for all employees in the Fujitsu Group (including retired, seconded, contracted, part-time or other short-term employees as well as temporary staff). Additionally, Group companies have established and are operating their own internal reporting system. These reporting lines are made known to the employees via compliance trainings, websites, posters and wallet-size cards with contact information.

Our Compliance Line/ Fujitsu Alert forbids any and all retaliation against any individual who makes the report, and meticulous care is taken in handling the information so as to preserve their anonymity. When the report is received, appropriate investigation is conducted and if the issue is identified as a result of the investigation based on FUJITSU Way Code of Conduct and GBS, such is corrected (including a disciplinary actions) and prevention measures are implemented.

We opened a Compliance Line for Suppliers in Japan to handle reports and inquiries from the employees of companies that directly supply products, services or software, etc. to Fujitsu and domestic Group companies. For overseas Group companies, reports are accepted in 20 languages, at any time, on any day.

- Fujitsu Alert

<https://secure.ethicspoint.eu/domain/media/en/gui/102834/index.html>

- Compliance Line for Suppliers in Japan

<http://www.fujitsu.com/jp/about/csr/management/compliance/complianceline/>

(2) Report to the Risk Management & Compliance Committee

Employees are required by Risk Management Rule to report compliance violation or signs of violation and immediately to the Risk Management & Compliance Committee and the Board of Directors if necessary, following the reporting structure set by the Heads of Units.

The status of reports and consultations, or key compliance issues are 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, or review by external experts such as law firms, efficacy of the GCP is periodically checked and work is being done to continually improve it.

In FY2017, Fujitsu started audits in order to confirm observance of the Antimonopoly Act, and we will improve and continue the audit program as a communication tool with relevant departments.

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 of electric power security communication equipment for Tokyo Electric Power Co., Ltd. (TEPCO) and received a 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. (CEPCO).

Because of the timely application for immunity from or reduction of surcharge for CEPCO case, Fujitsu was fully exempted from payment of the surcharge and was not subject to a cease and desist order. Fujitsu deeply apologizes for all the concerns we have caused by letting these regretful incidents occur.

Fujitsu took disciplinary action against the employees who were involved in the violations, and imposed salary reductions on seven executives, including the Chairman and the President, based on a 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 promptly declared that all bid rigging and cartel behavior will not be tolerated, and sent repeated messages to all executives and employees. The executives in charge of each business also reminded employees of Fujitsu's commitment to compliance. Additionally, as mentioned above, Fujitsu conducted compliance trainings to all its executives, employees, as well as to its Group companies.

Furthermore, in Japan, Fujitsu 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. For FY2017, Fujitsu considered "training" and "audits" centered around the topic relating to the Antimonopoly Act as focused measures, and is working on to create an environment that fosters "zero tolerance" for bid rigging building relationship and two-way communication with relevant departments.

Fujitsu will continue to strengthen the compliance initiatives based on this program, aiming to win back the trust and strive to prevent reoccurrence.

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).

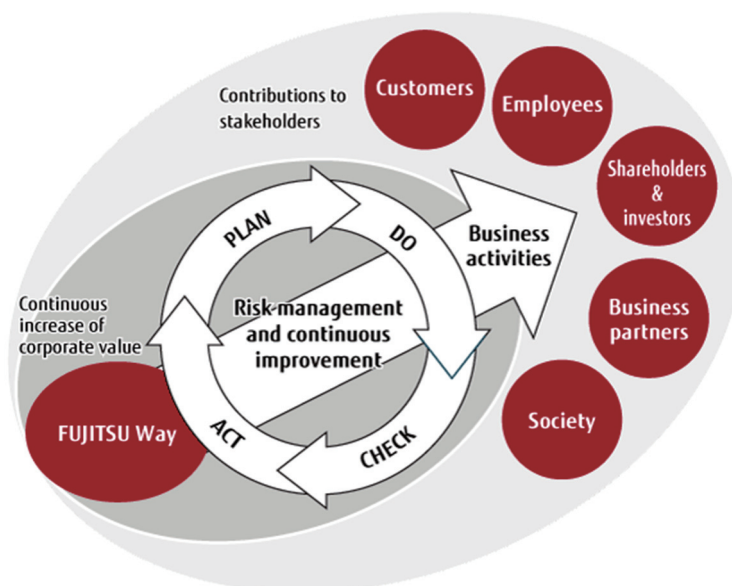
Fujitsu has established a system by which our President is the designated Chief Export Control Officer for the company and the Security Export Control Office in the Legal, Compliance and Intellectual Property Unit is the designated organization in charge. Product classification and transaction screening (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 FY2017, we conducted regular internal audits of 30 in-house departments, assessed the appropriateness of internal operations, and provided guidance 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 FY2017, the Security Export Control Office visited 6 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.

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}

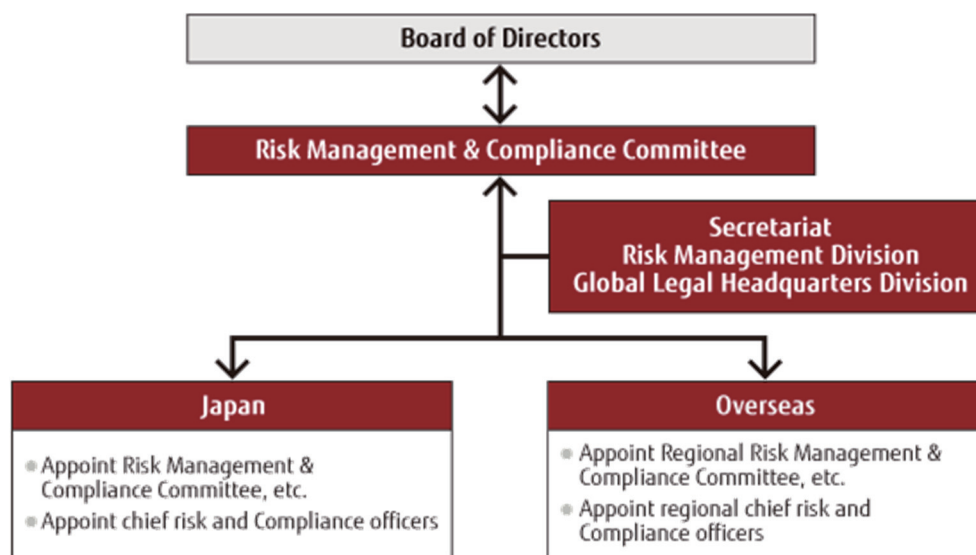
- Economic and financial market trend risk
- Customer risks
- Competitor and industry risk
- Investment decision and business restructuring risk
- Supplier and alliance risk
- Public regulations, public policies and tax matters risk
- Natural disasters and unforeseen incidents risk
- Financial reporting risk
- Financial risk
- Product and service deficiencies and flaws risk
- Compliance risk
- Intellectual property rights risk
- Security risk
- Human resource risk
- Fujitsu's facilities and internal system risk
- Environmental and climate change 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 divisions 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.

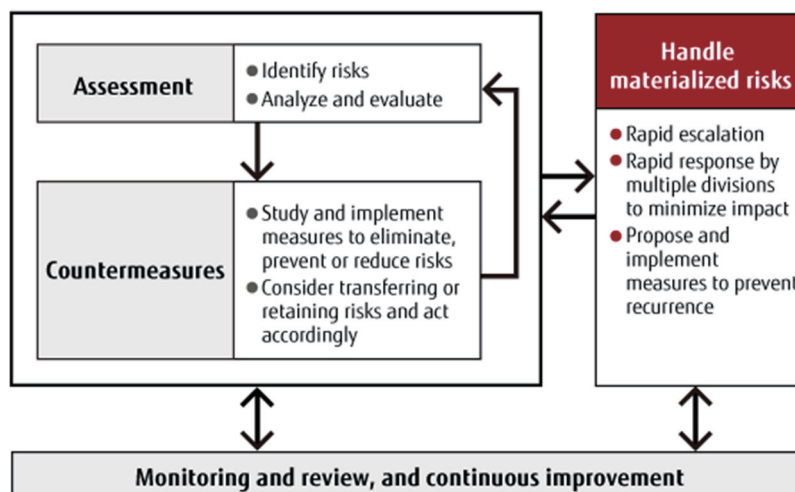


Risk Management Processes

The Risk Management & Compliance Committee, which maintains regular communications with Chief Risk Compliance Officers, identifies, analyzes and evaluates the risks of business activities in all Fujitsu business divisions and Group companies in Japan and overseas, 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 FY2017

- New executive training: Training for around 90 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 220 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.

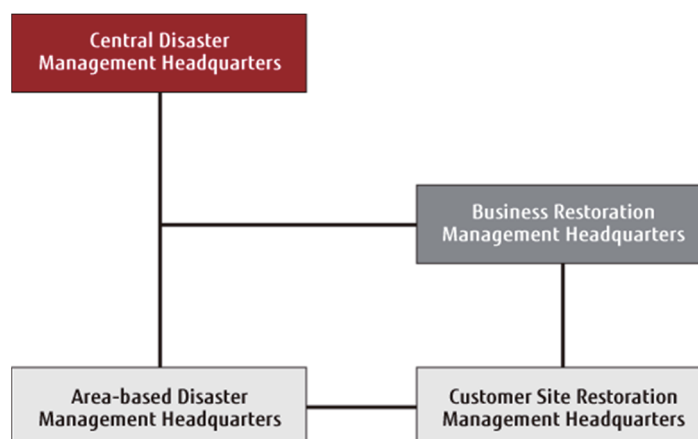
Group-Wide Disaster Management

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 “area-based 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.

FY2017 marks the 23rd year of systematic training drills for a potential major earthquake predicted to be highly likely to cause major damage. This year's drills, which were held at around 90 companies including Fujitsu Headquarters, envisioned “an earthquake centered directly on the Tokyo Metropolitan area” affecting the core functions of many customers and Fujitsu Group companies.

In the course of these drills, we established a temporary disaster response headquarters in our Kansai office to take the place of the damaged Tokyo Head Office and confirmed that this new headquarters was able to successfully take charge of the entire company, working with other offices to identify key initial response measures and steps to allow continued business operation, as well as 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, 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 Inspection Work by Specialist Teams

Inspection work is 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 various 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. These BCM specialists gain a thorough understanding of the essence of BCP and are capable of appropriately implementing actual BCM activities in order to promote BCM activities within their own departments and companies.

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 measures such as 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:

- Enhancing Supply Chain BCM" with our suppliers
<http://www.fujitsu.com/global/about/csr/society/procurement/>

Information Security

Basic Policy

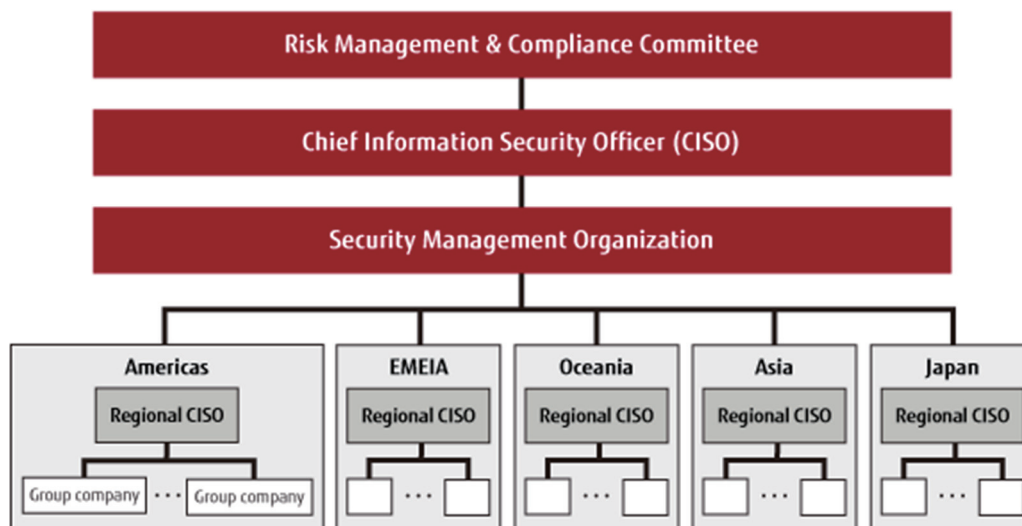
Fujitsu Group Information Security

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.

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. The Committee directly reports to the Board of Directors and is the highest decision-making organization pertaining to risk management and compliance. 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 ICT business in the five regions of the US, EMEIA, Oceania, Asia, and Japan.

Information Security Management Frameworks



Security Controls

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.

Cultivation of Security Personnel

Information Management Training

To prevent information leaks, 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, Fujitsu and group companies in Japan hold information management training for employees. Specifically, we hold e-Learning for all employees (including executives) every year. We also provide information security education during training for new employees and employees being promoted.

At overseas group companies, we hold information security training for employees every year. We also provide information security managers with special security training for managers.



e-Learning

Security Measures

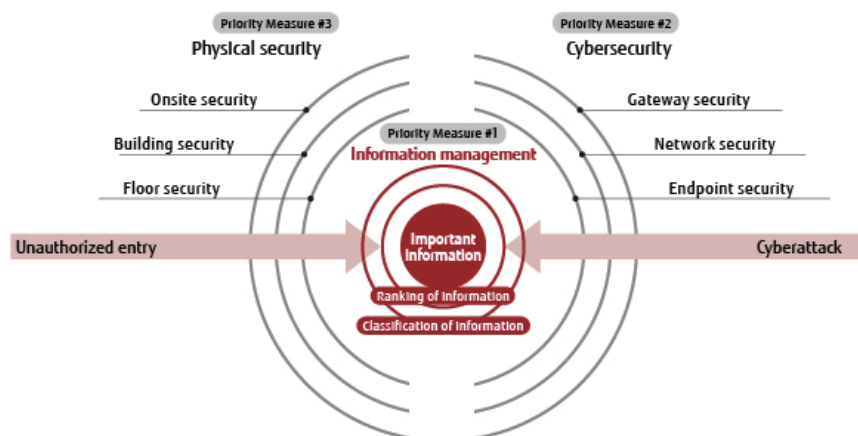
Security Measures: 3 Important Measures Incorporating the Concept of “Defense in Depth”

The cyberattacks in recent years are prime examples of “targeted attacks.” These attacks have an unprecedented level of sophistication, diversity, and complexity. It is no longer possible to achieve comprehensive defense by using single types of conventional security measures.

The basic concept of information security measures at the Fujitsu Group incorporates “Defense in depth.” This refers to implementing multilayer protection via multiple measures, instead of seeking protection through a single measure. Defense in depth has three objectives: 1) to prevent attacks by establishing a multilayer defense wall, 2) to discover attacks at an early stage by establishing a multilayer detection function, and 3) to minimize damage in the event of infiltration. Appropriate implementation of these objectives makes it possible to prevent attacks and minimize damage.

The Fujitsu Group implements the following three internal information security measures as priority measures for information security: 1) “information management” for protecting information, 2) “cybersecurity” which focuses on measures for protecting systems against cyberattacks, and 3) “physical security” which prevents unauthorized access to facilities such as offices and plants.

Conceptual image of "Defense in depth"



- For details, please refer to the Fujitsu Group Information Security Report 2017.

<http://www.fujitsu.com/global/about/resources/reports/securityreport/2017-securityreports/index.html>

Personal Information Protection

As the global distribution of data expands to an even greater scale, companies in the Fujitsu Group are working to strengthen the protection of personal information. We aim to achieve even safer and smoother protection of personal information.

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.



GDPR Response

In order to respond to GDPR, the Fujitsu Group is working to strengthen protection of personal data throughout our entire Group mainly via the following initiatives.

Construction of a global structure

Under the authority of the Risk Management & Compliance Committee, we constructed a structure to protect personal information on a global level based on GDPR.

Development and awareness-raising for internal rules, etc.

Under the guidance of the CISO organization and legal departments, we have cooperated with the EMEA region, etc., in order to develop internal rules such as guidelines related to protection of individual rights in response to GDPR and check sheets for the formulation, design, and initial setting of systems and/or services. We also updated the operation process with the rules and held employee training.

Response to regulations on transfer outside of EU

In response to regulations on transfer of personal data outside of the EU, we applied to the Dutch Data Protection Authority (DPA) in December 2017 for our Binding Corporate Rules for Processors (BCR-P), which are common rule established across the Fujitsu Group related to the handling of personal data that customers have entrusted to the Fujitsu Group for processing.

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.

- For details, please refer to the Fujitsu Group Information Security Report 2017.
<http://www.fujitsu.com/global/about/resources/reports/securityreport/2017-securityreports/index.html>



For Our Environment



Fujitsu Group's Environmental Management

Environmental Policy at the Fujitsu Group

Fujitsu Group Environmental Policy

The Fujitsu Group has established the Fujitsu Group Environmental Policy based on the principles and guidelines set forth in the FUJITSU Way.

Philosophy

The Fujitsu Group recognizes that global environmental protection is a vitally important business issue. By utilizing our technological expertise and creative talents in the ICT industry, we seek to contribute to the promotion of sustainable development. In addition, while observing all environmental regulations in our business operations, we are actively pursuing environmental protection activities on our own initiative. Through our individual and collective actions, we will continuously strive to safeguard a rich natural environment for future generations.

Principles

- We help customers and society reduce the environmental impact of their business activities and improve environmental efficiency with advanced technologies, ICT products and solutions.
- We proactively promote environmentally conscious business activities to help the environment and economy coexist harmoniously.
- We strive to reduce the environmental impact of our ICT products and solutions throughout their entire lifecycle.
- We are committed to conserving energy and natural resources, and practice the 3Rs approach (reduce, reuse and recycle) to create best-of-breed eco-friendly products and solutions.
- We seek to reduce risks to human health and the environment from the use of chemical substances and waste.
- We disclose environment-related information on our business activities, ICT products and solutions, and we utilize the resulting feedbacks to critique ourselves in order to further improve our environmental programs.
- We encourage our employees to work on global environmental conservation such as tackling climate change and preservation of biodiversity through their business and civic activities to be role models in society.

Mid/Long-term Environmental Vision "FUJITSU Climate and Energy Vision"

The Fujitsu Group has established the "FUJITSU Climate and Energy Vision", a medium- to long-term environmental vision through 2050, with the goal of bringing the Fujitsu Group's CO₂ emissions to zero, and achieving a decarbonized society, as well as contributing to the response to climate change, through technology supporting digital transformation.

More Details>>

<http://www.fujitsu.com/global/microsite/fujitsu-climate-and-energy-vision/>

Approval by Science Based Targets Initiative

In August 2017, the reduction targets of greenhouse gas (hereafter, GHG) emissions from its business facilities and a part of value chain, set by Fujitsu Group, was approved by Science Based Targets Initiative as being at science based level. An initiative was established in 2015 jointly by a number of organizations, including the World Resources Institute and UN Global Compact. It encourages companies to set goals for reducing greenhouse gas emissions based on scientific evidence, in order to limit the global temperature increase to less than 2°C over pre-industrial revolution temperatures.



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Targets

- To reduce absolute Scope 1 and 2 GHG emissions 33% by 2030 and 80% by 2050, from a 2013 base-year.
- To reduce Scope 3 GHG emissions 30% by 2030 from a 2013 base year. The scope 3 reductions cover "purchased goods and services" and "the use of sold products".

Joining of RE100 as Gold Member



In July 2018, Fujitsu joined RE100, which strives to significantly expand the adoption of renewable electricity on a global scale, as Japan's first Gold Member. RE100 is an international initiative led by The Climate Group in partnership with CDP and consists of companies committed to source 100 % of the electricity they use from renewable sources.

Fujitsu Group will consider the appropriate steps for each region and expand its procurement of electricity from renewable sources at locations in Japan and around world, starting with datacenters outside of Japan. Fujitsu Group will concurrently continue its work on R&D and technology trials for energy management and storage, and contribute to the spread of renewable energy in society as whole.

Renewable Energy Electricity Usage Goals at Fujitsu Group Locations

Goal : 100% by 2050
 Intermediate Goal : 40% by 2030

Fujitsu Group's Environmental Management

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61 FUJITSU Climate and Energy Vision
64 Fujitsu Group Environmental Action Plan (Stage VIII)
66 Environmental Management System
74 Green Procurement

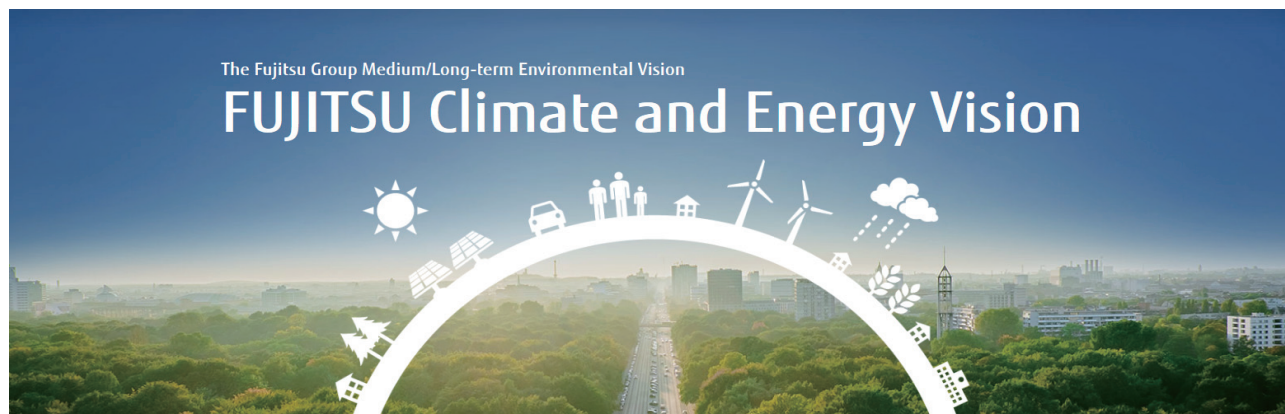
76 Response to Environmental Risks
80 In-House Educational and Enlightenment Activities
81 Raising Awareness through an In-House Award Scheme
82 In-House Environmental Seminar and Workshop

First ICT Services Company to Garner "Eco-First" Credentials

In September 2010, Fujitsu became the first ICT services company to be certified under Japan's Ministry of the Environment's "Eco-First Program." Under the program, industry-leading companies pledge to fulfill their environmental commitments to the Minister of the Environment in areas such as countering climate change and conserving biodiversity as a way to further promote their environmental protection initiatives.



FUJITSU Climate and Energy Vision



The Fujitsu Group has established the "FUJITSU Climate and Energy Vision," a medium- to long-term environmental vision with the goal of bringing the Fujitsu Group's CO₂ emissions to zero by 2050, as well as contributing to the achievement of a decarbonized society and the adaptation to climate change, through provision of technologies and services supporting digital transformation.

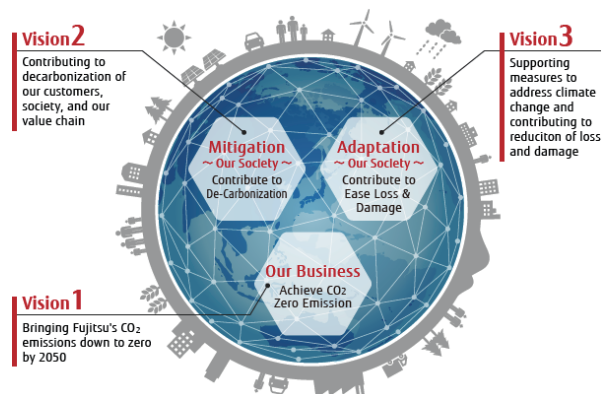
Concept

As an international framework of measures against global warming starting in 2020, the Paris Agreement, which sets a goal of limiting the rise in global average temperature to less than 2°C above the average temperature prior to the industrial revolution, came into effect in November 2016. In order to achieve this, the goal to "achieve a balance between emissions and removals of greenhouse gases (GHG) in the second half of this century" has been set, and a shift to a decarbonized society will be necessary beginning in 2050.

Various changes are taking place in the global market as well, and it is expected that regulations on CO₂ emissions will be tightened, carbon taxes and other carbon pricing will be applied to more countries, and carbon taxes will rise sharply. In addition, investment taking into account Environmental, Social and Governance (ESG) factors is expanding, which is also exerting a significant influence on market rules.

This vision has three pillars, namely, "Our Business: Achieve Zero CO₂ Emissions", "Mitigation: Contribute to a Decarbonized Society" and "Adaptation: Contribute to Measures in Society to Adapt to Climate Change". The Fujitsu Group aims to use ICT effectively to accelerate its own efforts to shift away from carbon, and by providing the knowledge gained from such efforts to customers and society as solutions, leverage its own business activities as a way to mitigate and adapt to climate change.

The Fujitsu Group Medium/Long-term Environmental Vision



Vision1 Achieving Zero CO₂ Emissions in the Fujitsu Group

The Fujitsu Group established the challenging scenario of reducing its CO₂ emissions gradually to zero in three phases by 2050, with its intention to take the initiatives as a global ICT company to strive to create a decarbonized society. This scenario has been established with scenarios recommended by the Science Based Targets (SBT) initiatives. It is also consistent with the 2°C goal*¹.

Phase I

In Phase I (until 2020), from the perspective of usability and economic efficiency of the technology, in Japan, we will horizontally deploy energy conservation technologies that already exist, verify new energy conservation technologies that use AI, etc., and move forward with the use of low-carbon energy. Overseas, we will proactively implement renewable energy, focusing on the EU.

Phase II

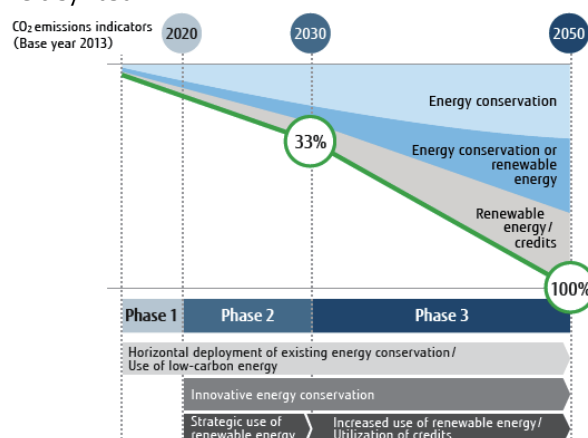
In Phase II (until 2030), the Fujitsu Group will work to establish and spread a transition to AI and ZEB*², etc. to accelerate the reduction of emissions. Further, we will expand strategic implementation of renewable energy, which is expected to be easier to use in Japan as well, with consideration given to local characteristic and economic efficiency.

Phase III

In Phase III (2030 and after), we will accelerate implementation of increasingly easy-to-use renewable energy, while supplementing with offsets from carbon credits, with an eye towards deploying and deepening innovative energy conservation technologies and shifting away from carbon.

The Fujitsu Group intends to increase the use of renewable energy in the electricity consumed at Fujitsu Group locations to at least 40% by 2030 and to 100% by 2050 with the membership gained in July 2018 to RE100. RE100 is a collaborative initiative led by The Climate Group in partnership with CDP, for companies committed to source 100% of the electricity they use from renewable sources.

The Roadmap to reduce the Fujitsu Group's CO₂ Emissions to Zero by 2050



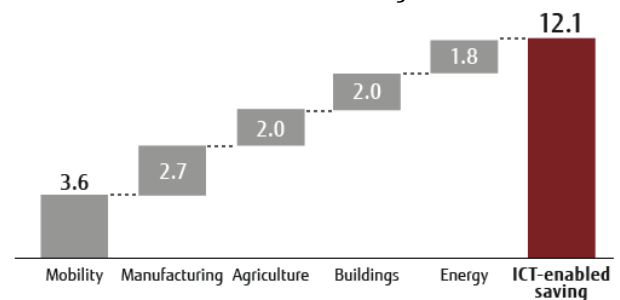
*1 The GHG reduction target, with the Group's carbon credits subtracted, was approved by the SBT initiative.

*2 ZEB: Zero Energy Building. A building with significantly reduced yearly energy consumption achieved through conservation of energy in its structure and facilities, and thorough creation of energy by using solar power generation, etc.

Vision2 and 3 "Contributing to a Decarbonized Society" and "Contributing to Measures in Society to Adapt to Climate Change"

The Fujitsu Group believes that ICT has the potential to contribute to the mitigation of and adaptation to climate change. To that end, we have established "Mitigation: Contribute to a Decarbonized Society" and "Adaptation: Contribute to Measures in Society to Adapt to Climate Change" as pillars of Fujitsu's medium/long-term environmental vision, and are utilizing advanced ICT to create social innovation that contributes to resolving global environmental issues.

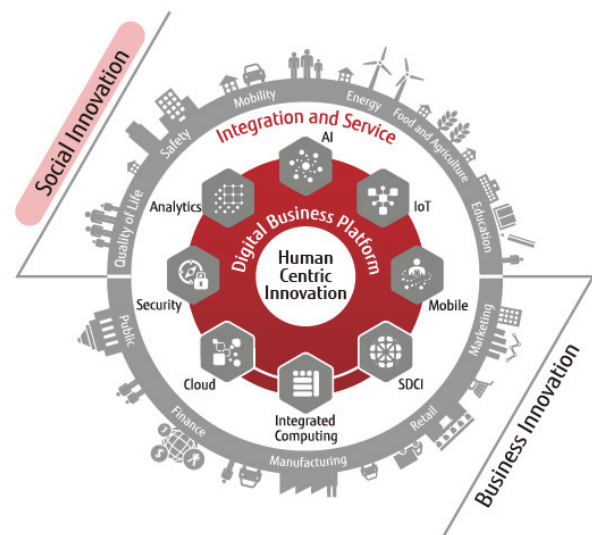
Potential to Reduce CO₂ emissions through ICT



Exhibition: "#SMARTer2030", Global e-Sustainability Initiative

Vision2 Contributing to a Decarbonized Society

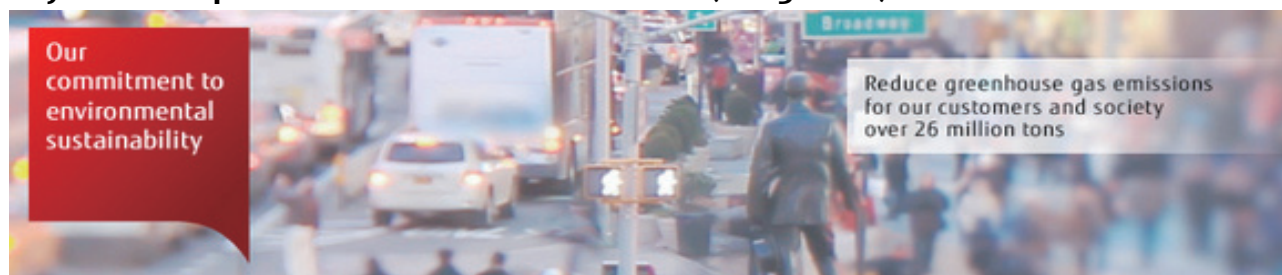
The Fujitsu Group contributes to the decarbonization of society by creating ecosystems with customers in a variety of industries and business types. The key point of mitigation measures is the utilization of AI and other advanced digital technologies to maximize energy efficiency. We will achieve optimal usage of energy for the overall societal system by incorporating those technologies into a mechanism that crosses the boundaries between businesses, industries, and regions.



Vision3 Contributing to Measures in Society to Adapt to Climate Change

The key point of measures to adapt to the impact of climate change is advanced measuring technology using AI, big data, and simulations through sensing technology and high-performance computing (HPC), etc. Fujitsu will utilize these to create solutions to enable creation of a resilient societal infrastructure and stable supply of agricultural products, as well as solutions to minimize food product loss, thereby contributing to the minimization of damage to our customers and society caused by climate change.

Fujitsu Group Environmental Action Plan (Stage VIII)



The Fujitsu Group views contribution to global sustainability as one of the responsibilities that a company bears. Under this belief, since 1993 we have formulated environmental action plans and have expanded activities aimed at continuously reducing environmental impacts.

Now we are enacting Environmental Action Plan (Stage VIII), covering environmental targets for FY 2016 to FY 2018.

Fujitsu Group Environmental Action Plan (Stage VIII)

Fujitsu Group endeavors to help hold the increase in the global average temperature to well below 2 degree Celsius, as adopted in the Paris Agreement at COP21, while striving to achieve zero emissions as a long term goal.

We improve customers' and society's sustainability through deploying our ICT services and enhancing our products' energy and resource efficiency. We also reduce our own greenhouse gas emissions and environmental impact throughout the value chain.

Through Stage VIII, we will work to meet the objectives of the FUJITSU Climate and Energy Vision, our medium- to long-term environmental vision through 2050.

Our Society

Theme / FY2018 Targets		FY2017	
		Performance	Status
Contribute to sustainable development and preservation of biodiversity through provision of ICT services			
(1)	Contribute to sustainable development of society through provision of ICT services.	Publish 8 cases	✓
(2)	Develop innovative technologies that address environmental issues.	Announced 62 key green technologies* ¹	✓
Improve environmental performance of products throughout their lifecycle			
(3)	Achieve top-level energy efficiency for 50% or more of the new products.	68.3% achieved	✓
(4)	Promote eco design for resource saving and circulation and increase resource efficiency of newly developed products by 15% or more. (Compared to FY2014)	23.1% improvement	✓
(5)	Maintain over 90% resource reuse rate of business ICT equipment.	91.5% achieved	✓

Our Business

Theme / FY2018 Targets		FY2017	
		Performance	Status
Reduce greenhouse gas emissions throughout the value chain			
(6)	Reduce greenhouse gas emissions in our business facilities		
	Reduce greenhouse gas emissions by 5% or more compared to FY 2013.	16.6% reduction	✓
	Improve PUE* ² of our major data centers by 8% or more compared to FY 2013.	6.2% improvement	✓
	Improve energy intensity by an average of 1% or more each year.	3.2% improvement	✓
	Increase usage of renewable energy to at least 6%.	7.3% achieved	✓
(7)	Drive activities to reduce CO ₂ emissions in the supply chain.	Through major business partners, requested secondary suppliers (over 38,000 companies) to implement CO ₂ -reduction activities.	✓
(8)	Reduce CO ₂ emissions per sales from transport by an average of 2% or more each year.	10% reduction	✓
Reduce environmental impact			
(9)	Reduce water consumption by 1% in total (128,000 m ³).	1.9% reduction	✓
(10)	Reduce chemical pollutant (PRTR) release to less than the average level of FY 2012–2014 (20.7 t).	16.7 tons	✓
(11)	Reduce the amount of waste to less than the average level of FY 2012–2014 (25,568 t).	21,905 tons	✓

*1 Key green technologies: Technologies for reducing power/energy, improving man-hour efficiency, conserving resources, and resolving social issues.

*2 PUE (Power Usage Effectiveness): An indicator of the efficiency of electric power usage by the Data Center. It is a value calculated by dividing the Data Center's total electric power consumption by the electric power consumption of servers and other ICT devices. Values indicate higher efficiency the closer to 1.0 they become.

Related Links

- Fujitsu Group Environmental Protection Program (Stage VII)
<http://www.fujitsu.com/global/about/environment/approach/plan/stage7/index.html>
- Fujitsu Group Environmental Protection Program (Stage VI)
<http://www.fujitsu.com/global/about/environment/approach/plan/stage6/index.html>
- Fujitsu Group Environmental Protection Program (Stage V)
<http://www.fujitsu.com/global/about/environment/approach/plan/stage5/index.html>
- Fujitsu Group Environmental Protection Program (Stage IV)
<http://www.fujitsu.com/global/about/environment/approach/plan/stage4/index.html>
- Fujitsu Group Environmental Protection Program (Stage III)
<http://www.fujitsu.com/global/about/environment/approach/plan/stage3/index.html>

Environmental Management System

We are continuously working to improve our ISO 14001*1-based environmental management systems and to promote group-wide environmental management.

*1 ISO 14001:

Environmental Management Systems (EMS) standard determined by the International Organization for Standardization (ISO). Certification is granted to environmentally aware organizations that develop systems for ongoing reductions in their environmental footprint.

Fujitsu Group's Environmental Management Systems

Fujitsu has constructed environmental management systems (EMS) based on the ISO 14001 international standard and is promoting environmental improvement activities across the Group. After acquiring ISO 14001 certification for Japanese consolidated subsidiaries at the end of FY 2004, we expanded this effort to include overseas subsidiaries and acquired global integrated certification in FY 2005.

By constructing EMS along with a global supply chain, the Fujitsu Group has further strengthened its global governance. This also allows the Group to promote even more efficient and highly effective environmental activities; not only grasping our achievement status for the Fujitsu Group Environmental Action Plan but also collecting a wide variety of information from all Group companies, such as legal compliance, emergency response, environmental communication and preservation activities, and conducting management reviews.

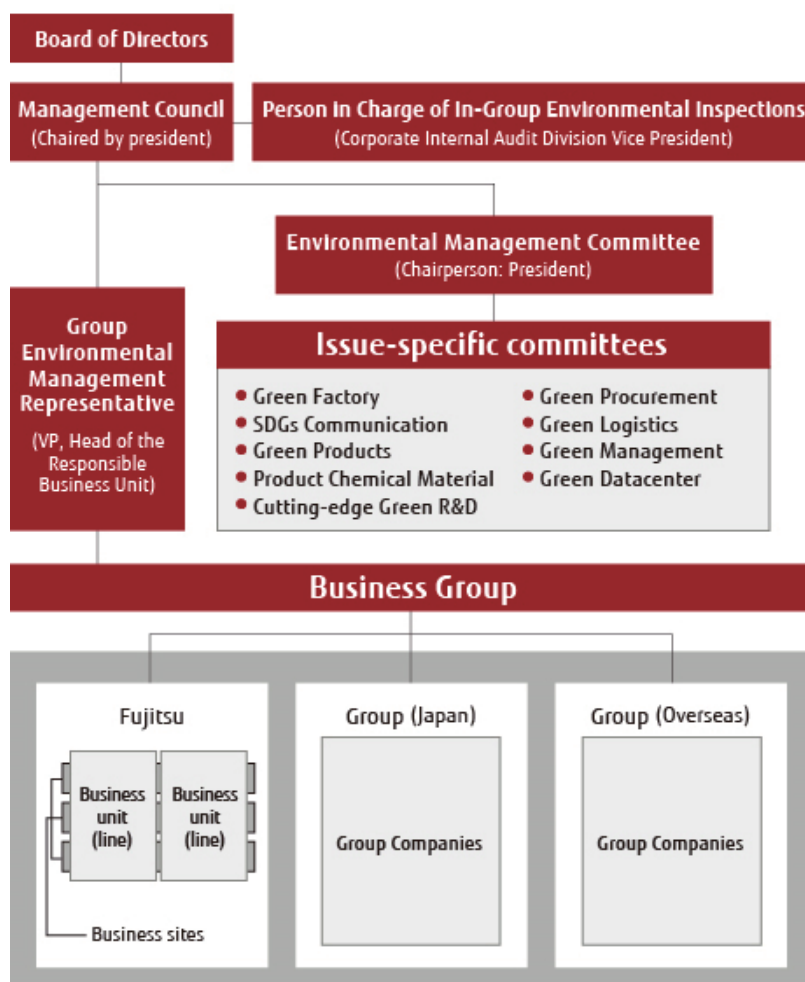
Environmental Management Framework

To conduct a comprehensive discussion of the Fujitsu Group's environmental management, we have established an Environmental Management Committee chaired by the president. This committee is considering medium-to-long term issues, implementing policy decisions, and discussing methods for handling and sharing operating risks and opportunities from climate change, all with the aim of raising the level of the group's environmental management and strengthening its governance. Based on that, final decisions on environmental management at the Fujitsu Group are made at meetings of the Management Council and reported to the Board of Directors.

Subordinate to the Environmental Management Committee, we have organized environmental issue-specific committees composed of concerned parties that go beyond the framework of business groups and business units. Through this promotion structure, we are making it possible to quickly diffuse initiatives on these issues throughout the group.

We have also established an Environmental Management Working Group (WG) subordinate to the Green Management Committee, an issue-specific committee. The Environmental Management WG is working to unify global information transmission and strengthen environmental management systems (EMS) activities.

Environmental Management Framework (as of March 2018)



Configuration and Operation of Environmental Management Systems

The Fujitsu Group has constructed EMS based on the ISO 14001 international standard and is promoting environmental improvement activities across the Group. By EMS construction worldwide, the Fujitsu Group further strengthened its Group governance. This also allows the Group to promote even more efficient and highly effective environmental activities, including understanding the state of activities, legal compliance and emergency response.

As of March 2018, the Fujitsu Group has acquired global integrated ISO 14001 certification for a total of 120 companies of Fujitsu and its Japanese group companies, as well as for 12 overseas Group companies. Our 15 overseas consolidated subsidiaries that are not production base sites have constructed and are operating an EMS in line with Fujitsu Group environmental policies. In this way, we have established an environmental management structure across the whole Group.

Environmental Management Systems Operational Status

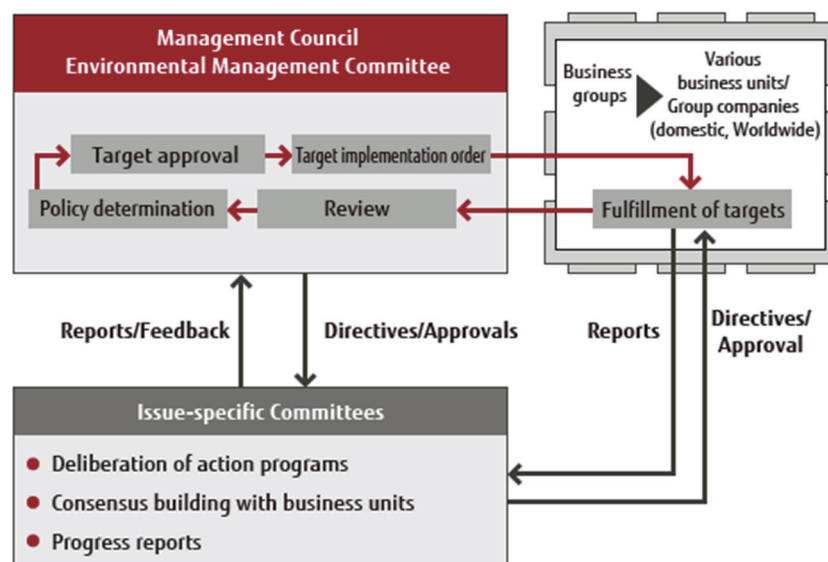
		FY 2015	FY 2016	FY 2017
Internal audit	Findings	130	145	122
	Findings	2	4	8
External audit	Opportunities for improvement	82	103	126

Activity Flow

The Environmental Management Committee proposes, deliberates, and decides upon environmental matters relating to all Group companies. It determines the directions to be taken for energy usage volume, CO2 emissions reductions, ways to address environmental risk, and other medium-to-long term matters important to environmental management at an overall level. The Environmental Management Committee also conducts environmental management reviews and has approval authority for the Fujitsu Group Environmental Action Plan.

The issue-specific committees are subcommittees set up by the Environmental Management Committee to make a dedicated response to specific issues. Their main role is to discuss targets for the Environmental Action Plan check on the progress being made for each target and promote further activity toward achieving them. Issue-specific committees' progress reports are approved and directed by the Environmental Management Committee.

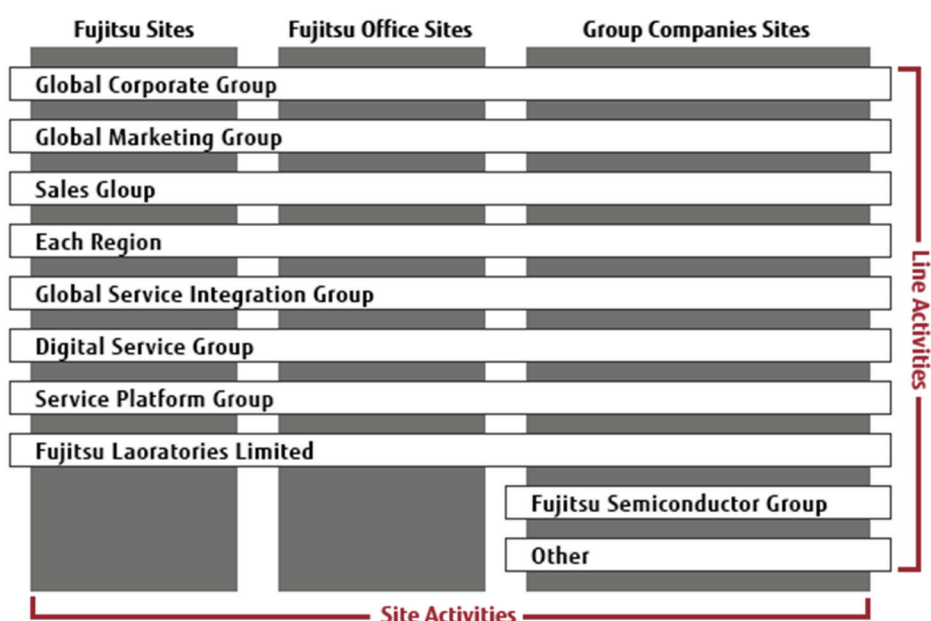
Activity Flow



Management Based on the Line/Site Matrix Structure

The Fujitsu Group carries out its environmental management along the same lines as its corporate management. To this end, we are pursuing environmental management within a matrix structure combining (1) "line activities" directly tied to the business operations of various divisions and companies (including eco-friendly product development and the expansion of environmental contribution solutions) and (2) "site activities" to tackle common themes affecting each factory or business location (such as energy conservation and waste reduction).

In this way, along with minimizing the environmental burden of our own business activities, we promote reductions in environmental burdens more generally through the sale of our products and services.



Fujitsu Group's Environmental Management

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ICT-based EMS

Aiming at efficiency improvement and visualization of its environmental management, the Fujitsu Group actively utilizes its own environmental management tools that take full advantage of ICT.

EMS Applying ICT

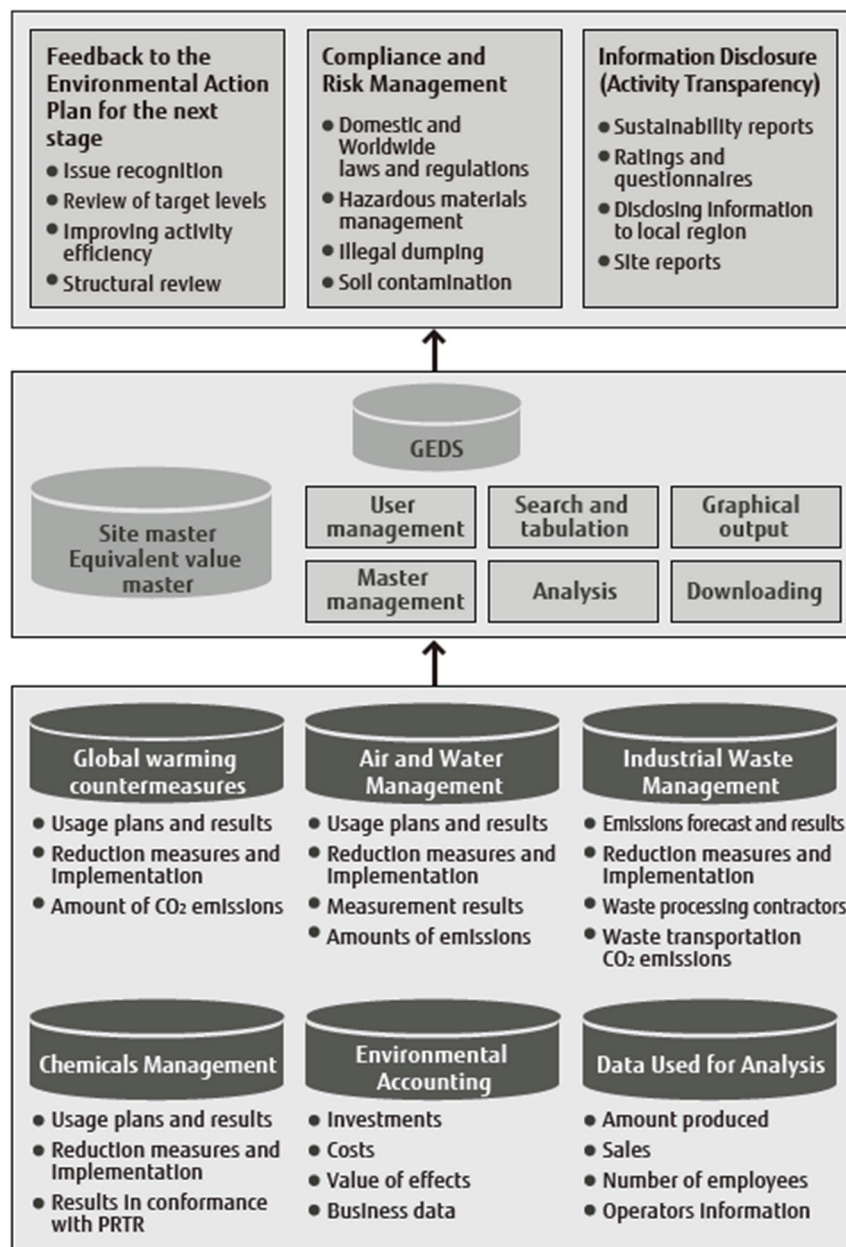
The Fujitsu Group uses proprietary environmental management tools that make the most of ICT. For example, we use the Global Environment Database System (GEDS), which can centrally manage data on plans, results, implementation status, and other matters for Fujitsu Group business sites throughout the world, and the ISO 14001 Green Management System (GMS), which supports EMS operation by centrally managing data on compliance and risk management conditions, to make environmental management efforts more efficient and visible.

In addition, the communications platforms of all Fujitsu Group companies are used for EMS operations. Video conference systems, for example, are used for regional seminars and other forms of smart communication for EMS operation.

Use of the Global Environment Database System

The Fujitsu Group uses the Global Environment Database System (GEDS) to collect the environmental burden (performance) information for Fujitsu Group companies and business sites and to manage plans, results, and policy information uniformly.

Global Environment Database System

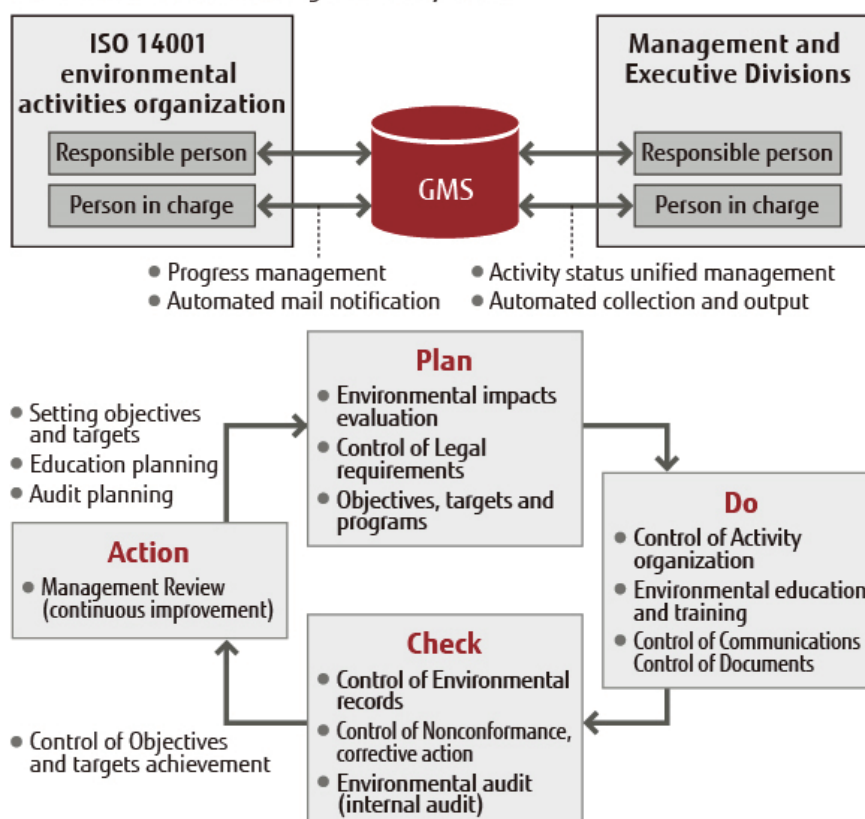


Use of the ISO 14001 Green Management System

The ISO 14001 Green Management System (GMS) is used to exercise unified control over the operational status of the EMS with regard to improvements in and conformance issues relating to findings from internal audits, communications activities, direct and indirect effects identified in environmental impact assessments, and the setting of environmental management objectives and targets.

GMS enables corrective measures and objectives to be soundly managed, and effectively ensures continual improvement of the activities with reduced risks.

ISO 14001 Green Management System



Implementing Environmental Audits

Internal Audit Implementation and Results

The Fujitsu Group is carrying out internal audits, a requirement of ISO 14001. To ensure the objectivity and independence of internal audits, the Corporate Internal Audit Division, takes the lead, allocating internal auditors who belong to Fujitsu or Fujitsu Group companies and carries them out.

In FY 2017, we carried out internal audits for factories, offices, and other facilities at 356 sites in Japan and 19 overseas. For these audits, we scrutinized the results of the FY 2016 internal audit and external audit, took the opinions and instructions of the Environmental Management Committee into consideration, and found three major focal points: (1) compliance, (2) operational control, and (3) organizations operating original EMS. There were 122 total findings. Items related to ISO14001:2015 accounted for roughly 40% of all the findings (both Japan and overseas). There were also many findings relating to methods for managing chemical substances and industrial waste. Overseas, receiving cooperation from external experts thoroughly knowledgeable in local laws and regulations and operation, we carried out internal audits with the objective of strengthening compliance.



An internal audit being conducted overseas

External Audit and Results

To maintain our ISO 14001 certification, we are carrying out external audits by a certifying body. In FY 2017, we were audited in Japan by the Japan Audit and Certification Organization for Environment and Quality (JACO). Outside Japan, we were audited by DNV GL Business Assurance Japan K.K.

As a result, 71 areas, for our organizations in Japan, and 55 areas, for our overseas Group companies, were pointed out as opportunities for improvement. Eight minor nonconformities were identified at our overseas entities. We have completed corrective actions against these matters as of the end of FY 2017. Moreover, external audit findings on these were shared throughout the Group in order to help efforts to prevent recurrences.

These audits were carried out, and as a result of the judgment of the two certifying bodies, we were able to acquire ISO 14001:2015 certification.

Status of Environmental Compliance

The Fujitsu Group committed no major violations of environmental laws and caused no accidents that had any major impact on the environment in FY 2017.

Meanwhile, there were complaints about the noise from the factory, but we took appropriate measures and completed.

Green Procurement

To provide customers with products and services that have a light environmental footprint, we are implementing green procurement in concert with our business partners.

Procurement Activities Based on Green Procurement Direction

The Fujitsu Group summarized what it asks of its business partners regarding purchasing green parts, materials, and products in the "Fujitsu Group Green Procurement Direction." Together with partners in Japan and overseas, the Group implements green procurement activities and promotes procurement from business partners that fulfill the green procurement requirements (see below).

Using a Fujitsu Group Environmental Survey Sheet, we conduct annual monitoring of partners' status with regard to environment management system, CO₂ emission reduction, biodiversity preservation and water resource preservation activity, and ask them to take appropriate measures.

- Fujitsu Group Green Procurement Direction
<http://www.fujitsu.com/global/about/procurement/green/>

Green procurement requirements for business partners

Requirements	Materials/parts business partners*	Non-materials/parts business partners
① Establishment of environmental management systems (EMS)	○	○
② Compliance with regulations for Fujitsu Group specified chemical substances	○	—
③ Establishment of chemical substance management systems (CMS)	○	—
④ CO ₂ emission control/reduction initiatives	○	○
⑤ Biodiversity preservation initiatives	○	○
⑥ Aquatic resource preservation initiatives	○	○

* Materials/parts business partners: Business partners who supply components of Fujitsu Group products or OEM/ODM products

Establishment of Environmental Management Systems

We request our business partners to establish environmental management systems (EMS) to provide a backbone for ensuring that they independently and continuously implement environmental-preservation activities. In principle, we would like them to have third party-certified EMS. Where this is not possible, we ask them to build EMS incorporating the PDCA cycle suited to their circumstances.

CO₂ Emission Reduction Initiatives

The Fujitsu Group asks our business partners, as well, to engage in CO₂ emission reduction in hopes of addressing climate change. Specifically, we ask them to clearly express the intentions of their initiatives and request that they make efforts to achieve the objectives they set. Furthermore, we also ask them to collaborate with external organizations, where possible, and likewise encourage their own suppliers in an effort to expand the initiatives outside their respective businesses. Our annual Supply Chain Business Continuity Surveys give us a clear picture of how business partners are responding to a variety of climate-change risks, including tsunamis, floods, and torrential rains.

Acquiring and Managing Information on Chemical Substances Contained in Products

Countries around the world are establishing legal regulations governing chemical substances contained in products, including the RoHS directive^{*1} and the REACH regulation.^{*2} The scope of the regulations continues to expand, as well, adding more and more substances, products, and applications on a nearly daily basis.

The Fujitsu Group is investigating and acquiring information on chemical substances contained in products by using chemSHERPA^{*3} as the standard format. We share our findings with other Group companies via our internal system and allow relevant parties to access the information whenever necessary. We have established a system for fast response to revisions of laws/regulations and enactment of new legal systems.

- ^{*1} RoHS directive:
 Directive on the Restriction of the use of certain Hazardous Substances in electrical and electronic equipment
- ^{*2} REACH regulation:
 Regulation for Registration, Evaluation, Authorization, and Restriction of Chemicals
- ^{*3} chemSHERPA:
 Chemical information SHaring and Exchange under Reporting PArtnership in supply chain

Establishment of a Chemical Substance Management System (CMS) for Product Substances

In addition to acquiring information on chemical substances contained in products from business partners, the Fujitsu Group also asks its business partners to establish a Chemical substances Management System (CMS) based on the industry-standard JAMP^{*4} guidelines on the management of chemical substances contained in products. Doing so enables the Group to comply even more thoroughly with laws and regulations related to chemical substances contained in products.

The Group also carries out CMS audits in order to confirm appropriate establishment and operation of CMS. Specifically, Fujitsu's auditors implement on-site confirmation of the management status of chemical substances contained in products. If there are any inadequacies, auditors make requests for corrections and provide support for establishment. Moreover, even after the establishment of CMS, we continually confirm the operation status through periodic audits.

- ^{*4} JAMP:
 Joint Article Management Promotion-consortium

Response to Environmental Risks

Initiatives to Minimize Environmental Risks

In order to minimize risks related to environmental pollution, destruction of ecosystems, and climate change throughout our entire value chain, the Fujitsu Group continues actions such as risk analysis/support based on a company-wide risk management structure and environmental load reduction activities based on strict voluntary control values which are stringent than those designated by laws and regulations.

Environmental Pollution Prevention and Preparations for Climate Change Risks Throughout the Value Chain

Fujitsu Group is striving to prevent the occurrence of environmental pollution and conserve the environment in the entire value chain. We are preparing rules that designate a response to accidents and emergency situations in case of the rare occurrence of environmental risks and educating employees on how to carry them out correctly.

Additionally, there is the possibility of significant impacts on our business continuity from increases in the frequency and effects of natural disasters as a result of recent climate changes. We have formulated a business continuity plan and are devoting effort to continually revising and improving the plan.

Furthermore, the implementation of stricter regulations for greenhouse gas emissions and a carbon taxes creates a risk of increasing the energy cost incurred by the Fujitsu Group, as well as the cost required for measures aimed at reducing greenhouse gases. Additionally, if climate change countermeasures are insufficient, there is a risk of harm to our corporate reputation or a disadvantage at bidding. In order to minimize these risks, we are conducting risk analysis/response within our company-wide risk management structure. Moreover, based on the FUJITSU Climate and Energy Vision, we are working to achieve net zero CO₂ emissions by 2050 and to contribute to mitigation/adaptation for climate change through business.

Preventing Air Pollution

We have set voluntary control values that are more stringent than legally mandated emissions standards in order to prevent air pollution and limit acid rain. Regular measurement and monitoring is conducted based on these controls. Efforts are made to appropriately process dust and soot, sulfur oxide, nitrogen oxide, and other harmful substances, and reduce emissions. Furthermore, we are reducing the atmospheric discharge of organic solvent vapors containing substances like VOCs.

Moreover, with the enactment in April 2015 of the Act on Rational Use and Proper Management of Fluorocarbons, we have set in-house stipulations and striven for proper management of specified products (commercial refrigerators and air conditioners containing fluorocarbon refrigerants) while working to identify the volume of fluorocarbon leakage.

In addition, emission of dioxins has been prevented by suspending use of all in-house incineration facilities as of January 2000.

Preventing Destruction of the Ozone Layer

By implementing a precision water-wash system and non-wash soldering technology, we have completely eliminated the use of ozone-depleting substance in manufacturing processes (parts washing and solvents). Regarding refrigerant chlorofluorocarbons used in air conditioning facilities (freezers, etc.), we have implemented leakage countermeasures and are transitioning to non-chlorofluorocarbon gas when updating facilities.

Results for complete elimination of ozone-depleting substances	
Ozone-depleting substances	Timing of complete elimination
Washing chlorofluorocarbons (CFC-113, CFC-115)	End of 1992
Carbon tetrachloride	End of 1992
1,1,1-trichloroethane	End of October 1994
Alternative chlorofluorocarbons (HCFCs)	End of March 1999

Preventing Water Pollution

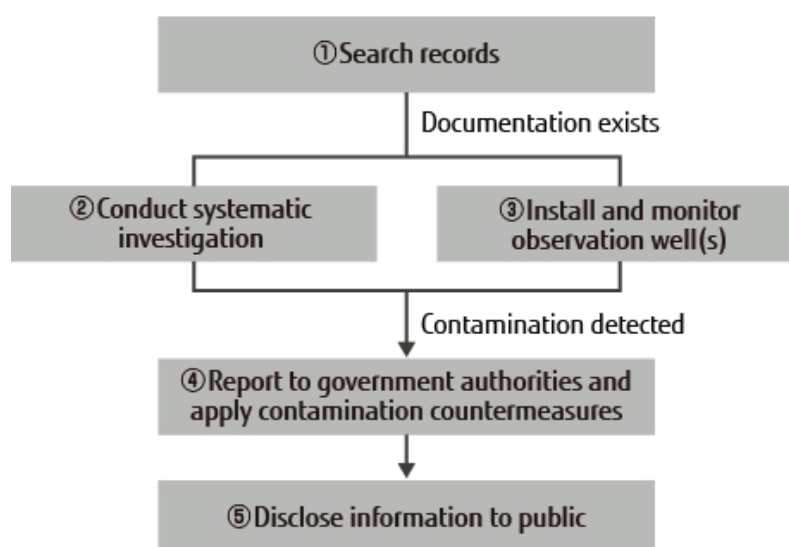
In order to preserve the water quality of surrounding waterways, including rivers, groundwater and sewers, we have set voluntary controls that are even tougher than legal mandates, and conduct regular measurement and monitoring on this basis. We recover and recycle chemicals used in production processes, instead of discharging them into wastewater. And we are working to reduce discharges of harmful substances and other regulated substances (COD, BOD, etc.) by ensuring appropriate chemical use, preventing chemical leaks and permeation, and properly managing the operations of water treatment and purification facilities, among other measures.

Preventing Pollution of Soil and Groundwater

We have established rules for soil and groundwater surveys, measures and disclosure. We review these in accordance with changes in the law and social circumstances, and respond based on these rules. We systematically examine soil and groundwater, based on the rules, and if pollution is confirmed, we carry out cleanup and countermeasures at each plant according to the situation, while disclosing information in concert with administrative agencies.

As of FY 2017, there are four business sites where soil and groundwater pollution from prior business activities have been confirmed. At those business sites, we have installed observation wells to observe effects outside the site due to groundwater pollution, while also working on purification measures through water-lifting aeration, etc.

Monitoring the Impact of Groundwater Contamination Outside of Fujitsu Sites*



* We monitor groundwater contamination near our sites, which is the largest risk for soil and groundwater pollution.

Business Sites Where Soil or Groundwater Contamination Has Been Found

Site Name (Location)	Cleanup and Countermeasure status	Monitoring Well Maximum Value (mg/L)		Regulated Level (mg/L)
		Substance	Measured Value	
Kawasaki Plant (Kawasaki City, Kanagawa Prefecture)	We are continuing to clean up VOCs by pumping and aeration.	Cis-1, 2-dichloroethylene	2.7	0.04
Oyama Plant (Oyama City, Tochigi Prefecture)	We are continuing to clean up VOCs by pumping and aeration.	Cis-1, 2-dichloroethylene	4.076	0.04
		Trichloroethylene	0.372	0.03
FDK Sanyo plant (Sanyo-Onoda City, Yamaguchi Prefecture)	We are continuing to clean up VOCs by pumping and aeration.	Trichloroethylene	0.045	0.03
FDK Washizu Plant (Formerly FDK Energy) (Kosai City, Shizuoka Prefecture)	We are continuing to clean up VOCs by pumping and aeration.	Cis-1, 2-dichloroethylene	0.42	0.04
		Trichloroethylene	0.24	0.03
		Tetrachloroethylene	0.16	0.01

Chemical Substance Control

To prevent pollution of the natural environment or damage to health due to the use of harmful chemical substances, we are controlling the use of some 1,300 substances using the original Chemical Information System called "FACE" and working to appropriately control and reduce emissions at our business sites.

- Fujitsu Group Environmental Action Plan (Stage VIII): Reducing Chemical Substances Emissions (P120)

Furthermore, with regard to chemical substances included in products, we have determined banned substances and are working to thoroughly control them, including both inside the company and with business partners.

- Green Procurement (P74)

Appropriately Processing Waste

In order to confirm that subcontractors are appropriately handling the waste processing tasks we entrust to them, we regularly carry out on-site audits.

In addition, with regard to high concentration polychlorinated biphenyl (PCB) waste (transformers and condensers) processing, we have registered with the Japan Environmental Storage & Safety Corporation (JESCO), which carries out PCB waste interim storage and disposal under government supervision, and are carefully carrying out processing based on JESCO plans.

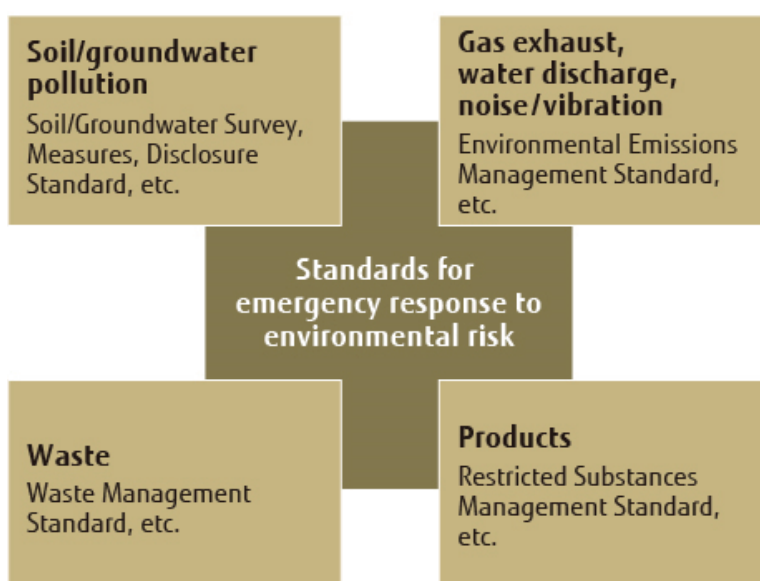
Conserving Biodiversity

In FY 2009, we settled on the Fujitsu Group Biodiversity Action Principles, and promote them based on the two pillars of reducing the impact of our activities on biodiversity and contributing to the creation of a society that conserves biodiversity.

Environmental Risk Standards

The Fujitsu Group is working to prevent environmental risk in advance and to prevent the spread of environmental effect at the time of an incident. We have established environmental risks standards which define response at the time of accidents or emergencies related to environmental risk. Specific examples of these standards include "Environmental Emissions Management Standard" and "Waste Management Standard." The system of environmental risk standards is listed below.

System of environmental risk standards



In-House Educational and Enlightenment Activities

To ensure that our environmental management takes firm root through the participation of all employees, the Fujitsu Group believes it essential to inculcate and raise the environmental awareness of each and every employee to a point where it links to actual practice. Based on this belief, the Group has been carrying out comprehensive environmental education and enlightenment training.

Carrying Out Comprehensive Environmental Education

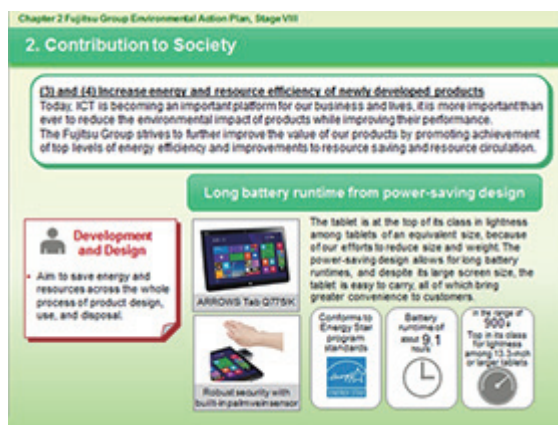
We have all our employees take E-learning to acquire a basic understanding of environmental management. Education is provided to new entrants and to managers, as well as by department. We also implement professional education for internal auditors, waste management personnel and others for employees in charge of work related to the environment.

Fujitsu's Environmental Education System

	New entrants	Ordinary employees	Middle managers	Senior executives
General education	Environmental e-Learning (every three years)			
	Level-specific training		Level-specific training (initial)	
Professional education <small>Note: Only relevant persons attend lectures</small>	Function-specific training (ad-hoc)			
	Internal auditor education			
	Waste management worker education			
Enlightenment	Seminars, workshops, etc.			
	Environmental Contribution Awards			
	Information provided through the Web and social networking services			

Promoting Environmental e-Learning for all Group Employees

The Fujitsu Group offers environmental e-Learning to all of its employees. The purpose of the training is to promote understanding and practical implementation of the background and content of our 8th Environmental Action Plan.



Environmental e-Learning program screenshot

Raising Awareness through an In-House Award Scheme

Holding the Environmental Contribution Award

To raise the environmental awareness of employees at all Fujitsu Group companies, we have operated an Environmental Contribution Awards scheme to recognize business and activities contributing to the environment. The awards scheme is open to all employees and has been operated every year since 1995.

In the field of contributing to customers and society, this award recognizes accomplishments such as products which use innovative energy-saving technology to contribute to reducing the amount of power used by the customer, increases in logistics efficiency which lead to improvements in traffic pollution, and IoT services that contribute to the prevention of heatstroke. Furthermore, in the field of initiatives within one's own business activities, in addition to achieving reduced environmental load by implementing advanced technology based on onsite expertise, awards were given to paperless initiatives in conjunction with workstyle transformation, the use of renewable energy at overseas offices, and initiatives for promoting the use of EVs as company cars.

Winners of the FY 2017 Environmental Grand Prize (Environmental Contribution Award)

1. Installed a liquid immersion cooling system

The Japan Automobile Research Institute installed the Fujitsu Group's first PC cluster using a liquid immersion cooling system. This marked the first use of the system outside of field trials. Compared to conventional air-cooling system, our system reduces power consumption by a maximum of 40%.

2. Reduced amount of water used at factory of Shinko Electric Industries Co., Ltd.

For wet processes which use large amounts of water, we used equipment such as ultrasonic flowmeter to conduct a thorough survey of water usage amount. We performed detailed analysis for the required amount of water usage for each process and then reduced the amount of water supplied by considering quality elements such as revision of water pressure and nozzle shape. We also surveyed the water quality of waste water and suppressed the amount of water supply during desalination by using waste water with a low degree of pollution as recycled waste water. Overall, we achieved significant reductions in the amount of water used. (Reductions in amount of water used.)

- Reductions in amount of water

<http://www.fujitsu.com/global/about/environment/operation/water/>

In-House Environmental Seminar and Workshop

Believing that the first step toward the realization of a sustainable society is to be aware of social and environmental issues and international trends, we conduct environmental seminars for our employees periodically. In FY2017, the following five events were held.

Feb. 2018: "2nd Nikkei BP Industrial Sectors Seminar (Retail & Distribution)"

To better understand the challenges and changes facing retail & distribution divisions from the perspective of sustainability, Nikkei BP presented the latest in company trends, while Tatsuyuki Negoro, a professor at Waseda Business School, talked about the sharing economy, and Motohiro Honma of the Japan Weather Association spoke on weather forecasting and the use of AI in demand forecasting.



Tatsuyuki Negoro



Motohiro Honma

Jan. 2018: "1st Nikkei BP Industrial Sectors Seminar (Production & Manufacturing)"

To better understand the challenges and changes facing the production & manufacturing sectors from the perspective of sustainability, Nikkei BP presented the latest in company trends, while Omron's Shinichi Kodama spoke on innovations his company is promoting on the production floor, and Hironori Hibino talked about new production management systems in the era of IoT.



Hironori Hibino



Shinichi Kodama

Dec. 2017: Fujitsu In-house Photo Exhibit "Are You Familiar With the SDGs?"

Poverty, food, health, education, gender.... To get employees to think about sustainable development goals, Fujitsu held an in-house exhibit of photographs that express in a real way the challenges our world faces.



Dec. 2017: Seminar "An Environmental War Without Weapons—Survival Strategies for Japan and Its Companies"

This seminar covered current world affairs and policy trends related to climate change. Ryuichi Teshima, former NHK Washington Bureau Chief, provided an explanation of intelligence regarding climate change issues, while Yusuke Matsuo from the Institute for Global Environmental Strategies presented international trends and changes in the business environment from COP23.



Ryuichi Teshima



Yusuke Matsuo

Jun. 2017: Environment Month Seminar "Global Warming in the Eyes of a Weather Forecaster"

An environmentally themed seminar was held for employees in June, the Environment Month in Japan. We invited NHK Good Morning Japan weathercaster Nobuyuki Hirai to speak in an easy to understand fashion from his perspective as a weather forecaster about such topics as climate trends related to global warming and the response that will be required of us, and expectations for ICT companies.



Nobuyuki Hirai

84 Contributing to a Sustainable Society through ICT Services
86 GHG Emission Reduction through the Provision of ICT
87 Developing Innovative Technologies for Solving Environmental Issues
92 Development of Top-Level Energy Efficient Products
97 Improving the Resource Efficiency and Resource Circulation of Products
101 Product Recycling
103 Reducing Greenhouse Gas (GHG) Emissions and Boosting Energy Intensity at Our Business Sites

106 Improve Power Usage Effectiveness (PUE) at Our Data Centers
110 Expand the Use of Renewable Energy
113 Drive Activities to Reduce CO₂ Emissions in the Supply Chain
116 Reduce CO₂ Emissions from Transportation
118 Reducing the Amount of Water Used
120 Reducing Chemical Substances Emissions
122 Limiting Amounts of Waste Generated



Fujitsu Group Environmental Action Plan (Stage VIII)

84 Contributing to a Sustainable Society through ICT Services	106 Improve Power Usage Effectiveness (PUE) at Our Data Centers
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Contributing to a Sustainable Society through ICT Services

Our Approach

The effort to "Contribute to sustainable development of society through provision of ICT services" is one of the goals in the Fujitsu Group's Environmental Action Plan (Stage VIII). With the United Nations having adopted a set of Sustainable Development Goals (SDGs) in 2015, thereby laying out clear international targets, the Fujitsu Group is now aiming to contribute even more to the sustainability of customers and society.

Bringing that vision of a sustainable society to fruition will require initiatives to tackle a wide variety of social and environmental issues, ranging from combating global warming through reductions in GHG emissions to saving natural resources, preserving biodiversity, stabilizing food supplies, responding to urbanization, and protecting against disasters. Information and communication technology (ICT), which helps optimize, streamline, and automate processes in a diverse mix of fields, has the power to drive solutions to the problems that society and the natural environment are facing. By leveraging its ICT services and working with customers, the Fujitsu Group is determined to play an important role in achieving SDGs on a global scale.

FY 2017 Performance and Results

Summary of FY 2017 Achievements

Targets under the Fujitsu Group Environmental Action Plan (Stage VIII) (toward FY 2018)	Contribute to sustainable development of society through provision of ICT services.
FY 2017 Targets	Release case studies.
FY 2017 Key Performance	Released 8 case studies. (28 solution cases which contribute to climate change measures)

Publishing Case Studies of Contribution to Sustainable Growth for Society through the Provision of ICT Service

On our website, Fujitsu published eight new case studies of contribution including "solutions for breaking away from conventional administrative styles which use dedicated financial equipment and realizing increased administrative efficiency and paperless business through the use of tablets, etc." and "solutions for providing SaaS services and increasing the efficiency of power consumed for conventional servers and operation management processes."

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92 Development of Top-Level Energy Efficient Products	116 Reduce CO ₂ Emissions from Transportation
97 Improving the Resource Efficiency and Resource Circulation of Products	118 Reducing the Amount of Water Used
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Efforts toward Sustainable Development of Society

Case Studies

The Fujitsu Group contributes to the realization of a sustainable society through the provision of various services and solutions.

<http://www.fujitsu.com/global/about/environment/society/sustainability/sdgs-case-studies/index.html>

GHG Emission Reduction through the Provision of ICT

ICT can help reduction of the amount of energy and resources used, movement of people and materials, and office space required for business operations, which eventuates into a reduction in GHG emissions. The Fujitsu Group has been increasing the contribution of its customers and society as a whole on the reduction of GHG emissions, by quantitatively assessing the amount of GHG emissions

<http://www.fujitsu.com/global/about/environment/society/sustainability/contribution/index.html>

Provision of Environmental Solutions

We offer our customers solutions that support implementation and advancement of environmental management to support their competitiveness and reduce environmental burden. (link to Japanese site)

<http://www.fujitsu.com/jp/solutions/business-technology/sustainability/eco/>

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GHG Emission Reduction through the Provision of ICT

Main Activities in FY 2017

GHG Emission Reduction through the Provision of ICT

Through the provision of ICT, the Fujitsu Group is working to create innovations in wide-ranging areas of society, including improvement of efficiency in energy usage, greater efficiency in production activities, and reduction in the movements of people and goods. By doing so, we aim to contribute to the reduction of GHG emissions. We believe that the use of ICT by large numbers of customers will reduce GHGs in society overall, while leading to ongoing business growth for the Fujitsu Group as well.

The Fujitsu Group is working to quantitatively visualize - and also expand - the contribution to GHG reductions from the ICT used by our customers. The Fujitsu Group recognized 28 new cases of environmentally conscious solutions in FY 2017, bringing the cumulative total to 517 and helping reduce total CO₂ emissions by 7.31 million tons.

Case Studies

<http://www.fujitsu.com/global/about/environment/society/sustainability/contribution/casestudy/index.html>

Method to calculate the contribution to GHG reduction

At the Fujitsu Group, we have quantitatively assessed the environmental burden reduction effect of our ICT (in CO₂ emissions) using an environmental impact assessment method developed by Fujitsu Laboratories Ltd. in 2004. More than 500 cases have been assessed to date, and CO₂ emissions reduction effect per one user, one client, or revenue (CO₂ reduction amount basic unit) using the data accumulated.

Fujitsu measures annual GHG reductions from solution user count, client count, or annual sales.

Overview of Environmental Impact Assessment Methodology

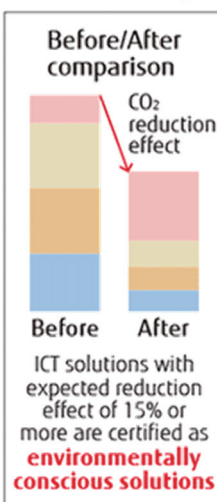
Conversion of 7 factors to CO₂ emissions

Resource consumption	Consumption of paper, CDs, documents
Movement of people	Movements by airplanes, trains, buses and automobiles
Transport of goods	Transport by trucks and rail freight
Office space	Associated work-hours, documents/ equipment space
Warehouse space	Storage in regular / refrigerated warehouses
Power Consumption of ICT/Network equipment	Power consumed by ICT equipment (servers, PCs, etc.)
Data communication traffic volume	Data communication traffic volume by Internet/FAX

Sum of CO₂ emissions



Environmental-load basic unit database



Environmental Impact Assessment Method for Solution Services

<http://www.fujitsu.com/global/about/environment/society/sustainability/contribution/certification/index.html>

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Developing Innovative Technologies for Solving Environmental Issues

Our Approach

Fujitsu Laboratories, the core research and development (R&D) organization in the Fujitsu Group, recognizes environmental contribution as a priority theme and conducts R&D in diverse fields ranging from advanced materials, next-generation devices, computers, networks, and ICT systems to the creation of next-generation solutions, services, and business models—all with the goal of contributing to a sustainable society.

Drawing on these efforts to develop innovative technologies and embracing its mission to create technologies that can help solve social and environmental problems, Fujitsu Laboratories promotes environmental activities ranging from CO₂ emission reductions through energy conserving practices and work task-efficiency improvements to resource-saving initiatives, countermeasures for natural disasters, the preservation of biodiversity, and efforts to combat global warming.

FY 2017 Performance and Results

Summary of FY 2017 Achievements

Targets under the Fujitsu Group Environmental Action Plan (Stage VII) (toward FY 2018)	Develop innovative technologies that address environmental issues.
FY 2017 Targets	Announce 40 key green technologies* (event)
FY 2017 Key Performance	Announced 62 key green technologies (Press announcements: 25; Academic society presentations + exhibitions: 37)

* **Key green technologies:** Technologies for reducing power/energy consumption, improving work-hour efficiency, conserving resources, and tackling social issues

Showcasing Developed Technologies to the World

Fujitsu's Environmental Action Plan (Stage VIII) includes the objective of enhancing the company's ability to showcase the green-oriented technologies in its development portfolio to the public. In FY 2017, we advertised our ICT environmental value outside of the Group by giving presentations at press releases, academic society meetings, and exhibitions.

In terms of the SDGs, the technologies that Fujitsu announced in FY 2017 contribute primarily to five goals: "Ensure healthy lives and promote well-being for all at all ages" (Goal 3), "Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation" (Goal 9), "Make cities and human settlements inclusive, safe, resilient and sustainable" (Goal 11), "Take urgent action to combat climate change and its impact" (Goal 13), and "Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss" (Goal 15).

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FY 2017 Development Performance (items appearing in the media)

1. "fipick," a direct device-to-device communication technology without the need for infrastructure
2. Technology for ultra-slim palm vein authentication
3. Development of "Digital Annealer" computational architecture for high-speed solving of combination optimization problems
4. Technology for using AI-powered chat to respond automatically to call center inquiries
5. Development of positive electrode material for lithium iron phosphate batteries possessing high voltage
6. Information-oriented networking technology for connecting participants in data distribution markets
7. Technology for embedding information to LED light and receiving information via smartphone cameras
8. AI-based technology to retrieve similar disease cases in CT inspections
9. Virtual machine control technology to improve server density of datacenter racks
10. Design technology for circuits and GaN-HEMT high-output devices using millimeter-wave bands
11. Technology for speeding up transaction processing on the blockchain
12. Technology using AI to estimate the degree of internal damage to bridge infrastructure
13. AI-based matching technology to calculate an optimal matching of children to daycare center
14. World's highest transmission density optical transceiver and high-speed energy efficient optical modulator technology
15. Development of a GaN-HEMT AC adapter for significantly reducing power consumption when charging mobile devices
16. Technology for automatically generating patch candidates for new bugs during program debugging
17. Technology using open data for visualization and analysis of municipality characteristics from the perspectives of environment, society, and economy
18. Technology for highly accurate estimation of ship performance (ship speed, amount of fuel consumed, etc.)
19. Wireless communication high-capacity technology for fifth generation mobile communications
20. Technology for using AI when processing measurement data of mass spectrometers
21. Security technology to safely connect blockchains
22. High accuracy tsunami Prediction technology which considers tsunami propagation characteristics unique to the region
23. WAN (Wide Area Network) acceleration technology utilizing FPGA accelerators
24. Development of the world's smallest sensor device supporting LPWA (Low Power Wide Area) communication that eliminates need for battery replacement
25. Technology for collecting/analyzing operation data from the entire cloud and then visualizing/adjusting operation of customer systems

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Main Development Initiatives in FY 2017

AI-based Technology to Retrieve Similar Disease Cases in CT Inspections

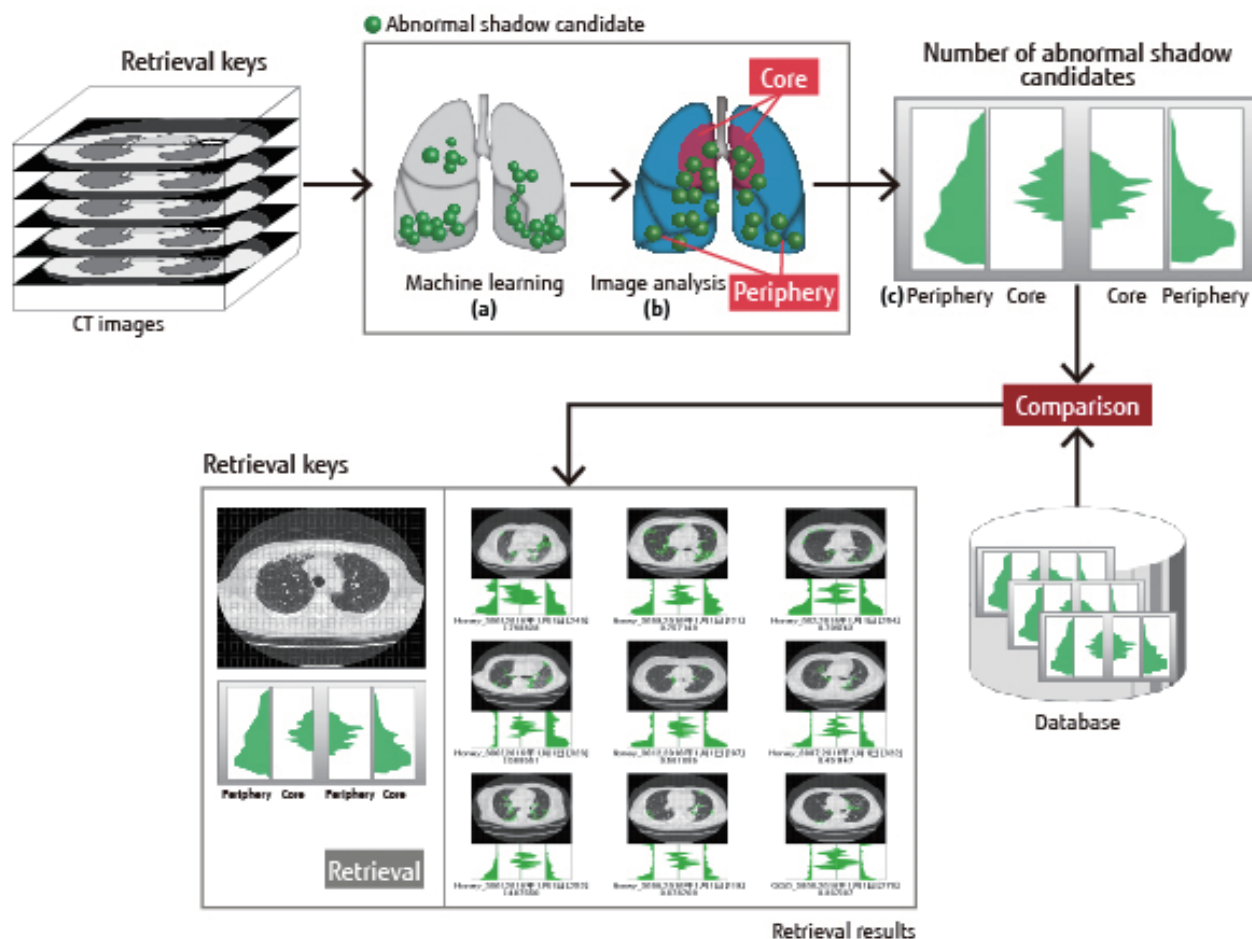


Previously, for early lung cancer and cases in which abnormal shadows are concentrated in a single location, doctors used technology which searched for similar cases based on CT images. However, for patients of diffusive lung disease such as pneumonia, abnormal shadows spread in a three-dimensional form throughout the entire organ. In such cases, it was necessary for doctors to confirm three-dimensional similarity. Accordingly, it took a long time for doctors to make a judgment.

Recently, Fujitsu Laboratories Ltd. developed CT inspection technology for searching cases with similar three-dimensional spreading of abnormal shadows from among databases of CT images taken in the past. First, the technology uses machine learning to identify abnormal shadow candidates from CT images (Figure (a)). Next, the technology divides the lung into core and peripheral ranges (Figure (b)) by successively estimating the border between the center and periphery based on relatively clear portions of the CT images. Finally, the technology plots a histogram along the body axis in the vertical direction (Figure (c)) for the number of abnormal shadow candidates existing in both the core and peripheral ranges and examines the characteristics of three-dimensional spreading in the abnormal shadows, thereby searching for similar cases.

The technology shortens the diagnosis time for cases which previously required a long time for doctors to make a judgment. Accordingly, the technology is expected to increase the efficiency of clinical procedures.

Developed technology for searching similar cases



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Technology for Speeding up Transaction Processing on the Blockchain



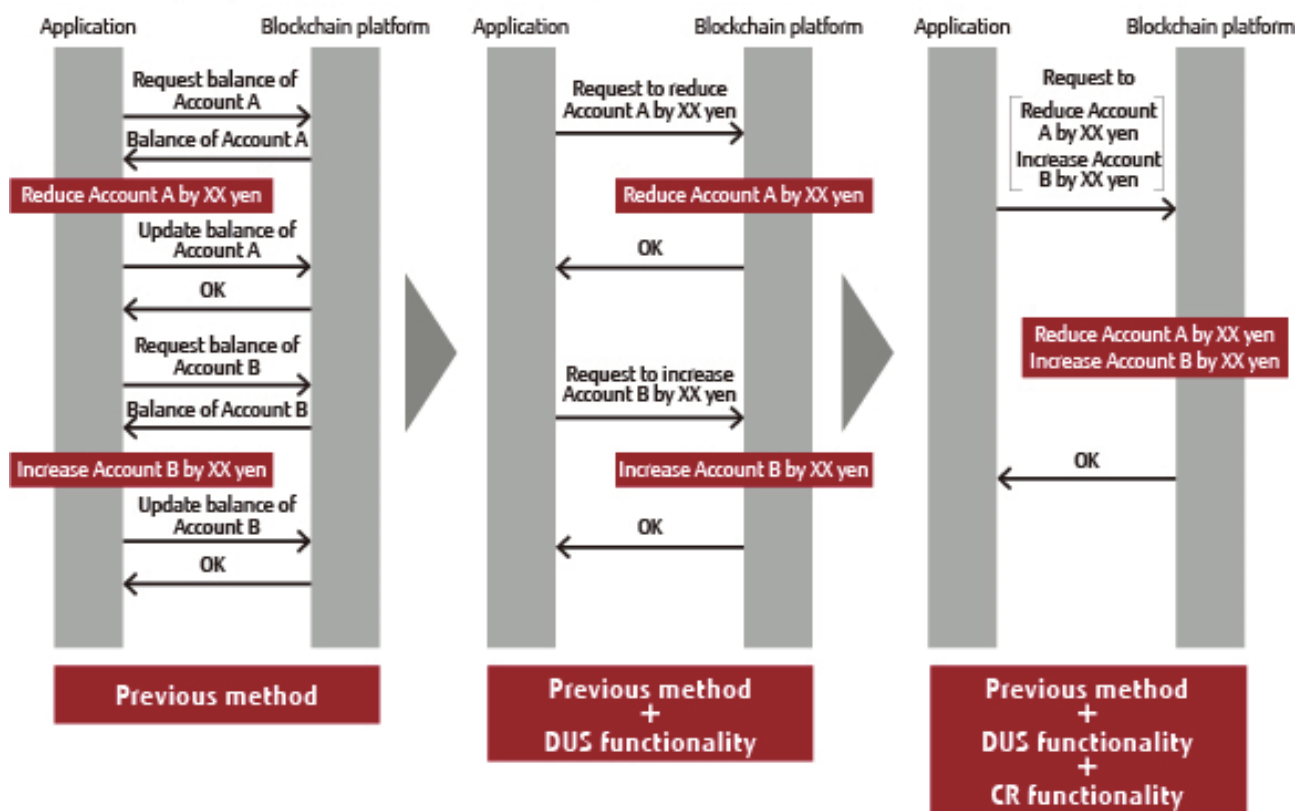
Blockchain technology makes it possible to achieve systems with superior resistance to tampering while also ensuring high transparency and reliability—all without the need for a centralized manager. Accordingly, there are high expectations for the use of blockchain in various industries such as finance.

Recently, Fujitsu Laboratories Ltd. succeeded in increasing efficiency for the previous bottleneck of communication processing between the application and blockchain infrastructure. By doing so, Fujitsu Laboratories developed two technologies (differential update (DUS) functionality and compound request (CR) functionality) for increasing the speed of transaction processing. Upon installing these technologies in Hyperledger Fabric v0.6.1(Note) and performing measurement, we achieved an increase in speed of approximately 2.7 times in transaction performance compared to previous methods. This technology makes it possible to apply blockchain technology to online transaction systems which require high performance.

(Note) Hyperledger Fabric v0.6.1:

Stable version of open source software framework in relation to blockchain (as of July 5, 2017)

Reduced number of communications due to the DUS functionality and the CR functionality (when sending XX yen from Account A to Account B)



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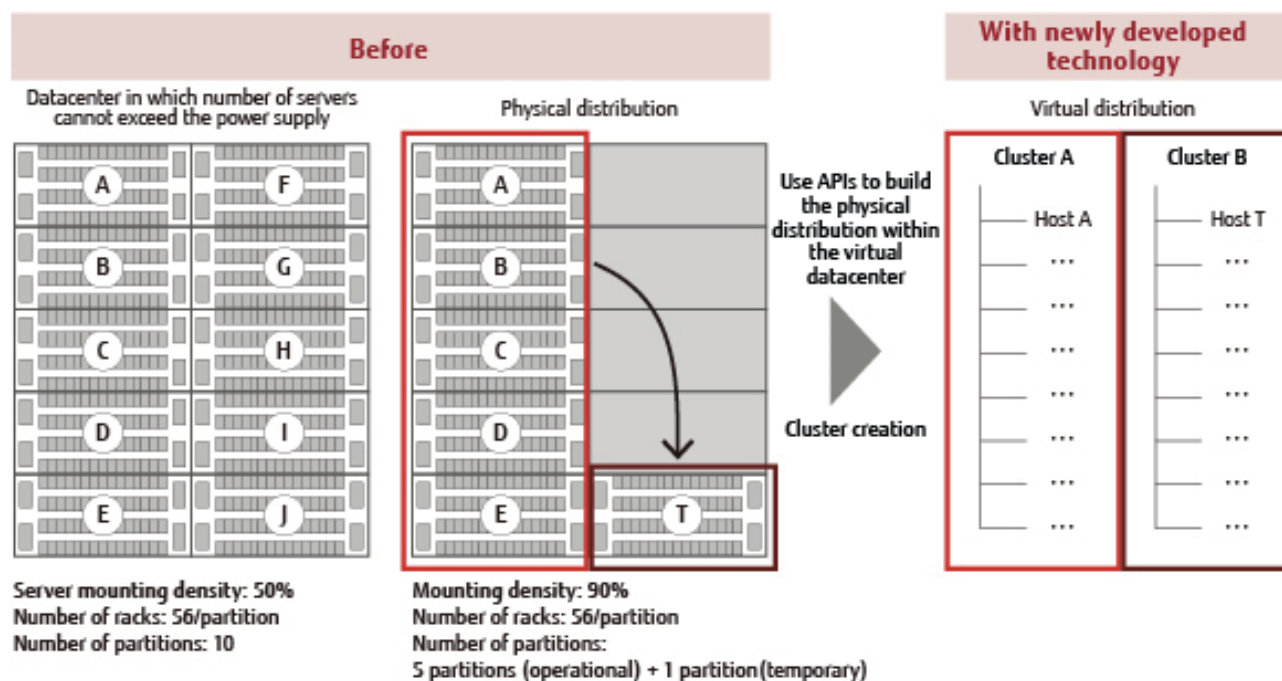
Virtual Machine Control Technology to Improve Server Density of Datacenter Racks



Currently, the number of servers mounted per rack at datacenters is decided by keeping the total value for the server rated power below the power supply amount of the rack. However, there are actually many cases in which the server load is about 10% to 50%. This means that the amount of power used per rack in proportion to load is low compared to the rated power.

Recently, Fujitsu Laboratories Ltd. developed virtual server control technology to achieve efficient server allocation. This technology establishes a partition made up of backup servers in the datacenter and then migrates virtual servers to the backup partition based on the physical distribution and power consumption of the virtual servers. This makes it possible to reduce datacenter space by improving the mounting density for racks with operating virtual servers. In one case with a server rack operation rate of 90%, calculation showed a space reduction of 40%.

VM control technology for increasing server mounting density in a datacenter



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Development of Top-Level Energy Efficient Products

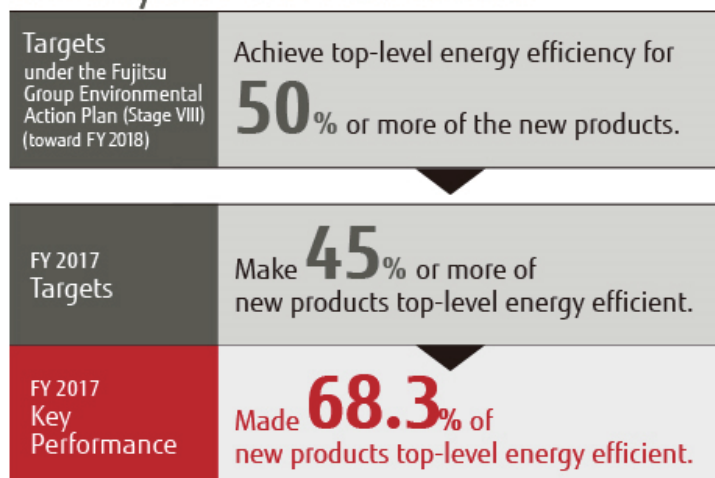
Our Approach

As ICT spreads, an increase in energy demand is expected in proportion to the higher performance and higher-density integration of servers and other ICT products. Accompanying this, energy-related regulations for ICT products are increasing in various countries and regions, such that energy efficiency is taking on importance within society in the form of energy label conformance and green procurement requirements.

The Fujitsu Group believes that we also must aim to improve the energy performance of products during their use, in order to reduce GHG emissions. In that context, we will actively implement energy-saving technologies and continue working to improve the energy efficiency of products. Through these and other product-development efforts, we will strive to reduce the power consumption of our offerings in customer usage settings.

FY 2017 Performance and Results

Summary of FY 2017 Achievements



Actively Applied Energy-Saving Technology

We have set targets for the achievement of top-level energy efficiency based on the number of product series that are expected to be developed during FY 2016-18.

Applications of energy-saving technologies include new, high-efficiency microprocessors and power supplies, energy-saving displays, optimized energy-saving controls, and the strengthening of power management features. In addition to these, we are actively undertaking the aggregation of LSIs and the reduction of components.

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Achieved Top-Level Energy Efficiency for 68.3% of New Products

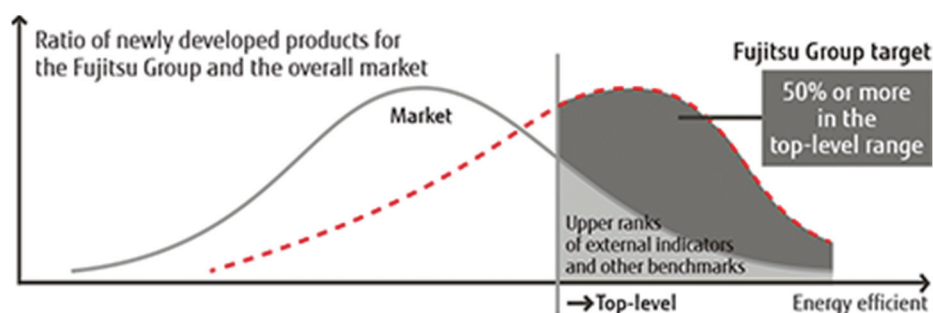
As a result of applying and expanding energy-saving technologies across our divisions in products including servers, PCs, network devices, and imaging devices, we were able to exceed by over 68.3% our 45% target (vs. FY 2017) for new product top-level energy efficiency.

Working toward Our Targets

To help "achieve top-level energy efficiency for 50% or more of the new products," one of the objectives in our Environmental Action Plan, we will continue to make even stronger development efforts to give our products - from leading items in each division to the rest of the lineup - top-level energy efficiency. In addition, we will deploy outstanding energy-saving technology and expand its application to products. Looking toward the future, we aim to push the development of advanced technology, which will contribute to revolutionary improvements in energy efficiency.

● [Reference Information] Top-Level Energy Efficient Products

Products, beginning with top-runner products (first in the world or industry, top of the world or industry), that meet criteria equivalent to the upper ranks of external indicators and other benchmarks of energy efficiency.



● [Reference Information] Top-Level Energy Efficient Product Target Standards

Fujitsu sets targets that recognize top-level energy efficiency standards in each product area compared with the market overall or with conventional products.

Example of Target Standards*1

Reference Level	Product Categories
ENERGY STAR criteria compliant	PCs, displays, imaging equipment, etc.
Top-level Top Runner achievement rate under the Energy Conservation Law	Servers, storage systems, etc.
Industry-leading energy efficiency	LSI, products for specified fields, etc.
Industry's highest-level battery life	Smartphones
Power consumption reductions over prior products/prior performance	Network products*2, electronic components, etc.

*1 Depending on product specifications, standard values differ even for products within the same category.

*2 A larger number of stars designate the top-level, concerning the products which are assessed by Ecology Guideline For the ICT Industry.

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Main Activities in FY 2017

ETERNUS DX series: Hybrid storage system for low power consumption



The ETERNUS DX series is a hybrid storage system that is equipped with a variety of technology and achieves low power consumption. The DX series can be equipped with a maximum of 4,608 disk drives. Also, the DX series is equipped with an eco mode function which utilizes MAID technology*1 for rotating the disks only when necessary. The eco mode function stops the supply of power to disks when the disk drive is not accessed for a certain period of time. Power consumption is reduced by a maximum of approximately 20%, while CO₂ emissions are reduced by approximately 3,000 kg*2 annually.

Other technologies used by the ETERNUS DX series for reducing power consumption are an industry-leading high-efficiency power supply unit and multi-level control of cooling fans rotation depending on the room temperature conditions. Furthermore, ETERNUS DX was one of the earliest systems to implement 12TB disks, 15TB SSD, and other of the latest high-capacity drives, thus achieving reduction of product installation area and improving energy efficiency.

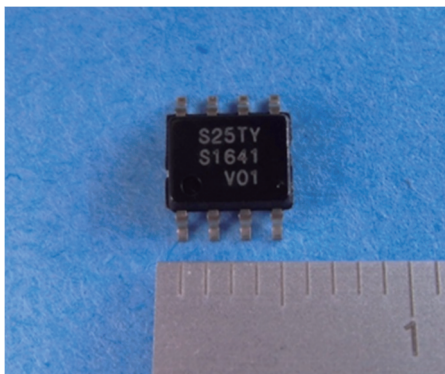
*1 MAID technology: MAID is an acronym for Massive Array of Idle Disks. By stopping disk drives with a low usage frequency, this technology reduces power consumption and extends the lifespan of disk drives.

*2 Comparison conducted by our company between 1) an ETERNUS DX500 S4 that is constantly operated using 130 300GB disks and 80 1TB disks, and 2) when stopping power supply for 20 hours per day for the 1TB disks only.

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FRAM enables low power consumption even in high-temperature environments



In order to achieve Society 5.0 (ultra-smart society), the Internet of Things (IoT) which connects people and physical devices is essential. However, one issue with IoT is striving to increase the efficiency of energy usage. Of course, the current digital society demands lower power consumption for semiconductor LSIs that fulfill an important role in the achievement of IoT. There is also increased demand for nonvolatile memory in which data is not lost even when power is turned off. Also, generally speaking, power consumption increases when LSIs are operated in a high-temperature environment. Therefore, optimal electronic parts are required particularly for products which are equipped with motor devices that generate heat.

In order to respond to these needs, Fujitsu Semiconductor Limited developed FRAM MB85RS256TY and MB85RS128TY to enable suppression of power consumption even in a high-temperature environment. FRAM is nonvolatile memory that possesses the features of “faster write speeds” and **“greater read/write cycle endurance.”** In addition to developing new elements such as ferroelectrics and transistors which compose FRAM, Fujitsu Semiconductor conducted review spanning from specifications to detailed circuit design. As a result, the company succeeded in decreasing power consumption by approximately 60% while expanding the maximum operating temperature by 40°C compared to conventional products. The products developed by Fujitsu Semiconductor Limited can be operated at 125°C. These products are expected to be used in a wide range of industries including automotive equipment and industrial robots.

*For details, please visit

<http://www.fujitsu.com/global/products/devices/semiconductor/memory/fram/lineup/>

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FUJITSU Retail Solution TeamCAT/mini V3: Lightweight design and reduced power consumption



TeamCAT/mini V3 is a multidevice for shopping center tenants. The extensive ports for connection to peripheral devices make it possible to generate shopping center sales reports, use various payment services, and perform point management tasks from a single device. TeamCAT/mini V3 also features a compact body and can be installed in any location. Application development is also made easy by employing the latest multipurpose OS (Windows10 IoT Enterprise 2016 LTSB (64bit)) for the application software.

TeamCAT/mini V3 uses the Intel Atom x5-z8550 (4 core) for the CPU. This made it possible to reduce power consumption by about 30% when compared to conventional products (similar processing), even while being equipped with extensive external interfaces and high-capacity memory. For the lightweight design, the thickness of the PCB has been reduced to two-thirds of conventional products and the number of components has been reduced by utilizing the high-performance CPU. Moreover, conventional products are equipped with balancers to achieve balance with torque occurring when opening the thermal printer cover. In contrast, TeamCAT/mini V3 does not use a balancer; instead, it has a torque damper for reducing torque. These changes achieved a weight reduction of about 17% compared to conventional products.

● Case Studies

<http://www.fujitsu.com/global/about/environment/society/energyefficiency/casestudy/index.html>

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Improving the Resource Efficiency and Resource Circulation of Products

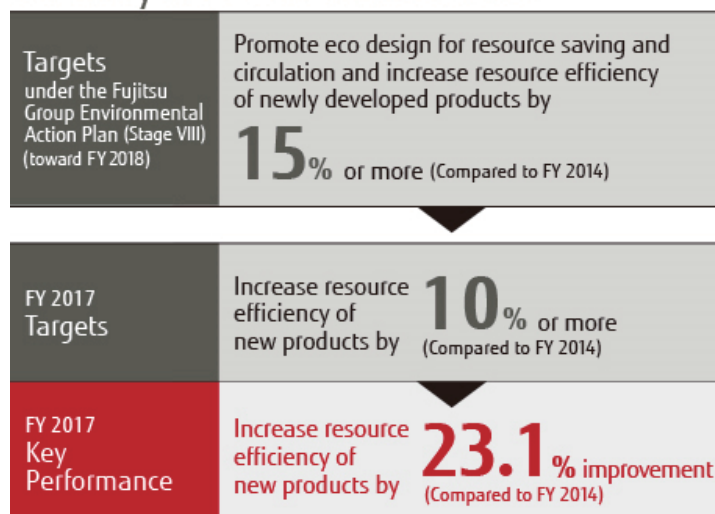
Our Approach

There is a growing view worldwide of the importance of resource efficiency. An example can be seen in the EU's designation of resource efficiency as a growth strategy and its establishment of the Resource Efficiency Flagship Initiative.

Efficient use of resources in the ICT products that we provide to customers is important. We have engaged in 3R design that draws on the principles of reduce, reuse, and recycle, and have developed our products with technology that is effective in reducing the use of resources. We are making efforts to improve resource efficiency, which is made possible by designing products to be lighter and smaller, using recycled plastics, reducing the number of parts, enhancing ease of disassembly, and improving recyclability. Our goal is to offer products that provide customers with benefits including compactness, light weight, and space savings.

FY 2017 Performance and Results

Summary of FY 2017 Achievements



Improving the Resource Efficiency of New Products

In FY 2012, the Fujitsu Group created its own definition of resource efficiency. In FY 2017, as well, we continued to use our indicators to evaluate products newly developed by Fujitsu*1, while also reducing product part quantities and reducing product size through smaller, thinner, and lighter parts and higher-density mountings.

*1 Products newly developed by Fujitsu:
Excludes products for which resource efficiency is determined by customer specifications or standards.

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Achieving 23.1% Improvement in Resource Efficiency

Fujitsu has achieved a 23.1% improvement in FY 2017, against a target of 10%, through reduced size and weight, in PCs, smartphones, mission critical x86 servers, POS tenant devices, mobile phone radio base stations, etc.

Working toward Our Targets

To improve new product resource efficiency by at least 15%, Fujitsu will continue current initiatives, while expanding development of new lightweight, rigid materials and the use of recycled materials. We will also widely publicize product environmental performance to grow sales.

Reference Information

Definition and Calculation of Resource Efficiency

Resource efficiency is evaluated by dividing the value of a production, by the environmental burden (in terms of use and disposal) of the elements (resources) comprising the products.

$$\text{Resource efficiency} = \frac{\text{Product value}}{\text{Environmental burden from resource usage} + \text{Environmental burden from resource disposal}}$$

$\text{Environmental burden from resource usage} = \sum (\text{Resource burden coefficient} \times \text{Resource usage volume})$
 $\text{Environmental burden from resource disposal} = \sum (\text{Resource burden coefficient} \times \text{Resource disposal volume})$

Definition of Each Item

Product value	To place emphasis on the valuation of reduction in environmental burden due to resource usage and disposal, product value is limited to those that related to resource usage and is set on a per-product basis. (Example of factor not considered : CPU performance improvements)
Resource burden coefficient	Environmental burden weighting coefficient that is specific to a particular resource and considers factors like exhaustibility, scarcity, and environmental impact from mining and disposal. Activities will begin with this figure set to a value of "1" for all resources.
Resource usage volume	Mass of each resource used in the product (excluding the mass of recycled plastic used).
Resource disposal volume	Mass of each resource disposed of (not reused) in connection with a post-use product (design value). Activities will begin with this figure set to a value of "0".

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Main Activities in FY 2017

Mission-critical x86 servers featuring both high-performance and compact housing



The 8-socket IA server PRIMEQUEST 3800E maintains world-class performance while also inheriting the high reliability and high availability of the mainframe class. At the same time, it features a compact housing and lightweight design made possible by improved cooling performance and a high-density PSU. The weight was reduced by 41.3%.

Cooling performance was improved by reviewing the CPU heatsink design and improving heat dissipation for the overall heatsink. Furthermore, through improvement of the inlet flow balance made possible by revising the housing layout and duct structure, the heat radiation capacity has been significantly increased. This made it possible to reduce the size of the CPU heatsink to one-fifth of the original.

Furthermore, by using a high-performance contra-rotating fan for the cooling fan, the airflow per unit volume was increased by 1.8 times. The density of the PSU was increased by revising the cooling method and implementing high-efficiency technology. PRIMEQUEST 3800E achieves four times the power density compared to the conventional product (PQ2800E). Through these initiatives, we succeeded in greatly reducing the size of the server.

13.3" notebook PC achieves the world's lightest weight for the second consecutive year



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For the second consecutive year, LIFEBOOK UH75/B3 was the world's lightest 13.3" notebook PC. The previous model that was released in 2016 weighed 761 grams, while the new model released in November 2017 was 13 grams lighter, achieving a weight of 748 grams.

Compared to the previous model, we achieved a 9-gram reduction by revising the structure of the battery case frame. For the housing cover, we cut multiple concentric shapes inside the cover and reduced the cover thickness. These changes reduced the cover weight by a total of 4 grams. Furthermore, by using magnesium alloy in the housing top surface, bottom surface, and wrist rest cover, we achieved a strong design in conjunction with the light weight.

Advancing 3R Design

Through our proprietary product environmental assessments and green product evaluations, the Fujitsu Group is working toward the application of reduced resource usage, improved recyclability, and other technologies that take into account the 3Rs. Examples of the effective resource-saving technologies that we are deploying in our products include reductions in the number of components and cables, performance enhancements, space savings through higher-density integration, and digital product manuals. Furthermore, we are using Fujitsu's own 3-D Virtual Product Simulator (VPS), which is popular with many of our customers during their product design processes, to test the steps involved and the convenience of product assembly and disassembly before creating prototypes.

From 2010, we have also conducted regular study tours for designers at the Fujitsu Group recycling centers. In addition to hands-on experience with dismantling used products, designers gain feedback from staff in charge of recycling through idea exchanges and explanations of the obstacles to ease of dismantling. From FY 2015, the Fujitsu Group has been summarizing examples of the obstacles to ease of dismantling that we have learned from some 90 case studies at 5 recycling centers. Results are distributed in a systematic collection complete with pictures.



Gaining experience in dismantling at recycling center study tour

Eco-Friendly Packaging

Fujitsu is working on a variety of methods for reducing its use of packaging and cushioning materials. Conventionally, a notebook computer is shipped individually packed in a cardboard box, but now, by packing several products in a single returnable container, we have reduced shipping space and cardboard waste. For larger products, we have replaced conventional cushion foam with returnable air packs. With this new packaging style, we are repeatedly using packaging materials, and can use the same materials for various products. Greater efficiency in the use of packaging materials has reduced the amount of cushioning materials and wastepaper shipment, thereby, significantly reducing CO₂ emissions. We also use vegetable oil inks, which are lower in volatile organic compounds (VOCs), a known atmospheric pollutant, to print the boxes used for packaging PCs and other equipment.

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Product Recycling

Our Approach

The Fujitsu Group's product recycling programs are based on Extended Producer Responsibility (EPR) and Individual Producer Responsibility (IPR). EPR holds that producers bear responsibility for products from design and manufacturing to disposal and recycling. IPR holds that producers bear responsibility for their own products. IPR is a major challenge for the Fujitsu Group in expanding our business globally, but we believe that responding to this challenge, and that of EPR, in collaboration with industry associations and governments will enable us to help create a recycling-minded society in which the requirements and demands of all stakeholders are met. The Fujitsu Group carries out recycling programs that comply with the laws and regulations of the various countries in which it operates. Fujitsu accepts industrial waste for appropriate processing at Fujitsu recycling centers across Japan. We also try to do as much collection, reuse and recycling as we can, even in countries where recycling is not obligatory.

FY 2017 Performance and Results

Summary of FY 2017 Achievements

Targets under the Fujitsu Group Environmental Action Plan (Stage VIII) (toward FY 2018)	Maintain over 90% resource reuse rate for business ICT equipment at Fujitsu recycling centers.
FY 2017 Targets	Achieve a 90% resource reuse rate.
FY 2017 Key Performance	Achieved a 91.5% resource reuse rate.

Promoted Recycling of ICT Products

In Japan, the Fujitsu Group has built a recycling system that covers the entire country. While ensuring thorough traceability and security, we are steadfastly implementing Extended Producer Responsibility by providing safe and secure services that achieve high resource reuse rates in order to promote the recycling of ICT products.

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Achieved a 90% or Higher Reuse Rate

We processed 3,844 tons of recycled ICT products (used ICT products for business applications) from corporate customers and achieved a resource reuse rate of 91.5%. Also, we have now collected a total of 59,144 end-of-life PCs from individual customers.

Trends in Resource Reuse Rates of End-of-Life Business ICT Products

FY	2014	2015	2016	2017
Resource reuse rate* (%)	90.9	92.0	92.0	91.5
Amount processed (tons)	5,016	5,203	4,185	3,844

* Weight percent ratio of recycled parts and materials to end-of-life products

Trends in Numbers of End-of-Life PCs Collected from Individual Customers

FY	2014	2015	2016	2017
End-of-life PCs collected (units)	103,276	69,801	61,435	59,144

● Case Studies

<http://www.fujitsu.com/global/about/environment/society/recycle/casestudy/index.html>

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Reducing Greenhouse Gas (GHG) Emissions and Boosting Energy Intensity at Our Business Sites

Our Approach

The Fujitsu Group believes that prevention of global warming is a priority issue. Accordingly, we have formulated the "FUJITSU Climate and Energy Vision," Fujitsu's medium/long-term environmental vision, and aim to eliminate all CO₂ emissions from our business activities by 2050.

The primary GHG emissions from our business sites (plants, offices, and datacenters) are CO₂ accompanying energy (electricity, fuel oil, and gas) usage, and perfluorocarbon (PFC), hydrofluorocarbon (HFC), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃) used in semiconductor manufacturing. In addition to complying with relevant laws, we have set reduction targets for these and are striving to decrease and control the amounts we use and emit.

Reduction of CO₂ Emissions due to Energy Consumption

CO₂ emissions due to energy consumption are responsible for about 90% of the Fujitsu Group's greenhouse gas emissions. Therefore, we continuously work to improve the following energy-saving measures to reduce CO₂ emissions.

- Energy-saving equipment, focusing on motive-power facilities (introduction of free cooling, inverters, energy-saving facilities, fuel conversion, etc.)
- Increased efficiencies through revised manufacturing processes, accompanied by proper motive-power facility operation and improvement of management
- Adjusting appropriate room temperature for office air conditioning, saving electricity for lighting and office automation equipment
- Promotion via measurement of energy consumption visualization and proactive use of that data
- Use of renewable energy such as solar power

<http://www.fujitsu.com/global/about/environment/operation/renewable-energy/index.html>

Reducing Emissions of Greenhouse Gases other than CO₂

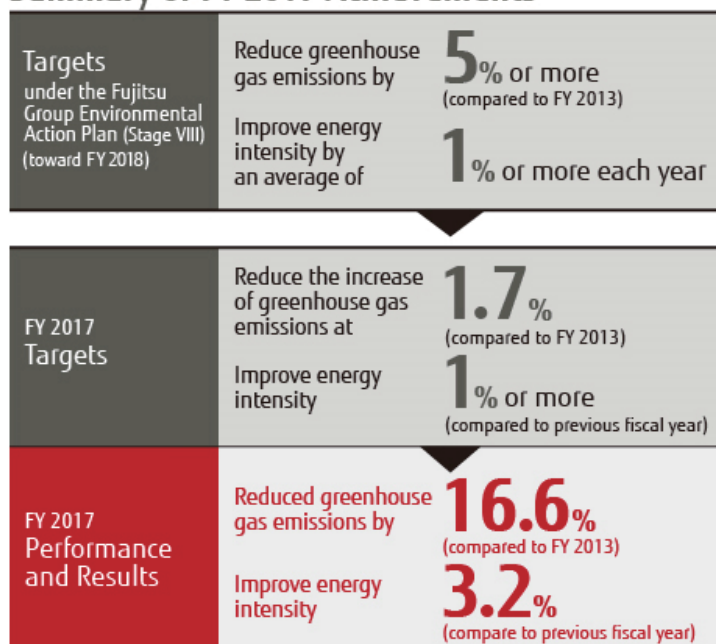
For greenhouse gases other than CO₂, the Fujitsu Group mainly uses perfluorocarbon (PFC), hydrofluorocarbon (HFC), sulfur hexafluoride (SF₆) and nitrogen trifluoride (NF₃) at its semiconductor divisions. We have been continuously working on changing these gases to those with a lower global warming potential (GWP) and installation of equipment to remove harmful materials in our new and existing fabrication lines.

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FY 2017 Performance and Results

Summary of FY 2017 Achievements



Promoted Reductions of CO₂ Emissions Accompanying Energy Consumption

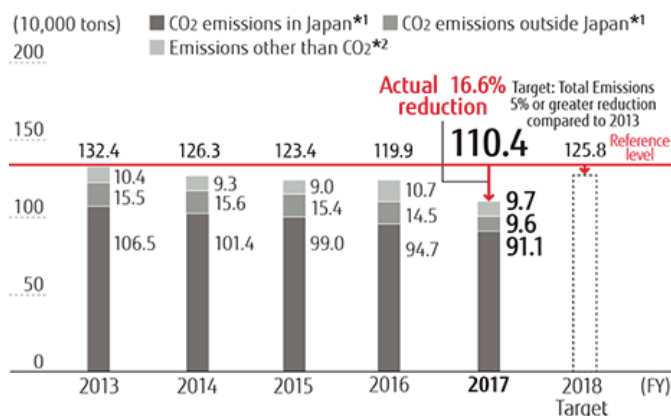
In FY 2017 as well, we are introducing and upgrading BAT* at each business site, streamlining manufacturing, making energy consumption "visible," and utilizing measurement data, etc.

GHG emissions in FY 2017 totaled approximately 1,104,000 tons (specific consumption/sales revenue: 26.9 tons/100 million yen), down 16.6% since FY 2013. Although some of this decrease is attributable to factors such as transfer of business, we also implemented other measures to reduce by approximately 30,000 tons.

Additionally, energy intensity improved by 3.2% year on year. This is an annual average improvement of 1.4% from FY 2016 to FY 2017.

* BAT (Best Available Technologies): Usable state-of-the-art technologies to reduce GHG.

Trends in Total Greenhouse Gas Emissions



*1 CO₂ emissions in/outside Japan: CO₂ conversion factor for purchased electric power has been calculated with a fixed value of 0.570 tons-CO₂/MWh from FY 2013 to FY 2015, and a fixed value of 0.534 tons-CO₂/MWh for FY 2016 for performance reports in our Environmental Action Plan, calculated as 0.518 tons-CO₂/MWh for FY 2017.

*2 Emissions other than CO₂: These are converted to equivalent amounts of CO₂ using the global warming potential (GWP) of each gas.

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Main Activities in FY 2017

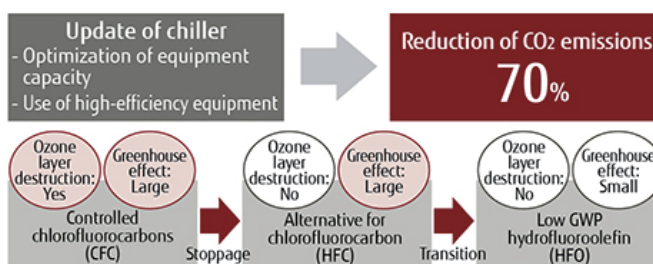
Installation of a High-efficiency Chiller for Significant Reductions in CO₂ Emissions and Global Warming Coefficient

In FY 2017, Mie Fujitsu Semiconductor Limited updated our chillers for our office area. As a measure against climate change, we selected and installed a chiller which is effective in terms of both reducing energy and reducing refrigerant fluorocarbon load. By installing a high-efficiency inverter-type centrifugal chiller, we were able to reduce the amount of CO₂ emission associated with energy consumption by 70% (CO₂ reduction amount: 2,743 tons/year). Also, we now use hydrofluoroolefins (HFO) as new refrigerant, making it possible to reduce the global warming coefficient from the previous 1,300 times to 1 time (not subject to the Act on Rational Use and Proper Management of Fluorocarbons JAPAN).

By using this chiller, we are contributing to suppression of global warming caused by leakage of fluorocarbons at the time of installation or maintenance. We will continue to select and install environmentally-friendly equipment.

Comparison of Refrigerant

	Existing chiller Existing refrigerant (HFC)	New chiller HFO (new refrigerant)
Global warming coefficient	1,300	1
Atmospheric lifespan	13.8 years	26 days
Act on Rational Use and Proper Management of Fluorocarbons	Subject	Not subject
Subject to the High Pressure Gas Safety Act	Required	Not required
Rated COP (200Rt model)	6.1	6.3



Inverter-type centrifugal chiller

● Case Studies

<http://www.fujitsu.com/global/about/environment/operation/activities/casestudy/index.html>

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Improve Power Usage Effectiveness (PUE) at Our Data Centers

Our Approach

With the spread of cloud computing, energy use by data centers is on an upward trend and society is showing more concern over the environmental performance of data centers. Data centers comprised 25% of FY 2017 CO₂ emissions in the Fujitsu Group, with emission rates increasing by an annual average of 5.0% over the four years from FY 2013–17 at our 36 main data centers inside and outside Japan. Furthermore, our data center CO₂ emissions are expected to continue to rise as our cloud business grows, making environmentally conscious data centers a social responsibility for the Group, as well as a critical theme to address in strengthening our business foundation over the long term. In the Fujitsu Group, we are targeting*¹ approximately 80% of our data centers (based on server room floor space) and we are working to boost environmental performance.

*1 Activity targets:

Global data centers 1,000 m² or larger, in principle, or specific data centers requested by data center business units.

FY 2017 Performance and Results

Summary of FY 2017 Achievements

Targets under the Fujitsu Group Environmental Action Plan (Stage VIII) (toward FY 2018)	Improve PUE of our major data centers by 8% or more. (Compared to FY 2013)
FY 2017 Targets	PUE 1.59 Improvement rate 6.4% (Compared to FY 2013)
FY 2017 Key Performance	PUE 1.60 Improvement rate 6.2% (Compared to FY 2013)

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Promoting Activities to Achieve the Targets

As part of activities based on the Fujitsu Environmental Action Plan, Fujitsu is moving forward with the improvement of PUE^{*2} at its data centers inside and outside Japan. PUE in FY 2017 was 1.60, slightly exceeding our target of 1.59. However, through primary initiatives including improving the cooling efficiency of air-conditioning systems, expanding the hours when external ventilation is used, and maximizing utilization of free cooling options, we achieved an average yearly improvement of approximately 2%.

We will continue to reduce the power used for facilities and ICT by making energy more efficient through improved operations and introduction of innovative technologies. Furthermore, we will strive to increase the use of renewable energy, aiming for a carbon-free society as stipulated in the Paris Agreement^{*3}.

^{*2} PUE (Power Usage Effectiveness): an indicator showing the energy saving performance of data centers. PUE is obtained by dividing the energy usage of an entire data center by the energy usage of its servers and other ICT equipment. A PUE closer to 1.0 indicates better energy efficiency.

^{*3} Paris Agreement: A new framework for measures against global warming to reduce greenhouse gases through international cooperation, with more than 190 countries from the developed and developing world participating. It came into force in November 2016.

PUE Values and PUE Calculation Method

PUE values	PUE calculation method, etc.
Range: 1.31–2.98 Applicable DCs: 36 centers	- The Green Grid's method used - Implementation of improvement initiatives using the organization's DCMM

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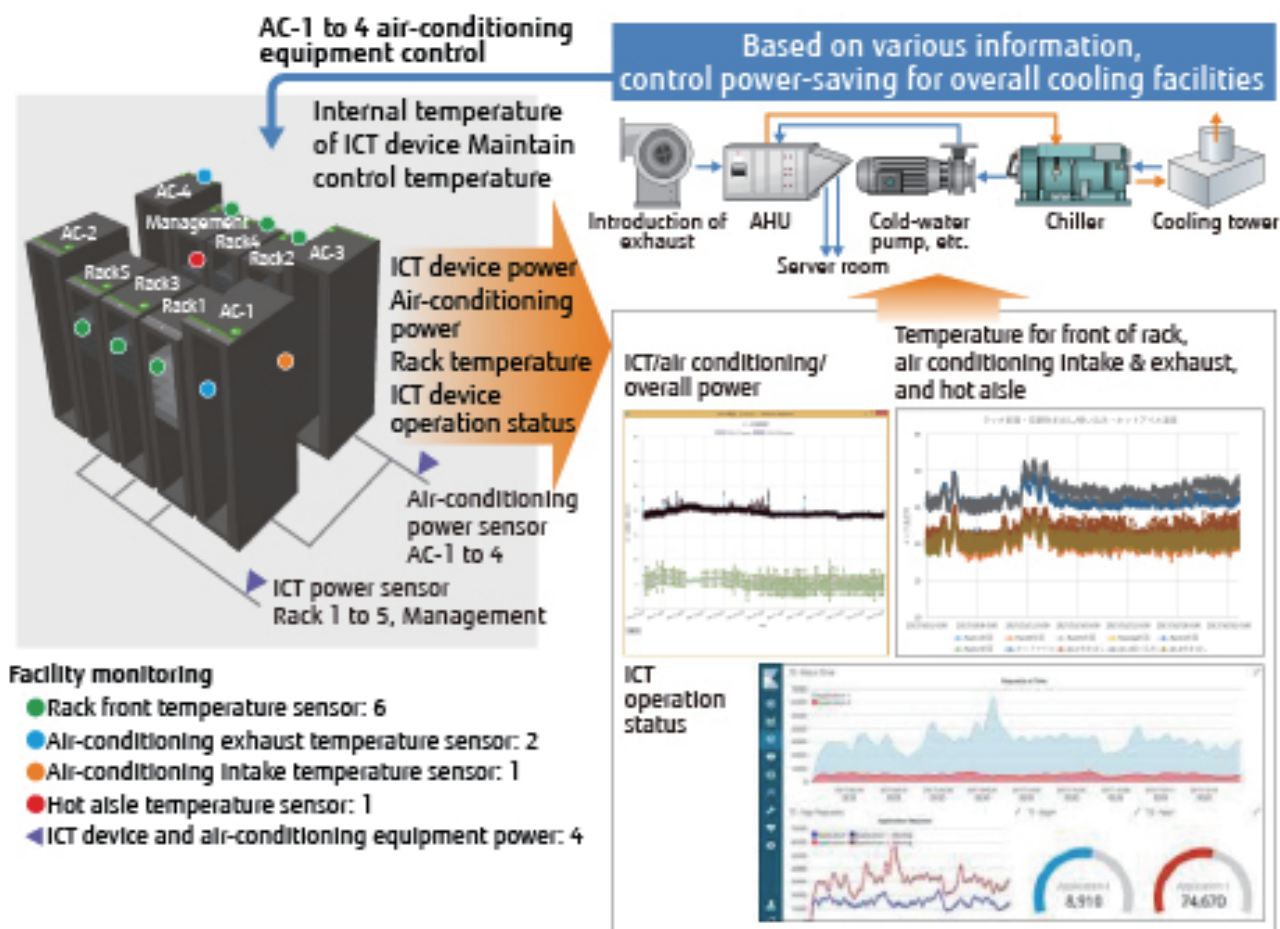
Main Activities of FY 2017

Air-conditioning Equipment Control through AI

Continuing from FY 2016, we worked to improve air-conditioning energy efficiency inside and outside Japan. We are improving efficiency through new technologies to achieve Environmental Action Plan (Stage VIII) targets.

For example, we reduced annual power consumption by 20% by using Fujitsu's innovative just-in-time modeling air-conditioning controls, predicting temperatures and humidity an hour ahead from temperature, humidity, and power data for outside air environment and inside servers, and then controlling outside air cooling and air-conditioning equipment air temperature. Moreover, we plan to further expand the control area. We are also currently verifying AI-driven learning control technology. We are improving power efficiency for air conditioning by modeling optimal air conditioning properties based on factors including wind volume, processing heat, and ICT device load. Moving forward, we will utilize the effectiveness of these measures to enable control of cold/heat-source facilities such as chillers and cold-water pumps.

Air-conditioning Equipment Control through AI



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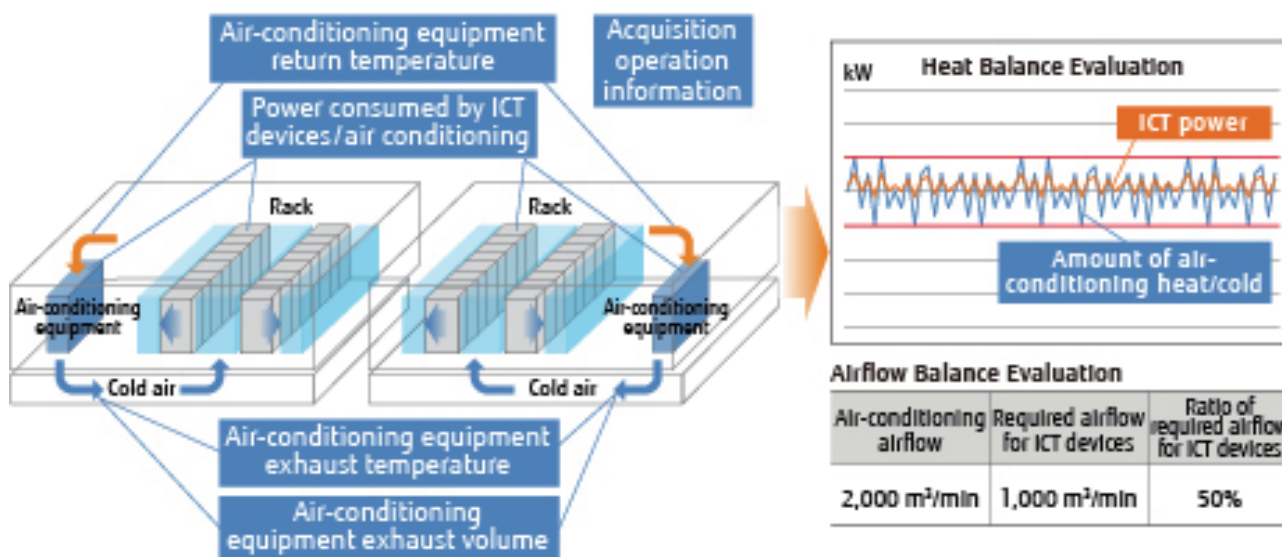
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Improved Operation through Development of a Data Center Evaluation Tool

At the Fujitsu data center located in Tochigi Prefecture, as a method of evaluating whether or not the cooling energy of ICT devices is being efficiently operated and controlled, we conducted analysis based on the heat balance and airflow balance. During analysis, we ascertained the energy reduction potential amount from the current structure and facilities specifications of the data center. We then developed a "data center evaluation tool" capable of calculating the theoretical PUE value which can be achieved through improvements.

Using the tool makes it possible to analyze the necessity of implementing high-efficiency facilities by visualizing energy loss and proposing optimal related measures. Based on the analysis results, we are working to clarify policies for improving data center operation and achieving even greater efficiency. Also, in order to realize even smoother improvements, we are planning to create guidelines based on expertise gained from evaluation methods and different data centers. We will then make these guidelines available throughout the Fujitsu Group.

Data Center Evaluation Information



Expanded Use of Renewable Energy

In May 2017, we announced our company's Environmental Vision for the achievement of a low-carbon society. We are taking steps to systematically transition to renewable energy for the power used by our data centers. In particular, the shift to renewable energy is proceeding with a focus on overseas, where it is possible to procure green energy. Renewable energy now accounts for 17% of the total power used at our 36 main data centers inside and outside Japan.

Almost all of our data centers using renewable energy are located overseas. We will work to actively expand the use of renewable energy from our overseas sites.

● Case Studies

<http://www.fujitsu.com/global/about/environment/operation/pue/casestudy/index.html>

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Expand the Use of Renewable Energy

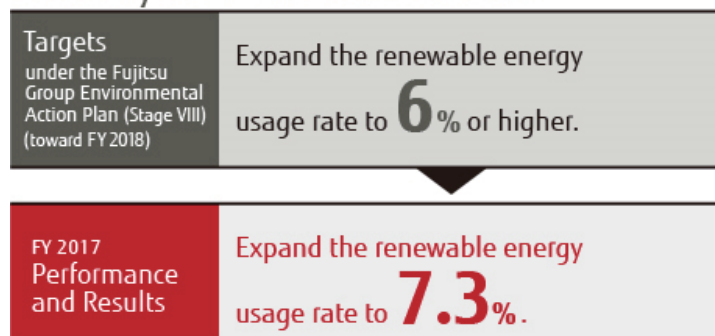
Our Approach

Widespread use of renewable energy in society has reached a new level of importance from the perspectives of addressing global warming, securing stable energy supplies through diversifying our energy sources, and growing our economy with energy as a pillar of support.

The Fujitsu Group has established its environmental vision aimed at achieving a decarbonized society. Under this vision, we proactively promote renewable energy use as well as thorough energy saving. To achieve this vision, we have set new quantitative targets in the Environmental Action Plan, and are actively promoting the installation of solar power generation equipment at our business sites, as well as expansion of purchasing and use of green power (electric power generated with 100% renewable energy) at overseas business sites at which costs are particularly reasonable.

FY 2017 Performance and Results

Summary of FY 2017 Achievements



New Usage Rate Target of 6% or Higher

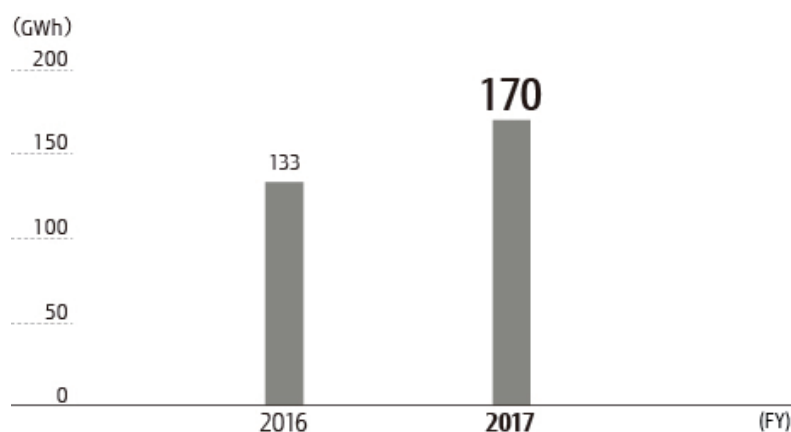
Although numerical targets for the use of renewable energy were not originally set in the Environmental Action Plan (Stage VIII), we set a new target in FY 2016: increasing the usage rate by 6% or higher in an effort to increase purchasing and use of renewable energy, mainly in overseas regions in which it is possible to procure with economic rationality. In an effort to expand purchasing and use more, we are utilizing the Guidelines for Adopting Renewable Energy and the External Renewable Energy Information Database, both newly created in FY 2017, and reviewing implementation at our domestic and overseas business sites. In FY 2017, approximately 170 GWh of renewable energy was used, constituting 7.3% of the total amount of power usage.

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Fujitsu Finland Ltd. Green Power Certificate

Change in Amount of Renewable Energy Used by the Fujitsu Group



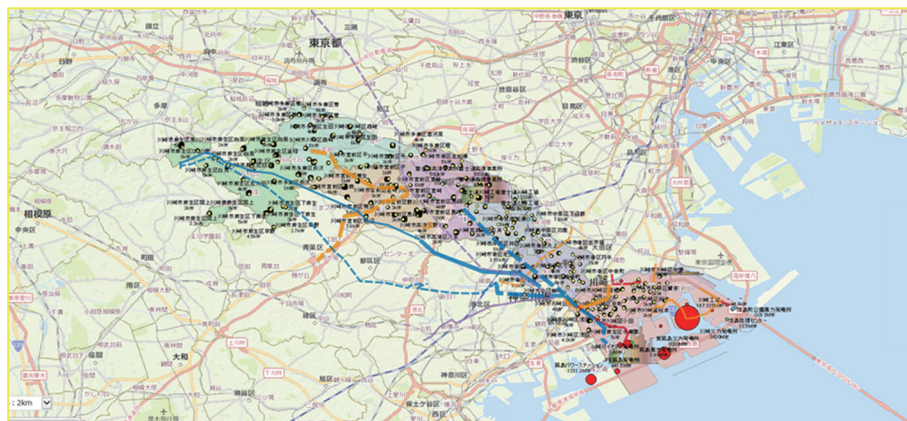
Main Activities in FY 2017

Joint Research with Kawasaki City for a Renewable Energy Regional Cooperation Model

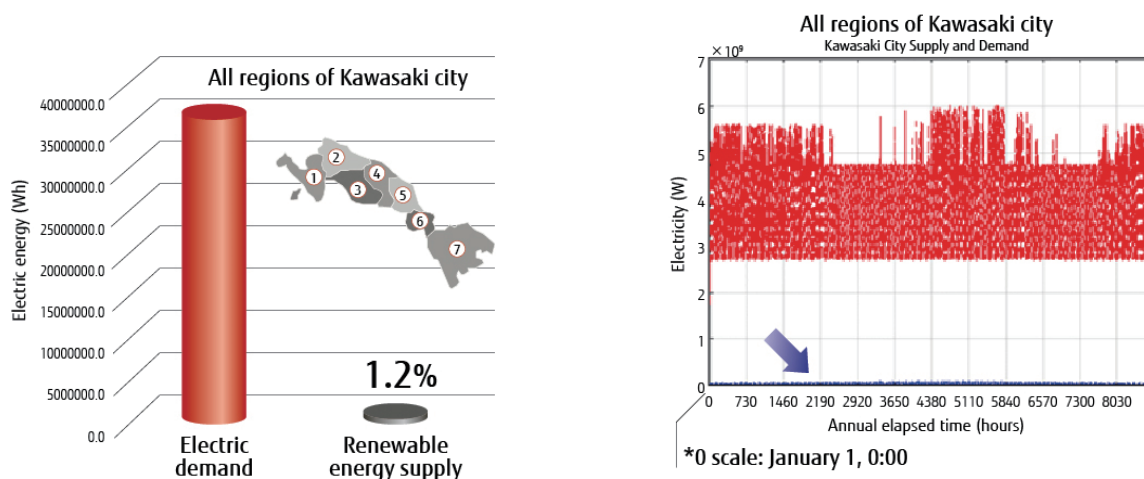
With the goal of reducing greenhouse gas emissions amount, the entire Fujitsu Group has worked to achieve a low-carbon society. However, it is difficult to expect significant results by merely extending existing measures in which corporations work individually to reduce environmental load. It is necessary to evolve future environmental activities in order to realize collaboration and co-creation that will overcome various barriers such as industrial regions.

Therefore, in July 2017, we started research on a "renewable energy regional cooperation model" in collaboration with Kawasaki city, which is the location of the Fujitsu Main Office. The research is aimed at efficient usage of renewable energy in the region. In FY 2017, in addition to creating a map of renewable energy generation sites in the city, we used an environmental energy simulator developed with a British corporation to review the energy supply and demand balance in seven districts of Kawasaki city. In FY 2018, by constructing a precision model of areas around Kawasaki Station and Musashi-Kosugi Station and simulating the effect of implementing solar and wind power generation facilities, we plan to conduct even more detailed review for implementation of renewable energy.

- | | |
|---|--|
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Map of renewable energy generation sites in Kawasaki city



Results of energy simulation in Kawasaki city

● Case Studies

<http://www.fujitsu.com/global/about/environment/operation/renewable-energy/casestudy/index.html>

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Drive Activities to Reduce CO₂ Emissions in the Supply Chain

Our Approach

The Fujitsu Group takes many steps to combat global warming. In addition to working to cut its own emissions, the Group also requests its business partners to implement CO₂-reduction activities as part of its green procurement efforts. As a result, all of the Group's major business partners have launched CO₂-reduction activities.

The Group began extending the scope of the activities further up the supply chain in FY 2016. In addition to asking business partners to take reduction-oriented steps, the Group has also requested its business partners to encourage similar initiatives at their own suppliers (the secondary suppliers to the Fujitsu Group).

Engaging in activities across the entire supply chain could help us not only expand our reduction effects (through synergy) but also enlarge the scope of the activities internationally, given the border-crossing scale of the supply chain. By pursuing these initiatives, we will keep striving to establish a decarbonized society for future generations.

FY 2017 Performance and Results

Summary of FY 2017 Achievements

Targets under the Fujitsu Group Environmental Action Plan (Stage VIII) (toward FY 2018)	Drive activities to reduce CO ₂ emissions in the supply chain.
FY 2017 Targets	Through business partners, request secondary suppliers to implement CO ₂ -reduction-oriented activities.
FY 2017 Key Performance	Through major business partners (approximately 1,600 companies), requested secondary suppliers (over 38,000 companies) to implement CO ₂ -reduction activities.

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Request/Support for Activity Development at Secondary Suppliers

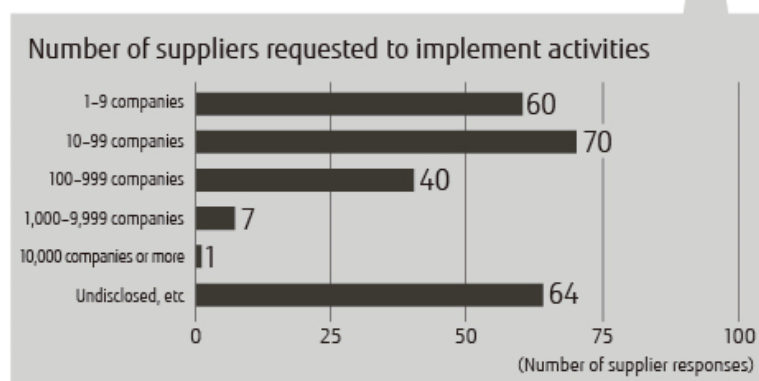
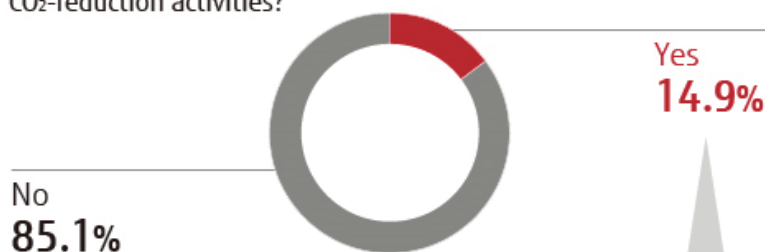
We asked our major business partners, which account for over 98% of the Group's total procurement value, to ask their own suppliers (our secondary suppliers) to comply with the Group's requests for the implementation of CO₂-reduction activities. We also assessed the status of activities at our business partners using a unique Environmental Survey Sheet.

After analyzing the survey responses and creating a report outlining activity trends, we provided the results to the partners that submitted survey responses as a form of feedback that they could reference when developing and implementing future activities, urged the partners to continue engaging in activities, and asked them to extend the scope of activities to their own suppliers.

Although the number of the Group's business partners responding that they had asked their own suppliers to implement activities came to less than 14.9% of the total as of the end of FY 2017, the number of secondary suppliers that received requests topped 38,000—a promising beginning for substantial awareness-raising initiatives.

CO₂-reduction activities at secondary supplier sites

Have you requested your suppliers to implement CO₂-reduction activities?



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Starting the Provision of "Guideline for activities for reducing CO₂ emissions"

In order to spread activities for reducing CO₂ emissions throughout the entire supply chain, the Fujitsu Group has created its own unique explanatory materials and started providing the materials to business partners. In addition to obtaining increased understanding from business partners regarding the importance of taking action in the supply chain, the materials are also intended for use by the Group when requesting and supporting activities at business partners. The materials are posted on the Group's website, which has been accessed more than 800 times in about a four-month period. This shows the overwhelming response to this new initiative. Moving forward, the Fujitsu Group will continue to fulfill its role as a global corporation by constantly considering what is needed to reduce global warming and then taking action.

※Guideline for activities for reducing CO₂ emissions" can be downloaded from the following URL.

Japan: <http://www.fujitsu.com/jp/about/procurement/material/green/>

Global: <http://www.fujitsu.com/global/about/procurement/green/>

Informational materials for business partners

② Implementing activities (1/3): Setting goals

1. Design activities
 (1) Identify candidate efforts that you can implement in-house
 (2) Select candidates for implementation

2. Set progress goals
 (using numerical data for measuring activity progress)
 Select CO₂ emissions data or data with direct links to CO₂ emissions (power usage, etc.)
 * If you have difficulty selecting CO₂ emissions data, please refer to the "Guideline for activities for reducing CO₂ emissions" (2/3): Designing activities and selecting progress indicators for managing progress

3. Set numerical goals
 Establish an activity goal
 * If you have difficulty setting numerical goals, please refer to the "Guideline for activities for reducing CO₂ emissions" (2/3): Designing activities and selecting progress indicators for managing progress

② Implementing activities (2/3): Designing activities and selecting progress indicators for managing progress

Focus	Activities (ex.)	Progress/monitoring indicators (ex.)
Saving energy (reducing lighting power consumption)	Switch off unnecessary lighting/ Install LED	Implementation rate/installation rate/energy-saving rate
Saving energy (reducing common-use facility power consumption)	Turn off lights during break times Stop servers on holidays Reduce overtime hours/ specify days on which all employees leave work at the same time	Time with lights off/ implementation rate Stoppage period/stoppage rate Implementation rate per department
Saving energy (reducing air-conditioning power consumption)	Place time limits on reception/conference room usage Set air-conditioning systems to appropriate temperatures Install rooftop greening/ wall greening	Time used/energy-saving rate Implementation rate/ implementation period Implementation rate/greening area per building
Saving energy (promoting renewable energy)	Install green electricity systems	Installation rate
Saving energy (changing lifestyles)	Encourage employees to bike to work Promote eco-driving	Number of employees taking part in the initiative/implementation rate Implementation rate/ELV installation rate
Preserving biodiversity (preserving CO ₂ -absorbing vegetation)	Implement forest-preservation activities	Number of activities/number of participants/forestation land area/number of trees planted
Conserving paper resources	Promote efforts to go paperless	Reduction volume/ implementation rate
Promoting environmental awareness	Take steps to raise awareness through in-house education	Attendance/attendance rate/quiz pass rate

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Reduce CO₂ Emissions from Transportation

Our Approach

With Group companies and business sites worldwide, and materials/parts sourced from a significant number of business partners, reducing CO₂ emissions accompanying logistics and transportation activities is a priority for the Fujitsu Group.

The Fujitsu Group has worked toward its targets for CO₂ emission reductions from domestic transport. Since Environmental Action Plan (Stage VII), we have expanded the scope of reductions to transport within regions overseas, as well as international transport. Stage VIII also drives streamlining and greater in global logistics.

The Group is working toward lowering environmental impact throughout the supply chain, such as displaying copies of the Fujitsu Group Green Logistics Procurement Directions, to strengthen our partnerships. Lastly, as an initiative in our overall distribution process, the Group is devoting effort to the 3Rs (Reduce, Reuse, Recycle) in packaging products and materials/parts.

- Fujitsu Group Green Logistics Procurement Direction Edition1.0 [In Japanese] [253KB]
http://www.fujitsu.com/downloads/JP/archive/imgjp/jeco/products/logistics_guide.pdf

FY 2017 Performance and Results

Summary of FY 2017 Achievements

Targets under the Fujitsu Group Environmental Action Plan (Stage VIII) (toward FY 2018)	Reduce by over 2% on average every year CO ₂ emissions per sales* from transport (compared to previous fiscal year)
FY 2017 Targets	Reduce by over 2% CO ₂ emissions per sales from transport (compared to FY 2016)
FY 2017 Key Performance	Reduced by 10.0% CO ₂ emissions per sales from transport (compared to FY 2016)

* Net Sales: Excludes the impact of exchange rates

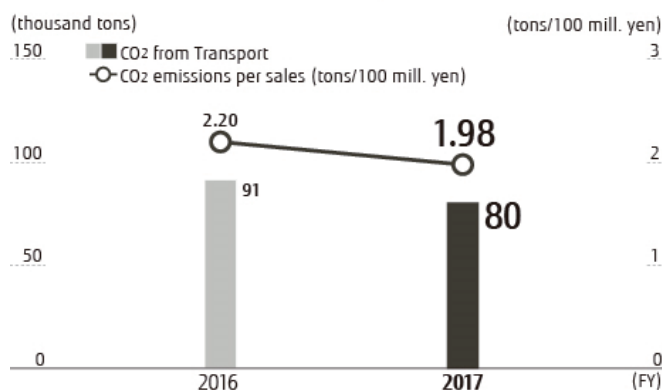
Reduced by 10.0% Compared to Previous FY; FY 2017 Results Broadly Surpassed Targets

The amount of transportation CO₂ emissions in FY 2017 was 80,000 tons. Among that amount, 20,000 tons of CO₂ were emitted during transport in Japan, while 60,000 tons were emitted during transport to overseas and transport in foreign regions. The amount of CO₂ emissions per sales was reduced by 10.0% compared to FY 2016, which means that the Group succeeded in meeting its targets for FY 2017.

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Trends in CO₂ Emissions from Transport



Example Initiatives in FY 2017

Promoting modal shifts (switching from air to ocean shipments)

For the material shipment of computers and PC servers from overseas, Fujitsu is actively switching to ocean shipments which have lower environmental burdens and lower costs than shipments by air.

Expanding the use of joint transportation with other companies

The Fujitsu Group is promoting joint transportation by partnering with logistics providers and loading Fujitsu products together with products of other companies. In FY 2016, we mainly used joint transport on key routes between logistics terminals; Furthermore, in FY 2017, we expanded the scope of application to include shipping in major urban areas from logistics terminals to customers. This expansion allowed us to further reduce the number of trucks used.

Reducing the amount of transportation CO₂ emissions through various measures for increasing efficiency

By using the "Green Logistics Case Studies handbook of Transportation CO₂ Reductions" which was created in FY 2016, Group companies in Japan and overseas actively engaged in activities such as revising their transportation plans, formulating measures for increasing loading rate, and revising packaging materials. This made it possible to reduce the amount of transportation CO₂ emissions.

● Case Studies

<http://www.fujitsu.com/global/about/environment/operation/logistics/casestudy/index.html>

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Reducing the Amount of Water Used

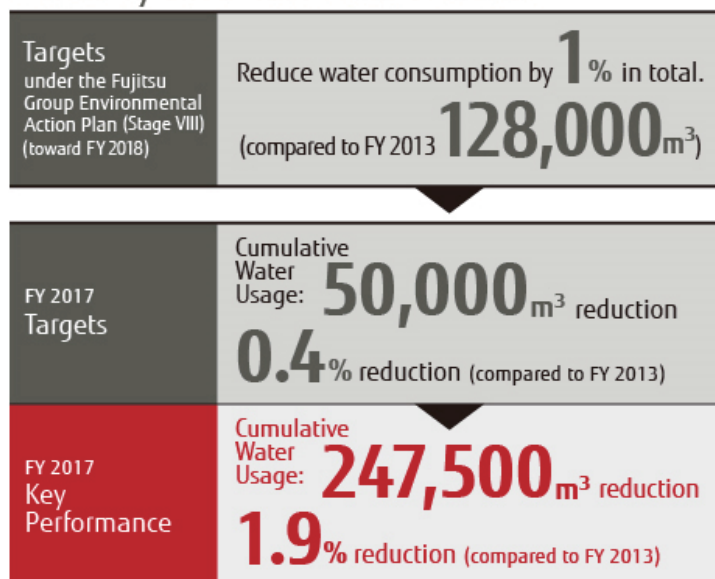
Our Approach

Global water shortage risks are increasing along with climate change, destruction of forests, and economic and population growth in emerging and developing countries. For companies, as well, water shortages bear risks toward business continuity.

Reducing water usage and recycling water are critical issues. Since the Fujitsu Group uses especially large amounts of water in our semiconductor and printed circuit board manufacturing, we believe it is particularly necessary to reduce our water consumption in these areas. In addition to general water saving, to date we have been continuously striving to recirculate and reuse water by recycling pure water and reusing rainwater. Under our Environmental Action Plan (Stage VIII), we have strengthened our efforts to use water resources effectively even more than in the past.

FY 2017 Performance and Results

Summary of FY 2017 Achievements



247,500 m³ Cumulative Reduction in Water Usage from FY 2013

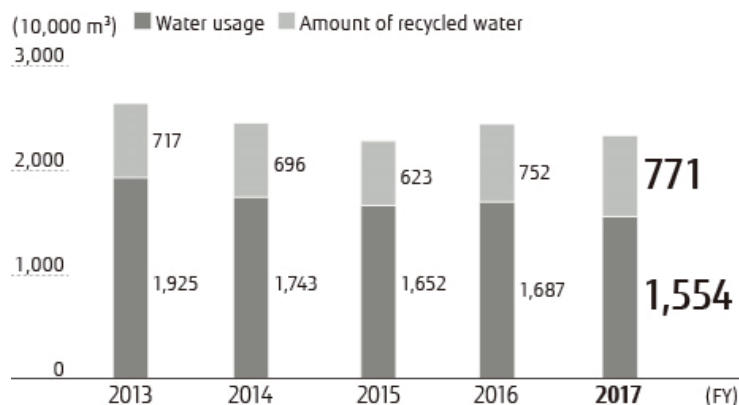
In regard to the target for reduction of water usage stipulated in the Environmental Action Plan (Stage VIII), we achieved cumulative reduction of 247,500 m³ (139,300 in FY 2016; 108,200 in FY 2017), far exceeding the FY 2017 target of a 50,000 m³ reduction.

Water usage for FY 2017 was 15,540,000 m³ (specific consumption per sale: 379.2 m³/100 million yen), which was a 7.9% decrease compared to FY 2016, with increased production in addition to other factors. However, the proportion of water usage consisting of recycled water overall was 49.6%, a 5.0% increase compared to FY 2016, as a result of various efforts at each office and plant to use water resources effectively.

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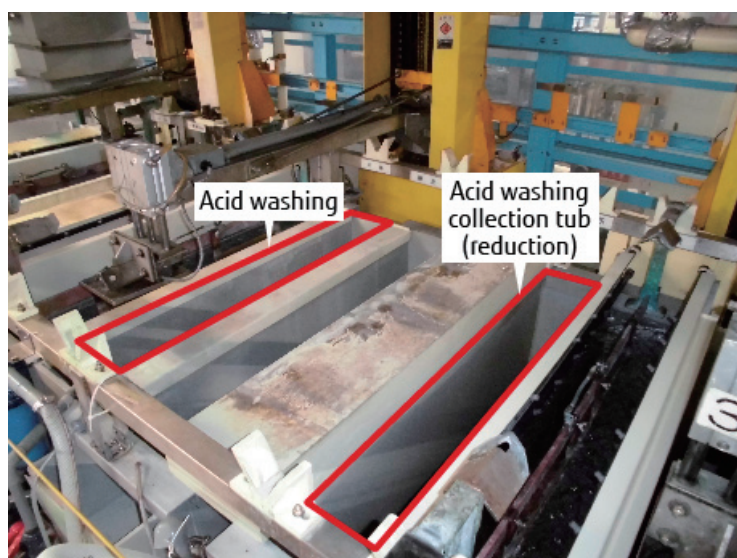
Trends in Water Usage and Amounts of Recycled Water



Main Activities in FY 2017

Reduction of Water Usage in the Coating and Cleaning Processes

Shinko Electric Industries Co., Ltd. has set target values for each of its offices (plants) which use a large amount of water and is engaged in reduction activities. In FY 2017, the company switched from acidic waste water to circulating waste water, eliminated unnecessary processes by revising the manufacturing process, and reduced the amount of water supply for coating (revised the water supply amount to the target value from the control upper limit value). Through these measures, the company succeeded in reducing the annual water usage by 42,840 m³ (equivalent to 10 million yen). In FY 2018, the company seeks an annual reduction of approximately 30,000 m³ (equivalent to 9 million yen) through measures such as recycling of water used for the washing of manufacturing equipment.



Activities to reduce water usage by revising the manufacturing process (process improvement) (Shinko Electric Industries)

● Case Studies

<http://www.fujitsu.com/global/about/environment/operation/water/casestudy/index.html>

● CDP Water (366KB)

http://www.fujitsu.com/global/documents/about/environment/operation/water/ProgrammeResponse_Water%202017.pdf

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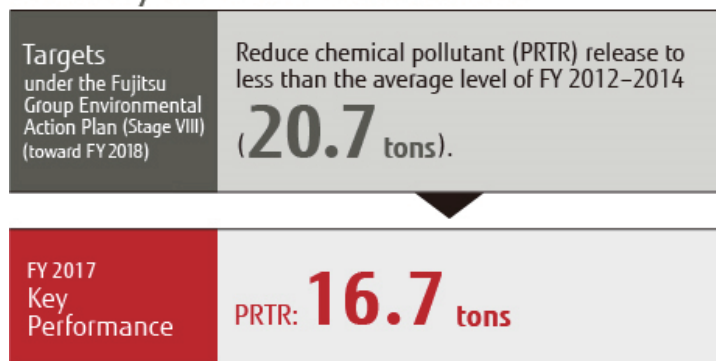
Reducing Chemical Substances Emissions

Our Approach

We manage the amounts used for about 1,300 chemicals in the Fujitsu Group in order to prevent environmental risks that could lead to environmental pollution or adverse health effects due to our use of harmful chemical substances. We operate a Chemical Information System called "FACE," which we use to register and monitor chemicals at every site, manage Safety Data Sheet (SDS), control income and expenditures in conjunction with purchasing data and inventory data, and strengthen our management and efficient use of chemicals.

FY 2017 Performance and Results

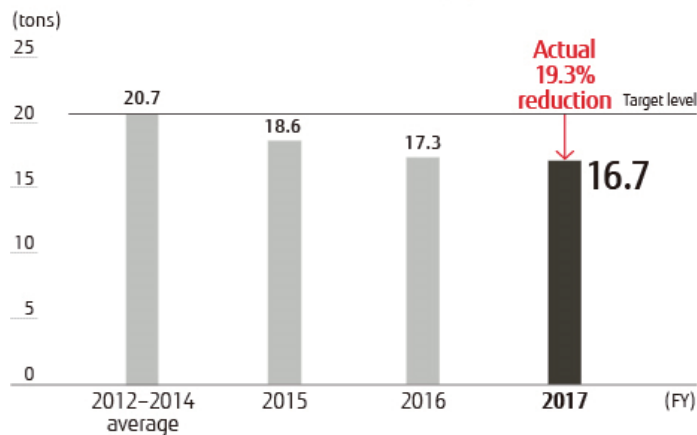
Summary of FY 2017 Achievements



Achieved On-Going PRTR Substance Emission Target

Group-wide chemical substance emissions for FY 2017 came to 16.7 tons for PRTR, within the target value in the Environmental Action Plan (Stage VIII).

Trends in PRTR Substance Emissions in Japan



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Main Activities in FY 2017

Reducing the Average PRTR Emissions Amount per Coat by Developing and Implementing Powder Coating Technology

Fujitsu Kasei Limited implemented powder coating which does not use solvents for the primer of computer casing components for some products (models). Powder coating achieves a thickness equivalent to two to three coats of normal primer (paint for undercoat). This made it possible to reduce the average PRTR emissions amount per one coat from 7.0 grams to 5.7 grams, a decrease of 18.6%. Furthermore, in addition to revising the paint coating program, we implemented technological measures such as attaching a direct grounding wire to jigs in order to adjust the powder discharge and improve the coating efficiency. This suppresses wasteful use of paint.

Regarding the amount of chemical substances handled (and the amount discharged) in FY 2017, the amount of cleaning thinner used increased due to a heightened frequency of cleaning coating jigs used in important processes. This change was made in order to support an increase in in-house production and to ensure quality. As a result, the amount of PRTR emissions increased compared to the previous fiscal year. However, the implementation of powder coating enabled significant suppression for the amount of solvent paint used. When comparing the amount of production, it was 810,000 coats in FY 2016 and 1.2 million coats (148%) in FY 2017.

In FY 2018, we are seeking to reduce the cleaning thinner for coating jigs, which was the reason for the increase discussed above. By taking actions which include recycling, we are implementing activities aimed at reducing the amount of PRTR emissions.



(Left) Notebook PC case (powder coating without using solvent)
 (Right) Normal solvent and powder coating

● Case Studies

<http://www.fujitsu.com/global/about/environment/operation/chemical/casestudy/index.html>

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Limiting Amounts of Waste Generated

Our Approach

The Fujitsu Group sees waste as a valuable resource and continuously works to recover resources from our waste, or to use that waste as an energy source. In Japan, we have been reducing our final disposal amounts every year. However, given the difficulty of building new disposal sites, and the limited lifespans of existing sites, the environment surrounding our waste disposal is as challenging as ever.

By proactively installing equipment and reusing waste, we are working to follow the stipulations in Japan's Fundamental Law for Establishing a Sound Material-Cycle Society to 1) reduce waste generated, 2) reuse waste, 3) recycle waste, and 4) recover heat from waste. We do this in order to reduce the amounts of waste acid, waste alkali, and sludge generated in our production of semiconductors and printed circuit boards.

Furthermore, in order to properly dispose of waste, we have established the Standards for Consignment of Waste Disposal as company-wide standards. These standards are based on the Waste Management and Public Cleansing Act.

On-site Auditing for Outsourcing Contractors

We conclude contracts with waste processors through a contract that is commonly used by the Fujitsu Group. On-site auditing of waste processors we have contracts with is regularly performed to confirm appropriate processing of waste. If multiple business sites have a contract with one processor, a representative business site conducts on-site auditing based on the representative auditing regulations. In other cases, each business site individually conducts auditing to confirm the practice of appropriate processing.

FY 2017 Performance and Results

Summary of FY 2017 Achievements



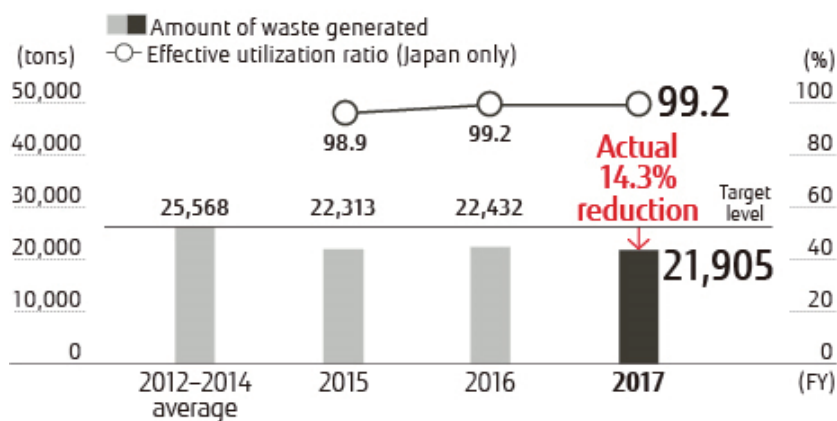
Measures for Reducing Waste Generation Amount and Converting Waste to Value-Added Material

Mie Fujitsu Semiconductor Limited converted plastic drums and chemical polyethylene containers to value-added material (53 tons). Shimane Fujitsu Limited reused a portion of wooden pallets used at the time of parts delivery to ship products (11 tons). This achieved our waste generation target of 21,905 tons (generation rate/unit of sales: 0.53 tons/100 mill. yen).

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Waste Generated and Effective Utilization Ratio



Waste Generated, Effective Use, and Final Disposal

Waste Type	Waste Generated	Effective Utilization	Final Disposal
Sludge	4,158	4,007	150
Waste oil	1,121	1,104	18
Waste acid	4,072	4,072	0
Waste alkali	3,830	3,429	401
Waste plastic	3,314	3,267	46
Waste wood	898	894	4
Waste metal	791	791	0
Glass/ceramic waste	491	486	5
Other*	3,230	2,746	484
Total	21,905	20,796	1,108

* Other includes general waste, wastepaper, septic tank sludge, cinders, rubble, textile waste, animal and plant residue, and infectious waste.

● Case Studies

<http://www.fujitsu.com/global/about/environment/operation/waste/casestudy/index.html>



Environmental Data

Environmental Accounting

To promote environmental management, the Fujitsu Group introduced environmental accounting in FY 1998. We evaluate the efficiency of our environmental protection activities by monitoring the required costs and benefits of these activities. Through this process, we have clarified issues and promoted sharing of the results.

Purpose of Introducing an Environmental Accounting System

- To clarify our corporate stance through disclosure of information to stakeholders
- To implement long-term, continuous environmental measures
- To raise the efficiency of investment in environmental protection measures
- To energize environmental protection activities

Basic Environmental Accounting Elements in FY 2017

- Applicable period
April 1, 2017 to March 31, 2018
- Accounting coverage
Fujitsu and its major consolidated subsidiaries worldwide*¹
- Calculation basis for environmental protection costs
 - Accounting method for depreciation and amortization: Depreciation and amortization expenses for investments are included in expenses using straight line depreciation (with no residual value) based on a useful life of 5 years. The useful life of 5 years was chosen based on the average length of the actual period from the introduction of environmental facilities to the implementation of repairs and upgrades.
 - Basis for recording composite costs: In regard to composite costs in which environmental protection costs are coupled with other costs, the Fujitsu Group records only the portion corresponding to environmental protection in conformance with the Environmental Accounting Guidelines 2005 issued by the Japanese Ministry of Environment.
- Calculation basis for the economic benefits of environmental protection measures
 - Scope of benefits in environmental accounting: The Fujitsu Group records the actual benefits and estimated benefits (risk avoidance benefit and deemed benefit) of reducing environmental impact related to the following items.
 - Benefit of reducing the environmental impact related to resource usage in business activities
 - Benefit of reducing the environmental impact related to environmental loads and waste emissions resulting from business activities
 - Benefit of reducing the environmental impact related to goods and services produced by business activities
 - Benefit of reducing the environmental impact related to transportation and other activities
 - Investment benefit materialization period and basis: The accounting period for actual economic benefits has been aligned with the depreciation and amortization period for investments (60 months). However, the accounting period for economic benefits derived from reducing personnel costs related to the environmental management system is 12 months, in line with the main thrust of the environmental management system, which is reviewed every year. With regard to estimated economic benefits, the accounting period for economic benefits derived from capital investment is the same as the depreciation and amortization period (60 months) for actual economic benefits. Benefits corresponding to a given fiscal year, such as the amount of contribution to environmental protection and the avoidance of operational losses, are recorded only for that fiscal year. The basis for accounting for economic benefits is as follows.

- Contribution of environmental protection activities to added value derived from production activities

The Fujitsu Group recognizes support provided by environmental protection activities to production activities as an economic benefit. Accordingly, the amount of contribution is determined by multiplying the added value derived from production activities by the ratio of the maintenance and operation cost for environmental protection facilities to the total facility cost of each site.

Contribution = Added value x Maintenance and operation cost for environmental protection facilities / total facility cost

- Avoidance of operational loss at business sites due to non-compliance with laws and regulations.

The Fujitsu Group recognizes the avoidance of operational loss as the amount of loss that is avoided in the event of the materialization of risk arising from neglect to make upfront investments needed to comply with laws and regulations. The number of operational loss days is determined based on the size of investment related to the environment, but shall not exceed three days.

Benefit = Added value / Operational days x Operational loss days

- Benefit of public relations activities

This benefit is calculated by converting publicity efforts related to environmental protection activities in newspapers, magazines and TV into an advertising cost.

Benefit=Advertising cost of newspapers, magazines and TV x Number of advertisements ran and programs broadcast.

- R&D benefit

The Fujitsu Group calculates the amount of additional earnings resulting from the contribution of R&D achievements for environmental protection purposes, such as Super Green Products and environmental solutions.

*1 Fujitsu's major consolidated subsidiaries worldwide:

FUJITSU ISOTEC LIMITED, FUJITSU IT PRODUCTS LIMITED, Fujitsu I-Network Systems Limited, Fujitsu Interconnect Technologies Limited, Ecolity Service Limited, FDK CORPORATION, FUJITSU OPTICAL COMPONENTS LIMITED, FUJITSU KASEI LIMITED, FUJITSU CLIENT COMPUTING LIMITED, Fujitsu Laboratories Limited, FUJITSU CONNECTED TECHNOLOGIES LIMITED, FUJITSU COMPONENT LIMITED, Shimane Fujitsu Limited, FUJITSU PERIPHERALS LIMITED, SHINKO ELECTRIC INDUSTRIES CO., LTD., Fujitsu Telecom Networks Limited, Fujitsu Ten Limited (currently DENSO TEN LIMITED), Fujitsu Ten Manufacturing Limited (currently DENSO TEN MANUFACTURING LIMITED), TRANSTRON Inc., PFU Limited, FUJITSU FRONTECH LIMITED, MIE FUJITSU SEMICONDUCTOR LIMITED, AIZU FUJITSU SEMICONDUCTOR WAFER SOLUTION LIMITED, AIZU FUJITSU SEMICONDUCTOR MANUFACTURING LIMITED, Fujitsu Network Communications Inc., FUJITSU TECHNOLOGY SOLUTIONS (HOLDING) B.V.

The Fujitsu Group also aggregates data on R&D costs and benefits related to environmental solutions from subsidiaries other than those shown above. However, the data is aggregated solely for environmental solution costs and benefits, so the relevant subsidiaries are not included in the scope of disclosure for major consolidated subsidiaries.

Fiscal 2017 Environmental Accounting Results

Breakdown of Results (Investment and costs) [billion yen]

Fiscal 2017 Breakdown of Results (Capital investment, Expenses, Economic benefits)

Item		Main areas covered	Capital investment (billion yen)	Expenses (billion yen)	Economic benefits (billion yen)
Business area costs/benefits	Pollution prevention costs/benefits	Air/water pollution prevention, etc.	2.02 (+1.56)	4.55 (-0.14)	7.67 (+1.44)
	Global environmental conservation costs/benefits	Global warming prevention, saving energy, etc.	0.25 (-0.35)	2.37 (-0.08)	1.46 (-0.02)
	Resource circulation costs/benefits	Waste disposal, efficient utilization of resources, etc.	0.01 (-0.10)	2.27 (-0.03)	10.98 (+1.00)

Item	Main areas covered	Capital investment (billion yen)	Expenses (billion yen)	Economic benefits (billion yen)
Upstream/downstream costs/benefits	Collection, recycling, reuse, and proper disposal of products, etc.	0.01 (-0.00)	0.84 (+0.02)	0.36 (-0.17)
Administration costs/benefits	Provision and operation of environmental management systems, environmental education of employees, etc.	0.03 (-0.00)	2.23 (-0.41)	0.30 (-0.19)
R&D costs/benefits	R&D on products and solutions that contribute to environmental protection, etc.	0.09 (-0.01)	28.31 (-18.38)	48.61 (-30.49)
Social activity costs	Donations to, and support for, environmental groups, etc.	0.00 (+0.00)	0.03 (-0.01)	-
Environmental remediation costs/benefits	Restoration and other measures related to soil and groundwater contamination, etc.	0.00 (-0.04)	0.04 (-0.03)	0.00 (+0.00)
Total		2.41 (+1.07)	40.64 (-19.06)	69.38 (-28.43)

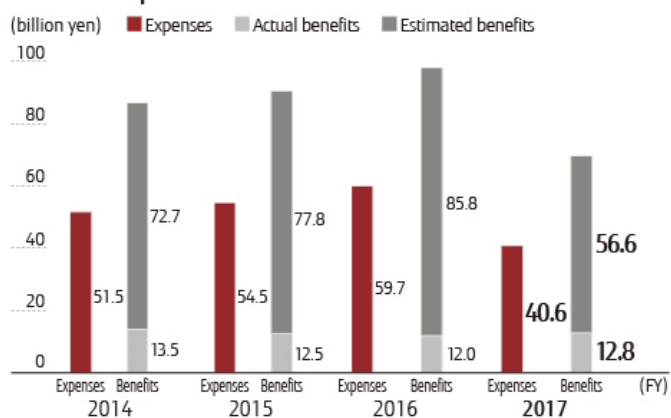
- Numbers in parentheses indicate increases or decreases in comparison with the previous year.
- Due to rounding, figures in columns may not add up to the totals shown.
- Amounts shown as "0.00" include amounts for which the value was smaller than the display units used.

Costs and Economic Benefits in FY 2017

The results of Environmental Accounting for FY 2017 showed expenses of 40.6 billion yen (32% decrease from the previous year), and the economic benefits (calculated by our original estimating method) were 69.4 billion yen (29% decrease from the previous year). Thus both expenses and benefits decreased.

Also, our capital investment was 2.4 billion yen (79% increase from the previous year) by the water pollution prevention measures etc.

Trends in Expenses and Economic Benefits



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Environmental Liabilities

Our Liabilities toward the Environment

The Fujitsu Group, in properly forecasting expected future environmental liabilities and communicating our soundness and stance of not deferring environmental liabilities, has recorded a liability of 4.48 billion yen in soil-pollution cleanup costs, high-level polychlorinated biphenyl (PCB) waste disposal costs, and asbestos processing costs during facilities demolition. This total is the amount we calculate, as of the end of FY 2017, to be necessary for the Fujitsu Group in Japan to carry out these tasks in the next FY and beyond.

Past Records

Past records of our environmental accounting up to FY 2016 are included in the Sustainability Report.

● Sustainability Report

<http://www.fujitsu.com/global/about/environment/management/communication/report/index.html>

Material Balance

Material Balance

	INPUT	FY2014	FY2015	FY2016	FY2017
Development/ Design Planning/Design	Raw Materials				
	Metal [ktons]	21	18	25	16
	Plastic [ktons]	11	9	11	9
	Others [ktons]	18	15	15	13
	Chemical Substances*				
	VOC [ktons]	1.3	1.3	1.4	1.3
	PRTR [ktons]	10.0	9.7	9.8	9.5
	Water				
	Water usage [Mm ³]	16.60	15.83	16.87	15.54
	Energy				
	Total [PJ]	18.78	18.37	20.38	19.25
	Purchased electricity [GWh]	1,714	1,680	1,899	1,800
	Heavy oil, kerosene, etc. [kL]	9,228	8,590	10,118	10,100
	LPG, LNG [tons]	3,836	3,454	3,059	2,954
	Natural gas, city gas [Mm ³]	30.66	29.92	29.99	29.76
	District heating and cooling [TJ]	43	42	43	43
Distribution/Sales	Energy				
	Fuel (light oil, gasoline, etc.) [PJ]	1.75	1.50	1.46	1.18
Usage	Energy				
	Electricity [GWh (PJ)]	9,345 (91.86)	7,898 (77.64)	8,111 (80.87)	6,680 (66.6)
Collection/Reuse/ Recycling Operation and Maintenance	Resources recycling rate [%]	94.3	94.5	92.0	91.5
	Amount processed [tons]	5,016	5,203	4,185	3,844

OUTPUT		FY2014	FY2015	FY2016	FY2017
Development/ Design Planning/Design	Raw Materials				
	CO ₂ emissions [ktons-CO ₂]	820	630	640	520
	Chemical Substances*				
	VOC [tons]	230	212	245	228
	PRTR [tons]	10	10	11	10
	Atmospheric Release				
	Total GHG emissions [ktons]	897	876	1,229	1,137
	CO ₂ [ktons-CO ₂]	804	786	1,122	1,040
	GHG other than CO ₂ (PFCs, HFCs, SF ₆ , NF ₃ , others) [ktons]	93	90	107	97
	NO _x [tons]	127	103	104	63
	SO _x [tons]	112	108	30	11
	Water Discharge				
	Wastewater [km ³]	15,480	14,080	15,280	14,610
	BOD [tons]	349	397	391	290
	COD [tons]	192	160	179	94
	Waste				
	Amount of Waste Generated [ktons]	22.3	20.7	22.4	21.9
	Thermal recycling volume [ktons]	4.7	4.6	4.7	4.8
	Material recycling volume [ktons]	16.1	14.9	15.6	16.0
	Disposal volume [ktons]	1.4	1.1	2.1	1.1
Distribution/Sales	Atmospheric Release				
	CO ₂ [ktons-CO ₂]	120	100	99	80
Usage	Atmospheric Release				
	CO ₂ [ktons-CO ₂]	5,180	4,410	4,570	3,640

* Substances that qualify as both a PRTR targeted chemical and a VOC are included under "VOCs" only.

GHG Emissions Report Based on GHG Protocol Standards

Indicator		FY2014	FY2015	FY2016	FY2017
Upstream (Scope3) [1,000 tons]	Purchased goods and services	2,415	2,317	2,432	2,169
	Capital goods	9	82	31	13
	Fuel and energy-related activities not included in Scopes 1 and 2	70	68	76	72
	Transportation and distribution (Upstream)	119	102	99	80
	Waste generated in operations	8	8	8	7
	Business travel	116	107	107	86
	Employee commuting	81	76	87	69
	Leased assets (Upstream)	129	123	373	288
Reporting company (Scope1,2) [1,000 tons]	Direct emissions	197	189	208	198
	Indirect emissions from energy sources	700	686	1,021	939 ^{*1} 912 ^{*2}
Downstream (Scope 3) [1,000 tons]	Transportation and distribution (Downstream)	Not applicable	Not applicable	Not applicable	Not applicable
	Processing of sold products			21	27
	Use of sold products	5,711	4,407	4,566	3,460
	End-of-life treatment of sold products	Not applicable	Not applicable	Not applicable	Not applicable
	Leased assets (Downstream)	The Company's business is not applicable.	The Company's business is not applicable.	The Company's business is not applicable.	The Company's business is not applicable.
	Franchises	The Company's business is not applicable.	The Company's business is not applicable.	The Company's business is not applicable.	The Company's business is not applicable.
	Investment	The Company's business is not applicable.	The Company's business is not applicable.	The Company's business is not applicable.	The Company's business is not applicable.

*1 Emissions by Location-based method

*2 Emissions by Market-based method

Environmental Performance Data Calculation Standards

Subject Period: April 1, 2017 – March 31, 2018

Scope: Fujitsu and the Fujitsu Group (For details, refer to the List of Companies Covered by the Report on Environmental Activities.P140)

Fujitsu Group Environmental Action Plan (Stage VIII) "Our Society"

Target Item	Indicator	Unit	Calculation Method
Achieve top-level energy efficiency for 50% or more of the new products.	The percentage of new products that are top-level energy efficient	%	<p>The percentage of top-level*1 energy efficient products with respect to the number of product series that are expected to be developed.</p> <p>*1 Top-level energy efficiency: Achieve an upper-level benchmark based on outside indicators, etc., in energy efficiency, on a par with "top-runner" products (first in the world or industry, top of the world or industry).</p>
Promote eco design for resource saving and circulation and increase resource efficiency of newly developed products by 15% or more.	Rate of improvement of resource efficiency of new products	%	<p>The average rate of improvement of resource efficiency*1 (versus FY 2014) of products.</p> <p>*1 Hardware products, under the Fujitsu brand, newly developed in FY 2016–18. Excludes products not designed by Fujitsu (OEM products) and products designed under customer specifications.</p> <p>* Refer to "Improving resource efficiency of new products" for the resource efficiency calculation method.</p>
Maintain over 90% resource reuse rate of business ICT equipment at Fujitsu recycling centers.	Resource reuse rate of business ICT equipment	%	Based on the calculation method provided by JEITA, recycled components and resources as a percentage of the weight of used products processed in Japan. Excludes collected waste other than used electronic products.

Fujitsu Group Environmental Action Plan (Stage VIII) "Our Business"

Target Item	Indicator	Unit	Calculation Method
Reduce greenhouse gas emissions by 5% or more compared to FY 2013.	GHG emissions	Tons CO ₂	<p>CO₂ emissions: $\sum [(Electricity, \text{ fuel oil, gas, and district heating and cooling annual usage}) \times CO_2 \text{ conversion factor for each type of energy}^{*1}]$</p> <p>*1 CO₂ conversion factor: The factor is based on the Act on Promotion of Global Warming Countermeasures. In FY 2013, the conversion factor for electricity was 0.570 tons CO₂/MWh and in FY 2017 it was 0.518 tons CO₂/MWh.</p> <p>GHG emissions other than CO₂: Annual emissions of HFCs, PFCs, SF₆, and NF₃ at three semiconductor plants (Mie Fujitsu Semiconductor Limited, Aizu Fujitsu Semiconductor Wafer Solution Limited, and Aizu Fujitsu Semiconductor Manufacturing Limited). $\sum [\text{Annual emissions for each type of gas}^{*1} \times \text{Global warming potential for each gas}^{*2}]$</p> <p>*1 Based on the calculation method used by the industries of electrical and electronics: Amount of each gas used (or purchased) × Reactant consumption rate × Removal efficiency, etc. *2 Global Warming Potential (GWP): IPCC (Intergovernmental Panel on Climate Change) Fourth Assessment Report "Climate Change 2007."</p>
	Percentage reduction in total greenhouse gas emissions	% reduction	<p>(Total GHG emissions in FY 2013 – Total GHG emissions in the fiscal year) / Total GHG emissions in FY 2013 × 100</p>
Improve PUE of our major data center by 8% or more compared to FY 2013.	Rate of improvement of PUE	%	<p>PUE = $\sum (\text{Total DC energy consumption}) \div \sum (\text{Total IT device energy consumption})$ Σ: Combined total energy of the 36 data centers</p> <p>Rate of improvement (%) = (Base year PUE – PUE for the current fiscal year) ÷ Base year PUE × 100 Base year: FY 2013</p>
Improve energy intensity by an average 1% or more each year.	Rate of improvement of energy intensity	%	<p>The improvement rate, year on year, for each business site's energy rate index is a weighted average of the proportion to the site's overall energy usage. These values are added to calculate our total improvement rate.</p> <p>$\Sigma [\% \text{ improvement year-on-year in each business site's rate index} \times \text{wt}\% \text{ proportion of overall energy usage}]$</p> <p>Target business sites: Japan (energy management plants specified under the Act on the Rational Use, etc., of Energy), UK and Australia offices</p>
Increase the renewable energy usage rate to 6% or higher.	Renewable energy usage rate	%	<p>Power generated by the company through renewable energy (solar, wind, hydraulic, biomass, geothermal, etc.) or purchased from an outside source ÷ total amount of electric power used</p>

Target Item	Indicator	Unit	Calculation Method
Reduce CO ₂ emissions per sales from transport an average of 2% or more.	CO ₂ emissions per sales from transport	Tons/100 million yen	Transport CO ₂ emissions/sales (100 million yen) * Sales: Excluding the effects of the exchange rate
	Reduction rate of CO ₂ emissions compared to the previous fiscal year	% reduction	(Previous fiscal year's transport CO ₂ emissions per sales – Current fiscal year's transport CO ₂ emissions per sales) / Previous fiscal year's transport CO ₂ emissions per sales x 100
Reduce water consumption by 1% in total (128,000 m ³).	Amount of reduction of water use	m ³	Build up the water use reduction impact of measures implemented at each business site (actual or estimated), and calculate the amount of reduction for the current fiscal year.
Reduce chemical pollutant (PRTR) release to less than the average level of FY 2012-2014. (20.7t)	Volume of PRTR-targeted substances	Tons	For the substances covered by the PRTR law (Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof), released totals are provided for those substances handled in quantities exceeding 100 kg annually per business site.
Reduce the amount of waste to less than the average level of FY 2012-2014. (25,568t)	Amount of Waste Generated	Tons	Total amount for industrial waste and general waste generated by factories and offices (Thermal recycling volume + Material recycling volume + Disposal volume)
	Effective utilization ratio (Japan only)	%	(Amount of effective use (thermal recycling & material recycling) / amount of waste generated) x 100

* Four electrical and electronic industry associations:

The Japan Electrical Manufacturers' Association (JEMA), Japan Electronics and Information Technology Industries Association (JEITA), Communications and Information Network Association of Japan (CIAJ), and Japan Business Machine and Information System Industries Association (JBMA)

Environmental Liabilities

Indicator	Unit	Calculation Method
Cost for environmental liabilities	Yen	1. Asset retirement obligation (Only asbestos removal cost related to facility disposal) 2. Cost for soil contamination measures 3. Disposal processing cost for waste with high concentrations of PCB (polychlorinated biphenyl)

GHG Emissions Report based on GHG Protocol Standards

Indicator		Unit	Calculation Method
Upstream (Scope 3)	Purchased goods and services	Tons	Components purchased during the fiscal year × Emissions per unit of purchases (Source: Embodied Energy and Emission Intensity Data (3EID) published by the National Institute for Environmental Studies Center for Global Environmental Research)
	Capital goods	Tons	Monetary value of capital X Emissions value per unit of capital value (Source: Same as above)
	Fuel and energy – related items not included in Scopes 1 and 2	Tons	Annual amounts of fuel oil and gas, electricity and heat purchased (consumed) mainly at business sites owned by Fujitsu × Emissions per unit (Source: Basic Guidelines for Calculating Greenhouse Gas Emissions Via Supply Chains and the Carbon Footprint Communication Program Basic Database Ver. 1 published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry)
	Transportation and distribution (upstream)	Tons	Transportation of goods within Japan: CO ₂ emissions related to the transportation of goods within Japan by the Fujitsu Group. CO ₂ emissions related to domestic transportation by the Fujitsu Group, based on the Act on the Rational Use, etc., of Energy. The fuel economy method (for some vehicles) or the improved ton-kilometer method (vehicle, rail, air, ship).
		Tons	International transport/overseas local transport: transportation ton-kilometers × emission per unit (source: GHG protocol emissions coefficient database)
	Waste generated in operations	Tons	Annual amounts of waste (discharged mainly by business sites owned by Fujitsu) processed or recycled, by type and processing method × Emissions per unit of annual amount of waste processed or recycled (Source: Basic Guidelines for Calculating Greenhouse Gas Emissions Via Supply Chains published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry)
	Business travel	Tons	(By means of transport) Σ (Transportation expense payment × Emissions per unit) (Source: Basic Guidelines for Calculating Greenhouse Gas Emissions Via Supply Chains Ver. 2.1 and Emissions per Unit Database Ver. 2.1 published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry)
	Employee commuting	Tons	For portions of commute by public transportation: (By means of transport) Σ (Transportation expense payment × Emissions per unit) (Source: As above) For portions of commute by private automobile: Σ (Transported persons-kilometer × Emissions per unit) (Source: As above) Transported persons-kilometer is calculated from transportation expense payment, price of gasoline, and fuel efficiency.
Reporting company (Scopes 1, 2)	Leased assets (Upstream)	Tons	Annual amounts of fuel oil, gas, electricity, and heat consumed mainly at leased business sites × Emissions per unit of fuel oil, gas, electricity, and heat consumed (Sources - Japan: Act on Promotion of Global Warming Countermeasures - GHG Emissions Accounting, Reporting, and Disclosure System; Overseas: IEA CO ₂ Emissions from Fuel Combustion Highlights 2017)
	Direct emissions	Tons	Amount of CO ₂ emissions from the consumption of fuel oil and gas (burning of fuel), and GHG emissions, other than CO ₂ mainly at business sites owned by Fujitsu * For the calculation method, see "Greenhouse gas emissions (CO ₂ emissions, greenhouse gas emissions other than CO ₂) from business sites" in the Environmental Action Plan (Stage VIII).
	Indirect emissions from energy sources	Tons	CO ₂ emissions from the consumption (purchase) of electricity and heat mainly at business sites owned by Fujitsu * For the calculation method, see "Greenhouse gas emissions (CO ₂ emissions) at business sites" in the Environmental Action Plan (Stage VIII). Use IEA CO ₂ Emissions from Fuel Combustion Highlights 2017 for some overseas business sites.

Indicator		Unit	Calculation Method
Downstream (Scope 3)	Processing of sold products	Tons	Intermediate product sales volume × Emissions per unit of processing volume Intermediate product sales volume is Fujitsu's device solution sales. Emissions per unit of processing volume is calculated from Fujitsu's FY 2015 assembly plant data.
	Use of sold products	Tons	Electricity consumption during product use × Emissions per unit of electricity (Source: The Electric Power Council for a Low Carbon Society, Actions for Global Warming Countermeasures in the Electricity Business—FY 2017 Follow-up Results (prior to adjustment)) Electricity consumption during product use is calculated as electricity usage for the anticipated usage time per product unit × Units shipped for the subject fiscal year. Electricity usage for the anticipated usage time per product unit is calculated as electricity consumed (kW) × Time used (h) / Days × Number of days used / Year × Number of years used. Time used (h), number of days used per year, and number of years used are set according to Fujitsu's internal scenarios.
	End-of-life treatment of sold products	Tons	(Weight of all sold products / Weight of products processed at Fujitsu's recycling centers during the year) × Electricity used at Fujitsu's recycling centers during the year × Emissions per unit of electricity (Source: Actual emission factor for each electricity utility based on ministerial ordinances on calculation and adjusted emission factor for each electricity utility based on reporting orders, announced for each fiscal year from FY 2011 to FY 2015)

Supplementary Data

Indicator	Unit	Calculation Method
Measured value of groundwater pollution	mg/L	The highest value in the fiscal year for substances detected at levels exceeding regulated levels set in the Soil Contamination Countermeasures Act etc. at monitoring wells at the boundaries of sites where past business activities have resulted in soil contamination.

Operating Activities and Environmental Load (Material Balance)

Indicator			Unit	Calculation Method
INPUT				
Design/Procurement/ Manufacturing/ Development	Raw Materials		ktons	Material inputs to our major products**1 shipped in the fiscal year (raw materials per unit for each product x the number of units shipped in the fiscal year)
	Chemical Substances	Volume of substances subject to VOC emissions restrictions	Tons	or the 20 VOCs (Volatile Organic Compounds) specified in the environmental voluntary action plans of the four electrical and electronic industry associations*2. total amounts handled are provided for those substances handled in quantities exceeding 100 kg annually at individual business sites, including overseas sites. Substances subject to VOC emissions controls that are also covered by the PRTR law are included in the section on substances subject to VOC emissions controls
		Volume of PRTR-targeted substances	Tons	For the substances covered by the PRTR law (Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof), totals are provided for those substances handled in quantities exceeding 100 kg annually per business site, including overseas sites.
	Water usage		m ³	Annual use of clean water, industrial water, and groundwater (not including groundwater extracted for purification or use for melting snow.)
	Amount of Recycled water		m ³	Annual amount of water used for manufacturing and other purposes, then recovered, processed, and used again for manufacturing and other processes
	Energy consumption (calorie basis)		GJ	$\sum [(Electricity, \text{ fuel oil, gas, and district heating and cooling annual usage}) \times \text{Thermal conversion factor for each type of energy}^{*1}]$ *1 Thermal conversion factor (Heating value unit): According to the "Act on the Rational Use, etc., of Energy" For town gas, conversion factors from each supplier or 44.8 GJ/1,000 m ³ were used.
		Purchased electricity	MWh	Annual electricity usage
		Bunker A, fuel oil, light oil, benzine, gasoline	kL	Annual fuel oil usage (or purchases)
		Natural gas	m ³	Annual natural gas usage (or purchases)
		Town gas	m ³	Annual town gas usage (or purchases)
LPG		Tons	Annual LPG usage (or purchases)	
LNG		Tons	Annual LNG usage (or purchases)	
District heating and cooling		GJ	Annual district heating and cooling (cold and hot water for cooling and heating) usage (or purchases)	

Indicator			Unit	Calculation Method
INPUT				
Distribution / Sales	Energy consumed for transport		GJ	Total value of transport energy consumption for Fujitsu* ¹ and Fujitsu Group companies* ² *1 Fujitsu (domestic transport): Energy consumption related to domestic transport by the Fujitsu Group, based on the Act on the Rational Use of Energy "Logistics." *2 Fujitsu Group Companies: Calculated from the transport CO ₂ emissions from OUTPUT (distribution and sales) using the ratio of Fujitsu (domestic transport) transport energy consumption to transport CO ₂ emissions.
Usage	Energy	Electricity	GWh	Electricity consumed in connection with major products** shipped during the fiscal year (Amount of electricity used for time estimated per product unit × units shipped in the fiscal year)
			GJ	
Recycling of resources	Resource recycling rate		%	Based on the calculation method provided by JEITA, recycled components and resources as a percentage of the weight of used products processed in Japan. Excludes collected waste other than used electronic products.
	Processed volume		Tons	

Indicator		Unit	Calculation Method
OUTPUT			
Design/Procurement/Manufacturing/Development	Raw Materials	CO ₂ emissions	<p>Tons CO₂</p> <p>CO₂ emissions related to all stages from resource extraction through processing into raw materials (CO₂ emissions equivalent for raw materials used per product unit × Units shipped in the fiscal year) for the raw materials used in major products*¹ shipped in the fiscal year.</p>
	Chemical Substances	Volume of substances subject to VOC emissions restrictions	<p>Tons</p> <p>For the 20 VOCs (Volatile Organic Compounds) specified in the environmental voluntary action plans of the four electrical and electronic industry associations,** total amounts released are provided for those substances handled in quantities exceeding 100 kg annually at individual business sites, including overseas sites. Substances subject to VOC emissions controls that are also covered by the PRTR law are included in the section on substances subject to VOC emissions controls</p>
		Volume of PRTR-targeted substances	<p>Tons</p> <p>For the substances covered by the PRTR law (Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof), released totals are provided for those substances handled in quantities exceeding 100 kg annually per business site, including overseas sites.</p>
	Atmospheric Release	CO ₂ emissions	<p>Tons CO₂</p> <p>* For the calculation method, see "Greenhouse gas emissions (CO₂ emissions) from business sites" in the Environmental Action Plan (Stage VIII).</p>
		GHG emissions other than CO ₂	<p>Tons</p> <p>* For the calculation method, see "Greenhouse gas emissions (GHG emissions other than CO₂) at business sites" in the Environmental Action Plan (Stage VIII).</p>
		NO _x emissions	<p>Tons</p> <p>NO_x concentration (ppm) × 10⁻⁶ × Dry gas emissions (m³N/hr) × Operating time (hr/yr) × 46/22.4 × 10⁻³</p>
		SO _x emissions	<p>Tons</p> <p>SO_x concentration (ppm) × 10⁻⁶ × Dry gas emissions (m³N/hr) × Operating time (hr/yr) × 64/22.4 × 10⁻³</p>

Indicator		Unit	Calculation Method
	Water Discharge	Wastewater discharges	m ³
		BOD emissions	Tons
		COD emissions	Tons
	Waste	Amount of Waste Generated	Tons
		Thermal recycling volume	Tons
		Material recycling volume	Tons
		Disposal volume	Tons
Distribution / Sales	Atmospheric Release		Tons CO ₂
Usage	Atmospheric Release		Tons CO ₂

** Major products: Personal computers, mobile phones, servers, workstations, storage systems, printers, scanners, financial terminals, retail terminals, routers, LAN access equipment, access network products, mobile phone base stations, and electronic devices.

*** Four electrical and electronic industry associations:

The Japan Electrical Manufacturers' Association (JEMA), Japan Electronics and Information Technology Industries Association (JEITA), Communications and Information Network Association of Japan (CIAJ), and Japan Business Machine and Information System Industries Association (JBMA).

List of Organizations Covered by the Report on Environmental Activities

■Organizations Covered

The coverage is of Fujitsu itself plus a total of 194 companies (including companies outside Japan) centering on consolidated subsidiaries that have built environmental management systems.

The table below shows the organizations for which individual performance data is gathered.

■Regarding the Indicators:

- Environmental burden: Organizations and Fujitsu's overseas non-manufacturing business sites for which business site environmental burden data is calculated
- Scope 1, 2, 3: Organizations that are the subject of calculations used in the GHG Emissions Report based on GHG Protocol Standards (P131)
- Logistics: Organizations for which logistics and transport data is calculated
- Environmental Accounting: Organizations for which environmental accounting data is calculated
- EMS: Organizations with Environmental Management Systems (EMS)

No.	Company name	Environ- mental burden	Scope 1,2,3	Logistics	Environ- mental Account- -ing	EMS
1	Fujitsu Limited	✓	✓	✓	✓	✓

Fujitsu Group companies in Japan (140 companies)

No.	Company name	Environ- mental burden	Scope 1,2,3	Logistics	Environ- mental Account- -ing	EMS
1	Fujitsu Advanced Printing & Publishing Co., Ltd.		✓	✓		✓
2	FUJITSU HOME & OFFICE SERVICES LIMITED		✓			✓
3	Fujitsu University		✓			✓
4	Kawasaki Frontale Limited		✓			✓
5	Fujitsu Travelance Ltd.		✓			✓
6	Fujitsu Human Resource Professionals Limited		✓			✓
7	Fujitsu Techno Research Limited		✓			✓
8	Fujitsu CIT Limited		✓			✓
9	Toyama Fujitsu Limited	✓	✓			✓
10	Fujitsu Facilities Limited		✓			✓
11	OKINAWA FUJITSU SYSTEMS ENGINEERING LIMITED		✓			✓
12	DIGITAL PROCESS LTD.		✓			✓
13	PFU LIMITED	✓	✓	✓	✓	✓
14	FUJITSU BANKING SOLUTIONS LIMITED		✓			✓
15	SHIGA FUJITSU SOFTWARE LIMITED		✓			✓
16	FUJITSU BROAD SOLUTION & CONSULTING Inc.		✓			✓
17	FUJITSU SOCIAL SCIENCE LABORATORY LIMITED		✓			✓
18	FUJITSU YFC LIMITED		✓			✓

No.	Company name	Environ- mental burden	Scope 1,2,3	Logistics	Environ- mental Account- ing	EMS
19	FUJITSU NIIGATA SYSTEMS LIMITED		✓			✓
20	FUJITSU HOKURIKU SYSTEMS LIMITED		✓			✓
21	FUJITSU KYUSHU SYSTEMS LIMITED		✓			✓
22	FUJITSU KYUSHU SYSTEMS SERVICES LIMITED		✓			✓
23	FUJITSU KAGOSHIMA INFORNET LIMITED		✓			✓
24	FUJITSU FIP CORPORATION	✓	✓			✓
25	FUJITSU FIP SYSTEMS CORPORATION		✓			✓
26	FUJITSU FIP DC CORPORATION		✓			✓
27	FUJITSU FIP KYUSHU CORPORATION		✓			✓
28	FUJITSU CLOUD TECHNOLOGIES LIMITED		✓			✓
29	G-Search Limited		✓			✓
30	FUJITSU FSAS INC.		✓	✓		✓
31	Fujitsu FSAS Creative Inc.		✓			✓
32	Fujitsu FSAS Systems Inc.		✓			✓
33	Fujitsu FSAS Customer Service Inc.		✓			✓
34	Fujitsu FSAS Higashi-Nihon Customer Service Inc.		✓			✓
35	Fujitsu FSAS Tokai Customer Service Inc.		✓			✓
36	Fujitsu FSAS Hokuriku Customer Service Inc.		✓			✓
37	Fujitsu FSAS Kansai Customer Service Inc.		✓			✓
38	Fujitsu FSAS Shikoku Customer Service Inc.		✓			✓
39	Fujitsu FSAS & Sun LTD.		✓			✓
40	FUJITSU COMMUNICATION SERVICES LIMITED		✓			✓
41	FUJITSU NETWORK SOLUTIONS LIMITED		✓			✓
42	Fujitsu Frontech Limited	✓	✓	✓	✓	✓
43	LIFE CREATE LIMITED		✓			✓
44	FUJITSU FRONTECH SYSTEMS LIMITED		✓			✓
45	FUJITSU SYSTEM INTEGRATION LABORATORIES LIMITED		✓			✓
46	FUJITSU TOKKI SYSTEMS LIMITED		✓			✓
47	FUJITSU DEFENSE SYSTEMS ENGINEERING LIMITED		✓			✓
48	Fujitsu Applications, Ltd.		✓			✓
49	FUJITSU LEARNING MEDIA LIMITED		✓			✓
50	FUJITSU RESEARCH INSTITUTE		✓			✓
51	Fujitsu Marketing Limited		✓	✓		✓
52	Fujitsu Marketing Agent Ltd.		✓			✓
53	Fujitsu Marketing Office Services Ltd.		✓			✓
54	FUJITSU FOM LIMITED		✓	✓		✓
55	FUJITSU CoWorCo LIMITED		✓	✓		✓
56	TWO-ONE LIMITED		✓			✓
57	FUJITSU I-NETWORK SYSTEMS LIMITED	✓	✓	✓	✓	✓
58	ECOLITY SERVICE LIMITED		✓		✓	✓

No.	Company name	Environmental burden	Scope 1,2,3	Logistics	Environmental Accounting	EMS
59	FUJITSU ADVANCED ENGINEERING LIMITED		✓			✓
60	Fujitsu Software Technologies Limited		✓			✓
61	FUJITSU MIDDLEWARE LIMITED		✓			✓
62	Fujitsu Kyushu Network Technologies Limited		✓			✓
63	Fujitsu Telecom Networks Limited	✓	✓	✓	✓	✓
64	Fujitsu Telecom Networks Fukushima Limited	✓	✓			✓
65	Fujitsu Telecom Networks Kowa Limited	✓	✓			✓
66	FUJITSU COMPUTER TECHNOLOGIES LIMITED		✓			✓
67	FUJITSU IT PRODUCTS LIMITED	✓	✓	✓	✓	✓
68	Fujitsu Isotec Limited	✓	✓	✓	✓	✓
69	FIT FRONTIER LIMITED	✓	✓			✓
70	FUJITSU PERIPHERALS LIMITED	✓	✓	✓	✓	✓
71	FUJITSU PERSONAL SYSTEM LIMITED		✓	✓		✓
72	Shimane Fujitsu Limited	✓	✓	✓	✓	✓
73	FUJITSU KASEI LIMIED	✓	✓	✓	✓	✓
74	FUJITSU KASEI RECYCLE LIMITED		✓			✓
75	Fujitsu Interconnect Technologies Limited	✓	✓	✓	✓	✓
76	FUJITSU QUALITY LABORATORY LIMITED		✓			✓
77	FUJITSU QUALITY LABORATORY ENVIRONMENT CENTER LTD.		✓			✓
78	Eco Analysis Corporation		✓			✓
79	Fujitsu Optical Components Limited	✓	✓	✓	✓	✓
80	FUJITSU KANSAI-CHUBU NET-TECH LIMITED		✓			✓
81	Fujitsu Mission Critical Software LTD.		✓			✓
82	FDK CORPORATION	✓	✓	✓	✓	✓
83	FDK SALES CO., LTD.		✓			✓
84	FDK ENGINEERING CO., LTD.	✓	✓			✓
85	FDK PARTNERS CORPORATION		✓			✓
86	FDK ECOTEC CO., LTD.	✓	✓			✓
87	FUJITSU COMPONENT LIMITED	✓	✓	✓	✓	✓
88	SHINANO FUJITSU LIMITED	✓	✓			✓
89	TEC CO., LTD.		✓			✓
90	CHIKUMA TSUSHIN INDUSTRY CO., LTD.	✓	✓			✓
91	MIYAZAKI FUJITSU COMPONENTS LIMITED	✓	✓			✓
92	TAKAMISAWA ELECTRIC CO., LTD. Shinshu Plant	✓	✓			✓
93	Transtron Inc.		✓	✓	✓	✓
94	FUJITSU ELECTRONICS INC.		✓	✓		✓
95	Fujitsu Devices Inc.		✓			✓
96	FUJITSU FACILITIES ENGINEERING LIMITED		✓			✓
97	SHINKO ELECTRIC INDUSTRIES CO. LTD.	✓	✓	✓	✓	✓
98	SHINKO PARTS CO., LTD.		✓			✓

No.	Company name	Environ- mental burden	Scope 1,2,3	Logistics	Environ- mental Account- ing	EMS
99	SHINKO TECHNOSERVE CO., LTD.		✓			✓
100	FUJITSU TEN LIMITED	✓	✓		✓	✓
101	FUJITSU TEN MANUFACTURING LIMITED	✓	✓		✓	✓
102	FUJITSU LABORATORIES LTD	✓	✓		✓	✓
103	FUJITSU SEMICONDUCTOR LIMITED	✓	✓	✓		✓
104	Fujitsu Design Limited		✓			✓
105	Fujitsu Advanced Technologies Limited		✓			✓
106	FUJITSU CAPITAL LIMITED		✓			✓
107	MIE FUJITSU SEMICONDUCTOR LIMITED	✓	✓		✓	✓
108	AIZU FUJITSU SEMICONDUCTOR LIMITED	✓	✓			✓
109	AIZU FUJITSU SEMICONDUCTOR WAFER SOLUTION LIMITED	✓	✓		✓	✓
110	AIZU FUJITSU SEMICONDUCTOR MANUFACTURING LIMITED	✓	✓		✓	✓
111	Fujitsu IT Management Partner Co. Ltd.		✓			✓
112	Fujitsu IS Service Limited		✓			✓
113	Fujitsu Quality & Wisdom Limited		✓			✓
114	FUJITSU CLIENT COMPUTING LIMITED		✓		✓	✓
115	FUJITSU CONNECTED TECHNOLOGIES LIMITED		✓		✓	✓
116	FUJITSU PUBLIC SOLUTIONS LIMITED		✓			✓
117	FUJITSU ADVANCED SYSTEMS LIMITED		✓			✓
118	Fujitsu Systems Applications & Support Limited		✓			✓
119	FUJITSU YAMAGUCHI INFORMATION CO.,LTD		✓			✓
120	FUJITSU SHIKOKU INFOTEC LIMITED		✓			✓
121	FUJITSU SYSTEMS WEB TECHNOLOGY LIMITED		✓			✓
122	FUJITSU NETWORK SERVICE ENGINEERING LIMITED		✓			✓
123	FUJITSU SOCIAL LIFE SYSTEMS LIMITED		✓			✓
124	Mobile Techno Corp.		✓			✓
125	Carenet Limited		✓			✓
126	Fujitsu Advance Accounting service Limited		✓			✓
127	Fujitsu Harmony Limited		✓			✓
128	Fujitsu Banking Information Technology Limited		✓			✓
129	UCOT Infotechno co.,Ltd		✓			✓
130	AB System Solutions Limited		✓			✓
131	ZIS INFORMATION TECHNOLOGY CORPORATION		✓			✓
132	Fujitsu Yamagata Information Technology Limited.		✓			✓
133	BANKING CHANNEL SOLUTIONS Limited		✓			✓
134	IT MANAGEMENT PARTNERS LIMITED		✓			✓
135	YJK Solutions Co.,Ltd.		✓			✓
136	Best Life Promotion Ltd.		✓			✓
137	Fujitsu Traffic & Road Data Service Limited		✓			✓
138	Future City Solutions Limited		✓			✓

No.	Company name	Environmental burden	Scope 1,2,3	Logistics	Environmental Accounting	EMS
139	TechShop Japan Limited		✓			✓
140	Fujitsu Engineering Technologies Limited		✓			✓

Fujitsu Group companies worldwide (53companies)

No.	Company name	Environmental burden	Scope 1,2,3	Logistics	Environmental Accounting	EMS
1	FUJITSU COMPUTER PRODUCTS OF VIETNAM	✓	✓			✓
2	江蘇富士通通信技術有限公司 (Jiangsu Fujitsu Telecommunications Technology Co., Ltd.)		✓			✓
3	Fujitsu Electronics Pacific Asia Limited		✓			✓
4	Fujitsu Electronics (Shanghai) Co., Ltd.		✓			✓
5	FUJITSU HONG KONG LIMITED		✓			✓
6	FUJITSU DO BRASIL LIMITADA	✓	✓			✓
7	FUJITSU ASIA PTE LTD		✓			✓
8	FUJITSU NETWORK COMMUNICATIONS INC.	✓	✓	✓	✓	✓
9	Fujitsu America, Inc.	✓	✓	✓		✓
10	Fujitsu (Thailand) Co., Ltd.		✓			✓
11	Fujitsu PC Asia Pacific Pte Ltd.		✓	✓		✓
12	FUJITSU AUSTRALIA LTD.	✓	✓	✓		✓
13	Fujitsu Technology Solutions GmbH	✓	✓	✓	✓	✓
14	Fujitsu Electronics Europe GmbH		✓			✓
15	南京富士通南大軟件技術有限公司 (Fujitsu Nanda Software Technology Co., Ltd)		✓			✓
16	FUJITSU SERVICES HOLDINGS PLC		✓	✓		✓
17	FUJITSU KOREA LTD.		✓			✓
18	台灣富士通股分有限公司 (FUJITSU TAIWAN LIMITED)		✓			✓
19	Fujitsu Telecommunication Asia Sdn. Bhd.		✓			✓
20	富士通(中国)信息系統有限公司 (Fujitsu (China) Holdings Co., Ltd.)		✓			✓
21	Fujitsu Technology and Business of America, Inc.		✓			✓
22	富士通(西安)系統工程有限公司 (FUJITSU (XI'AN) SYSTEM ENGINEERING Co.,Ltd.)		✓			✓
23	北京富士通系統工程有限公司 (Beijing Fujitsu System Engineering Co., LTD.)		✓			✓
24	Fujitsu Glovia, Inc.		✓			✓
25	FUJITSU AUSTRALIA SOFTWARE TECHNOLOGY PTY. LTD.		✓			✓
26	FUJITSU Enabling Software Technology GmbH		✓			✓
27	Fujitsu Electronics America, Inc		✓			✓
28	Fujitsu Electronics Korea Ltd.		✓			✓

No.	Company name	Environ- mental burden	Scope 1,2,3	Logistics	Environ- mental Account- ing	EMS
29	富士通研究開発中心有限公司 (Fujitsu Research and Development Center Co., LTD.)		✓			✓
30	Fujitsu Computer Products of America		✓	✓		✓
31	Fujitsu Frontec North America Inc	✓	✓	✓		✓
32	FUJITSU COMPONENTS (CHANGZHOU) CO., LTD.	✓	✓			
33	QINGDAO KOWA SEIKO CO., LTD.	✓	✓			
34	FUJITSU COMPONENT (MALAYSIA) SDN. BHD.	✓	✓			
35	PT FDK INDONESIA	✓	✓			
36	XIAMEN FDK CORPORATION	✓	✓			
37	SUZHOU FDK CO., LTD.	✓	✓			
38	FUCHI ELECTRONICS CO., LTD. (富積電子)	✓	✓			
39	FUJITSU TEN CORP. OF THE PHILIPPINES	✓	✓			
40	FUJITSU TEN de MEXICO, S.A.de.C.V.	✓	✓			
41	FUJITSU TEN (THAILAND) COMPANY LIMITED	✓	✓			
42	FUJITSU TEN ELECTRONICS (WUXI) LTD.	✓	✓			
43	FUJITSU TEN ESPANA S.A.	✓	✓			
44	FUJITSU DIE-TECH CORPORATION OF THE PHILIPPINES	✓	✓			✓
45	SHINKO ELECTRIC INDUSTRIES (WUXI) CO., LTD.	✓	✓			
46	KOREA SHINKO MICROELECTRONICS CO., LTD.	✓	✓			
47	SHINKO ELECTRONICS (MALAYSIA) SDN. BHD.	✓	✓			
48	TRANSTRON (THAILAND) CO., LTD.		✓			✓
49	Fujitsu Consulting India	✓	✓			
50	富士通(中国)有限公司 (FUJITSU (CHINA) Co., Ltd.)		✓			✓
51	FUJITSU FINANCE AMERICA INCORPORATED		✓			✓
52	FUJITSU EMEA PLC		✓			✓
53	FUJITSU SYSTEMS GLOBAL SOLUTIONS MANAGEMENT SDN. BHD.		✓			✓



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.

Embracing Diversity and Inclusion

Approximately 150,000 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.

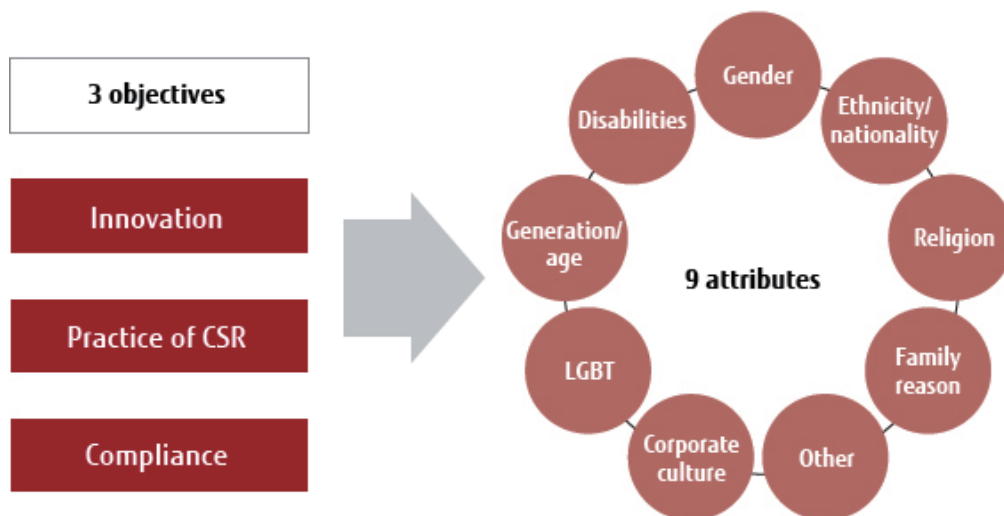
Diversity and Inclusion Policies

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



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 Director's Meeting for 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 all 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.

From FY2017, based on the Stage 4 theme of "Further Practice/Business Contribution" for Stage, we will implement a variety of new activities in addition to continuing and expanding existing activities.

Milestone



Four items to be addressed



Three main activities



Targets and Primary Measures






	Period	Target	Primary Measures to Address Targets
1	2008-2010: Awareness and Under-standing	<ul style="list-style-type: none"> Foster awareness and understanding of diversity promotion among all corporate officers and employees 	<ul style="list-style-type: none"> Conduct surveys of employee awareness of diversity Implement e-learning programs Build human networks for minorities
2	2011-2013: Under-standing and Practice	<ul style="list-style-type: none"> Promote workplace diversity Support more active participation by female employees Promote measures among Group companies in Japan 	<ul style="list-style-type: none"> 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. (target: a 20% ratio of female employees by FY2020 and a 20% ratio of newly appointed female managers by FY2020) Hold briefings for domestic Group companies, hold events for employees of domestic Group companies
3	2014-2016: Practice and Business Contribution	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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
4	2017-: Further Practice and Business Contribution	<ul style="list-style-type: none"> Support the promotion of workplace diversity aimed at creating innovation Enhance our pipeline for producing a variety of employees (focusing on female employees) with leadership skills Expand measures to domestic and overseas Group companies 	<ul style="list-style-type: none"> Enhance involvement by managers in diversity promotion activities in order to reform organizational climate Further enhance pipeline aimed at achieving numerical targets Prevent quitting of female employees, particularly young female employees Promote diversity promotion activities and support for individuals in the workplace

Key Examples of Specific Measures

In addition to working on targets specific to Stages 1 to 4, we are also implementing the following measures across all three Stages.

Main activities	Specific measures
Reform of mindset and culture in the organization	<ul style="list-style-type: none"> • 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 • Holding of a diversity film meeting
Support for individual success	[Measures to promote active participation by women] <ul style="list-style-type: none"> • 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] <ul style="list-style-type: none"> • Forum for employees with disabilities • Establishment of special subsidiaries • Expansion/publication of the Work Style Guidelines
	[Measures for foreign national employees in Japan] <ul style="list-style-type: none"> • 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] <ul style="list-style-type: none"> • 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] <ul style="list-style-type: none"> • Expansion of the scope of internal systems • Seminar on LGBT issues
Reform of way of working	<ul style="list-style-type: none"> • Seminars on reforming ways of working (childcare/nursing care and childcare-conscious bosses, etc.) • Workshop on reforming ways of working through digital technology • Activities for Telework Day and Telework Month

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.	
Platinum Kurumin certification (FY2015) The Minister of Health, Labour and Welfare gave Fujitsu special certification as a company that supports families raising children.	
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.	
PRIDE Index Gold Award (FY2016/FY2017) 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

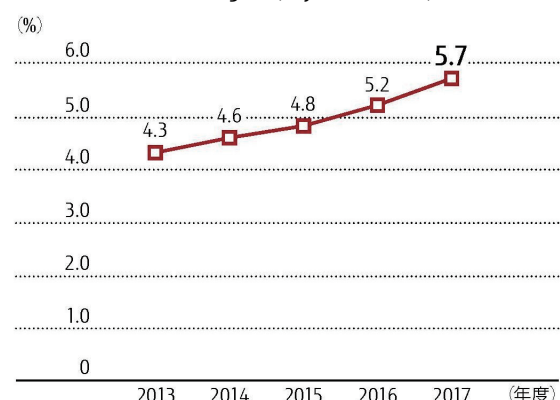
As an immediate high-priority issue, Fujitsu is setting quantitative targets to reliably create significant numbers of female managers, while promoting activities to achieve these targets.

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.

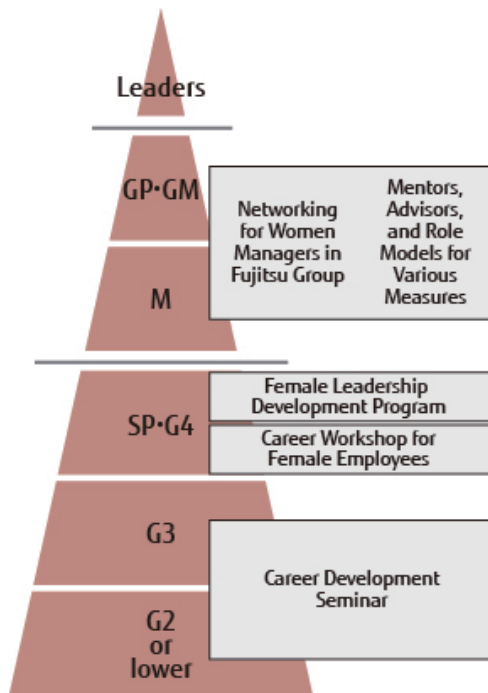
Note that we use the same recruitment standards regardless of gender with respect to promotion of managers at Fujitsu.

Trends in Women Managers (Fujitsu Limited)

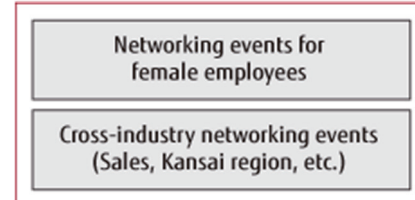


Measures Aimed at Promoting Active Participation by Women

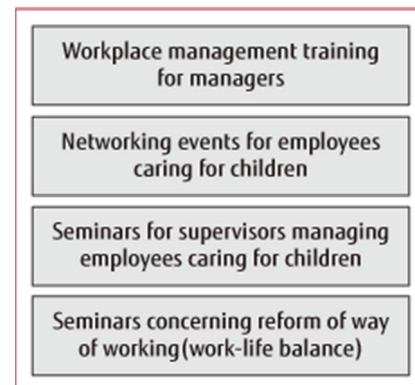
Measures by Employee Level



Measures for Women Overall



Measures Related to Management and Way of Working



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.

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.



Scene from team exercise

Career Workshop for Female Employees

One of Fujitsu's new measures for FY2017 was the full-scale start of the Career Workshop for Female Employees, which was held on a trial basis last fiscal year.

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.

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.

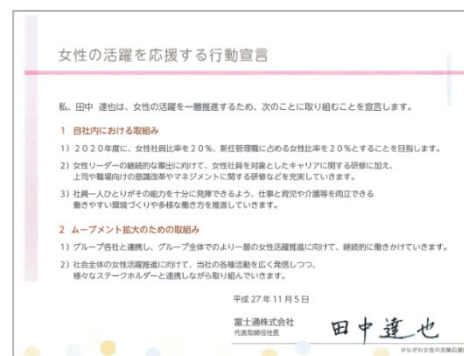
Participation in the Kanagawa Women's Activity Support Group

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, 2015, 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 is working to energize its activities.

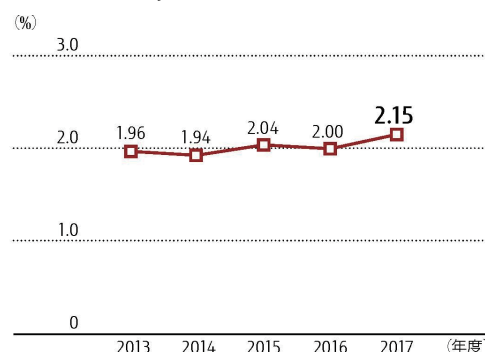


Supporting the Active Roles and Promoting Employment by People with Disabilities

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 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.

Trend in Employment Rate of People with Disabilities (Fujitsu Limited) *1



*1 The rate as of June 2018: 2.28%

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 FY2017, under the theme of “creating a workplace where anyone can perform,” we held lectures by outside guests and lectures by Paralympians at Fujitsu. At the end of the forum, all participants (even those without disabilities) participated in a game of the Paralympic sport Boccia. All participants really enjoyed the opportunity to become more familiar with the Paralympics

Establishing Special Subsidiaries*² 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.

*² 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.



Work in progress at Fujitsu Harmony Limited

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	Beppu
Fujitsu Harmony Limited	2013	105	Recycling, office environment, health keeping, novelty creation, meeting/event operation support, ordering/sales of catered lunchboxes, health checkup support	Kawasaki, Numazu, Shinagawa, Shibaura, Yokohama, Shin-Koyasu, Aomori, Sapporo, Nagano, Sendai, Niigata, Omiya, Okinawa
Fujitsu SSL Harmony Ltd.	2017	12	Activities related to internal delivery, office support, office environment maintenance/management, activities related to recycling	Kawasaki

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

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 383 as of March 31, 2017.

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, Labor 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 managers in domestic Group companies. In FY2017, this networking event was attended by 67 female managers from Fujitsu and Group companies.

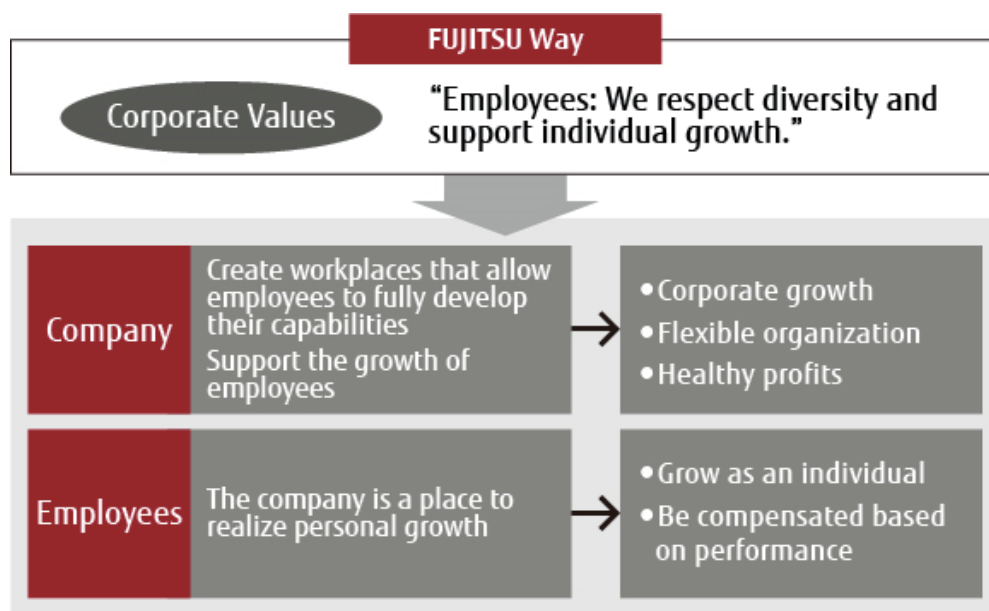
In order to further promote our activities for global diversity, at venues including our Global Director's Meeting for Human Resources Conference, we share the status of progress and best practices in each company and region while communicating our Group-wide policies on diversity and inclusion. In FY2017, we implemented a global survey on the status of progress in each region. We will use the survey results as a basis for further strengthening collaboration.

Creating Good Working Conditions

Human Resources System and Evaluation

Fujitsu's Approach to Human Resources

The FUJITSU Way corporate philosophy emphasizes that employees are one of the key factors we value and states "we respect diversity and support individual growth". As a company, we aim for corporate growth, a flexible organization, and healthy profits. To this end, we will create workplaces that support the growth of employees and allow them to fully develop their skills and capabilities. At the same time, employees look to grow as individuals and receive compensation according to their performance, and they regard the company as a place where they can strive to realize their personal growth. Fujitsu manages its human resources based on this approach.



Policies and Objectives

Fujitsu emphasizes "qualitative" fairness in its human resources system, with decisions on employee compensation based on the "level of contribution to the Company" and the "level of results achieved". For this reason, we disclose information related to human resources.

- ① Show employees how they can be rewarded with higher compensation ⇒ Openly disclose rules of the human resources system
- ② Show how the company evaluates staff ⇒ Provide individual evaluation feedback and compensate according to contribution
- ③ Show opportunities for challenge ⇒ Human resource development, internal postings, Free Agent program

In Japan, Fujitsu has introduced a "human resources system based on functional division and competency grade". Under this system, which forms the basis for human resources compensation, we define "functional division" as the function the employee should be fulfilling and "competency grade" as the ability to achieve a specific performance that can be linked to a business outcome.

Under this human resources system, we clarify the competency grade requirements of employees in a job description for each functional division. Through periodical reviews of the competencies that each person demonstrates, we aim to support the growth of all employees over the medium and long terms.

Goals

- Continue raising the competencies so that each employee can gain a sense of growth.
- Provide incentives for pride and awareness to those who deliver high added value.
- Reward those who make constant efforts toward growth.

We aim to ensure that the actions described above are implemented on an ongoing basis throughout the company.

Detailed Structure

We conduct evaluations of "initiatives aimed at medium-to-long-term growth" and "maximizing results in the current financial period." To reflect these in compensation, we use a two-pronged evaluation mechanism based on competency evaluations and performance evaluations. The results of the competency evaluations are reflected in salary increases and grade changes, and the results of performance evaluations are reflected in bonuses.



- We conduct activity-based evaluations of the degree to which employees demonstrate "appropriate mindset", "business execution ability" and "specialist expertise", and then take into account the relative gap to upper-level grades before determining the overall evaluation.



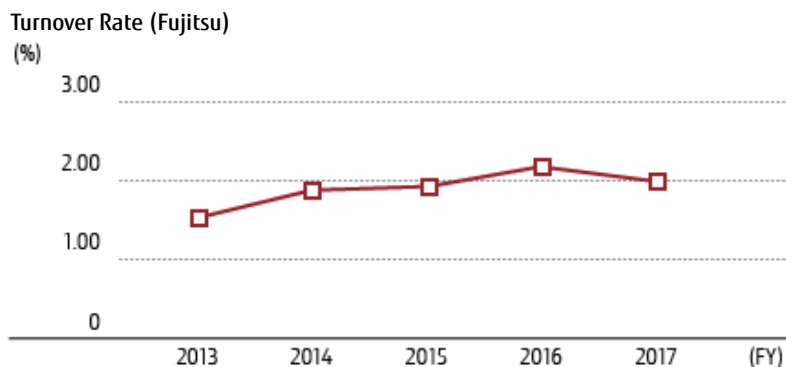
- By separating medium-to-long-term factors from the process, we are able to conduct more clear-cut evaluations based on the scale of half-year results.

In addition, we continue to support efforts aimed at the medium-to-long-term growth of each employee. With a focus on career goals, we also encourage interactive communication between employees and their managers that covers the areas of behavioral change and medium-to-long-term growth. Review meetings are conducted annually at the beginning of each year.

Furthermore, we have started formulating a globally unified role framework, as well as evaluation standards and evaluation cycles.

Establishing the Right Environment

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 child care or nursing commitments.



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 8 hours.

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

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 in FY2018 we will add two in-house childcare facilities to our sites, bringing the total to three facilities. Furthermore, we conduct a forum to assist and help build networks for employees who have just returned to the workplace after child care leave.

In FY2017, 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 sixth action plan (April 1, 2018, to March 31, 2021).

• 6th Action Plan (96KB)

<http://www.fujitsu.com/jp/documents/about/csr/employees/system/season-6-action-plan.pdf>

(Japanese content only)



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

In November 2017, during Nursing Care Week, Fujitsu conducted a seminar on balancing work and nursing care. We also redesigned seminars trialed in the previous year to create internal and external support systems and prepare employees for their nursing care commitments. These seminars included a Basic Session (to gain basic knowledge, such as preparation for nursing care) and a Care Manager Session (to gain hints and learn from the experiences of care managers active in nursing care facilities). In addition, we held multiple seminars for managers on the topic of dealing with staff facing nursing care commitments and how they should provide support from a managerial perspective.

Number of Employees Using the Care Leave Support System (FY 2017, Fujitsu Limited)

System	Total*2	Men	Women
Child care leave	425	42	383
Family care leave	7	4	3
Reduced working hours (child care)	871	21	850
Reduced working hours (family care)	13	6	7
Paternity leave	652	652	—

*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.

Return to Work Rate/Continuous Work Rate after Child Care or Family Care Leave (FY 2017, Fujitsu Limited)

System	Return to work rate	Continuous work rate*3
Child care leave	98.4%	98.3%
Family care leave	100%	92.3%

*3 Continuous work rate:

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

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.

In FY2017, we invited lecturers from outside Fujitsu to host a telework-related seminar on July 24, designated as Telework Day. The seminar was aimed at encouraging utilization of our telework system and other systems for realizing diverse work practices. Furthermore, during Telework Week in November 2017, we invited experts from outside the Company to run multiple seminars highlighting specific ways to utilize our telework system.

- 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
- 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
- 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 non-managerial employees are members of the Fujitsu Labor Union. (The Fujitsu Limited Labor Union membership rate 77.09%^{*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 77.09% figure quoted is the ratio of non-managerial employees out of all full-time employees (including managers).

Topics

Activities for Employees in China to Strengthen the Protection of Personal Information

Laws aimed at strengthening protections for personal information are being drafted and enacted in rapid succession and last year Japan saw the implementation of the Cybersecurity Law (20170601), the General Principles of the Civil Law (20171001) and the Personal Information Security Specification (20180501). Japan-based companies are also expected to comply with such regulations in their global operations. In specific terms, companies must impose restrictions on the scope of use of personal information and they must acquire from employees individual agreements on the use of such information.

In November 2017, discussions were held as part of a working group involving the human resource departments of Fujitsu Group companies related to business in China. The focus was on the scope of impact, countermeasures, and so on relating to legal system developments. After confirming the status of personal information management and control in the various Group companies, we determined to create for all Group companies in China a uniform Personal Information Handling Agreement Form and to implement a standardized Group-wide Personal Information Protection Management System.

In the future, we will continue to comply with relevant laws and regulations as we strive to use and manage personal information in an appropriate manner, thereby reassuring employees and creating a workplace that is easy to work in.

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. In FY2017, the survey targeted around 80,000 employees at 76 Group companies in Japan (including some 35,000 Fujitsu staff), while 41,000 overseas employees were surveyed, primarily at key Group companies. A total of 100,000 Japanese and overseas employees responded to the survey. The survey response rate was 87% in Japan, 75% overseas, and 83% globally.

We use this survey to 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, with a 58.9% result from male employees and a 61.5% result from female employees.

In Japan, we are making steady progress with improvements aimed at creating worker-friendly workplaces, evidenced by more positive responses to comments such as "The company supports me in achieving a reasonable balance between my work life and my personal life", "I am treated with respect as an individual" and "My immediate manager is supportive and helpful". Overseas, responses related to "Empowerment" rated highly and initiatives aimed at realizing a company in which every employee can work with pride and motivation are beginning to bear fruit.

Occupational Health and Safety and Health Management

Our employees are the greatest assets of the Fujitsu Group. In order to continually exist as a corporation where each employee can increase his/her own value and work with a feeling of pride/fulfillment, labor and management are working together to strategically ensure safety and maintain/improve health.

Health Management Initiatives

In order to achieve the corporate principles listed in the Fujitsu Way and to implement Health Management while integrating work style reform and diversity management, we have established a new Fujitsu Group Health Statement which clearly positions employee health as the foundation of management. Furthermore, based on internal activities taken up to this point, we are strategically enhancing the maintenance and improvement of health for employees and their families.

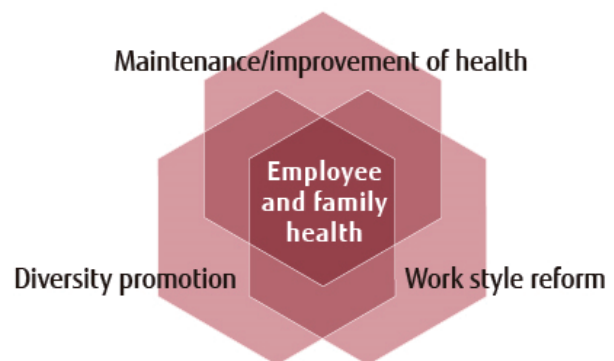
Fujitsu Group Health Statement

The Fujitsu Group aims to create an environment where every employee, healthy in both mind and body, can work with enthusiasm. In order to bring about a prosperous future that fulfills the dreams of people throughout the world, the company will continually challenge to pursue innovation and contribute to a comfortable and secure network society.

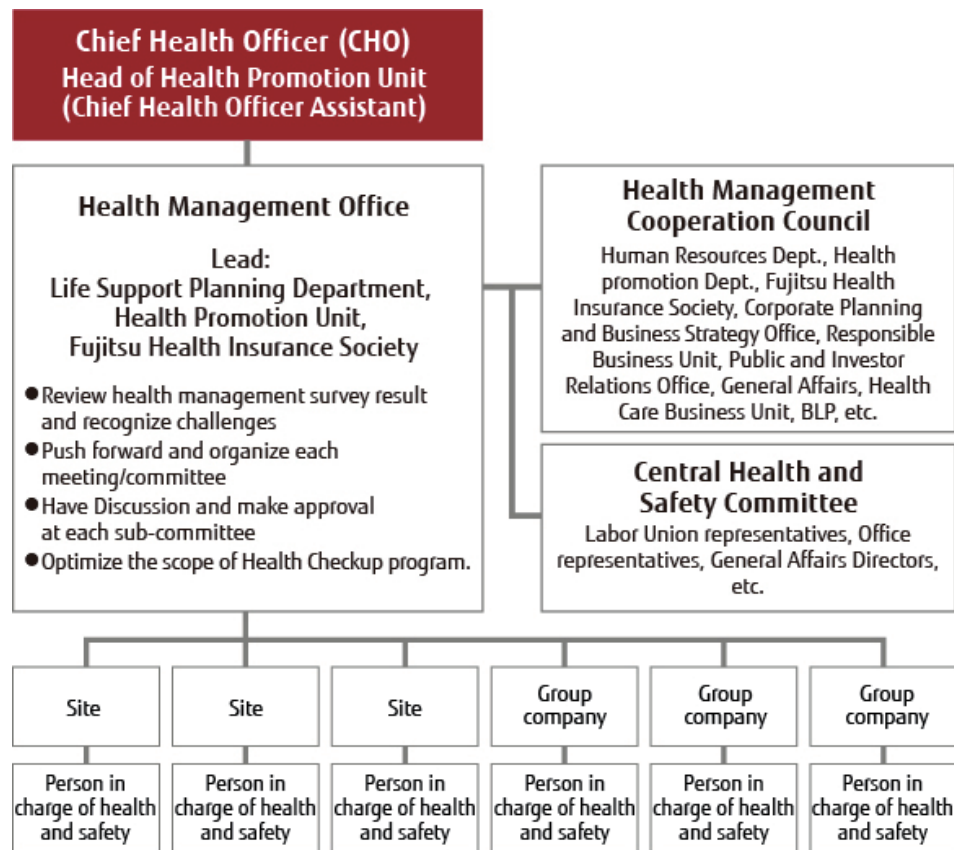
Policy Objectives

1. Fujitsu will further strengthen the ongoing health maintenance and improvement measures while proactively supporting the autonomous health management of each employee.
2. In coordination with measures to promote diversity and transform the ways people work, Fujitsu will comprehensively promote a range of initiatives including health maintenance and improvement for employees and their families, the achievement of work-life balance, increased productivity, and the creation of workplaces where diverse employees can thrive.
3. By providing ICT to enhance health management, Fujitsu will contribute to improved health and productivity for employees, customers, and the society as a whole.

Health Management



Structure for Promoting Health Management



The Fujitsu Group has established the five priority measures listed below by stationing health management staff at Fujitsu and domestic Group companies, and by cooperating with Fujitsu Health Insurance Society. We are implementing health support activities to maintain/enhance health and to heighten health literacy (elements regarding health) for employees (including retired employees) and their families.

1. Measures against lifestyle diseases
2. Measures against cancer
3. Mental health measures
4. Measures against smoking
5. Reform of workplace environment, etc., and raising of health awareness

Priority Measures and Initiatives

Implementing Health and Safety Education

Fujitsu and domestic Group companies provide occupational health and safety education and health education for developing a stronger awareness toward health issues. We also tailor the education to match the workplace environments at specific business sites.

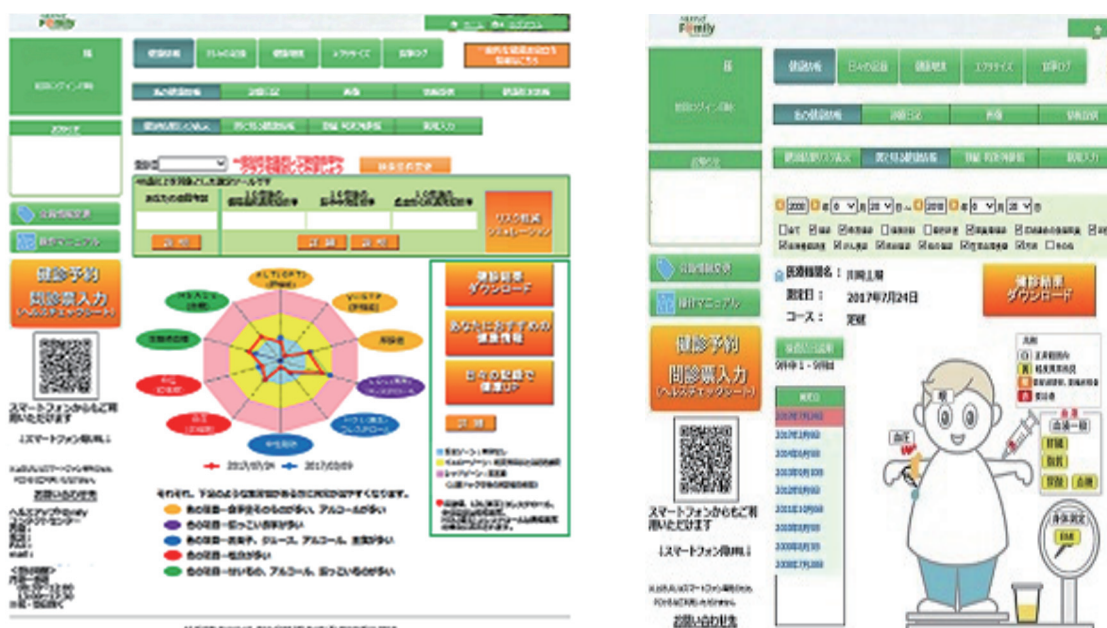
Education and training activities (ex.)

- Occupational health and safety education for new employees (approx. 3,000 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 managers (approx. 1,800 employees; once every three years)
- Occupational health and safety education at individual business sites (approx. 800 employees/year at major business sites in the Tokyo-Yokohama area, for example)

Health Checkups

Fujitsu and domestic Group companies hold periodic health checkups that include stomach examinations, fecal occult blood testing, and other examinations for each age group in accordance with health examination items specified by law. Through feedback on their results from industrial physicians and industrial health staff, and through PC/smartphones systems which enable employees to review their own health data, we assist in correct understanding of health checkup results and improvement of health awareness. We also thoroughly recommend specialized examinations and going for outpatient visits at medical institutions. Moreover, as measures to prevent illnesses from becoming severe, we cooperate with Fujitsu Health Insurance Society and monitor the medical billing statements of employees who have been diagnosed as requiring treatment based on the results of health checkups. By once again encouraging employees who have not received the required treatment to go for outpatient visits at medical institutions, thus contributing to appropriate treatment.

In addition, we collaborate with the Fujitsu Health Insurance Society to help detect cancer at an early stage by offering free gynecological and obstetric examinations and providing subsidies to defray the costs of brain and lung checkups.



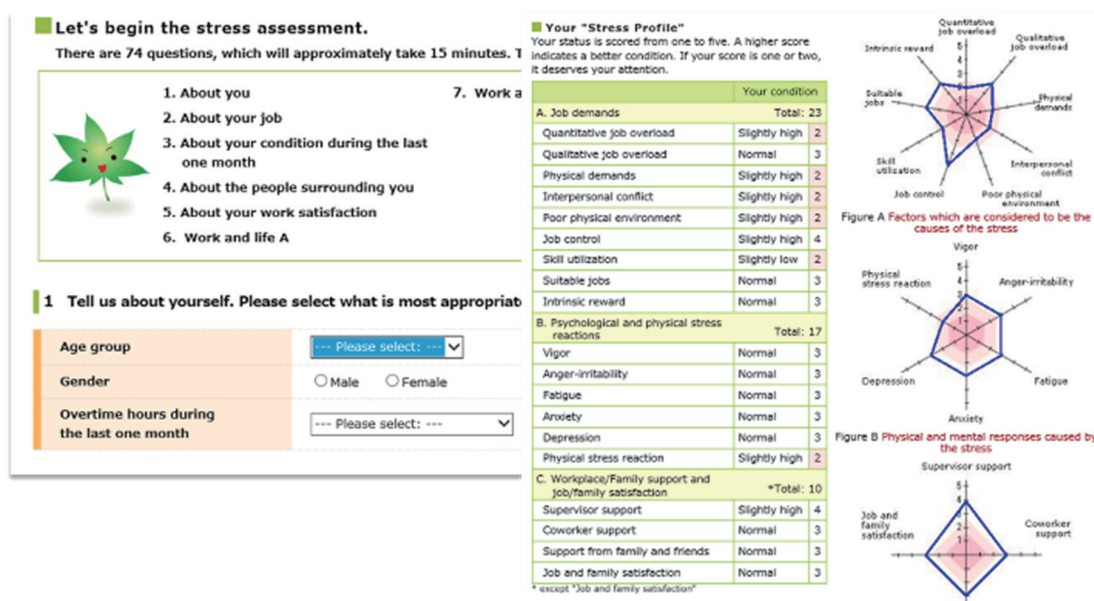
Health Up F@mily: Results of health checkups are returned on the web. Results can be used to monitor changes together with aging and to improve personal health.

Enhancement of 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, engage in various forms of mental health education, and support employees and workplaces to prevent mental health issues. We have simplified access to the mental health support office from the company website, and we now accept consultation from workplace superiors and coworkers in addition to individuals themselves. Fujitsu also actively supports work balance for employees receiving treatment for cancer.

For stress checks, we have added lifestyle and work engagement (realizing increases in vitality through work) items to simple questionnaires on work-related stress. In addition to supporting self-care by employees through diagnostic measures, we provide management with feedback on organizational diagnostics, and coordinate with employee satisfaction surveys to improve and enliven the organizational climate.

As support for activities to reform the workplace environment, the Group promotes stress management education for workplaces with a large numbers of high-stress employees and workshops for creating a vibrant, healthy environment at workplaces with a high degree of stress. Fujitsu also cooperates with human resources sections to reduce stress and improve work engagement. At workshops, the role of facilitator is fulfilled by industrial health staff, particularly counselors. The workshops consist of rediscovering and enhancing workplace strengths, as well as creating/implementing specific action proposals aimed at creating "invigorating workplaces" that are highly-resistant to stress.



Stress check question forms and individual results

Measures against Infectious Diseases

To keep its employees safe from infectious diseases ranging from new strains of influenza to tuberculosis and HIV, Fujitsu and domestic Group companies offer health consultation services and provide 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.

Additionally, in order to prevent infectious diseases, we implement measures such as holding seasonal influenza vaccinations at companies, subsidizing expenses via welfare points, and vaccinations (paid for by the company) for employees stationed overseas as recommended by the overseas company.

External Evaluation

Certified as "White 500" (Health and Productivity Management Enterprise)

For the second consecutive year (2017 and 2018), 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 was recognized for its systematic efforts to maintain and improve the health of its employees.

Moreover, in 2018, seven Group companies—PFU, Fujitsu FIP, Fujitsu FSAS, Fujitsu Kyushu Systems, Fujitsu Social Science Laboratory, Fujitsu Software Technologies, and Fujitsu Marketing—were certified in the "Large Enterprise Category," and two group companies—Fujitsu YFC and Best Life Promotion—were certified in the "Small and Medium Enterprise Category."



Healthy Living Workplace Certification System – Starter Accreditation

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.



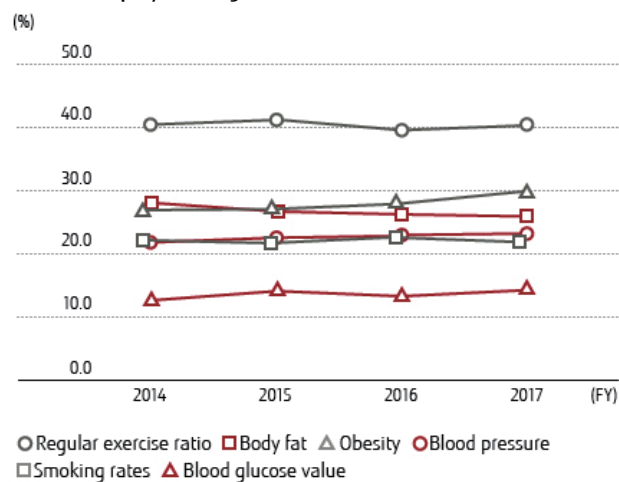
^{*1} Forum for Creating a Healthy Living Workplace:

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.

Status of Employee Health

Fujitsu supports employee health management through health checkups and health guidance provided by industrial physicians and health nurses.

Ratio of employees diagnosed with health concern



* Target: Full-time employees of Fujitsu Ltd. at the end of the fiscal year

Obesity: BMI of 25 or higher

Blood pressure: Systolic blood pressure of 130 mmHG or higher; diastolic blood pressure of 85 mmHG or higher

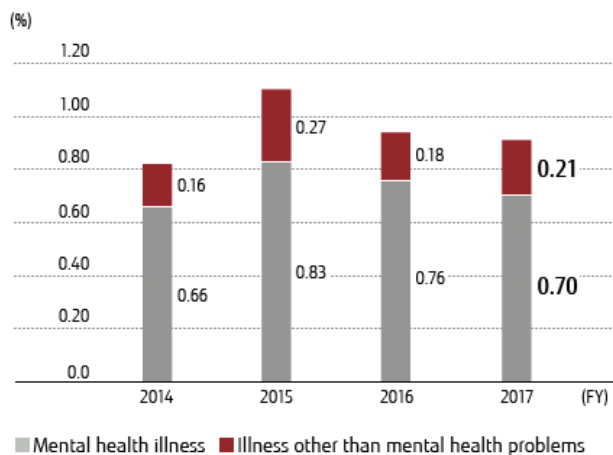
Blood glucose value: Blood glucose of 110 mg/dl or higher and Hba1c of 6.0% or higher

and employees currently undergoing treatment for each item.

Smoking ratio: Ratio of employees who responded that they smoke when answering the health questionnaire

Ratio of regular exercise: Ratio of employees who responded that they exercise regularly when answering the health questionnaire

Ratio of long-term absence due to illness/ Leave of absence due to illness



* Target: Full-time employees of Fujitsu Ltd. at the end of the fiscal year

At the end of the fiscal year, ratio of employees who have been absent for a continuous period of at least 1 month or have taken a leave of absence

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 Health and Safety

The Fujitsu Group aims for zero industrial accidents, and is committed to organizing occupational health and safety 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 minimize accident risks at its production sites.

Occupational Health and Safety Promotion System

The Fujitsu Group has established a Central Health and Safety 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 Health and Safety 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 health and safety.

The health and safety management organizations at individual business sites hold monthly meetings of their Health and Safety 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 health and safety 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–FY2017)

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

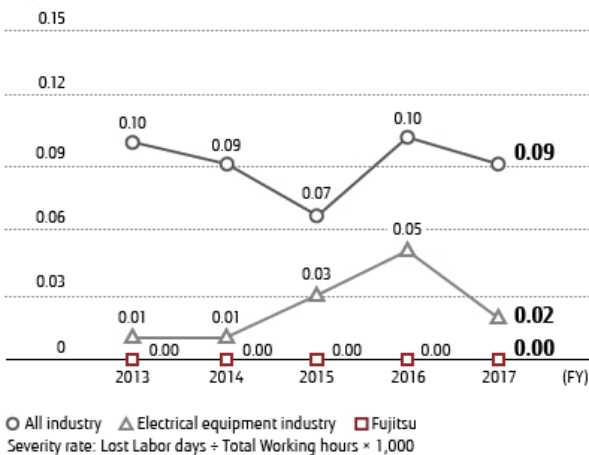
- (1) Industrial accident prevention policies
 1. Reduce falls
 - (a) Enhance cooperation among sections in charge of health and safety
 - (b) Improve industrial accident awareness through workplace management
 2. Validate efforts to prevent industrial accidents at manufacturing sites
- (2) Health maintenance/enhancement policies
 1. Implement preventive measures for lifestyle diseases, etc.
 - (a) Enhance measures to prevent disease and prevent disease from increasing in severity
 - (b) Promote collaboration health and raise health awareness
 2. Promote measures to improve mental health
 - (a) Implement measures for prevention
 - (b) Enhance workplace management
 - (c) Hold meetings of experts
 3. Prevent smoking and secondhand smoke

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.

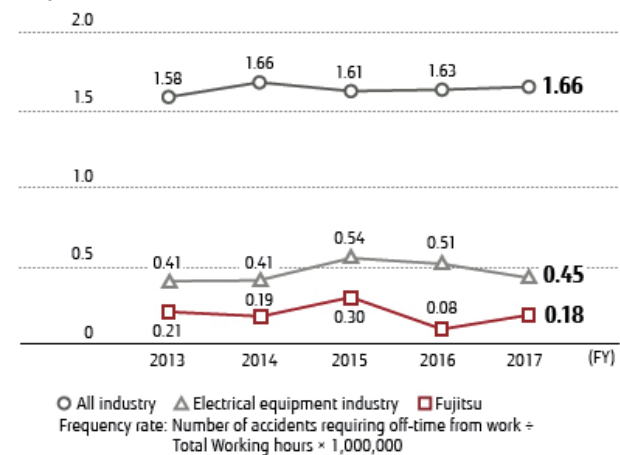
Severity Rate Transition (Fujitsu Limited)

(day/thousand hours)



Frequency Rate Transition (Fujitsu Limited)

(No. per million hours)



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 health and safety.

Embracing the spirit of the World Day for Safety and Health at Work, an annual initiative by the International Labor 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.

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 themes.

4 Major Themes of Human Resource Development

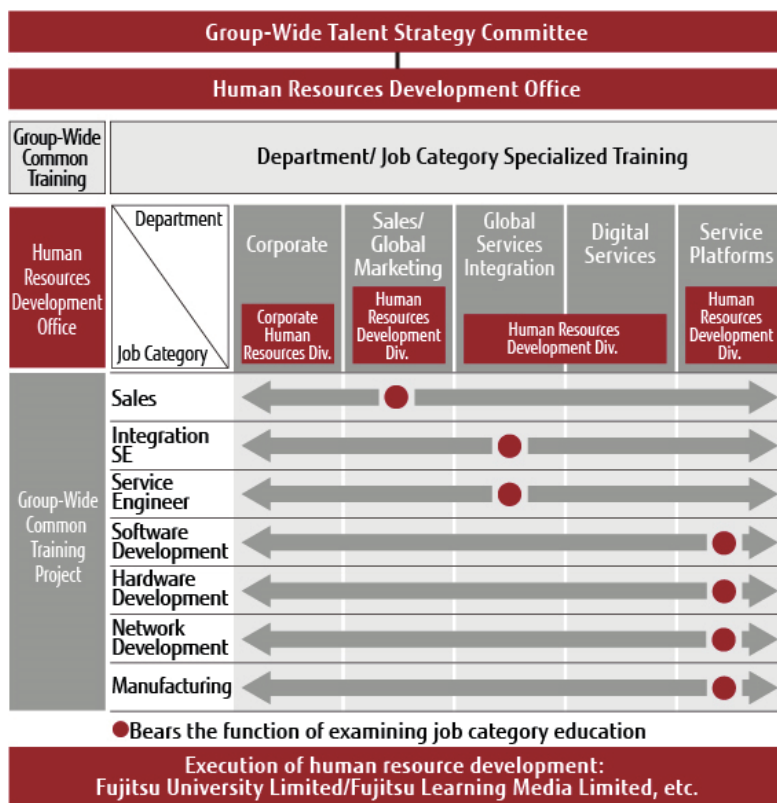


Promotion System

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, position-specific training, and specialized training. The division conducts human resource training across the entire division for each position, including for domestic group companies.

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

Human Resource Development System



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.

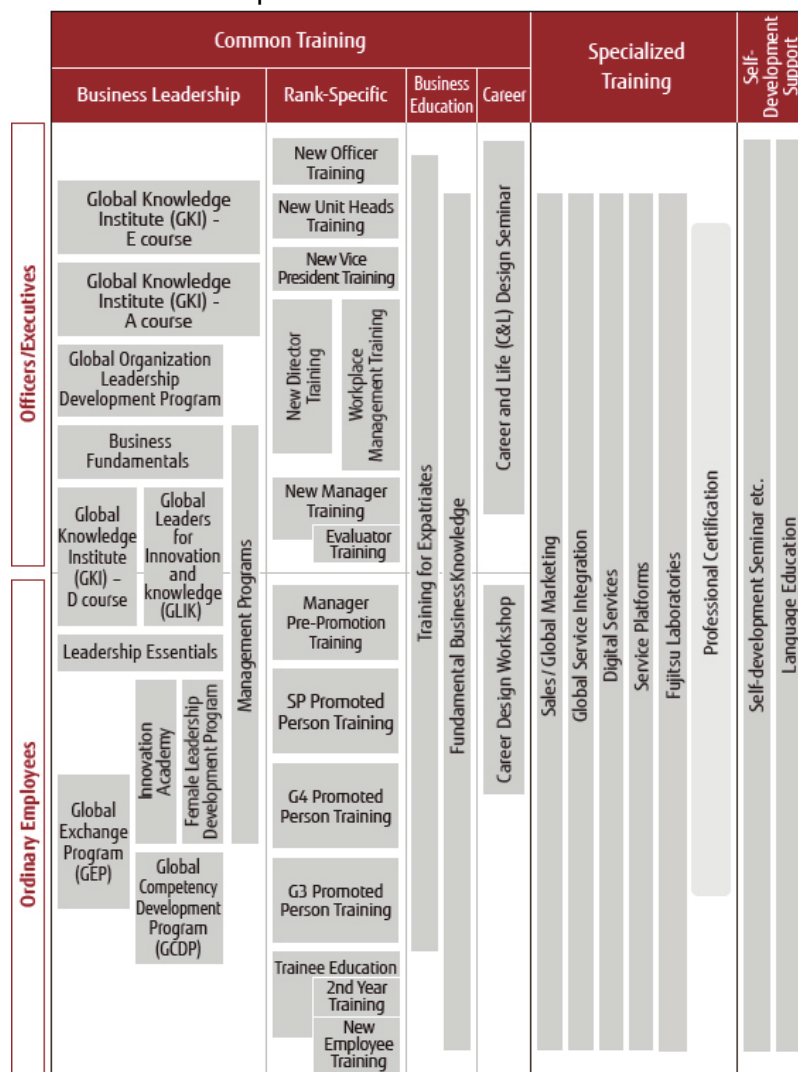
Our rank-specific training programs are positioned as an important part of shared education. In addition to inputting necessary items across all ranks, the training includes integrated items which require enhancement across all ranks; specifically, financial accounting, facilitation, and Management By Belief (MBB)*.

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.

Human Resource Development Structure

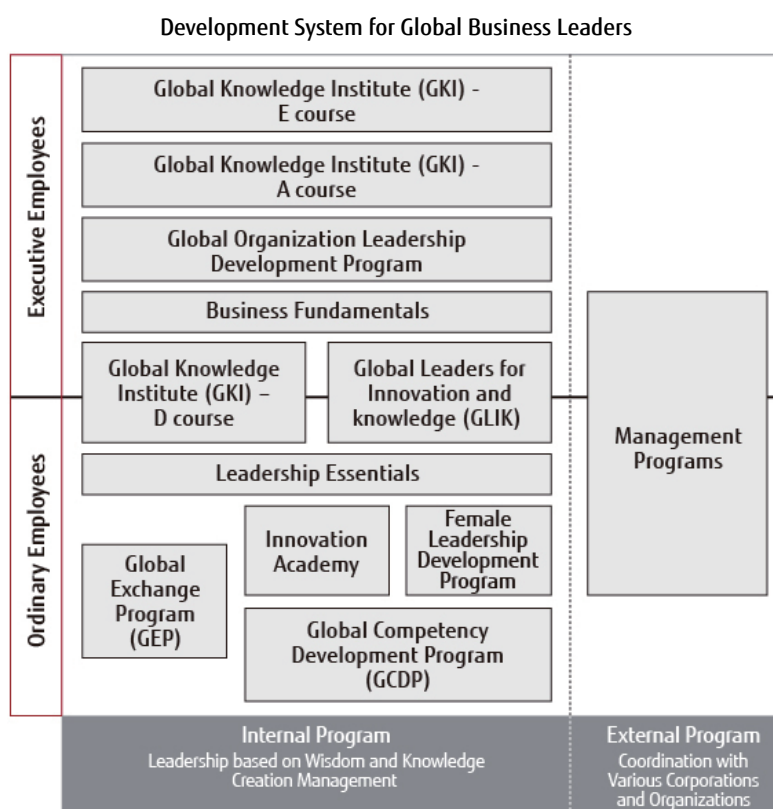


Average Hours Dedicated to Training Per Employee (Fujitsu Limited) (FY2016)

Executive Employees	Ordinary Employees	Total Average
39.8 Hours	59.9 Hours	55.7 Hours

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. 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.



At the core of the global business 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 FY2017 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.

From FY 2017, in addition to the above, we established two new courses: Business Fundamentals and Leadership Essentials. These courses enable trainees to acquire basic skills required by global business leaders. Approximately 250 people graduated from the courses. This has further accelerated global business leader development from the perspective of number of personnel.



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	<p>Fujitsu is making the following efforts to enhance sales coordination on a global scale.</p> <ol style="list-style-type: none"> 1. 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: 27 participants in FY2017; 40 participants scheduled for FY2018] [Training program in Japan for overseas site sales persons: 35 participants in FY2017; 40 participants scheduled for FY2018] 2. Fujitsu is working with the Asia Region's Human Resources Unit and Human Resources Development Unit to hold training for enhancing sales abilities for sales staff in the Asia Region. [137 participants from 6 countries in FY2017] 3. In the Domestic Sales Unit, Fujitsu organized business performance ability in the digital business era and held a program for studying the concepts of design thinking and digital business for approximately 800 employees in the manager class. The program will be deployed across all of sales as a base line for sales activities.
Global Services Integration Business	<ul style="list-style-type: none"> ● Fujitsu is making the following efforts to develop Global SEs capable of applying global business skills. <ol style="list-style-type: none"> 1. Fujitsu is offering various training programs for improving communication skills and developing a global mindset. [1,493 participants in FY2017] 2. Fujitsu is implementing overseas workshops (Global Workshop Training [GWT] programs) at overseas business facilities for selected trainees. [36 participants in FY2017; 50 participants scheduled for FY2018] ● From FY2017, Fujitsu has held the Digital Innovator Training Program to get an early start on developing digital business leaders. In FY2018, we will continue to improve and enhance program contents. [174 participants in FY2017; 420 participants scheduled for FY2018] ● Based on career formation concepts and how to face work duties, we enhanced support measures with a focus on career education for young employees (1st year, 3rd year, and age 30) and organizational communication. ● In order to raise security awareness, we held mandatory training in which employees experience simulated security attacks/countermeasures on actual equipment and learn to incorporate security at the time of system design. We are working to broadly disseminate training for all employees through e-Learning, etc.
Digital Service Business	<p>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. Continuing from FUJITSU Cloud Service K5 and AI implemented in FY2017, we are using e-Learning to share our policies and technologies for the IoT in FY2018.</p>

Service Business	Platform	<p>Fujitsu is making the following efforts to get a head start on developing engineers for the emerging era of digital business.</p> <ol style="list-style-type: none"> 1. Training for young business leaders <ul style="list-style-type: none"> - G3 business ideas proposal worksheets: [30 in FY2017 (including 12 women)] - Fujitsu held fast-track selection training for young engineers [27 in FY2017] 2. Early development of solid engineers <p>Fujitsu established a course system for developing engineers capable of adapting to new times. [Established 6 AI courses in FY2017]</p> 3. Overseas workshop programs for developing a global mindset <ul style="list-style-type: none"> - Fujitsu sent employees on short-term study-abroad trips [16 participants in FY2017] - Fujitsu offered overseas business trip programs [21 participants in FY2017].
Global Functions	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.

2. Professional Certification Categories (FY2017, including group companies)

- Sales: 567 certified employees
Strategy/Account Management/Solutions
- System Engineers: 2,068 certified employees
Consulting/Project Management/Business Architecture/IT Architecture/Service Management/Quality Management/Product Architecture/IP Management
- Engineers: 587 certified employees
Product Planning/Architecture Development/Hardware and Firmware Development/Software Development/Manufacturing and Production Skills/Quality Assurance Skills

Career Design Support

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. These 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 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 Seminar System (Mandatory courses)

Managers and above Employees	C&L Design Seminar
	Career route consideration
Regular employees	Career Design Workshop
	Seeing change as an opportunity for your career

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/Internal Posting Program and 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 internal recruiting program has been implemented since 1993 and is now firmly established. To date, approximately over 3,000 employees (as of the end of FY2017) have changed positions through this program.

Free Agent (FA) Program

In addition to the program discussed above, 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 since FY2003 and approximately over 600 employees (as of the end of FY2017) 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.

List of Employee Related Indicators

*Items listed in the third party verification report.

Employees in Fujitsu group

		FY 2015	FY 2016	FY 2017	GRI
Number of employees by region*	Total	156,515	155,069	140,365	G102-7, 8
	Japan	98,905	98,447	92,476	
	Asia	17,668	17,209	12,376	
	Oceania	3,662	3,422	3,137	
	The Americas	7,573	7,821	5,867	
	EMEIA	28,707	28,170	26,509	
Number of Employees by Type of Contract (person)	Full-time	156,515	155,069	140,365	
	Non Full-time*1	16,871	16,307	15,883	

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

Board of Directors (As of June 25, 2018)

		End of June, 2016	End of June, 2017	End of June, 2018	GRI
Directors*	Total	10	10	10	G405-1
	Male	8	8	8	
	Female	2	2	2	
External directors* *2		4	4	5	
Non-Japanese directors		1	1	1	

*2 External Directors under Clause 15, Article 2 of the Companies Act and Clause 15, paragraph 3, Article 2 of Enforcement Regulations of the Companies Act.

Diversity (Fujitsu Limited)

		FY 2015	FY 2016	FY 2017	GRI
Number of employees* Total		24,112	33,095	32,969	G405-1
Average age*		43.3	43.1	43.3	
Number of employees by age group*	Under 30	2,978	4,281	4,337	
	30-49	14,174	18,875	17,655	
	50 and over	6,960	9,939	10,977	
Number of employees by gender (person) *	Male	20,248	27,754	27,462	
	Female	3,864	5,341	5,507	
Ratio of female employees (%)		16.0%	16.1%	16.7%	
Ratio of female managers (%)*		4.82%	5.24%	5.71%	
Ratio of newly appointed female managers (%)* (qualified personnel)		6.6%	10.1%	11.3%	
Number of non-Japanese employees (person)		248	343	383	
Trend in employment rate of people with disabilities (%)* (counted in every June) *3		2.04%	2.00%	2.15%	

*3 The rate as of June 2018: 2.28%

Employment (Fujitsu Limited)

		FY 2015	FY 2016	FY 2017	GRI
Hiring of Recent College Graduates (person)*	Total	500	740	750	G401-1
	Male	344	490	530	
	Female	156	250	220	
Average year of service*	Total	20.3	20.0	19.4	
	Male	20.7	20.6	20.0	
	Female	18.1	17.2	16.4	

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

		FY 2015	FY 2016	FY 2017	GRI
Number of employees using child care leave*	Total	272	336	425	G401-3
	Male	23	38	42	
	Female	249	298	383	
Return to work rate after child care leave (%)	Total	97.5%	98.5%	98.4%	
	Male	100%	100%	100%	
	Female	97.0%	98.3%	98.3%	
Continuous work rate after child care leave (%)	Total	95.7%	98.2%	98.3%	
	Male	80.0%	100%	93.3%	
	Female	96.0%	98.0%	98.8%	
Number of employees using family care leave*	Total	13	14	7	
	Male	4	10	4	
	Female	9	4	3	
Return to work rate after family care leave (%)		93.8%	100%	100%	
Continuous work rate after family care leave (%)		100%	97.1%	92.3%	
Reduced working hours (child care)*	Total	556	789	871	
	Male	10	16	21	
	Female	546	773	850	
Reduced working hours (family care)*	Total	11	17	13	
	Male	2	7	6	
	Female	9	10	7	
Paternity leave*		463	482	652	

Occupational Safety and Health (Fujitsu Limited)

	FY 2015	FY 2016	FY 2017	GRI
Frequency rate*	0.30	0.08	0.18	G403-2
Severity (rate)	0.000	0.000	0.000	

Human Resource Development (Fujitsu Limited)

		FY 2015	FY 2016	FY 2017	GRI
Average Hours Dedicated to Training Per Employee (Fujitsu)	Total	50.8	55.7	(To be updated)	G404-1
	Executive Employees	36.3	39.8	(To be updated)	
	Ordinary Employees	55.2	59.9	(To be updated)	



With Our Stakeholders

As a good corporate citizen, Fujitsu undertakes corporate activities to identify stakeholders' (customers, shareholders and investors, clients and business partners, regional communities, 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.

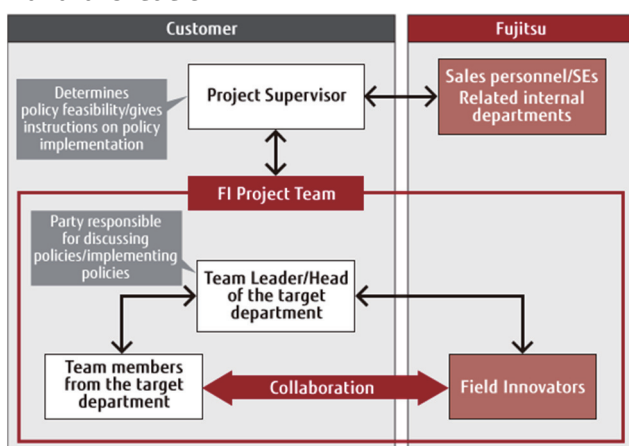
Promoting Field Innovation with the Customer

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.

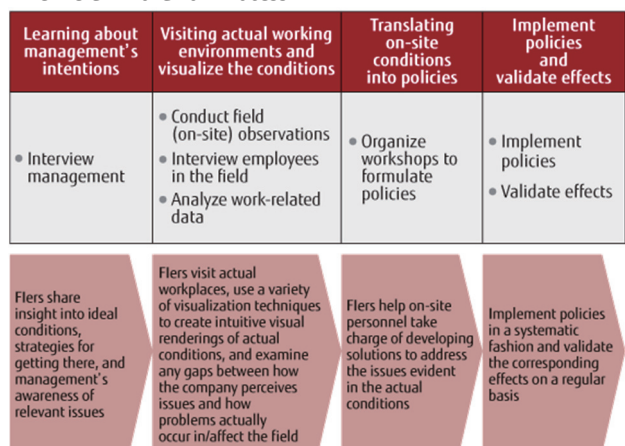
Fujitsu launched Field Innovation activities in 2007, working together with a wide variety of customers in a diverse mix of industries. In FY2017, the Field Innovation activities implemented 290 projects.

Collaborating with customers and spearheading the Field Innovation initiative are "Field Innovators" (Flers)—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 Flers 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 Flers collaborate with customers on possible solutions from a third-party perspective.

Promotion Structure



The Field Innovation Process



• Examples of Field Innovation

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

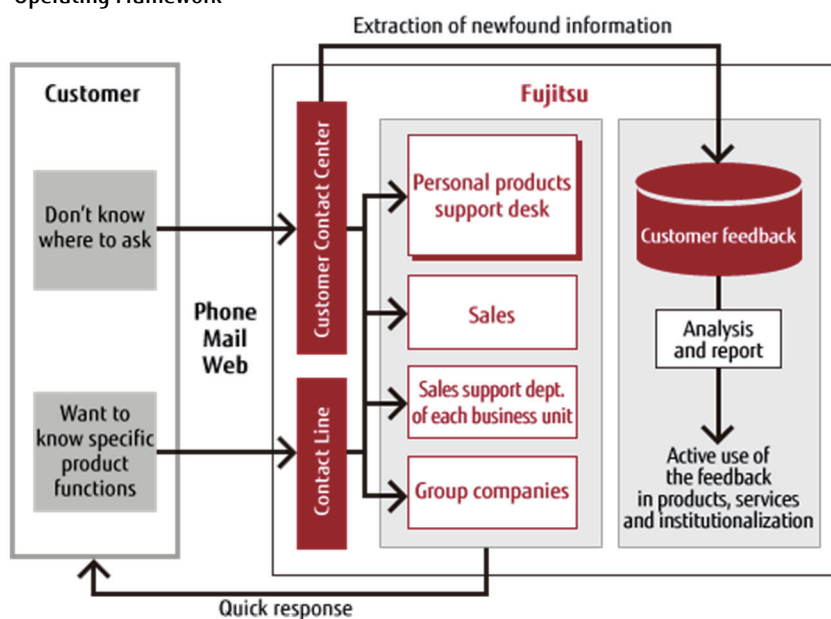
Operation of the Fujitsu Customer Contact Center and the Fujitsu Contact Line

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.

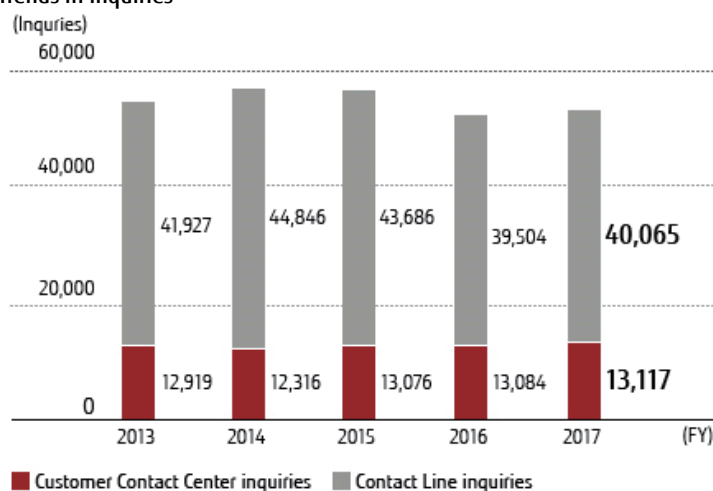
The role of the Fujitsu Customer Contact Center and the Fujitsu Contact Line is to quickly connect the customer to the department best suited to answer his/her inquiry and monitor the status of inquiries to prevent delayed or unresolved responses. The organizations not only increase customer satisfaction 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 informed us that the top of keys is difficult to view on one of our computers. The customer also noted that some intensities of light are reflected by the key tops, thus making it impossible to read characters on the keys. Starting from our new model (ESPRIMO FH Series) released in January 2018, we revised the color and printing method for key top characters. This made it easy to read characters on the key tops even when using a desk lamp or other lighting.

[Example 2]

In regards to setting up a brand new computer, a customer suggested that we make it possible to restore the computer to factory default settings even if the OS (MS Windows) does not operate for some unexpected reason. From January 2017, we installed Fujitsu's unique tool "Windows Recovery Environment" on some models. As a result, even if it is not possible to start the OS, a menu is displayed with options including restoring the computer to factory default setting.

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.

From FY2016, we have conducted 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

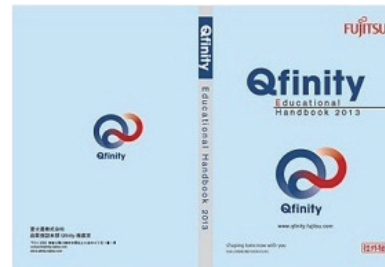
Outstanding activities across the Group are given awards for excellence on the anniversary of the company's foundation. The award-winning activities are also announced and shared at the Qfinity Company-wide Convention where Group employees come together.

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 greater participation from Group companies in Japan (from 55 companies in FY2015 to 63 companies in FY2016 and 72 companies in FY2017) and an increasing number of award entries from abroad (from 13 companies in FY2015 to 17 companies in FY2016 and 24 companies in FY2017). 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 4,000 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 500 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 FY2017, the Committee conducted high-level studies into the latest ICT via united efforts that included 227 research sub-committee 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 FY2017, the Fujitsu Group did not violate the Act against Unjustifiable Premiums and Misleading Representations. We are continuing to focus on branding in FY2018, 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 validate whether or not KPI have been achieved.

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.

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 FY2017

IAUD Award 2017

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 2017 recognized the five Fujitsu initiatives below, including bestowing Gold Awards.

FACT-V won the Gold Award in recognition for deep understanding toward the needs of users including the elderly and people with disabilities. This was made possible by applying the concept of universal design as the result of 18 years of research and development continuing from 1999. Also winning the Gold Award was the Learning Together Project, a joint development program which enables children to study together in classrooms regardless of any disabilities possessed by children. The Learning Together Project was recognized for "reconfirming that studying together is the key for design to support diversity."

- Gold Award: FACT-V ATM Series
- Gold Award: Learning Together Project
- Silver Award: KID'S KEITAI F-03J
- Silver Award: School Tablet
- IAUD Award: FUJITSU Educational solutions K-12 Individual learning support Penmaru



Gold Prize: FACT-V ATM Series



Gold Prize: Learning Together Project

2017 Good Design Award, Kids Design Award, Red Dot Award

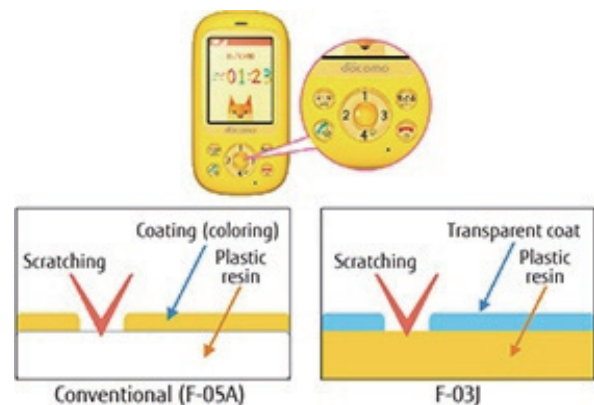
– Mobile Phone: KID'S KEITAI F-03J

Our KID'S KEITAI F-03J won a total of four awards; in addition to the aforementioned IAUD Silver Award, it also won the Good Design Award and Kids Design Award in Japan, as well as the Red Dot Award on Germany.

This mobile phone has various functions for protecting children. For example, the "Mimamori Alert" to notify parents when children have become separated from their parents and the "Okaeri Message" to inform parents when children have come home. The phone is designed to be held easily by children and a scratch-resistant body for long use. Furthermore, it is waterproof, dustproof, and has an antibacterial coating. KID'S KEITAI F-03J received these awards in recognition of responding to needs surrounding children and their parents.



KID'S KEITAI F-03J



Antibacterial performance for safety and peace of mind

• Award Details

<http://www.fujitsu.com/jp/group/fdl/awards/index.html>

Events and Activities for Diversity

Fujitsu actively engages in efforts to build a harmonious society through a variety of open events and support activities. In FY2017, we participated in WRD. IDNTTY. (Wired Identity), a conference held in October 2017 on the theme of diversity.

Among numerous prominent speakers including musicians, philosophers, and photographers, Fujitsu participated in the conference as a major corporation which possesses resources which have a major impact on society. Moreover, Fujitsu and Wired Japan held a three-day intensive study session at "The ABC of Diversity: Fundamental Lectures on Diversity presented by Fujitsu + Wired," a three-day program which examines diversity. At the program, we invited Associate Professor Ryoji Hoshika and Specially-Appointed Assistant Professor Yuriko Iino from the Center for Barrier-Free Education at the Graduate School of Education, The University of Tokyo to serve as moderators. While including guest instructors, participants studied the fundamentals of diversity through the three themes of "structures," "markets," and "organizations," and exchanged opinions.



WRD. IDNTTY. (Wired Identity)
PHOTOGRAPH BY KAORI NISHIDA



Fundamental Lectures on Diversity
PHOTOGRAPH BY KAORI NISHIDA

- Event Details: Fujitsu Journal
<http://journal.jp.fujitsu.com/2017/12/19/01/>

Education for "Barrier-Free Minds" and Activities of Employees with Disabilities

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 conducts internal education. During the education, employees with disabilities discuss their experiences at the company, thus providing participants with new recognition. Education programs developed at Fujitsu are being expanded to other companies through the All Japan Business Committee and Fujitsu supports the spread of our programs at other companies.



- 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"
<http://www.fujitsu.com/jp/about/activities/quality/index.html>

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.

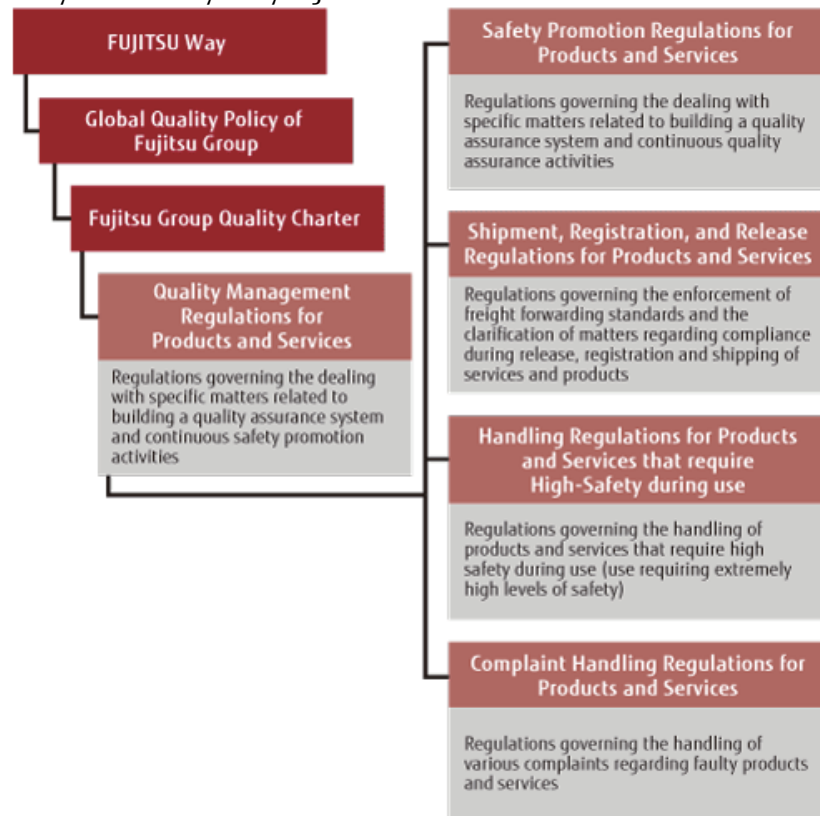
To continue offering products and services that anticipate changes affecting our customers and their business environments, at every stage from design to evaluation, production, sales and support, we perform our quality improvement activities in line with the following principles laid out in the Fujitsu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

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.

The System of Quality Safety Regulations



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 FY2017, 28 Business Units have acquired ISO 9001 certification, while 5 Business Units have received ISO20000 certification.

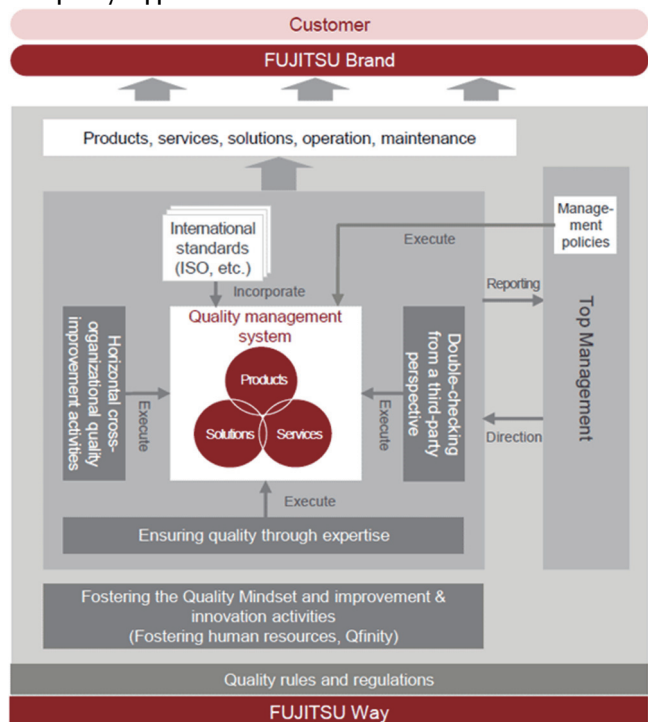
Establishing a Quality Assurance System

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

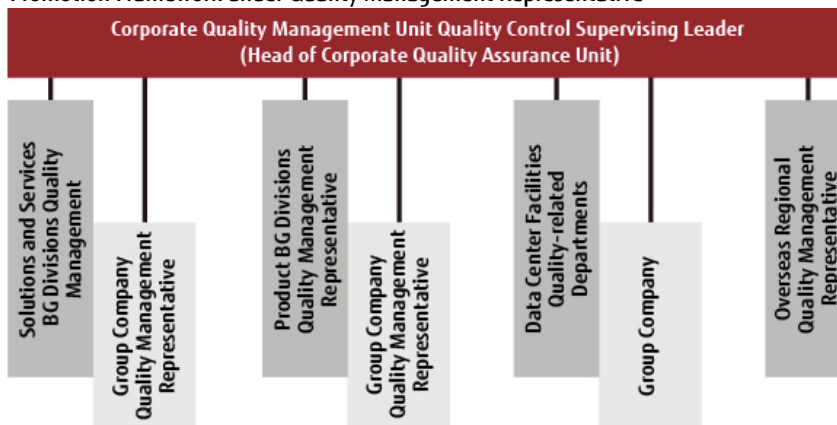
We conduct quality assurance activities on the level of individual business units and regions as well as on a company-wide basis, sharing know-how and information, promoting utilization approaches, and resolving common issues across organizational borders.

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 activities.

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 measures.

Promotion Framework under Quality Management Representative



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 FY2017, six major product incidents (battery fire) 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 FY2017, we experienced no marking or labeling violations related to products or safety.

The Process for Improving Quality Efforts

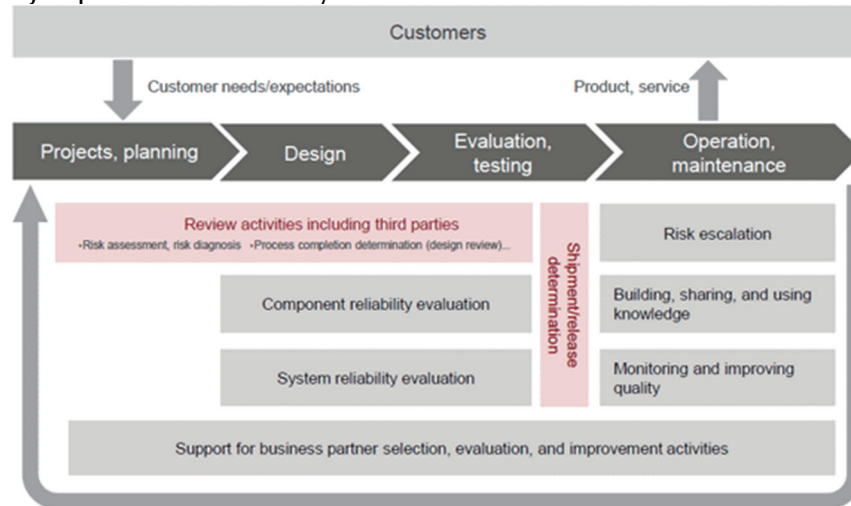
Customer-Centric Quality Assurance Activities for Products and Services

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 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 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

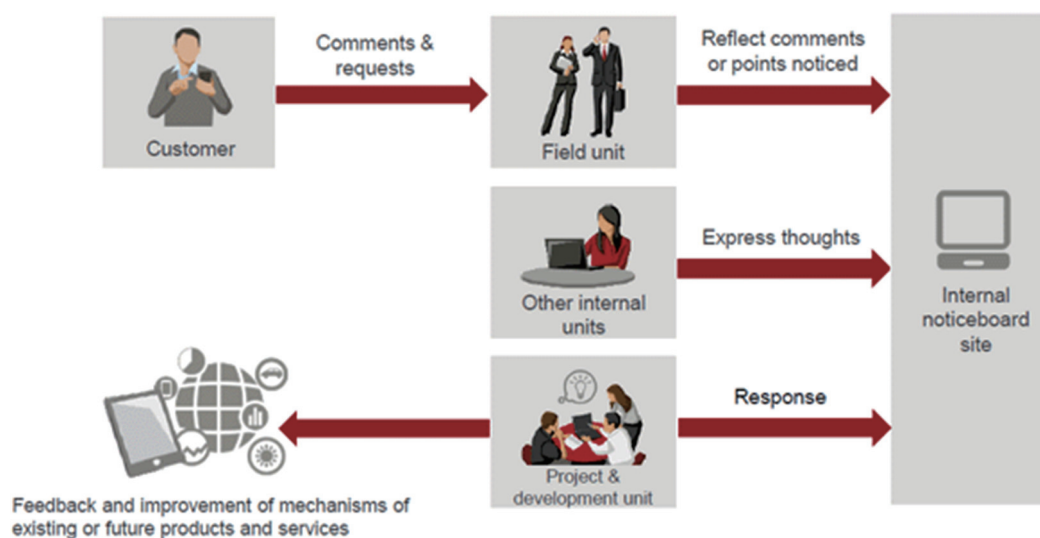


Feedback Activities

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



Initiatives to Improve Quality in Emerging Countries

In accordance with the expansion of the integration services in 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. In countries such as China, Thailand, and Vietnam, 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 207 Product Safety Experts and 203 Product Safety Risk Assessors at the end of FY2017.

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.



Product Safety Experts in training

Supply Chain Management

Socially Responsible Procurement Initiatives

In its quest to effectively promote CSR, the Fujitsu Group recognizes the crucial importance of initiatives across the entire supply chain, not just within the Group. To this end, we engage in CSR-based procurement activities together with our suppliers.

CSR Procurement Guideline

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.

Regarding CSR procurement, in 2005 we formulated the "Fujitsu CSR Procurement Guideline", which sets out various requirements related to areas such as respect for human rights, labor, health and safety, and fair trade. Since then, we have periodically updated the Guideline while asking suppliers to comply with it. Fujitsu became a member of the Responsible Business Alliance (RBA)*¹ in 2017 and adopted the RBA Code of Conduct as the "Fujitsu CSR Procurement Guideline" in March 2018. Suppliers are subject to the Guideline if they provide components, materials, construction services, equipment, software, and so on for use in Fujitsu Group products.

- PRESS RELEASE

Fujitsu Joins EICC, a Global Corporate Social Responsibility Coalition

*1 The name was changed from Electronic Industry Citizenship Coalition (EICC) to Responsible Business Alliance (RBA) in October 2017

"Fujitsu Group CSR Procurement Guideline" formulation and revisions

FY	Policy/Measures
2005	<ul style="list-style-type: none"> • Fujitsu CSR Procurement Guideline formulated • Guidebook formulated
2007	<ul style="list-style-type: none"> • CSR surveys of suppliers begin
2011	<ul style="list-style-type: none"> • Fujitsu CSR Procurement Guideline revised (addition of measures for conflict minerals)
2015	<ul style="list-style-type: none"> • Fujitsu Group CSR Procurement Policy formulated • Fujitsu Group Supply Chain CSR Guidebook formulated
2018	<ul style="list-style-type: none"> • RBA Code of Conduct was adopted as the "Fujitsu CSR Procurement Guideline"

- Fujitsu Group Procurement Policy

<http://www.fujitsu.com/global/about/procurement/policy/>

- Fujitsu Group CSR Procurement Guideline

http://www.responsiblebusiness.org/media/docs/RBACodeofConduct6.0_English.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 Activities and Participation in Industry-standard Initiatives (Membership of RBA)

In March 2017, the Fujitsu Group became a member of the Responsible Business Alliance (RBA), a global CSR alliance centered on the electronics industry. The RBA 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 RBA'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 RBA 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.

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 Responsible Business Unit. The CSR Reinforcement 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.

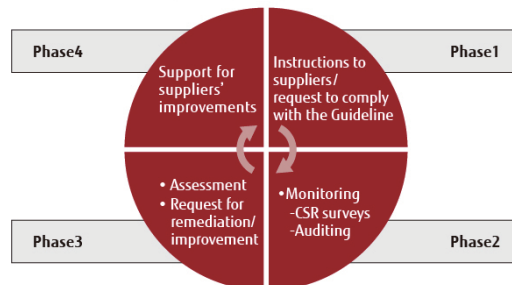
Processes for Promoting and Improving CSR Procurement

The Fujitsu Group is promoting CSR procurement activities 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 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 returned CSR survey forms are also subjected to diagnostic analysis. Fujitsu's 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 requiring onsite observation 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.

Processes for Promoting and Improving CSR Procurement



CSR Surveys and Audits

In order to check the status of suppliers' CSR-related programs, we conduct annual CSR surveys. In FY2017, we surveyed approximately 440 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. We conducted onsite audits for nine suppliers in FY2017.



Supplier onsite audit in progress

Evaluation and Remediation/Improvement Requests

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.

Approaches against Conflict Minerals

Fujitsu Group Policy on Conflict Minerals

The Fujitsu Group regards corporate responsibility with respect to conflict minerals^{*2} as an important CSR issue and, accordingly, formulated its "Fujitsu Group Policy on Conflict Minerals" in March 2018. The Policy stipulates that the Fujitsu Group shall remove high-risk conflict minerals – those associated with fostering conflict, forced labor, or human rights violations – from its products, components, and supply chain.

- Fujitsu Group Policy on Conflict Minerals

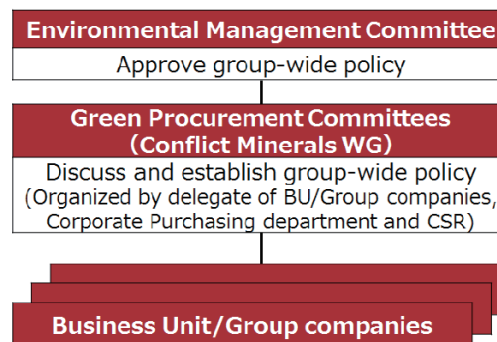
[http://www.fujitsu.com/global/documents/about/csr/society/procurement/Conflicts Minerals Policy.pdf](http://www.fujitsu.com/global/documents/about/csr/society/procurement/Conflicts%20Minerals%20Policy.pdf)

^{*2} 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.

Structure for Addressing Conflict Minerals

Fujitsu has established a structure including relevant internal departments under the jurisdiction of the Environmental Management Committee (chaired by the president). Through this structure, we conduct due diligence in the form of surveys of conflict minerals in the supply chain. We strive to ensure transparency of procurement activities in the supply chain as well as responsible procurement of minerals.



Conflict Minerals Survey

As part of due diligence in the conflict minerals issue, Fujitsu has conducted conflict mineral surveys of specific products since FY2013. In these surveys, we use the research format "Conflict Minerals Reporting Template (CMRT)" issued by the RBA's "Responsible Minerals Initiative (RMI)."

Survey results

Fujitsu received replies from 87% of suppliers surveyed in FY2017. As a result of the survey, we confirmed 324 smelters, of which 252 companies complied with the RMI-certified Responsible Minerals Assurance Process (RMAP) evaluation protocol.

- List of conformant smelters in Fujitsu Conflict Minerals Survey

For suppliers who did not answer the survey by the due date, we reminded them of our request.

We confirmed the contents of the answers to the survey and asked our suppliers to resubmit the answers in case any incomplete items were found in their answers. We also asked our suppliers to resurvey the actual transaction situation if their smelters were pointed out as being risky to use by our customers.

At this time, information related to armed groups has not been confirmed, but we will continue working to identify smelters and ensure supply chain transparency.

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 FY2017

Initiatives	No. of participating/implementing companies
Information security briefings (Oct.-Nov. 2017) (Locations: Sendai, Tokyo, Kawasaki, Chiba, Nagoya, Osaka, Takamatsu, Fukuoka, Okinawa)	Approx. 1,100 staff from around 850 companies
Written survey on the state of information security measures (Feb.-Mar. 2018)	Approx. 1,600 companies
Audit of the state of information security measures (on-site checking) (Apr. 2017-Mar. 2018)	Approx. 200 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 FY2017, we surveyed 860 suppliers, including some Group companies. We analyzed the results from around 2,277 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 led assembled 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. FY2017 marked the 54th 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.

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 FY2017 reception was held in January 2018 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 FY2017, 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 FY2018 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.

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.



Solving Social Problems through Sport

- Interaction and mutual understanding among differing cultures
- Living longer, healthier lives
- Revitalizing regional communities
- Creating new businesses and technologies
- Building a society that welcomes the elderly and disabled

Driven by

Sport

×

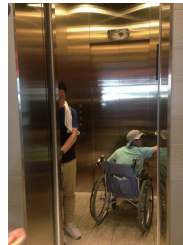
ICT

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”.



Creating accessibility maps

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

The WBCSD (World Business Council for Sustainable Development) is a body headed by the CEOs of around 200 global corporations that aims to build sustainable communities through business activities. Fujitsu Chairman Masami Yamamoto has been serving as Vice Chair of the Council since January 2018, and Fujitsu is a member of this initiative and is active as a corporate board member for the People program and the Sustainable Cities & Mobility program. In the People program, we are progressing initiatives relating to business and human rights together with corporate efforts aimed at helping to achieve the United Nations' Sustainable Development Goals (SDGs). Through the Sustainable Cities & Mobility program, we are promoting mobility-related projects as part of the theme of 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 WBCSD 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>

Participation in the WEF

The World Economic Forum (WEF) is a not-for-profit foundation established by economist Klaus Schwab that engages in programs to improve the state of the world through cooperation between the public and private sectors in a spirit of global citizenship. It offers a venue for close collaboration among leaders from a diverse range of key international institutions as well as from the business world, government, academia and society, with the aim of shaping global, regional and industry-based agendas.

In January each year, the WEF holds its annual meeting in Davos, Switzerland. The Davos meetings bring together in one venue more than 3,000 leaders in their fields from around the world, including company executives, political leaders, intellectuals and journalists, to discuss the major problems confronting the world (Theme for the 2018 annual meeting: Creating a Shared Future in a Fractured World).

Fujitsu has participated in the forum since 2001, with representatives from various levels in the company – from executives down to the departmental level – engaging in a range of activities, including the Davos meetings. The annual meeting held in January 2018 was attended by Fujitsu's Representative Director and President, Tatsuya Tanaka, and Director, Duncan Tait. At a dedicated venue in central Davos, a discussion was held on 'Co-Creation through Technology' based on the Davos conference theme, involving global companies primarily from the United States and Europe.

- World Economic Forum
<https://www.weforum.org/>

Participation in the WEF Cybercrime Project

Fujitsu has been supporting WEF's "Cybercrime Project" which was launched in 2016. This project convenes workshops and other avenues for exchanging opinions and is aimed at boosting the world's capability to deal with cybercrime through private-public collaboration. The paper produced by this project, titled "Recommendations for Public-Private Partnership against Cybercrime (January 2016)", was supported by a total of 22 organizations and individuals (7 public sector, 8 ICT sector, 6 finance sector and 1 consulting firm), and Fujitsu was the sole supporter from Asia in this effort.

The 5th workshop was held in July 2017, and we took part in round-table discussions with people who are engaged in combating cybercrime on a daily basis. The members consisted of industry, government and academic parties. The workshop focused on "information sharing" and "enhancing response capabilities" as areas to target in combating cybercrime. There was discussion on topics such as methods and incentives for building public-private partnerships in order to achieve these goals. Input from Fujitsu included its plans to raise its response capability by enhancing its human resource development programs. This workshop was held in Singapore in conjunction with a symposium sponsored by Interpol, a WEF strategic partner (Theme: "Fostering Innovation for Future Security Challenges").

Cybersecurity is one of the key challenges confronting the world and must be dealt with through international cooperation. Fujitsu is committed to making an ongoing contribution to cybersecurity through this project.

- WEF Cybercrime Project website
<https://www.weforum.org/projects/cybercrime>



WEF Workshop



Interpol-sponsored Symposium



Community Involvement

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

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.

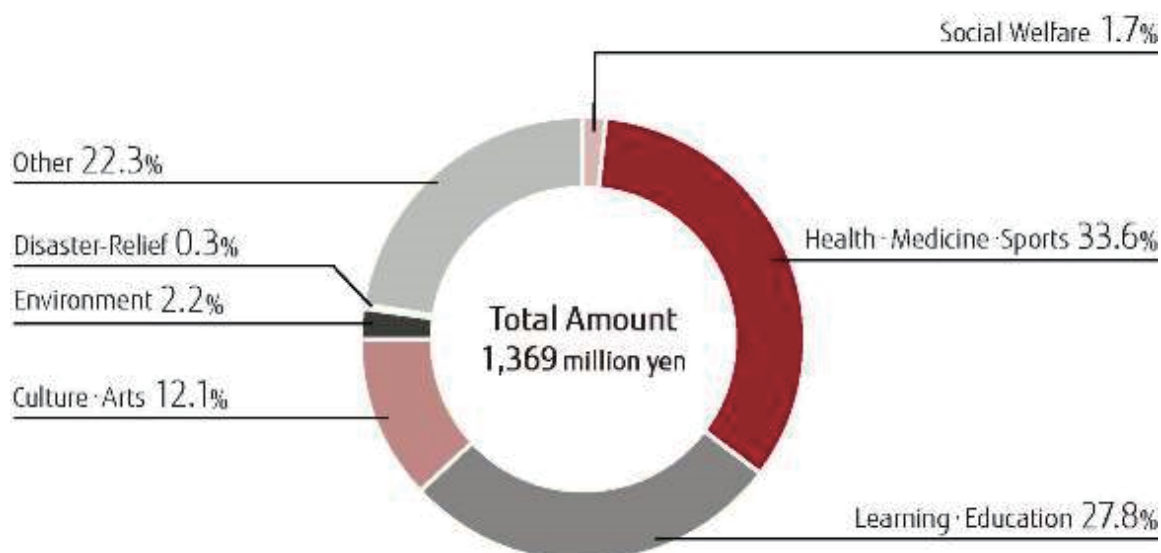
All Fujitsu employees are actively participating and engaging in social contribution activities together with a wide range of stakeholders and base those activities on four pillars: ICT for Everyone, Support for Challenges, Community Engagement and Environment.

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 describes the investments for social contribution activities at Fujitsu in fiscal 2017.



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 2017, 45 employees took Reserve leave (a total of 111 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)

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.

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 in a collaboration that is flexible and multi-dimensional to fulfill its mission of contributing to creating a future full of richness and vision through training personnel capable of creating new value for society (innovation) in the Asia-Pacific region.

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 sensitivity and knowledge, but also gain the perspective and ability to overcome obstacles to become leaders at the forefront of 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 190 participants from 17 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.



Participants

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

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. 542 people have received scholarships as of April 1, 2018.

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 joint-recruiting 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

<http://www.fujitsu.com/scholarship/>



Fujitsu Scholarship Recipients

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 non-profit 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 individual.

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.



The 17th International Olympiad in Informatics awards ceremony

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 2017, the Fujitsu company prize was given to the National Institute of Technology, Anan College, which created a system that enables people who dislike exercise to easily enjoy curling in an indoor venue.

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



Students from the National Institute of Technology, Anan College received the Fujitsu Company Prize in the 28th Japan technical college programming contest.

Collaboration in Quest Education, a program that implements a method of learning in which students embark on a "quest" (active learning)



ICT for Everyone



Challenges

Together with elementary school students, junior high school students, and high school students, Fujitsu seeks to create a future in which each person can challenge their dreams through learning. Approximately 20,000 elementary, junior high, and high school students from 150 schools throughout Japan participated in the Quest Education Virtual Business Course, an active learning education program for subjective and experience-based learning.

The program seeks to develop human resources who are subjective and creative. Students serve as corporate interns, working as teams to take on missions assigned by real corporations. As students feel, think, and express themselves, they recognize their own strengths and roles.

The mission proposed by Fujitsu for FY 2017 was "Propose new Fujitsu services that are essential for people to live with humanity in the future digital age!" Our company supported students as they worked earnestly to achieve this mission.

Through these activities, Fujitsu contributes to the development of human resources who are capable of problem-solving and who will serve as leaders in the coming generation.



QUEST CUP 2018

• QUEST CUP

<http://www.questcup.jp/2018/index.php>

Bringing Digital Education to Rural Areas



ICT for Everyone



Community Engagement



Challenges

Helping local and rural communities in South Africa to secure a better future for their children, Fujitsu is working with Sizwe Africa IT Group to develop self-sufficient classrooms equipped with Fujitsu technology. The "Edu-Smart Green Center" is a secure state-of-the-art computer-driven classroom facility where each unit is fully self-sufficient.

In South Africa, there are few schools or education opportunities in remote rural areas, meaning a large percentage of children aged five to six face enormous challenges in reaching their



The appearance of the classroom

final national senior certificate (age fifteen to seventeen).

These solar powered shipping containers come with an intelligent interactive whiteboard touchscreen which the educator can use to complement additional learning materials. This truly sustainable solution can be built, delivered and fully functional within just 10 weeks. Through the application of technology and co-creation, Fujitsu is enabling a better future for the communities by helping improve the country's education and social and economic growth.



Inside the classroom

Australia's Reconciliation Action Plan

There are significant gaps in health, social and economic outcomes between Indigenous and non-Indigenous Australians. 'Reconciliation' is the name given to the efforts of Australian society to close these gaps and promote understanding.

Fujitsu's Reconciliation Action Plan (RAP) outlines how we will create opportunities for Aboriginal and Torres Strait Islander people (Indigenous people) in our Australian operations. In 2016 Fujitsu Oceania formed a Diversity & Inclusion Council to improve and seek ways to build a more diverse workforce that represented the population of Australia. The RAP has been in development for more than two years, during the development we consulted with strategic customers as well as representatives from the local indigenous community and Reconciliation Australia.

We have committed to include more Indigenous-owned businesses in our supply chain, and have already doubled the numbers of suppliers and increased the value of our spending by 17 times.

This is a significant milestone in our Diversity & Inclusion journey with our commitment to help shape a sustainable tomorrow, in which Indigenous and non-indigenous Australians, can share an equitable prosperous and rewarding future.



Support for indigenous people

Fujitsu Kids Project: shaping tomorrow with children



ICT for Everyone



Challenges

- Fujitsu Kids: Giving Shape to Dreams website for children
<https://www.youtube.com/watch?v=7k5r0OmF9Ew>

Cultural and Sponsorship Activities



ICT for Everyone



Community Engagement

- Information on Fujitsu's cultural and sponsorship activities
<http://www.fujitsu.com/jp/about/resources/advertising/event/index.html>

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 share the thrill of sports while building a more prosperous society and contributing to promoting the mental and physical health of people.

Detailed activities for each team are available on the following websites.

- Sports Teams
<http://sports.jp.fujitsu.com/?=featuredlink>
- Track and Field Team
<http://sports.jp.fujitsu.com/?=featuredlink>
- Frontiers America Football Team
<http://sports.jp.fujitsu.com/frontiers/>
- Redwave Women's Basketball Team
<http://sports.jp.fujitsu.com/redwave/>

Social Contribution Activities of Fujitsu Sports



Challenges



Community Engagement

Track and Field Team

The Fujitsu Track and Field Team is based in Chiba Prefecture. As the Chiba Dream Challenge Fulfillment Team, the team cooperates with the Chiba Prefectural Board of Education to interact with public elementary school and junior high schools through physical education and sports. The goal of the team's activities is to foster dreams and aspirations for sports in children.



2017 Chiba Sports Dream Festival

Frontiers American Football Team

The Frontiers are based in the Kawasaki City. In 2006, the city certified the Frontiers as a Hometown Sports Partner. Through its activities, the team contributes to the promotion of sports and an improved image for Kawasaki City. For elementary schools in Kawasaki, the Frontiers work to popularize American football. For example, the team holds a Friendship Classroom to teach flag football, a safe and easy game, in physical education classes.



American Football Team "Friendship Classroom"

RedWave Women's Basketball Team

The RedWave is based in the Kawasaki City. In 2004, the city certified the RedWave as a Hometown Sports Partner. Through its activities, the team contributes to the promotion of sports and an improved image for Kawasaki City. For elementary schools in Kawasaki, the RedWave works to popularize sports and basketball. For example, the team holds a Friendship Classroom to provide basketball skill training as part of physical education classes.



Women's Basketball Team "Friendship Classroom"

Support for Kawasaki Frontale



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

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 FY2017, a total of around 3.20 million 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.

Fujitsu have had a long history of working with charities, in 2017 we decided to put our collective strength behind one.

Red Cross Charity Partnership



To select our first formal charity partner within Fujitsu Americas we developed a robust, fair and transparent process. In making the ultimate decision in which voting was opened to all colleagues across the Americas.

Since 2017 Fujitsu have raised over \$138,000 for disaster relief including donations from a new Fujitsu-matched funding scheme. In May of 2018, we provided over 1,200 disaster kits to the Southwest Region of the US, where they were running dangerously low. The kits were assembled by 300 volunteers, and included emergency supplies and a hand written note to encourage the eventual recipients to have hope. Fujitsu received the Silver Partner Award from American Red Cross in July of 2018 for its work.

Throughout 2018, Fujitsu will continue to drive activities with the Red Cross to support their mission, including additional individual and team activities and fundraising.



The Red Cross event

Fujitsu Supports Rainforest Conservation in Indonesia



Fujitsu is supporting the forest conservation efforts of the local NPO, Burung Indonesia, in the Hutan Harapan rainforest in Sumatra, Indonesia through BirdLife International Tokyo.

The Hutan Harapan rainforest is a massive forest, about half the size of Tokyo, located on the southern side of the island of Sumatra. This is the first area in Indonesia set aside by the country's Ecosystem Restoration Concession, and rare animals still exist in the area. There are also activities to restore the secondary forests that were former commercial logging sites to the original ecosystem. Such activities are important and significant in improving the forest's ability to serve as a carbon sink, thereby limiting global warming.



The Hutan Harapant

Forest patrols are currently being conducted as an urgent response to large-scale forest fires and illegal logging in the Hutan Harapan rainforest. Because it requires time and effort to carry out patrols and aggregate information, however, such endeavors have limited the amount of resources allocated to the original mission of forest restoration. Fujitsu has contributed 3.3 million yen for the purchase of ICT devices, with the goal of increasing the efficiency of these patrols.

Going forward, the Fujitsu Group will continue to support forest conservation and restoration efforts, contributing to the mitigation of climate change.

- Press release

<http://www.fujitsu.com/global/about/resources/news/press-releases/2018/0328-01.html>

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^{*1})

^{*1} <http://www.fujitsu.com/jp/about/csr/community/support/index.html>

FY 2017

- Fujitsu promote initiatives to collect and deliver goods for firefighters combatting the Wildfires in Portugal
- Fujitsu Donate Food and personal care products to relief for Costa Rica's Hurricane

FY 2016

- Fujitsu fundraise and matches the contributions in support of Italy earthquake victims

About Great East Japan earthquake disaster recovery and reconstruction support activities(Japanese website^{*2})

^{*2} <http://www.fujitsu.com/jp/about/csr/recovery/index.html>

Fujitsu Group Profile (as of March 31, 2018)

Company Name Fujitsu Limited

Addresses

●Kawasaki Main Office

4-1-1 Kamikodanaka, Nakahara-ku,
Kawasaki-shi, Kanagawa 211-8588, Japan

●Headquarters

Shiodome City Center 1-5-2 Higashi-Shimbashi,
Minato-ku, Tokyo 105-7123, Japan

Representative Director President Tatsuya Tanaka

Established June 20, 1935

Main Business Activities

Manufacture and sale of communications systems,
information processing systems, and electronic devices,
and the provision of services related to those products

Capital ¥324.6 billion

Total Assets ¥3,121.5 billion (Liabilities: ¥1,916.6 billion,
Net assets: ¥1,204.9 billion)

Fiscal Year-end March 31

Employees Consolidated 140,365/
Unconsolidated: 32,969

Directors 10 (incl. 2 female directors and 4 outside
directors, as of June 25, 2018)

Consolidated Subsidiaries 462 companies

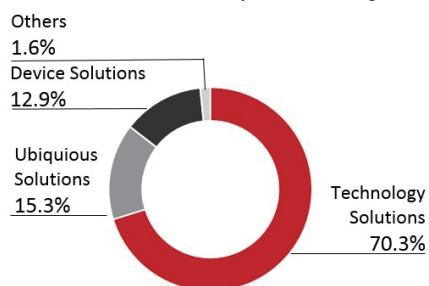
Equity-method Affiliates 23 companies

Stock Exchange 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.

Break down of Revenue by Business Segment



Note: Revenue include intersegment sales

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)

Ubiquitous Solutions

The Ubiquitous Solutions segment provides corporate PCs and mobile phones.



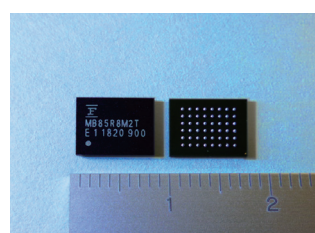
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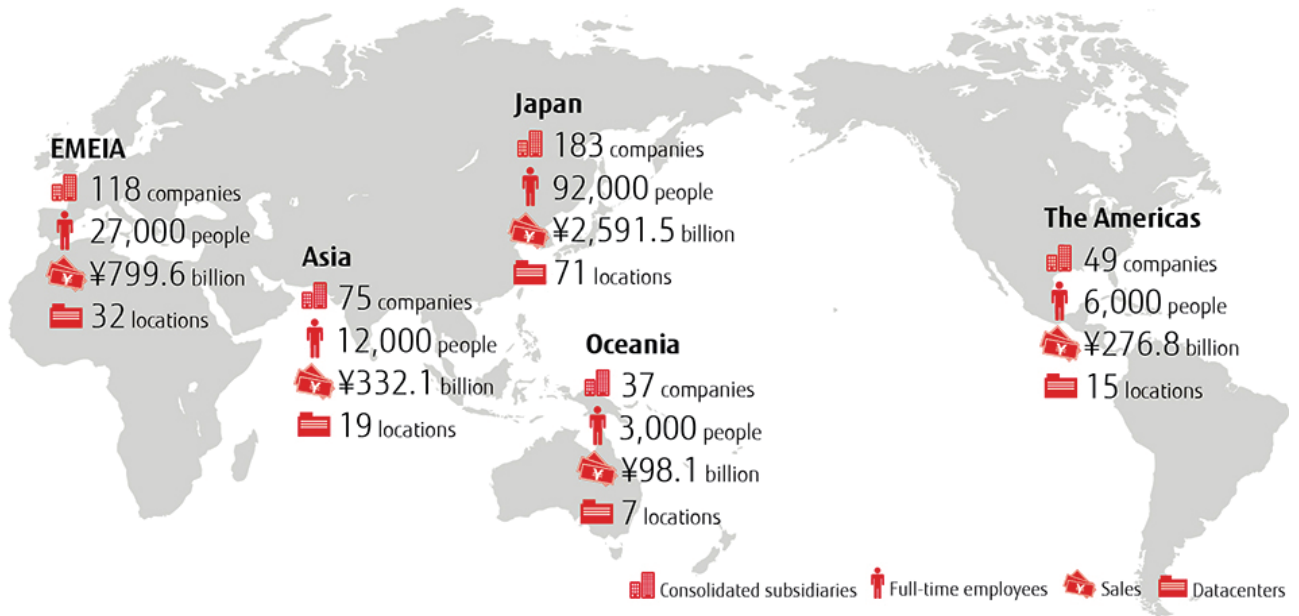
Device Solutions

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.



8M bit FR 「MB85R8M2T」

Global Business System

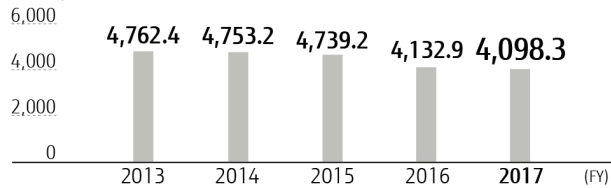


*As of March 31, 2018.

Financial & Non-Financial Highlights

Revenue

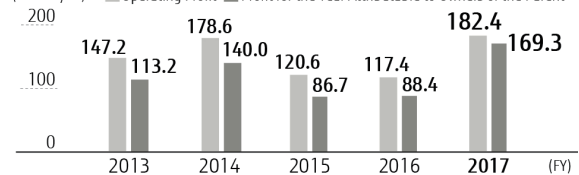
(billion yen)



Operating Profit/

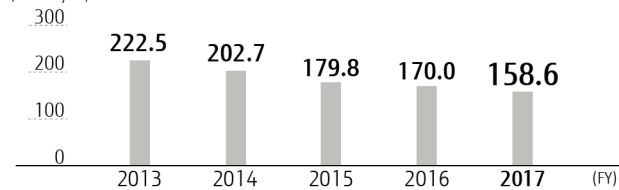
Profit for the Year Attributable to Owners of the Parent

(billion yen)



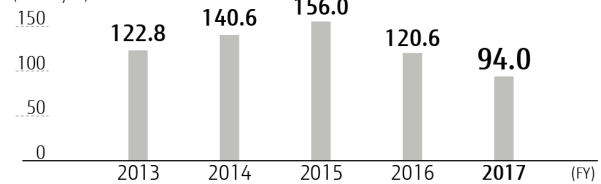
R&D Expenses

(billion yen)



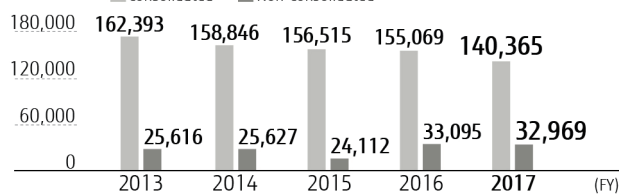
Capital Expenditures

(billion yen)



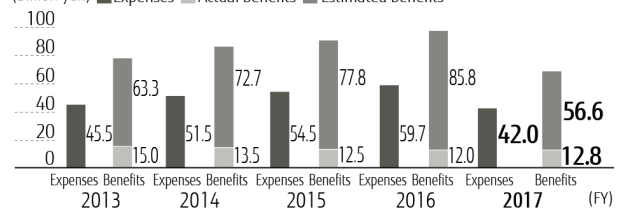
The Number of Employees

Consolidated Non-Consolidated



Trends in Expenses and Economic Benefits

(billion yen)



* On November 1, 2017, the Company transferred a portion of the states of Fujitsu TEN Limited (hereinafter "Fujitsu TEN") to DENSO Corporation. Accordingly Fujitsu has been classified as a discontinued operation, and "Revenue", "Operating Profit / Profit for the Year Attributable to Owners of the Parent", "R&D Expenses", and "Capital Expenditures" for the year ended March 31, 2018 have restated accordingly.

Editorial Policy

Available on our website and as a PDF document, the Fujitsu Group Sustainability Report 2018 presents a number of activities based on the Fujitsu Group Environmental Policy and 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

Reporting Period

This report focuses on activities in FY 2017, from April 1, 2017 to March 31, 2018, 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

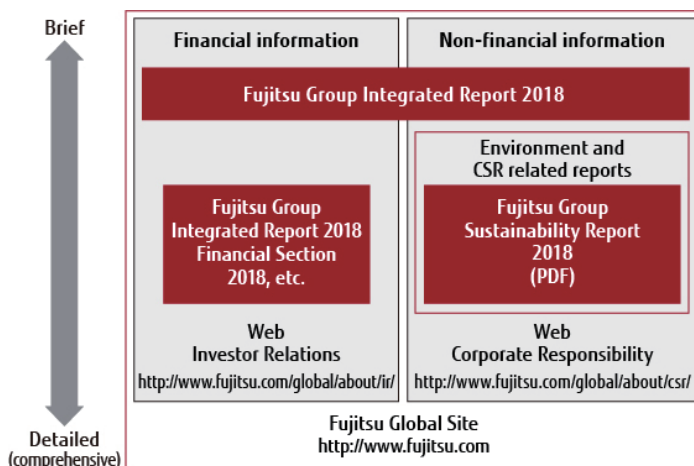
While the whole of the Fujitsu Group is covered in this report, when it is necessary to indicate the range of applicability, we will specify Fujitsu Group (to indicate the Group as a whole) or Fujitsu (to indicate Fujitsu, Ltd. as an independent entity).

About Third Party Verification

The Fujitsu Group Sustainability Report 2018 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: September 2018 (The next report will be published in September 2019 and the previous report was published in July 2017.)

Third Party Verification Report

In order to ensure the reliability of the contents of the Fujitsu Group Sustainability Report 2018, we asked a third party, Bureau Veritas Japan to examine and post a review of the report.

Fujitsu Group Sustainability Report 2018 Independent Verification Report

To: Fujitsu Limited



September 21, 2018



Bureau Veritas Japan Co., Ltd.
System Certification Services Headquarters

Bureau Veritas Japan Co., Ltd. (Bureau Veritas) has been engaged by Fujitsu Limited (Fujitsu) to conduct an independent verification and review of its sustainability performance indicators selected by Fujitsu for inclusion in the Fujitsu Group Sustainability Report 2018 (the Report) issued under the responsibility of Fujitsu. The aim of the verification is to evaluate and to provide an opinion, in the form of an independent statement, on the reliability and accuracy of selected sustainability performance indicators within the Report based on objective evidence and to a limited level of assurance. The aim of the review work is to evaluate the quality of certain other sustainability performance indicators within the Report in the interests of reporting improvement.

1. Outline of verification and review

Bureau Veritas conducted the following verification and review based on agreement with Fujitsu.

Verification and review of social and environmental performance indicators related to business operations in FY2017

Data verified or reviewed	Site Visited	Verification or Review Methodology
All indicators listed in Annex 1: 'The list of social performance indicators verified'	- Fujitsu Headquarters - Fujitsu Kawasaki Main Office	- Review of documentary evidence produced by Fujitsu Headquarters - Interviews with relevant personnel of Fujitsu Headquarters and Fujitsu Kawasaki Main Office - Comparison between the reported data and the supporting documentary evidence
All indicators listed on Annex 2: 'The list of environmental performance indicators verified and reviewed'	- Fujitsu Kawasaki Main Office - Fujitsu Nagano Plant - AIZU FUJITSU SEMICONDUCTOR MANUFACTURING LIMITED - FUJITSU COMPONENT LIMITED Engineering and Development Center - Fujitsu FIP corporation - Yokohama Data Center - FUJITSU DIE-TECH CORPORATION OF THE PHILIPPINES	- Review of documentary evidence produced by Fujitsu Headquarters and the sites visited - Interviews with relevant personnel of Fujitsu Kawasaki Main Office and the sites visited - Site inspection and assessment of data monitoring process - Comparison between the reported data and the supporting documentary evidence

The verification was conducted using Bureau Veritas' standard procedures and guidelines for external verification of non-financial reporting, based on current best practice. Bureau Veritas refers to the International Standard on Assurance Engagements (ISAE) 3000 in providing a limited assurance for the scope of work stated herein.

The review was conducted using Bureau Veritas' standard procedures for external review of sustainability reporting.

2. Findings

On the bases of our methodology and the activities described above:

- Nothing has come to our attention to indicate that the reviewed information within the scope of our verification and review is inaccurate and does not provide a fair representation of the performance for the defined period.
- It is our opinion that Fujitsu has established appropriate systems for the collection, aggregation and analysis of quantitative data within the scope of our verification and review.

Bureau Veritas has implemented a code of ethics across its business which is intended to ensure that all our staff maintain high standards in their day to day business activities. We are particularly vigilant in the prevention of conflicts of interest. Bureau Veritas activities for Fujitsu are for sustainability reporting verification only and we believe our verification assignment did not raise any conflicts of interest.

Annex 1

The list of social performance indicators verified

Performance indicators verified	Page
Number of attendees to Female Leadership Development Program	16
Rate of female managers	17,151,179
Employment rate of people with disabilities	17,153,179
Number of employees using the care leave support system	17,159,180
<u>Foster global business leaders</u>	18
Number of attendees to Next-generation business leaders development programs	
The number of periodic engagement with residents in regions with major business sites	18
The number of internal database records of social contribution activities	19
Number of Directors	35,179,215
Frequency of industrial accidents	171,180
Numbers and average ages of employees	179,215,217
Number of employees by age group	179
Hiring of recent college graduates	180
Employees by region	179,216
Average years of service	180
Promoting socially responsible procurement (the number of written surveys to suppliers)	197

Annex 2

The list of environmental performance indicators verified and reviewed

Performance indicators verified		Page
Rate of newly developed products that are top-level energy efficient		92
Improvement rate of resource efficiency in newly developed products		97
Resource reuse rate of business ICT equipment		101
Amount of greenhouse gas emissions in our business facilities		104
Improving rate of energy intensity in our business facilities		
CO ₂ emission from transport (Fujitsu and group companies in Japan)		117
Water usage		118,119
PRTR Substance and VOC Emissions		120,130
Amount of waste generated		122,123
Effective utilization ratio		
INPUT (design, procurement, manufacturing, development)	Water	129
	Energy	
INPUT (recycling)	Resource recycling rate	130
OUTPUT (design, procurement, manufacturing, development)	Chemical substances	
	Atmospheric release Greenhouse gases total	
	Atmospheric release CO ₂	
	Atmospheric release Greenhouse gases other than CO ₂	
	Volume of waste generated	
	Volume of thermal and material recycling	
	Volume of waste disposal	
OUTPUT (distribution) Atmospheric release CO ₂ (Fujitsu and group companies in Japan)		131
Scope3 (upstream) Transportation and distribution (Fujitsu and group companies in Japan)		
Scope1 (reporting company) Direct emissions		
Scope2 (reporting company) Indirect emissions from energy sources		
Scope3 (upstream) Purchased goods and services		
Scope3 (downstream) Use of sold products		
Energy usage in Scope1 and Scope2		129

Performance indicators reviewed		Page
Amount of contribution to reducing emissions of greenhouse gases (GHG) through the provision of ICT		86
Improvement rate of PUE		106
Renewable energy usage rate		110
Percentage of reduced CO ₂ emission per sales from transport		116
CO ₂ emission from transport (group companies in worldwide)		
Reduction in water usage		118
Environmental accounting		126,127
INPUT (design, procurement, manufacturing, development)	Chemical substances	129
INPUT (distribution) Energy		
OUTPUT (distribution) Atmospheric release CO ₂ (group companies in worldwide)		130
Scope3 (upstream) Transportation and distribution (group companies in worldwide)		116,131

GREENHOUSE GAS EMISSIONS VERIFICATION STATEMENT

To: Fujitsu Limited

BUREAU
VERITAS

June 29, 2018

Bureau Veritas Japan Co., Ltd.
System Certification Services Headquarters

Bureau Veritas Japan Co., Ltd. (Bureau Veritas) was engaged by Fujitsu Limited (Fujitsu) to conduct independent verification of the greenhouse gas (GHG) emissions reported in the Fujitsu Group Sustainability Report 2018 for FY2017.

1. Scope of Verification

Fujitsu requested Bureau Veritas to verify, to a limited level of assurance, the accuracy of the following GHG information:

- 1) Scope 1 and Scope 2 emissions:
 - CO₂ emissions from energy use through business operations of Fujitsu, Fujitsu Group's 33 companies within Japan and 24 companies outside Japan for the period of April 1, 2017 through March 31, 2018
 - HFCs, PFCs, SF₆ and NF₃ emissions through business operations of Fujitsu Group's three semiconductor manufacturing sites within Japan for the period of April 1, 2017 through March 31, 2018
- 2) Categories 1, 4 and 11 of Scope 3 GHG emissions accounted and reported in line with the GHG Protocol's 'Corporate Value Chain (Scope 3) Accounting and Reporting Standard' within the boundaries defined by Fujitsu for each category

2. Methodology

Bureau Veritas conducted the verification in accordance with the requirements of the international standard 'ISO 14064-3(2006): Greenhouse gases - Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions'.

As part of Bureau Veritas' assurance, the following activities were undertaken:

- Interviews with relevant personnel of Fujitsu responsible for the identification and calculation of GHG emissions;
- Review of Fujitsu's information systems and methodology for collection, aggregation, analysis and review of information used to determine GHG emissions; and
- Audit of a sample of source data to check accuracy of quantified GHG emissions.

3. Conclusion

Based on the verification work and processes followed, there is no evidence to suggest that the GHG emissions assertions shown below:

- are not materially correct and are not a fair representation of the GHG emissions, as per the scope of work;
- are not prepared in accordance with the methodology for calculating GHG emissions established and implemented by Fujitsu.

Verified greenhouse gas emissions		
Scope 1 198 kt-CO ₂ e	Scope 2 939 kt-CO ₂ e (location-based) 912 kt-CO ₂ e (market-based)	Scope 3 5,661 kt-CO ₂ e

The breakdown of Scope 3 emissions are as follows.

Category 1: 2,169 kt-CO₂e | Category 4: 32 kt-CO₂e | Category 11: 3,460 kt-CO₂e

[Statement of independence, impartiality and competence]

Bureau Veritas is an independent professional services company that specializes in Quality, Health, Safety, Social and Environmental management with over 180 years history in providing independent assurance services. No member of the verification team has a business relationship with Fujitsu, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest. Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities. The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes.

Sustainability Report 2018 GRI Standard Comparison Table

GRI Standard Indicator (*: Core performance indicator)		References	UNGC principle
GRI 102: General Disclosures			
1. Organizational profile			
102-1*	Report the name of the organization.	◆ Fujitsu Group Profile "Company Name"	—
102-2*	Report the primary brands, products, and services	◆ Fujitsu Group Profile "Main Business Activities"	—
102-3*	Report the location of the organization's headquarters.	◆ Fujitsu Group Profile "Addresses" [Reference] Organization	—
102-4*	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.	◆ Fujitsu Group Profile "Global Business System"	—
102-5*	Report the nature of ownership and legal form.	◆ Corporate Governance "Overview of Corporate Governance Structure" ◆ Fujitsu Group Profile "Headquarters" [Reference] WEB(Worldwide)	—
102-6*	Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	◆ Fujitsu Group Profile "Main Business Activities" "Break down of Revenue by Business Segment"	—
102-7*	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 Group" [Reference] Fujitsu at a Glance	—

GRI Standard Indicator (*: Core performance indicator)		References	UNGC principle
102-8*	<p>a. Report the total number of employees by employment contract and gender.</p> <p>b. Report the total number of permanent employees by employment type and gender.</p> <p>c. Report the total workforce by employees and supervised workers and by gender.</p> <p>d. Report the total workforce by region and gender.</p> <p>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 or supervised workers, including employees and supervised employees of contractors.</p> <p>f. Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).</p>	<p>◆ Fujitsu Group Profile "Employees" "Global Business System"</p> <p>◆ List of Employee related Indicators</p>	—
102-9*	Describe the organization's supply chain.	◆ Supply Chain Management	
102-10*	<p>Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain, including:</p> <ul style="list-style-type: none"> – 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. 	<p>◆ Editorial Policy "Organizations Covered"</p> <p>◆ Integrated Report Financial Section</p>	—
102-11*	Report whether and how the precautionary approach or principle is addressed by the organization.	<p>◆ Our Approach to CSR "Promoting Group-wide Dissemination"</p> <p>◆ United Nations Global Compact</p> <p>◆ CSR Policy and Promotion Framework "Implementing CSR Activities Utilizing ISO 26000"</p> <p>◆ Risk Management "Risk Management Framework"</p> <p>◆ Risk Management "Risk Management Processes"</p> <p>[Reference] Environmental Policy • Action Plan</p>	—
102-12*	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	<p>◆ United Nations Global Compact</p> <p>◆ CSR Policy and Promotion Framework "Implementing CSR Activities Utilizing ISO 26000"</p>	—

GRI Standard Indicator (*: Core performance indicator)		References	UNGC principle
102-13*	List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization: <ul style="list-style-type: none"> – Holds a position on the governance body. – Participates in projects or committees. – Provides substantive funding beyond routine membership dues. – Views membership as strategic. 	◆ United Nations Global Compact	—
2. Strategy			
102-14*	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	◆ Top Message	—
102-15	Provide a description of key impacts, risks, and opportunities.	◆ Risk Management "Business Risks"	—
3. Ethics and integrity			
102-16*	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"	—
102-17	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.	◆ Compliance "4. Incident Reporting and Response" ◆ Initiatives Promoting Respect for Human Rights "Framework for Canvassing Opinions in Our Efforts to Promote Respect for Human Rights"	—
4. Governance			
102-18*	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.	◆ Corporate Governance "Corporate Governance Structure"	—
102-19	Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	◆ Corporate Governance "Corporate Governance Structure"	—

GRI Standard Indicator (*: Core performance indicator)		References	UNGC principle
102-20	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.	◆ Corporate Governance "Corporate Governance Structure"	—
102-21	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.	◆ Corporate Governance "Overview of Corporate Governance Structure" ◆ Compliance "4. Incident Reporting and Response"	—
102-22	Report the composition of the highest governance body and its committees by: <ul style="list-style-type: none"> – 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 	◆ Corporate Governance "Overview of Corporate Governance Structure"	—
102-23	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).	◆ Corporate Governance "Overview of Corporate Governance Structure"	—
102-24	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: <ul style="list-style-type: none"> – 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. 	◆ Corporate Governance "Overview of Corporate Governance Structure"	—
102-25	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: <ul style="list-style-type: none"> – Cross-board membership – Cross-shareholding with suppliers and other stakeholders – Existence of controlling shareholder Related party disclosures	◆ Corporate Governance "Overview of Corporate Governance Structure"	—

GRI Standard Indicator (*: Core performance indicator)		References	UNGC principle
102-26	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.	◆ CSR Policy and Promotion Framework "Organization Promoting CSR"	—
102-27	Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	◆ CSR Policy and Promotion Framework "Organization Promoting CSR"	—
102-28	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.	◆ CSR Policy and Promotion Framework "Organization Promoting CSR" ◆ Corporate Governance "Overview of Corporate Governance Structure"	—
102-29	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.	◆ Corporate Governance "Basic Stance on Internal Control System" ◆ Risk Management "Business Risks" ◆ Risk Management "Risk Management & Compliance Structure"	—
102-30	Report the highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics.	◆ Corporate Governance "Basic Stance on Internal Control System" ◆ Risk Management "Risk Management & Compliance Structure"	—
102-31	Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.	◆ Risk Management Risk Management Processes"	—
102-32	Report the highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered.	◆ CSR Policy and Promotion Framework "Organization Promoting CSR"	—

GRI Standard Indicator (*: Core performance indicator)		References	UNGC principle
102-33	Report the process for communicating critical concerns to the highest governance body.	<ul style="list-style-type: none"> ◆ Corporate Governance "Basic Stance on Internal Control System" ◆ Risk Management "Risk Management & Compliance Structure" ◆ Risk Management "Measures Against Infectious Diseases" 	—
102-34	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.	—	—
102-35	<p>a. Report the remuneration policies for the highest governance body and senior executives for the below types of remuneration:</p> <ul style="list-style-type: none"> – Fixed pay and variable pay: <ul style="list-style-type: none"> – 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 <p>b. Report how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives.</p>	<ul style="list-style-type: none"> ◆ Corporate Governance "Policy on the Determination of Executive Compensation" ◆ Corporate Governance Report 	—
102-36	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.	<ul style="list-style-type: none"> ◆ Corporate Governance "Policy on the Determination of Executive Compensation" ◆ Corporate Governance Report 	—
102-37	Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.	◆ Corporate Governance "Overview of Corporate Governance Structure"	—
102-38	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.	—	—

GRI Standard Indicator (*: Core performance indicator)		References	UNGC principle
102-39	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.	—	—
5. Stakeholder engagement			
102-40*	Provide a list of stakeholder groups engaged by the organization.	◆ CSR Policy and Promotion Framework "The Fujitsu Group's Stakeholders"	—
102-41*	Report the percentage of total employees covered by collective bargaining agreements.	◆ Creating Good Working Conditions "Labor Relations"	1, 3
102-42*	Report the basis for identification and selection of stakeholders with whom to engage.	◆ CSR Policy and Promotion Framework "The Fujitsu Group's Stakeholders" ◆ Stakeholder Dialogue	—
102-43*	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.	◆ Stakeholder Dialogue <Customers, International Society, Local Community> ◆ With Our Customers ◆ Quality Initiatives ◆ Approach to Social Contribution Activities ◆ Promoting Learning & Education, and Cultural and Sponsorship Activities ◆ Contributing to Society through Sports ◆ International Support and Disaster-Relief Activities <Suppliers> ◆ Supply Chain Management <Employees> ◆ Embracing Diversity and Inclusion ◆ Initiatives Promoting Respect for Human Rights ◆ Creating Good Working Conditions ◆ Occupational Health and Safety and Health Management ◆ Human Resource and Career Development	1~10
102-44*	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.	◆ Stakeholder Dialogue ◆ With Our Customers "Examples of Improvements Based on Customer Feedback"	—

GRI Standard Indicator (*: Core performance indicator)		References	UNGC principle
6. Reporting Practice			
102-45*	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	—
102-46*	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.	◆ CSR Policy and Promotion Framework "Organization Promoting CSR"	—
102-47*	List all the material Aspects identified in the process for defining report content.	◆ CSR Policy and Promotion Framework "Key CSR Issues"	—
102-48*	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	◆ Editorial Policy "Organizations Covered"	—
102-49*	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	◆ Editorial Policy "Organizations Covered"	—
102-50*	Reporting period (such as fiscal or calendar year) for information provided.	◆ Editorial Policy "Reporting Period"	—
102-51*	Date of most recent previous report (if any).	◆ Editorial Policy "Publisher"	—
102-52*	Reporting cycle (such as annual, biennial).	◆ Editorial Policy "Publisher"	—
102-53*	Provide the contact point for questions regarding the report or its contents.	◆ Editorial Policy "Contact"	—
102-54*	Report the 'in accordance' option the organization has chosen.	◆ GRI Guideline/UNGC 10 Principles Comparison Table ◆ Third Party Verification Report	—
102-55*	Report the GRI Content Index for the chosen option.	◆ GRI Guideline/UNGC 10 Principles Comparison Table ◆ Third Party Verification Report	—

GRI Standard Indicator (*: Core performance indicator)		References	UNGC principle
102-56*	<p>Assurance</p> <p>a. Report the organization's policy and current practice with regard to seeking external assurance for the report.</p> <p>b. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided.</p> <p>c. Report the relationship between the organization and the assurance providers.</p> <p>d. Report whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report.</p>	<p>◆ Third Party Verification Report</p>	—
GRI 103: Management Approach			
103-1*	For each material Aspect, report the Aspect Boundary within the organization, as follows: Report whether the Aspect is material within the organization	<p>◆ CSR Policy and Promotion Framework "Key CSR Issues"</p> <p>◆ Editorial Policy "Organizations Covered"</p>	—
103-2	<p>Disclosures on Management Approach (DMA)</p> <p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach</p> <p>c. A description of the following, if the management approach includes that component:</p> <ol style="list-style-type: none"> Policies Commitments Goals and targets Responsibilities Resources Grievance mechanisms Specific actions, such as processes, projects, programs and initiatives 	<p>◆ Initiatives Promoting Respect for Human Rights "Our Approach to Global Human Rights"</p> <p>◆ Diversity and Inclusion "Diversity and Inclusion Policies"</p> <p>◆ Diversity and Inclusion "Efforts at Promoting Diversity"</p> <p>◆ Occupational Safety and Health and Health Management "Efforts to Improve Occupational Safety and Health"</p> <p>◆ Occupational Safety and Health and Health Management "Health Management and Enhancement Initiatives"</p> <p>◆ Human Resource and Career Development "Guidelines for Human Resource Development"</p> <p>◆ Human Resource and Career Development "Promotion System"</p> <p>◆ Quality Initiatives "Philosophy on Quality and Product Safety"</p> <p>◆ Quality Initiatives "Establishing a Quality Assurance System"</p> <p>◆ Supply Chain Management "CSR Procurement Guideline"</p> <p>◆ Community Involvement "Approach to Social Contribution Activities"</p>	—

GRI Standard Indicator (*: Core performance indicator)		References	UNGC principle
103-3	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.	◆ Human Resource and Career Development "Measures and Achievements" ◆ Supply Chain Management "Processes for Promoting and Improving CSR Procurement"	—
GRI 201: Economic Performance			
201-1	Direct economic value generated and distributed.	—	—
201-2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	◆ Response to Environmental Risks	7, 8, 9
201-3	Coverage of the organization's defined benefit plan obligations.	[Reference] Integrated Report Financial Section	—
201-4	Financial assistance received from government.	—	—
GRI 202: Market Presence			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	—	—
202-2	Proportion of senior management hired from the local community at significant locations of operation.	—	—
GRI 203: Indirect Economic Impacts			
203-1	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	8, 9
203-2	Significant indirect economic impacts, including the extent of impacts.	—	—
GRI 204: Procurement Practices			
204-1	Proportion of spending on local suppliers at significant locations of operation.	—	—
GRI 205: Anti-corruption			
205-1	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified.	—	10

GRI Standard Indicator (*: Core performance indicator)		References	UNGC principle
205-2	Communication and training on anti-corruption policies and procedures.	◆ Our Approach to CSR "Communicating the Fujitsu Way" ◆ Compliance "3. Training and Communication"	10
205-3	Confirmed incidents of corruption and actions taken.	—	—
GRI 206: Anti-competitive Behavior			
206-1	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	—	—
GRI 301: Materials			
301-1	Materials used by weight or volume	◆ Material Balance	
301-2	Recycled input materials used	—	
301-3	Reclaimed products and their packaging materials	—	
GRI 302: Energy			
302-1	Energy consumption within the organization	◆ Material Balance	
302-2	Energy consumption outside of the organization	◆ Material Balance	
302-3	Energy intensity	◆ Reducing Greenhouse Gas (GHG) Emissions and Boosting Energy Intensity at Our Business Sites	
302-4	Reduction of energy consumption	◆ Reducing Greenhouse Gas (GHG) Emissions and Boosting Energy Intensity at Our Business Sites ◆ Environmental Performance Data Calculation Standards	
302-5	Reductions in energy requirements of products and services	◆ Development of Top-Level Energy Efficient Products ◆ Environmental Performance Data Calculation Standards	9
GRI 303: Water			
303-1	Water withdrawal by source	—	
303-2	Water sources significantly affected by withdrawal of water	—	
303-3	Water recycled and reused	—	

GRI Standard Indicator (*: Core performance indicator)		References	UNGC principle
GRI 304: Biodiversity			
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	—	
304-2	Significant impacts of activities, products, and services on biodiversity	—	
304-3	Habitats protected or restored	◆ International Support and Disaster-Relief Activities	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	—	
GRI 305: Emissions			
305-1	Direct (Scope 1) GHG emissions	◆ Global Warming Prevention	
305-2	Energy indirect (Scope 2) GHG emissions	◆ Global Warming Prevention	
305-3	Other indirect (Scope 3) GHG emissions	◆ Global Warming Prevention	
305-4	GHG emissions intensity	◆ Reducing Greenhouse Gas (GHG) Emissions and Boosting Energy Intensity at Our Business Sites	
305-5	Reduction of GHG emissions	◆ Reducing Greenhouse Gas (GHG) Emissions and Boosting Energy Intensity at Our Business Sites	
305-6	Emissions of ozone-depleting substances (ODS)	—	
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	◆ Material Balance	
GRI 306: Effluents and Waste			
306-1	Water discharge by quality and destination	◆ Material Balance	
306-2	Waste by type and disposal method	◆ Limiting Amounts of Waste Generated ◆ Material Balance	
306-3	Significant spills	—	
306-4	Transport of hazardous waste	—	
306-5	Water bodies affected by water discharges and/or runoff	—	
GRI 307: Environmental Compliance			
307-1	Non-compliance with environmental laws and regulations	◆ Case Studies	

GRI Standard Indicator (*: Core performance indicator)		References	UNGC principle
GRI 308: Supplier Environmental Assessment			
308-1	New suppliers that were screened using environmental criteria	—	
308-2	Negative environmental impacts in the supply chain and actions taken	—	
GRI 401: Employment			
401-1	Total number and rates of new employee hires and employee turnover by age group, gender and region.	◆ List of Employee related Indicators "Employees" ◆ Creating Good Working Conditions "Turnover Rate"	—
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	◆ Creating Good Working Conditions "Employee Benefits Program"	—
401-3	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"	6
GRI 402: Labor/Management Relations			
402-1	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements.	—	—
GRI 403: Occupational Health and Safety			
403-1	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 Health and Safety"	1
403-2	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"	—
403-3	Workers with high incidence or high risk of diseases related to their occupation.	◆ Occupational Safety and Health and Health Management "Efforts to Improve Occupational Health and Safety" ◆ Risk Management "Measures Against Infectious Diseases"	1
403-4	Health and safety topics covered in formal agreements with trade unions.	◆ Occupational Safety and Health and Health Management "Efforts to Improve Occupational Safety and Health"	—

GRI Standard Indicator (*: Core performance indicator)		References	UNGC principle
GRI 404: Training and Education			
404-1	Average hours of training per year per employee by gender, and by employee category.	◆ Human Resource and Career Development "Average Hours Dedicated to Training Per Employee"	—
404-2	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	◆ Human Resource and Career Development "Career Design Support"	6
404-3	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.	—	—
GRI 405: Diversity and Equal Opportunity			
405-1	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"	1, 6
405-2	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	—	—
GRI 406: Non-discrimination			
406-1	Total number of incidents of discrimination and corrective actions taken.	—	—
GRI 407: Freedom of Association and Collective Bargaining			
407-1	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.	◆ Supply Chain Management "Socially Responsible Procurement Initiatives" ◆ Supply Chain Management "Procurement Compliance among All Suppliers" ◆ Compliance "4. Incident Reporting and Response"	—
GRI 408: Child Labor			
408-1	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.	◆ Supply Chain Management "Socially Responsible Procurement Initiatives" ◆ Supply Chain Management "Procurement Compliance among All Suppliers" ◆ Compliance "4. Incident Reporting and Response"	—

GRI Standard Indicator (*: Core performance indicator)		References	UNGC principle
GRI 409: Forced or Compulsory Labor			
409-1	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.	◆Supply Chain Management "Socially Responsible Procurement Initiatives" ◆Supply Chain Management "Procurement Compliance among All Suppliers" ◆Compliance "4. Incident Reporting and Response"	—
GRI 410: Security Practices			
410-1	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations.	—	—
GRI 411: Rights of Indigenous Peoples			
411-1	Total number of incidents of violations involving rights of indigenous peoples and actions taken.	—	—
GRI 412: Human Rights Assessment			
412-1	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"	—
412-2	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"	1
412-3	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.	—	—
GRI 413: Local Communities			
413-1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	—	8
413-2	Operations with significant actual and potential negative impacts on local communities.	—	7, 8
GRI 414: Supplier Social Assessment			
414-1	Percentage of new suppliers that were screened using labor practices criteria.	—	—

GRI Standard Indicator (*: Core performance indicator)		References	UNGC principle
414-2	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken.	—	—
GRI 415: Public Policy			
415-1	Total value of political contributions by country and recipient/beneficiary.	—	—
GRI 416: Customer Health and Safety			
416-1	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" ◆ Supply Chain Management "Enhancing Supply Chain BCM"	9
416-2	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"	—
GRI 417: Marketing and Labeling			
417-1	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.	—	—
417-2	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"	—
417-3	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"	—
GRI 418: Customer Privacy			
418-1	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	◆ Information Security	—
GRI 419: Socioeconomic Compliance			
419-1	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	—	—