Sustainability Data Book 2022

Fujitsu Group



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Message from the CEO



Takahito Tokita

CEO & CDXO, Fujitsu Limited

As the impact of the COVID-19 pandemic drags on, we are adjusting to 'life with COVID' and aiming to minimize the spread of infection while maintaining regular socioeconomic activities as much as possible. The pandemic has also accelerated the trend toward digital transformation and is triggering the adoption of new lifestyle patterns. On the negative front, disparities and inequities in society are widening, as illustrated by geopolitical risks such as the situation in Ukraine. Coupled with a complex market environment and economic instability, the impact is generating considerable anxiety throughout the world. This unpredictable and uncertain situation has renewed our awareness of the importance of responding rapidly to challenges and contributing to the creation of societal systems that leave no one behind. In addition to responding to immediate events, management must adopt a long-term perspective regarding the global environment and societal risks, while considering the interests of all stakeholders. As an example, with the issue of climate change – also referred to as "the climate crisis" - action is required now to achieve carbon neutrality by 2050. I believe that we must place sustainability issues such as these at the core of our management approach and work collaboratively with our customers and other

stakeholders to fulfill Fujitsu's dual roles of supporting social sustainability and succeeding in our business operations.

The Fujitsu Group's purpose is to make the world more sustainable by building trust in society through innovation. As a company that has provided value to customers through technology for many decades, we feel a heightened sense of responsibility to proactively contribute to this transformation. Our purpose also acts as a compass to guide the 120,000 Fujitsu professionals around the world and harness their thoughts and capabilities as they work together to enhance the sustainability of society. To align all business areas toward achieving our purpose, we are now conducting a comprehensive reform of our internal structures, systems, and corporate culture. One example of this approach is the complete overhaul of our human resources management system that we implemented last fiscal year. Recognizing that Fujitsu's people are the most valuable resource both for delivering value to society and for driving the company's medium- to long-term growth, this sweeping change encourages continual growth by each individual as they challenge themselves in work and study, with a view to their own career development.

To realize our purpose, we have established non-financial management indicators in addition to financial indicators. We understand that sustainability management is necessary to make a stable, long-term contribution to society, which in turn creates opportunities for our own growth. To this end, Fujitsu conducts activities within the framework of Global Responsible Business (GRB), under which the following seven priority issues have been specified: Human Rights, Diversity, Equity and Inclusion; Wellbeing; Environment; Compliance; Supply Chain; Occupational Health and Safety; and Community. Last fiscal year, we incorporated

Fujitsu Group Sustainability Data Book 2022

the GRB perspective into our standard sales proposal process. By including Fujitsu's own GRB activities as references in customer proposals, we are supporting customer efforts to help overcome societal challenges.

In addition, we launched Fujitsu Uvance as a global business brand designed to contribute to the resolution of societal challenges by addressing sustainability as a business, not simply as an activity within the company. Taking as a starting point the issues that must be resolved to realize the ideal society of 2030, we have systematized our future focus by combining a cross-industry perspective with the digital solutions and platforms that support these issues, as well as considering Fujitsu's technological strengths, the needs of the world, and other factors. We have defined seven Key Focus Areas, including Sustainable Manufacturing, Consumer Experience, and Digital Shifts. Through these areas, we aim to support the sustainability transformation journeys of our customers while creating ecosystems with other companies and organizations that possess a range of capabilities, as we work to link them and help overcome challenges faced by society as a whole.

Fujitsu is committed to promoting purpose-driven management based on GRB and Fujitsu Uvance, thereby contributing to enhanced sustainability for society.

Finally, as a signatory to the United Nations Global Compact, the Fujitsu Group supports the 10 principles in the four areas of human rights, labor, the environment, and anti-corruption. We are absolutely committed to minimizing negative impacts on people and society and to promoting a corporate culture throughout our global business that is aimed at eliminating corruption.

Fujitsu Way

Revision of the Fujitsu Way

The Fujitsu Group established the Fujitsu Way in 2002 as a principle for the behavior of all its people. In response to changes in society and the business environment, the company revised the philosophy in 2008 to further instill awareness in its people working around the globe.

The world has become more inter-connected with ever-growing complexity, and we are experiencing an era that is fast-changing and uncertain. Various threats to global sustainability have become apparent. It is Fujitsu's responsibility to use technology to deliver value for customers and contribute proactively to the transformation of society. Accordingly, we have set out Our Purpose to make the world more sustainable by building trust in society through innovation, and renewed the Fujitsu Way for every person in the Group to act with Our Purpose.

The new Fujitsu Way comprises the following three core elements:

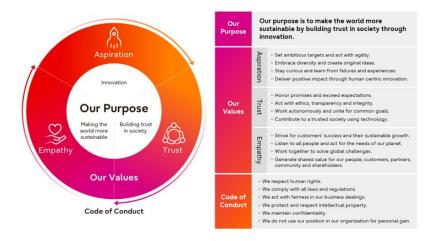
- · Our Purpose: Why Fujitsu exists in society
- · Our Values: The important sense of value each person should have
- · Code of Conduct: What Fujitsu people should comply with

Moreover, Our Values describe a critical action cycle necessary to achieve Our Purpose, consisting of Aspiration, Trust and Empathy.

We aim to achieve Our Purpose by advancing corporate activities based on the new Fujitsu Way, which will provide a new basis for the actions of each person in the Group.

Click below for further details.

- > Fujitsu Way
- > Transforming Our Corporate Culture



The Structure of Fujitsu Way

Transforming Our Corporate Culture

The Fujitsu Way

We have established the Fujitsu Way, a set of principles for all employees to observe based on Our Purpose, which indicates the reason for Fujitsu's existence in society. All Fujitsu employees work to achieve Our Purpose in their daily activities, while keeping in mind Our Values (Aspiration, Trust, and Empathy) and the Code of Conduct as they deliver value to customers and society.

- > Fujitsu Way
- Our Story



Our Purpose

Activities to Promote the Fujitsu Way

In-house Communication Initiatives

Fujitsu has been deploying in-house communication initiatives to boost the degree of empathy with the Fujitsu Way.

We have also produced a Fujitsu Way booklet and shared it with employees worldwide to ensure that each and every Fujitsu employee understands the Fujitsu Way and makes it their own. The booklet incorporates management's thinking on ways to implement change in Fujitsu. It also includes the words of former CEOs and other pioneers plus the background to their messages, which today form the company's DNA, embedded in the Fujitsu Way. We will continue to communicate the Fujitsu Way



Sample pages from the Fujitsu Way booklet

through workshops and videos, to ensure that all employees engage in the Fujitsu Way and work toward achieving Our Purpose.

Broadening the Message through Purpose Carving®

In 2020, with the need to coalesce the ideas of each and every employee to generate greater synergy and achieve Our Purpose, we started rolling out the Purpose Carving® program, an initiative to shape and inform each individual's own purpose (My Purpose).

Purpose Carving® is an interactive program that enables participants to reflect on their personal journeys and values, carving out their own purpose as they contemplate the future. With 65,000 employees worldwide having completed the program as of July 2022, the overlaying of their purposes on Fujitsu's corporate Purpose provides the driving force for transformation.

Fujitsu Group Sustainability Data Book 2022

Fujitsu also initiated Purpose Reflections, a program in which participants reflect on the overlap between their daily work and My Purpose, and other programs involving growth and relationship-building initiatives driven by My Purpose.

Furthermore, we launched a program of livestreamed events titled 'Fujitra Radio with Leaders' that allowed employees to watch interviews with Fujitsu's executive leaders, thereby gaining insights into their individual purposes and thoughts on transformation. The 28 executives took turns participating in this weekly program, which attracted an overall audience of 45,000. Ninety percent of



Illustration of executives who participated in 'Fujitra Radio with Leaders'

viewers said the interviews gave them a greater affinity for these executive leaders. Through such promotional measures, Fujitsu aims to generate individual and organizational behavior transformation by helping employees to discover their own purpose and by reconciling everyone's own purpose with Fujitsu's Purpose.

Sustainability Contribution Awards

The Sustainability Contribution Awards program is an in-house program established to help achieve Fujitsu's Purpose. To create the type of sustainable society that Fujitsu envisions, the entire organization – individuals and the company – must innovate and generate new value based on Our Purpose and business direction. Therefore, the Sustainability Contribution Awards are designed to not only recognize Outputs to Society, but also include awards for Organizational Cultural Change that brings meaningful transformation to the way things have traditionally been done. Fujitsu Way promotion leaders and the Chief Sustainability Officer serve as judges, and they base their decisions on the extent to which the entries embody the values and purpose reflected in the Fujitsu Way and on the various elements of Global Responsible Business.

In FY2021, a total of 166 applications were received from Fujitsu Group companies worldwide, resulting in the presentation of two Grand Awards and seven Excellence Awards. Overviews of the two Grand Award recipient projects appear below.

- Grand Award Recipients
 Unifying Diverse Stakeholders through Transparent Supply Chain Solutions that Address Societal Challenges
 - Fujitsu supports and implements sustainable initiatives for many customers and stakeholders, using blockchain to deter activity in the gray zone and ensure end-to-end reliability as well as transparency and traceability that transcends industries and business sectors for global commodities trading. These projects also offer benefits including protection for producers, elimination of water resource shortages, and the achievement of carbon offsets.
 - Solution case studies: Sustainable water purification and water trading platforms, a rice trading platform, and projects to ensure traceability in areas such as the food manufacturing industry, in the reuse of end-of-life Electric Vehicle batteries, and in the fashion industry.

Global Delivery Responsible Business Program (GRiP): Creating Long-term Impact through Education (Educational Volunteer Activities in Local Communities)

- GRiP's educational outreach program is designed to support the most challenged local education and training facilities, by empowering students to reach their potential to succeed as they prepare for the digital world of the future. More than 80 educational programs were conducted across all nine of Fujitsu's Global Delivery Centers between April and December 2021, recording a total of 6,799 volunteer hours and providing educational support to almost 7,000 people around the world.
- Examples of activities: Internships and workshops related to technology (robotics, AI, cybersecurity). Career presentations and conferences for students to raise awareness of technology career options. Provision of hardware, stationery, and funding to educational institutions. Promotion of gender equality through specialized technical courses and educational outreach for women.

Intellectual Property (IP) Strategy to Support Fujitsu's Purpose

Policy: Intellectual Property Strategy from Three Perspectives

Fujitsu's Purpose is to make the world more sustainable by building trust in society through innovation. The Fujitsu Uvance business brand is targeting seven Key Focus Areas as a means to achieving this purpose. The Intellectual Property Division is building an IP portfolio centered on the key technologies that support these Key Focus Areas, and is engaged in IP activities that revolve around the following three perspectives:

- IP Strategy focused on innovation that supports the Key Focus Areas
 The Intellectual Property Division builds an IP portfolio centered on Fujitsu's five key technologies. The Division enhances IP analysis as a tool for generating innovation and leverages the Division's well-established strengths, including its expertise in acquiring rights to the results of innovation and R&D, and strengths cultivated through frontline IP activities in fields such as open source software (OSS), IP education, etc.
- IP Strategy that generates social trust
 The Intellectual Property Division works to strengthen the rule-making process through activities to protect trademarks and other aspect of brands, as well as through Standards Activities to build social trust in Fujitsu technologies.
- 3. IP Strategy for a sustainable world (FUJITSU Technology Licensing Program[™] for SDGs)

 The ways in which Fujitsu currently leverages IP to address societal challenges include partnering with WIPO GREEN to help achieve the SDGs, providing open access to Fujitsu Group IP assets to help advance a resolution to COVID-19, and using IP to help revitalize regional Japan.
- > Fujitsu's Intellectual Property



Intellectual Property Strategy to Support Fujitsu's Purpose

Structure of the Intellectual Property Division

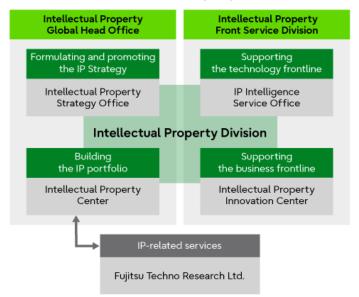
The Intellectual Property Division comprises the Intellectual Property Front Service Division, which is responsible for the IP support functions of the technology and business frontline, and the Intellectual Property Global Head Office, which is responsible for IP strategy and the portfolio-building function of the Fujitsu Group.

Fujitsu's IP strategy is driven by collaboration among the Intellectual Property Innovation Center (which implements IP activities geared toward business producers and systems engineers), the IP Intelligence Service Office (which supports research institutes conducting IP research, analysis, and R&D for the business divisions), the Intellectual Property Center (which is tasked with building the IP portfolio), the Intellectual Property Strategy Office (which formulates and promotes the Group-wide IP strategy based on communication with management), and Fujitsu Techno Research Limited (which provides IP-related services).

In addition, we have developed an IP governance framework to harness the IP capabilities of the entire Fujitsu Group.

In Japan, activities of the Intellectual Property
Division are carried out together with those Group
companies engaged in IP activities. There are some
exceptions, in which the Intellectual Property
Division establishes reporting lines to, and
implements closely coordinated activities with,
certain companies that conduct IP activities
independently.

Structure of the Intellectual Property Division



Group & Global Collaboration



The Division has also established global reporting lines with regional intellectual property managers (IP CoE) in Europe, China, Australia and the United States, and holds regular meetings to ensure that all IP activities conform to the realities of global business.

Initiatives

Fujitsu is building an IP portfolio centered on the key technologies that support the Key Focus Areas, and is also engaged in leveraging IP for co-creation, including collaboration to help achieve the SDGs under the FUJITSU Technology Licensing Program™ for SDGs. The Company is also engaged in using OSS, international standardization and rulemaking to establish social rules that engender trust and confidence in deploying Fujitsu's advanced technologies, and strategic initiatives to support the Key Focus Areas from a brand and design perspective.

The following section highlights case studies of open innovation involving key technologies where particular emphasis is placed on building an IP portfolio, as well as case studies of IP activities aimed at solving societal challenges, and case studies of open innovation where IP is used for co-creation.

Open Innovation Cases

Computing: Digital Annealer (Co-creation with MELCO Investments)

Deploying the Digital Annealer architecture in stock portfolio optimization calculations

Having developed Digital Annealer (DA) as a quantum-inspired architecture dedicated to solving combinatorial optimization problems at high speed, Fujitsu is applying for numerous patents, primarily for the core technology. The Company has been conducting trials and co-creation with clients based on differentiated technologies that are supported by patents. In the area of investment in equities managed by MELCO Investments, DA was successfully used to generate portfolios comprising combinations of stocks with the lowest risk. As a result, MELCO Investments began using DA to manage financial assets in some areas of its actual portfolio management operations in January 2022.

Conventional approaches to performing optimization calculations to determine the optimal portfolio from several hundred stocks were highly impractical because they required massive computing power and a lot of time. Using Fujitsu's DA, it is now possible to perform this task in about 10 minutes. This has enabled MELCO Investments to use analytical results, based on more accurate calculations, in their actual asset management operations.

> MELCO Investments: How Digital Annealer is pushing the boundaries of financial services.

Networking: IOWN (Strategic Business Alliance with NTT)

Joint R&D to develop next-generation 6G network technology

NTT Corporation and Fujitsu forged a strategic business alliance in April 2021 to engage in joint R&D activities toward the "realization of a sustainable digital society." The innovation created through this alliance is designed to contribute to achieving the vision of a new low-energy, high-efficiency digital society through global, open collaboration with a wide range of partners who support the Innovative Optical and Wireless Network (IOWN) initiative.

Through this alliance, the two companies aim to conduct joint research in fields where both can leverage their strengths, backed by communications technologies such as the world's most advanced optical technologies for which NTT and Fujitsu combined hold the largest number of patents worldwide. With their operational expertise, plus Fujitsu's world-leading computing technologies, the companies aim to fulfill their shared vision through global, open innovation that leverages the results of their research.

> NTT and Fujitsu Embark on Strategic Alliance to Drive "Realization of Sustainable Digital Society"

AI: Joint Development with Subaru

Employing AI modeling to deliver quality assurance in manufacturing

Subaru Corporation and Fujitsu have been co-creating through PoCs, development, and trials since 2019, using high-precision AI modeling to deliver quality assurance in the engine component (camshaft) grinding process. As part of this collaboration, the two companies created and commercialized the industry's first AI invention to implement automated quality inspection and prediction of engine parts, and jointly applied for patents. In addition, the two companies developed and verified the "FUJITSU Manufacturing Industry Solution COLMINA Production Line Quality AI Operation and Management Package", which provides management support for the AI model in anticipation of mass production operations. The system became fully operational in February 2022. As a result, quality assurance during engine component grinding was achieved with high precision and in real time. The AI model continues to operate at an efficient level, maintaining AI model quality on an ongoing basis. Furthermore, Subaru established an AI platform to improve the level of quality assurance using real-time data throughout its Gunma Manufacturing Division, including at the Oizumi Plant.

> SUBARU Corporation: Ensuring mass production quality in real time with AI

Solving Societal Challenges: Ontenna – a Wearable User Interface that Turns Sound into Vibration

A mixed-IP strategy to support solutions to societal challenges

Ontenna is a radically new user-interface device that can be worn on the hair, earlobe, collar, cuff, etc., enabling the wearer to pick up tonal characteristics through vibration and light. It was developed in collaboration with the Deaf and the hard-of-hearing to enable a future that they can enjoy together with the hearing.

Ontenna is characterized by a gently rounded shape that does not feel unpleasant as it can be worn like a hairpin. Fujitsu has applied for and registered design patents for the main body, the battery charger, and the controller that can control multiple Ontenna devices, and has also registered the shape of the main body as a 3D trademark. Fujitsu has also applied for and registered patents for Ontenna's charging method and communication system, using a mixed-IP strategy to protect the main body and peripheral devices.

Ontenna was awarded the "Imperial Invention Prize" in the 2022 National Commendation for its design patent. It has also won several other awards



Ontenna worn in the hair and on the collar

including the 2019 Good Design Award "Gold Prize," the IAUD International Design Award "Grand Prize," and the Local Invention Award from the Commissioner of the Japan Patent Office, earning high acclaim from both inside and outside of Fujitsu.

> Ontenna

Co-creation: FUJITSU Technology Licensing Program™ for SDGs (Haloworld)

Co-creative development of 3D Scanner "BeTHERE"

Fujitsu is promoting the brand FUJITSU Technology Licensing Program™ for SDGs, an initiative that encourages companies and academic institutions to use the Group's intellectual property including patents and know-how as a key means of contributing to SDGs to make the world more sustainable through innovation. Fujitsu engages in collaboration via WIPO GREEN (an online platform for the exchange of environmentally friendly technologies) and IP matching programs at the national and local government levels, at financial institutions, and at universities. This contributes to the social diffusion of Fujitsu technologies to help advance a resolution to COVID-19, to conserve the environment, and to revitalize Japan's regional economies.

One case study of IP matching is the development of the BeTHERE 3D Scanner, commercialized after robotics startup Haloworld was given a demonstration of Fujitsu's patented 3D digitizing technology prototype in 2019. This led to collaboration and the licensing of the patent to Haloworld.

BeTHERE is a 3D scanner that can capture 360-degree images at a chosen location and check the captured data on the spot. It performs texture mapping to map the captured images to 3D point cloud data where distances can be determined. With mass production in mind, Haloworld received the license to the technology for integrating (aligning) 3D point cloud data recorded multiple times from different locations. The company also upgraded the user interface to enhance operability and made additional improvements, such as dustproofing and drip-proofing, as well as improving the measurement accuracy by applying the latest LiDAR (Light Detection and Ranging) sensor to measure the distance to an object.

> Haloworld Inc.: Development of the 3D Scanner "BeTHERE"

BeTHERE



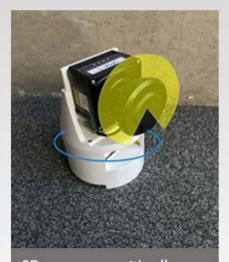
Compact & lightweight,
easy to install
WiFi remote control
Has a measurement data
transmission function



sec
Easily consolidate multiple
data points
Modeling of 3D

visualizations

* "Like Being There"



3D measurement in all directions
Distance radius: max 60 m
Up to 2,770,000
points/measurement

[3D scanner "BeTHERE"]



Sustainability Management

Our vision and the policy for achieving a sustainable society.

Sustainability Management in the Fujitsu Group

Policy, Promotion Scheme, and Review

The Fujitsu Group has always been seen by society as a trustworthy and responsible enterprise through its delivery of products and services. However, in the current era of VUCA (*1) we face major changes and the future is difficult to predict. It is therefore important that we, as a member of the global community, conduct business activities under the leadership of senior management that are aimed at resolving environmental, societal and economic problems and that will produce beneficial impacts for society. In April 2020, we established a Sustainability Management Committee that will drive a sustainability-focused management approach.

The objective of this committee is sustainability management that takes into account environmental, societal and economic impacts as well as stakeholder (*2) interests, ensuring that the company prospers in the long term as a responsible global enterprise. Specific initiatives will be in line with our values and our purpose, set out in the revised Fujitsu Way, and will include boosting our efforts in non-financial areas. These include respect for human rights, acceptance of diversity and equity, human resource development, maintenance of the global environment and contributing to the development of regional communities. Our goal is to achieve sustainable, long-term improvement in the value of the Fujitsu Group through corporate activities.

The committee is scheduled to meet every six months to check on the progress of our activities in non-financial areas and to confirm if we are on track to meet our targets. The committee will also discuss new activities and consider non-financial indicators, and then report to management council meetings and the Board of Directors with the results. The committee is chaired by the CEO, who will nominate executives with a perspective on sustainability management for appointment as committee members. (As of April 2022, the committee had 17 members, including the chair.) The first committee meeting was held in April 2020, followed by four more semiannual meetings – all conducted remotely. The meetings were characterized by lively discussions on topics such as the spread of the COVID-19 pandemic, the accelerating global movement toward carbon neutrality, the ideal future shape of the Fujitsu Group, the mission of the committee, details of the non-financial indicators, an overview of Global Responsible Business activities and progress toward achieving the related targets.



System Chart

^(*1) VUCA: Volatility, Uncertainty, Complexity, Ambiguity

^(*2) The Fujitsu Group's stakeholders: The Fujitsu Group regards our people, customers, partners, community and shareholders as

its stakeholders. Government authorities, NPOs, NGOs, and similar organizations are also particularly important stakeholders within this community.

Non-Financial Indicators

To realize its Purpose, as defined in the Fujitsu Way, the Fujitsu Group must achieve sustainable growth. An essential prerequisite for this is the building and strengthening of trusted relationships with all stakeholders. With this in mind, in addition to the existing financial indicators, from FY 2020 we have added two non-financial indicators. These are the customer Net Promoter Score (NPS), which gauges the level of trust exhibited by customers, and employee engagement, which measures the degree of enthusiasm and commitment that employees have and their support of the organizational culture. The Fujitsu Group has identified Global Responsible Business as an important issue related to sustainability, and we believe that this initiative will engender heightened trust from our customers and our employees, with the outcome visible in these non-financial indicators. We will continue to promote a structure for the ongoing monitoring on a global basis of the data from these two non-financial indicators. The insights gained from this monitoring and analysis will then be reflected in a range of activities.

For details, please refer to pages 22-23 of the Fujitsu Group Integrated Report 2020 – <u>Special Feature:</u> "Progress Toward Becoming a DX Company", Management Indicators and Global Responsible Business (GRB).

Global Responsible Business

Since its CSR Promotion Committee established the Basic Strategy Working Group in 2010, the Fujitsu Group has identified Five Priority Issues in its Basic CSR Policy and has been promoting activities that address those priority issues. The working group conducted interviews with outside experts regarding the expectations and demands on Fujitsu, based on an awareness of global CSR standards and social issues.

However, recent years have seen a further ramping up of demand for initiatives aimed at responding to challenges on a global scale, including the adoption of the Sustainable Development Goals (SDGs) by the United Nations and the coming into effect of the COP 21 Paris Agreement related to climate change. The Fujitsu Group has employed a materiality analysis in a Groupwide review of the priority issues to ensure that they reflect changes in its business over the past several years. The result was the establishment in FY2019 of a unified framework for the priority issues under the new name of Global Responsible Business (GRB).

- Reference
- Materiality

Global Responsible Business

The GRB framework aims to foster the mindset and corporate culture necessary to realize the Fujitsu Way by engaging in specific activities that address our priority issues and to earn and maintain the social trust that is a prerequisite for global business activities. All Group employees must be constantly aware that their companies are part of society and aim to not only pursue profits but also reduce the negative impact of their business activities on sustainability issues while maximizing the positive.

To this end, we have specified long-term goals for each priority issue, with March 2023 set as the deadline for their achievement, and have been building an effective management system to attain the goals. In order to carry out higher-level activities globally while taking into account the differences between countries and regions in such areas as local laws and labor markets, we have set Groupwide targets for all employees. Employees based at our headquarters who are responsible for each of the priority issues led efforts in formulating these targets, while personnel in overseas regions with similar responsibilities also provided input in this regard. We will continue to work on specific measures toward achieving the goals.

Raising Awareness and Disseminating Information Internally and Externally

To realize our corporate purpose, we engage in businesses that have a beneficial impact on resolving challenges in society, and to conduct our operations in a responsible manner throughout all business activities, we are implementing a range of measures to raise awareness and enhance our employees' understanding of GRB. In addition, we disseminate information outside the company to convey to stakeholders the Fujitsu Group's position on sustainability management and related initiatives.

- At internal and external events and presentations, we introduce the non-financial framework around Fujitsu's sustainability management and explain how an executive leader has been appointed for each of the priority issues as we implement initiatives on a global basis.
- We have created a video in both Japanese and English (<u>The Seven Priority Issues for Sustainability Management: GRB</u>), which provides fundamental information including an overview and an explanation of the relationship between GRB and management. This video is promoted internally and externally via our official websites and social media channels.
- Employee understanding is further enhanced through our intranet sites in Japanese and English, which are updated as required by GRB operations staff.
- We published a series of 10 articles in Fujitsu's in-house magazine, in both Japanese and English, featuring overviews of each of the priority issues as well as specific initiatives. A survey conducted on this series revealed that approximately 90% of those who read the articles responded that they developed a deeper understanding of GRB, while around 60% stated that they had changed their way of thinking and behavior. This illustrates the link to improved understanding and empathy.
- We conduct employee awareness surveys in relation to sustainability and utilize the responses when planning and implementing internal and external initiatives.
- In terms of business involvement, we incorporate the GRB perspective in our proposal process to help our customers solve their sustainability-related management issues. Contents on GRB initiatives such as environment and wellbeing are included in the proposal materials provided to customers, as we work to promote further usage and deployment in frontline business interactions.





- Reference
- > The Seven Priority Issues for Sustainability Management: GRB
- > GRB (Global Responsible Business) Goals and Achievement

GRB (Global Responsible Business) Goals and Major Achievements in FY2021

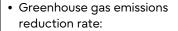
	"WHAT FUJITSU ASPIRES TO BE" and "GOALS FOR FY2022"	Major Achievements in FY2021
	 ◆Human Rights In both the real-world and digital societies, consideration for "human dignity" is reflected in all our corporate activities and we constantly work to "create human-centric value". 〈Goals〉 Embedding "respect for human rights" within the Fujitsu Group Completion rates for global human rights training: 80% 	Conducted e-learning on business and human rights for all Group employees in 16 languages worldwide. Participation rate: 92%
Human Rights, Diversity, Equity, and Inclusion	 ◆ Diversity, Equity and Inclusion Be a responsible business that reflects the diversity of our world. Build an inclusive and equitable culture where everyone belongs and can be completely themselves. We will celebrate difference and ensure that people can succeed regardless of their personal identity. Through inclusive design and innovation, we will endeavor to make a positive impact within society and empower each other to make the world more sustainable. ⟨Goals⟩ Cultivation of inclusive corporate culture. • The Fujitsu Group aims to achieve at least Consolidated 69% from 66%(FY2019) / Non-consolidated 63% from 59%(FY2019), in favorable answers to Diversity, Equity and Inclusion question in the Engagement Survey by FY2022. • The Fujitsu Group aims to achieve at least Consolidated 	 Favorable answers rate of engagement survey related to "Diversity, Equity and Inclusion" question Consolidated 69% Non-consolidated 65% Female leadership rate Consolidated 10.3%* Non-consolidated 8.0%
	10% from 8%(FY2019) / Non-consolidated 9% from 6%(FY2019) female leadership by FY2022.	Clabel average age for IIMayl
Wellbeing	To create an environment where all employees can work positively and healthily in both mind and body. We will also endeavor to provide opportunities for employees to develop personally and display their abilities to the fullest extent. **Goals** Providing a positive work environment • An average score of 71 globally for "Work-life Balance" and "Work Environment" in the Engagement Survey Provide opportunities for employees to develop personally and display their abilities to the fullest extent • An average score of 70 globally for "Growth Opportunities" in the Engagement Survey	Global average score for "Work-life Balance" and "Work Environment" : 64 Global average score for "Growth Opportunities" : 68

Fujitsu will fulfill its social responsibilities as a global corporate environmental leader. We aim to contribute to achieving the 1.5°C climate change goal of the Paris Agreement and also to resolving environmental challenges, through such measures as developing innovative solutions that make effective use of resources.

<Goals>

Fulfill our social responsibilities and help to resolve environmental challenges

- Reduce greenhouse gas emissions at Fujitsu sites by 37.8% or more from the base year level (Reduce by 4.2% each year compared with FY2013)
- Avoid risks associated with our business activities and minimize our impact on the environment
- Help to resolve environmental challenges for customers and society through our business operations



- FY2021 Target 33.6% or more Achievement 36.7% (Reduced by 4.2% each year compared with FY2013)
- Renewable energy usage ratio: 20%
- Avoid risks and minimize our impact on the environment:

[Business sites]

- Improve Power Usage Effectiveness (PUE) at Data Centers: Actual 1.56 (Target 1.57)
- Water usage: 57,000 m³reduction from the previous year
- Promote eco design for resource savings and circulation and increase resource efficiency of newly developed products by 10.1 % (compared with FY 2019).

[Supply Chain]

- Reduce CO₂ emissions due to power consumption during product usage by 51% (compared with FY2013).
- Reduce CO₂ emissions and conserve water resources in the upstream supply chain: Request the Fujitsu Group's key partners to undertake reduction activities, 100% completed
- Help to resolve environmental challenges :
 - Transfer of carbon-neutral knowledge to business units
 - Improving the professional skills of employees by conducting in-house education through environmental study sessions and on-the-job training
 - Creation solutions based on inhouse references
 - Support customer proposals to resolve environmental issues



		Redevelop EcoCALC, an evaluation tool for CO ₂ emissions reductions, for global use and launch an intranet site for information sharing to raise self-awareness of environmental issues among employees
Compliance	Ensure that all officers and employees within the Fujitsu Group conduct their business activities with a high level of compliance awareness and through those activities, the Fujitsu Group fulfills our social responsibilities and earns the trust of our stakeholders. <goals> To further disseminate compliance-related part of the Fujitsu Way Code of Conduct throughout the entire organization, the Global Compliance Program is rolled out for the entire Fujitsu Group, thereby instilling a high level of compliance awareness in the organization, and the management is to take the lead in fostering a corporate culture where each employee does not tolerate any wrongdoings (Zero Tolerance). • Deliver messages from the President or the Heads of each Business Group/Region on the importance of compliance (at least once a year)</goals>	Delivered messages to all employees from the CEO, the Heads of each business region, and Presidents of group companies in each country on the importance of compliance at Fujitsu Compliance Week to coincide with International Anti- Corruption Day
Supply Chain	In its supply chain, the Fujitsu Group will achieve responsible procurement that embraces diversity and gives full consideration to human rights, the environment and health & safety. **Goals** • The Fujitsu Group will achieve responsible procurement in its supply chain. To ensure that its major suppliers comply with the international standards for responsible procurement, the Fujitsu Group will obtain one of the following documents from its major manufacturing subcontractors and parts suppliers for its core products (Target KPI =100%) • A platinum or gold level of site recognition under the RBA (*1) Audit Recognition program • Written consent with the Fujitsu Group CSR Procurement Guideline (equivalent to the RBA Code of Conduct) • Promotion of supply chain diversity We set supply chain diversity as our goal of Responsible Business and promote it globally. • Reduction of Greenhouse Gas (GHG) Emissions in Supply Chain We requested our foremost suppliers to set the quantitative targets complying with an International Standard to reduce GHG emissions	Availability of any of the following documents: 100% A platinum or gold level of site recognition under the RBA Audit Recognition program Written consent with the Fujitsu Group CSR Procurement Guideline Achieved procurement KPIs from enterprises with diverse attributes, such as SMEs, women's management, and minority enterprises in the UK, the Americas, and Oceania Completed to request 293 companies to participate in our Explanation Meeting

Occupational Health and Safety	The Fujitsu Group's first priority in all business activities is to protect the health and safety of our employees both in mind and body by providing a safe and healthy work environment tailored to the different cultures in which we operate. • We will foster a culture that does not tolerate accidents, incidents and poor safety performance. • We will ensure safety is a core business value, and make safety important and personal in order to influence people's decisions and behavior • We will completely eliminate the loss of business opportunities due to preventable illnesses, injuries, and unexpected work-related accidents • Goals> The Fujitsu Group will maintain a safe and comfortable working environment, and promote employees' mental and physical health in every workplace. • Zero occurrences of serious accidents • Implementing health and safety-related management reviews at the global level, conducted once a year	Zero occurrences of serious accidents Global OHS management leaders confirmed responses to COVID-19 in the Fujitsu Group
Community	Our employees, who possess an awareness that they belong to a global society, will have a positive impact not just on society, but on the economy and on business, by increasing their empathy for social issues and engaging in the co-creation of activities. We will evaluate, analyze and communicate the impact that our employees have made, and offer greater value to society. <goals> Contributing to the transformation of both our corporate culture and mindset of employees • Rate of increase in the number of employees participating in social contribution activities related to social issues: 10% increase compared with FY 2019 under the "new"</goals>	Data collection started in FY 2021: Down 2.9% compared with FY 2019 (*2)

(*1) RBA: Responsible Business Alliance

<u>Fujitsu Joins EICC, a Global Corporate Social Responsibility Coalition (renamed as the Responsible Business Alliance (RBA) in October 2017)</u>

normal" situation

(*2) Face-to-face activities were limited due to the influence of COVID-19. As a result of various measures such as the holding of online events, the number of employees participating increased from the second half of fiscal 2021, but decreased from fiscal 2019.

Non-Financial Indicators

Approach

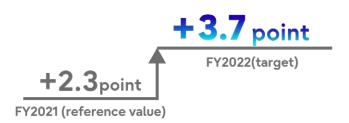
To ensure a stable, long-term contribution to the realization of Our Purpose, it is essential to build trusted relationships with all stakeholders and to pursue sustainable growth. We have therefore incorporated non-financial indicators as part of our core business activities, and we are promoting initiatives to achieve them in tandem with our financial targets. Based on this approach, and to measure the progress of in-house reforms, the Fujitsu Group has established three non-financial indicators: the Net Promoter ScoreSM (NPS®)*1 represents trust from customers; Employee Engagement indicates the relationship between the company and its employees; and the DX Promotion Indices highlight the advances made in the Fujitsu Group's own digital transformation initiatives.

(*1) Net Promoter, Net Promoter Score, and NPS are trademarks of NICE Satmetrix, Inc., Bain & Company, Inc. and Fred Reichheld.

Net Promoter ScoreSM (NPS®)

NPS® is an indicator that enables objective evaluation of the relationship of trust with customers, or customer loyalty. Unlike customer satisfaction, which indicates the degree of satisfaction or dissatisfaction with a purchased product or service, customer loyalty is characterized by the ability to determine the degree of customer attachment and the likelihood of repeat purchases. The Fujitsu Group employs customer NPS® as one of its non-financial indicators with the aim of realizing customer-centric management. By listening to our customers' views via NPS® and offering services that appropriately suit their requirements, or by making proposals that anticipate their future needs, the value of the customer experience will be enhanced and our customer NPS® will rise further. We believe that creating such a positive cycle will result in a boost to the corporate value of the Fujitsu Group.

In setting our new NPS® target, we took the approach of carefully examining each of the approximately 2,000 responses we received from customers in our global survey. We then determined how many points of improvement could be achieved through the various actions we decided to take this fiscal year and collated the results. Guided by the reference value of 2.3 points of improvement achieved in FY2021, calculated



using the same approach, we set a target of 3.7 points of improvement for FY2022 over the previous fiscal year.

As a structure for promoting improved results, at the working level we have appointed customer experience leaders in each region to take the lead in relation to improvement activities. On the management side, meetings of the CX Steering Board are convened every quarter, headed by the CEO and attended by those responsible for Fujitsu's business operations in all regions. This system ensures that customer issues are reliably resolved at the working level while simultaneously addressing them as management issues. The implementation of a "feedback loop" allows those involved to propose improvement actions, examine areas for investment, and verify the effectiveness of measures already taken.

Employee Engagement

The Fujitsu Group's greatest management resource is its employees, who are the source of the value provided to customers. Our experience suggests that highly engaged employees are better able to provide high-quality services to our customers, and that positive customer feedback correlates to an increase in employees' responsiveness to their work. We believe that improving the engagement of each employee leads to the growth of both the individual and the Fujitsu Group.

Based on this concept, to measure the sustainable growth of the Fujitsu Group we established Employee Engagement as a non-financial indicator that shows the mindset of employees and their empathy with the organizational culture. Employee Engagement can also be considered an indicator that illustrates the Fujitsu Group has the necessary human resources and other capabilities, including organizational culture, to gain the trust of customers as a DX partner.



The target Employee Engagement value of 75 for FY2022 is a figure that has been determined by benchmarking against global corporations. The actual scores can vary greatly across the Group , because they are impacted by the relevant company's business area, the business environments in different countries and regions, and the diversity of our employees' countries of origin. While it is true that 75 is an ambitious target for the Fujitsu Group, we are nonetheless striving to achieve this goal with the aim of being on par with other global enterprises.

Fujitsu has put in place a structure for global collaboration across all regions to boost engagement. This includes the Center of Excellence, a specialist team dedicated to creating highly engaged organizations, and Human Resource Business Partners, a team of strategic HR partners who are active in every work location. As a specific initiative, we have introduced measures to broaden employees' workstyle options, after clarifying their individual purpose. This includes a semiannual survey conducted on a global basis to measure employee engagement. The objective is to gauge in a timely manner changes in organizational culture, employee workstyles, opinions, and awareness, and to swiftly reflect the outcomes back to management.

The results of the surveys are disclosed on the intranet, where they can be viewed by all Group employees. The results for individual departments are also shown and are used when making changes to enhance day-to-day management and engagement at each work location. Departmental results are also used as a source of information for employees keen to embrace the challenge of a new environment through the job assignment system. Analysis of the survey information revealed a strong correlation between one-to-one meetings and employee engagement. This highlights the vital importance of managers and staff meeting to discuss and clarify a shared vision, unrelated to routine task reporting and discussions, from both the perspectives of employee engagement and of creating a purpose-driven organization. Non-financial indicators are very effective, and we believe it would be even better if we could incorporate employee engagement data and publish a reference model in the future, based on data analysis, with the aim of improving each of the non-financial indicators.

DX Promotion Indices

To capture the changes that the Fujitsu Group is undergoing on the path to achieving its Purpose, we have specified DX Promotion Indices*2 as one of the non-financial indicators, and we are conducting a maturity diagnosis on our digital transformation (DX) initiatives in a common format across all Group companies globally. By conducting detailed diagnoses for each department, we can gauge the progress of our DX efforts and the outcomes of measures so that they can be linked to future actions. Another objective in specifying these metrics is to accumulate knowledge that can be leveraged when working as a partner on DX projects with customers. By implementing initiatives in line with the DX Promotion Indices and by enhancing the level of DX maturity, we believe the Fujitsu Group can relay to customers through its business activities the insights gained in the process.

(*2) Evaluation indicators for digital management reform on a six-point maturity scale, ranging from 0 to 5. There are seven items relating to "Management approach and structure for DX promotion" and two items relating to "Building IT systems that will serve as the foundation for realizing DX".



Fujitsu has set a numerical target of 3.5 for the DX Promotion Indices in FY2022. According to the Japanese Ministry of Economy, Trade and Industry's DX Promotion Index, companies scoring an average of 3 or more across all qualitative indicators are classified as being a "Noteworthy DX Company". We consider this to be a recognition of Japan's top DX enterprises and the fact that they have also reached a leading position at a global level.

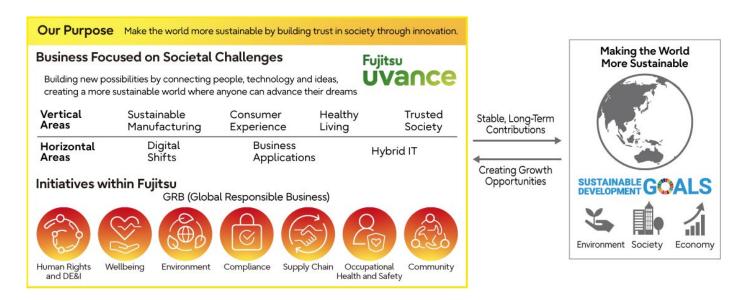
The DX Promotion Indices are specified on the assumption that each company conducts self-diagnosis. To ensure objectivity in the self-diagnoses undertaken at the end of each fiscal year, as a basis for scoring the Fujitsu Group uses input from all employees (gathered in Group-wide semiannual surveys on opinions regarding change) and incorporates a third-party evaluation by Ridgelinez Limited. The feedback is shared with executives, department heads, and DX leaders across all departments as part of the Group-wide DX project "Fujitra" (Fujitsu Transformation). The objective is to gauge the progress of the Group overall, as well as in each department, and to use the information when making decisions on the next measures to be taken and on any necessary adjustments to the trajectory of the project.

In terms of enhancing the results for these indices, we view the following three areas of internal reforms as being key to ensuring continued improvement in the future: mindset and corporate culture; human resource development and retention; and incorporation into the business. For the first area of mindset and corporate culture, the critical point is to ensure the effective functioning of measures such as the job-based personnel system and the Fujitsu Innovation Circuit, a business creation program. Regarding HR development and retention, it is essential to firmly establish and activate HR development measures, such as training programs for reskilling and our exPractice DX talent development program, as well as staff mobility measures, such as the job assignment system. Finally, the area of incorporating into the business primarily involves the acceleration of measures such as Fujitsu Uvance, service delivery reform, and business process transformation. We will utilize the DX Promotion Indices to enable all Group employees and external stakeholders to confirm the progress being made in the Fujitsu Group's transformation, while also ensuring that the initiatives implemented to date can securely take root and permeate throughout the organization.

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 by 2030. Fujitsu's purpose is "to make the world more sustainable by building trust in society through innovation" and our company has made a commitment, both internally and externally, to contribute to achieving the SDGs. As a global enterprise that for decades has leveraged technology to create value for society, Fujitsu has a responsibility to proactively contribute to societal transformation. To help make the world more sustainable, we aim to generate larger and more beneficial impacts for society, which will also help to spur ongoing sustainable corporate growth. In its efforts to contribute to achieving the SDGs, Fujitsu is transforming to a sustainable management model via its Global Responsible Business (GRB) framework and is also working to resolve societal challenges through business by promoting activities under the new Fujitsu Uvance business brand announced in 2021.



Fujitsu believes the SDGs essentially define a system transformation that must be achieved by 2030, and will act as the foundation for a world in which more than 9 billion people are able to live well, within planetary boundaries, by 2050. The issues highlighted in the SDGs involve a complex web of environmental, social, and economic elements. One key to solving these inherent problems is through digital transformation (DX). Fujitsu will harness the power of digital technology to create ecosystems that transcend industry boundaries and assist in the transformation of our customers and our own organizations, while playing a part in delivering fundamental changes to the way society interacts and contributes to the resolution of societal challenges.

The SDGs are an overarching framework of global social and environmental needs and form a common language for all stakeholders. Fujitsu will use its efforts to realize the SDGs as an opportunity for co-creation with a wide range of stakeholders, including international agencies, national and regional governments, private companies, non-governmental organizations (NGOs), and non-profit organizations (NPOs). By embracing a multifaceted approach to societal challenges, we can create and maximize positive impacts on an even larger scale.

SDG Promotion Systems

We have built a framework that prompts all our employees to consider which of the 169 targets defined in the SDGs are relevant to our services and solutions when they are engaged in product planning and business discussions and when they issue press releases.

The objective is to help our employees become more familiar with the SDGs and increase their awareness by having them consider our services and solutions, business discussions, and the content of our press releases in terms of contribution toward achieving the SDGs from the standpoint of societal challenges.

Fujitsu's Commitment to the Sustainable Development Goals (SDGs)



The Sustainable Development Goals (SDGs) adopted by the United Nations in 2015 represent a set of common goals to be achieved worldwide by 2030. Fujitsu's purpose —"to make the world more sustainable by buildingtrust in society through innovation" — is a promise to contribute to thevision of a better future empowered by the SDGs

Contributing to SDGs with Digital Technologies and Services Helping to Reduce Costs and Energy Consumption at Manufacturing Facilities

Al technology is being used at manufacturing sites to improve quality control and make manufacturing processes more efficient. However, the aging of equipment and environmental changes mean that the accuracy of Al models sometimes declines in the processes where it is used. Therefore, repeated retraining of Al models is required when regular checking procedures reveal decreasing levels of accuracy, resulting in problems such as increased operations and maintenance costs.

To solve such problems, Fujitsu has collaborated with the SUBARU Corporation in the development and trialing of the "COLMINA Site Quality Assurance AI", a system that manages AI models used for quality assurance. This collaboration has helped to progress



the application of this system in mass-production processes. The integrated management of AI models incorporated in multiple items of equipment across different locations has made it possible to monitor the operation of AI models in real-time and determine when maintenance is required.

The system has been used for the engine parts machining processes in the Oizumi Plant at SUBARU's Gunma manufacturing division, boosting the quality assurance level and restricting resource use, which has delivered significant reductions in cost and energy consumption.

Fujitsu will continue to promote high levels of economic productivity for society through technological improvements and innovation, thereby helping to create new value.

Japanese only:

- > High-precision AI Model Providing Quality Assurance in Engine Part Machining Processes Begins Full-Time Operation on SUBARU Production Lines
- > Release of "COLMINA AI Operation Management Package for On-Site Quality" Enables AI to Reduce Costs and Maintain Quality at Manufacturing Sites

Key SDGs related to this solution









A Plant-Based Pure Water Trading Platform to Help Solve Global Water Scarcity Problems

According to the United Nations report on water scarcity(*1), around two-thirds of the world's population is experiencing serious water shortages, and this needs to be addressed urgently. To help meet this challenge, Britain's Botanical Water Technologies Ltd (BWT) and Fujitsu have created the world's first water trading platform that enables plant-based pure water trading based on the concept of water offsets(*2).

In the past, the excess water produced by food factories during the compression process used to create products like sugar, tomato paste, and concentrated fruit juice has simply been thrown away, often at great expense and to the detriment of the



environment. BWT uses innovative technology to filter and purify this processed water, producing pure (botanical) water which can then be sold or donated free of charge as safe and clean drinking water. This water can also be repurposed and used in industry or as an ingredient, used as an alternative to groundwater in regions where water is scarce, or sold as potable water to conserve water resources.

To address the problem of water scarcity on a global scale, BWT believed that it needed to work with other innovators to create an overarching ecosystem, and selected Fujitsu as its partner to build a plant-based pure water trading platform that uses the FUJITSU Track and Trust blockchain solution.

This solution ensures high levels of traceability throughout the process, from Botanical Water's production through to sales and distribution, and paves the way for water-positive(*3) activities such as donating water credits(*4) to regions that face chronic water shortages.

- (*1) United Nations report on water scarcity
- (*2) Water offsets: A concept in which companies compensate for the water they use in the manufacturing and distribution of products and services.
- (*3) Water positive: Activities in which companies return more water to a region than they use.
- (*4) Water credits: A similar concept to carbon credits. Companies trade in water credits primarily for use in water offsets. By purchasing water credits and donating the same amount of water, that water use is offset, effectively reducing the amount of water used by the company.
 - > Fujitsu's Blockchain Solution Applied to New Water Trading Platform to Tackle Global Water Shortages
 - > Sustainable manufacturing: turning wine into water

Key SDGs related to this solution

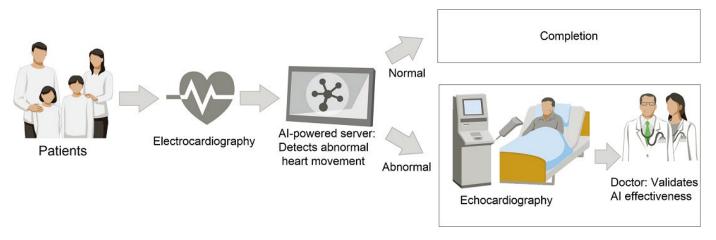


Using AI technology to Build Healthier and Longer-Lived Communities Through Early Detection of Heart Disease (Joint Research)

Heart disease is a leading cause of death globally, and its prevention and early detection are among the most important issues for the healthcare sector. Echocardiography is one of the screening tools used to detect abnormalities in the shape and movements of the heart, but this procedure can only be performed at facilities with specialist physicians and laboratory technicians. This hinders early detection and results in many cases only being discovered once the disease has become severe.

To address this issue, Fujitsu joined with the University of Tokyo Hospital to develop proprietary AI technology capable of estimating abnormal heart movements based on electrocardiogram data. This project focused on electrocardiography because it is simpler than echocardiography and is already in widespread use at many medical facilities. It is expected that the use of this AI will enable the early detection of heart disease in many more patients.

Fujitsu will continue to actively promote research and development of AI to detect various heart diseases and help to solve the problems facing medical facilities. The ultimate goal is to help build safer communities and support people's health and wellbeing.



Flow of clinical research

> Fujitsu and University of Tokyo Hospital Embark on Joint Research into AI to Aid the Fight Against Heart Disease

Key SDGs related to this solution

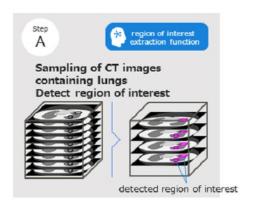


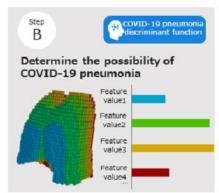
Supporting Medical Facilities in the Fight Against COVID-19 by Using AI to Analyze Chest CT Images

When treating patients who are strongly suspected of having a COVID-19 infection, the diagnosis is typically based on PCR test results as well as other results including blood tests and diagnostic imaging using chest CT (computer tomography) scans. Although chest CT imaging can often assist with early detection, it places a significant burden on doctors because the process normally requires the visual confirmation of hundreds of images per patient. Diagnostic imaging also needs a high degree of specialist knowledge, leading to inconsistencies between medical institutions in terms of their diagnostic capabilities.

In response to this situation, Fujitsu collaborated with Tokyo Shinagawa Hospital, which has a high level of expertise in CT diagnostic imaging, to develop an AI to assist in diagnostic imaging. The new technology supports doctors who are using chest CT imaging to perform diagnostic imaging on patients suspected of having COVID-19 pneumonia by representing the likelihood of infection through a numerical, three-dimensional visualization of the spread of shadows in the lungs. It is anticipated that the system will expand the level of specialist expertise in the diagnostic imaging field at medical facilities and reduce the burden on staff working in those facilities.

Fujitsu intends to continue its joint research projects with medical facilities with the aim of making people's lives safer and more secure as we transition to the era of living with COVID-19.







> Fujitsu and Tokyo Shinagawa Hospital Embark on Joint Research and Development of AI Technology to Support Diagnosis of COVID-19 Pneumonia

Key SDGs related to this solution



Traffic Movement Optimization Services Cut Traffic Jams and CO₂ Emissions (Verification Testing at Hamburg Port)

The area around the port in the German city of Hamburg is experiencing serious traffic congestion due to the increased volume of trucks and prolonged rush hours. This leads to disrupted supply chains and increased greenhouse gas emissions.

To help resolve this problem, Fujitsu embarked on the MOZART (Mobility Optimization and Analysis in Real-Time) project together with the Hamburg Port Authority and the Graz University of Technology.

Fujitsu Group Sustainability Data Book 2022

This project leverages Fujitsu's quantum-inspired Digital Annealer technology to simulate the movement of individual vehicles, synchronizing the phases of all the signals at traffic intersections in real-time to optimize all traffic movements in the test area.

The project demonstrated that the use of this technology could alleviate traffic jams, improve traffic flows, and reduce CO₂ emissions by up to 9% without requiring any changes to the existing infrastructure. Furthermore, by reducing traffic congestion, the project reduced transit times within the area by 20% and helped to make the local neighborhood more livable.

The aim now is to apply this solution to the entire city of Hamburg. Fujitsu intends to continue working in similar collaborative relationships with trusted partners to develop innovative services and solutions that will help to address the climate crisis and create safer and more livable urban environments.



Optimization of traffic flows using quantum-inspired Digital Annealer technology

- > Fujitsu Quantum-Inspired Optimization Services Cut Traffic Jams and CO₂ Emissions at Hamburg Port
- > Traffic Management with Traffic Signal Control in the Port of HamburgOpen a new window
- > Fujitsu Forum 2019 Keynote From mathematical to industrial optimizationOpen a new window

Key SDGs related to this solution



United Nations Global Compact

Fujitsu announced its support of the United Nations Global Compact in December 2009. The Fujitsu Group is committed to global sustainability 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 10 principles of the UN Global Compact>

The UN Global Compact consists of 10 principles in the four areas of human rights, labor, 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.

Please refer to the <u>"GRI Standard/UN Global Compact (GC) Index"</u> for the relationship between our sustainability activities and the United Nations Global Compact, as described in the <u>"Sustainability"</u> sites and <u>"Fujitsu Group Sustainability Data Book"</u>.

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



External Recognition and Awards

Fujitsu Group continues to be highly regarded throughout the world for its social and environmental initiatives, which have won awards from external organizations and led to inclusion in the following stock market indexes.

Inclusion status for major stock market indexes related to Socially Responsible Investment (SRI)

Stock market index	Description	Logo
Dow Jones Sustainability Indices (Asia Pacific)	Fujitsu has been chosen for inclusion in the Dow Jones Sustainability Index (DJSI), the world's leading Socially Responsible Investment (SRI) index. DJSI is a stock index offered cooperatively by US-based S&P Dow Jones Indices that selects companies for their excellent sustainability, based on an analysis from the perspective of governance and economics, the environment, and society.	Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA
FTSE4Good Index Series	FTSE is an investment-related organization established by the London Stock Exchange which has created this globally-recognized SRI index that evaluates companies based on their environmental, social and governance practices. Fujitsu has been selected for inclusion in the index for ten consecutive years.	FTSE4Good
CDP	International non-profit organization CDP represents a network of institutional investors that control over \$96 trillion in assets. CDP scores over 5,000 companies throughout the world on their environmental action and identifies those that it rates highest as the "A List." Fujitsu has earned a spot on the A List for action on climate change for three consecutive years and for water security this year. Fujitsu also received the highest rating, A, in the "Supplier Engagement Rating (SER)" and was certified as a "Supplier Engagement Leader Board".	CDP SUPPLIER ENGAGEMENT LEADER 2021 CLIMATE WATER 2021
MSCI ESG Select Leaders Indexes (World)	These world-renowned ESG (Environmental, Social, Governmental) indexes were developed by global stock index provider MSCI. Companies with outstanding ESG performance are selected for the indexes, and Fujitsu has been continuingly included.	2022 MSCI ESG Leaders Indexes Constituent
STOXX® Global ESG Leaders Indices	This index compiled by STOXX, a subsidiary of Deutsche Börse, selects companies that meet criteria based on the results of research by ESG research company Sustainalytics from the Netherlands. Fujitsu has been continuingly included.	STOXX Member 2021/2022 ESG Leaders Indices

ISS ESG Corporate Rating	Germany-based CSR ratings company ISS-oekom produces these corporate responsibility ratings	Corporate ESG
	which rate companies according to environment,	Performance Performance
	social, and governance topics. The ratings have conferred Prime Status on Fujitsu since 2011.	RATED BY ISS ESG ►

Major external recognition and awards received from FY 2020 onward

Recognition, Award and Other Index	Scope	Description	Logo
EcoVadis Platinum rating	Fujitsu Group	EcoVadis is the world's largest provider of business sustainability ratings, with a global network of more than 75,000 rated companies. With a score of 73/100, Fujitsu is placed on of the top 1% of the world's 45,000 best rated companies and a leader in our sector.	PLATINUM Top 1% 2021 ecovadis Sustainability Rating
HRC Equality Index	Fujitsu America	Human Rights Campaign (HRC) Foundation's Corporate Equality Index is the national benchmarking tool on corporate policies, practices and benefits pertinent to lesbian, gay, bisexual, transgender and queer employees. Fujitsu scored 100 on the HRC Index for the second year on a row.	HUMAN RIGHTS CAMPAIGN®
Times top 50 Employer for Women (UK)	Fujitsu	The Times Top 50 Employers for Women are committed to gender equality in the workplace and have each taken action to make this happen. Fujitsu has been listed for outstanding progress and examples of best practice, impact, innovation, and individual achievement.	THE ADDATIMES TOP 50 EMPLOYERS FOR WOMEN 2021 In partnership with In partnership with Dainwas Reference
Stonewall Top 100 LGBT inclusive employer (UK)	Fujitsu	Fujitsu was listed in the Stonewall Top 100 Employers. This list is compiled from the Workplace Equality Index – the UK's leading benchmarking tool for LGBT inclusion in the workplace.	Stonewall TOP 100 EMPLOYER
ABA100	Fujitsu Australia	Fujitsu Australia has been selected as an ABA100 Winner for Sustainability in The Australian Business Awards 2020. The Australian Business Award for Business Sustainability [BSA] recognizes organizations that execute initiatives that demonstrate leadership and commitment to sustainable business practices.	AUSTRALIAN BUSINESS AWARDS

Fujitsu Group Sustainability Data Book 2022

PEZA Awards for Community Outreach Programs	Fujitsu Philippines GDC	Fujitsu Philippines GDC scooped the Outstanding Community Projects Award from the Philippine Economic Zone Authority (PEZA). The award was conferred at PEZA's 25th Anniversary and Investors' Day, held on December 10, 2020 at the PEZA Auditorium in Pasay City, Metro Manila.	PEZA
Responsible companies, odpowiedzialnych Firm 2020	Fujitsu Poland GDC	Fujitsu Poland GDC was ranked 8th in the "Responsible Companies Ranking" published by Responsible Business Forum. The category was "Services, commerce and transportation".	XIV Ranking odpowiedzialnych firm 2020



Global Responsible Business

Given the requirement to enhance sustainability-focused corporate management, fulfilling corporate social responsibility from a global perspective has become an increasingly important issue. The Fujitsu Group promotes its Sustainability activities based on the Fujitsu Way. In order to strive for global effectiveness, we have reviewed material issues across the Group based on materiality analysis, and have established a framework called "Global Responsible Business" by classifying issues into the following seven areas.



Global Responsible Business

Human Rights, Diversity, Equity and Inclusion

Based on the Fujitsu Way Code of Conduct, the Fujitsu Group will ensure to underlie the spirit of "Respect for human rights" for all our corporate and individual activities, and we will strive to have 120,000 Group employees around the world accept diverse human resources and embrace individuality without bias toward nationality, gender, age differences, or disabilities.



Goal

WHAT FUJITSU ASPIRES TO BE

In both the real-world and digital societies, consideration for "human dignity" is reflected in all our corporate activities and we constantly work to "create human-centric value".

GOALS FOR FY2022

Embedding "respect for human rights" within the Fujitsu Group KPI: Completion rate for global human rights training: 80%

Our Approach

The shared values articulated in the Code of Conduct of the Fujitsu Way are guidelines for each employee to follow when conducting their daily business operations. Prime among them is "We respect human rights", a principle that underpins all our corporate activities. We are working to ensure that this concept becomes an integral part of the day-to-day actions of all employees in the group.

In December 2014, the Fujitsu Group released the "Fujitsu Group Human Rights Statement" to promote activities that respect human rights in accordance with this Code of Conduct, as set out in the Fujitsu Way. The statement has been prepared in 21 languages, including Japanese and English, with the aim of ensuring that it becomes embedded in the corporate culture of all our group companies. Fujitsu has also set out the "Fujitsu Guiding Principles of Respect for Human Rights in Employment" to ensure that respect for human rights in regard to employment becomes firmly entrenched.

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. We will continue to drive management practices that respect human rights.

In the Fujitsu Group's CSR Procurement Guidelines, we have also adopted the Responsible Business Alliance (RBA) Code of Conduct and promote the Human Rights Enlightenment Structure among our suppliers and throughout our supply chain.

- (*1) Ten principles of the United Nations Global Compact:

 The compact identifies ten principles that corporations should uphold in four areas: human rights, labor practices, the
 - > Fujitsu Group Human Rights Statement

environment and anti-corruption.

- > Fujitsu Guiding Principles of Respect for Human Rights in Employment
- > Supply Chain Policy

Organizational Structure and Regular Reviews

The Fujitsu Group promotes "human rights due diligence" in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGP).

As part of this activity, we interviewed personnel across a wide range of departments in Fujitsu and exchanged ideas with Japan-based as well as international experts. In doing so, we identified three key areas where our business activities have a major impact: supply chain, employees, and customers and end users. We are now engaged in activities to address human rights issues in these areas.

In order to further drive Human Rights Due Diligence, within the Human Rights and Diversity pillar of our global responsible business activities, we have established a structure of regular meetings for those responsible for promoting human rights in each of Fujitsu's operating regions. We will monitor the progress being made toward achieving our goals and KPIs in this area and continue to exchange ideas on Human Rights Due Diligence.

Activities to Raise Awareness of Human Rights

The Fujitsu Group has established a Human Rights Promotion Committee which is chaired by the board member in charge of human resources, that will take advantage of a range of opportunities to undertake research and awareness raising activities.

To implement activities that promote respect for human rights, we have set up Regional Human Rights Promotion Committees comprising regional workplace representatives in each Fujitsu work location in Japan. We also collaborate with the committees in Fujitsu Group companies within Japan.

The status of activities and issues within the areas in Japan and in group companies is regularly reported to the head office of the Human Rights Promotion Committee. Findings are used by the Human Rights Promotion Committee to summarize activities and set policy directions on an annual basis to drive ongoing, structured educational activities that promote respect for human rights. We are also members of the Industrial Federation for Human Rights, Tokyo, a voluntary organization, and work on mutual training with many of the member enterprises to make respect for human rights an integral part of our corporate culture. And from our standpoint as a company, we engage in activities that help to raise community awareness.

Structure of Human Rights Promotion Committee

Human Rights Promotion Committee Chair

Head office
(Diversity Equity and Inclusion Promotion Office)

HR Division in each region
Hokkaido/Tohoku, Capital region, Kanto/Koshinetsu, Tokai/Hokuriku,
Kansai, Chugoku/Shikoku, Kyushu/Okinawa, Nasu, Oyama
Other related division

Initiatives led by the Human Rights Promotion Committee

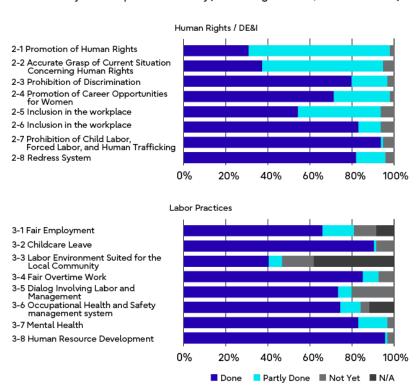


Promotion of Human Rights Due Diligence

In accordance with the "Fujitsu Group Human Rights Statement", the Fujitsu Group promotes "Human Rights Due Diligence" that identifies the human rights impacts of our business activities throughout the entire global value chain, while also preventing or mitigating any negative impacts.

In 2017, with the cooperation of the Business for Social Responsibility (BSR) international NPO, we undertook an evaluation of the human rights impacts of Fujitsu's business activities, identifying issues such as employees' working hours, workplace health and safety, the use of forced or child labor in supply chains, as well as data privacy and data security in our businesses.

As part of its human rights due diligence, the Fujitsu Group conducts ongoing internal surveys based on the ISO 26000 standard in order to check the progress of our human rights initiatives. In FY2021, we conducted surveys at 87 global group companies and 7 facilities to assess the progress of human rights and work practices programs with the aim of pinpointing problems and helping to expand such programs companywide. We also conducted a survey of 21 overseas group companies in FY2020 looking at working hours, wages, privacy and reporting systems.



Results of Fujitsu Group Internal Survey(Human Rights/ DE&I, Labor Practices)

The human rights due diligence initiatives in the Fujitsu Group supply chain are conducted based on the RBA Code of Conduct. When Fujitsu makes a new corporate acquisition, we carry out due diligence with respect to sustainability, including human rights. We also take steps to minimize any risk of human rights violations and ensure that the Fujitsu Group human rights initiatives are fully embraced.

Supply Chain

Education on Human Rights

Based on the policy directions set by the Human Rights Promotion Committee, the Fujitsu Group conducts education and training activities using course content that is common across the company as well as content targeting issues specific to a region or group company. There are training programs that all employees undertake when joining the company and upon promotion, as well as other training programs held year-round. These training programs cover various human rights issues, including discrimination against minorities, workplace harassment, understanding of LGBTI+ issues, and human rights issues related to business operations. At Fujitsu, we believe it is crucial for a culture of understanding to be championed by senior management in order to instill respect for human rights. Therefore, we conduct training for newly appointed executives in Fujitsu and our group companies in Japan that teaches them our approach to corporate activities based on international human rights standards. In FY2021, the Fujitsu Group implemented an e-learning program on "Business and Human Rights" in FY2016 that was intended for all group employees and aimed to heighten awareness about human rights issues for every member of staff. The course was attended by 92% of all group employees.

Framework for Reporting and Consulting on Human Rights Issues

The Fujitsu Group conducts its business activities worldwide in close collaboration with local communities. Working with these communities, we have established systems to engage in human rights-related consultations and information gathering both inside and outside the company, in order to listen to and understand the opinions of various parties.

The Fujitsu Group has created an intranet-based system to consult with and accept input from all Fujitsu Group employees on human rights-related issues. Within Japan, Fujitsu has set up Human Rights Consultation Service facilities in 16 locations. The matters discussed are reported to the Human Rights Promotion Committee and regularly communicated to auditors, with careful consideration given to ensuring that personal information and privacy are respected. The objectives are to understand the utilization status of this consultation service and to put in place initiatives designed to prevent recurrences of any breaches.

Through the Compliance Line/Fujitsu Alert structure, the Fujitsu Group receives reports and offers consultations related to compliance issues, including human rights issues, for all Fujitsu Group employees, customers, suppliers and other third parties globally. The Fujitsu Group has also set up the Compliance Line for Suppliers in Japan as a channel for receiving reports from suppliers in Japan regarding any actions that are potential or actual instances of non-compliance in our purchasing activities.

> Global Compliance Program

Initiatives to Prevent Forced Labor and Child Labor

The Fujitsu Group has stipulated that it will not use forced labor or child labor, and it conducts written CSR surveys based on the ISO 26000 standard in order to check on our initiatives for preventing forced labor and child labor.

We also make our stakeholders aware of the Fujitsu Group CSR Procurement Guideline, which includes provisions on the elimination of forced labor and child labor. Furthermore, we request that our suppliers complete a written survey on the status of CSR initiatives including steps to eliminate forced labor and child labor.

> Supply Chain Management

Initiatives on AI Ethics

The Fujitsu Group has long advocated a 'human centric' approach and argued that information technology should fundamentally be used to focus on, and to benefit, people. In March 2019, as a reflection of the rapid recent development of AI technologies, the Fujitsu Group formulated and announced the "Fujitsu Group AI Commitment". As the companies which carry out AI-related businesses including research, development, implementation and operation activities, we aim to emphasize the importance of communication with a wide range of stakeholders in the community, including users and consumers, as we distribute the enormous value of AI to the society. For that purpose, the commitment outlines our promises with the customers and the community.

> Fujitsu Group Al Commitment

In line with the Fujitsu Group AI Commitment, the new "AI Ethics Governance Office", established in February 2022, plays a strategic leadership role in programs for an ethical approach to AI and other cutting-edge technology. The office is also establishing an in-house governance framework that brings together the research divisions that have the "Research Center for AI Ethics", the government relations office, which deals with government, the legal compliance division which handles legal issues, and the business divisions that engage with users installing AI systems. As well as ensuring that ethical approaches are embraced throughout

Fujitsu Group Sustainability Data Book 2022

the Fujitsu Group organization, the AI Ethics Governance Office also manages the "Fujitsu Group External Advisory Committee on AI Ethics" and the "Human Centric AI' Working Group", and promotes initiatives such as expanding collaboration with communities outside the company. Those committee and group are detailed below.

> Fujitsu Establishes AI Ethics and Governance Office to Ensure the Safe and Secure Deployment of AI and Leading-edge Technologies in Society

The Fujitsu Group has set up the Fujitsu Group External Advisory Committee on AI Ethics, which is made up of outside experts in the field, to have our practices on AI ethics objectively evaluated. Discussions by this committee are shared with the Board of Directors, that is, we are incorporating the group's efforts for AI ethics into its corporate governance regime and allowing for ongoing review and improvement.

> Fujitsu Establishes the Fujitsu Group External Advisory Committee on AI Ethics to Ensure the Safe and Secure Deployment of AI in Society

The members of this committee include experts from a wide range of fields to provide ample diversity. As well as AI, these fields include law, biomedicine, zoology, the SDGs, and the administration of consumer affairs. Fujitsu's internal 'Human Centric AI' Working Group acts as an in-house channel for ethical consultation and is made up of specialists in areas such as technology, business, and law. In areas such as human rights, privacy and ethics, this group works diligently to study and assess the likely impacts of actual AI research, development, implementation and operation, including problems between consumers and the businesses using AI. The group then works to prevent problems before they arise.

The Research Center for AI Ethics has also developed the "Fairness by Design" AI development method, in which fairness that differs according to culture and business customs is considered from the design stage. The goal of this approach is to help achieve a fairer and more equal society through fair AI development.

- Development of the "Fairness by Design" AI Development Method, Which Considers Fairness Dependent on Culture and Business Customs From the Design Stage
 - Design Methods for Artificial Intelligence Fairness and Transparency
 - Simone Stumpf , Lorenzo Strappelli , Subeida Ahmeda , Yuri Nakao*, Aisha Naseer*, Giulia Del Gamba and Daniele Regoli
 - Joint Proceedings of the ACM IUI 2021 Workshops, April 13-17, 2021, College Station, USA

More broadly, the Fujitsu Group is taking steps to ensure that AI ethics are embraced by society as a whole, not just within the group. Our efforts also include distributing content that will help to promote community-wide consideration of AI ethics, including the free public release via the Internet in February 2022 of a system for assessing the ethical impact of AI systems.

> Fujitsu Delivers New Resource Toolkit to Offer Guidance on Ethical Impact of AI Systems

For detailed information on Fujitsu's AI ethics initiatives, visit the following website.

	Emerging Risks - The Ethical Risks of Utilizing AI -
Description	As a company that has been researching, developing, providing, and operating artificial intelligence (AI) technologies since before the 1980s, Fujitsu has long asserted that information technology must be used in a human-centered manner. In recent years, there have been reports of troubling instances whereby ethical problems arise from the use of AI in the handling of privacy information. Examples include discrimination and unfairness in credit, employment exams, and insurance premiums due to negative judgments caused by false recognition by AI. Such cases can undermine people's trust in AI. Fujitsu believes it is critical that those who develop, provide, and operate AI technologies achieve not only convenience but also use that is safe and secure.
Impact	As AI expands into such fields as healthcare, finance, and manufacturing, there is a risk that users and consumers who have been inconvenienced by AI provided by Fujitsu may file claims for damages against Fujitsu and thus harm its reputation. In addition, proposed AI regulation announced by the European Commission (in April 2021) would require developers, users, and others involved to take strict action based on the degree of risk that their AI systems could adversely affect human rights. Violations could result in penalties, including fines of up to 6% of total sales. This makes implementing appropriate risk management in the development and operation of AI systems essential.
Mitigating actions	The Company established the Fujitsu Group External Advisory Committee on AI Ethics as a body that meets regularly and engages in ongoing dialogue with stakeholders from society. Part of this dialogue involves feedback on the "Fujitsu Group AI Commitment," which serves as the Group's AI ethical guidelines. The Company also participates in international discussions on AI ethics through its membership in AI4People and other forums. Furthermore, in January 2022, the Company set up an AI Ethics and Governance Office to achieve social penetration and secure trust with respect to AI and other cutting-edge technologies, and this office engages in the promotion of structural development and strategies. In particular, with regard to proposed European AI regulations, the Company has developed an "AI Ethical Impact Assessment" system that comprehensively identifies potential risks in AI systems as a proactive response to regulation violation risks and has released this system free of charge.

FY2021 Performance

Fujitsu Initiatives Addressing Human Rights Issues in Three Areas of Human Rights Due Diligence

Areas	Human Rights Issues	Major Activities in FY2021
Supply Chain	Work environment/high- risk minerals	Conducted a CSR Survey to check the adoption status of the RBA Code of Conduct by suppliers (119 key suppliers and manufacturing-related employment agencies and subcontractors) and actioned the feedback from the survey results
		 Notified parts suppliers, manufacturing subcontractors and manufacturing employment agencies of the Fujitsu Group CSR Procurement Guideline and requested submission of their written agreement to the guideline
		 Checked Fujitsu group manufacturing sites for the status of their compliance with the RBA Code of Conduct
Employees	Discrimination and harassment/working hours	Conducted a written survey of 87 group companies and 7 facilities in Japan and other countries based on the ISO 26000 standard to check on the status of initiatives promoting respect for human rights
		Conducted e-learning courses for all employees on preventing harassment in the workplace, including preventing discrimination against members of the LGBTI+ community, with content that reflected changes to Japanese legislation (Act on Comprehensive Promotion of Labor Policies)
		Continued training for new and promoted employees, as well as human rights training in each region throughout Japan, with the aim of preventing various forms of discrimination and harassment
		Conducted group-wide "Barrier-Free Minds" workshop aimed at establishing workplaces and a society in which everyone can participate actively, whether disabled or not
		Conducted "Unconscious Bias" e-learning courses for all employees to help reveal underlying systemic discrimination while also further promoting diversity and inclusion, and expanded the courses to include group companies in Japan
		 Reviewed internal systems, monitored ICT usage and delivered management reforms to promote diversified, flexible work styles that are not predicated on long working hours

Customers and end users	Privacy and data security	 Announced the Fujitsu Group AI Commitment and conducted an assessment of the impact of AI on human rights. We will systematically identify the points that should be taken into consideration for each industry and for the tasks in each occupation when promoting AI businesses, and then refer to these points when planning specific measures
		 Developed the Fairness by Design AI development method, which considers fairness dependent on culture and business customs from the design stage
		 Developed and released a free public version of a system for assessing the ethical impact of AI systems based on international AI ethics guidelines, together with instructions and sample applications. Future goals are to improve and further distribute this system by enlisting partners from government agencies, public corporations, and academia with the aim of releasing a formal version with our partners in FY2022.

Education on Human Rights Issues

- Fujitsu and group companies in Japan and overseas: 92% attendance
 E-learning on "business and human rights"
- E-learning for employees conducted by Fujitsu and group companies in Japan at various locations: 47,208 attendees

Preventing Workplace Harassment: Aimed at creating inclusive workplaces where everyone is welcome

 Employee training conducted by Fujitsu and group companies in Japan at various locations: 11,841 attendees

Discrimination against minorities, workplace harassment, promoting an understanding of gender diversity and human rights issues related to business operations

Fujitsu and group companies in Japan

Training for new employees/mid-carrier recruits: 1,980 attendees

Training for management: 7,299 attendees

Training for new executives/ group company CEOs: 34 attendees

Activities to Raise Awareness of Human Rights

- Held a contest in which employees of Fujitsu and group companies in Japan and their families devised slogans to promote human rights awareness: 2,268 submissions
- Held events to mark the International Day of People with Disability on December 3, 2021 and World Human Rights Day on December 10, 2021

Diversity and Inclusion Session: 1,040 participants

International Day of People with Disability, online session: 189 participants

World Human Rights Day, Business and Human Rights: 573 participants

• Displayed posters promoting human rights awareness in the workplaces of Fujitsu and group companies in Japan.



Diversity, Equity & Inclusion

Goal

WHAT FUJITSU ASPIRES TO BE

Be a responsible business that reflects the diversity of our world.

Build an inclusive and equitable culture where everyone belongs and can be completely themselves.

We will celebrate difference and ensure that people can succeed regardless of their personal identity.

Through inclusive design and innovation we will endeavor to make a positive impact within society and empower each other to make the world more sustainable.

GOALS FOR FY2022

Cultivation of inclusive corporate culture.

- KPI: The Fujitsu Group aims to achieve at least Consolidated 69% from 66%(FY2019) / Non-consolidated 63% from 59%(FY2019), in favorable answers to Diversity, Equity and Inclusion question in the Engagement Survey by FY2022. (*)
 - The Fujitsu Group aims to achieve at least Consolidated 10% from 8%(FY2019) / Nonconsolidated 9% from 6%(FY2019) female leadership by FY2022. (*)
- (*) Where "Consolidated" relates to all Fujitsu Group Companies globally, and "Non-Consolidated" relates to Fujitsu Limited.

Policy

Here at the Fujitsu Group, we have engaged in efforts to advance diversity and inclusion (D&I), based on the idea that "We respect fairness and equality, and promote diversity and inclusion," as described in the Purpose Statement of the Fujitsu Way.



Global DE&I Vision & Inclusion Wheel

In 2022, we revamped the Global DE&I Vision & Inclusion Wheel to create an equitable and more inclusive culture where everyone belongs and can be completely themselves. Equity, as expressed in the new vision, is intended to recognize and respond to the fact that all people are in different circumstances and will require a variety of resources and opportunities depending on their circumstances, as opposed to equality, which provides the same things equally to everyone. Through this more inclusive and holistic approach to DE&I, we aim to achieve a sustainable society, looking not only at our own business, but also at the positive impact our technologies and solutions have on society.

Promotion Framework for Diversity, Equity and Inclusion

Here at Fujitsu, we established an office to promote diversity in 2008. The office, which is under the direction of the President and the Diversity Officer, engages in efforts to promote DE&I in all Group companies.

The office hosts regular meetings, attended by all regional DE&I Promotion Representatives, for them to share information on issues and measures in each region and engage in planning for globally coordinated promotion measures. In order to have an awareness of the current state of diversity promotion, we also include questions on DE&I in our annual global engagement survey. In addition, executive sponsors have been appointed to represent supporters in each of the priority areas, and support the promotion measures in each area.

All domestic group companies in Japan are also required to select a diversity promotion manager. These managers promote DE&I in the Group as a whole by sharing information amongst each other during their meetings, strengthening their coordination with Fujitsu, helping standardize policies, and more.

Furthermore, from FY2020, the system will be designed to allow higher-level executives to include DE&I-related items in their goals.

Initiatives for Fostering Corporate Culture

Diversity and Inclusion Session (formerly known as Company-wide Diversity Promotion Forum)

In order to foster a corporate culture at Fujitsu where "anyone can play a role in their own way," in FY2008, we launched the Diversity and Inclusion Session (former name: Companywide Diversity Promotion Forum), with the aim of getting employees to see diversity and inclusion in a new light and inspiring a new mindset and behavioral change, and have held it once a year since then.

In FY2021, "What is the psychological safety that teams need for culture change?" was the theme of the event, with messages from the officers involved and a lecture by Piotr Feliks Grzywacz as a lecturer. Fujitsu is

transforming its culture into a DX company, and this session was held to learn about unconscious bias and psychological safety as the basis for fostering a new corporate and organizational culture, and to think about how organizations and teams that maintain psychological safety can contribute to business. In FY2021, the session was open to participants not only from Japan but also from overseas regions.

Other international regions also hold annual Diversity Weeks, which conduct inclusive activities for DE&I on a region-by-region basis.



Diversity and Inclusion Session Opening image

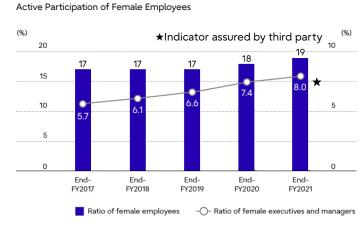
Endorsement of International Standards

In FY2017, the Fujitsu Group issued a CEO Statement of Support for the Women's Empowerment Principles, which were created by the UN Global Compact and UN Women. In doing so, we pledged our support of the principles. In FY2018, we also became the first Japanese company to pledge our support to the UN's LGBTI Standards of Conduct for business, and have been proactive overall in our adaptation to global trends in diversity.

Gender Initiatives

The Fujitsu Group has set goals to increase the percentage of female employees in leadership positions, and we are working to promote initiatives to achieve these goals and reform the culture at Fujitsu Group companies.

At Fujitsu, these efforts involve nominating female employees from the leaders of each department as candidates for top management, and establishing/implementing individually tailored training programs for these employees alongside their workplace, the management, HR, and the DE&I Promotion Office. In addition to these kinds of management-track leadership programs, we also



conduct workshops and events that allow female employees to reflect and build on their careers in all other tracks as well. These expand and act as pipelines to drive female employees to further advancement, and allow us to support the careers of each and every employee. Strategic measures are being boldly implemented in other regions, as well, according to the situation of the region and the country.

Career Workshop for Female Employees

Fujitsu and its domestic Group companies host workshops that are primarily for female employees that are on a leadership track, where awareness-raising by external lecturers, dialogues with multiple role models, and discussions with executive personnel are held, with the goal of further encouraging the career development of female employees. Our goal with this workshop, which is completely voluntary-participation based, is to help eliminate any internalized prejudice as to their manager-level career development, expand their career options, acquire the broader perspective needed to perform in high-level positions, and develop a sense of ownership over their careers.

International Women's Day Initiatives

The Fujitsu Group uses the occasion of International Women's Day, which falls on March 8 each year, as an opportunity to communicate messages from top management and promote the event outside the company through social media. In addition, we use green, the theme color of gender at the Fujitsu Group, to build a sense of unity and cohesion within the group, while accelerating the transformation of corporate culture by holding various events such as webinars and lectures in each region. Furthermore, since FY2018, Fujitsu and its domestic Group companies have been hosting lectures by guests from inside and outside Fujitsu, as well as networking events and the like.

In FY2021, a Global Compact Network Japan seminar was held at the International Women's Day HAPPY WOMAN FESTA. Fujitsu introduced its gender equality initiatives based on the seminar's theme, "Connecting Corporate Strengths to Help Achieve Gender Equality."

Support of the Kanagawa Women's Activity Support Group

The Kanagawa Women's Activity Support Group is made up of top male officials from well-known companies, administrative offices, universities, and other organizations that are headquartered (or have a major business office) in Kanagawa Prefecture, and that have been active in their support of women's career development. Supporting members share relevant initiatives in their own organizations through declarations of conduct, and in doing so, work to create and drive the women's career development movement in the area. In November 2015, Fujitsu became a supporting company of the group, and delivered a declaration of conduct aimed toward the expansion of the women's career development movement. At present, we are working to jumpstart their activities, in collaboration with other member companies who support these efforts.

> Declaration of Conduct for Women's Activity Support

Initiatives in Other Regions



In order to implement gender equality in career paths and become a truly well-balanced DX company, we have conducted mentoring via pairs of female engineer mentees and talented senior engineer mentors. The aim is for mentees to build confidence through regular coaching, seek out their value as individuals, undergo mutual growth and form new networks.

In addition, employee network groups for gender empowerment and gender diversity are highly active.

Initiatives for Health, Disability and Accessibility

At Fujitsu, we do not impose restrictions on the types of jobs available to people with disabilities. As such, there are people with disabilities who work in a wide range of jobs, from sales staff to SEs, R&D staff, administrative staff, and more.

During the hiring process, we prepare pamphlets and websites aimed toward job seekers with disabilities. This pamphlet includes employee interviews, as well as information as to our stance on the employment of people with disabilities, and the wide range of jobs available to them. In explaining how we provide an affirming and individually oriented workplace for all, regardless of disability, we hope to relieve them of any anxiety they may have about their employment. We also conduct long-term follow-up on these employees,

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

*See " * 6" to "Diversity" on page 7-2 for

from training until they become settled in their jobs, to encourage them to stay with us for the long term. Examples of this include special training programs when they enter the company, and workplace-oriented consultations so that each employee is able to perform to the best of their abilities.

We also created a manual for workplaces, called the Work Style Guideline. It lists the things that employees should consider when working with employees with disabilities, according to each type of disability, to help understanding in the workplace.

In addition, we introduced a diversity communication tool—FUJITSU Software LiveTalk—as a common service for Fujitsu and its domestic Group companies, in order to support smooth communication and efficient

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operations which include employees who are hearing-impaired. We are implementing strategic measures such as hiring, accessibility improvements, and employee network activities in other regions, as well, according to the situation of the region and the country.

Furthermore, communities of people with disabilities all over the world, on their own initiative, are launching efforts to jumpstart activities for creating better working environments for employees with disabilities.

Disability-Oriented Diversity Promotion Forum

Fujitsu hosts forums that aim to support people with disabilities in the workplace. Every year, the forums are set up to have a variety of themes, such as reasonable accommodation for people with disabilities, lessons for universal design, and para-sports experiences. In FY2021, an online program was held to discuss the possibilities that technology can bring to people and society at large, using disability as a starting point, and distributed throughout the company.

Initiatives on the International Day of Persons with Disabilities

On December 3, the International Day of Persons with Disabilities, we used purple, the Fujitsu Group's theme color for health and disability, to create a sense of unity within the Group, and delivered messages from top management. We are working together with DE&I promotion teams and employee network groups in each region to raise awareness of disabilities by holding events such as webinars and roundtables which promote understanding for people with disabilities, as well as conducting various initiatives that are aimed at boosting employee awareness.

Employee Network Groups of Employees with Disabilities

The Fujitsu Group has employee network groups of disabilities in each region. With the support of a global execctive sponsors, they are working to promote understanding of disabilities and create an inclusive environment while forming a global network (Global Network of Persons with Disabilities).

Special Subsidiaries to Promote the Employment of People with Disabilities

At Fujitsu and its domestic Group companies, we have established special subsidiaries in order to provide people with disabilities a wider range of workplaces. These subsidiaries work to cater to the unique needs of each and every individual, and create workplaces where they can thrive.

Initiatives in Other Regions

In certain regions, employees who promote DE&I are providing support for the Human Resources Department and reforming internal regulations and hiring practices, in order to build a workplace that is more inclusive for people with disabilities. Fujitsu has created a system for interviewing people with disabilities about their support needs on a voluntary and confidential basis. By improving the workplace through these initiatives, we will further improve the inclusion of people with disabilities.

	Year Established	# of People with Disabilities	Main Work Tasks	Business Office (s)
Fujitsu FSAS & Sun Ltd.	1995	31	ATM, printer-related and personal computer repair, various services related to maintenance services for Fujitsu products, and system service operations	Верри
Fujitsu Harmony Limited	2013	177	Converting documents to PDF, disposing of confidential documents, setting up medical examination suits, creating internal mail envelopes, waste disposal and cleaning at the development centers, shelving, and cleaning technical information centers	Kawasaki, Numazu, Shinagawa, Yokohama, Shin-Koyasu, Aomori, Sapporo, Nagano, Sendai, Niigata, Omiya, Okinawa, Makuhari, Kansai, Nasu

Initiatives for Culture and Ethnicity

The Fujitsu Group is moving forward with efforts to create a corporate culture which treats people from diverse racial and ethnic backgrounds with respect. Various events are held in each region, such as employee network group activities to understand diverse cultures, events to understand national and regional cultures, activities to provide a deeper understanding of specific ethnic groups, activities to support ethnic minorities, internship and mentoring programs for university students of specific ethnic groups in cooperation with universities and other organizations, English-language movie events, and cooking sessions for various national cuisines.

In addition, at Fujitsu, we hire global personnel, including international students and students from overseas universities, by participating in Japan and career events held in outside Japan targeted at international students, holding in-house seminars, and accepting international students for internships. As a result, 585 foreign nationals were working for Fujitsu as of the end of FY2021. To help international employees integrate into Fujitsu's organizational environment and life in Japan, we have implemented a mentoring program, internal recommendations to promote the use of both Japanese and English for internal information, support related to rental housing, information sharing through our intranet site and internal social media, workshops for employees to gather opinions and exchange information and networking events. The English Club, an employee network group established in Japan, has developed into an active exchange activity with participants from regions across the globe.

LGBTI* Initiatives

Fujitsu is moving forward with initiatives to drive deeper understanding of gender and sexual diversity, (such as LGBT⁺), in order to create a workplace where every employee can feel secure and comfortable and perform to the absolute best of their abilities. In 2016, we released a message from top management, addressed to all employees of the Fujitsu Group, announcing our commitment to creating a more LGBT⁺-friendly workplace and working to make diversity and inclusion a reality within the group. In Japan, we are also expanding the scope of application of our internal systems, such as congratulatory and condolence payments, vacation days, and leaves of absence, to include same-sex partners as well.



Voluntary Participation to Pride Parade (Photo taken in 2018/ 2019)

Our efforts to raise awareness across the entire company include providing training on human rights, hosting lectures targeted at management, and sending out messages through the intranet. In addition, we also host LGBT⁺Ally Meetings, where employees can engage in discussions with a diverse range of LGBT individuals, in order to expand the network of LGBT allies. Since 2018, we have hosted screening events under the theme of LGBT and LGBTI⁺ allyship (2017: The Case Against 8 / 2018: Kalanchoe / 2021: I am what I am. – Over the Rainbow –). In recent years, participants of these events have started to naturally declare their LGBTI allyship in the workplace, by putting stickers in rainbow colors (a symbol of respect for the LGBTI⁺ community) on their office PCs and business card holders.

In June 2018, Fujitsu became the first company in Japan to announce its support for the UN Standards of Conduct for Business Tackling Discrimination against Lesbian, Gay, Bi, Trans, and Intersex People.

In 2019, Fujitsu Group participated in Pride events held in Tokyo and other cities around the world, including London, Birmingham, Lisbon, Dallas, and Silicon Valley. Furthermore, Fujitsu participates in and sponsors Pride House Tokyo (*1) as a Diamond Partner. These initiatives have been highly regarded, and for five straight years, they have received the top "Gold" classification for PRIDE Indicators, according to the volunteer organization work with Pride.

*1 Pride House Tokyo: http://pridehouse.jp/en/

Fujitsu Pride



Global SOGI logo

Fujitsu Pride is a movement at the Fujitsu Group where representatives from employee network groups of LGBTI+ people and allies from each region come together to collaborate and take action on a global scale with the support of executive sponsors. Since 2020, we have held the first-ever online "Global Fujitsu Virtual Pride Week," hosted by Fujitsu Pride. Executives and employees from Fujitsu and group companies in Japan and overseas participate, and activities such as virtual parades, online seminars, panel discussions, and small group events to discuss LGBTI+ issues are conducted.

Support of a Healthy Work-Life Balance

Fujitsu is moving forward with efforts to establish systems that will allow employees to better balance their work and private life, including such events as childbirth, childcare, and long-term care. In addition to introducing and mainstreaming remote work, we are promoting a balance between work and childcare and long-term care by overhauling work systems, such as expanding "flex time" work setups without core work hours, and increasing the number of days men can take our unique parental leave.

Childbirth and Childcare

Fujitsu has established an Action Plan (*2) in accordance with the Act on Advancement of Measures to Support Raising Next-Generation Children. We also provide babysitter subsidies and have in-house childcare facilities in our business offices. Several times a year, we also conduct seminars for employees who have just returned from parental leave, as well as seminars for supervisors of employees who are on parental leave, with the aim of providing workplace support and constructing networks, in addition to promoting diversity management. Furthermore, in addition to support seminars for employees who are about to take maternity or childcare leave, we also hold seminars for employees who are thinking about their career plans based on taking maternity or childcare leave in the future, employees whose spouses are about to have a baby, and supervisors who have such employees under their supervision, to fully support them in balancing work and childcare.

- *2 Action Plan:
 The first Action Plan was implemented in 2005. This current one is the 7th Action Plan (April 1, 2021 March 31, 2024).
 - > 7th Action Plan (61.6KB)

Nursing Care

Since FY2017, we have also hosted the Balancing Work and Nursing Care seminar for employees involved in nursing care. The seminar provides an opportunity to learn basic knowledge about nursing care in general, including support policies both inside and outside of the company, the mental/emotional attitude needed, and the preparation that goes into providing nursing care. In addition, in FY2020, we released a handbook which compiles information about knowledge and behavior to keep in mind for each stage of care, as well as the company systems available for use, with the goal of having employees use them to balance work and nursing care. Furthermore, in conjunction with CareNet, Inc., a Fujitsu Group company that offers nursing care services, we launched a Nursing Care Consultation Service, and are aiming to realize employee wellbeing by addressing the nursing care worries of each employee across the entire Fujitsu Group.

External Awards / Certifications

See here for a list of the external awards / certifications that Fujitsu has received for its diversity efforts.

Initiatives in Other Regions

Region name	Awards and recognition in FY2021
Asia region	Fujitsu Vietnam: Best Company to Work For in Asia 2021
Americas region	Best Place to Work for LGBTQ+ Equality 2022 (human rights campaign)
NWE region	 Fujitsu Ireland: Outstanding Contribution to Championing Diversity, Inclusion & Belonging award in the industry category at the <u>CIO and IT Leaders Awards</u> Fujitsu Estonia: Gold Standard Family Friendly Employer Fujitsu UK: Employer of the Year in the 2022 Black Tech Achievement Awards Fujitsu UK: Ranked in Stonewall's Top 100 Companies for LGBT+ Inclusion, Gold level for 8th consecutive year
CEE region	Fujitsu Germany: Nominated for the third time in the Women Career Index (FKi)
Global Delivery	Fujitsu GDC India: Bronze in India Workplace Equality Index (IWEI) 2021

Oceania region	Fujitsu Australia: Certified as a Gold Partner of the Sustainability Advantage Program by the New South Wales State Government
	Fujitsu New Zealand: 5 women receive Reseller News <u>Women in ICT Awards</u> (<u>WIICTA</u>) awards.

FY2021 Performance

★Indicator assured by third party

Initiatives to Foster Corporate Culture

- Diversity and Inclusion Session (former name: Companywide Diversity Promotion Forum): 1,040 participants in FY2021 (Fujitsu, domestic Group companies, and each overseas region)
- Incorporated DE&I questions into our annual global engagement survey
- · Reverse mentoring (overseas region)]

Gender Initiatives

- Female employee rate: 18.7% / Female manager rate: 8.0% ★ / Newly appointed female manager rate: 18.2% (Fujitsu)
- Held Female Employee Career Workshop: 207 participants in FY2021 (Fujitsu and domestic Group companies)
- International Men's Day Event (Global Delivery)
- Network groups for gender empowerment and diversity (in each region)
- Gender Pay Gap Program (NWE region, Global Delivery)
- Mentoring Program for Female Engineers (Global Delivery)

Initiatives for Health, Disability and Accessibility

- Rate of employment for people with disabilities: 2.38%★ (June 2021) (Fujitsu*)
- Held Diversity Promotion Forum for employees with disabilities
- Introduced LiveTalk, a diversity communication tool for hearing-impaired people, company-wide, and for all domestic group companies (Fujitsu and its domestic Group companies)
- Held lectures by employees with disabilities at new employee training (Fujitsu)
- Held seminars and human libraries to promote understanding of disabilities (FY2021: 3 times)
- Employee network groups for people with disabilities (in each region)
- Roundtables with employees and executives (Americas region)
- Training, promotion of understanding, and development of facility norms and guidelines for accessibility (NWE regions)

* See " * 6" to "Diversity" on page 7-2 for coverage.

Initiatives for Culture and Ethnicity

- Employee network group activities for understanding diverse cultures and specific ethnic groups (in each region)
- Events for understanding national/regional cultures (Americas region, Global Delivery, NWE region)
- BEING (Black Employee Inclusion Network Group) 1st Anniversary Event (Americas region)
- Mentoring program for foreign employees and support for English Club (Fujitsu)
- Black History Month (Americas region, NWE region)

- Support for ethnic minorities (Oceania region)
- Fundraising for Bawurra Foundation and Ronald Macdonald House as part of the World Day of Social Justice celebration (Oceania region)

LGBTI⁺ Initiatives

- Global Fujitsu Virtual Pride Week 2021 (Fujitsu Group)
- Employee network groups for LGBTI+ employees and allies (in each region)
- LGBT+ History Month (NWE regions)
- "LGBTQ in Japan Today" held at Fujitsu Learning Festival for employees and their families (Guest: Gon Matsunaka, Pride House Tokyo)
- Co-hosted an online film screening and discussion with the employee community of other companies (I am what I am. -Over the Rainbow-)
- Participation in "Business For Marriage Equality," a corporate campaign that calls for marriage equality in Japan (from November 2020)

Intergenerational Initiatives

• Age-themed networking sessions for employees and their families (Oceania region)

Efforts Toward the Support of a Healthy Work-Life Balance (Fujitsu)

- Diversity Promotion Seminar for child-rearing employees: 2 times / 144 participants Health advice from public health nurses, lectures by external speakers, group discussions
- Diversity Management Seminar for supervisors of employees with children: 2 times / 232 participants Health advice from public health nurses, lectures on management by external speakers, group discussions
- Preparatory seminars for maternity/paternity leave: 3 times / 552 participants
- Seminars for balancing work with long-term care: 4 times / 2,000 participants

Table. Number of Employees Utilizing Pregnancy and/or Childcare Policies, and Reinstatement/Retention
Rates of Employees on Parental Leave

(Number of Employees Utilizing Policies) (FY2021: Fujitsu) (Unit: # of employees)

	# of Users	Men	Women
Child Care Break	300★	139	161
Nursing Care	7★	7	0
Reduced Working Hours (Child Care)	703★	20	683
Reduced Working Hours (Family Nursing Care)	10★	5	5
Paternity Break	380★	380	-

Table. Reinstatement/Retention Rates After Parental/Long-Term Care Leave (FY2021: Fujitsu)

	Reinstatement Rate Retention Rate	
Parental Leave	100%	99.2%
Nursing Care Leave	100%	90.0%

Special note: Region names are based on the description as of March 31, 2022.



Global Responsible Business

Wellbeing

The Fujitsu Group aims to enrich and continuously improve our positive health culture where our employees can work to their full potential, both in mind and body. We value the importance of our people, and will strive to enable them to succeed in their own personal development and growth.



Wellbeing

Goal

WHAT FUJITSU ASPIRES TO BE

To create an environment where all employees can work positively and healthily in both mind and body. We will also endeavor to provide opportunities for employees to develop personally and display their abilities to the fullest extent.

GOALS FOR FY2022

Provide a positive work environment

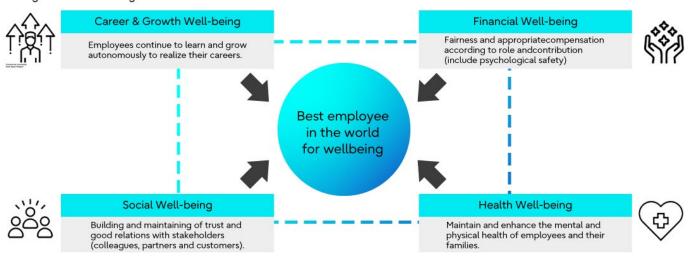
 An average score of 71 globally for "Work-life Balance" and "Work Environment" in the Engagement Survey

Provide opportunities for employees to develop personally and display their abilities to the fullest extent.

• An average score of 70 globally for "Growth Opportunities" in the Engagement Survey

We have divided the activities that will help us become what we aspire to be into the four categories below and set policies for each category, according to which activities are carried out globally.

4 Categories of Well-being



Career & Growth Wellbeing

Financial Wellbeing

Social Wellbeing

Health Wellbeing

Career & Growth Wellbeing

Policy

We are working to expand growth opportunities for our employees, aiming to become a company that creates innovation in every corner of society by bringing together a diverse range of internal and external human resources with agility, in order to realize our company's purpose to make the world more sustainable by building trust in society through innovation. So that we can achieve a sustainable world, Fujitsu is focusing on creating an organization that brings together a diverse group of people with expertise and experience, leveraging the technology areas in which the company has always excelled. In addition, to support each employee's autonomous learning and growth rather than providing uniform training from the company, we offer a wide range of learning and career options based on common global policies. We aim to be a world-class company in terms of employee growth and career realization by fostering a corporate culture that allows our employees to take on challenges with their own ideas and aspirations.

Structure

We are building a system to promote human resource development measures in a globally integrated manner in order to realize our purpose. The Engagement & Growth Division is in charge of human resource development in line with company-wide management policies, while the Human Resources Development division in each business unit is responsible for human resource development in line with divisional strategies and business needs, and clarifies human resources and skills to be strengthened and plans training measures. In addition, we are promoting knowledge sharing on a global basis in cooperation with the human resource development departments in each region, and strengthening support for all employees to learn and grow through a combination of region-specific and local measures.

The execution of highly specialized training and education is handled by Fujitsu Learning Media Limited, a Group company that provides human resource development services.

Moreover, as a mechanism to reflect the views of employees, we conduct engagement surveys twice a year on a global basis, and disclose the results of each organization within the company, which leads to actions for improvement in each organization. Furthermore, we regularly conduct pulse surveys and questionnaires that simply ask for feedback at a higher frequency. We follow a cycle of analyzing this data, identifying and implementing priority measures, and then obtaining feedback.

Achieving Career Ownership

From April 2022, a new personnel system based on the concept of job-based human resource management that encourages each employee to take on challenges and grow has been introduced to the domestic Group. In line with this, we are implementing measures focused on each individual to support employees in taking on challenges and growing based on their career ownership.

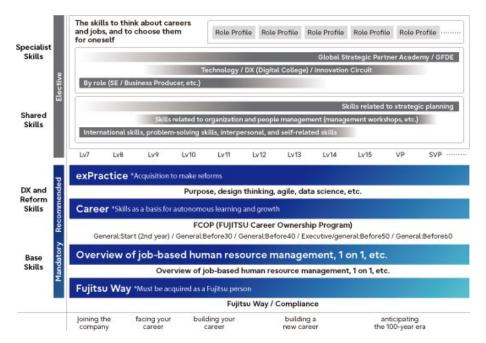
We are also expanding our career ownership program for each generation as an opportunity for each employee to regularly reflect on their own career and the career they aspire to.

As for opportunities to take on challenges, all Fujitsu Group employees can take on the challenge of transferring or being promoted to the position they aspire to through the global internal posting system. In addition, as a mechanism to support employee growth, we are developing a system that allows employees to

take a variety of internal and external learning content anytime, anywhere on a learning platform and visualize the skills they have acquired.

Through one-on-one dialogue, supervisors also provide specific advice and support according to the career aspirations and characteristics of their subordinates.

We are implementing initiatives to encourage employees to exercise career ownership, such as holding Career Ownership Days, an online internal event for the entire company to think about career ownership, in May 2022, and Fujitsu Learning Festival 2022, a global integrated event for about 130,000 Fujitsu Group employees in June, with the themes of SDGs, wellbeing, and Fujitsu Uvance.



Development System



Framework for Supporting the Career Realization of Each and Every Employee

Initiatives Supporting Fujitsu Uvance

In order to advance Fujitsu Uvance, the business brand that we have set forth to realize a sustainable world, we need people with expertise and the ability to implement change that will enable us to face and solve the

issues facing society and customers. Through various initiatives, we support the realization of Fujitsu Uvance and our purpose from a human resource perspective.

Business Producer Transformation Program

To transform traditional salespeople by industry into business producers responsible for creating new business in cross-industries that transcend industry boundaries, we conducted skill improvement and skill change training and visualization of the skills possessed by all salespeople in the domestic Group, targeting approximately 8,000 employees.

Global FDE

Global Fujitsu Distinguished Engineers (below, "Global FDEs") are the technological face of Fujitsu, spearheading solutions to our customers' business challenges by leveraging their superior technological capabilities. Recognized as the pinnacle of Fujitsu Group engineers by common global standards, they participate in the formulation of our business and technology strategies.

We have established seven certification areas of hybrid IT, networks, cybersecurity, AI, data, computing, and project management, which are the future key technology areas of our new business brand Fujitsu Uvance, and by FY2022 32 Global FDEs were certified globally as a whole.

Furthermore, we will position it as a benefit and career path for engineers who contribute to business strategy and customer value creation in conjunction with a job-based personnel system.

Global Strategic Partner Academy

This program is implemented in cooperation with ServiceNow, Inc., SAP SE, and Microsoft Corporation, three of our strategic technology partners and leading-edge IT service providers that are utilized around the world. The program is designed to increase the number of professionals with highly specialized knowledge and expertise on a global level by offering a common program that enables them to acquire cutting-edge digital technology and know-how, including the skills and knowledge of the services of the three companies. The program started in December, 2021, and so far 57 employees have provided highly specialized IT services to customers based on the knowledge acquired through this program.

We will invest in human resources over the long term with the aim of realizing a sustainable society through technological innovation, create an environment in which anyone can take on the challenges of digital-related work, and maximize the potential of digital technology by bringing together our company, partners, and customers. By strengthening the collaboration of human resources skilled in digital technology on a global scale, we will support our customers and society in solving their problems.

Fujitsu Innovation Circuit

The Fujitsu Innovation Circuit aims to enable us to become a company where anyone can take on challenges, where conversations about what has been learned from challenges and support for those taking on challenges are commonplace, and where intrapreneurs (internal entrepreneurs) are born to lead Fujitsu into the future and realize the world we aim to create with Uvance.

Under the full supervision of Yasuhiro Yamakawa, Associate Professor of Entrepreneurship at Babson College in the US, the Academy and Challenge stage, which began in November 2021, foster intrapreneurs through learning and practice of entrepreneurship. In the first stage, 455 people participated and acquired corporate know-how and mindset. In addition, from April 2022, participation has been expanded globally to 130,000 Fujitsu Group employees around the world.

FY2021 Performance

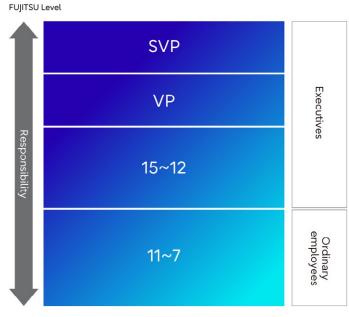
• Average Annual Hours Spent Learning and Annual Cost of Learning Per Employee (Fujitsu and its domestic Group companies)

	Total Average
Average Annual Hours Spent Learning	42.0 hours
Annual Cost of Learning	81,700 yen

Financial Wellbeing

Performance Evaluation and Compensation Reform Towards Job-specific Personnel Management and Job (Responsibility) -Based Compensation

Fujitsu and the group companies in Japan are engaged in reforming their human resource systems as they work towards job-specific personnel management. In April 2020, we introduced job descriptions for executive positions that clearly outlined their jobs. This is now being extended to ordinary employees, starting in April 2022. This new system uses a globally unified standard to rate the magnitude and importance of the job, not the person, and the compensation reflects this rating. The goal is to encourage every one of our highly motivated, diverse and talented employees to rise to the challenge of value creation and to spur their growth as we address the constantly changing issues faced by our customers and by the wider community. In line with this, we are significantly extending our posting structure so that employees can gain entry into their desired jobs and positions based on their own career



goals, rather than being promoted or transferred at the recommendation of their superiors. At the same time, we are also recruiting suitable candidates from outside the company, not just from within our own ranks, and adopting career promotions based on an approach of matching the right talent with the right job.

As well as having a quantitative perspective, such as sales numbers or the magnitude and importance of the job (responsibility), these jobs are also rated based on perspectives such as the reporting line, difficulty, impact, level of specialization and diversity. This is referred to as the "FUJITSU Level", and in this structure, the monthly salary is determined by the FUJITSU Level.

For FUJITSU Level 15 positions and below, bonuses are paid based on evaluations. For executive positions of VP and higher, an STI(*1)/LTI(*2) scheme is being introduced that is more closely tied to results. This scheme will also apply to executives both in Japan and overseas.

- (*1) Short Term Incentive: Remuneration set based on level of achievement of one-year performance targets, etc.
- (*2) Long Term Incentive: Remuneration set based on level of achievement of medium-to-long-term performance targets, etc.

Indicators Introduction of a Global Common Evaluation System

Fujitsu introduced "Executive Performance Management" as a global common evaluation system for FUJITSU Level VP positions and above in 2020. This was followed by the "Connect" system for all employees in FUJITSU Level 15 positions and below, which is being introduced sequentially in FY2021 and the current fiscal year. These evaluation systems were introduced with the aim of spurring greater ambition among all our employees and promoting both organizational and personal growth. To achieve this, we began by drafting a "Corporate Vision" that depicts the future to be achieved by each organization as we strive to realize Fujitsu's purpose, bringing employees closer to that purpose and encouraging each of them to rise to the challenge. We also made this one of the criteria for assessing the extent to which we embody the "Values" in the Fujitsu Way, thereby helping change behaviors in line with achieving our purpose.

Our Executive Performance Management employs the "Balanced Scorecard" method, which involves evaluation from the perspective of "financial indicators", "key indicators" and "behavioral indicators". Rather than being based solely on financial indicators, evaluations are well balanced, using a framework of

Greater Responsibilities and Growth Opportunities Each Organizaton's Vision Fujitsu's Purpose Impact Management Fujitsu Way **Behaviours** 'Connect Aspiration, Trust. and Empathy Learning Support for **Enhanced Skills** Individual's Individual's Impact: **Behaviours** The scale of the The extent to which employees embody the Fujitsu Way values of generated impact (influence x degree of Impact Aspiration, Trust, and Empathy is assessed. contribution) is assessed relative to achieving each organization's vision **Behaviours** Learning & Growth Learning The growth of each employee, and their direct reports and teams, is Growth assessed based on each purpose and vision.

key indicators and behavioral indicators as well as the employee engagement, customer NPS, DX progress, environment-related and DE&I-related non-financial indicators.

In the "Connect" system, employees are assessed on their "Impact", "Behaviors" and "Learning & Growth" relative to achieving each organization's vision and Fujitsu's purpose. (See figure at right.)

Feedback is provided through regular communication between staff and their superiors, which maximizes behavioral change, growth and impact and builds trust, which helps to improve acceptance of the evaluations. Evaluation results not only feed into bonuses, but are also used by the organization's personnel management to assign higher levels of responsibility and opportunities for growth to highly evaluated employees.

Promotion Systems

The Global Human Resources Unit operates this system, under the direction of the executive responsible for human resources.

Employee Benefits Program

The Fujitsu Group has programs in place that are suited to the lifestyles of employees and that enable them and their families to lead healthy, prosperous lives.

As part of the trend toward more diverse and flexible ways of working, and to address employee requirements in a benefits system, Fujitsu introduced the "F Life+" cafeteria plan(*3) as a new program in October 2014.

Furthermore, in line with the belief that active work and personal growth for every employee leads to growth and development for the company, we have established various initiatives to support employees' own efforts to prepare for the future. These include savings/property accumulation programs, an employee shareholding association, group insurance benefits, housing support, medical support, health support, and childcare and nursing support.

Fujitsu Group Sustainability Data Book 2022

(*3) Cafeteria plan:

A system under which employees select the employee benefits they want or need from a diverse menu prepared by the company, taking advantage of the chosen options by using "employee benefits points" awarded by the company.

Social Wellbeing

Work Environment

Promoting New Ways of Working with 'Work Life Shift' Under the New Normal

Fujitsu is promoting Work Life Shift in these uncertain times to generate higher employee productivity than ever before, while ensuring that creativity and innovation continue to grow.

Work Life Shift is a concept that achieves employee wellbeing by focusing not only on 'work', but by completely shifting the 'job' and the 'lifestyle'.

We are implementing various initiatives, both in terms of personnel systems and workplace environment changes, that will allow us to create and deliver value for our customers regardless of location or time and that will enable the ongoing transformation of Fujitsu itself.

The Work Life Shift offering consists of three key categories: Smart Working, Borderless Office, and Culture Change.

Smart Working

Approximately 80,000 employees of Fujitsu Group companies in Japan work principally on a teleworking basis (excluding those in manufacturing facilities and those assigned to customer sites). Our employees enjoy an optimal work style that allows them to choose flexible working hours and a work location that suit the characteristics and objectives of their work tasks as well as their lifestyle.

Borderless Office

Freed from the constraints of working in a traditional fixed workplace, employees can select a location that ideally matches the required task – be it their home, a hub office, a satellite office, or other appropriate workspace.

Culture Change

People management founded on high levels of employee autonomy and trust will generate maximized team performance and enhanced productivity.

Announcing Work Life Shift 2.0 -- DX Company Work Styles that Cater to Everyone's Well-being

In October 2021, Fujitsu announced Work Life Shift 2.0 as a way to achieve a true hybrid work style that includes the effective use of real communication in the office and also aims to provide workers a more fulfilled life. The new version puts in place more advanced measures that reflect both employee feedback and issues that arose when the original Work Life Shift was implemented.

1. Practical Hybrid Work and the Evolution to "Experience Place"

As we look towards a post-COVID future, the office is evolving from the work place of the past to an "experience place" that offers experiences only available at the office. New ways of using the office provide greater collaboration through real communication as we transition to a true hybrid work style that combines the real with the virtual.

2. Evolution of Work Styles for a DX Corporation

At Fujitsu, we are making the value of the various experiences gained from putting hybrid work into practice visible as data as we move towards a work style that boosts productivity while allowing for greater creativity. We are also further stepping up our collaborations with other corporations and local governments who support the Work Life Shift concept and contributing to the resolution of problems for our customers and the community more broadly.

3. Enabling Work-Life Synergies

By leveraging flexible work styles to make workers' home lives more fulfilling, we are generating synergies and promoting new value creation, as well as achieving greater engagement and improving the wellbeing of all our employees.

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 parent company employees in Japan and includes working from home or a satellite office as well as working during business trips.

The telework system facilitates business continuity in emergency situations such as the novel Coronavirus epidemic, providing for work innovations such as holding online meetings and digitizing written materials. It also provides an environment that makes it easier for employees with other commitments, such as raising children or caring for relatives, to continue working, helping Fujitsu to support and retain valuable personnel.

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.

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. By promoting Work Life Shift, we are also enhancing our systems that support diverse modes of employment based on tele-working, allowing employees to make use of flexible working arrangements, such as flex time and exempt labor systems.

Examples of specific initiatives aimed at reducing long working hours:

- Adopting flex time that is not tied to a core time and exempt labor systems for professional and management-related work
- Sending alert e-mails regarding overtime work
- Specifying recommended days for taking annual leave
- · Emphasizing the concept of working hours management during management training
- Adjusting work patterns and leisure patterns according to fluctuations in workload

Measures to Enhance 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. These agreements also stipulate the collective bargaining rights of the union. Fujitsu adopts a union shop system, so all non-managerial employees are members of the Fujitsu Labor Union.

In Europe, the Fujitsu European Labor Relations Council Annual General 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.

Fujitsu has established a consultation service as a contact point for email and phone queries to the Human Resources and Administration Units. This is part of a structure that is designed to make it easy for employees to seek guidance on human resource and administrative programs.

In-house Social Media Network

The Fujitsu Group uses an in-house social media network to strengthen the ties between people all round the world, enabling diverse and talented employees to engage in communication that goes beyond the organization. As communities become more diverse, this network offers spontaneous forms of communication for employees that go beyond mere interchanges within the organization, encouraging new business plans, secondary jobs and workations, and allowing exchanges of information on careers in the life sphere, such as child-raising and caring.

It is also used by employees to discuss opinions and aspirations circulating in the community, such as staff management policies and the environment.

Employee Engagement Survey

In order to continue as a company which "promotes community trust and helps to build a more sustainable world through innovation", as defined in its activity guidelines and values, the Fujitsu Group conducts employee satisfaction surveys that provide employees with opportunities to seriously consider the importance of being highly motivated to take on challenges and how that motivation can be maintained or increased.

We have been gradually introducing this survey in Japan since FY2002, and outside Japan we began conducting an Employee Engagement Survey across all overseas Group companies in FY2011. We use this survey to compare regions within the Fujitsu Group and also to 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 we are now working toward management improvements and reform of our organizational culture.

FY2021 Performance

Initiatives Aimed at Reducing Long Working Hours

The discretionary working system applies to 16% of employees, and the flex time system applies to 79% of employees (Fujitsu Limited)

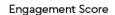
Tele-work Rate

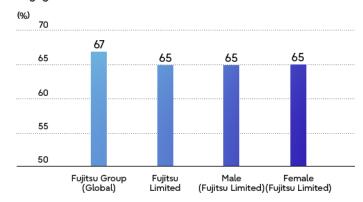
The tele-work rate is around 80%.

Unionization Rate

The unionization rate is 76.0% (Fujitsu Limited)

Employee Engagement Survey

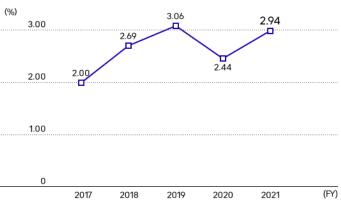




- Number of employees surveyed: Total 101,000 employees; approximately 70,000 employees at Fujitsu Limited and 91 group companies in Japan and 31,000 overseas employees
- Survey response rate: 81% globally (83% in Japan; 78% overseas)
- Positive response score: 65% (Fujitsu Limited)
- * The positive response rate is calculated as the average of the five-level responses, converted to factors of 0, 25, 50, 75 & 100.

Trend in Turnover Rate





Health Wellbeing

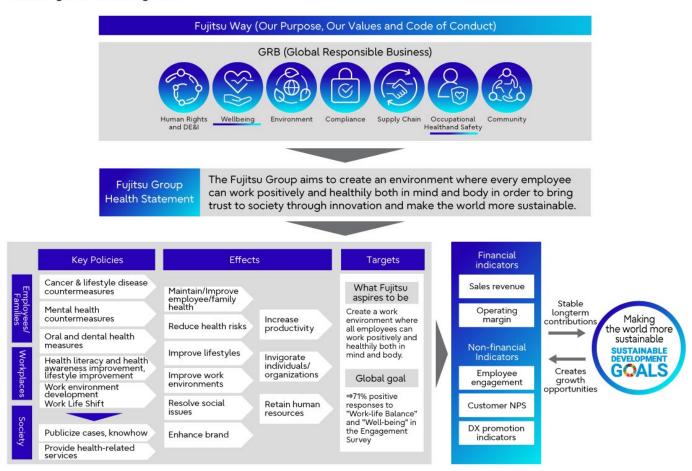
Our Health Management Policy

As a technology company, Fujitsu recognizes that human resources are its most important capital. To achieve our purposes, we have therefore set "protecting the physical and mental health of our employees and creating an environment where all employees can work positively and healthily, both in mind and body" as a key sustainability issue to be shared globally, which we are promoting in tandem with our health and safety activities as the "Health Wellbeing" activities of a Global Responsible Business (GRB).

In Japan, we have announced the Fujitsu Group Health Statement and are promoting GRB Health Wellbeing activities as health management initiatives. We believe that our efforts to maintain and boost the health of employees and their families and to improve the work environment will lead to higher productivity, invigorate individuals and organizations and enhance human resource retention, and that aiming to create a work environment where each employee can work positively and healthily both in mind and body will help us to fulfill our purposes. Moreover, the results obtained through Fujitsu's health management initiatives will be broadly publicized to society, and through the provision of ICT we will contribute to resolving social issues.

Fujitsu Group Health Statement and Key Measures

Positioning of Health Management

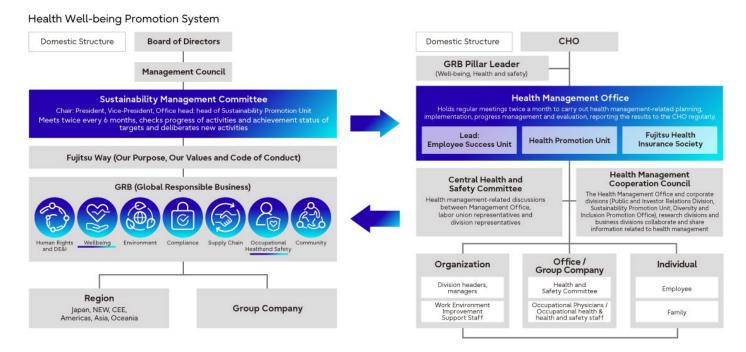


Domestic Structure for Promoting Health Management and Conducting Reviews

All regions and Group companies participate in GRB Health Wellbeing activities in accordance with their local laws and circumstances. At the Sustainability Management Committee that meets every six months, committee members check the progress of activities and the achievement status of targets, deliberate on new activities and report the results to the management council and the Board of Directors.

In Japan, health management is led by the Chief Health Officer (CHO). The CHO heads the Health Management Office, which consists of the Employee Success Unit, the Health Promotion Unit and the Fujitsu Health Insurance Society. The Health Management Office holds regular meetings twice a month to analyze health-related data and issues, set targets and indicators, draw up plans, carry out measures and manage, evaluate and improve progress. The results are regularly reported to the CHO. The Health Management Office plays a central role in the implementation of measures, working together with the Health and Safety Committees in offices and Group companies, occupational health physicians and industrial health and safety staff to urge organizations (division heads, managers, Work Environment Improvement Support Staff) and individuals (employees and their families) to action.

Two meetings have been established to promote health management initiatives: the Central Health and Safety Committee and the Health Management Cooperation Council. The Central Health and Safety Committee reflects the opinions of employees by discussing issues and sharing information with the representatives of labor unions and the representatives from offices and divisions. At the Health Management Cooperation Council, the Health Management Office and corporate, research and business divisions share information in both directions about Fujitsu's health management initiatives and about health management-related business initiatives being carried out by research and business divisions. They encourage the adoption of health management in business while promoting the application of ICT (such as in demonstration experiments).



Targets and Results

Health Wellbeing initiatives are linked to Career & Growth Wellbeing, Financial Wellbeing and Social Wellbeing initiatives with the goal of creating an environment where all employees can work positively and healthily while also enabling employees to develop personally, and offering opportunities for them to demonstrate those abilities to the fullest extent. To that end, our goal for 2022 is to have an average score of 71 globally for

Fujitsu Group Sustainability Data Book 2022

"work-life balance" and "work environment" in the Engagement Survey, which we are working to achieve in all regions and Group companies.

In Japan, under our aim of creating an environment where all employees can work positively and healthily, we set five indicators about improving productivity, invigorating individuals and organizations, and enhancing human resource retention to serve as final health-related evaluation indicators. To improve and reinforce each indicator, we created a health management strategy map. We are tackling the areas representing the five priority measures on the map, namely

- 1. Cancer & lifestyle disease countermeasures
- 2. Mental health countermeasures
- 3. Oral and dental health measures
- 4. Health literacy and health awareness improvement, lifestyle improvement, and
- 5. Work environment development, while performing the PDCA cycle.

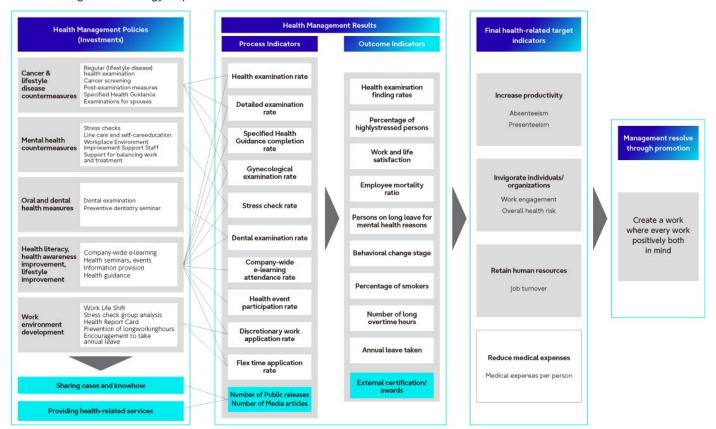
Final target indicator		FY2019	FY2020	FY2021
	Improve absenteeism	1.41%	0.84%	1.32%
Improve productivity	Improve presenteeism	_	_	1.27%
Invigorate individuals & organizations	Improve work engagement	_	2.48	2.41
	Improve overall health risks	98	99	99
Enhance human resource retention	Improve job turnover	3.06%	2.44%	2.94%
(Reference indicators)	Medical expenses per person Out of which insured persons	320,089 yen 198,358 yen	296,521 yen 188,265 yen	317,483 yen 200,056 yen

Absenteeism: (number of days of absence or days off taken due to illness or external injury /total number of prescribed working days for full-time workers) × 100

Presenteeism: the loss percentage for a year calculated from the number of days in the past three months where the employee attended work but was unable to perform up to their usual standard due to an illness or symptom as stated in a survey, and from an investigation of the resulting loss percentage (no data for FY2019, FY2020 due to a change in calculation methods from FY2021 onwards)

Work engagement: the average score of answers to "I feel energized when I work" and "I feel proud of my work" in the New Work Stress Simple Survey.

Health Management Strategy Map



Health Management Results_Process Indicators

Priority Measures	Indicators	FY2019 Results	FY2020 Results	FY2021 Results	FY2023 Targets
	Regular (lifestyle disease) health examination rate	99.9%	99.9%	100%	100%
Cancer & lifestyle	Detailed examination rate after regular health examination	78.4%	78.8%	88.8%	90%
countermeasures	Specified Health Guidance completion rate (*1)(*2)	36.9%	38.5%	32.8%	55.0%
	Cancer screening (breast cancer, cervical cancer) rate (*1)	59.4%	56.8%	59.0%	63.0%
Mental health countermeasures	Stress check rate	89.9%	84.4%	85.7%	94.0%
Oral and dental health measures	Dental examination rate (*1)	48.7%	38.4%	37.8%	70.0%
Health literacy	Company-wide e-learning attendance rate	93.7%	89.2%	(*7)	100%
Health awareness improvement	Health event (walking event) participation rate (*1)	25.1%	22.8%	30.4%	36.0%
Work environment development	Discretionary work application rate	17.0%	18.0%	16.0%	_
	Flex time application rate	74.0%	77.0%	79.0%	_

Health Management Results_Outcome Indicators

	Indicators	FY2019 Results	FY2020 Results	FY2021 Results	FY2023 Targets
Status of employee mortality	Employee mortality ratio (for a population of 100,000) Standardized mortality ratio (SMR) (*3)	52.2 persons 52.2	103.0 persons 64.4	98.5 persons 55.3	-
Lost working days	Percentage of absentees/persons on leave for mental health reasons (*4)	1.81%	1.63%	2.09%	1.50%
due to inness	Percentage of absentees/persons on leave for other illnesses (*5)	0.45%	0.39%	0.35%	0.30%
Health examination	Percentage of overweight persons (*1)	17.5%	19.4%	19.9%	12.9%
results	Percentage of high-risk persons (*1)(*6)	1.3%	1.3%	1.5%	0.6%
Church als and an and the	Work and lifestyle satisfaction	19.4%	21.2%	22.7%	25.0%
Stress check results	Percentage of highly-stressed persons	11.2%	10.0%	9.9%	8.0%
Lifestyle and health	Smoking rate	20.6%	18.5%	16.5%	20.0%
behavior status	Behavioral change stage (health behavior implementation rate)	41.5%	43.6%	43.8%	55.0%
Status of working hours	Average overtime	22.2 hours	23.4 hours	22.0 hours	_
	Rate of taking paid annual leave	77.1%	65.4%	69.4%	_

^(*1) Indicators apply to individuals covered by Fujitsu Health Insurance Society. All others are employees of Fujitsu Limited.

^(*2) Percentage of targets for specified health guidance based on the results of the previous year's health examinations who received specified health guidance by October of the current year.

^(*3) Standardized Mortality Ratio (SMR): The number of mortalities compared to the number of mortalities in Japan as a whole, indexed based on 100.

^(*4) Ratio of employees who took absences or leave for one month or more for mental health reasons, divided by the number of employees at the end of the fiscal year.

^(*5) Ratio of employees who took absences or leave for one month or more for reasons other than mental health, divided by the number of employees at the end of the fiscal year.

^(*6) Ratio of persons determined to be at <u>high risk for hypertension</u>, <u>diabetes or CKD (chronic kidney disease)</u> based on health examination data.

^(*7) Company-wide e-learning was extended in FY2021 to implement workplace vaccination of the COVID-19 vaccine.

Indicator verification examples

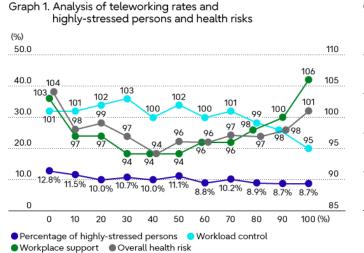
The relation between Work Life Shift working styles, stress and health risks

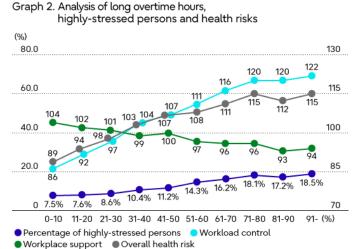
According to stress checks, the percentage of highly-stressed persons was 11.2% in 2019, 10.0% in 2020 and 9.9% in 2021, showing a trend towards improvement.

An analysis of teleworking rates, highly-stressed persons and health risks shows that the number of highly-stressed persons decreases as the rate of teleworking increases. However there is a U-shaped relationship between overall health risks and teleworking rates. Workload control risks and workplace support risks both increase for the group with low teleworking rates. Workload control risks decrease as the rate of teleworking increases, but when the teleworking rate exceeds 90%, workplace support risk increases. (Graph 1)

An analysis of long overtime hours, highly-stressed persons and health risks shows that workload control risks and overall health risks increase with longer overtime hours. (Graph 2)

The results of this analysis show that stress and health risks can be reduced by creating a hybrid work system by combining the flexible use of time and locations based on work contents and purpose and lifestyles that teleworking offers with the effective use of real-life communication at the office, and by coupling the hybrid work system with a reduction in overtime hours through the proactive application of flexible work structures such as flextime and discretionary systems. Thus we will further promote Work Life Shift as a new working style that allows employees to display even higher productivity and continue to innovate.

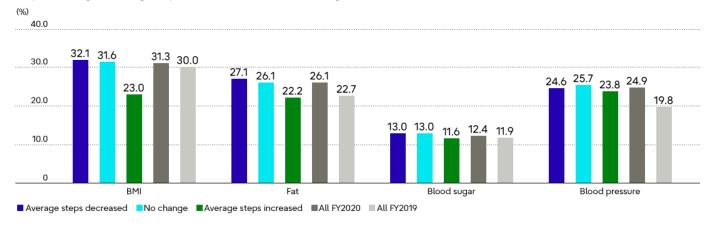




Lifestyle changes and examination finding rates

The lifestyle-related disease finding rates for health examinations in FY2020 were significantly worse than those in FY2019, with BMI at +1.3%, fat at +3.4%, blood sugar at +0.5% and blood pressure at +3.9%. To verify whether this result was influenced by a decrease in physical activity due to changes in lifestyles and working styles caused by the spread of the COVID-19, we compared the number of steps walked daily for FY2019 and FY2020 and divided them into three groups: those where the number had decreased, those where the number had not changed and those where the number had increased. After analyzing the examination finding rate, we confirmed that the finding rates in all examination items in FY2020 were significantly lower for the group where the number of average daily steps had increased compared to the group where the number had reduced or stayed the same. This shows that walking in daily life is effective at preventing and improving lifestyle diseases. We will therefore encourage employees to make exercise a daily habit through activities such as the company-wide "Let's Walk Together" walking event.

Graph 3. Change in average steps walked and examination finding rates



These kinds of analysis results are released to all employees through the portal site and internal newsletters along with health dynamics data (health examination data, leaves of absence, etc.) and stress check results.

Major Global Initiatives Fujitsu Learning Festival 2022

In FY2022, the Fujitsu Learning Festival will be organized for the 130,000 global employees and their families. Under the theme "SDGs with Wellbeing," each region and Group company will introduce concrete examples of the Wellbeing initiatives it is involved in and organize seminars related to Wellbeing. During the Festival, a global walking event will be held to help the whole organization to be aware of walking in everyday life. Each

step will be connected to a donation that contributes

to the SDGs.

Northern & Western Europe initiatives

Northern & Western Europe partnered with an external organization to hold a team-based activity challenge between October and December 2021. 1,126 employees took part, 88% of whom engaged with the challenge app every day and 48% of whom connected with their colleagues socially through the app.

Global Delivery Centers initiatives

Many employees will experience emotional ups and down in the "new normal" environment. To maintain and improve employee health, the Global Delivery Centers partnered with an external organization to implement an Employee Assistance Program (EAP) starting in FY2021. Through the EAP, expert psychologists invited from all around the world organize training on how to handle private and public issues such as health and family and work lives that may generally affect wellbeing. 3,499 persons took part in FY2021. Additionally, as part of the EAP, employees and their family are permitted to use external counselors for free and receive support from experts in order to cope with mental and emotional issues.







Countermeasures for Lifestyle-Related Diseases

Fujitsu and its domestic Group companies provide support for independent health management by carrying out health checkup in accordance with legally mandated health examination items, with additional items by age group, as well as offering checkup results via online systems and providing information such as health risks and changes over time. In addition, with regard to employees who have abnormal findings after receiving checkups, we aim to improve their lifestyle habits, and provide thorough medical checkups and consultations, through health guidance and medical examination recommendations supplied by occupational physicians and occupational



A system that allows employees to view health checkup results on their PC or smartphone

health staff. For employees who have been diagnosed as needing treatment due to their test results, the Fujitsu Health Insurance Society monitors their medical prescriptions for three months to prevent their post-diagnosis condition from worsening, and recommends checkups for employees who have not undergone treatment, which leads to appropriate medical care. In addition, family members of employees (spouses of those enrolled in the Fujitsu Health Insurance Society, and family members 40 years of age and older) are able to undergo the same health checkups as employees (including cancer screenings).

> Project to Prevent Diseases from Becoming Severe

Cancer Countermeasures

Taking steps against cancer involves engaging in prevention through improvement of lifestyle habits, as well as early detection through health checkups and treatment. We promote regular additional screenings for stomach cancer, colorectal cancer, and prostate cancer when employees undergo legally prescribed health checkups, based on age group. In collaboration with the Fujitsu Health Insurance Society, we conduct and support the expenses for gynecological examinations (cervical cancer and breast cancer) for all female employees. In addition, to screen for stomach cancer, the Fujitsu Health Insurance Society runs tests for Helicobacter pylori for 35-year-olds and conducts in-depth examinations on those who test positive. Additionally, we hold "Cancer Prevention and Support for Balancing Work and Treatment" e-learning seminars

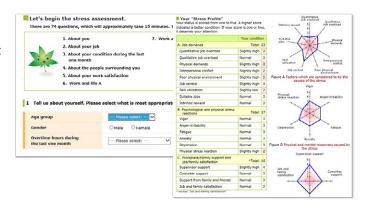
Additionally, we hold "Cancer Prevention and Support for Balancing Work and Treatment" e-learning seminars for all group employees in order to equip them with accurate knowledge about cancer, and to lead to prevention through improvement of lifestyle habits, as well as early detection and treatment through health checkups. We also provide e-learning materials to employees' families in cooperation with the Fujitsu Health Insurance Society.

Mental Health Countermeasures

At Fujitsu and its domestic Group companies, through health consultations, employment support and recurrence prevention for those with mental health issues, and mental health education provided by occupational health staff at each office, we support employees and workplaces, which leads to improved mental health. Furthermore, we have full-time psychiatrists and licensed psychologists on staff to offer counseling during working hours, providing a system for receiving professional support within the company. Health consultations and counseling can also be accessed online, creating a structure where they are available from anywhere, including when working from home. In workplaces, we deployed support staff for managers,

known as Work Environment Improvement Support Staff. Through awareness of employees' working situations and regular communication, we can detect the unwell at an early stage, leading to pre-emptive responses in coordination with the Health Promotion Unit. The Fujitsu Health Insurance Society also provides health consultations and counseling over the phone and online so that employees and their families can easily consult them.

In a system unique to the Fujitsu Group, Work Environment Improvement Support Staff are appointed and placed to promote the creation of work environments where employees can work positively and healthily. The Support Staff work



A stress diagnostic tool and individual results

together with managers to solve work management challenges, detect poor health quickly from the work condition of employees and daily communication with them and respond at an early stage by coordinating with the Health Promotion Unit and Human Resources Unit.

For stress checks, in addition to supporting employee self-care through checkups, we provide feedback to management and senior staff members by integrating organizational analysis results with engagement surveys and other internal studies, then synchronizing these efforts with Work Life Shift initiatives, which leads to better working environments. In addition, for workplaces with high levels of health risk and workplaces with many employees who have been evaluated as highly stressed, we offer stress management education and workshops for creating healthy workplaces to provide support for reducing employee stress factors and energizing the places where they work.

> Fujitsu Work Life Shift

Oral and dental health countermeasures

Oral and dental health plays an important role in maintaining and improving health for the whole body while also greatly affecting QOL (quality of life) across a lifetime. Therefore we have set it as an important health issue and we hold activities such as dental examinations and preventive dentistry seminars to promote oral and dental health.

- Dental examinations
 - We provide tooth checks (caries and fractures), periodontal pocket measurement and brushing guidance for employees aged 25, 30, 35 and 40 to prompt them to take an interest in oral and dental health from an early age and encourage early treatment and prevention.
- Preventive Dentistry Seminars
 In cooperation with JOF (*8), we hold a preventive dentistry seminar entitled "Preventive dentistry in the Reiwa era from 2019 onwards," to share knowledge on issues such as the etiology of cavities (caries) and periodontal disease, dental examination methods, self-care methods with the aim of KEEP28 (*9).
- (*8) JOF@KEEP28 Corporation (Japan Oral Physicians Forum)
- (*9) KEEP28 is a social preventive dentistry initiative promoted by JOF aimed at not losing a single tooth from the time it comes in until the end of your life and living the rest of your life with your own teeth without losing any from your current age.

Health literacy and health awareness improvement

Through various kinds of health education such as health guidance, e-learning, training for managers and company-wide seminars, through various events about exercise, diet and smoking, and by sharing information through internal newsletters and portal sites, we aim to improve employees' health literacy and health awareness and form healthy habits.

<Health education>

- Company-wide e-learning: Once a year all employees at Fujitsu and Group companies in Japan are given e-learning on important health topics to provide knowledge and increase their health awareness.
- Regular employees: Receive education about self-care when joining the company or changing jobs through e-learning.
- Managers: Receive education about their subordinates' mental healthcare when appointed as managers and once every three years as part of their people management education.
- Company-wide seminars: Seminars are broadcast to all Group company employees in Japan about topics such as exercise, nutrition, diet, smoking and women's health.
- Office seminars: Seminars are held on themes such as mental health and health promotion, based on the issues faced by each office.
- * Refer to FY2021 Performance: Health Education for more details

<Health events>

A company-wide walking event, "Let's Walk Together"

To cultivate a habit of exercising in daily life and increase health awareness, Fujitsu and all Group companies in Japan hold a company-wide walking event called "Let's Walk Together" twice a year in spring and fall. Participants compete on an individual and team basis with the average number of steps

walked in a month using a smartphone app. There are individual and team incentives for the employees with the highest average number of steps, teams that achieve 6,000 average steps in a day, teams that achieve 8,000 steps daily and other metrics.

Furthermore, during Fujitsu Learning Festival 2022, a global walking event will be held to help the whole organization to be aware of walking in everyday life. Each step will be connected to a donation that contributes to the SDGs.

 A quitting smoking promotion event, "Let's Stop Smoking Together"

We organize an event where two to five nonsmokers form a team with one smoker, who attempts to quit smoking over three months with the support of the team. Along with encouraging



"Let's Learn About Food Together Day" Column

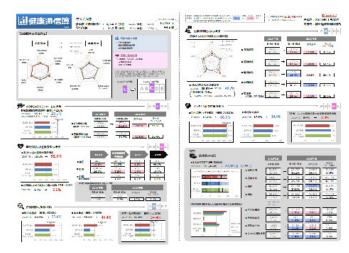
people to stop smoking, it provides opportunities for both smokers and non-smokers to think about smoking and health. Teams that successfully get their smoking member to quit are awarded incentives.

- A nutrition education event, "Let's Learn About Food Together Day"
 We have declared the 19th of every month to be Food Education Day. In addition to introducing healthy recipes using seasonal ingredients and information about health effects via email newsletters, we prepare special menu items using those ingredients at the employee cafeterias all over Japan, and work to improve employee awareness of what they eat.
- Online fitness
 As working from home becomes the norm in the new normal, we offer a sports club as an online service to encourage employees to stay healthy.
- * Refer to FY2021 Performance: Health Events for more details

Work environment development

The Fujitsu Group prepares a "Health Report Card" that visualizes data about the status of employee health on a division and company basis and the status of health improvement initiatives compared to the Group as a whole. It provides this card to management as feedback along with employee engagement surveys and stress check group analysis results, and the management works together with the workplace to develop the working environment while sharing employee health-related issues.

We also aim to improve the work-life balance and productivity of every individual employee by implementing a variety of measures to reduce long working hours. By promoting Work Life Shift, we have developed structures that support diverse working styles, taking teleworking as a basis and actively



Sample Health Report Card

adopting flexible working arrangements such as flextime and discretionary work systems.

Smoking Prevention Measures

Starting from October 2020, Fujitsu and its domestic Group companies have completely banned smoking at all offices to protect employees from the harmful effects of secondhand smoke, and in an attempt to reduce the health risks of smokers.

Furthermore, to support efforts by smokers to quit smoking, we also hold seminars so that employees will accurately understand the health effects of smoking, and provide support and subsidies for treatment to quit smoking. In addition, the "Let's Stop Smoking Together" Challenge, an event held once a year by all domestic group companies where smokers and non-smokers form teams to tackle quitting smoking, has improved awareness of quitting smoking and an attitude of fostering measures against smoking, group-wide and in all workplaces.

Health Initiatives for Female Employees

For health issues specific to women, we provide education, share information and have established a dedicated consultation window to raise women's health awareness and generate concern and understanding for health issues that women face. We also implement or support the costs of screening for cancers specific

to women, all of which is aimed at driving the creation of a workplace where women can work positively.

- A women's health portal site has been set up on the intranet to disseminate information on different themes about women's health (such as hormones, life planning, menopause, and cancer), seminars held, archives of past seminars and a women's health consultation window.
- We broadcast seminars on women's health to all Group employees online to coincide with Pink Ribbon Day every October and Women's Health Week in March. By targeting all employees and not just female employees, we help all employees to take an interest in and have



Women's health portal site

correct knowledge about female-specific health issues. This encourages the development of a work

- environment easy for women to work in and supports the active participation of female employees.
- In coordination with our diversity, equity and inclusion measures, we make time for women-specific health
 issues at seminars about balancing childcare and work that are held for employees returning from
 childcare leave and supervisors with employees raising children under them.
- Gynecological examinations (cervical cancer and breast cancer screening) are conducted for all female employees and employees can be examined at no personal cost. They can choose to undergo the examination as a set together with their company's mandatory health examination, or visit a contracted medical institution or visit their regular doctor for an examination.

Support for Balancing Work with Medical Treatment

The fundamental idea at Fujitsu and its domestic Group companies is that employees should undergo proper treatment, then return to work after recovery. We have established various leave systems and income support mechanisms so that employees can have peace of mind and devote themselves to medical treatment. We provide support from medical staff while an employee is on leave, so that they can make a smooth return to work. When they return, we conduct joint discussions with the occupational physician (occupational health staff), HR, the employee's department head, and the employee themselves, and review their post-return work duties and employment considerations.

In order to provide support for employee treatment while they are on leave and for their return to work, we offer a guidebook aimed at the employee and their supporting department head and family members. The guidebook, entitled "How to Spend Your Days While Undergoing Treatment," is a compilation of information to be aware of, including treatment objectives, how desired treatment should be, how to think about returning to work after recovering, and procedures for returning to the workplace.



How to Spend Your Days While Undergoing Treatment

Infectious Disease Countermeasures

Fujitsu and its domestic Group companies actively engage in countermeasures to keep employees safe from various infectious diseases by establishing health consultation services and dispensing information, among other initiatives. As preventative measures against infectious diseases, we give seasonal influenza vaccinations at companies, in addition to giving vaccinations to employees stationed overseas which are recommended in each place they will be staying (at company expense). With regard to the issue of rubella, which has been growing in recent years, we are cooperating with local governments to conduct education and public awareness campaigns at offices.

Response to COVID-19

The Fujitsu Group has established a Central Infectious Disease Countermeasure Unit headed by the president to centrally manage all information while the General Affairs Unit, Human Resources Unit and Health Management Unit work together to take measures against COVID-19.

- Consultation
 - We have established a dedicated online hotline and email consultation service to respond to employees and their family members who have health concerns. We provide instructions to put them at ease, and so they can take appropriate action and seek medical care. In addition, the Fujitsu Clinic (Kawasaki City, Kanagawa Prefecture) handles people who are worried about infection, in conjunction with health care centers and regional specialist medical institutions.
- Providing information and education
 We have established a COVID-19 countermeasure site (Central Countermeasures Unit/Health Promotion Unit). It shares response guidelines for COVID-19, knowledge and the latest information about coronavirus

infection, health considerations for teleworking (how to comfortably telework, exercise, diet, smoking, mental health, work environment) and other such information necessary for the mental and physical health of employees and their families.

- Working styles
 We are thoroughly implementing teleworking, which makes it possible to work flexibly without being limited by a place, such as at home, satellite offices or on business trips to help prevent COVID-19 infections.
- "Status of efforts to reduce the number of employees who commute to work by using telework and other means." Job-based vaccination
 To accelerate workplace vaccinations of the COVID-19 vaccine and reduce the burden on local medical
 - To accelerate workplace vaccinations of the COVID-19 vaccine and reduce the burden on local medical institutions, vaccines were administered to approximately 33,000 staff, over 40% of Fujitsu Group employees at four locations (Kawasaki factory, Osaka Hub, Oyama factory, Nagano factory). The vaccinations were performed by company staff only.
- > Fujitsu to Initiate On-Site Vaccinations for Employees in Japan

Fujitsu Headache Project

First company in the world to be honored as a world-leading corporation in migraine workplace awareness education and support programsSmoking Prevention Measures

In March 2022, Fujitsu became the first company in the world to be honored by the Global Patient Advocacy

Coalition of the International Headache Society (IHS-GPAC) (*10) as a world leader in migraine workplace awareness education and support programs.

Chronic headache disorders, which include migraine, tension, and other chronic headache types, have a significant impact on daily life and work productivity. To address this problem, Fujitsu has developed and implemented training programs for employees globally in the workplace to promote awareness and treatment of headache disorders, as well as prevention programs for employees suffering from such disorders. Fujitsu's efforts were evaluated by the International Headache Society as a model case of corporate measures to support employees living with headache disorders.

Background

In the workplace, chronic headache disorders tend to be trivialized due to a common lack of understanding. As a result, many employees that suffer from these disorders continue to work while enduring painful headaches and other severe symptoms, leading to a decline in productivity and quality of life (QOL).



Figure 1. The "World Leader in Headache Management Programs" certificate from the Global Patient Advocacy Coalition of the International Headache Society

In June 2018, Fujitsu conducted an in-house survey in cooperation with International Headache Society, the World Health Organization (WHO), and the Japan Headache Society among Fujitsu employees about the impacts of chronic headache disorders on their work. Of the 2,500 people surveyed, 85% had experienced headache disorders. Of those who experienced headache disorders, 84% had never been treated. In addition, it was found that the economic loss to Fujitsu due to headache disorderrelated sick leave and lower performance was approx. 900 USD per year per chronic headache disorder-affected employee in average (in case of migraine approx. 2,300 USD), or approx. 197 million USD per year for all employees, representing approximately 1% of the total annual salary paid to all employees. It was also revealed that health-

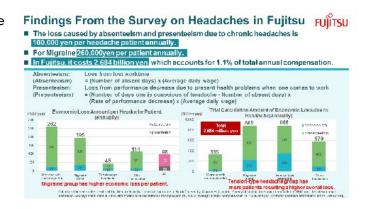


Figure 2. Estimated results of the economic loss caused by absences and lowered performance due to headaches

related QOL scores (*11) of employees with chronic headache disorders were lower than the national standard for Japan. This demonstrates that headache disorders have a significant impact on daily life and work productivity. To address this issue, Fujitsu launched the "FUJITSU Headache Project" as a headache disorder prevention program that is now globally available to all employees.

Outline of the "FUJITSU Headache Project"

Based on the results of a joint study conducted in 2018 (Fujitsu employee survey on the degree of impact of chronic headache disorders on work), Fujitsu in fiscal year 2019 developed the FUJITSU Headache Project in cooperation with HIS-GPAC and the Headache Society of Japan. Utilizing e-Learning programs to help Fujitsu Group employees in Japan acquire correct knowledge about headache disorders, Fujitsu held video seminars for headache patients, online headache consultations with specialists, and headache exercises. Through these initiatives to help employees with headache disorders, Fujitsu attempts to improve QOL and boost work productivity, and aims to create a workplace where people suffering from headache disorders can work with peace of mind.

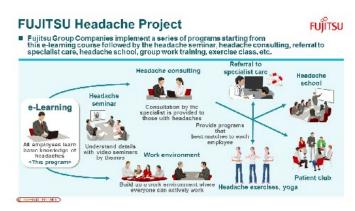


Figure 3. Fujitsu Headache Project Overview

- 1. Project period: July 2019 to February 2022
- 2. Target: approximately 70,000 Fujitsu Group employees in Japan
- 3. Content: e-Learning programs and on-demand video seminars, online headache consultations, etc.

Future developments

- To expand the Fujitsu Headache Project program to regions overseas, we are offering e-learning educational materials in English and holding headache seminars for all global employees.
- Based on the results of the Fujitsu Headache Project, Fujitsu, the International Headache Society and the
 Japanese Headache Society will analyze the project to check whether there was increased understanding
 and knowledge about chronic headaches and to see how much improvement there was in the burden and
 lowered productivity caused by headaches.
- IHS-GPAC is making the headache management program developed through the Fujitsu Headache

Project available to the public.

- (*10) Global Patient Advocacy Coalition of the International Headache Society (IHS-GPAC):

 The International Headache Society is a UK-based academic organization founded in 1981 for headache-related research, medical care and education. The Global Patient Advocacy Coalition cooperates with global and regional headache, neurology, and pain societies to carry out patient support activities. It also acts together with governments, patient associations and headache specialists.
- (*11) Health-related QOL score:

A score that quantifies the impact of disease and treatment on the patient's subjective sense of health (mental health, vitality, pain) and daily work, housework, as well as family, leisure, and social activities.

Related documents

- > About the Fujitsu Headache Project
- > YouTube "Fujitsu Certificate Awarding Ceremony and Press Conference"

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Assessments from Outside the Company

Named as a 2021 Health and Productivity Stock Selection, and Certified as One of the 2021 White 500 Health and Productivity Enterprises

As a company which considers the health management of employees from a management perspective and tackles strategic initiatives to deal with it, Fujitsu was selected as a 2021 Health and Productivity Stock Selection by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange for the first time, and certified as one of the top 500 enterprises (the White 500) by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi, marking its fifth consecutive certification. We regard the health and safety of our employees and their families as one of our key management issues and to that end, we take care to establish robust systems with medical professionals at our offices nationwide, provide health guidance for lifestyle-related diseases, and set up mental health and smoking prevention programs, and these awards are recognition of our results.

In addition, in order to promote health management across the entire group, Representative Director Takahiro Tokita serves as Chief Health Officer (CHO) and disseminates messages to all employees in Japan and overseas. We are also working to have senior management directly discuss the importance of health management and its impact on the company's sustainable growth and business performance by using data-driven health information, together with occupational health staff, so that management personnel will gain a more realistic understanding of health issues.

Among domestic Fujitsu Group companies, three domestic group companies were certified in the White 500 (top 500 enterprises), 9 companies were certified in the large-scale enterprise, and four companies were certified in the small to medium-scale enterprise category.

*Company names are as of the time of certification (as of March 9, 2022).

- Large-scale enterprise (White 500): Fujitsu Communication Services, Fujitsu Network Solutions Limited, Shimane Fujitsu Limited
- Large-scale enterprise category: Fujitsu Cloud Technologies Limited, Fujitsu FSAS, Fujitsu Learning Media Limited, "Fujitsu Japan, Shinko Electric Industries, Fujitsu Frontech, , G-Search Limited, Fujitsu IT Management Partner Co., Ltd.
- Small to medium-scale enterprise category: Fujitsu Isotec, Fujitsu Banking Solutions, Best Life Promotion, Mobile Techno Corp.



Received Outstanding Corporation Award for Promoting Cancer Countermeasures in March 2021

Fujitsu received an "outstanding corporation award" for the second year in a row from the Cancer Countermeasures Corporate Action Project (*12), which is conducted by the Ministry of Health, Labour and Welfare.

(*12) A national project (commissioned by the Ministry of Health, Labour and Welfare) which aims to raise the cancer screening uptake rate to 50% or more, and build a society where people can continue to work even if they have cancer.

< Awards in 2021 and earlier >

- · March 2021 Selected as a Health Management Brand for 2021
- October 2021 Nominated for the Grand Prize at the Women's Body Forum Awards 2020 and received Merit Award
- March 2020 Received Cancer Countermeasures Partner Award (Information Provision Category), awarded to companies that promote cancer countermeasures

Health Management Promotion Initiatives and Social Contributions

Fujitsu helps to promote health management and solve health issues for all of society by offering and presenting things such as health management and practical cases of health and productivity management in various forms, as well as research results, to places outside the company. In addition, we accept occupational physicians, medical students, nursing students and others for training within the company, and contribute to the human resources development of occupational health staff.

* Refer to FY2021 Performance: Social Contribution Initiatives for more information.

< Sharing cancer e-learning materials with parties outside the company >

Through the Cancer Countermeasure Corporate Action project conducted by the Ministry of Health, Labour and Welfare the materials used in the "Cancer Prevention and Support for Balancing Work and Treatment" elearning seminars held for all Fujitsu and all Group employees in FY2019 are being provided to the project's partner companies and organizations. As of the end of FY2021, 5,845 persons had attended the seminar.

- Cooperating to measure the effectiveness of cancer screening
- Fujitsu is collaborating with specially-appointed Professor Nakagawa of the University of Tokyo Hospital
 and the National Cancer Center in a demonstration to measure the effectiveness of cancer screening
 through receptor analysis.
- Joint development of a Migraine Improvement program with the Global Patient Advocacy Coalition of the International Headache Society (IHS-GPAC)
- Refer to <u>FY2021 Performance: Health Management Promotion and Social Contributions</u> for other public announcements.

Health management-related services

- The Fujitsu Group contributes to the health of society as a whole by providing healthcare solutions such as health information solutions, regional medical networks, and solutions for hospitals, clinics and nursing care providers.
- Additionally, to improve people's quality of life and create wellbeing, we will provide the foundation for trust and innovation, and we will strive to connect consumers, medical institutions, companies and governments so as to rebuild consumer-centered societies and industries in order to realize a society

where data circulates based on an individual's wish and anyone can use advanced technology.

FY2021 Performance

Health education

• Training and education

Category	Торіс	Implementation method	Target	Attendees
Company-wide e- learning	"Accurate Information About Headaches and How to Deal with Them"	e-learning	All Group company employees in Japan	73,432
Regular employee education	Health education upon joining	e-learning	All new employees in Japan	1,504
Manager education	Workplace management training	e-learning	All managers in Japan	13,846
Selective education	Self-care training after stress checks	e-learning	All employees in Japan	3,000

• Company-wide seminars

Date held	Seminar name	Speaker	LIVE	Archived
April 22, 2021	Preventive dentistry seminar "Preventive dentistry in the Reiwa era from 2019 onwards" An overview of preventive dentistry	Apple Dental Center Dr. Shintaro Hata, Dentist	3,000	760
February 04, 2022	Food Education Seminar "Chrono-Nutrition 2" Rules for eating to improve your constitution, manage your health and improve your performance	Waseda University Chrono- nutrition research center Dr. Akiko Furuya, visiting researcher	1,174	65
March 02, 2022	Women's health seminar "Telling the Truth about the New HPV Vaccine"	Osaka University Graduate School of Medicine Professor Yutaka Ueda, Obstetrics and Gynecology	796	158
December 14, 2021	Health Insurance Society seminar "Mental Toughness Seminar"	Renaissance	526	2,291

Health events

• "Let's Walk together" company-wide walking event

Held	Participating teams	Participants	Participation rate	
Fall 2021	5,205 teams	29,589	30.4%	
Spring 2021	4,283 teams	24,863	25.0%	
Fall 2020	3,866 teams	22,463	22.8%	
Spring 2020	Suspended due to the spread of COVID-19			
Fall 2019	4,094 teams	25,018	25.1%	
Spring 2019	3,456 teams	19,463	19.3%	
Fall 2018	2,662 teams	15,589	15.2%	
Spring 2018	1,476 teams	7,328	7.0%	

• "Let's Stop Smoking Together" quitting smoking promotion event

Held	Participating teams	Smokers	Supporters	Successful quitters (percentage)
2021 year	65 teams	65	177	50 (76.9%)
2020 year	193 teams	193	441	141 (73.1%)
2019 year	249 teams	249	599	201 (80.7%)
2018 year	430 teams	430	1,060	300 (69.8%)

• Online fitness (Health Insurance Society)

Registered	Insured persons	Dependents	Total	Programs applied for
February to April 2021	2,733	288	3,061	39,920 cases
August to October 2021	2,106	328	2,434	30,440 cases

Health Management Promotion and Social Contribution

• Public lectures, conference presentations, article submissions

Category	Date	Name of lecture, academic meeting or media	Title
Lecture	May 20, 2021	Occupational physicians forum, the 94th Annual Meeting of Japan Society for Occupational Health	New Working Styles and Health Management in the New Normal
Lecture	May 21, 2021	Occupational health nurses forum, the 94th Annual Meeting of Japan Society for Occupational Health	The Frontlines of Working styles: Health Support for Employees Working through Telework
Lecture	June 18, 2021	2021 Forum, The Society of Health Development Sciences, NPO	"Living with COVID-19" as an Agent for the Further Development of Occupational Health: the Future of Occupational health - Experiences in Occupational Health Activities during the Coronavirus Crisis
Lecture	September 04, 2021	Main Symposium, 1st Meeting of the Occupational Health Nurses Division, Japan Society for Occupational Health	Expectations of Occupational Health Nursing from the Standpoint of Businesses
Lecture	September 21, 2021	Panel discussion, the 24th Meeting of the Japan Academy of Community Health Nursing	Working style Reform Prompted by the Coronavirus Crisis: New Working styles and Occupational Health Nursing Activities
Lecture	September 25, 2021	General Meeting, the 59th Conference of the Health Management Research Council	New Working styles in the Era of Living with COVID-19
Lecture	November 21, 2021	Occupational Nursing Professionals Symposium, the 28th Annual Conference of Japanese Society for Occupational Mental Health	Preventing Divisions Caused by Crises: How to Support an Organization
Lecture	November 30, 2021	FJJ Mental Health Seminar	New Data Applications for Stress Checks at Fujitsu
Lecture	December 12, 2021	Self-Organized Symposium, 1st Conference of the Japanese Association of Certified Public Psychologists	How to Apply Perspectives on Addiction to Various Fields
Lecture	December 16, 2021	Business Owner Support Workshop, Saitama Vocational center for Persons with Disabilities	Telework and Mental Health

Lecture	December 21, 2021	The 80th Annual Meeting of Japanese Society of Public Health	Practices and Problems in Community Training and New Employee Development During the Coronavirus Crisis: Thinking about Future Cooperation - From the Occupational Health Workplace (Based on Experiences Welcoming New Employees During the Coronavirus Crisis)
Lecture	January 09, 2022	Workshop supporter representative, the 10th Annual Conference of Japan Academy of Public Health Nursing	"Our Working style Reform" in the Age of the New Normal: What it Means to Work in Your Own Style
Lecture	March 25, 2022	Symposium, the 29th Annual Meeting of the Japan Association of Job Stress	Thinking About Multi-Occupational Cooperation According to the Progress of Cases (Developmental Disorders)
Conference presentation	May 18-21, 2021	The 94th Annual Meeting of Japan Society for Occupational Health	Effectiveness of Rework Programs for Persons Taking Leaves of Absence for Mental Health Reasons (Follow-up Report)
Conference presentation	May 18-21, 2021	The 94th Annual Meeting of Japan Society for Occupational Health	Workplace Supervisors Working with Employees with Mental Health Issues
Conference presentation	May 18-21, 2021	The 94th Annual Meeting of Japan Society for Occupational Health	The State of Rapidly-Changed Telecommuting and its Effect on Health: From a Survey
Conference presentation	December 3-5, 2021	The 31st National Conference of the Japan Society for Occupational Health	Intervention for Persons who do not Submit Stool for Analysis: From a Survey
Contribution	April 20, 2021	Occupational Mental Health, Vol. 29, No. 2 (Japanese Society for Occupational Mental Health)	Countermeasures and Collaboration with Regard to Overwork and Interviewing Highly Stressed Individuals from the Perspective of Occupational Health Nurses
Contribution	June 21, 2021	Health Development Vol. 25, No. 4 (The Society of Health Development Sciences, NPO)	"Corona" and Our Lifestyles: Thoughts on Food and Masks
Contribution	September 01, 2021	Safety and Health, Vol. 72, No. 9 (Japan Industrial Safety & Health Association)	Special Feature on Mental Healthcare in the Age of Living with COVID-19: Caring for Employees with Mental Illnesses
Contribution	February 22, 2022	Health Management, March 2022 Issue (Hokenbunka-sha)	New Working styles in the Era of Living with COVID-19: Imagining the Future based on "Work Life Shift"

• Health management-related press releases and notices

Date	Category	Speaker
June 15, 2021	Notice	About COVID-19 vaccinations
September 1, 2021	Notice	Implementation status of efforts to reduce the number of employees who commute to work through telework
November 4, 2021	Press release	Fujitsu Begins Sales of the "LifeMark Health Management Solution" Capable of Predicting Health Management Results
March 02, 2022	Press release	Fujitsu Honored by the International Headache Society - Global Patient Advocacy Coalition as a World Leader in Migraine Workplace Awareness, Education, and Employee Support Programs
March 23, 2022	Press release	Fujitsu Recognized as a Health Management Outstanding Organization "White 500" for 6th Year in a Row

• Participation in and dispatch of members to external committee and review meetings

Manager	Name of Committee /Review meeting	Position
Well-Being for Planet Earth Foundation Nikkei Inc.	Well-being Initiative	Gold plan Members
Ministry of Health, Labour and Welfare	Project review meeting for surveys to verify the effectiveness of the stress check system	Review meeting members
Japan Industrial Safety & Health Association	Review meeting on the revision of self- diagnosis checklists for workers on fatigue accumulation levels	Review meeting members
Cancer Countermeasure Corporate Action	Cancer Countermeasure Corporate Action advisory board meetings	Observer
The Japanese Association of Public Health Nurses for Occupational Health		Representative of board of directors
Kanagawa Occupational Health General Support Center		5 consultants

• Accepting occupational health physicians, medical students and nursing students for training and practical experience

Target	Name of Committee /Review Meeting	Name of Committee / Review Meeting
Medical interns	Community-based health care training	1 hospital, 9 persons
Medical students	Early experience training	1 school, 8 persons
Medical students	Occupational health physician workplace practical training	2 schools, 55 persons
Nursing students	Community health nursing practical training, integrated nursing practical training	2 schools, 12 persons
Nursing students	Nursing departments	7 schools, 110 persons



Global Responsible Business

Environment

The "Fujitsu Climate and Energy Vision" is, a Medium- to Long-Term Environmental Vision for 2050 which clarifies the role we will play in tackling global climate change as well as the future outcomes we hope to realize. Fujitsu will work to achieve zero carbon emissions from its own operations by 2050, and contribute to climate change adaptation as well as a de-carbonized society through technologies supporting digital transformation.



Goal

WHAT FUJITSU ASPIRES TO BE

Fujitsu will fulfill its social responsibilities as a global corporate environmental leader. We aim to contribute to achieving the 1.5°C climate change goal of the Paris Agreement and also to resolving environmental challenges, through such measures as developing innovative solutions that make effective use of resources

GOALS FOR FY2022

Fulfill our social responsibilities and help to resolve environmental challenges

- KPI: Reduce greenhouse gas emissions at Fujitsu sites by 37.8% or more from the base year level (Reduce by 4.2% each year compared with FY2013)
 - Avoid risks associated with our business activities and minimize our impact on the environment
 - Help to resolve environmental challenges for customers and society through our business operations

Introduction

Climate change is a global issue that impacts the sustainability of society, and it is closely related to water and resource recycling issues. Engaging in global environmental conservation is essential for achieving Our Purpose. The Fujitsu Group does its utmost to reduce environmental impact and minimize risks throughout the value chain, and we contribute to the realization of a sustainable society by solving environmental issues together with our customers.

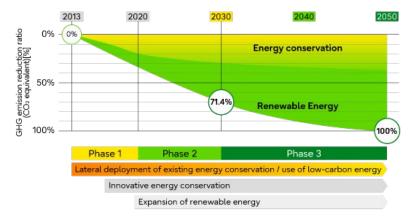


Image of Achievement Fiscal Year for Environmental Vision, Targets, and Other Goals

To Reduce GHG Emissions in Accordance With 1.5°C Target Updating Medium- and Long-term Goals

In May 2017, the Fujitsu Group formulated the FUJITSU Climate and Energy Vision as our medium- to long-term environmental vision. In August 2017, we acquired SBT certification (2°C-aligned) for our reduction standard by 2030. As the movement toward carbon neutrality accelerated, we reconsidered the role that the Fujitsu Group must fulfill, and in April 2021 we raised our GHG emissions reduction target for 2030 from a 33% reduction

compared to FY 2013 to a 71.4% reduction. This reduction target has been certified as 1.5°C-aligned by SBTi. In June 2022, we submitted a commitment letter to the SBT Initiative towards the Net-Zero targets and it was accepted.



Roadmap to 2050 for achieving our own zero CO₂ emissions

Initiatives for Achieving Goals

Since 2018, the Fujitsu Group has been a member of the international initiative RE100, which aims to popularize and expand renewable energy. Up until now, we have focused on our sites in Europe and the United States; however, promoting use in Japan has been an issue. In response, in FY 2020, we converted to 100% renewable energy at three domestic system laboratories (Aomori, Kumamoto, Oita) which use a large amount of energy as offices. In FY 2021, we converted to 100% renewable energy at the Kawasaki Plant, which is our headquarters, and essentially converted to renewable energy for all power used at floors contracted by the Fujitsu Group at the Shiodome City Center, which is our head office.



Exterior of Kawasaki Plant

- Fujitsu Group Sustainability Data Book 2021 (p.5-3-3-12)
- > (Examples of Initiatives in FY 2020: Introduction of Green Power)
- > Fujitsu Group's Largest Facility to Source 100% of its Energy Needs from Renewables, Demonstrating Commitment to Achievement of RE100
- > Fujitsu Sources 100% of Energy Needs for Global HQ from Renewables

Avoiding Risks Associated with Business Activities and Minimizing Environmental Impact (Water Risk Countermeasures)

The Fujitsu Group conducts flooding damage impact assessments for each business site according to the level of business impact using hazard maps and implements countermeasures. We determine whether each business site falls within the "estimated flood inundation area (planned scale: once every 10–100 years or assumed maximum scale: once every 1,000 years)" for nearby rivers as established by the Ministry of Land, Infrastructure, Transport and Tourism or prefectural governments. We also assess what the impact will be on-

site and off-site, and whether there will be an impact from water ingress in buildings, etc. We then use a four-point scale to rank the business sites with a high level of impact. For sites that correspond with the most hazardous level, we assign a four and then take various measures to reduce risk, such as protecting the site perimeter with retaining walls and watertight panels.

> Click here for details > Add link to "Response to Environmental Risks"







Sliding gates

Removable watertight panels

Gates that can be raised and lowered

Examples of Contribution to Solving Environmental Issues of Customers and Society Through Business

Achieving Environmental Value Trading Such as CO₂ Reductions, for Which Global Demand is Remarkable

In April 2022, IHI Corporation and Fujitsu launched a joint business project with the aim of contributing to the realization of a carbon-neutral society and to revitalize the market of environmental value trading(*1) ecosystems. Under this joint project, IHI and Fujitsu will work toward the commercialization and promotion of an environmental value distribution platform by leveraging their business knowledge in blockchain technology and new carbon neutrality technology. These efforts will be targeted at aspects of the environmental value trading market such as the efficient reduction of CO_2 across corporations and countries, which is a theme for which initiatives are being conducted on a global scale. Specifically, the two parties will create tokens(*2) expressing the environment value of CO_2 reduction as calculated from data through IHI's IoT platform ILIPS (IHI group Lifecycle Partner System) and establish a platform for distributing these tokens to the environmental value trading market by leveraging Fujitsu's ConnectionChain security technology to safely interconnect various blockchains, thereby aiming for the efficient distribution of environmental value.

The two companies will aim to efficiently distribute environmental value such as CO₂ reductions created by companies around the world through the platform that will be launched through this joint business project, and contribute to the realization of a carbon-neutral society, which is a common global goal.

^{*1} Environmental value trading: Trading in which parties measure and certify the amount of emission reduction, absorption, or removal for substances such as CO₂, and acquire rights for the decarbonization effect as tradable value.

^{*2} Token: Digitized rights and assets independently issued by companies and organizations using blockchain technology.

> Fujitsu and IHI start joint project on new environmental value distribution platform using blockchain technology

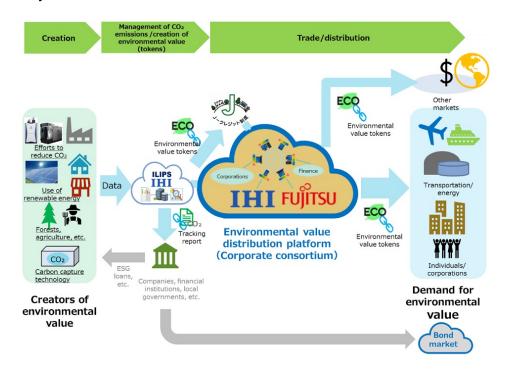


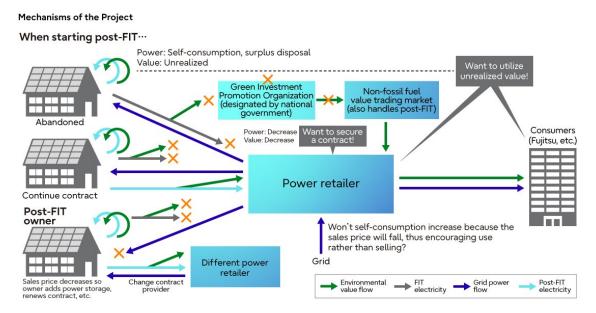
Image of market utilizing the new environmental value distribution platform

Joint Field Trial Project Aimed at Environmental Value Distribution Among Households and Companies

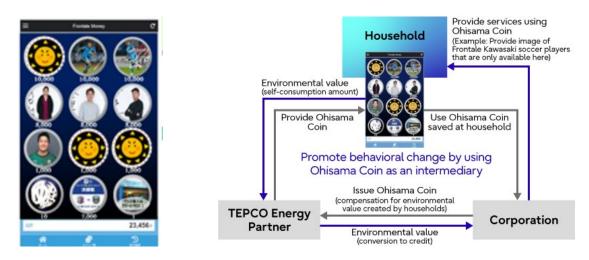
TEPCO Energy Partner, Inc., GridShare Japan Corporation (a 100% subsidiary of ITOCHU Corporation), Ridgelinez Limited, and Fujitsu conducted a field trial aimed at the distribution of environmental value between households and businesses, with the aim of achieving carbon neutrality. Until now, households have not utilized the environmental value generated during self-consumption of electricity from photovoltaic power generation. From November 2019, in conjunction with the end of the Feed-in Tariff Scheme for Renewable Energy (FIT) period, the unit price of electricity sold will be lower than during the FIT period. Therefore, we assume that the environmental value that is not used during self-consumption will increase even further. In the joint field trial project, in order to solve the problem in which precious environmental value is not being utilized, we devised an app that converts the environmental value generated during self-consumption into tokens (crypto assets), and then uses those tokens to support companies that contribute to the SDGs. With the aim of directing users' attention to the environmental value of self-consumption that has been unutilized thus far, use tokens as a form of visualization and created an app that allows users to continuously enjoy a series of events consisting of collecting more tokens in conjunction with a greater amount of selfconsumption, using those tokens to support corporations, and then receiving novelties gifts from companies. By using blockchain in this app, we are able to perform the integrated process of collecting self-consumption data of solar power generation, and managing and issuing environmental value certificates. In addition to users having fun with this app, corporations are also able to collect precious environmental value and utilize it for initiatives such as RE100. Other benefits include the ability to gain understanding for corporate environmental contribution activities through the app, and the ability of corporations to heighten engagement with users through novelty gifts.

This joint field trial project had a one-month field trial period from February 14, 2022 to March 21, 2022, which includes the questionnaire response period. About 200 monitors from ordinary households participated in the project. When a monitor actually consumes the electricity generated by the solar power generation, a token called Ohisama Coin is collected. The "Ohisama Coin" is used to virtually support three projects: (1) Kawasaki Frontale, (2) Cool Japan, and (3) Mothers and Children in Africa. (The African Mother and Child Support Project is being exhibited on the Web at the Tokyo International Conference on African Development (TICAD) by the Japanese government, and future collaboration is also being considered.) By examining the results of the joint

field trial, we were able to identify current issues with systems and apps, as well as issues with future business development. We are currently considering holding new field trials from FY 2022.



(a) Issues after post-FIT at ordinary households



(b) Image of screen for the Ohisama Coin token app

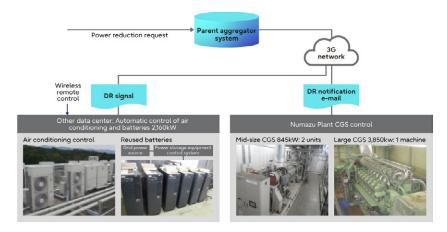
(c) Flow of tokens

VPP^(*3) and DR^(*4) Field Trial Project With an Eye on the Future Energy Market in Japan

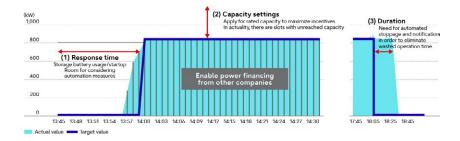
ENERES Co., Ltd. and Fujitsu have applied blockchain technology to develop a system that realizes the trading of insufficient and surplus power among power consumers. Specifically, in response to requests from power transmission and distribution companies to curb demand-side power when supply-side power is in short supply, we operated cogeneration(*5) power generators at Fujitsu's Numazu Plant. We have been working on the VPP/DR field trial for seven years, from the negawatt trading(*6) field trial in 2015 to the power supply severe weather adjustment capacity(*7) for Power I' (ability to adjust to sudden increases in demand in the event of a once-in-a-decade heat wave or severe winter) in 2021. In this field trial, in addition to acquiring incentives through the effective use of cogeneration, we also utilized distributed power sources to solve the environmental issue and social issue of securing power supply adjustment capacity to respond to the sudden increase in demand during severe weather in the TEPCO service area. With cooperation from Fujitsu Laboratories, we utilized the blockchain technology developed so far to address the identified issues, thereby developing a power loan trading technology for mutual loaning of surplus power among consumers who have

contracted with aggregators(*8) in the power field. We utilize this technology in various aspects of Fujitsu's energy business. Based on the experience and know-how gained from this project, we will further collaborate with AutoGrid in the United States to expand renewable energy and realize a carbon-free society by maximizing the use of distributed energy resources in the Japanese energy market.

- *3 VPP: Acronym for "Virtual Power Plant." A technology that controls distributed power sources such as generators and storage batteries to function like a single large power plant.
- *4 DR: Acronym for "Demand Response." A mechanism for suppressing demand during peak power hours by effectively saving electricity on the demand side.
- *5 Cogeneration: A system that uses substances such as natural gas, petroleum, and LP gas as fuel to generate electricity using a power generator, and also recovers the exhaust heat generated at that time for use in hot water supply, air conditioning, etc.
- *6 Negawatt trading: A system in which the power demand side reduces power consumption to achieve peak cuts, and a reward is paid according to the amount of reduction.
- *7 Severe weather response adjustment capability: A system for suppressing power consumption on the demand side during severe weather months (July to September and December to February) when power is in short supply.
- *8 Aggregator: A business operator that provides integrated control of distributed energy resources and provides energy services from VPPs, DRs, etc.
 - > Fujitsu, AutoGrid to Boost Renewable Energy Use in Japan Towards Realization of Decarbonized Society with Virtual Power Plant Solution

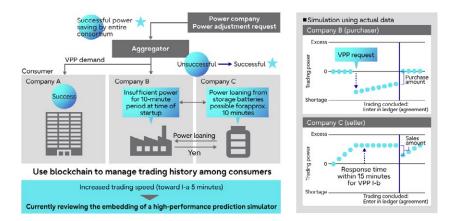


(a) Overview of VPP/DR Field Trial Project



Success rate in VPP trading (response 15min.) is about 50%

(b) Current status: Conditions of power source I-b



Energy matching and increased trading speed \rightarrow Improved VPP success rate by 40% (results of simulation using actual data)

- (c) Development of technology for power source I-a
- Participation in METI's DR/VPP Field Trial (from 2015) Full-scale VPP (from 2021)
 Power source I-b (support for 15 minutes) →
 Currently accumulating technology for I-a (support for 5 minutes)

Environmental Management

Environmental Management System

We are continuously working to improve our ISO14001 (*1) based environmental management systems and to promote Group-wide environmental management.

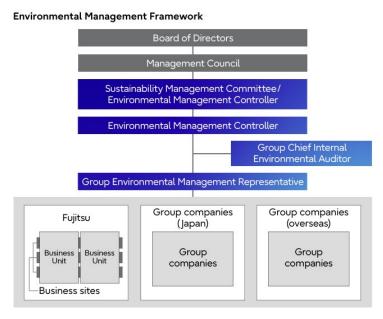
(*1) ISO14001: Environmental Management Systems (EMS) standard determined by the International Organization for Standardization (ISO). Certification is granted to environmentally conscious organizations that develop systems for ongoing reductions in their environmental footprint.

Fujitsu Group's Environmental Management Systems (EMS)

Fujitsu Group 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 consolidated subsidiaries in Japan at the end of FY 2004, we expanded this effort to include overseas subsidiaries and acquired global integrated certification at the end of FY 2005. Subsequently, the overseas subsidiaries switched to individual certification.

Environmental Management Framework

In April 2020, Fujitsu Group set up the Sustainability Management Committee, which leads the charge for management which takes sustainability initiatives into account. The Sustainability Management Committee has established major sustainability issues which are common globally (Global Responsible Business: GRB) and is working to address them, and the environment is one of those to be addressed. In "environmental initiatives" medium-to-long term visions considered and activity policy discussed and decided, and business operations being considered with risks and opportunities from climate change, with regular reports into Sustainability Management Committee, which aim of raising the level of the EMS and strengthening its governance. Based on that, final approvals on environmental management at the Fujitsu Group are made at meetings of the Management Council.



Within the Sustainability Management Committee, we have organized environmental organizations in charge of issue-specifics, etc., composed of relevant parties that go beyond the framework of business groups and business units. Through this promotion structure, we are moving swiftly to popularize initiatives for addressing environmental issues throughout the Group.

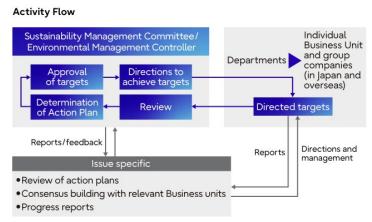
Constructing and Operating Environmental Management Systems

The Fujitsu Group has constructed EMS based on the ISO 14001 international standard and is promoting environmental improvement activities across the group. By constructing EMS 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 2022, the Fujitsu Group has acquired group-integrated ISO 14001 certification for a total of 29 companies including Fujitsu and its group companies in Japan.

Activity Flow

The Sustainability Management Committee reviews and conducts deliberations about the new challenges and activities directions of "environmental initiatives", which related to whole group companies regarding the operational status and achievement of targets with regular report. For example, the committee determines the directions to be taken for reduction of energy consumption and CO₂ emissions, countermeasure for environmental risk, and other environmental medium-to-long term visions. The Sustainability Management Committee also conducts environmental management reviews and is



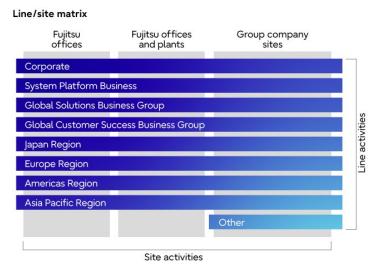
exercising approval authority for the Fujitsu Group Environmental Action Plan.

Organizations in charge of issue-specific are sub-organizations set up under the Sustainability Management Committee, with the goal of providing dedicated responses to address specific tasks professionally. The tasks of the organizations are discussing targets and confirm the progress and promote to achieve for the Environmental Action Plan. The Environmental Management Controller gives approval and issues directions in response to the progress reports made by the organizations.

Management Based on the Line/Site Matrix Structure

The Fujitsu Group carries out its environmental management within a matrix structure combining (1) "line activities" directly tied to the business operations of various Business Groups and companies (including development of eco-friendly products 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 we carry our environmental management according to the same framework as our management, while also reducing the environmental footprint generated by our business activities and the sale of our products and services.



Environmental Management Initiatives (Case Studies)

Environmental Management

Environmental Management Initiatives (Case Studies)

Operations Utilizing ICT

The Fujitsu Group actively utilizes its own ICT-driven environmental management tools to visualize and boost the efficiency of its environmental management.

EMS Operations Using ICT

The Fujitsu Group employs its own ICT-driven environmental management tools. Examples include the Global Environment Database System (Ecotrack) which can centrally manage aspects such as planning, performance, and policy information, at business sites scattered throughout the world, and the ISO 14001 Green Management System (GMS) which centrally manages compliance and risk management status to support EMS operations. These tools are employed to visualize environmental management and make it more efficient. Additionally, the communication infrastructure of all companies in the Fujitsu Group is used for EMS operations. For example, we try to conduct smart communication in our EMS operations, through activities

Using the Global Environment Database System

such as using remote video conferencing systems to conduct EMS briefings.

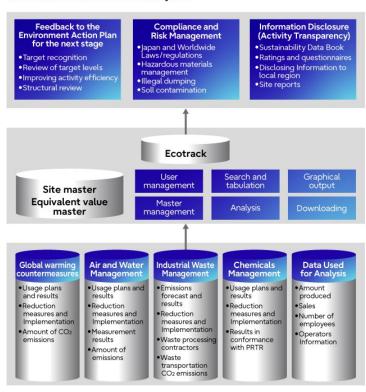
The Global Environment Database System (Ecotrack) is used to gather information about the environmental footprint (performance) of Fujitsu Group companies and business sites and centrally manage aspects such as planning, performance, and policy information.

Using the ISO 14001 Green Management System

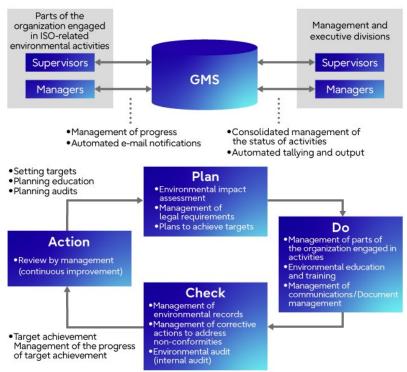
The Fujitsu Group uses the ISO 14001 Green Management System (GMS) to exercise unified control over the operational status of the EMS concerning matters such as the status of improvements and the state of compliance with regard to items pointed out by internal audits, communications activities, direct and indirect effects identified in environmental impact assessments, and the setting of environmental targets.

Through the GMS, we can manage corrective measures and objectives with certainty, and it has been effective for continuously improving our activities and reducing risks.

Global Environmental Database System



ISO 14001 Green Management System



Implementing Environmental Audits Internal Audit Implementation and Results

The Fujitsu Group conducts internal audits, a requirement of ISO 14001. To ensure the objectivity and independence of internal audits, the Internal Control and Audit Office takes the lead, allocating internal auditors who belong to Fujitsu Group companies and carries them out.

Internal audits continued in FY 2021. Due to the impact of COVID-19, we conducted audits remotely using smartphones based on the Fujitsu Group's instructions for preventing infection, which included the promotion of Work-from-Home, as well as avoiding face-to-face contact in meeting rooms and travel between prefectures.

In FY 2021, we carried out internal audits of 82 business sites in Japan, including the plants and offices of Fujitsu and its Group companies. When conducting audits, we closely examined the results of internal audits and external audits from FY 2020. The four points emphasized were (1) the status of implementation of the environmental management system, (2) checking the status of our efforts in response to the Environmental Action Plan Stage X, (3) identification of risks to corporate management that could harm Fujitsu's reputation, and (4) sampling inspections at sites such as plants.

Since Fujitsu acquired integrated ISO 14001 certification in FY 2005, FY 2021 was the first time no non-conformities were detected. Six observations were noted, that proportionally to the reduction by half of the audit organization number. Due to the continuing COVID-19 pandemic, on-site inspections were foregone and all audits were conducted remotely. Fujitsu continued to provide support to each part of the organization, including briefing sessions for EMS person in charge via remote conferencing systems, online education for newly appointed person in charge, education about waste, and confirmation of legal compliance, and the number of findings was kept at the same level as in the previous year.

External Audits and Results

To maintain our ISO 14001 certification, we are carrying out external audits by a certifying body. In FY 2021, we were audited in Japan by the Japan Audit and Certification Organization for Environment and Quality (JACO). As a result, there were 33 opportunities for improvement and zero findings. We shared information about those opportunities within the Group, and are working to improve our response.

Table: Number of Findings by Audits

	FY 2019 (Japan and overseas)	FY 2020 (Japan)	FY 2021 (Japan)
Number of findings by internal audits	30	13	6
Number of findings by external audits	6	0	0
Number of opportunities for improvement	50	52	33

Compliance with Environmental Laws

There were no major legal or regulatory violations or accidents with major impact on the environment in the Fujitsu Group during FY 2021.

Environmental Management

Response to Environmental Risks

Environmental Risk Management Structure

The Fujitsu Group built and operates a group-wide risk management system to identify, prevent, and mitigate a variety of potential risks, or prevent their recurrence, including issues related to climate change and environmental pollution. The Risk Management & Compliance Committee, which reports directly to the Board of Directors, has set up regional Risk Management & Compliance Committees, in addition to deploying Risk Management & Compliance Officers to each Fujitsu division and Group company in Japan and overseas, to build a structure where these organizations cooperate with each other to promote risk management and compliance throughout the Fujitsu Group, both in terms of preventing potential risks and responding to risks that have emerged. The Committee identifies, analyzes, and assesses key risks associated with the business activities of each Fujitsu division and Group company in Japan and overseas (focusing on 33 risks considered to be important to the Group), and formulates and reviews the countermeasures for these risks after confirming the status of countermeasures for avoiding, mitigating, transferring, or retaining them. The Committee makes regular reports to the Board of Directors about key risks that have been identified, analyzed and assessed, using methods such as the creation of visualized rankings and maps which take the degree of impact and likelihood of occurrence into account. In addition, we have put response processes into place in the event that risks become tangible, despite the implementation of various measures. Each division and Group company will immediately report to the Risk Management & Compliance Committee about any key risks that become tangible, such as natural disasters, accidents, product accidents or failures, system or service problems, compliance violations such as fraud, information security incidents, or environmental problems.

We also leverage the group's Environmental Management System (EMS), which is based on ISO14001, for minimizing risks to the environment through continuous improvements.

- > Risk Management
- > Environmental Management System

Efforts to Minimize Risks to the Environment

Dealing with Risks Related to Climate Change

There is a 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. For that reason, we have formulated a business continuity plan and are devoting effort to continually revising and improving the plan.

In addition to risks such as implementation of stricter regulations for greenhouse gas emissions and a carbon tax, there is demand from customers and society for contribution to carbon neutral. This creates a risk of increasing the energy cost incurred by the Fujitsu Group, as well as the cost required to comply with regulations related to measures for reducing greenhouse gas emissions. 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 short-term, medium-term and long-term risk analysis/response within our company-wide risk management structure. Moreover, as climate change countermeasures, we are working to reduce greenhouse gas emissions in line with the 1.5°C scenario of the Paris Agreement, to achieve net zero CO₂ emissions by 2050, and to contribute to mitigation/adaptation for climate change through business.

In accordance with the recommendations issued in 2017 by the Task Force on Climate-Related Financial Disclosures (TCFD), the Fujitsu Group analyzes and discloses information related to risks accompanying climate change that may have an impact on business and financial strategies. Refer to the table below for the currently recognized potential major risks and responses.

Risks Associated with the Transition to a Low Carbon Economy, and Our Response to Them

Policy/Legal Risks	Risks:Response:	Increase in cost in order to respond to the strengthened laws and regulations on greenhouse gas emissions and energy use (such as a carbon tax), and diminished corporate value in the event of a violation. Complete compliance with laws and regulations through EMS. Continual reduction of the amount of GHG emissions through steady implementation of Science Based Targets and the Environmental Action Plan.
Technology Risks	Risk:	Unrecovered investments and market share decline in the event that the company lags behind in a fierce competition in technological developments toward a carbon-free society (such as energy-saving performance and low-carbon services).
	O Response:	Enhance development of energy-efficient products and energy-efficient enabling technologies, solutions, and services through steady implementation of Science Based Targets and our Environmental Action Plan.
	Risk:	Losing business opportunities if products, solutions, and services do not meet energy-saving performance needs.
Market Risks	O Response:	Enhance development of energy-efficient products and energy-efficient enabling technologies, solutions, and services through steady implementation of Science Based Targets and our Environmental Action Plans.
Risks to Reputation	Risk:	Decline in corporate value and an increase in response costs associated with a negative assessment from stakeholders with regard to the response status of measures to counteract climate change (such as the percentage of renewable energy adoption).
	O Response:	Enhance measures to counteract climate change and promote reduction of environmental footprint through steady achievement of the group's Science Based Targets and Environmental Action Plan.

Climate Change Related Risks in the Supply Chain, and Our Response to Them

Upstream Supply Chain	● Risk:	A temporary suspension of the suppliers' business activities due to the occurrence of severe natural disasters such as large-scale floods, sudden heavy downpours, and lightning strikes, which affects the procurement of materials.
	O Response:	Conduct surveys of the business continuity capabilities of suppliers and implement measures to procure materials from multiple sources.

	• Risk:	Losing business opportunities due to the inability to obtain environmental labelling, which is a green procurement requirement of customers.
Downstream Supply Chain	O Response:	Conduct trend surveys and risk assessments of the environmental labelling scheme. Develop and provide top-level energy-efficient products through steady implementation of Science Based Targets and our Environmental Action Plan.

RELATED INFORMATION

Fujitsu Group Responses to the CDP Climate Change Questionnaire 2021 (Risk-Related Questions)

(PDF link)

Assessing and Monitoring of Potential Water Risks

In recent years, due to a tight demand-supply situation in many areas around the world because of water damage—such as flooding—and droughts that are caused by a variety of factors, including population growth and climate change, there is a growing concern that this issue may become a business risk. The Fujitsu Group conducts assessments of and monitors potential water risks for direct operations sites and supply chains.

Specifically, while using tools and databases provided by NGOs and national and local governments, we identify water stress conditions and natural disaster risks in regions where our business sites are located in accordance with RCP 4.5 (intermediate stabilization scenario) from among the emissions scenarios defined by the Intergovernmental Panel on Climate Change (IPCC). We then comprehensively assess the water risk at each site by analyzing how important water use is in the business activities of each operations base, and we confirm the level of compliance in a variety of activities such as the reduction of water intake, measures to reduce pollution in wastewater, business continuity management (BCM) systems, and others. For the supply chain, we also assess our suppliers' flood preparedness and other water risks based on the supply chain BCM surveys, field surveys conducted according to the Responsible Business Alliance's (RBA) code of conduct and the CDP Supply Chain Program. As a result, we have confirmed that there are no significant risks that could substantially affect our business activities.

RELATED INFORMATION

Fujitsu Group Responses to the CDP Water Security Questionnaire 2021 (Risk-Related Questions) (PDF link)

Flooding Damage Impact Assessments Through Hazard Maps and Measures Against Flooding

Fujitsu and its domestic Group companies conduct impact assessments of flooding damage according to a rainfall scale with two types, depending on the magnitude of the impact on our business, as follows. We identify and assign rankings to business sites which will be highly impacted. If a business site falls under a level 4 impact ranking, we implement various measures.

[Assessment 1 Planned scale (Rainfall on a scale that occurs about once every 10-100 years)]

- Assessment subjects: 169 sites for Fujitsu, 280 sites for Group companies All owned properties and major leased properties (such as sales offices and data centers) in the Fujitsu Group
- Assessment method: We assess whether or not the site falls within the "estimated flood inundation area (planned scale)" for nearby rivers as established by the Ministry of Land, Infrastructure, Transport and Tourism or the prefectural government, as well as the extent of the impact within and outside the site and the impact of flooding on buildings.
 - We rank sites that were assessed as being impacted by flooding on a scale of 1 (minor impact) to 4 (major impact).

[Assessment 2 Assumed maximum scale (Rainfall on a scale that occurs about once every 1000 years)]

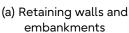
- Assessment subjects: Domestic data centers and business sites that will be heavily impacted by flooding (such as Fujitsu Solution Square (SS) and the Kawasaki factory)
- Assessment method: We conduct reassessments by upgrading the criteria to "estimated flood inundation area (assumed maximum scale)," and rank the sites on a four-point scale.

[Results for Assessment 1 and Assessment 2 *Only sites with an impact rank of 4 are shown below.]

	Sites	Assessment 1 (Assessment on a planned scale)	Assessment 2 (Assessment on an assumed maximum scale)	Final impact
Fujitsu	Fujitsu SS	Impact rank 4	Impact rank 4	Impact rank 4
Fujitsu	Kawasaki factory	No impact	Impact rank 4	Impact rank 4
Group companies	No sites which fall under impact rank 4			

[Major Measures]







(b) Sliding gates



(a) Removable watertight panels



(b) Gates that can be raised and lowered

Fujitsu SS: The site perimeter is protected by retaining walls and watertight panels

Kawasaki factory: Perimeter entrances and exits are protected by watertight panels

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 measurement and monitoring on a regular basis. We recover and recycle chemicals used in production processes, instead of discharging them into wastewater. We are also working to properly manage and reduce discharge of harmful substances and other regulated substances (COD, BOD, etc.) by ensuring appropriate chemical use, preventing chemical leaks and penetration, and properly managing the operations of water treatment and purification facilities, among other measures.

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 are conducted based on these controls. Efforts are also made to appropriately process dust and soot, sulfur oxide, nitrogen oxide, and other harmful substances, and reduce emissions through measures including combustion management at facilities that produce soot and smoke, use of fuels with low sulfur content, and managing the operations of exhaust gas processing equipment. Furthermore, we have installed activated carbon adsorption treatment equipment and are reducing our atmospheric emissions 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 our 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 substances in manufacturing processes (parts washing and solvents). We have also implemented leakage countermeasures for refrigerant chlorofluorocarbons used in air conditioning facilities (freezers, etc.), and are switching to non-chlorofluorocarbon gas when updating facilities.

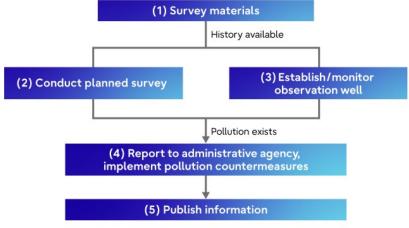
Results for complete elimination of ozone-depleting substances			
Ozone-depleting substances	Time of complete elimination		
Washing chlorofluorocarbons (CFC-113, CFC-115)	End of 1992		
Carbon tetrachloride	End of 1992		
1,1,1-trichloroethane	End of October 1994		
Alternative chlorofluorocarbons (HCFCs)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

Preventing Pollution of Soil and Groundwater

We have established rules for soil and groundwater surveys, measures and disclosures. 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 working together with government authorities to disclose information.

As of FY 2021, 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-pumping aeration, etc.

Monitor Impact of Groundwater Pollution on Areas Outside of Premises*



*Monitor impact of groundwater pollution on areas outside of premises, which is the greatest risk of soil/groundwater water pollution

Business Sites Where Soil or Groundwater Contamination Has Been Found

Site Name	Location	Cleanup and Measure Execution Status	Maximum Value Found at Observation Well (mg/L)		Regulated
			Substance	Measured Value	Level (mg/L)
Kawasaki	Kawasaki City,	We are continuing to clean up VOCs by pumping and aeration.	1, 2-dichloroethylene	2.2	0.04
Plant	Kanagawa Prefecture		Chloroethylene	5.9	0.002
	Oyama City, Tochigi Prefecture	We are continuing to clean up VOCs by pumping and aeration.	Trichloroethylene	0.332	0.01
Oyama Plant			1, 2-dichloroethylene	3.387	0.04
			Chloroethylene	0.69	0.002
Nagano Plant	Nagano City, Nagano Prefecture	We are continuing to clean up VOCs by pumping and aeration.	Chloroethylene	0.028	0.002
FDK Washizu Plant	Kosai City, Shizuoka Prefecture	We are continuing to clean up VOCs by pumping and aeration.	Tetrachloroethylene	0.039	0.01
			Trichloroethylene	0.42	0.01
			Cis-1, 2-dichloroethylene	0.047	0.04
			Chloroethylene	0.0055	0.002

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 our original Chemical Information System called "FACE" and working to appropriately control and reduce emissions at our business sites.

> Fujitsu Group Environmental Action Plan (Stage IX): Reducing Chemical Substances Emissions

With regard to chemical substances included in products, we have determined banned substances according to regulations in Japan and worldwide and are working to thoroughly control them, not only inside the Group but also with business partners who deliver materials and products to us.

> Green Procurement

Appropriately Processing Waste

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

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 handles temporary storage and disposal of PCB waste under government supervision, and are carefully carrying out processing based on JESCO plans.

Environmental Liabilities

In properly assessing the Fujitsu Group's expected future environmental liabilities, and communicating our integrity and corporate stance of not deferring our liabilities, we have recorded liabilities of 2.25 billion yen in soil pollution cleanup costs, high-level polychlorinated biphenyl (PCB) waste disposal costs, and asbestos processing costs during facilities demolition, which is the amount we calculate, as of the end of FY 2021, to be necessary for the Fujitsu Group to conduct these tasks domestically in the next fiscal year and beyond.

Conserving Biodiversity

Recognizing that our business activities benefit from the riches of the Earth's biodiversity, while at the same time impacting it, the Fujitsu Group considers the conservation of biodiversity to be an important issue, and formulated the Fujitsu Group Biodiversity Action Principles in October 2009. We promote them based on the two pillars of reducing the impact of our business activities on biodiversity and contributing to the creation of a society that conserves biodiversity, and implement various policies such as leveraging ICT for conserving biodiversity. In recent years, based on the achievement of the internationally-discussed Nature Positive by 2030 and the content of the Post-2020 Biodiversity Framework, we have recognized the importance of promoting initiatives as soon as possible and are conducting the following activities.

 Activity Example 1: Setting Targets for Visualizing and Reducing the Impact of Corporate Activities on Ecosystems and on Biodiversity

As one of the goals of the Fujitsu Group Environmental Action Plan (Stage X), we have set targets related to conserving nature and biodiversity, and have started activities to evaluate and reduce the dependence and impact on nature and biodiversity in our corporate activities.

- > 5-3-3-12 Living in harmony with nature (Conservation of Biodiversity)
- Activity Example 2: Blakiston's Fish Owl Call Recognition Project

We offer call recognition software used for habitat surveys of Blakiston's fish owls, which are an endangered species (software is provided to the Wild Bird Society of Japan). Implementing measures based on the results of habitat surveys is important for the conservation of Blakiston's fish owl. Surveys are conducted by analyzing recorded data of the owls' cries. However, the huge amount of time required to judge cries by human hear was a problem. By providing call recognition software, we help the surveys to be more efficient by automatically extracting their cries, greatly reducing the time for analysis.

- > Blakiston's Fish Owl Call Recognition Project
- Activity Example 3: Support for the Harapan Rainforest (Forest of Hope)

We continually provide support for reforestation activities in the Harapan Rainforest (Forest of Hope) on the Indonesian island of Sumatra (support provided to BirdLife International Tokyo). Dealing with forest fires and illegal logging is an urgent issue in Harapan Forest. By introducing ICT to greatly improve the efficiency of patrols in the forest patrols, this activity contributes to forest conservation.

- > Providing Support for the Harapan Tropical Rainforest (Forest of Hope) (Indonesia)
- Activity Example 4: Activities to Make Tsushima, An Island Facing a Severe Plastic Waste Pollution Problem, Greener

In response to global environmental issue of marine plastic litter, Fujitsu Limited holds eco-tours of Tsushima by Fujitsu Group employees (with cooperation from the Japan Environmental Action Network). We also held a coastal cleanup and an ideathon to come up with solutions to local issues. These activities aim to deepen awareness of the issue of marine plastic litter and lead to actions for resolution through hands-on experience by each and every employee.

Fujitsu Group Sustainability Data Book 2022

- > Tsushima, An Island Facing a Severe Plastic Waste Pollution Problem
- Activity Example 5: Promotion of Initiatives in Collaboration with External Organizations (Keidanren, WIPO, JBIB)

The Fujitsu Group collaborates with various external organizations to promote initiatives for conserving biodiversity. For example, we support the Declaration of Biodiversity by Keidanren and participate in the Initiative based on the Declaration of Biodiversity by Keidanren. Also, the promotion video for the Business for GBF Project by the Ministry of the Environment and Keidanren features the Blakiston's Fish Owl Call Recognition Project as an example project. Furthermore, Fujitsu participates as a partner in WIPO GREEN, which is a framework for matching the transfer of environmental technology and services operated by the World Intellectual Property Organization (WIPO), and we signed an intellectual property asset license agreement with academic institutions in relation to technology for conserving natural assets and biodiversity. Additionally, Fujitsu participates in the Japan Business Initiative for Biodiversity (JBIB), and we hold activities for the purpose of research and practice related to corporations and biodiversity through working activities.

- > Initiative based on the Declaration of Biodiversity by Keidanren
- > Promotion Video for Business for GBF Project
- > Fujitsu Aims to Achieve SDGs by Concluding IP Licensing Agreements Through WIPO GREEN Activities
- Japan Business Initiative for Biodiversity (JBIB)

Environmental Management

Green Procurement

We are implementing green procurement alongside our business partners, to provide customers with products and services that have light environmental footprints.

Procurement Activities Based on Green Procurement Direction

The Fujitsu Group summarized its requirements for business partners regarding the purchase of green parts, materials, and products, in the "Fujitsu Group Green Procurement Direction." This standard is posted on a multilingual basis (in three languages) in order to promote penetration to our business partners. We make an effort to communicate by various means, such as briefing sessions or individual meetings if necessary. Through such activities, the Group implements green procurement activities in conjunction with its partners in Japan and overseas and it promotes procurement from business partners that fulfill the green procurement requirements (see below).

Using the Fujitsu Group Environmental Survey Sheet, we conduct annual monitoring of our business partners' statuses with regard to environmental management systems, CO_2 emission reduction, biodiversity preservation, and water resource preservation activities, and ask them to take appropriate measures. When making requests, we provide them with various kinds of information—such as guidance on activities to reduce CO_2 emissions, explanatory documents related to water risk, and the water risk information tool AQUEDUCT—which have been useful for our business partners.

Fujitsu Group Green Procurement Direction

Green procurement requirements for business partners

	Requirement	Business partners (materials/parts)(*1)	Business partners (non-materials/parts)
1.	Establishment of environmental management systems (EMS)	V	V
2.	Compliance with regulations for Fujitsu Group specified chemical substances	V	_
3.	Establishment of chemical substance management systems (CMS)	V	_
4.	CO ₂ emission control/reduction initiatives	V	V
5.	Biodiversity preservation initiatives	V	V
6.	Water resource preservation initiatives	V	V

(*1) Business partners (materials/parts):
Business partners that supply components for Fujitsu Group products or OEM/ODM products

Establishment of Environmental Management Systems

We request our business partners to establish environmental management systems (EMS)(*2) as a base for ensuring that they independently and continuously improve their environmental-preservation activities. In general, we prefer them to have third party-certified EMS. If this is not possible, we ask them to build EMS incorporating the PDCA cycle suited to their circumstances.

(*2) EMS: Environmental management systems.

CO₂ Emission Reduction Initiatives

The Fujitsu Group also asks our business partners to work toward 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. We also ask them to collaborate with external organizations, where possible, and encourage their own suppliers to make similar efforts, in order to expand the initiatives outside their respective businesses. Our annual Supply Chain Business Continuity Survey gives us a clear picture of how business partners are responding to a variety of climate-change risks, including tsunamis, floods, and torrential rains.

Water Resource Conservation Initiatives

As populations grow rapidly and water sources become progressively more contaminated, the increased need for water around the world, as well as water resource scarcity, has become an international challenge. Water resource conservation initiatives are necessary, even in business activities. The Fujitsu Group asks its business partners to investigate and understand the water risks associated with their own companies, and engage in water resource conservation initiatives, such as preventing water pollution and reducing water use.

Acquiring and Managing Information on Chemical Substances Contained in Products

Countries around the world are establishing legal regulations as to the chemical substances contained in products, for instance the RoHS directive (*3) and the REACH regulation (*4). The scope of such regulations is expanding on an almost day-to-day basis, covering more and more substances, products, and applications.

The Fujitsu Group, using chemSHERPA (*5) as its standard format, investigates and acquires information on the chemical substances contained in our products. We share our findings with Group companies via our internal system, and allow relevant parties to access the information whenever necessary. We have established a system that allows for quick adaptation to revisions of laws/regulations and the enactment of new legal systems.

- (*3) RoHS directive: Directive on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment
- (*4) REACH regulation: Regulation for Registration, Evaluation, Authorization, and Restriction of Chemicals
- (*5) chemSHERPA: Chemical Information Sharing and Exchange under Reporting Partnership in Supply Chain

Establishing a Chemical substance Management System (CMS) for Product Substances

The Fujitsu Group not only asks business partners for information on chemical substances contained in their products; we also ask them to establish a Chemical substances Management System (CMS), based on the industry-standard JAMP (*6) 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 the chemical substances contained in our products.

The Group also carries out CMS audits in order to confirm appropriate establishment and operation of such CMS. More specifically, Fujitsu's auditors implement on-site evaluation of the management status of the chemical substances contained in our business partners' products. If there are any inadequacies, auditors make requests for corrections and provide support for their enactment. Even after the establishment of CMS, we maintain awareness of its operation status through periodic audits.

(*6) JAMP: Joint Article Management Promotion-Consortium.

Environmental Management

Environmental Training and Awareness Activities for Employees

The Fujitsu Group conducts various environmental education and awareness activities based on the belief that "Greater environmental awareness and proactive efforts among all employees are essential for pursuing environmental management."

Comprehensive Environmental Training

We offer environmental e-Learning opportunities for all employees through programs in our company-wide training system to promote a basic understanding of environmental management. Training is also conducted on a per-division basis. Specialized trainings such as internal auditor training and training for those in charge of waste practices are also conducted for employees who are in charge of environment-related tasks.



Environmental e-Learning

We offer educational opportunities for employees to comprehensively learn about global trends relating to the environment, the environmental management of the Fujitsu Group, and the role played by each employee, based on the theme of "Environmental Management of the Fujitsu Group and Role of Each Individual Employee" This education is positioned as providing fundamental knowledge that all Fujitsu employees should have under the company-wide employee training system.







Communication Through the Internet and Social Media

By disseminating information through the Internet and having lively exchanges of ideas via social media, we encourage employees to think of environmental and societal issues as personal ones.

Spreading Internal Awareness About the Issue of Plastic Waste

In addition to reducing plastic waste through conventional business activities, starting in June 2019, we have worked to reduce the amount of disposable plastic used in offices, and conducted activities to raise employee awareness. We developed campaigns that used the intranet and social media, and worked to spread awareness within the company while listening to what many employees had to say.

- We conducted a campaign on the intranet that declared we would use reusable shopping bags with the aim of reducing disposable plastic waste, such as shopping bags. More than 3,000 employees posted messages.
- We established a group for "Sustainable Consumption Activities" on Yammer, our internal SNS, and conducted a campaign for employees to bring their own bottles. By conducting a campaign in conjunction with our efforts to move away from drinks in plastic bottles sold by vending machines at our business sites in Japan, as well as the elimination of plastic straws at company cafeterias, we had lively exchanges of ideas about everyday eco-friendly activities, and how the Group can contribute to environmental and social issues.



Poster for the reusable shopping bag declaration

• In addition to a report posted on our public website about the eco-tour to Tsushima, which was themed around the issue of marine plastic waste, we posted a video primer on a video site to explain the problem. Our efforts to raise awareness are not just within the company.

(External Links)

- > Tsushima, One of the Most Plastic Contaminated Islands
- Primer] What is the Marine Plastic Waste Problem?



Yammer community site, "Sustainable Consumption Activities"

Medium- to Long-Term Vision Focused on Climate Change

The Fujitsu Group Medium/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 with the goal of bringing the Fujitsu Group's CO₂ emissions to zero by 2050, as well as contributing to the achievement of a carbon neutral society and the adaptation to climate change, through provision of technologies and services supporting digital transformation.

The Importance of Responding to Climate Change

Climate change, which will have a significant long-term impact on countries and regions around the world, is an important issue for us as a global company. Disasters caused by climate change will disrupt procurement, logistics and energy supply networks, making it difficult to procure parts and energy for our business sites. Tighter regulations on greenhouse gas (GHG) emissions will affect our operations, and the ICT products and services we provide to our customers will also need to be made more energy-efficient. If we fail to provide products and services with excellent energy efficiency in response to regulatory and market demands, we could suffer business losses and a decline in our corporate reputation. At the same time, through innovations in AI, IoT, and other advanced technologies, it is a great business opportunity for us to form ecosystems with customers and various stakeholders, contribute to the creation of a carbon neutral society—by taking actions such as reducing the power consumption of customers and society and expanding the use of green power—and provide services and solutions which facilitate adaptation to climate change.

The Fujitsu Group considers climate change to be a serious issue (materiality) that must be addressed, and we have been actively working to meet the goals we previously set in our Environmental Action Plan. Furthermore, in order to contribute to addressing the issue as a leading company, we recognized the need for the Fujitsu Group to have a long-term vision and tackle the issue as a united group. We gathered knowledge and engaged in dialogue with various stakeholders through interviews with outside experts and the activities of external organizations. (*1) Taking these into account, the Environmental Management Committee (*2), led by the CEO, formulated the Fujitsu Climate and Energy Vision, our medium- to long-term environmental vision with regard to climate change, and we made it public in May 2017.

In addition, in April 2021, we revised the emissions reduction targets for FY2030 shown in Vision 1 from 33% to 71.4% in order to accelerate our own moves toward carbon neutrality.

- (*1) See here for the status of stakeholder dialogue at that time.
- (*2) The name of the committee in 2017. The current name is the Sustainability Management Committee.

Concept

As an international framework of measures against global warming starting in 2020, the Paris Agreement (*3), 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 carbon neutral 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: Achieving Zero CO₂ Emissions; Mitigation: Contributing to a Carbon Neutral Society; and Adaptation: Contributing 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.

(*3) Paris Agreement: New framework adopted by the 21st Session of the Conference of the Parties to the UN Framework Convention on Climate Change for measures to combat climate change starting in 2020



Achieving Zero CO₂ Emissions



Contributing to a
Carbon Neutral Society

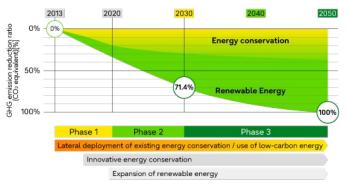


Contributing to Measures to Adapt to Climate Change

Three pillars of the Fujitsu Climate and Energy Vision

Vision 1 Achieving Zero CO₂ Emissions in the Fujitsu Group

The Fujitsu Group established a roadmap for reducing CO_2 emissions where it would gradually reduce them to zero in three phases by 2050, with its intention to take the initiative as a global ICT company to strive to create a carbon neutral society. The roadmap has been certified at 1.5°C by the Science Based Targets initiative (SBTi) (*4) that recommends setting scientifically consistent targets. In June 2022, we submitted a commitment letter to the SBT Initiative towards the Net-Zero targets and it was accepted.



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

(*4) SBTi: An initiative jointly established by the United

Nations Global Compact, the World Resources Institute (WRI: World Resources Institute), and other organizations in 2015. It
encourages companies to set GHG emission reduction targets consistent with science-based evidence to the level required
by the Paris Agreement, validating targets that comply with criteria including indirect emissions not only within the company
but also in the supply chain.

Phase I

In Phase I (until 2020), from the perspective of usability and economic efficiency of the technology, in Japan, we will laterally deploy existing energy conservation technologies, 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 (*5), etc. to accelerate the reduction of emissions. Further, we will expand strategic implementation of renewable energy, which is expected to become easier to use in Japan, with consideration given to local characteristics and economic efficiency.

(*5) 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.

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 toward 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. In July 2018, Fujitsu gained membership to RE100, a collaborative initiative led by The Climate Group in partnership with CDP, for companies committed to sourcing 100% of the electricity they use from renewable sources.

Visions 2 and 3: Contributing to a Carbon Neutral 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: Contributing to a Carbon Neutral Society and Adaptation: Contributing to Measures in Society to Adapt to Climate Change as pillars of Fujitsu's medium/long-term environmental vision, and we are utilizing advanced ICT to create social innovation that contributes to resolving global environmental issues.

Vision 2: Contributing to a Carbon Neutral Society

The Fujitsu Group contributes to the creation of a carbon neutral society by developing ecosystems with customers in a variety of industries and business areas. 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 structure by incorporating those technologies into a mechanism that transcends boundaries between businesses, industries, and regions.

Vision 3: 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.

Medium- to Long-Term Vision Focused on Climate Change

Medium- to Long-Term Targets

The Fujitsu Group participates in the following initiatives with the aim of making the Fujitsu Climate and Energy Vision—its medium- to long-term environmental vision—a reality.

Approval by Science Based Targets (SBT) Initiative

In August 2017, the reduction targets of greenhouse gas (GHG) emissions from its business facilities and a part of value chain, set by Fujitsu Group, was approved by Science Based Targets (SBT) initiative as being at science based level. The SBT initiative was established in 2015 jointly by a number of organizations, including the World Resources Institute (WRI) and UN Global Compact. It encourages companies to set GHG emission reduction targets consistent with science-based evidence to the level required by the Paris



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Agreement, validating targets that comply with criteria including indirect emissions not only within the company but also in the supply chain.

In April 2021, we revised its reduction targets in fiscal 2030 from 33% to 71.4% below fiscal 2013 levels and were validated as 1.5°C-aligned targets by the SBT initiatives. In June 2022, we submitted a commitment letter to the SBT Initiative towards the Net-Zero targets and it was accepted.

Targets

- To reduce GHG emissions from our business facilities by 71.4% by FY 2030 and 80% by FY 2050 in comparison to FY 2013.
- To reduce GHG emissions from our business value chain (purchased goods and services, and the use of sold products) by 30% by FY 2030 in comparison to FY 2013.

Joining RE100 as Japan's First Gold Member

In July 2018, Fujitsu joined RE100, which strives to significantly expand the adoption of renewable energy at 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.







The 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 the world, starting with data centers outside Japan. The 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 a whole.

Renewable Energy Electricity Usage Goals at Fujitsu Group Locations

• Goal: 100% by 2050

Intermediate Goal: 40% by 2030

Medium- to Long-Term Vision Focused on Climate Change

TCFD-Based Information Disclosure

The Task Force on Climate-Related Financial Disclosures (TCFD) was established by the Financial Stability Board at the request of the G20 with the objective to reduce the risk of instability in financial markets due to climate change. The task force announced its recommendations in June 2017, asking companies and organizations to identify and disclose the risks and opportunities arising from climate change. The Fujitsu Group announced its support for the TCFD recommendations in April 2019 and is making every effort to disclose information in line with those recommendations to investors and other stakeholders. Disclosures are provided via media such as financial statements, CDP(*1) questionnaires, the Integrated Report, and websites.

(*1) CDP: An international nonprofit organization that conducts environmental surveys of thousands of companies worldwide and acts on behalf of institutional investors with a combined US\$130 trillion in assets. (As of June 2022).

	Item	Response status	Reference
Governa nce	Oversight structure under the Board of Directors for climate- related risks and opportunities	The Risk Management & Compliance Committee regularly reports to the Board of Directors on the most serious risks identified for the group as a whole, including climate risks. The Fujitsu Group has also developed an environmental management system (EMS) based on the ISO 14001 standard, and the results of EMS activities are reported.	 Sustainability Management in the Fujitsu Group Corporate Governance Environmental
nce	Role of management in assessing and managing climate- related risks and opportunities	 Fujitsu's CEO, in the role of Chair of the Sustainability Management Committee and the Risk Management & Compliance Committee, bears ultimate responsibility for all decisions made and all business conducted. The Board of Directors is responsible for oversight based on reports from meetings of the Management Council. The Chief Sustainability Officer (CSO) bears the highest level of responsibility for sustainability, and in that role proposes reforms to the Board of Directors and to management and conducts business that relates to sustainability. In April 2022, it was decided to add "non-financial indicators" that include consideration of climate change issues to the evaluation indicators for bonuses paid to Executive Directors. 	Management Systems • Risk Management

	Short-, medium- and long-term climate- related risks and opportunities	and IT products that contribute to climate change mitigation and adaptation offers opportunities for increased sales, while factors such as physical and regulatory risks have an impact on the operating costs of Fujitsu's operations and supply chain.				
Strategy	Impacts on business, strategy, and financial planning	Risk responses Ongoing reductions in greenhouse gas emissions, Increased use of renewable energy, Information disclosure aimed at ensuring transparency in climate change strategy, etc. Major opportunities Supplying products/services to tackle climate change, Proposing new uses of digital technology, etc. Note: See the CDP responses (C 2.3, 2.4) for details.	Response to Environmental Risks The Fujitsu Group Medium/Long -term Environmental Vision			
	Resilience of the organization's strategy, taking into consideration different climate- related scenarios, including a 2°C or lower scenario	 In 2021, the Fujitsu Group conducted scenario analyses out to 2050 using 1.5°C and 4°C scenarios, focusing on businesses likely to be impacted by climate change. As a result of our analysis with respect to Fujitsu's risk responses and its ability to seize opportunities by helping customers to resolve issues, our assessment showed that Fujitsu's business strategy was resilient in the medium- and long-term. 				
	Climate- related risk identification and assessment process	Group-wide risk management is conducted by the Risk Management & Compliance Committee. This committee conducts matrix analysis of the results of the risk assessments by each department in terms of impact and likelihood of occurrence. It then identifies and assesses those risks and reports its findings to the Board of Directors.	• Response to Environmental			
Risk Manage ment	Climate- related risk management process	Fujitsu monitors risks using environmental management systems that are based on the ISO14001 standard. The Sustainability Management Committee is responsible for managing the progress of climate change measures.	Risks Environmental Management Systems			
	Status of integration with organization- wide risk management	The Risk Management & Compliance Committee identifies and assesses risk for the entire company, including climate change risk. It collaborates with the Sustainability Management Committee to identify, analyze, and assess risks, and then formulates and implements recurrence prevention measures.	• Risk Management			

Metrics used by the organization to assess climaterelated risks and opportunities in line with its strategy and risk management process

• The Fujitsu Group recognizes the importance of reducing greenhouse gas (GHG) emissions and adopting renewable energy sources in addressing climate-related risks. We also believe that the deployment of innovative energy-saving technologies implemented by our company will lead to the acquisition of climate-related opportunities. We therefore use our GHG emissions and our rate of renewable energy adoption as indicators. We have set SBTi certification targets and RE100 targets as medium- and long-term goals and established the "Environmental Action Plan" for short-term goals. We are monitoring those indicators, managing the progress of our strategies, and conducting risk management.

GHG emissions

Climate-related targets & performance

Scope 1 and 2, and the correspondin g Scope 3 GHG emissions
 Item
 GHG Emissions Performance (FY2021)

 Scope 1
 68 ktons-CO₂

 Scope 2 (Location-based)
 524 ktons-CO₂

 Scope 2 (Market-based)
 422 ktons-CO₂

 Scope 3 (Category 1)
 1,207 ktons-CO₂ ★

 Scope 3 (Category 11)
 3,142 ktons-CO₂ ★

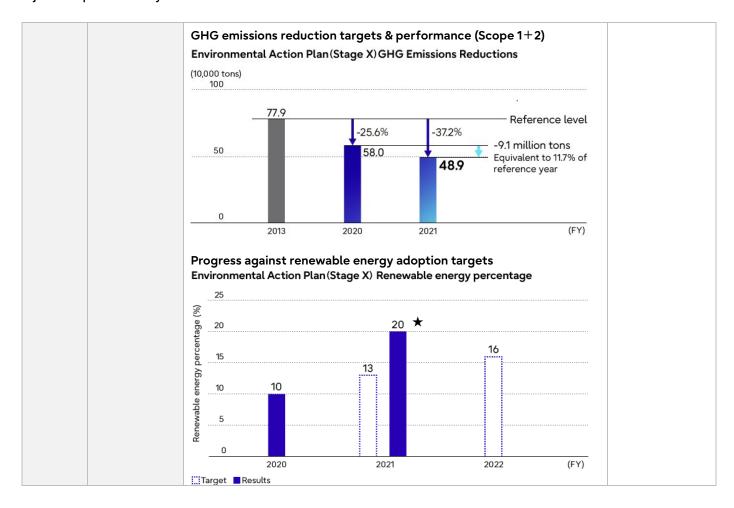
Metrics and Targets

> Targets used by the organization to manage climaterelated risks and opportunities and performance against targets

Ite	m		Targets	Performance (FY2021)
Reducing	Short- term	33.6% reductio n by 2021*2	Environmental Action Plan	
the volume of our own GHG	Medium- term	71.4% reductio n by 2030*2	SBT 1.5°C certification	37.2% reduction
emissions*1	Long- term	80% reductio n by 2050* ^{2, *3}	SBT certification	
Reducing the volume of the value chains' GHG emissions*1	Medium- term	30% reductio n by 2030*4	SBT certification	46.9% reduction
Renewabl e energy	Medium- term	40% adoption by 2030	RE100 membership	20%★
adoption rate	Long- term	100% adoption by 2050	RE100 membership	adoption

*1: vs. 2013 *2: Scope 1 + Scope 2 *3: Excluding carbon credits *4: Scope 3 Category 1 + Category 11

- The Fujitsu
 Group
 Medium/Long
 -term
 Environmental
 Vision
 Fujitsu Group
- Fujitsu Group Environmental Action Plan



Governance

The Fujitsu Group has established a Sustainability Management Committee, chaired by the CEO. This committee examines medium- and long-term issues, formulates policy, shares the business risks and opportunities of climate change and decides how to address those risks and opportunities, and manages the company's progress. It also reports on the results of its activities to the Board of Directors at meetings of the Management Council. In October 2020, the committee made a key decision by revising the Fujitsu Group GHG reduction target (SBT) from 2.0°C to 1.5°C, and in April 2021 the new target was validated as 1.5°C-aligned by the SBTi. And in October 2021, the results of scenario analyses using two external scenarios, one for 1.5°C and the other for 4°C, were reported to the Sustainability Management Committee. The findings prompted lively discussion among the committee members on topics such as the need to discuss management strategies, the selection of key solutions, and the measurement of impacts once solutions are provided.

Within the company-wide risk management regime and with oversight by the Board of Directors, the Risk Management & Compliance Committee, chaired by the CEO, conducts risk analysis and implements responses for the entire Group, including on issues relating to climate change. This committee is also the ultimate decision-making body for risk management and reports regularly to the Board of Directors regarding major risks that have been identified, analyzed, and assessed. The Fujitsu Group has also developed environmental management systems (EMS) based on the ISO 14001 standard, and the results of EMS activities are reported to the Board of Directors at meetings of the Management Council.

To further strengthen governance relating to climate change, in April 2022 we added ESG-related third-party evaluations (DJSI(*2)) and CDP climate change program(*3) evaluations as assessment indices for the bonuses paid to Executive Directors. As of FY2022, these indices will apply to their bonuses. (Executive compensation consists of base compensation, bonuses, and performance-linked stock compensation.).

(*2) Dow Jones Sustainability Index (DJSI): This is a share index published by S&P Dow Jones of the United States that analyzes companies with respect to their corporate economic, environmental, and social performance, and selects companies with superior corporate sustainability.

(*3) CDP climate change program: A program run by CDP to survey and assess corporate climate change initiatives and publish the results of those surveys.

Strategy

Climate Change Risks and Opportunities

We have identified the risks and opportunities of climate change for the Fujitsu Group, and considered our responses, by analyzing the business impacts of climate change using external scenarios for 2°C of global warming in FY2018, and for warming of 1.5°C and 4°C in FY2021. Our aim is to address the transitional and physical risks that negatively impact Fujitsu operations and supply chains, and to identify the climate-related risks faced by customers so that we can better make proposals that create value and grasp the business opportunities on offer.

<Risks>

Risk type		Term	Details	Key responses
Transition	Policy/Regulation	Short- to long- term	 Increased costs due to stronger laws and regulations relating to greenhouse gas emissions and energy use (carbon taxes, energy-saving policies, etc.) Risk of lost corporate value if such laws or regulations are violated 	Ongoing reductions in greenhouse gas emissions (increased use of renewable energy, comprehensive energy savings) Strict compliance with laws and regulations through EMS
	Market	Medium- and long- term	Surging electricity prices with the shift to a carbon-neutral world (widespread electrification, etc.)	Reduced electricity consumption by formulating internal company standards and developing innovative technology, etc.
	Technology	Medium- and long- term	Risk of missing out on business opportunities if we fall behind in fiercely competitive technology development (energy savings, low-carbon services, etc.) and cannot meet market needs	Promote innovation and develop products/services that address customers' climate change issues
	Reputation	Short- to long- term	 Increased cost of responding to demands from stakeholders (investors, customers, etc.) Negative impacts on ratings and sales due to delays in responding to external demands 	 Formulation and promotion of our Medium/Long-term Environmental Vision and Environmental Action Plan Proactive information disclosure to ensure transparency in our climate change strategy
Physical (Natural disasters etc.)	Chronic/Acute	Short- to long- term	 Increased cost of responding to changing rainfall/weather patterns, higher average temperatures, higher sea levels, droughts, etc. Increased recovery costs when operations, including supply chains, stop due to increasingly severe abnormal weather events 	 Implement measures such as greater multi-sourcing, stronger BCP measures, and conducting surveys of suppliers' business continuity systems Assess potential water risks and undertake monitoring

<Opportunities>

Opportunity type	Term	Details	Key responses
Products/services	Short- to long- term	Increased sales by developing and supplying products and services that are highly energy-efficient	Development and supply of high- performance, energy-saving 5G virtualization base stations, high-performance, low-energy supercomputers, etc.

Fujitsu Group Sustainability Data Book 2022

Market	Short- to long- term	Seizing new market opportunities for climate change solutions created using ICT	Development and supply of measures to calculate and visualize CO ₂ emissions in supply chains and more efficiently search for new materials in the shift to zero emissions
Resilience	Short- to long- term	Increased sales through new products and services for resilience enhancement	Development and supply of disaster prevention information systems and AI predictive water management systems to forecast river levels during floods

Scenario Analysis

Premise

In FY2021, the Fujitsu Group conducted scenario analyses out to 2050 using scenarios for 1.5°C and 4°C of global warming. The analyses studied businesses likely to be impacted by climate change in the following areas: Sustainable Manufacturing (sectors studied: petrochemicals, automotive, foods, electronic device-related businesses), Trusted Society (sectors studied: public sector, transportation, energy-related businesses), and Hybrid IT (sector studied: datacenter-related businesses).

Scenario selection	1.5°C, 4°C scenarios *Selected based on data from the IPCC, IEA, IRENA, etc.
Target businesses	 Opportunity-focused analysis: Addressing climate-related risk in client industries Sustainable Manufacturing (sectors studied: petrochemicals, automotive, foods, electronic device-related businesses) Trusted Society (sectors studied: public sector, transportation, energy-related businesses) Analysis of both risks and opportunities: Addressing climate-related risk in Fujitsu businesses and client industries Hybrid IT (sector studied: datacenter-related businesses)
Term	• 2050

Analysis steps & details

The analysis was conducted in 4 steps: assessment of risk severity, definition of scenarios, evaluation of impacts on business, and discussion of countermeasures.

We began by organizing the risks and opportunities for the target businesses based on data such as the TCFD recommendations and external reports. We also conducted workshops to look at the qualitative aspects of business impacts stemming from the respective items from the perspectives of Fujitsu and industry generally, and we assessed the severity of each risk or opportunity as "High", "Medium" or "Low". We then considered the future changes in each of the items classified as having a "High" severity and defined our scenarios using data from agencies such as the IPCC, IEA, and the Ministry of the Environment, together with the evidence provided in various reports. Specifically, we held an executive input session to consider global outlooks for 2050 given temperature rises of 1.5°C and 4°C, and then went on to consider the global outlook for each of the target industries, using tools such as Five Forces analysis. (See below for the 1.5°C global outlook.)

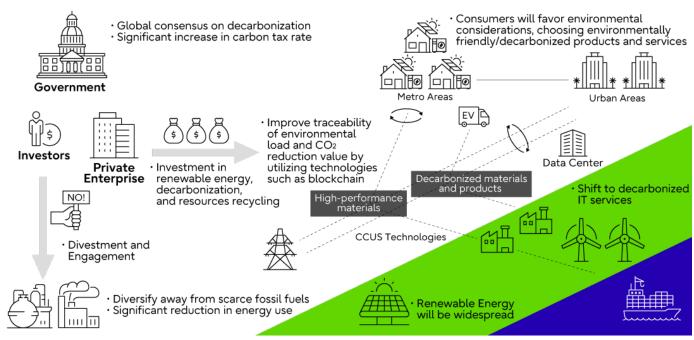


Fig. 1.5°C global outlook "A carbon-neutral world in 2050"

To look at the impacts on business, we then tentatively calculated the qualitative gap between the scenarios and our existing strategies and plans with respect to risks and opportunities. For Hybrid IT (sector studied: datacenter-related businesses), we discussed how the impacts of climate change on business would affect our Profit and Loss Statement, specifically looking at which financial indicators would be impacted and in what ways. We then summarized those impacts by developing calculation logic for each impact. Both internal and external data and information were used to confirm the positive (opportunities) and negative (risks) impacts on operating profit in 2050. For example, the calculations for the 1.5°C scenario showed rising costs due to changes in power prices, but also revealed that there will be increased demand for carbon-neutral datacenters and for datacenters generally due to increased communications traffic as the uptake of smart devices accelerates. Overall, the calculations showed that the negative financial impacts of risks will be outweighed by the positive financial benefits arising from opportunities, ultimately leading to a net positive financial impact on operating profits.

Our analysis of Sustainable Manufacturing (sectors studied: petrochemicals, automotive, foods, electronic device-related businesses) and Trusted Society (sectors studied: public sector, transportation, energy-related businesses) focused on the business opportunities arising from climate change, assuming the potential to establish new climate change-related markets and concluding that the net impact on sales in 2050 would be positive.

Finally, we held a workshop in which we organized the trends in each industry that had been identified when defining the scenarios and the direction of measures to deal with the business impacts requiring emphasis. In specific terms, during the group work we reviewed the current initiatives and gathered views on the directions that future initiatives should take, taking into account the expectations on Fujitsu in the medium- and long-term.

Analysis results

Because we were able to confirm that the study and development directions for our business unit offerings are aligned with the opportunities shown in the scenario analyses, and that countermeasures for the identified risks are also being prepared, our assessment was that Fujitsu's businesses are strategically resilient from a medium- and long-term perspective.

Using the scenario analysis results as one input for business consideration, we also announced the value proposition themes for our Key Focus Areas such as Carbon Neutrality (promoting the visualization and reduction of CO₂ emissions), Resilient Supply Chain (resilient response to uncertainty) in the Sustainable Manufacturing area, and Sustainable Energy & Environment (carbon neutrality through green energy) in the

Trusted Society area. We are now progressing with discussions on the details of our offerings, considering the opportunity-related measures revealed by the scenario analyses.

<Opportunity Analysis>

* Main Risk and Opportunity Items				Policy / regulation, markets, techn	ology, reputation	Natural disasters
Target businesses	Sectors studied	Risk severity (both 1.5°C Policy/regulation, markets, technology, reputation	C and 4°C)	Scenario definitions	Countermeasu	re considerations (in part)
		Proliferation of ICT	Increased		1.5°C scenario	
	Pe	in recycling-based business platform in the shift to carbon-neutrality Carbon pricing Emissions targets	ratural disasters Flooding	Switch to environmentally friendly products that use carbon-neutral materials throughout the supply chain, increasing portfolio reform, increased demand for greater traceability and more efficient R&D	supply chain, suppo aimed at carbon-ne • Eco-friendly materi use materials inforr • Management visual	ials development solutions that matics lization with an ESG pivot, plementation of SX measures
	usine	Energy-saving measures			4°C scenario	
	esses	Key product / Service price variations		Increased demand for resilient factories and supply chains due to increasingly severe natural disasters	provision of risk info • Rapid solutions thro	ent simulation and timely ormation ough data-driven management cturing systems, suppliers, SCM,
tainal		Stronger regulation Increased of internal damage to			1.5°C scenario	
Sustainable Manufacturing	Automotive	combustion engines; widespread adoption of electric vehicles, move toward carbon-neutrality in the entire product life cycle Carbon pricing	factories/supply chains due to	Increased demand for services such as MaaS and greater supply chain traceability to help reduce environmental impacts through the entire life cycle	supply chain, suppo aimed at carbon-ne Support for EV dem of EV batteries) Management visual formulation and impathrough data-driver Process automation	nand (e.g., circular management ization with an ESG pivot, plementation of SX measures
	busine	Emissions targets	weather patterns		4°C scenario	
	nesses	Key product / Service price variations Proliferation of next-generation technology Changes in investor sentiment		Faster rollout of internal combustion engines, increased demand for advanced technology. Also, increased demand for enhanced business continuity and stability in raw materials procurement in the face of more severe natural disasters	provision of risk info Rapid solutions thro (review of manufac etc.) Engineering outsou to acceleration of c	ough data-driven management sturing systems, suppliers, SCM, urcing service which contributes development ogy and selection of

		Increased	Increased		1.5°C scenario
	Food-related bus		_	Changed consumer awareness leading to increased demand for measures to deal with food waste and support smart agriculture, certificates of origin, and environmentally friendly packaging materials	 Visualization of CO₂ emissions throughout the supply chain, support for strategies and policies aimed at carbon-neutrality Support for greater traceability throughout the value chain (supply-demand optimization, help with changes in consumer behavior) Management visualization with an ESG pivot, formulation and implementation of SX measures through data-driven management
	businesses	Proliferation of next-generation technology	abnormal weather events		4°C scenario
	es	teermology	blogy	Increased demand for "resilient agriculture" to cope with issues of stable food supply resulting from natural disasters	 Support for risk event simulation and timely provision of risk information Rapid solutions through data-driven management (review of manufacturing systems, suppliers, SCM, etc.)
		Energy savings in factories and	Increased damage to		1.5°C scenario
	Electronic device-related	growth in the market for products for EVs; potential for fundamental manufacturing reforms, such as 3D printers and the "buy local"	factories/supply chains due to heightened risk of natural disasters, water shortages	Proliferation of energy/labor- saving technologies. Increased demand from radical changes to business models (demand chains, etc.)	 Visualization of CO₂ emissions throughout the supply chain, support for strategies and policies aimed at carbon-neutrality Process automation services using digital technology, from design through to manufacturing and maintenance Management visualization with an ESG pivot, formulation and implementation of SX measures through data-driven management
	:e-re	Carbon pricing Emissions targets Key product / Service price variations Proliferation of next-generation technology Changes in investor sentiment	Flooding / Changing weather patterns		4°C scenario
	lated businesses			Increased demand for higher labor productivity in production sites and the construction of factories and supply chains capable of handling the risks posed by natural disasters	 Process automation services using digital technology, from design through to manufacturing and maintenance Support for risk event simulation and timely provision of risk information Rapid solutions through data-driven management (review of manufacturing systems, suppliers, SCM, etc.)
	Public	The values by which we select	Increased damage to cities,		1.5°C scenario
Trusted Society	c sector, transportation, energy-related	cities and services, such as environmental concerns, will changes as we shift to carbon	buildings, and infrastructure due to heightened risk from natural	Increased demand for quantifying and visualizing new values, such as environmental concerns, and the digitalization of urban and energy infrastructure	 Services/solutions related to prediction and regulation of the energy supply-demand balance using real-time data as green energy is used to transition to a carbon neutral society
oS p	ion, en	neutrality			4°C scenario
cietv	nergy-related businesses	Carbon pricing Emissions targets Key product / Service price variations	Flooding / Changing weather patterns More severe abnormal weather events	Increased demand for resilient urban infrastructure	Construction of Digital Twin platforms, enhanced use of simulations, optimization of urban infrastructure that caters for population flows and individuals, support for resilience in transport and logistics, disaster prevention/minimization, etc.

< Risk & Opportunity Analysis>

Target	Se	Risk severity assessment (both 1.5°C and 4°C)				
<u> </u>	Sectors studied	Policy/regulation, markets, technology, reputation	Natural disasters	Scenario definitions	Countermeasure considerations (in part)	
		Traceability of Increased environmental damage to			1.5°C scenario	
Hyk	values, datacenter datacenters do to heightened the adoption of smart technology will all progress	to heightened risk from natural disasters Higher average	Energy savings and environmental concerns become the standard for service selection by customers, and carbon neutrality in datacenters themselves becomes a source of competitive strength	Highly energy-efficient datacenters, etc.		
Hybrid IT				Service price Mere severe		4°C scenario
	businesses	Proliferation of next-generation technology Changes in investor sentiment	abnormal weather events	Increased demand for resilient datacenters. Disaster risk for Fujitsu-owned datacenters is also increasing and countermeasures are needed	 Disaster recovery center services in case disasters occur Resilient earthquake-proof datacenters equipped with every security measure, etc. 	

^{*} The above scenario analyses are intended to verify the strategic resilience of Fujitsu businesses based on an assumed hypothesis and are positioned as one simulation that takes into account future uncertainties.

Risk Management

As part of our company-wide risk management system, we have established the Risk Management and Compliance Committee to identify, assess and manage risks across the entire Fujitsu Group, including those related to climate change. To conduct company-wide risk assessments on a regular basis, the committee prepares tools, distributes them to each employee responsible for risk management and compliance, and gathers responses. The departments in charge of each risk across the company utilize these tools to conduct assessments on items such as the impact and likelihood of occurrence related to risk threats and the status of countermeasures, and they also provide responses regarding those risk threats. Climate change-related risk assessments are conducted by all relevant departments, using information collected from across the company, based on the expertise of each department in areas such as policy, reputation, natural disasters, the supply chain, and products and services. The Risk Management and Compliance Committee conducts an integrated matrix analysis of the assessments returned by each department with respect to impact severity and likelihood, and then identifies high-priority risks at the company-wide level. The results of this analysis are reported to the Board of Directors.

The Sustainable Management Committee shares the business risks, opportunities, and countermeasures resulting from climate change, and manages their progress. The Fujitsu Group has also established environmental management systems based on the ISO 14001 standard. Under these systems, we monitor regulatory compliance and other risks.

Metrics and Targets

In April 2021, the Fujitsu Group adopted a GHG emissions reduction target consistent with 1.5°C of global warming and committed to reducing its emissions by 71.4% (on 2013 levels) by 2030. To reach that target, we have set GHG emissions reduction targets and are managing our GHG emissions and our rate of renewable energy adoption as indicators.

Fujitsu Group Sustainability Data Book 2022

In FY2021, we emitted 489 ktons- CO_2 against our annual GHG emissions target of 517 ktons- CO_2 , achieving a reduction of 28 ktons- CO_2 , which exceeded our reductions target. We also increased our use of renewable energy by as much as 20%, against our annual target of 13%. Specific initiatives include a Power Purchase Agreement signed in April 2022 by Fujitsu Australia Limited (FAL) to procure renewable energy for the next 10 years from the Sapphire Wind Farm(*4), operated by CWP Renewables. As of June 2022, around 40% of the power supplied to FAL datacenters was renewable energy. This equates to roughly 30% of the annual power use by the entire FAL organization. This measure alone has enabled FAL to offset around 30 ktons- CO_2 of its annual greenhouse gas emissions.

(*4) Sapphire Wind Farm: Largest wind-operated power station in NSW, run by CWP Renewables.