

Our people and culture


The Fujitsu Group is working on its own transformation by implementing various measures to strengthen data-driven management, the evolution of Group employees into DX talent and the resulting enhancement of productivity, and the promotion of DX with the participation of all employees on an ecosystem platform. We are determined to achieve sustainable growth by enhancing organizational mobility through the execution of a human resource strategy that is consistent with our business strategies, encouraging employees to develop their careers autonomously, and strengthening our competitive advantage through the transformation of our business processes and corporate culture.



Human resource management


Overall human resource strategy

Human resources are the driving force behind the Fujitsu Group's transformation and its progress toward the realization of "Our Purpose." As we move away from a business model based on the development and operation of custom-made IT systems for each customer company and work as a DX company to solve our customers' business challenges and the social issues that exist beyond them, the importance of human resources is increasing even more as they are the source of the value we provide to our customers. In addition, in order to transform the business model and organizational culture, it is essential that Group employees understand the significance of these transformations and are willing to work on them themselves.

Based on its human resources and organizational vision of "a company that creates innovation everywhere in society by bringing together agile and versatile people from inside and outside the Company," the Fujitsu Group promotes various measures and monitors their progress and effectiveness through employee engagement , one of its non-financial indicators.

Aligning organizational and human resource strategies with business strategies


Job-based human resource management, which clarifies the responsibilities and human resource requirements associated with a specific job, is not only the standard in global organizations but is also an excellent mechanism for flexibly designing the organization and reassigning talent according to business strategies. For employees, there is also the great benefit of gaining many opportunities to take on attractive work challenges and options to develop their careers autonomously. The Fujitsu Group introduced job-based human resource management, which was already widespread in regions other than Japan, to executives working in Japan in April 2020 and to all employees in April 2022, and is making progress toward the establishment of a globally unified human resource management framework.

For job-based human resource management to function, not only the human resource allocation system but also the personnel evaluation and compensation systems must be designed in an integrated manner. The Group rated the job responsibilities of Fujitsu and its domestic Group companies' personnel based on common global standards and set monthly compensation according to the rating and market level. In addition, the system that has been used to evaluate executives from the three perspectives of "impact on society and customers," "behaviors," and "learning & growth" was expanded to non-managerial employees in April 2022 as the common global "Connect"  evaluation system.

Furthermore, authority has been delegated to business units (BUs) to formulate new graduate and mid-career hiring plans and assign hired personnel that are highly relevant to the strategies of each BU, whose duties were previously handled collectively by the corporate division. This enables

flexible recruitment, training, and assignment of human resources to be in line with the BUs' business strategies, while also strengthening the system in which the corporate division supports the BUs, thereby ensuring consistency with the human resource strategy of the entire Group.

Raising wellbeing

"Wellbeing"  is the value that underlies the Fujitsu Group's human resources and organizational transformation. Employees can continue to learn and grow on their own initiative in order to realize their career objectives, receive appropriate and fair compensation commensurate with their roles and contributions, build and maintain trust and good relationships with colleagues, family, and friends, and maintain and improve the physical and mental health of themselves and their families. All of these contribute to wellbeing.

Concerning career development in particular, we have put in place a variety of measures to encourage the evolution of our employees into DX personnel. The term "DX personnel" here does not refer to those who have acquired digital technology as a skill, but rather to those who can continue to transform themselves from the perspective of Our Purpose. This is important as the "DX" that the Fujitsu Group is aiming for emphasizes not only the use of digital technology but also the transformation of organizational culture and the mindset of employees. Based on this concept, the Group has introduced a system that fosters ownership of one's own career and has built an educational platform that supports autonomous learning and growth in accordance with employees' individual career vision and the jobs and challenges they want to take on.

The Work Life Shift (WLS) initiative launched in 2020 also aims to improve wellbeing. WLS promotes change through three approaches: "Smart Working," which enables employees themselves to choose the optimal workstyle according to their types of work, objectives, and lifestyles; "Borderless Office," which allows employees to freely choose their office environment according to the objective and content of their work; and "Culture Change," which aims for a corporate culture based on high degrees of employee autonomy and mutual trust.

Employee engagement

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Connect

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Wellbeing

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Internal job posting system

The internal job posting system is a system that allows employees to select their own opportunities to transfer or pursue higher internal positions in line with the career plans they wish to realize. We have introduced a system whereby vacant positions within the Group are made available to the entire Group through a dedicated intranet site, and any Group employee can apply for them. This is intended to encourage mobility and diversity of human resources, assign the right people to the right positions, and foster an open and stimulating organizational culture.

In the fiscal year ended March 31, 2022, there were 6,187 applicants for 4,100 positions available, of whom 2,076 were successful; and in the recruitment for new executive appointments, there were 1,030 applicants for 660 positions available, of whom 578 were successful. Employee engagement survey results also indicate that transferees who use the posting system tend to be more engaged, particularly those who value “satisfaction” and “equal opportunity.”

In April 2022, we introduced the “Global Posting System,” which extended the existing posting system available to employees working in Japan. Open positions that require global recruitment will increase opportunities for employees to advance their careers and promote strategic talent management and diversity, equity & inclusion (DE&I) in the workplace.

Responses from users of the posting system (engineer position)

- ▶ I felt that I had “done what I could” in my old department and applied for a new post. The move has given me new knowledge and ideas, and new relationships with people I never would have met in my former position.
- ▶ The posting system expanded at a time when I wanted to move to a new position if the opportunity arose; as it turned out, there was an opening for a job that seemed like a meaningful challenge and where I could make use of my past experience. I feel that the move has given me insight into the optimization of practices and operations that would have been easy to miss if I were working in the same department for a long time.
- ▶ The start of job-based human resource management has made me want to acquire diverse experiences and skills while I am still young. Since I was transferred to a position that I am interested in, I feel highly motivated to work in this area, even though I am still unfamiliar with it and find it challenging.
- ▶ I took up the challenge to use the posting system as I wanted to use my acquired qualifications and new skills in my work. The transfer motivated me and gave me a fresh mindset, as if I were a new graduate recruit again.

Connect

“Connect” is a common global personnel evaluation system. The aim of this system is to connect the Fujitsu Way, the vision that each department and organization wants to achieve in the future, and various personnel measures through dialogue between the individual and their supervisor, starting from the individual's personal purpose and Our Purpose. The main objective is to encourage each employee's independent growth and action through consistent evaluation from the perspective of Our Purpose, thereby providing value that has an impact on our customers and the society that exists beyond them.

Evaluation is based on the following three metrics: Impact (magnitude of impact), which evaluates the degree of contribution and influence toward the realization of Our Purpose and Vision; Behaviors (actions), which evaluates actions in line with the Fujitsu Way's “Aspiration,” “Trust,” and “Empathy”; and Learning & Growth (growth), which evaluates the growth of oneself and the team to which one belongs. The final evaluation is intended not only to be reflected in salary increases and bonuses but also to help employees improve their skills and take on greater responsibility while presenting growth opportunities.

One-on-one meetings

One-on-one dialogues between managers and their subordinates, or “one-on-one meetings,” are a forum for dialogue between executives and employees to provide advice and feedback for growth. The Fujitsu Group places great importance on one-on-one meetings as the foundation of its job-based human resource management. These meetings are important as they enable employees to align the vision of the department or organization with the direction of their individual careers and to discuss their growth opportunities and future career goals with their managers and receive feedback.

The one-on-one meetings are regular communication between managers and their subordinates that take place at least once a month. Their purpose, however, is not to report and discuss daily work but to confirm, clarify, and give concrete form to the aspirations and growth of the employees. To facilitate communication, the Fujitsu Group regularly advises managers and all employees on points to discuss in one-on-one meetings and has introduced tools to help them prepare in advance.

Fujitsu Learning EXperience


The Fujitsu Group has introduced the Fujitsu Learning EXperience, an on-demand education platform that allows all employees to set goals according to their career aspirations and strengths and learn what they want to learn anytime, anywhere. In the fiscal year ended March 31, 2022, more than 50% of all global Group employees were eligible for the program. In the past, the human resources department was primarily responsible for formulating training menus and implementing them at a set time for a predetermined target group, whereas Fujitsu Learning EXperience is characterized as an on-demand type of program that allows all employees to take courses at their own discretion. Through a partnership with Udemy, one of the world's largest online video learning platforms, the service offers approximately 9,600 courses,* which can be accessed from both PCs and smartphones. Fujitsu Learning EXperience also has a function for recording learning history and recommending courses to take based on one's career aspirations and strengths, and positions to apply for in the future. In addition, we provide content that inspires and motivates employees, such as videos of diverse personnel sharing their knowledge based on their own experiences and their passion for learning.

* As of February 2022

Global Strategic Partner Academy

In December 2021, the Fujitsu Group launched the "Global Strategic Partner Academy," a common global online education program that enables participants to acquire cutting-edge digital technology and know-how.

This program is being implemented in cooperation with ServiceNow, SAP, and Microsoft, three of the Fujitsu Group's strategic technology partners and providers of leading IT services that are widely used worldwide. Specifically, the program will provide Group employees worldwide with access to leading digital technology and know-how related to the services of the three companies. In addition to knowledge-based training and certifying personnel, we regularly conduct practical programs that provide useful experience when interacting with customers.

Currently, the Fujitsu Group is in the process of creating a framework to globally unify the skill sets and hierarchy of its personnel, including business producers and system engineers who are responsible for providing services and offerings, including those in the [GDCs](#) . By incorporating this program into this framework, we plan to contribute to the career development of our employees and sustainably expand the pool of personnel with highly specialized knowledge, skills and know-how, even as the shortage of IT engineers becomes a global issue.

Global Fujitsu Distinguished Engineer

The Global Fujitsu Distinguished Engineer (Global FDE) is a new system based on common global standards that certifies top-notch engineers who have outstanding technical capabilities in the areas important to our business strategy and that contribute to our growth. As of March 2022, 32 employees worldwide have been certified as Global FDEs. Global FDEs are the "face" of the Fujitsu Group, and in addition to working to create value on the business front lines, they are also active in the global technology community through participation in conferences and collaboration with research institutions, thereby contributing to enhancing the presence of the Group.

exPractice

exPractice, a term coined by combining the words "experience" and "practice," refers to the attitude of practice that is the driving force behind the Fujitsu Group's DX. More specifically, it is a program created in the process of designing mechanisms for change under Fujitra, a Group-wide DX project, and aims to create a state in which employees are engaged in change as "their own, personal matter." We have organized various skills and frameworks related to DX and set "Purpose," "Design Thinking," "Agile Development," and "Data Science" extracted from them as components of "exPractice in DX" to provide programs that encourage learning and practice. We expect that the practical attitudes acquired by employees through the program will become the driving force behind the transformation of the department that they belong to and the Group-wide DX theme.

Business producers

Sales personnel, who are at the forefront of our business as the point of contact between the Fujitsu Group and our customers, are responsible for the work associated with existing business with our customers and for meeting their expectations of the Group to lead and support DX that transforms their business. In order to meet the challenges of these changing customer needs on the sales front line, the Group is working to transform sales personnel in Japan into “business producers.”

The role of a business producer is to make proposals that exceed customer needs. Our goal is to break away from the traditional sales approach of starting from the written request presented by the customer’s IT department, as we aim to discover the true management issues and needs for change through our approach to the customer’s management and business departments and to provide value as a leading DX entity.

Based on these characteristics of a business producer, since the fiscal year ended March 31, 2021, we have conducted training programs for approximately 8,000 sales personnel, lasting up to approximately four months or more, that systematize the knowledge and skill sets essential for DX, including “Design Thinking” and “Agile Development.” At the same time, we are working to create value as a DX partner for our customers by encouraging business producers to take on new challenges, in such means as supporting a shift in mindset and practical implementation in the field of business through the development of a system to check the improvement of one’s skill level and practical guidelines.

Highly talented professionals

With the aim of maintaining and strengthening its competitive advantage as a DX company, the Fujitsu Group introduced in the fiscal year ended March 31, 2021 a new plan to allow compensation to be designed to contribute to the acquisition and retention of highly talented Group internal and external professionals. In the IT services industry, competition for talent is intensifying, especially in fields such as cybersecurity, AI, and data science, and it is essential to take into account the market level of compensation for highly talented professionals in order to recruit and retain the best talent. For this reason, the Fujitsu Group has introduced a compensation system that allows for flexible design of compensation in light of level of expertise and market value, while also reviewing the system in line with market trends.

Gender diversity

The Fujitsu Group promotes [DE&I](#) in its [GRB \(Global Responsible Business\)](#), and in addition to respecting diversity, the Group promotes initiatives that emphasize building employees’ sense of fairness and transforming their mindset to encourage the success of each and every one of its diverse human resources.

At present, women hold only a small share of jobs in the IT services industry globally. Given that the shortage of IT personnel is expected to increase further in the future, raising the absolute number of female Group employees and the ratio of female managers at the leadership level is essential for achieving sustainable growth. With this in mind, we have set the ratio of women in leadership positions as one of the two DE&I indicators, and we are striving to create an environment in which women can and want to pursue promotion.



Aya Yamagishi

Senior Manager,
Corporate Affairs
Division,
Corporate Affairs
Unit

A female manager's view

The change in workstyles associated with the Work Life Shift introduced in 2020 was the catalyst for my decision to seek promotion to a managerial position. The change to an environment where I could choose where and when to work encouraged my desire to pursue my own career while also raising my family. I also feel that the monthly one-on-one meetings with my supervisor have been very effective and helpful. They were an opportunity for me to discuss my career development issues and concerns about promotion to management positions in a casual and frequent manner. In addition, the fact that the Fujitsu Group offered training programs such as Learning EXperience, which could easily be taken on a smartphone during free time to help improve skills and advance careers, prepared me for the endeavor.

I am acutely aware that it is very challenging to continue working while raising children, regardless of whether or not you are in a management position. However, I hope that if female managers become more common, other female employees will feel that promotion to a managerial position is something that they can also achieve. In addition, if more female managers enjoy (or appear to enjoy) their work-life balance, their views and thinking may change from “it seems like a lot of work” to “it’s an opportunity for a big change.”

I believe that we need to make a series of such changes until they become commonplace, in order to create an environment in which people who have been putting off thinking about their careers due to anxiety over balancing work and home life can easily take on the challenge of a new career.

DE&I

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GRB (Global Responsible Business)

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Organizational transformation

Organizational change under Fujitra

Digital transformation (DX) refers to a process whereby companies respond to rapid changes in the business environment and utilize data and digital technology to transform their products, services, and business models based on the needs of customers and society, as well as their business processes, organizations, and corporate culture and climate to establish a competitive advantage.* In 2020, Fujitsu launched the Groupwide DX project Fujitsu Transformation, or “Fujitra,” based on the recognition that “formalizing DX” based on our own practices is essential for the Fujitsu Group to provide services and create value as a DX company.

The goals of the Fujitra project are to analyze, test, and implement digital transformation, integrating the whole organization, as well as to establish a “Japan-style” digital transformation project that will serve as a model for our domestic customers. Fujitra does not simply promote the use of digital technology in the business, but is characterized by its focus on breaking down and reforming rigid organizational culture, including siloed vertical organizations and over-planning among divisions and departments. In other words, Fujitra is synonymous with total internal reform.

The project is led by a steering committee, comprising 10 executives from the corporate and sales front divisions, including CEO and CDXO Takahito Tokita; CIO and Deputy CDXO Yuzuru Fukuda; COO Hidenori Furuta; and CFO Takeshi Isobe. Under them, DX officers selected from 26 divisions and four Group companies in Japan, as well as from the Europe, Americas, and Asia Pacific regions, gather insights gained in the field and work across divisions to promote reforms. The DX officers are also responsible for disseminating Groupwide initiatives to each division and region and leading DX at the division level. Under their leadership, a cumulative total of more than 150 transformation themes were identified by September 2021, and initiatives are in progress in all divisions and organizations of the Group.

One Fujitsu program

As part of Fujitra, Fujitsu is promoting the One Fujitsu program to create a framework to support the Fujitsu Group's data-driven management. This is an ambitious challenge aimed at standardizing management, operations, and processes globally across the Group. To achieve this objective, a Data & Process Owner (DPO), a position reporting directly to the CEO, has been appointed for each business area, including marketing and sales, service delivery, and purchasing, with each DPO leading standardization across businesses and regions.

In the One Fujitsu program, digital technology is only a means to achieve standardization. The construction of the Enterprise Resource Planning (ERP) system is currently underway in line with the progress of standardization. This system was initially launched in the UK and Ireland in April 2022. Ultimately, under a “single global ERP,” management, operations, and IT will be integrated

to realize an evolution that culminates in data-driven management based on data that is granular, up-to-date, and precise. In April, we launched OneCRM in Japan, and global standardization of pipeline management is steadily progressing.

“Fujitsu VOICE program”

The “Fujitsu VOICE program” is a framework that uses digital technology to collect qualitative “voices” such as feelings, reactions, and experiences frequently and in large quantity, and combines them with quantitative performance data such as sales performance, production records, and business results for analysis in order to lead to actions based on accurate insights into the background and reasons for specific events and actions. By accurately understanding the “why” behind things, it is possible to make judgments about a company's management issues and what lies behind them, to predict the next changes to come, and to continue to take actions based on such judgments and predictions.

Fujitra, which operates under the banner of “DX for All,” incorporates the voices of customers and employees collected through the “Fujitsu VOICE program” into the decision-making process, thereby speeding up decision-making, changing behavior, and uncovering new insights, in order to strengthen its competitiveness. When the Fujitsu Group takes customer feedback seriously and takes prompt action, customers' expectations of the Group will increase. For employees, if their voice leads to management change, they will be more aware that they play an active role in the change. In other words, they will have a greater sense of engagement. In this way, we aim to synergistically increase the value of both the customer and employee experience.

* Based on the definition in “Assessment Indices for Digital Management Reforms ('DX Promotion Indices')” by the Japanese Ministry of Economy, Trade and Industry https://www.meti.go.jp/english/press/2019/0731_001.html

Increasing empathy with Our Purpose and the Fujitsu Way

Promoting purpose-driven management

In order to realize Our Purpose, it is necessary to bring together the thoughts of every individual employee to generate greater power. Within our vision of purpose-driven management, all employees shall explore their own personal purpose and how this purpose overlaps with Our Purpose, so that they can recognize the responsibilities and roles they shall fulfill at Fujitsu; when employees focus on their own purpose and create innovation to achieve self-realization, we can grow together. The Fujitsu Group is promoting Purpose Carving® as a Groupwide dialogue program in which employees are asked to identify and express in words their personal purposes to become the driving force of change.

In order to promote purpose-driven management, we first held a town hall meeting where management and the heads of divisions from around the world held a dialogue about purpose-driven management. During this dialogue, all participants declared their commitment to what and how they would change as the head of a division and the first step to achieve it. To realize Our Purpose, it is important for the leaders to express their thoughts on the vision of the organization, to elicit the empathy of their colleagues, and to encourage each of them to think for themselves and take on challenges. We also held a “vision pitch” session where the heads of each division discussed and commented on their organizational vision in order to formulate an improved organizational vision that people can empathize with even more.



Pitching visions

Initiatives for the Groupwide promotion of the Fujitsu Way

To raise awareness of the Fujitsu Way within the Group, we are implementing various communication measures, such as holding various briefings for all employees. We have appointed leaders responsible for promoting the Fujitsu Way at Fujitsu and Group companies in Japan and overseas. These leaders play a key role in establishing a corporate governance structure to promote the Fujitsu Way. In addition, Fujitsu Way meetings are held every six months to a year between the CEO and the leaders. In addition, throughout the year, each of our organizations holds town hall meetings with the CEO and shares best practices with frontline divisions. Through these and other activities, we are working to raise the level of understanding of the Fujitsu Way throughout the world.



Fujitsu Way Manual

Internal award for promoting realization of Our Purpose: Sustainability Contribution Award

The Sustainability Contribution Award is an internal award established to promote the realization of the Group's Purpose. In order to create the sustainable society that Fujitsu envisions, each and every one of us, under the business policy based on Our Purpose, must transform and create new value. The Sustainability Contribution Award therefore recognizes not only output that contributes to society but also cultural change at the organizational level that promotes the reimagining of old practices.

In fiscal 2021, we received a total of 166 applications from Fujitsu Group companies worldwide and awarded two Grand Prizes for “Integrating various stakeholders by offering transparent supply chain solutions to solve social issues” and for the “Global Delivery Responsible Business Program (GRiP)—Creating long-term impact through education (educational volunteer activities) in local communities.” In addition, seven awards for excellence and 39 special awards were given. We share award-winning cases and best practices within the Group to broaden empathy for sustainability initiatives and to further step up our efforts.

For details on the transformation of our corporate culture, please visit the following website:
<https://www.fujitsu.com/global/about/csr/transformation/>

Our approach to sustainability

The Fujitsu Group's Purpose includes a pledge to "make the world more sustainable."

To realize this goal, the Fujitsu Group is advancing initiatives that address priority issues identified under the Global Responsible Business (GRB) platform. Based on the GRB platform, we will practice sustainability-focused management on a global scale. Moreover, each of the priority issues aligns with the Sustainable Development Goals (SDGs) established by the United Nations.

Through this platform, we will not only help achieve the SDGs but also set our sights beyond them as we reinforce and accelerate our initiatives to tackle issues facing both business and society at large.




Message from the Chief Sustainability Officer (CSO)



Through dialogue, we will accelerate value creation by integrating business and sustainability, thereby contributing to the realization of Our Purpose and the growth of the Fujitsu Group.


Yumiko Kajiwara
Corporate Executive Officer
EVP, Chief Sustainability Officer (CSO)

Fostering a sense of ownership of sustainability

The Fujitsu Group's sustainability efforts have made significant progress over the past two years. In 2020, we reformulated and clearly stated Our Purpose. At the same time, we set non-financial indicators*1 in our Management Direction that set forth our medium-term growth strategy. In 2021, we set numerical targets*2 for non-financial indicators and launched Fujitsu Uvance , a portfolio of global solutions to contribute to the resolution of societal issues. Sustainability is not just a matter of returning profits to society; it has been integrated into management as a core element that defines the Group's role in the global community, and the concept is beginning to be shared by employees.

In the management of GRB (Global Responsible Business) , which serves as a platform for promoting sustainability activities and achieving Our Purpose, executive officer-level leaders have been appointed for each of the seven priority issues to strengthen integration with the business. In addition to the three corporate executives in charge of the corporate divisions, including myself as leaders of the "community," the three executives in charge of the business divisions have been appointed as the leaders, in line with the Group's belief that sustainability is a business in itself. Under the Sustainability Management Committee chaired by the CEO, each leader and the leaders of the four regions (Japan, Europe, the Americas, and Asia Pacific)  in charge of promoting specific activities orchestrate the Fujitsu Group's unified initiatives, while considering specific issues related to each region and their affinity with our business.

Looking back, I believe that until about three years ago, awareness of sustainability among many employees was limited to the occasional communication of information on its importance and relationship to the Group's business, led by the corporate departments. Awareness that sustainability is an integral part of the Group's business and a source of business growth is becoming increasingly widespread, and this is largely due to the development of various systems that evoke a sense of ownership.

To cite a specific example, our business producers  are now making sustainability-related proposals, such as solutions to reduce GHG emissions, in actual business discussions. In addition, in the performance evaluation of senior executives, not only the achievement of financial performance targets but also the contribution to the achievement of non-financial indicators and GRB's environmental, DE&I, and other initiatives are taken into account.

*1 We set two indicators in 2020: Customer NPS® and employee engagement. The DX Promotion Indices were added as an indicator in 2021.

*2 We set numerical targets for employee engagement and DX Promotion Indices in 2021. We added a numerical target for Customer NPS in 2022.

Fujitsu Uvance

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GRB (Global Responsible Business)

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Four regions (Japan, Europe, the Americas, and Asia Pacific)

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Business producers

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Supporting the practice of employees' endeavor to provide value



The Group's efforts to use non-financial indicators as part of its growth strategy is attracting considerable attention from our customers, which also motivates employees to become more involved in sustainability. In particular, we have received an increasing number of inquiries asking for specific steps and benefits based on Fujitsu's internal practices around the "Fujitsu VOICE program,"  which we use to measure non-financial indicators. These queries range from the establishment of data collection mechanisms to how the data is used. In order to confidently respond to the needs of such customers, each employee must cultivate an understanding for non-financial indicators and sustainability management.

In fact, we are seeing an increase in the number of requests for assistance from frontline business units to the corporate departments in charge of sustainability. I believe that one of the roles currently required of me as CSO is to examine together with the business units which proposals we can make to customers in response to these requests, and to back up employees who are taking on the challenge of providing value one step ahead of customers and to strengthen the connection between sustainability and business through dialogue with customers.

Fujitsu Uvance is based on the premise of making proposals to customers to create a sustainable society, with a view to achieving Our Purpose. Naturally, when developing offerings and making proposals to customers, it is essential to have a broad understanding of sustainability-related issues, to keep abreast of the latest trends from a global perspective, including those at our competitors, and to consider competitive value offerings based on this understanding.

The knowledge accumulated through the Group's internal practices, such as reducing GHG emissions, will be utilized in our business in the form of training for employees working on the front line and consulting for customers, thereby encouraging the creation of value unique to the Fujitsu Group.

Commitment to dialogue that contributes to business growth

In order to prove that the Fujitsu Group is creating value and making an impact on society by making sustainability our core business, we must achieve growth in Fujitsu Uvance and other businesses. It is also necessary to demonstrate empirically how GRB contributes to the improvement of non-financial indicators  and what kind of relationship exists between non-financial indicators and financial indicators . Such proof should further motivate employees to focus on sustainability-driven business and lead to a positive change in customers' expectations toward the Fujitsu Group. In July 2022, we established a venue, both at our headquarters and online, to introduce to our customers our vision and Fujitsu Uvance's practices and technologies that support our customers' digital transformation (DX). This venue will also serve as a forum where we envision and explore ways to realize a sustainable society together with our customers. As CSO, I am determined to contribute to the growth of the Fujitsu Group and the transformation of its business model by committing to a dialogue with employees and with customers.

"Fujitsu VOICE program"

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Non-financial indicators

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Non-financial indicators and financial indicators

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Overview of our sustainability management

Until now, the Fujitsu Group has earned society's trust by delivering products and services responsibly. At present, however, given the unpredictability of day-to-day life and business activities due to an unprecedented crisis, we must redouble efforts to meet society's expectations. Accordingly, under the guidance of our leadership, we will step up sustainability-focused business management and make significant advances in pursuits that benefit society.

For details on "Sustainability Management in the Fujitsu Group," please visit the following website:
<https://www.fujitsu.com/global/about/csr/vision/policy/>

The Fujitsu Group's sustainability management

Basic approach

In contributing proactively to the transformation of society amid the current uncertainty and volatility, we have to conduct business activities as a member of international society based on the new Fujitsu Way, which clarifies Our Purpose, or reason for being. It is particularly important that we take into consideration environmental, social, and economic viewpoints when addressing issues, thereby formulating initiatives that have beneficial impacts on society. To this end, we revised our management targets by incorporating new non-financial indicators alongside existing financial indicators in fiscal 2020. Through long-term, stable contribution to society and customers financially and non-financially, the Fujitsu Group will achieve renewed growth.

Promotional systems and framework

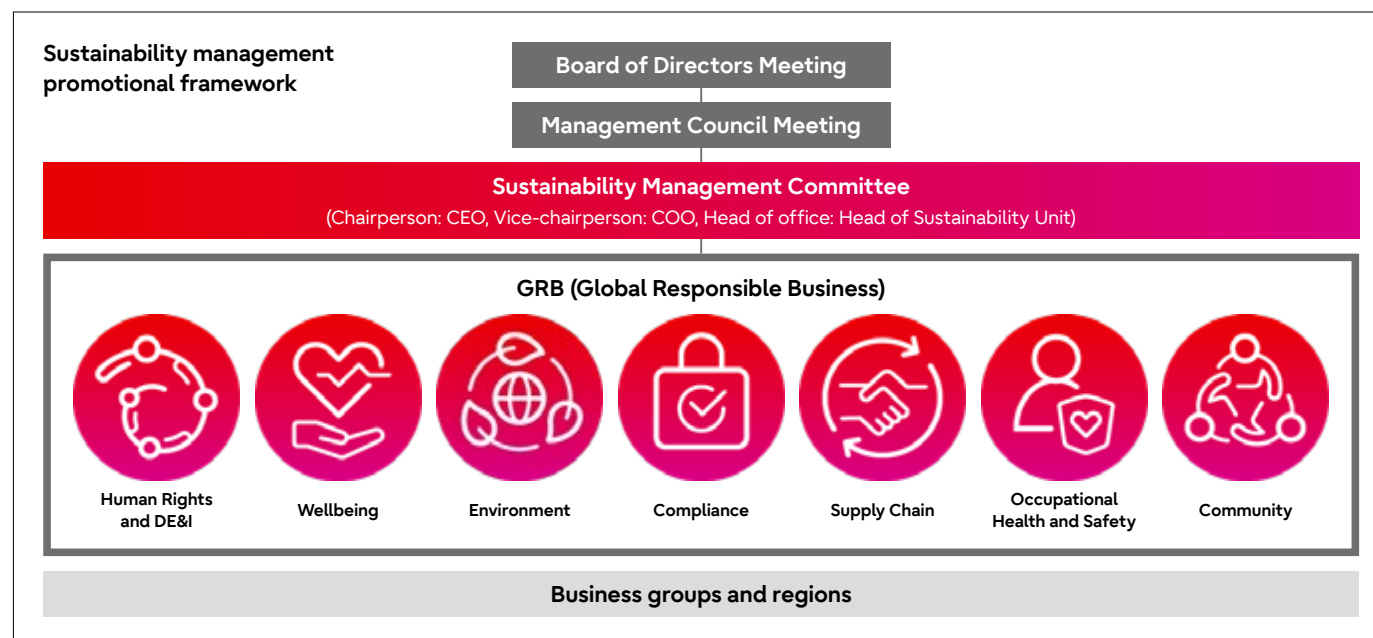
The Fujitsu Group has established the Sustainability Management Committee, tasked with determining how a responsible global company should conduct business management. Specifically, the committee is focused on realizing long-term growth by taking into consideration environmental, social, and economic impacts and by creating value for all of the Group's stakeholders.

Convening every six months, the committee checks progress toward non-financial targets, deliberates on new activities, and reports findings to the Management Council and the

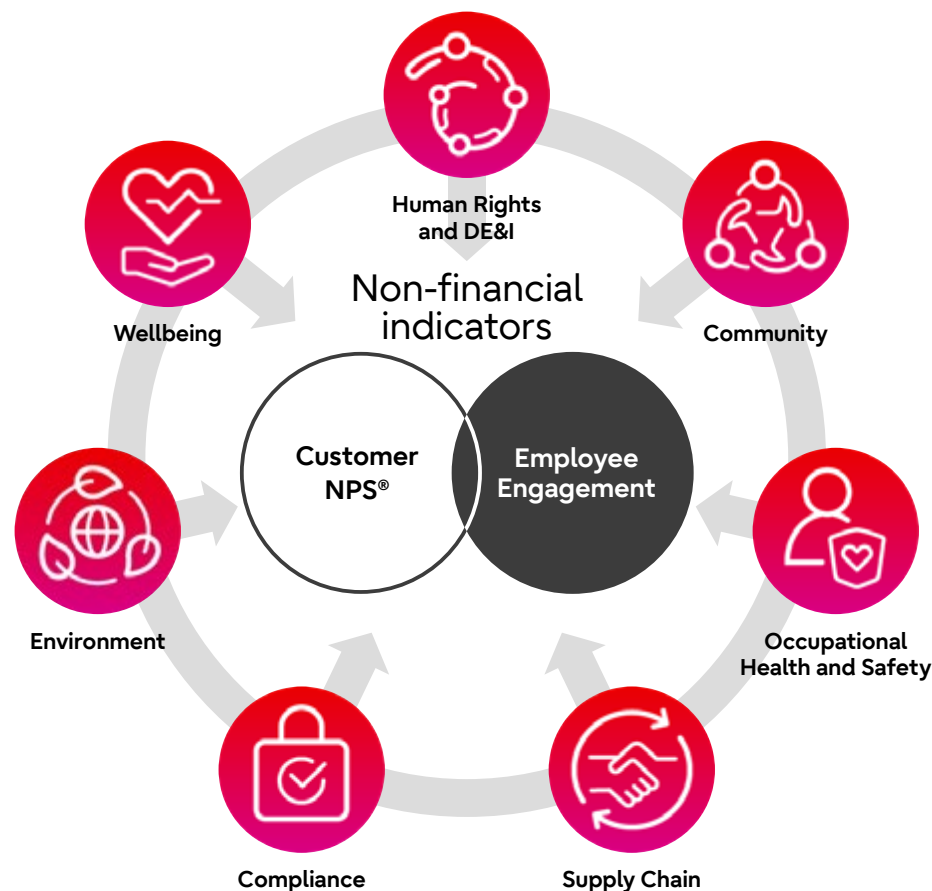
Board of Directors. The committee is chaired by the CEO and comprises executives whom the chairperson appoints with a view to furthering sustainability management. As of April 2022, the committee had 17 members, including the chairperson.

Guided by the Sustainability Management Committee while adhering to the overarching GRB (Global Responsible Business) platform of sustainability aspirations, we have identified seven

priority issues as shown in the figure below. Setting our sights on key performance indicators for each of these issues, we are advancing initiatives across each region and division globally. At the level of each division and Group company, we are promoting the establishment of missions and activity reviews in each organization based on the Fujitsu Way and GRB.



Non-financial indicators and GRB (Global Responsible Business)



By driving sustainability initiatives, the GRB platform gives concrete form to the Fujitsu Way. Ever mindful that their corporate group is a member of society, all Group employees will not merely seek profits but simultaneously work to reduce the negative impact of business activities on sustainability while maximizing their positive benefits. By promoting the GRB platform, our initiatives toward the non-financial sector will ultimately benefit our business and financial performance in the long term.

Accordingly, the Sustainability Management Committee will regularly check the progress toward achievement of the GRB platform, and the committee's conclusions will be released through reviews of the Group's Management Direction and various media.

For details on the non-financial indicators, please see **pages 28–33**, **"Non-financial indicators"** and **"Challenges of the Task Force on Non-Financial Indicators."**

SDG initiatives

Our Purpose is to make the world more sustainable by building trust in society through innovation. This statement represents an internal and external pledge to help realize the Sustainable Development Goals (SDGs).

Fujitsu believes the SDGs essentially define a system transformation that must be achieved by 2030 to allow the world's population, which is expected to exceed 9 billion people in 2050, to live well within the planetary boundaries. The issues highlighted in the SDGs include environmental, social, and economic elements. One key to solving these inherent problems is DX, which can be applied on a scale that encompasses all aspects of society. To this end, Fujitsu has launched Fujitsu Uvance, a new portfolio of global solutions that aims to address societal issues through business, in addition to GRB, which aims to transform Fujitsu's own management in a sustainable manner and is promoting initiatives in this area. We will transform ourselves and our customers' management by leveraging digital technology and forming an ecosystem that transcends industry barriers. Through this transformation, we will contribute to the achievement of the SDGs and to greater society that exists beyond.



For details on SDG initiatives, please visit the following website:
<https://www.fujitsu.com/global/about/csr/sdgs/>

Overview of GRB progress

For each material issue, the Fujitsu Group defines what Fujitsu aspires to be, its related goals, and its KPIs with a deadline of the end of fiscal 2022. In order to achieve these goals, we are building an effective management system and considering specific actions that will enable us to implement activities on a higher level globally, while taking into account differences in national laws, labor markets, and other factors in each country and region.

Pillar	What Fujitsu aspires to be	Goals for fiscal 2022	Major achievements in fiscal 2021
Human Rights, Diversity, Equity and Inclusion	<p>► 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."</p> <p>► 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.</p>	<p>► Human Rights Embedding "respect for human rights" within the Fujitsu Group</p> <ul style="list-style-type: none"> Completion rates for global human rights training: 80% <p>► Diversity, Equity and Inclusion Cultivation of inclusive corporate culture</p> <ul style="list-style-type: none"> The Fujitsu Group aims to achieve at least Consolidated 69% from 66% (fiscal 2019) / Non-consolidated 63% from 59% (fiscal 2019), in favorable answers to Diversity, Equity and Inclusion question in the engagement survey by fiscal 2022. The Fujitsu Group aims to achieve at least Consolidated 10% from 8% (fiscal 2019) / Non-consolidated 9% from 6% (fiscal 2019) female leadership by fiscal 2022. 	<p>► Human Rights Conducted e-learning on business and human rights for all Group employees in 16 languages worldwide Participation rate: 92%</p> <p>► Diversity, Equity and Inclusion</p> <ul style="list-style-type: none"> 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%
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.	<p>Providing a positive work environment</p> <ul style="list-style-type: none"> An average score of 71 globally for "Work Life Balance" and "Work Environment" in the engagement survey <p>Provide opportunities for employees to develop personally and display their abilities to the fullest extent</p> <ul style="list-style-type: none"> An average score of 70 globally for "Growth Opportunities" in the engagement survey 	<ul style="list-style-type: none"> Global average score for "Work Life Balance" and "Work Environment": 64 Global average score for "Growth Opportunities": 68
Environment	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.	<p>Fulfill our social responsibilities and help to resolve environmental challenges</p> <ul style="list-style-type: none"> 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 fiscal 2013) 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 	<p>► Greenhouse gas emissions reduction rate:</p> <ul style="list-style-type: none"> Fiscal 2021 target: 33.6% or more Achievement: 36.7% (Reduce by 4.2% each year compared with fiscal 2013) Renewable energy usage ratio: 20.7% <p>► Avoid risks and minimize our impact on the environment: [Business sites]</p> <ul style="list-style-type: none"> Improve Power Usage Effectiveness (PUE) at datacenters: Actual 1.56 (Target 1.57) Water usage: 57,000-m³ reduction 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 fiscal 2019) <p>[Supply Chain]</p> <ul style="list-style-type: none"> Reduced CO₂ emissions due to power consumption during product usage by 51% (compared with fiscal 2013) 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 <p>► Help to resolve environmental challenges:</p> <ul style="list-style-type: none"> Transfer of carbon-neutral knowledge to business units Improve the professional skills of employees by conducting in-house education through environmental study sessions and on-the-job training Create solutions based on in-house references Support customer proposals to resolve environmental issues Redevelop EcoCALC, an evaluation tool for CO₂ emissions reductions, for global use and launch an intranet site for information sharing to raise self-awareness of environmental issues among employees

Pillar	What Fujitsu aspires to be	Goals for fiscal 2022	Major achievements in fiscal 2021
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.	<p>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).</p> <ul style="list-style-type: none"> • Deliver messages from the president or the heads of each business group/region on the importance of compliance (at least once a year) 	Delivered messages to all employees from the CEO, the heads of each 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.	<p>The Fujitsu Group will achieve responsible procurement in its supply chain.</p> <ul style="list-style-type: none"> • 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%). <ul style="list-style-type: none"> - 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) <p>Promotion of supply chain diversity</p> <ul style="list-style-type: none"> • We set supply chain diversity as our goal of Responsible Business and promote it globally. <p>Reduction of greenhouse gas (GHG) emissions in supply chain</p> <ul style="list-style-type: none"> • We requested our foremost suppliers to set the quantitative targets complying with international standards to reduce GHG emissions. 	<ul style="list-style-type: none"> • Availability of any of the following documents: 100% <ul style="list-style-type: none"> - 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	<p>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.</p> <ul style="list-style-type: none"> • 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. 	<p>The Fujitsu Group will maintain a safe and comfortable working environment, and promote employees' mental and physical health in every workplace.</p> <ul style="list-style-type: none"> • Zero occurrences of serious accidents • Implementing health and safety-related management reviews at the global level, conducted once a year 	<ul style="list-style-type: none"> • 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.	<p>Contributing to the transformation of both our corporate culture and mindset of employees</p> <ul style="list-style-type: none"> • Rate of increase in the number of employees participating in social contribution activities related to social issues: 10% increase compared with fiscal 2019 under the "new normal" situation 	Data collection started in fiscal 2021: Down 29% compared with fiscal 2019*2

*1 RBA: Responsible Business Alliance

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

*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.

Human Rights, Diversity, Equity and Inclusion



Why it matters to Fujitsu / Priorities



Tim White

Corporate Executive Officer
EVP, Vice Head of Global Solutions
(in charge of Global Delivery
& JGG)

Ensuring that employees in the Fujitsu Group feel that they belong is crucial to achieving Our Purpose and pursuing sustainable growth. This sense of belonging fosters greater engagement within the Group and encourages diverse thinking, differentiation, and innovation. Awareness of human rights also inspires true empathy, which is the starting point to engage with each of our customers that face a wide range of challenges.

Being a purpose-driven organization that respects human rights and drives diversity, equity and inclusion (DE&I) is imperative to improve the employee experience. In a genuinely diverse, equitable, and inclusive environment our employees can flourish and prosper to be the best they can, in their own individual ways. By respecting human rights and DE&I, we are attracting and retaining the best, most engaged employees and earning the trust of our customers.

Human Rights

Promotional framework

The Fujitsu Group promotes “human rights due diligence” based on the United Nations Guiding Principles on Business and Human Rights (UNGPs). Through interviews with a wide range of internal divisions and exchanges of opinions with experts in and outside Japan, we have identified “customers and end-users,” “employees,” and the “supply chain” as three areas that are particularly affected by our business activities, and are implementing activities to resolve human rights issues in these areas. To promote human rights due diligence, we have also established a system in which human rights officers from each overseas region meet regularly within the framework of “Human Rights and Diversity,” one of the priority issues of GRB. Looking ahead, we will review progress toward achieving our goals and KPIs and exchange opinions on human rights due diligence.

Education on human rights

In addition to regular education such as training at the time of hiring and promotion and management training, Fujitsu conducted e-learning in fiscal 2021 on “Business and Human Rights” for all Group employees globally in 16 languages to raise each employee’s awareness of human rights issues, with approximately 92% of all employees having completed the course. In addition to basic knowledge on human rights, global trends, and corporate initiatives, this e-learning course introduced examples of corporate activities that may have a negative impact on human rights in the three areas defined by Fujitsu (customers and end-users, employees, and the supply chain), with the aim of deepening each employee’s understanding of the importance of respecting human rights in day-to-day business.



Screenshot of e-learning document, fiscal 2021

Educational activities on human rights issues

Fujitsu conducts Groupwide educational activities for employees on human rights issues in conjunction with World Human Rights Day. In addition to delivering messages on human rights from the CEO and management team, we held a “Business and Human Rights” seminar to further deepen the understanding through e-learning. The seminar aimed to establish awareness of human rights in business and invited external speakers to discuss topics such as unintentional human rights violations caused by the provision of technology and solutions, the need for human rights awareness in the supply chain and with partner companies, and ensuring employees’ mental wellbeing.



Seminar speakers
(From left) Hiroko Kuniya, journalist and broadcaster; Asako Nagai, Managing Director, BSR; Yumiko Kajiura, Fujitsu CSO

For details on the Fujitsu Group’s Human Rights initiatives, please visit the following website.
<https://www.fujitsu.com/global/about/csr/humanrights/>

Diversity, Equity and Inclusion

Promotional framework

The Fujitsu Group has built a global system to promote diversity, equity & inclusion (DE&I) under the supervision of the executive officer in charge, starting with the establishment of a dedicated division to promote DE&I in 2008. This system includes regular regional promotion officer meetings to share issues and strategies, and plan and formulate new measures. In order to understand the status of promotion, we further included DE&I questions in our annual global engagement survey and established them as KPIs. In addition, we have appointed executive sponsors to represent supporters in priority areas to bolster promotional activities. In Japan, we are promoting DE&I by sharing information and measures with those responsible for promoting DE&I at Group companies and are working in close cooperation with them. We have included items related to DE&I in the goals of our senior management to increase the effectiveness of our efforts.

Launching the renewed Global DE&I Vision and Inclusion Wheel

In 2019, the Fujitsu Group established the Global D&I Vision and Inclusion Wheel as a common global guideline to accelerate initiatives aimed at inclusion that reflect the diversity of each individual. We have been promoting activities globally by defining a vision, strategic goals, and five focus areas. In 2022, we reviewed and updated our strategy, statement, and vision to build an inclusive and equitable corporate culture where anyone can play a role in their own way and feel a sense of belonging.



Renewed Global DE&I Vision (left) and Inclusion Wheel (right)

Organizing Diversity & Inclusion Sessions

To foster a corporate culture in which everyone can be completely themselves, as stated in the DE&I Vision—"Be Completely You"—the Fujitsu Group has been holding annual Diversity & Inclusion Sessions (formerly, the Companywide Diversity Promotion Forum) since 2008. These sessions are designed to reaffirm our awareness of DE&I and stimulate a new mindset and changes in behavior, and includes messages on DE&I from our management team and lectures by outside experts. Starting from fiscal 2021, we also opened the event to participants from outside Japan, making it a place to convey a globally unified message.



Diversity & Inclusion Session held in December 2021

Fujitsu Australia helps launch First Nations Service Centre

Together with the Cherbourg Aboriginal Shire Council and community in Queensland state, and the Queensland State Government, Fujitsu Australia (FAL) has established a First Nations Service Centre (Service Centre) in Cherbourg. The Service Centre supports digital innovation for First Nations communities and helps members of the communities who become employees of the Service Centre to obtain certification from a state vocational training college that will support their professional career development. We will continue working to empower the First Nations communities to gain and hone the skills they need to thrive in new careers in the digital economy.



FAL team members and Service Centre staff

For details on the Fujitsu Group's Diversity, Equity and Inclusion initiatives, please visit the following website.
<https://www.fujitsu.com/global/about/csr/diversity/>

Wellbeing / Occupational Health and Safety

Why it matters to Fujitsu / Priorities



Hiroki Hiramatsu

Corporate Executive Officer
EVP, Chief Human Resources
Officer (CHRO)

Wellbeing is the source of employee engagement, one of the Fujitsu Group's non-financial indicators. We are strongly committed to continuing to provide supportive work environments and opportunities for personal growth and self-realization, based on four elements: the health of employees and their families, relationships of trust with the Company and colleagues, self-driven learning and growth, and financial and non-financial compensation.

The health and safety of all employees working around the world should be the highest priority for any kind of business activity. This remains constant, even amid a continually changing business environment and with diversifying workstyle options. We share the status of occupational accidents and health and safety initiatives at the global level, while also emphasizing the importance of mental health to create environments where employees take a positive approach to their work and personal growth.

Wellbeing

Promotional framework

We hold regular meetings of the Global Wellbeing Committee as a promotional framework at the global level. Our diverse pool of talented employees is the most important resource for Fujitsu. Thus, one of our global key priorities for achieving sustainability and fully realizing Our Purpose is to protect employees' mental and physical wellbeing along with enriching and continuously improving our positive health culture where our employees can work to their full potential, both in mind and body. At the committee meeting, persons responsible for promoting wellbeing in each region come together online to share the status of global targets and individual initiatives in each region and to discuss measures for accelerating initiatives globally.

Advancement of Work Life Shift

In October 2021, we announced Work Life Shift 2.0 as the next stage of the Work Life Shift initiative announced in 2020. Looking ahead to the post-COVID-19 era, we will implement measures aimed at realizing a true hybrid working model that effectively combines real-world communication in the office along with further enhancement of personal life. We will position the office as a place that can provide its own unique experience, where we collaborate with start-ups and local governments, as with our work with Oita Prefecture in Japan, which we partnered with in March 2021, to drive regional regeneration. The program will also look to create new value by pursuing work-life synergies, such as promoting 100% male participation in childcare, workations, and involvement in side businesses, while also working on individual wellbeing to increase employee engagement.

Fujitsu Learning Festival 2022

In June 2022, the Fujitsu Group held the "Fujitsu Learning Festival 2022" as a five-day event for all employees and their families around the world, with approximately 40,000 people participating. The event was inaugurated last year and was designed to encourage employees to develop positive habits around independent, self-motivated learning. This initiative, which is part of Fujitsu's newly introduced job-based human resources system, relates to a new training policy to provide self-development support for employees who wish to carry out self-learning. This year's theme was "SDGs with Wellbeing/Fujitsu Uvance" and featured 182 items both online and in-person, including interactive sessions, seminars by speakers from inside and outside the Fujitsu Group as well as sessions and workshops held by employees. Events were livestreamed 24 hours a day throughout the event, connecting Japan, Europe, and the United States. Going forward, we plan to continue the event, aiming to create a positive cycle as an organization that empowers everyone to be themselves.



Fujitsu Learning Festival 2022

"Welcome Ceremony for New Joiners," a new kind of welcome ceremony

We held a welcome ceremony for new graduate recruits in 2022 and mid-career hires in 2021 as an event designed to provide a sense of global unity. In order to facilitate worldwide participation and also to prevent the spread of COVID-19, the event was held in a hybrid format, with the main venue at the Fujitsu Uvance Kawasaki Tower connected online to other offices in and outside Japan. Employees in every region around the world participated, giving a worldwide cheer using the online function to welcome over 11,000 new colleagues to the team.



(From left) CTO Mahajan, COO Furuta, and CEO Tokita participating in the event



Day of the event at Fujitsu Uvance Kawasaki Tower

Designated as a world leader in migraine workplace awareness, education, and employee support programs

In March 2022, Fujitsu was designated by the Global Patient Advocacy Coalition of the International Headache Society (IHS-GPAC) as a world leader in migraine workplace awareness, education, and employee support programs. Together with IHS-GPAC and the Japanese Headache Society, Fujitsu ran the FUJITSU Headache Project from July 2019 to February 2022, utilizing e-learning programs to help approximately 70,000 Fujitsu Group employees in Japan increase their awareness about headaches, as well as holding video seminars for people suffering from chronic headaches, online headache consultations with specialists, and other programs. Fujitsu's efforts were lauded as a model case of corporate measures to support employees living with headache disorders.



Certified as a world leader in migraine workplace awareness, education, and employee support programs by the Global Patient Advocacy Coalition of the International Headache Society (IHS-GPAC)

For details on the Fujitsu Group's Wellbeing initiatives, please visit the following website.
<https://www.fujitsu.com/global/about/csr/wellbeing/>

Occupational Health and Safety

Promotional framework

The Fujitsu Group has established a system to promote occupational health and safety in each region, and we are moving forward to ensure compliance and preventive measures for occupational health and safety in accordance with the laws of each country through a comprehensive, region-led approach.

In Japan, a Health and Safety Committee comprising the human resources and general affairs divisions, the health management division, and the labor union lead the initiatives to create healthier, safer workplaces in accordance with policies related to the Occupational Health and Safety Management System. In overseas regions, we also have a cross-sectional system for incident management and conduct activities to raise awareness about occupational health and safety of employees.

We have set medium- and long-term goals that we aim to achieve globally, and we are working to strengthen governance, establish management systems, and develop human resources and skills in order to foster a culture that does not tolerate occupational accidents.

Infectious disease countermeasures

In response to the spread of COVID-19, we have adopted a workstyle based on an optimal split (or combination) of office commuting and teleworking to ensure the safety and peace of mind of our employees globally. We have also generally adopted online meetings and banned overseas business trips and long-distance business trips within Japan. In addition, we have developed and disseminated guidelines for working from home and taken measures to review our internal operations and fulfill our social responsibilities, so that we can carry out operations smoothly, regardless of the environment.

For our office environments, we are implementing measures such as having seat layouts that take social distancing into account, making alcohol-based disinfectant available, and managing records of where people sit in non-fixed seating, in order to provide workplace environments where employees can work safely and with peace of mind.

As a countermeasure against infection by COVID-19, we are promoting vaccination in parts of Asia and Europe, including Japan, India, the Philippines, and Germany. In Japan, the third dose of the vaccine was implemented starting in March 2022. In the Philippines, we have been working to expand vaccination in local communities through measures such as donating surplus vaccines.

For details on the Fujitsu Group's Occupational Health and Safety initiatives, please visit the following website.
<https://www.fujitsu.com/global/about/csr/safety/>

Community

Why it matters to Fujitsu / Priorities



Yumiko Kajiwara
Corporate Executive Officer
EVP, CSO

We recognize that contributing to local communities, one of our most important stakeholders, represents our social responsibility as a global corporation and a global citizen. We also believe that community activities by employees provide a valuable opportunity to deepen their understanding of social issues and empathy for people in difficult situations and contribute to the development of their own skills, instilling pride in working for the Fujitsu Group and giving them a sense of belonging.

Our priority is to build a virtuous cycle that creates a positive impact, linking people and organizations through empathy for social issues, encouraging employees to contribute to communities through their activities, and inspiring innovation based on trust. In this way, we will work to realize Our Purpose.

Promotional framework

By understanding the issues in each community and promoting activities that are close to the local people, we aim to encourage employees in each country to see social issues as their own concerns and to take action to solve them. For this purpose, a person in charge of promoting community activities is assigned to each region to plan and promote activities in each country. The headquarters promotes the evaluation of the results of region-based activities, while global-level initiatives are planned by the headquarters and promoted by each region. The results of each initiative are shared between the headquarters and regions to plan better activities.

Holding online classes for junior high school students: Thinking about the SDGs through "design thinking"

Fujitsu has conducted online classes on social issues addressed by the SDGs, incorporating "design thinking" to come up with solutions, with the participation of 207 students from junior high schools across Japan. This endeavor aims to support the younger generation in developing the abilities necessary to participate in the creation of the society of the future. By teaching design thinking to junior high school students using teaching materials based on case studies about solutions designed by our employees, this program allows students to experience learning that touches on how to solve social issues as well as the thought process that helps formulate the solutions to such issues, which are the goals of the SDGs. We will continue to promote initiatives that support "learning to connect with society."

Supporting career development in STEM fields through virtual work experience

Fujitsu UK offers virtual work experience placements in the UK with the aim of supporting the development of students' skills and helping to promote careers in STEM* fields. The program offers fair and equitable work experience opportunities to students across the country, regardless of geographic location, and is designed by Fujitsu UK employees to provide students with a fascinating insight into the IT industry and an understanding of the impact of technology on society. We aim to accept 2,400 students per year in the future as we continue to stimulate the next generation of students and create opportunities to develop future digital talent.

* Science, technology, engineering, and mathematics



Work experience providing practical skills and industry experience

The Fujitsu Group donated funds to provide humanitarian assistance to those who have been impacted by the ongoing conflict in Ukraine, including the people of Ukraine and the surrounding region. For details on the Fujitsu Group's response to the crisis in Ukraine, please see page 90, "Economic security initiatives."

For details on the Fujitsu Group's Community initiatives, please visit the following website.
<https://www.fujitsu.com/global/about/csr/community/policy/>

Supply Chain

Why it matters to Fujitsu / Priorities



Takashi Yamanashi

Corporate Executive Officer, SVP
Head of Global Supply Chain Unit

The Fujitsu Group's value creation rests on cooperation with our customers and with all stakeholders related to the supply chain, which delivers products and services to the individuals and society at large. Together with our stakeholders, we will uphold the responsibilities of a global corporation by giving consideration to human rights, diversity, the environment, and other aspects in all of our supply chains around the world. Moreover, building supply chains that exhibit resilience in the event of unexpected changes, such as natural disasters, is of the highest importance for upholding our responsibility as a company. The Fujitsu Group continuously inspects, upgrades, and strengthens its supply chains so as to increase its competitive advantages, capture value creation opportunities, and contribute to risk management.

Promotional framework

The Global Supply Chain Unit responsible for the supply chain function is in charge of its promotion, and the head of the unit takes the lead on important issues to create promotional frameworks regarding supply chain operations. To implement Groupwide measures, we have set up a global coordination structure to reflect society's expectations and initiatives in each region and community in planning and operations. Moreover, the unit promotes integrated efforts in which key social issues such as human rights, diversity, compliance, and the environment are addressed in our supply chain. To this end, the unit coordinates closely with the Sustainability Unit, units responsible for other key issues, and business units to promote initiatives.

Compliance with international standards on responsible procurement

The Fujitsu Group is a member of the Responsible Business Alliance (RBA), a global industry initiative for corporate social responsibility (CSR). Based on the RBA's Code of Conduct, the Group has formulated the Fujitsu Group CSR Procurement Guideline, which sets out standards for human rights, the environment, and other issues. The Group obtains proof of compliance with the RBA standards from its major suppliers, such as written statements of agreement with the Group's guidelines. With regard to forced labor, human rights abuse, and the sourcing of minerals from conflict-affected and high-risk areas, the Fujitsu Group conducts investigations based on guidelines of the Organisation for Economic Co-operation and Development (OECD) to eliminate such risks from its products, parts, and supply chain.

Elimination of greenhouse gas (GHG) emissions from the supply chain

In response to heightened awareness of environmental issues such as climate change, the Fujitsu Group has been requesting its suppliers to take measures to reduce GHG emissions. Furthermore, from fiscal 2021, we have been requesting our suppliers to set numerical targets for emissions reductions based on international standards and take actions to achieve them. The scope of our request was initially manufacturing-related companies, but we have now expanded this to also include service companies.

Promoting supply chain (supplier) diversity

The Fujitsu Group always strives to be a responsible business that reflects the diversity of our world, and we have also been increasing and promoting business with diverse suppliers. For example, in the United Kingdom, the United States, and Australia, we have set targets for procurement amounts and procurement ratios from companies managed by women, indigenous peoples, and minorities, as well as from small- and medium-sized companies. In Japan, we are also promoting the creation of transaction conditions and an environment suitable to highly skilled small- to medium-sized and start-up companies, as well as sole traders and others.

For details on the Fujitsu Group's Supply Chain initiatives, please visit the following website.
<https://www.fujitsu.com/global/about/csr/procurement/>

Compliance

Why it matters to Fujitsu / Priorities



Kyoko Mizuguchi
Corporate Executive Officer
EVP, General Counsel

Compliance is the bedrock upon which trust with customers is built, and remains essential for capturing business opportunities and for all value creation. To prevent compliance violations, senior management must make a strong, ongoing commitment to sustained efforts across the Group. The CEO and other members of the management deliver a message every year to the entire Group in order to create a corporate culture with zero tolerance for misconduct.

Going forward, we will work even harder with partners in our supply chain to increase awareness of compliance together. Over the medium to long term, we will take proactive measures to predict and detect misconduct by utilizing data.

Through these initiatives, we aim to contribute to maintaining and strengthening our competitive advantage and our relationships of trust with customers.

Promotional framework

The Fujitsu Group has a compliance division under the General Counsel and carries out measures based on the Fujitsu Global Compliance Program (GCP) in cooperation with compliance officers in each region. The results of these activities are reported to the Risk Compliance Committee, which was established based on the "Policy on the Internal Control System,"*¹ and efforts to raise awareness and ensure the enforcement of the Fujitsu Way Code of Conduct throughout the Group are taken in cooperation with the Board of Directors and the Audit & Supervisory Board.

*¹ Policy on the Internal Control System
<https://www.fujitsu.com/global/imagesgig5/notice122b.pdf> (P5-8)

Fujitsu Way Code of Conduct

The Fujitsu Way contains a Code of Conduct, which outlines the fundamental principles that all Fujitsu Group employees should abide by, as shown on the right. Fujitsu has also refined its Fujitsu Way Code of Conduct by developing the Global Business Standards (GBS)*² in 20 languages to serve as a guide on legally compliant behavior for all Fujitsu Group-affiliated employees worldwide and applies the GBS uniformly across the Fujitsu Group.



*² Global Business Standards (GBS)
<https://www.fujitsu.com/global/about/philosophy/codeofconduct/gbs/>

Global Compliance Program

Fujitsu has developed the Fujitsu Global Compliance Program (GCP) to implement and disseminate the Fujitsu Way Code of Conduct and the GBS and is working to maintain and improve the Fujitsu Group's global legal compliance structure. The GCP organizes Fujitsu's various compliance-related activities into five pillars in a systematic manner. The GCP promotes external understanding of Fujitsu's compliance structure and its compliance activities, in addition to clarifying what items Fujitsu needs to address on a continual basis. Based on this GCP, we implement various policies and initiatives in each region, taking into account factors such as each country/region's legal systems and government institutions' guidelines.



Five pillars of the GCP

For details on the Fujitsu Group's Compliance initiatives, please visit the following website.
<https://www.fujitsu.com/global/about/csr/compliance/>

The Environment

Why it matters to Fujitsu / Priorities



Megumi Shimazu

Corporate Executive Officer
SEVP, Head of Global Solutions

Responsible action on global environmental issues, such as responding to climate change, strengthening resource circulation, and conserving biodiversity, is required of us as a company, but it is also essential for realizing Our Purpose. Moving quickly to mitigate our environmental impact, including by reducing greenhouse gas (GHG) emissions, and using the knowledge gained along the way to provide customers with new solutions and contribute to society will also stimulate our growth.

Currently, under Fujitsu Uvance, we are utilizing digital technology to develop energy systems and ascertain and reduce GHG emissions as we focus our efforts on realizing carbon neutrality for all of society and contributing to the building of resilient social infrastructure. We are using our high information sensitivity to address legal and regulatory systems in each country and region as well as customers' issues, thereby strengthening the creation of new value and our competitive advantage.

Promotional framework

To fulfill our social responsibility as a global environmental leader, we are promoting global environmental management as a single group, united by the commitment of our senior management to fulfilling Our Purpose. We continuously examine medium- to long-term issues, the formulation of policies, the sharing of business risks and opportunities arising from climate change, and our response to them, deliberating on these matters at the Sustainability Management Committee. Using the same structures as corporate management, we swiftly promote environmental policies and action plans within the Group, as well as initiatives on environmental materiality, aiming to further strengthen Group governance. Going above and beyond legal and regulatory compliance, we will work to reduce the environmental footprint of our business activities and the sale of products and services we offer. In doing so, we aim to enable more efficient and effective environmental management.

The Fujitsu Group's medium- to long-term environmental vision: Fujitsu Climate and Energy Vision

The Fujitsu Group has set out its medium- to long-term environmental vision, the "Fujitsu Climate and Energy Vision," which presents a future that the Group should strive to realize. The vision demonstrates how the Fujitsu Group will contribute to the realization of a carbon-neutral society and measures to adapt to climate change, while outlining its plan to achieve zero CO₂ emissions by 2050 through the provision of technology and services that support digital transformation. This vision has three pillars, namely, "Our Business: Achieve Zero CO₂ Emissions," "Mitigation: Contribute to a Decarbonized Society," and "Adaptation: Contribute to Measures in Society to Adapt to Climate Change." The Fujitsu Group aims to use digital technology effectively to accelerate its own efforts to become carbon neutral 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. Under this vision, we will engage in further activities based on the latest environmental issues and social trends, such as setting a net zero target for GHGs.

Three pillars of the Fujitsu Climate and Energy Vision



**Achieving zero
CO₂ emissions**



**Contributing to
a carbon neutral society**



**Contributing to
measures to adapt
to climate change**

Business and social contribution

Start of a joint project on an environmental value distribution platform

IHI Corporation and Fujitsu started a joint project in April 2022 aimed at contributing to the realization of a carbon-neutral society and to revitalize the market of environmental value*¹ trading 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 carbon neutrality solutions in the market for trading environmental value, such as CO₂ reductions. Through this new platform, the two companies aim to support the efficient distribution of environmental value and the reduction of CO₂ emissions generated by companies around the world and contribute to the realization of the global goal of a carbon-neutral society.

*¹ Environmental value: The added value of not emitting CO₂ during generation of renewable energy (such as green electricity), since CO₂ has an adverse impact on the environment, in addition to the value of the energy itself

VPP*² and DR*³ trial project aiming for Japan's future energy market

Fujitsu and ENERES Co., Ltd. have developed a system that enables trading of energy shortages and surpluses between electricity consumers using blockchain technology. Specifically, the two companies have been working on a virtual power plant (VPP) and demand response (DR) trial for over seven years, from the start of the negawatt trading*⁴ trial in 2015 to participation in the Power Supply I' Adjustment Power for Coping with Severe Weather*⁵ initiative in 2021. The trial is testing technology for controlling demand-side electric power by deploying Fujitsu's cogeneration generator at its Numazu Plant at the request of a retail electricity provider during times of tight electricity supply.

Going forward, Fujitsu will conduct further collaboration aimed at expanding renewable energy by maximizing the use of distributed energy resources in Japan's energy market and contributing to the achievement of carbon neutrality based on its experience and knowledge from this project.

*² VPP: Virtual power plant. Technology that controls the decentralized electricity sources such as generators and batteries, functioning as a single large power plant

*³ DR: Demand response. To control electricity demand during peak hours by having the demand side effectively save electricity

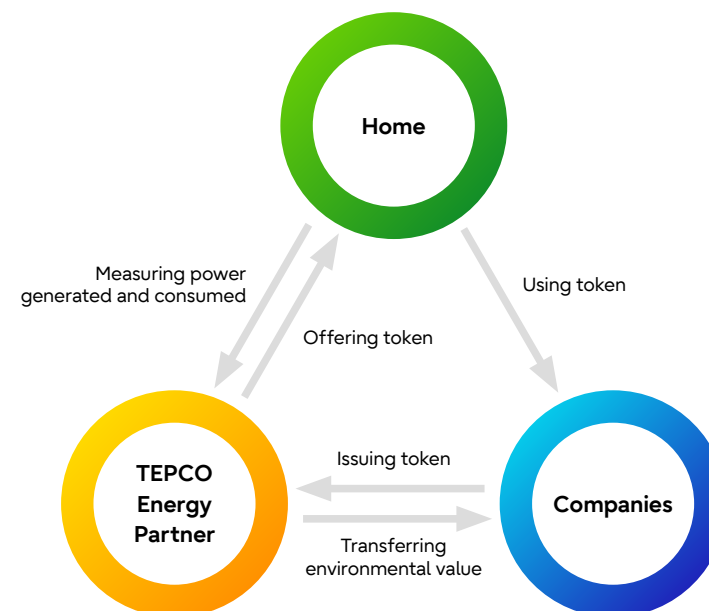
*⁴ Negawatt trading: A scheme for realizing peak cuts by reducing demand-side electricity usage and paying compensation for the reduced amount

*⁵ Power Supply I' Adjustment Power for Coping with Severe Weather: An initiative for controlling electric power on the demand side during power cuts during months with severe weather (July–September, December–February)

Joint trial project aimed at circulation of environmental value in homes and companies

Fujitsu, TEPCO Energy Partner, Inc., GridShare Japan Corporation (a wholly owned subsidiary of Itochu Corporation), and Ridgelinez Limited conducted a trial aiming to circulate environmental value in homes and companies in order to realize carbon neutrality. Specifically, the companies built a platform using blockchain technology and offered households with solar panels installed an environmental value token*⁶ called "Sun Coin" by consuming the power generated themselves. This approach offered consumers a unique way for households to reduce CO₂ emissions. The Sun Coins can be used to donate to a cause proposed by the companies or to support the companies' own increased use of renewable energy, enabling participants to contribute to achieving the SDGs and reducing the companies' CO₂ emissions. Furthermore, for the companies, the scheme offers a way to achieve renewable energy procurement targets while increasing customer engagement by receiving Sun Coins from households.

*⁶ Token: A digitalized right or asset issued uniquely by a company or organization using blockchain technology



Environmental Action Plan

The Fujitsu Group formulated an Environmental Action Plan in 1993 and, since then, continues to broaden the scope of its environmental activities. Specifically, to significantly reduce our own environmental impact, we implemented far-reaching measures throughout our factories and offices to cut CO₂ emissions and chemical pollutants, reduce waste, and address other environmental concerns. In addition, we have also expanded the focus of our activities across the entire supply chain, including our customers, and society as a whole.

Currently, under the Fujitsu Group Environmental Action Plan (Stage X) (fiscal 2021–fiscal 2022), we have set targets based on recent social issues and demands that address the three global societal challenges of climate change, resource circulation, and living in harmony with nature (preservation of biodiversity), and we are working to minimize negative environmental impacts in the supply chain. We are also working to achieve these targets over the medium to long term through activities including reduction of GHG emissions by introducing and expanding renewable energy and improving the energy efficiency of datacenters, reducing resources in products by cutting down on the amount of new plastic used, and ascertaining and reducing the degree of environmental impact to help preserve natural biodiversity.

The Group received SBTi^{*7} validation of its “1.5°C-aligned” GHG emissions reduction targets for 2030 in April 2021. In addition, with a view to accelerating the realization of a carbon-neutral society, in June 2022, we submitted a commitment letter toward SBTi’s net zero target validation, which has been accepted.

*7 SBTi (Science Based Targets initiative): An international initiative related to corporate GHG emissions reduction targets to control the rise in the average global temperature

For details on the Fujitsu Group Environmental Action Plan, please visit the following website:
<https://www.fujitsu.com/global/about/environment/action-plan/>

Initiatives for procurement of renewable energy

The Fujitsu Group procures renewable energy based on regional characteristics in and outside Japan with a view to expanding the use of renewables. As an example inside Japan, when a system change in November 2021 made it possible for electricity users to purchase FIT non-fossil certificates^{*8} directly in the market, we used the system to purchase renewable energy in the Hokuriku area. After this initial purchase, we have expanded our direct purchasing from markets to all areas of Japan since fiscal 2022. Overseas, at Fujitsu Australia, we made a large-scale purchase of renewable energy using a virtual PPA^{*9} scheme. As a result, since June 2022, Fujitsu Australia’s datacenters have been using renewable energy for around 40% of their electricity consumption. This corresponds to approximately 30% of the annual electricity consumption of Fujitsu Australia. We will continue to expand our use of renewable energy, aiming to achieve our GHG emissions reduction targets for 2030.

*8 FIT non-fossil certificates: Non-fossil certificates certifying the environmental value of non-fossil power sources, such as renewable energy from hydropower, solar power, or wind power, that also certify that the power is generated from a feed-in-tariff (FIT) power source

*9 Virtual PPA: A power purchase agreement (PPA) that involves a method of trading the environmental value of renewable energy separately from the actual electric power transaction

Initiatives for biodiversity in nature

Biodiversity loss has been recognized as a serious global risk. Realizing a goal called “Nature Positive,” which refers to the achievement of a net positive improvement in nature, by 2030 represents an essential step in resolving this issue. At the Convention on Biological Diversity (CBD) COP15, the adoption of a post-2020 biodiversity framework that includes international targets for 2030 was outlined.

The Fujitsu Group aims to be among the first to advance new initiatives in this vital area. Under our Environmental Action Plan (Stage X), we have set targets for evaluating and reducing our dependence and impact on nature and biodiversity in our corporate activities. In tandem with these efforts, we are also working to preserve tropical forests and endangered species using digital technology. To realize a net positive improvement in nature by 2030, we will reduce the impact of our own business activities on biodiversity and contribute to society through promotion of biodiversity preservation.

For details on the Fujitsu Group’s environmental initiatives, please visit the following website:
<https://www.fujitsu.com/global/about/environment/>

TCFD-based information disclosure

The Fujitsu Group recognizes that climate change is an important issue for management as it has a significant impact on the sustainability of society over the long term, and we therefore conduct analysis to ascertain medium- to long-term risks and opportunities. In addition to our own response to climate change risks, we believe that examining the potential climate change risks affecting our customers and making value creation proposals to them using our strengths in digital technology will also lead to business opportunities. As a result, we have also strengthened our governance as we aggressively promote initiatives on management strategies for climate change countermeasures. In April 2019, we announced our support for the recommendations issued by the Task Force on Climate-related Financial Disclosures (TCFD), and we are working to disclose information effectively to various stakeholders, including investors.

For details on the Fujitsu Group's TCFD-based information disclosure, please visit the following website.
<https://www.fujitsu.com/global/about/environment/tcfd/>

Item		Response status
Governance	Oversight structure under the Board of Directors for climate-related risks and opportunities	<ul style="list-style-type: none"> The Sustainability Management Committee shares the risks and opportunities arising from climate change, deliberates on medium- and long-term issues, and formulates policies. These results are reported to the Board of Directors via the Management Council. In fiscal 2021, the results of analysis using multiple climate change scenarios, including limiting global warming to 1.5°C, were reported on and discussed by the Sustainability Management Committee. Important risks identified for the overall Group, including climate risk, are reported periodically to the Board of Directors by the Risk Management & Compliance Committee.
	Role of management in assessing and managing climate-related risks and opportunities	<ul style="list-style-type: none"> The representative director and CEO serves as the chair of the Sustainability Management Committee, with responsibility for the highest level of decision-making and for business execution. Directors are responsible for supervision based on reports by the Management Council. The chief sustainability officer (CSO) proposes reforms to directors and the executive team and executes business related to sustainability. The Company decided to introduce ESG indicators, including consideration of climate-change issues, for evaluation of executive directors' bonuses.
Strategy	Short-, medium-, and long-term climate-related risks and opportunities	<ul style="list-style-type: none"> The provision of ICT products that can contribute to climate change mitigation and adaptation measures creates opportunities to increase sales. Physical risks and legal risks have an impact on operational costs by requiring the implementation of measures in the Group's operations and supply chains.
	Impacts on business, strategy, and financial planning	
	Resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	<ul style="list-style-type: none"> In fiscal 2021, scenario analysis was conducted for businesses susceptible to climate change, covering the period to 2050 and using 1.5°C and 4°C scenarios. Analysis of the risk to the Company and the opportunities acquired by supporting resolutions to customers' issues found that the Company's businesses have strategic resilience from a medium- to long-term perspective.
Risk management	Climate-related risk identification and assessment process	<ul style="list-style-type: none"> The Risk Management & Compliance Committee promotes Companywide risk management policy, including for risks related to climate change. Based on the risk assessment results for each division, the committee conducts a two-factor matrix analysis with severity and likelihood axes, selects and assesses risks, and reports the results to the Board of Directors.
	Climate-related risk management process	<ul style="list-style-type: none"> The Company conducts risk monitoring using an environmental management system based on ISO 14001. The Sustainability Management Committee is responsible for managing the progress of climate change measures.
	Status of integration with organization-wide risk management	<ul style="list-style-type: none"> The Risk Management & Compliance Committee identifies and evaluates Companywide risks, including climate change, and coordinates with the Sustainability Management Committee to identify, analyze, and evaluate risks, and to propose and implement recurrence prevention strategies.
Metrics and targets	Metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	<ul style="list-style-type: none"> Fujitsu uses greenhouse gas (GHG) emissions and the renewable energy introduction rate as metrics.
	Scope 1 & 2, and the corresponding Scope 3 GHG emissions (Aggregate data based on the latest boundaries)	<ul style="list-style-type: none"> Scope 1: 68 kt-CO₂ Scope 2: 524 kt-CO₂ (Location based), 422 kt-CO₂ (Market based) Scope 3: 1,207 kt-CO₂ (Category 1: Purchased Goods and Services), 3,142 kt-CO₂ (Category 11: Use of Sold Products)
	Targets used by the organization to manage climate-related risks and opportunities and performance against targets	<ul style="list-style-type: none"> Fujitsu set a target of realizing carbon neutrality by 2050. In fiscal 2021, we updated our GHG emissions reduction target for 2030 to 71.4% (vs. fiscal 2013), corresponding to the "1.5°C standard." Scope 1 & 2 GHG emissions reduction (vs. fiscal 2013): 37.2% reduction in fiscal 2021 vs. target (fiscal 2021/2030 = 33.6%/71.4%) Scope 3 (Category 1 & 11) GHG emissions reduction (vs. fiscal 2013): 46.9% reduction vs. target (fiscal 2030 = 30%)

Climate change risks and opportunities

Based on external scenarios, we analyzed the business impacts of climate change in fiscal 2018 using a 2°C scenario and in fiscal 2021 using 1.5°C and 4°C scenarios. We identified the climate change risks and opportunities for the Group and examined countermeasures. Our aims are to respond to the negative impacts on the Company's operations and supply chains due to transition and physical risks, while also making proposals for value creation by understanding customers' climate change risks and capturing business opportunities.

Risks

Risk type		Term	Details	Key responses
Transition	Policy/Regulation	Short- to long-term	<ul style="list-style-type: none"> • Increase in costs for responding to the strengthened laws and regulations on GHG emissions and energy use (such as a carbon tax, energy-saving policies, etc.) • Risk of diminished corporate value in the event of a violation of the above laws and regulations 	<ul style="list-style-type: none"> • Continued reduction of GHG emissions (increased use of renewable energy and implementation of energy-saving measures) • Ensure legal compliance through EMS
	Market	Medium- and long-term	<ul style="list-style-type: none"> • Increase in electricity prices associated with promotion of a carbon-neutral society (spread of electrification) 	<ul style="list-style-type: none"> • Reduced electricity consumption by formulating internal company standards and development of innovative technologies, etc.
	Technology	Medium- and long-term	<ul style="list-style-type: none"> • Risk that the Company could lose business opportunities if it were to fall behind in fierce competition in technological development (such as energy-saving performance and low-carbon services) and be unable to meet market needs 	<ul style="list-style-type: none"> • Development of products and services for solving customers' climate change issues and promotion of innovation
	Reputation	Short- to long-term	<ul style="list-style-type: none"> • Increase in costs for responding to demands from stakeholders such as investors and customers • Negative impacts on ratings and sales due to delay in response to external requests 	<ul style="list-style-type: none"> • Formulation and promotion of medium- to long-term environmental vision and Environmental Action Plan • Active disclosure of information to ensure transparency of climate change strategy
Physical (Natural disasters, etc.)	Chronic/Acute	Short- to long-term	<ul style="list-style-type: none"> • Increase in costs for responding to changes in rainfall and weather patterns, increase in average temperature, sea level rise, flooding • Increase in costs for operation stoppages and recovery, including supply chains, due to increasing severity of abnormal weather 	<ul style="list-style-type: none"> • Strengthening of BCP measures, survey of suppliers' business continuity systems and application of countermeasure such as multi-sourcing • Assessment and monitoring of potential water risks

Opportunities

Opportunity type	Term	Details	Key responses
Products/services	Short- to long-term	<ul style="list-style-type: none"> • Increase in sales due to development and supply of highly energy-efficient products and services 	<ul style="list-style-type: none"> • Development and provision of high-performance and energy-saving 5G virtualized radio access network (vRAN) technology, high-performance and low-energy supercomputers, etc.
Market	Short- to long-term	<ul style="list-style-type: none"> • Acquisition of new market opportunities by applying ICT to create climate change countermeasures 	<ul style="list-style-type: none"> • Development and provision of services to measure and visualize CO₂ emissions in supply chains and more efficient methods for the discovery of new materials for achieving zero emissions
Resilience	Short- to long-term	<ul style="list-style-type: none"> • Sales growth through new products and services for strengthening resilience 	<ul style="list-style-type: none"> • Development and provision of disaster prevention information systems and an AI water management prediction system for estimating river levels during floods

Scenario analysis

In fiscal 2021, we conducted scenario analysis for our business areas that are considered particularly susceptible to the impacts of climate change covering the period to 2050 and using 1.5°C and 4°C scenarios. These areas were 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). The analysis was conducted in four steps: 1) assessment of risk severity, 2) definition of scenarios, 3) evaluation of impacts on business, and 4) discussion of countermeasures. For Sustainable Manufacturing and Trusted Society, our analysis focused mainly on opportunities for the Company's businesses, such as helping customers respond to climate change risks. For Hybrid IT, we analyzed both risks and opportunities, including response to climate-related risks for the Company's businesses and for its customers.

Analysis results

The analysis confirmed that the opportunities under the scenarios are aligned with the discussion and development direction of the Company's offerings, and that the Company has prepared countermeasures for the risks. From a medium- to long-term perspective, the Company's businesses were found to have strategic resilience.

Moreover, the scenario analysis results were also used as one of the inputs for examining businesses, and the Company formulated and announced the following themes for providing value in its key focus areas. In Sustainable Manufacturing: Carbon Neutrality (promoting the visualization and reduction of CO₂ emissions) and Resilient Supply Chain (resilient response to uncertainty); in Trusted Society: Sustainable Energy and Environment (carbon neutrality through green energy). The Company is now progressing with discussions on the details of our offerings, considering the opportunity-related measures revealed by the scenario analyses.

Sustainable Manufacturing (Opportunity Analysis)

● 1.5°C scenario ◆ 4°C scenario

Sectors studied	Risk severity assessment (both 1.5°C and 4°C)		Scenario definitions	Countermeasure considerations (in part)
	Policy/regulation, markets, technology, reputation	Natural disasters		
Petrochemical businesses	Spread of ICT as a resource circulation-based business infrastructure to achieve carbon neutrality	Increase in plant and supply chain damage due to increased risk of natural disasters	● Acceleration of conversion of carbon-neutral materials into environmentally friendly products throughout the entire supply chain, advancement of portfolio transformation, and increase in demand for strengthening of traceability and streamlining of R&D	<ul style="list-style-type: none"> ● Visualization of CO₂ emissions throughout the supply chain, support for formulation and implementation of decarbonization strategies ● Eco-friendly materials development solutions using materials informatics ● Management visualization with an ESG pivot, formulation and implementation of SX measures through data-driven management
			◆ Increase in demand for plants and supply chains that are more resilient to increased severity of natural disasters	<ul style="list-style-type: none"> ◆ Support for risk event simulation and timely provision of risk information ◆ Rapid response through data-driven management (review of manufacturing systems, suppliers, and SCM)
Automotive businesses	Increase in regulations on internal combustion engines (ICEs). Increase in spread of electric vehicles, and progress on achieving carbon neutrality throughout the product life cycle	Increase in plant and supply chain damage due to increased risk of natural disasters	● Increase in demand for measures to strengthen supply chain traceability and MaaS to help reduce environmental impacts throughout the life cycle	<ul style="list-style-type: none"> ● Visualization of CO₂ emissions throughout the supply chain, support for formulation and implementation of decarbonization strategies ● Support for EV demand (e.g., circular management of EV batteries) ● Management visualization with an ESG pivot, formulation and implementation of SX measures through data-driven management ● Digital technology-based process automation services from design to manufacturing and maintenance
			◆ Increase in demand for accelerated development and increased advancement of ICEs. Increase in demand for stable raw material procurement and enhanced business continuity capabilities due to increasing severity of natural disasters	<ul style="list-style-type: none"> ◆ Support for risk event simulation and timely provision of risk information ◆ Rapid response through data-driven management (review of manufacturing systems, suppliers, and SCM) ◆ Engineering outsourcing service which contributes to acceleration of development processes/technology and selection of management resources
Food-related businesses	Increased awareness of ethical consumption, promotion of resource circulation and biodiversity	Increase in agricultural damage due to increased risk of natural disasters and temperature rises	● Changes in consumer awareness are driving an increase in demand for environmentally friendly packaging, certificates of origin, smart agriculture, and response to food loss	<ul style="list-style-type: none"> ● Visualization of CO₂ emissions throughout the supply chain, support for formulation and implementation of decarbonization strategies ● Support for enhancing traceability throughout the value chain (demand and supply optimization, support for consumer behavior change) ● Management visualization with an ESG pivot, formulation and implementation of SX measures through data-driven management
			◆ Increase in demand for “resilient agriculture” as natural disasters put stable food supply at risk	<ul style="list-style-type: none"> ◆ Support for risk event simulation and timely provision of risk information ◆ Rapid response through data-driven management (review of manufacturing systems, suppliers, and SCM)
Electronic device-related businesses	Increase in plant energy efficiency and expansion in market for products for EVs. Increased potential for radical manufacturing reforms, such as local production for local consumption and 3D printing	Increase in plant and supply chain damage due to increase in natural disaster and water shortage risk	● Spread of energy- and labor-saving technologies. Increase in demand for radical transformation of business model, such as demand chain management	<ul style="list-style-type: none"> ● Visualization of CO₂ emissions throughout the supply chain, support for formulation and implementation of decarbonization strategies ● Digital technology-based process automation services from design to manufacturing and maintenance ● Management visualization with an ESG pivot, formulation and implementation of SX measures through data-driven management
			◆ Increase in demand for higher labor productivity at production sites and construction of plants and supply chains resilient against natural disaster risks	<ul style="list-style-type: none"> ◆ Digital technology-based process automation services from design to manufacturing and maintenance ◆ Support for risk event simulation and timely provision of risk information ◆ Rapid response through data-driven management (review of manufacturing systems, suppliers, and SCM)

Trusted Society (Opportunity Analysis)

● 1.5°C scenario ◆ 4°C scenario

Sectors studied	Risk severity assessment (both 1.5°C and 4°C)		Scenario definitions	Countermeasure considerations (in part)
	Policy/regulation, markets, technology, reputation	Natural disasters		
Public sector-, transportation-, and energy related-businesses	The values by which people select cities and services, such as environmental concerns, will change as decarbonization progresses	Increase in damage to cities, buildings, and infrastructure due to increase in natural disaster risk	● Increase in need for digitalization of city and energy infrastructure and quantification and visualization of new values such as environmental concerns	● Services/solutions related to prediction and control of energy demand and supply balance using real-time data to help achieve a carbon-neutral society through green energy
			◆ Increase in demand for resilient city infrastructure	◆ Building of digital twin infrastructure and enhanced use in simulations, city infrastructure optimization giving consideration to human traffic and individuals, support for resilience in transport and logistics, and disaster prevention/mitigation

Hybrid IT (Risk & Opportunity Analysis)

● 1.5°C scenario ◆ 4°C scenario

Sectors studied	Risk severity assessment (both 1.5°C and 4°C)		Scenario definitions	Countermeasure considerations (in part)
	Policy/regulation, markets, technology, reputation	Natural disasters		
Datacenter-related businesses	Advancement of environmental value traceability, adoption of smart electricity management systems for datacenters	Increase in damage to datacenters due to increase in natural disaster risk	● Datacenter carbon neutrality itself becomes a source of competitive advantage as energy-saving and environmental considerations become standard selection criteria for customers	● Highly energy-efficient datacenters
			◆ Increase in demand for resilient datacenters and need for response to heightened disaster risk for the Company-owned datacenters	◆ Disaster recovery center services in preparation for disasters ◆ Robust datacenters with fully prepared earthquake and security countermeasures

The above scenario analyses are intended to verify the strategic resilience of the Company's business based on assumed hypotheses and are positioned as one simulation that takes into account future uncertainties.

For details on the Fujitsu Group's TCFD-based information disclosure, please visit the following website:
<https://www.fujitsu.com/global/about/environment/tcf/index.html>

Collaboration with stakeholders

Participation in external organizations

World Business Council for Sustainable Development

The World Business Council for Sustainable Development (WBCSD) is an international organization of over 200 international companies that aims to realize a sustainable society through business. Fujitsu has been a member since 2013, and Takahito Tokita, our CEO, is currently contributing to the organization's activities as a board member.

In 2021, the WBCSD released its long-term vision, "Vision 2050: Time to Transform," which we were involved in revising and translating into Japanese. The vision sets out the role that companies should play in addressing the pressing issues facing global society in order to realize "a world in which more than 9 billion people are able to live well, within planetary boundaries." Our Purpose is consistent with the direction that "Vision 2050" is aiming for, and we will continue to work toward the realization of a sustainable world.

Internal awareness building in collaboration with the WBCSD

In November 2021, Peter Bakker, president and CEO of the WBCSD, gave a lecture titled "Vision 2050: Time for Action" to our management team to help them understand how companies can contribute to sustainability. A video of the event was made available to all employees via the intranet to promote a broad understanding of sustainability from the management level to the front lines. Fujitsu will work in cooperation with various stakeholders to realize Our Purpose in line with the WBCSD's Vision 2050.



Lecture

World Economic Forum

The 2022 Annual Meeting of the World Economic Forum (WEF), held in May for the first time in two and a half years as an in-person meeting, was themed "History at a Turning Point: Government Policies and Business Strategies," and included discussions on global pandemics, the crisis in Ukraine, and geopolitical challenges. From Fujitsu, CEO Takahito Tokita and COO Hidenori Furuta participated in the meeting. Through senior management communication with various stakeholders and their feedback, we will work toward the realization of a sustainable world.



Stakeholder dialogue: Advancing business management through dialogue with external experts

Ms. Yumiko Noda, Chairman and Representative Director of Veolia Japan K.K., the Japanese subsidiary of the Veolia Group, which operates water, waste, and energy businesses globally, and Ms. Kaoru Kobu, Head of ESG, Japanese Equity Investment at Invesco Asset Management Japan, one of the world's leading independent asset management firms, were invited to participate in a dialogue with our management team on the topic of "Purpose-driven management enters a new phase: Strategies for sustainable growth and enhanced corporate value in the medium to long term."

The two experts offered many suggestions, including that having purpose is a source of inspiration for employees with diverse values and a foundation for connecting the company with its stakeholders, and that implementing management and business strategies based on purpose is the key to increasing corporate social value. They also expressed their high expectations for visualized intangible assets, including human capital, that present evidence based on actual results to further enhance corporate value.

We will continue to apply the valuable feedback we have received to our management efforts as we move forward with purpose-driven management.



For more information on stakeholder dialogues, please visit the following website:
<https://www.fujitsu.com/global/about/csr/society/dialog/2022/>

For information on stakeholder engagement, please visit the following website:
<https://www.fujitsu.com/global/about/csr/society/dialog/>

Our governance

Our Purpose is “to make the world more sustainable by building trust in society through innovation.” Under this Purpose, the Fujitsu Group believes that management that lives up to the trust of customers and business partners, in which employees are encouraged to engage in activities vibrantly and proudly, and to contribute to society, is the path to our medium- to long-term growth and enhancement of corporate value. In other words, it is the way to respond to all of our stakeholders, and we are continuously strengthening corporate governance, the bedrock that supports this practice.



Interview with the Chairman of the Board of Directors

We spoke with Mr. Atsushi Abe, Chairman of Fujitsu's Board of Directors and also Chairperson of its Executive Nomination Committee, about the current status of strengthening corporate governance and the activities of the Executive Nomination Committee, as well as key points for discussion at the Board of Directors meetings in the fiscal year ended March 31, 2022.

Q How has Fujitsu's corporate governance changed since 2019, when you were appointed Chairman of the Board of Directors?

A A board meeting is a place where the knowledge and experience of the members and the opinions based on them are brought to the table, even if there may be conflicting opinions, and constructive discussions are held to reach a conclusion. I believe that the members now share this understanding and are able to effectively put it into practice.

Specifically, we have created several new opportunities for external directors and auditors to deepen their understanding of the Group's businesses and to create an environment in which they can fully participate in discussions based on this understanding. One of these is the "Business Overview Briefings." We hold these briefings more than 20 times a year as a forum to learn about the current status of the different business units, which are changing at a rapid pace, and to communicate directly with the heads of the business units. In addition, "private sessions," in which only external directors and auditors participate and freely exchange opinions, are held after every Board of Directors meeting. As a result of increasing such discussions, the nature of the independent directors' meetings established in 2015 has changed from an opportunity to foster understanding about the business to an opportunity to organize issues and opinions for the Board of Directors based on the understanding gained at Business Overview Briefings and other meetings.

I myself also use these "forums" to gather the opinions of external directors and auditors and share them with President Tokita in one-on-one meetings to complement discussions at Board of Directors meetings, to ensure that external directors and auditors and the executive team see eye to eye with respect to the direction Fujitsu should take and important management policies.

Q What were the key points of discussion at the Board of Directors meetings in the fiscal year ended March 31, 2022?

A Among the many themes discussed at this past fiscal year's Board of Directors meetings, the most important were setting management targets for the fiscal year ending March 31, 2023, the final year of our medium-term plan, and the focus on growth areas that is essential for the continued expansion of our corporate value in the future.

In the medium-term plan formulated five years ago, we set management targets for the Technology Solutions business, which we have positioned as our core domain, of ¥3.5 trillion in sales revenue and an operating profit margin of 10% in the final year of the plan, the fiscal year ending March 31, 2023. Although these were lofty goals, we maintained the original targets without revising them downward in order to keep up with the challenge of always reaching for higher goals, and we have implemented multifaceted measures to achieve these goals, including the reallocation of resources and internal reforms. As a result,

Atsushi Abe

Director
Managing Partner,
Advanced Solutions, Inc.

although it became unrealistic to maintain the original target for revenue, profitability has been steadily improving, and we believe it is possible to achieve the operating profit margin goal of 10% for the fiscal year ending March 31, 2023. We have decided to work hard this year to achieve sales revenue of ¥3.2 trillion and an operating margin of 10% in the Technology Solutions business.

Although our corporate value has been steadily increasing due to improved profitability and investors' approval of our policy of shifting our main focus to higher value-added services and software as a DX company, it is clear that our market valuation is still low compared to industry peers when looking at market capitalization multiples. In order to correct this valuation, we must show growth potential. Now that we have a clear strategy for growth around Fujitsu Uvance, a portfolio of solutions that could become our new business model, with sustainability as a business objective, the Board of Directors will be making decisions to advance that strategy expeditiously. Regarding investment, we are discussing the need to increase the weight of investment for business growth while continuing internal reforms.

We also spent time on discussions related to the security incidents that occurred in 2021 in terms of managing risks that could damage our corporate value. A third party external committee has been established to examine the cause of the incident, take follow-up actions, and discuss measures to prevent a recurrence. The Board of Directors will continue to oversee this matter, including the state of organizational management and business processes, in order to resolve the underlying issues.

Q

Please also tell us about the activities of the Executive Nomination Committee.

A

Based on the Group's medium- to long-term growth strategy, we have been discussing what kind of knowledge and experience the Board of Directors as a whole needs to be equipped with. The skills matrix we published in March 2022 may be considered a progress report along the way. We plan to break down the major items we published in more detail and further refine our discussions to clarify the knowledge and experience that should be enhanced for the Board of Directors, and then make recommendations that will also go into the composition of the Board of Directors.

Regarding the selection of successors, we are brushing up the existing succession plans based on the same ideas governing the composition of Board of Directors. Specifically, we are visualizing the skills that the CEO and CFO should possess by dividing them into quantitative and qualitative aspects. In addition to making it possible to select candidates that have the requisite skills, this will also clarify training plans for candidates to fill in the gaps before they are assigned to the positions in question. At the same time, we discussed whether succession planning related to the selection of successors is truly reasonable, on the view that we should eliminate those rules and customs that are inappropriate.

In June 2022, Fujitsu welcomed Ms. Catherine O'Connell as a new independent external auditor. Ms. O'Connell is an entrepreneur who has worked in the corporate departments of Japanese companies, has knowledge of Japanese business processes, and is

an entrepreneur who has established and heads a law firm in Japan. Above all, she has a sound critical mind and the ability to engage in constructive dialogue based on her knowledge and experience.

When we interviewed the current auditors regarding the appointment of a new auditor, we were told that an important quality for auditors is the "boldness" to point out problems sharply and frankly. We believe that Ms. O'Connell has the ability to do so and will contribute greatly to the future efforts of the Board of Directors and the Audit & Supervisory Board.

Q

Finally, what are your future aspirations as Chairman of the Board?

A

First, we will further discuss how to realize our growth strategy centering on Fujitsu Uvance. At the same time, I think we must raise such issues as what is needed to continuously improve productivity, what is required to utilize intangible assets such as human resources, and increase competitiveness. For example, I would like to discuss the level of compensation for employees as a global IT services company.

With respect to strengthening the corporate governance system, based on an analysis of the current skill composition of the Board of Directors, we will also consider specific measures to bring the Group closer to its ideal state. We also intend to seek better ways to evaluate the effectiveness of the Board of Directors, including further expansion of mutual evaluations by directors.

Interview with the Chairperson of the Compensation Committee

The Fujitsu Group has changed its policy for determining executive compensation in 2022. We spoke with Dr. Chiaki Mukai, independent director and Chairperson of the Compensation Committee, about the thinking behind the new policy and the opinions that emerged during the discussion process.

Q The evaluation indicators for bonuses and performance-linked stock compensation have been changed for executive directors. What were the reasons for revising the compensation system? What did you emphasize in the review?

A The decision to change the compensation system was based on the need to align it with the Management Direction and the human resources system.

In 2019, the Fujitsu Group set revenue and operating profit margin as financial indicators for management targets, later adding earnings per share (EPS). In 2020, Fujitsu established Customer NPS® and employee engagement as non-financial indicators, and added DX Promotion Indices the following year. However, a mechanism to reflect progress with these new indicators in the calculation of compensation had not been incorporated into the compensation system for executive directors. Specifically, changes in the evaluation system for senior executives above a certain level had preceded in incorporating non-financial indicators, so it was also necessary to align the compensation system with the evaluation system.

A compensation system that evaluates employees fairly, equitably, and transparently encourages the decision-making necessary to achieve business goals. By rewarding performance, it also serves to promote behavioral change. The current compensation system was created with an emphasis on making such ideas consistent throughout the Group.

Q At the roundtable discussion with independent directors a year ago, you mentioned that there were points that needed to be further deliberated regarding the reflection of non-financial indicators in the compensation system. What were some of the points of consideration?

A The first point of contention was that sustainability and business timelines do not necessarily coincide. Environmental, social, and governance (ESG) initiatives are not something that will produce immediate results. In addition, ESG does not have an endpoint, and there is always room for progress in response to the changing times and the demands of society. For this reason, we have decided to evaluate whether the indicators have improved as a result of progress made in our efforts since the previous year, rather than evaluating whether or not a specific absolute value has been achieved.

While this policy change aligns the compensation system with the Management Direction, we do not believe it is complete. The Compensation Committee is still discussing whether there are more appropriate evaluation indicators.



Chiaki Mukai

Director
Specially Appointed
Vice President of
Tokyo University of Science

Q Why did you add DJSI*¹ and CDP Climate Change*² which are third-party assessments on ESG, to the list of items eligible for bonus payments?

A The purpose of adding globally recognized third-party evaluations is to objectively view ourselves in the context of the standards required of a global company. Since both DJSI and CDP disclose evaluation items, we further considered that we could analyze what was not evaluated and take appropriate action. We would like to use them as benchmarks against which to examine what it takes to win in the world as a global company.

I would also like to explain a little bit about the DX Promotion Indices, which differ from non-financial indicators in terms of global recognition, in that they were established by Japan's Ministry of Economy, Trade and Industry (METI). We are proud of our role as a leader in DX in Japan, as we aim for global growth.

If our Group proceeds with its efforts based on the DX Promotion Indices, it will become a benchmark for domestic customers in Japan. We also added the indices as a management indicator as they will help us understand the level of our DX from a global perspective while keeping an overview of Japan as a whole. As the DX Promotion Indices are an appropriate management goal, the indices should naturally also be reflected in the compensation system.

Q You mentioned that the discussions in the Compensation Committee will continue. What are your thoughts on the issues that need to be addressed in the future?

A The members of the Compensation Committee agreed that it is necessary to start from the ideal image of the Fujitsu Group as a leading global company and consider a compensation system from the perspective of what is important to achieve this ideal. Policies and plans for achieving growth are updated in response to changes in the Group itself and in the business environment. As new management policies and plans are developed, we must naturally consider the compensation to reflect them. Looking beyond the current medium-term plan, which runs through to the end of March 2023, there is much work to be done.

Some members of the Board of Directors believe that a system to boost employee motivation should be introduced and the salaries of regular employees can be further raised to encourage further efforts toward growth. It is also necessary to exchange opinions with the human resources department to develop an executive compensation system that is consistent with the system for general employees. I believe that the most important task of the Executive Compensation Committee is not merely to look at the role of the executive directors, but to consider and adopt a better compensation system for the Group as a whole, and I myself feel that I deepen my understanding about the personnel system.

Q As competition for talent intensifies, what do you think is necessary for the Fujitsu Group to attract talent and continue to grow?

A There are many ways to achieve this, such as globally competitive compensation and a system that allows for autonomous career development, but I believe that expanding revenue and achieving growth are also important for attracting talent. We believe that the growth of our Group's corporate value will enhance our reputation, which in turn will provide us with opportunities to attract good global talent. To create such a good cycle, it is important to properly evaluate the work of those who contribute to growth. We believe that we need to create a system in which people who are motivated to lead the Group can develop their careers, attain promotions, and be rewarded accordingly, in order to be a company that is respected globally and that many people empathize with and want to work for.

*1 Dow Jones Sustainability Index, a global ESG investment index

*2 CDP, an international non-profit organization, conducts surveys and evaluations of climate change initiatives at the request of investors and others, and publishes the results.

Management

(As of September 1, 2022)

Executive Directors



Takahito Tokita

Representative Director
CEO, CDXO

Number of years as director: 3

Number of Fujitsu shares held:
1,364*1

Born: September 2, 1962
Apr. 1988 Joined the Company
Jun. 2014 Head of Financial Systems Unit
Apr. 2015 Corporate Executive Officer
Jan. 2019 EVP, Head of Global Delivery Group*2
Mar. 2019 Corporate Executive Officer, SEVP
Jun. 2019 Representative Director and
Chief Executive Officer (CEO)*3
Chairman of the Risk Management &
Compliance Committee*3
Oct. 2019 Chief Digital Transformation Officer (CDXO)*3



Hidenori Furuta

Representative Director
COO, CDPO

Number of years as director: 3

Number of Fujitsu shares held:
3,763*1

Born: December 13, 1958
Apr. 1982 Joined the Company
May 2009 Head of Manufacturing Industry Solutions
Business Unit
Apr. 2012 Corporate Vice President
Apr. 2014 Corporate Senior Vice President*2
Head of Global Delivery
Apr. 2018 Corporate Executive Officer*2
SEVP, Head of Digital Services Business
Jan. 2019 SEVP, Head of Technology Solutions Business
Chief Technology Officer (CTO)
(until June 2021)
Jun. 2019 Representative Director and
Chief Operating Officer (COO)*3
Apr. 2020 SEVP, Head of Global Solutions Business
Oct. 2021 Chief Data & Process Officer (CDPO)*3



Takeshi Isobe

Director
CFO

Number of years as director: 2

Number of Fujitsu shares held:
978*1

Born: July 29, 1962
Apr. 1985 Joined the Company
Jun. 2014 VP of Corporate Controller Division,
Corporate Finance Unit
Apr. 2018 Corporate Executive Officer
EVP, Head of Corporate Finance Unit
(until March 2021)
Jun. 2019 Chief Financial Officer (CFO)*3
Apr. 2020 Corporate Executive Officer, SEVP*2
Jun. 2020 Director and Corporate Executive Officer,
SEVP*2 *3

Non-Executive Directors



Masami Yamamoto

Director
Senior Advisor

Number of years as director: 12

Number of Fujitsu shares held:
10,159*1

Born: January 11, 1954
Apr. 1976 Joined the Company
Jun. 2004 Executive Vice President,
Personal Systems Business Group
Jun. 2005 Corporate Vice President
Jun. 2007 Corporate Senior Vice President
Jan. 2010 Corporate Senior Executive Vice President
Apr. 2010 President
Jun. 2010 Representative Director
President
Jun. 2015 Representative Director
Chairman (until June 2017)
Chairman of the Board of Directors
(until June 2019)
Jul. 2015 Member of the Executive Nomination
Committee and
Compensation Committee (until June 2019)
Jun. 2017 Director and Chairman (until June 2019)
Outside Director, JFE Holdings, Inc.*3
Oct. 2018 Member of Council for Promotion of
Regulatory Reform, Cabinet Office (until July 2019)
Mar. 2019 Member of Intellectual Property Strategy
Headquarters, Cabinet Office (until March 2021)
Jun. 2019 Director and Senior Advisor*3
Member of the Board of Directors
(Outside Director),
Mizuho Financial Group, Inc.*3
Jul. 2021 Member of the Executive
Nomination Committee*3



Chiaki Mukai

Director
Specially Appointed
Vice President of
Tokyo University of Science

Number of years as director: 7
Number of Fujitsu shares held:
3,295*1

Born: May 6, 1952
Apr. 1977 Staff of Department of Surgery,
Keio University School of Medicine
(until November 1985)
Aug. 1985 Payload Specialist of National Space
Development Agency of Japan*4
(until March 2015)
Jun. 1987 Visiting Scientist of Division of Cardiovascular
Physiology, Space Biomedical Research
Institute, NASA Johnson Space Center
(until December 1988)
Oct. 2014 Vice President of Science Council of Japan
(until September 2017)
Apr. 2015 Vice President, Tokyo University of Science
(until March 2016)
Jun. 2015 Director*3
Apr. 2016 Specially Appointed Vice President of
Tokyo University of Science*3
Jul. 2016 Member of the Executive Nomination Committee
(until June 2021)
Member of the Compensation Committee
(until June 2018)
Jan. 2017 Chair of the Scientific and Technical Subcommittee,
UN Committee on the Peaceful Uses
of Outer Space (COPUOS) (until January 2018)
Apr. 2018 Special Counselor of JAXA
(until March 2021)
Jul. 2018 Chairperson of the Compensation Committee*3
Mar. 2019 Outside Director, Kao Corporation*3



Atsushi Abe

Director
Managing Partner,
Advanced Solutions, Inc.

Number of years as director: 7
Number of Fujitsu shares held:
2,902*1

Born: October 19, 1953
Apr. 1977 Joined Mitsui & Co., Ltd.
Jun. 1990 Manager, Electronic Industry Department,
Mitsui & Co., Ltd.
Jan. 1993 Managing Director, Alex. Brown & Sons, Inc.*5
Aug. 2001 Managing Director and
Head of Global Corporate Finance,
Deutsche Securities, Ltd.*6
Aug. 2004 Partner & Head of Japan,
J.P. Morgan Partners Asia*7 (until March 2009)
May 2007 Board Member, Edwards Group Ltd.*8
(until October 2009)
Dec. 2009 Managing Partner, Sangyo Sosei Advisory Inc.
(until June 2022)
Feb. 2011 Board Member, ON
Semiconductor Corporation*3
Jun. 2015 Director*3
Jun. 2019 Chairman of the Board of Directors*3
Dec. 2019 Senior Advisor, Sangyo Sosei Advisory Inc.
(until June 2022)
Jul. 2021 Chairman of the Executive
Nomination Committee*3
Jul. 2022 Managing Partner, Advanced Solutions, Inc.*3

Non-Executive Directors



Yoshiko Kojo

Director
Professor, Department of International Politics, Aoyama Gakuin University School of International Politics, Economics and Communication
Number of years as director: 4
Number of Fujitsu shares held: 856*1

Born: June 19, 1956
Apr. 1988 Assistant Professor of International Relations, Faculty of Law, Kokugakuin University
Apr. 1991 Associate Professor of International Relations, Faculty of Law, Kokugakuin University
Apr. 1996 Associate Professor of International Relations, Department of Advanced Social and International Studies, the University of Tokyo
Jun. 1999 Professor of International Relations, Department of Advanced Social and International Relations, the University of Tokyo (until March 2020)
Oct. 2010 President, Japan Association of International Relations
Oct. 2012 Member of Advisory Board, Japan Association of International Relations*3
Oct. 2014 Member of Science Council of Japan (until September 2020)
Jun. 2018 Director*3
Jul. 2019 Member of the Executive Nomination Committee and Compensation Committee*3
Apr. 2020 Professor, Department of International Politics, Aoyama Gakuin University School of International Politics, Economics and Communication*3



Scott Callon

Director
Chief Executive Officer, Ichigo Asset Management, Ltd.
Number of years as director: 2
Number of Fujitsu shares held: 0*1

Born: December 6, 1964
Apr. 1988 MIPS Computer Systems, Inc.*9
Jan. 2003 Head of Equities, Morgan Stanley Japan Limited*10
May 2006 Chief Executive Officer, Ichigo Asset Management, Ltd.*3
Oct. 2008 Chairman and Representative Statutory Executive Officer, Asset Managers Holdings Co., Ltd.*11*3
Nov. 2008 Director and Chairman of the Board of Directors, Asset Managers Holdings Co., Ltd.*11*3
May 2012 External Audit & Supervisory Board Member, Chiyoda Co., Ltd. (until May 2020)
Mar. 2020 Chairman and Representative Director, Japan Display Inc. (until December 2020)
Jun. 2020 Director*3
Aug. 2020 Chairman of the Board of Directors, Japan Display Inc.*3
Jan. 2021 Chairman, Representative Executive Officer, CEO and Director, Japan Display Inc.*3
Jul. 2021 Member of the Executive Nomination Committee and Compensation Committee*3



Kenichiro Sasae

Director
President, The Japan Institute of International Affairs
Number of years as director: 1
Number of Fujitsu shares held: 45*1

Born: September 25, 1951
Apr. 1974 Ministry of Foreign Affairs
Mar. 2002 Director-General of Economic Affairs Bureau, Ministry of Foreign Affairs
Jan. 2005 Director-General of Asian and Oceania Affairs Bureau, Ministry of Foreign Affairs
Jan. 2008 Deputy Minister for Foreign Affairs
Aug. 2010 Vice-Minister for Foreign Affairs
Sep. 2012 Ambassador Extraordinary and Plenipotentiary of Japan to the United States of America
Jun. 2018 President and Director General, The Japan Institute of International Affairs
Jun. 2019 Outside Director, SEIREN CO., LTD.*3
Outside Director, MITSUBISHI MOTORS CORPORATION*3
Dec. 2020 President, The Japan Institute of International Affairs*3
Jun. 2021 Director*3
Jul. 2021 Member of the Compensation Committee*3
Mar. 2022 Outside Director, Asahi Group Holdings, Ltd.*3

Audit & Supervisory Board Members



Youichi Hirose

Audit & Supervisory Board Member
Number of years as Audit & Supervisory Board Member: 5
Number of Fujitsu shares held: 3,090*1

Born: March 5, 1958
Apr. 1981 Joined the Company
Jun. 2009 Vice President, Corporate Controller, Corporate Finance Unit (until June 2014)
Apr. 2012 Executive Vice President
Vice Head of Corporate Finance Unit (until March 2014)
May 2013 Corporate Vice President (until March 2017)
Apr. 2014 Head of Corporate Finance Unit
Apr. 2017 Executive Advisor
Jun. 2017 Audit & Supervisory Board Member*3
Jun. 2018 External Audit & Supervisory Board Member, FUJITSU GENERAL LIMITED*3



Megumi Yamamuro

Audit & Supervisory Board Member
Number of years as Audit & Supervisory Board Member: 2
Number of Fujitsu shares held: 0*1

Born: March 8, 1948
Apr. 1974 Assistant Judge, Tokyo District Court
Apr. 1984 Judge, Tokyo District Court
Apr. 1988 Professor, The Legal Training and Research Institute of Japan
Apr. 1997 Judge, Tokyo High Court
Jul. 2004 Admitted as lawyer
Participated in CAST Law PC.*12*3
Oct. 2004 Professor, University of Tokyo Graduate Schools for Law and Politics (until September 2010)
Jun. 2005 External Audit & Supervisory Board Member (until June 2020)
Jun. 2013 External Audit & Supervisory Board Member, Yachiyo Industry Co., Ltd. (until June 2020)
Jul. 2013 Member of the Executive Nomination Committee and Compensation Committee (until July 2016)
Jun. 2020 Audit & Supervisory Board Member*3



Koji Hatsukawa

Audit & Supervisory Board Member
CPA
Number of years as Audit & Supervisory Board Member: 9
Number of Fujitsu shares held: 1,813*1

Born: September 25, 1951
Mar. 1974 Joined Price Waterhouse Accounting Office
Jul. 1991 Representative Partner, Aoyama Audit Corporation
Apr. 2000 Representative Partner, Chuo Aoyama PricewaterhouseCoopers
Oct. 2005 Director, Chuo Aoyama PricewaterhouseCoopers Manager of International Operations
May 2009 CEO, PricewaterhouseCoopers Aarata*13 (until May 2012)
Jun. 2012 Audit & Supervisory Board Member, The Norinchukin Bank (until June 2021)
Jun. 2013 Audit & Supervisory Board Member*3
Jun. 2016 External Director, Audit & Supervisory Committee member, Takeda Pharmaceutical Company Limited*3

Audit & Supervisory Board Members



Hideo Makuta

Audit & Supervisory Board Member

Advisor, Nagashima Ohno & Tsunematsu

Number of years as Audit & Supervisory Board Member: 2

Number of Fujitsu shares held: 0^{*1}

Born: February 6, 1953

Apr. 1978 Public Prosecutor, Tokyo District Public Prosecutors Office

Dec. 2006 Chief Prosecutor, Niigata District Public Prosecutors Office

Apr. 2010 Chief Prosecutor, Chiba District Public Prosecutors Office

Aug. 2011 Director, Criminal Affairs Department, Supreme Public Prosecutors Office

Jul. 2012 Commissioner, Japan Fair Trade Commission (until June 2017)

Sep. 2017 Registered as a Lawyer Advisor, Nagashima Ohno & Tsunematsu^{*3}

Apr. 2019 Commissioner, Contract Monitoring Committee, Japan Atomic Energy Agency^{*3}

Jun. 2020 Audit & Supervisory Board Member^{*3}
External Audit & Supervisory Board Member, Daicel Corporation^{*3}



Catherine O'Connell

Audit & Supervisory Board Member

Principal, Catherine O'Connell Law

Number of years as Audit & Supervisory Board Member: Newly appointed

Number of Fujitsu shares held: 0^{*1}

Born: February 10, 1967

Nov. 1994 Anderson Lloyd Barristers & Solicitors

Mar. 2012 Head of Legal, Molex Japan LLC

Jun. 2017 Representative Director, O'Connell Consultants (until December 2017)

Jan. 2018 Principal, Catherine O'Connell Law^{*3}

Jun. 2022 Audit & Supervisory Board Member^{*3}

^{*1} Number of shares held as of March 31, 2022

^{*2} Regarding Corporate Executive Officers, in April 2022, we eliminated position names (Senior Executive Vice President/Executive Vice President) and changed to naming that demonstrates the scale of job responsibility using the FUJITSU Level (SEVP, EVP, SVP, etc.).

^{*3} To present

^{*4} Currently, the Japan Aerospace Exploration Agency (JAXA)

^{*5} Currently, Raymond James & Associates, Inc.

^{*6} Currently, Deutsche Securities Inc.

^{*7} Currently, Unitas Capital

^{*8} Currently, Atlas Copco

^{*9} Currently, MIIPS

^{*10} Currently, Morgan Stanley MUFG Securities Co., Ltd.

^{*11} Currently, Ichigo Inc.

^{*12} Currently, URYU & ITOGA

^{*13} Currently, PricewaterhouseCoopers Aarata LLC

Representative Directors / Corporate Executive Officers

Representative Director
CEO, CDXO

Takahito Tokita

Representative Director
COO, CDPO

Hiddenori Furuta

Director and Corporate Executive Officer
SEVP, CFO

Takeshi Isobe

Corporate Executive Officers

Vivek Mahajan

Taizo Takahashi

Ryuji Kushida

Megumi Shimazu

Shunsuke Onishi

Hiroyuki Tsutsumi

Shunsuke Baba

Masahiro Ohta

Yumiko Kajiwara

Hiroki Hiramatsu

Kyoko Mizuguchi

Taeko Yamamoto

Yuzuru Fukuda

Junichi Saito

Yuuichi Koseki

Hiroataka Hara

Shingo Mizuno

Rupert Lehner

Yoshinami Takahashi

Kazushi Koga

Tim White

Hirohisa Yamaguchi

Masaru Yagi

Ryuichi Kubota

Tsuneo Hayashi

Masuo Yasuda

Paul Patterson

Mikihito Saito

Graeme Beardsell

For more information on responsibilities of representative directors and corporate executive officers, please visit the following website:
<https://www.fujitsu.com/global/about/corporate/management/>

Corporate governance

Basic approach to corporate governance

The Company regards corporate governance as a critical mechanism to fulfill the senior management team's mission in a manner befitting shareholders' trust. This mission is based on Our Purpose, and enables a form of business management that, rather than pursuing short-term profits, earns the trust of customers and business partners, motivates employees to work with vitality and pride, and contributes to society. Through such business management, the Company will grow and enhance corporate value over the medium to long term.

Structural framework

The Company endeavors to ensure that the oversight and advice from the diverse perspectives of non-executive directors (the term used for the combination of independent directors and non-executive directors appointed from within the Company) are reflected in the management execution of executive directors, as part of the Board of Directors' function while leveraging the advantages of a company with an Audit & Supervisory Board system. (For specific measures, please see "1. Overview of corporate governance structure.") Based on a decision made by the Board of Directors in December 2015, the Company has established a basic policy, "Corporate Governance Policy," summarizing its approach to corporate governance. From the standpoint that corporate governance is for ensuring better management, we constantly review the policy to ensure that it does not become rigid or lose its relevance, discuss it with the Board of Directors as appropriate, and strive to maintain the best corporate governance system at all times.

Corporate Governance Policy

<https://www.fujitsu.com/global/about/ir/library/governance/governancereport-b-en-20211223.pdf>

For further details on corporate governance, please visit the following website:

(About Fujitsu > Sustainability > Corporate Governance):

<https://www.fujitsu.com/global/about/csr/governance/>

Initiatives taken to strengthen corporate governance

Reduced directors' terms to one year
To further clarify directors' management responsibilities

2006

Established the Independent Directors & Auditors Council
To support independent directors and Audit & Supervisory Board members, who maintain a certain degree of separation from the execution of business activities, in consistently gaining a deeper understanding of Fujitsu's business

2009

Established the Executive Nomination Committee and Compensation Committee
To ensure the transparency and objectivity of the process for choosing candidates for executives and the process of determining compensation, and to ensure an appropriate compensation system and level

Established Corporate Governance Policy
To explain to shareholders basic policies on the establishment and operation of systems in light of basic approaches to corporate governance

2015

Introduced performance-based stock compensation plan
To incentivize executive directors to improve medium- to long-term corporate value and to promote shareholder-oriented business management

2017

Appointed independent director as chairman of the Board
Independent directors are appointed as chairman of the Board, chairperson of the Executive Nomination Committee, and chairperson of the Compensation Committee in order to strengthen the supervisory function.

2018

Abolished senior executive advisor/ advisor system
To clarify management responsibility and strengthen corporate governance, Fujitsu will enter into commission contracts with retiring officers, who will be known as "senior advisors" or "senior fellows," on an individual basis and subject to a resolution of the Board of Directors, in cases where such treatment of retiring officers is indispensable as they are to be appointed as an officer of an unaffiliated organization, or where it is judged the individual is particularly useful for Fujitsu's business operations.

2019

Made independent directors a majority on the Board of Directors
Among nine directors, five independent directors constitute a majority. Our aim is to increase the transparency and objectivity of deliberations.

2020

Comprehensively revised the "Basic Policy on Corporate Governance" in line with the revision of the Corporate Governance Code
To achieve a higher level of governance expected of a company on the Prime Market and to achieve further sustainable growth and increase corporate value over the medium to long term

2021

Revised the executive compensation system
To make the compensation system more transparent and further link it to business performance and shareholder value by adding EPS and non-financial indicators to the evaluation indicators of executive compensation

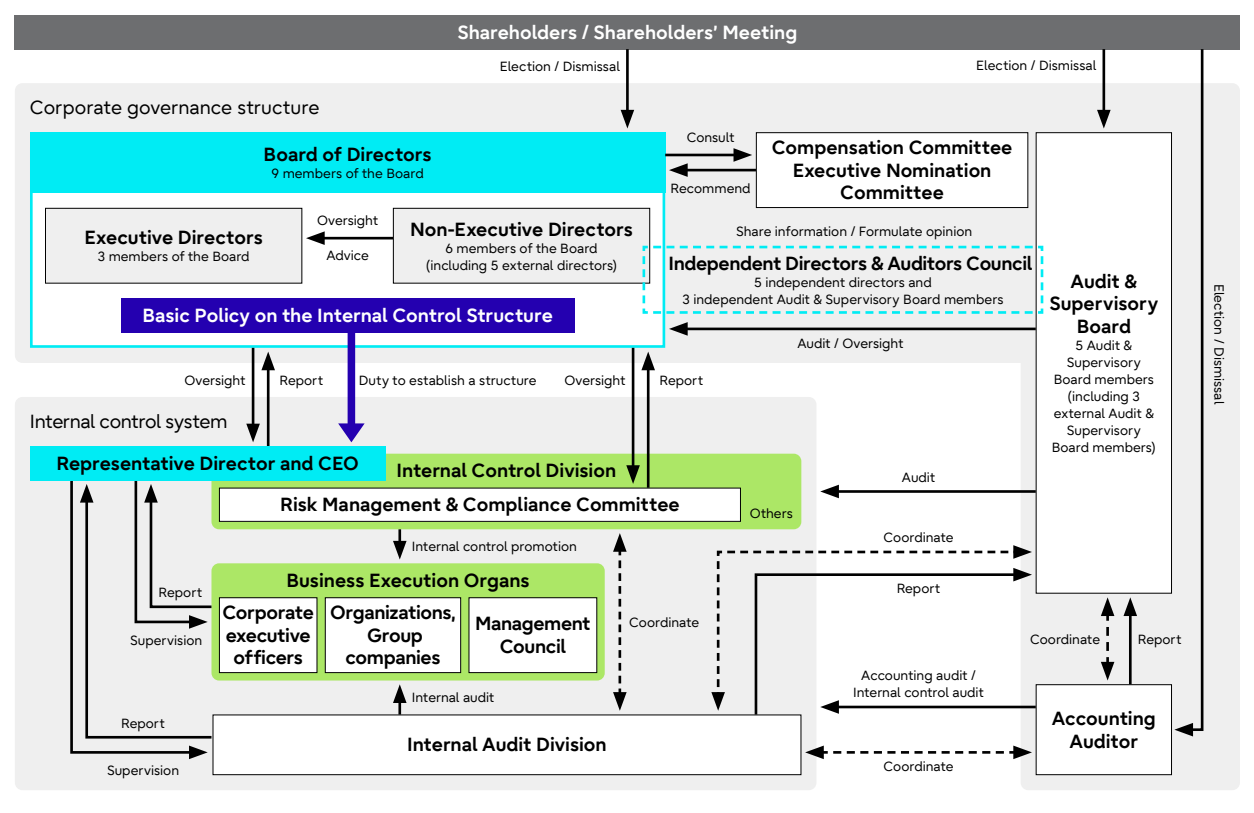
2022

For the complete Corporate Governance Policy, please visit the following website.
<https://www.fujitsu.com/global/about/ir/library/governance/governancereport-b-en-20211223.pdf>

1. Overview of corporate governance structure

Fujitsu's corporate governance structure

(As of June 27, 2022)



Roles and composition of key boards, committees, and councils

Board of Directors	<ul style="list-style-type: none"> Serves as a body for making important decisions and overseeing management Mainly oversees and acts in an advisory capacity in relation to the management execution of executive directors Composed mainly of non-executive directors, with a majority of the Board of Directors consisting of independent directors At least one non-executive director appointed from within the Company Proactive appointment of independent directors to the position of non-executive director One-year term of office for directors As of June 27, 2022, the Board of Directors is composed of nine members, of whom three are executive and six are non-executive directors (including five independent directors). The Board of Directors is chaired by an independent director.
Audit & Supervisory Board	<ul style="list-style-type: none"> From an independent position, audits and provides oversight of the Board of Directors as well as management execution functions and conducts accounting audits Four-year term of office for Audit & Supervisory Board members As of June 27, 2022, the Audit & Supervisory Board comprises five members, of whom two are full-time Audit & Supervisory Board members and three are external Audit & Supervisory Board members.
Executive Nomination Committee and Compensation Committee	<ul style="list-style-type: none"> Serve as advisory bodies to the Board of Directors The Executive Nomination Committee deliberates on candidates for director and Audit & Supervisory Board member positions in accordance with the Structural Framework of the Corporate Governance Structure and the Procedures and Policy of Directors' and Auditors' Nomination/Dismissal stipulated in the Company's Corporate Governance Policy, and submits recommendations to the Board of Directors. The Compensation Committee submits recommendations on the level of base compensation and the method for calculating performance-based compensation to the Board of Directors in accordance with the Procedures and Policy of Directors' and Auditors' Nomination/Dismissal stipulated in the Company's Corporate Governance Policy. As of July 27, 2022, the Executive Nomination Committee comprises three independent directors and one non-executive director; the Compensation Committee comprises four independent directors. (For details on committee members, please see "Members of the Board of Directors and Audit & Supervisory Board" on page 81.) As of July 27, 2022, both committees are chaired by independent directors.
Independent Directors & Auditors Council	<ul style="list-style-type: none"> Serves as a framework under which independent directors and independent Audit & Supervisory Board members share information and further their understanding of the Company's businesses. Council members discuss the medium- and long-term direction of the Company, share information, and exchange viewpoints so that all members can formulate their own opinions. Is composed of all independent directors and independent Audit & Supervisory Board members

2. Directors / Audit & Supervisory Board members

Independence standards for external directors and auditors

The Company has established independence standards and evaluates the independence of external directors and auditors based on these standards.

For details on independence standards, please visit the following website for the corporate governance policy.

<https://www.fujitsu.com/global/about/ir/library/governance/governancereport-b-en-20211223.pdf>

Skills of directors and Audit & Supervisory Board members

Fujitsu, as a global company making the world more sustainable by building trust in society through innovation, has identified requisite qualities including diversity and the necessary skills for the Board of Directors and Audit & Supervisory Board members to provide appropriate advice and supervision in their respective roles, and summarizes and discloses the qualities and skills in a matrix.

Skills matrix of the Board of Directors and Audit & Supervisory Board members (As of June 27, 2022)

	Name	Nationality	External	Skills matrix				
				Corporate management	Finance and investment	Global	Technology	ESG, academia, and policy
CEO	Takahito Tokita	Japan		○		○	○	
COO	Hidenori Furuta	Japan		○		○	○	
CFO	Takeshi Isobe	Japan		○	○	○		
Senior Advisor	Masami Yamamoto	Japan		○		○	○	
Independent Director	Chiaki Mukai	Japan	○			○	○	○
Independent Director	Atsushi Abe	Japan	○		○	○	○	
Independent Director	Yoshiko Kojo	Japan	○			○		○
Independent Director	Scott Callon	United States	○	○	○	○		
Independent Director	Kenichiro Sasae	Japan	○			○		○

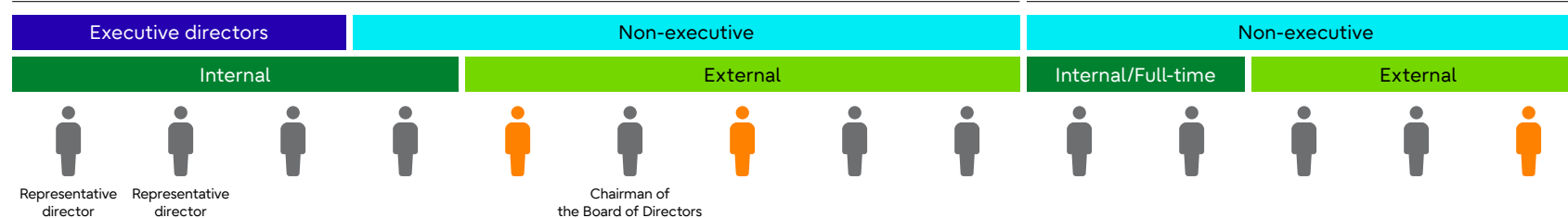
	Name	Nationality	External	Skills matrix		
				Legal affairs and compliance	Finance and accounting	Operating process
Full-time Audit & Supervisory Board Member	Youichi Hirose	Japan			○	○
Full-time Audit & Supervisory Board Member	Megumi Yamamuro	Japan		○	○	
Audit & Supervisory Board Member	Koji Hatsukawa	Japan	○		○	○
Audit & Supervisory Board Member	Hideo Makuta	Japan	○	○	○	
Audit & Supervisory Board Member	Catherine O'Connell	New Zealand	○	○		

Members of the Board of Directors and Audit & Supervisory Board

(As of June 27, 2022)

 Male
  Female
 ● Chairperson ○ Member

9 members of the Board of Directors



	Takahito Tokita	Hidenori Furuta	Takeshi Isobe	Masami Yamamoto	Chiaki Mukai	Atsushi Abe	Yoshiko Kojo	Scott Callon	Kenichiro Sasae	Youichi Hirose	Megumi Yamamuro	Koji Hatsukawa	Hideo Makuta	Catherine O'Connell
Executive Nomination Committee				○		●	○	○						
Compensation Committee					●		○	○	○					
Independent Directors & Auditors Council					○	○	○	○	○			○	○	○





Appointment of external directors and auditors

Fujitsu actively appoints external directors and auditors to increase management transparency and further improve efficiency.

Fujitsu determines independence based on the independence standards as introduced on page 81. All external directors and auditors have been registered with and accepted as independent directors and Audit & Supervisory Board members by the financial instruments exchanges on which Fujitsu is listed in Japan.

Fujitsu's views on the roles, functions, and specific reasons for nomination of external directors and external Audit & Supervisory Board members are as follows:

External directors

 Chiaki Mukai	Dr. Chiaki Mukai has an impressive personal history as a doctor who became Asia's first female astronaut, and she exemplifies the Company's spirit of taking on challenges at the cutting edge of science. She led discussions on executive compensation in her capacity as the chairperson of the Compensation Committee. The Company expects that she will continue to be able to provide oversight and advice as an external director from a fair and objective standpoint based on her broad knowledge of science and technology and global perspective. Fujitsu and Academic Corporation Tokyo University of Science, which operates the Tokyo University of Science where Dr. Mukai serves as vice president, had business transactions in fiscal 2021 amounting to approximately ¥2 million. Taking into account the scale of our sales, the amount of transactions is immaterial and does not constitute a conflict of interest. Therefore, Fujitsu considers Dr. Mukai to be independent.
 Atsushi Abe	Mr. Atsushi Abe has gained a deep understanding of the ICT industry and mergers and acquisitions through many years of experience in investment banking and private equity. As chairman of the Board of Directors, he has been managing proceedings objectively from his perspective as an investor gained through his experience to date and dialogues with institutional investors. Additionally, he has led discussions on the qualities required of candidates for director and Audit & Supervisory Board members to improve the composition of the Company's Board of Directors as the chairperson of the Executive Nomination Committee since July 2021. The Company expects that, in addition to being able to provide oversight and advice as an external director from a shareholder and investor perspective, Mr. Abe will continue to contribute to timely and decisive management decision-making. Fujitsu and ON Semiconductor Corporation, where he serves as director, had business transactions in fiscal 2021 amounting to approximately ¥300,000. Taking into account the scale of our sales, the amount of transactions is immaterial and does not constitute a conflict of interest. Mr. Abe has never been a major shareholder, nor has he held a position involved in business execution of a major business partner of the Company, and does not receive monetary benefits other than the compensation as a director of the Company. Therefore, Fujitsu considers Mr. Abe to be independent.
 Yoshiko Kojo	Dr. Yoshiko Kojo served in important positions, including the president of the Japan Association of International Relations, and her research has for many years focused mainly on the impact of economic entities (including private companies) on international politics. The Company expects that she will be able to provide advice and oversight as an external director concerning the Company's responses to change in the external environment during a dramatic transition of international politics and with regard to initiatives for SDGs based on her deep insight. Dr. Kojo has never been a major shareholder, nor has she held a position involved in business execution of a major business partner of the Company. Therefore, Fujitsu considers Dr. Kojo to be independent.
 Scott Callon	Previously, Mr. Scott Callon worked at a foreign-affiliated securities firm. Currently, he serves as the chief executive officer of Ichigo Asset Management, Ltd., an independent investment advisory firm specializing in Japanese equity investment, and has a wealth of experience as an institutional investor. After being appointed as director of the Company, he has actively engaged in dialogues with shareholders and investors. In view of his experience, the Company expects that Mr. Callon will play a role in providing oversight and advice from a shareholder and investors' perspective, as well as in providing feedback based on shareholders' and investors' opinions to the Company's management. Fujitsu and Japan Display Inc., where Mr. Callon is chairman of the board of directors, CEO, and representative executive officer, had business transactions in fiscal 2021 amounting to approximately ¥310 million. Taking into account the scale of our sales, the amount of transactions is immaterial and does not constitute a conflict of interest. Additionally, Ichigo Trust Pte. Ltd., which jointly holds voting rights with Ichigo Asset Management, Ltd., where Mr. Callon serves as chief executive officer, is our principal shareholder, although it does not fall under major shareholders stipulated in our independence standards. As he has never held a position involved in business execution of a major business partner of the Company, Fujitsu considers Mr. Callon to be independent.
 Kenichiro Sasae	Mr. Kenichiro Sasae has served in important positions including as the Vice-Minister for Foreign Affairs, Ambassador Extraordinary and Plenipotentiary of Japan to the United States of America, and currently as the president of The Japan Institute of International Affairs. He has extensive knowledge and practical experience in international politics and economics. As the international situation has become more complicated in recent times, the Company expects that Mr. Sasae will be able to provide oversight and advice from a fair and objective global perspective based on his extensive knowledge and experience. Therefore, the Company expects that he will be able to fulfill his supervisory function and role as independent director. The Japan Institute of International Affairs, where Mr. Sasae serves as president, and the Company have no business relationship. As he has never held a position involved in business execution of a major business partner of the Company, Fujitsu considers Mr. Sasae to be independent.

External Audit & Supervisory Board members

Koji Hatsukawa	Mr. Koji Hatsukawa has been appointed as an external Audit & Supervisory Board member because he has a wealth of auditing experience at global corporations as a certified public accountant as well as broad knowledge of corporate accounting. PricewaterhouseCoopers Aarata (currently, PricewaterhouseCoopers Aarata LLC), where Mr. Hatsukawa served as CEO, has not performed accounting audits for Fujitsu. Fujitsu and PricewaterhouseCoopers Aarata had business transactions in fiscal 2021 amounting to approximately ¥400,000. Taking into account the scale of our revenue, the amount of transactions is immaterial and does not constitute a conflict of interest. Therefore, Fujitsu considers Mr. Hatsukawa to be independent.
Hideo Makuta	Mr. Hideo Makuta has been designated as an external Audit & Supervisory Board member because he has profound insight into not only legal but also economic and social matters affecting corporate management, gained through his career as a public prosecutor and as a commissioner of the Japan Fair Trade Commission. Therefore, Fujitsu considers Mr. Makuta to be independent.
Catherine O'Connell	Ms. Catherine O'Connell is an attorney at law in New Zealand. She has a wealth of practical experience at law offices in Japan and internationally as well as at the legal divisions of Japanese companies. She possesses the legal and compliance knowledge required of Audit & Supervisory Board members of the Company. She also possesses deep insight into issues related to internationality and gender. The Company expects that she will audit and supervise business execution from diverse perspectives. Therefore, Fujitsu believes that she will be able to fulfill the oversight function and the role as an external Audit & Supervisory Board member. Ms. O'Connell has never been a major shareholder, nor has she held a position involved in business execution of a major business partner of the Company. Therefore, Fujitsu considers Ms. O'Connell to be independent.

Systems for ensuring the effectiveness of the Board of Directors

In enhancing the effectiveness of the Board of Directors, the Company has focused on creating a system under which non-executive directors function effectively. Specifically, the Company believes it essential to establish a system that enables independent directors and Audit & Supervisory Board members, who maintain a certain degree of separation from the execution of business activities, to consistently gain a deeper understanding of the Company's business. The Independent Directors & Auditors Council convenes on multiple occasions each year (12 times in fiscal 2021), and its members share information and exchange viewpoints so that each member can formulate their own opinions. In fiscal 2021, the members shared information and exchanged views on important management matters including the Company's Management Direction, the scope of business of the Company and of the Group as a whole. Based on the knowledge gained through the council, each independent director and Audit & Supervisory Board member provided advice to the Board of Directors. Moreover, to facilitate the operation of the Independent Directors & Auditors Council, the Company established the Independent Directors & Auditors Council Support Office in 2015. Under this system, one junior employee is assigned to support each council member so that they are able to acquire information through the support of these employees without requiring the mediation of the management execution team.

3. Executive compensation

Policy for determining executive compensation

[Method of determining the amount of remuneration for directors]

In order to make the executive compensation system more transparent, the Company established the Compensation Committee by resolution of the Board of Directors in October 2009. In addition, the policy for determining the details of individual director compensation (hereinafter referred to as the "Policy for Determination") is determined by the Board of Directors based on the report of the Compensation Committee.

In accordance with the following review of executive compensation, compensation for directors for the fiscal year ending March 31, 2023 and thereafter will be determined by resolution of the Board of Directors after deliberation by the Compensation Committee, and compensation for Audit & Supervisory Board members will be determined based on discussions by Audit & Supervisory Board members, within the total amount of compensation determined by resolution of the Annual Shareholders' Meeting, based on the framework of this Policy for Determination ("basic policy on executive compensation") after changes in accordance with said review.

The remuneration of directors and Audit & Supervisory Board members for the fiscal year ended March 31, 2022 was decided within the scope of the total amount of compensation determined by resolution of the Annual Shareholders' Meeting, and in accordance with the framework

of the policy prior to the revision of executive compensation. Compensation for each director was determined by the president and representative director subject to approval by the Compensation Committee, and compensation for each Audit & Supervisory Board member was determined based on consultation with the Audit & Supervisory Board members.

[Review of executive compensation for the fiscal year ending March 31, 2023 and thereafter]

At the Board of Directors meeting held on April 28, 2022, the Company resolved to review the compensation for executive directors for the fiscal year ending March 31, 2023 and thereafter, based on the report of the Compensation Committee. The details of the review of executive compensation for the fiscal year ending March 31, 2023 and thereafter are as follows.

Item	Before revision	After revision
Bonus: Evaluation indicators	Consolidated revenue and consolidated operating profit are selected as evaluation indicators.	Non-financial indicators for management targets and third-party assessments on ESG are added to the evaluation metrics.
Performance-based stock compensation: Evaluation indicators	Consolidated revenue and consolidated operating profit are selected as evaluation indicators.	Earnings per share (EPS) is added as an evaluation indicator.
Performance-linked stock compensation: Payment method	Payment of monetary compensation receivable in an amount equivalent to the market value of the allotted shares.	Partly in cash equivalent to tax payment funds and the rest in cash equivalent to the market value of the allocated shares paid in compensation credits.
Process for determining individual director compensation: decision-making authority	Delegation of authority from the Board of Directors to the president and representative director to make decisions on individual director compensation subject to approval by the Compensation Committee.	Individual directors' remuneration to be determined by resolution of the Board of Directors.

Basic policy on executive compensation

The Company has established the following basic policy on compensation for executive directors to secure the exceptional talent required to manage the Fujitsu Group and achieve its Purpose "to make the world more sustainable by building trust in society through innovation," and to further strengthen the link between its financial performance and shareholder value while at the same time improving its transparency.

[Policy on the compensation system and compensation levels]

- The remuneration system for executive directors consists of the following: "base compensation," which is a fixed monthly amount in accordance with the position and responsibilities; "bonuses," which are linked to short-term business performance; and "performance-linked stock compensation," which is a medium- to long-term incentive that emphasizes the connection to shareholder value.

- With the aim of setting competitive compensation that contributes to securing and maintaining exceptional talent, compensation levels and compensation ratio by type shall be determined based on the financial position of the Company, analyzing the compensation composition ratio and compensation levels for each executive position and responsibility at other companies with similar business lines and similar scale to those of the Company as benchmarks.
- The ratio of performance-based compensation to the total compensation for executive directors shall be determined so as to strengthen the link between the Group's financial performance and shareholder value by setting the higher ratio to the greater responsibilities.
- Individual director's remuneration shall be determined by the Board of Directors after deliberation at the Compensation Committee to ensure objectivity, transparency, and fairness.

[Base compensation]

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

[Bonuses]

- Bonuses shall be paid to executive directors. The amount of a bonus shall reflect business performance in the respective fiscal year.
- As a specific evaluation indicator and calculation method, the Company shall adopt an "On Target model" to determine the bonus amount to be paid by setting the base amount in accordance with the position and responsibilities in advance. The bonus amount is calculated by multiplying the base amount by the coefficient in accordance with the following elements: the degree of achievement of the performance targets for the respective fiscal year based on the Company's consolidated revenue and consolidated operating profit, which are our financial management target indicators, growth from the previous fiscal year in employee engagement,^{*1} Customer NPS[®],^{*2} and DX Promotion Indices,^{*3} which are our non-financial management target indicators, and acquisition of the highest evaluation from a third-party assessment organization on ESG initiatives.

^{*1} An indicator to present willingness and attachment to work voluntarily and independently, and to contribute to the Company, with empathy for the Company's direction and Purpose

^{*2} Net Promoter ScoreSM, an indicator to measure "customer loyalty," which presents the degrees of trust and attachment of customers to companies, products, and services, in order to understand the degree of improvement and depth of the customer experience (CX)

^{*3} A set of indices intended to share recognition of the current situation and issues among related parties, such as senior management, business division, DX division, and IT division, and to provide opportunities for awareness leading to the next actions, in order to promote companies' management reforms within the framework of digital technologies defined by the Ministry of Economy, Trade and Industry

[Performance-based stock compensation]

- Performance-based stock compensation shall be granted to executive directors, in order to share the profit with shareholders and as an incentive to contribute to enhancement of medium- to long-term performance.
- As a specific indicator and calculation method, the Company shall set a base number of shares in accordance with the position and responsibilities in advance, and calculate the number of shares for each fiscal year by multiplying the base number of shares by the coefficient in accordance with the degree of achievement of the performance targets for the performance judging period (three years) based on the Company's consolidated revenue, consolidated operating profit, and EPS, which are financial management target indicators. When the performance judging period is over, a portion of the total number of shares is paid in cash for the amount equivalent to the market value, and the remainder is allocated in shares of the Company. The total amount of the "basic compensation" and "bonuses" to directors was resolved to be ¥1,200 million or less per year at the Annual Shareholders' Meeting, the "performance-based stock compensation plan" to be ¥1,200 million or less per year, and the total number of shares to be allocated to be 75,000 shares or less per year. And the "basic compensation" to Audit & Supervisory Board members shall be ¥150 million or less per year.

(Reference) Executive compensation items and payment recipients

Recipient	Base compensation		Bonuses	Performance-based stock compensation
	For management oversight	For management execution		
Non-executive directors	✓	—	—	—
Executive directors	✓	✓	✓	✓
Audit & Supervisory Board members	✓		—	—

Details of performance indicators for the calculation basis and reason for selecting them

[Bonuses]

In order to provide executive directors with an incentive to achieve their performance targets for a single fiscal year, the Company has selected revenue and operating profit of the consolidated financial results, which are financial management target indicators for the Company, as evaluation indicators. In addition, the Company has selected employee engagement, Customer NPS, and DX Promotion Indices, which are non-financial management target indicators for the Company,

and third-party assessment, the “third-party assessment on ESG initiatives (DJSI,*¹ CDP Climate Change*²),” as evaluation indicators to enhance the commitment of executive directors to achieving their performance targets.

*1 DJSI: Dow Jones Sustainability Index, a global ESG investment index

*2 CDP Climate Change: CDP, an international non-profit organization, conducts surveys and evaluations of climate change initiatives at the request of investors and others, and publishes the results.

[Performance-based stock compensation]

In order to provide executive directors with an incentive to increase corporate value over the medium to long term as well as to further promote management from the perspective of shareholders, the Company has selected revenue, operating profit, and EPS of the consolidated financial results, which are financial management target indicators for the Company, as evaluation indicators.

Calculation method

[Bonuses]

At the beginning of each fiscal year, the Company will present the executive directors with a base bonus amount in accordance with their performance targets, positions, and responsibilities. Then, at the end of the relevant fiscal year, the bonus amount to be paid will be calculated by multiplying the base bonus amount by the coefficient in accordance with the following elements: the degree of achievement of the performance targets for the respective fiscal year based on the Company's consolidated revenue and consolidated operating profit; growth from the previous fiscal year in employee engagement, Customer NPS®, and DX Promotion Indices, which are set out as non-financial management target indicators; and acquisition of the highest evaluation from a third-party assessment organization on ESG initiatives. No bonus will be paid if the degree of achievement of the performance targets is below the preset lower limit. In addition, if the degree of achievement of the performance targets exceeds the preset upper limit, the amount obtained by multiplying the base bonus amount by the preset upper limit of the coefficient will be paid.

[Performance-based stock compensation]

The Company will present to executive directors a base number of shares in accordance with positions and responsibilities, performance judging period (three fiscal years), and performance targets in advance. The number of shares is calculated by multiplying the base number of shares by the coefficient in accordance with the degree of achievement of the performance targets for the performance judging period (three fiscal years) based on the Company's consolidated revenue, consolidated operating profit, and EPS according to the level of achievement of the performance targets, and is fixed for each fiscal year and upon completion of the performance judging period.

When the performance judging period is over, (1) a portion of the total number of shares is paid in cash for the amount equivalent to the applicable person's tax obligations arising from compensation paid under the performance-based stock compensation plan and (2) the remainder is allocated in shares of the Company, for each applicable person under the condition that they continue to be in the position of an applicable person in the plan throughout the performance judging period. Then, monetary compensation claims and cash equivalent to market value of the aforementioned total number of shares are provided to the executive directors. The executive directors invest the former monetary compensation claims in allocated shares to acquire them. The ratio of the portion to be paid in cash to the total number of shares shall be determined by the Board of Directors, taking into consideration the applicable person's tax obligation.

The executive directors may transfer acquired shares of the Company to third parties at their own discretion unless they violate regulations regarding insider trading.

Name or title of the persons authorized to make decisions regarding the policy for determining the amount of remuneration for executive directors or the method for calculating the amount of remuneration

The Company has established the Executive Nomination Committee and the Compensation Committee as advisory bodies to its Board of Directors for the process of nominating directors and Audit & Supervisory Board members, for ensuring the transparency and objectivity of its process for determining executive compensation, to enable efficient and substantial discussions, as well as to ensure the fairness in the structure and level of executive compensation.

The Compensation Committee provides its recommendations or proposal on the level of base compensation and the method for calculating performance-based compensation to the Board of Directors in accordance with the procedures and policy of determining directors' and auditors' compensation, as stipulated in the Corporate Governance Policy.

Based on the report issued by the Compensation Committee, an advisory body to the Board of Directors, the Board of Directors establishes this decision-making policy and determines the level of compensation for each individual director within the framework of this policy. Based on the idea that the CEO and representative director, who is the person with the highest responsibility for business execution, should make decisions based on his/her own ideas in order to realize the Management Direction decided by the Board of Directors, the authority to make decisions on the indicators used to determine compensation and the amount to be paid in accordance with the degree of target achievement in the fiscal year under review was delegated to Takahito Tokita, CEO and Representative Director, subject to approval by the Compensation Committee. However, for compensation for the fiscal year ending March 31, 2023 and thereafter, the Company has

decided that it is necessary to ensure an even higher level of objectivity, transparency, and fairness in the process of determining executive compensation than before. As part of the review of executive compensation described above, the Company has changed the process of determining executive compensation so that decisions are made by resolution at a meeting of the Board of Directors after deliberation by the Compensation Committee.

The Corporate Governance Policy stipulates that the Compensation Committee shall consist of non-executive officers, a majority of whom shall be independent external directors, and that this committee shall be chaired by an independent external director. The members of this committee, appointed in July 2021, are as follows and consist of four non-executive directors.

Chairperson: Dr. Chiaki Mukai

Members: Dr. Yoshiko Kojo, Mr. Scott Callon, Mr. Kenichiro Sasae

From the appointment of the above committee members in July 2021 through the end of the fiscal year ended March 31, 2022, the Compensation Committee met six times to discuss the revision of executive compensation details and changes in the process for determining individual compensation, and provided its recommendations to the Board of Directors.

Note: The above committee members retired due to expiration of their terms of office at the end of the Annual Shareholders' Meeting held on June 27, 2022; for the committee members appointed on June 27, 2022, please see "Members of the Board of Directors and Audit & Supervisory Board" on page 81.

4. Policy for strategic shareholdings

The Company holds only those strategic shares with clear-cut objectives and meaningful significance in a positive manner. The Board of Directors Meeting examines the weighted average capital cost of the Company as the standard to evaluate quantitatively whether returns (quantitative factors such as dividends and the state of transactions) or risks are well balanced with the cost. If quantitative significance in shareholdings is not found, the Board of Directors Meeting will further evaluate whether there is a qualitative reason that supports the rationale for continuing to hold those shares and will discuss the continuation of such holdings. In fiscal 2020, the Company sold 23 issues, and at the Board of Directors Meeting, held on June 24, 2021, the Board determined which strategic shareholdings would be held by the Company at the end of fiscal 2020.

The Company deals with strategic shareholders on an equal footing, just as it does with other business partners. Even when strategic shareholders indicate their sale of shares, we do not prevent them from selling. That said, we sometimes call upon them to consider the timing of the sale or the ways of selling their shares.

5. Views and policies for Group management and measures to ensure the effectiveness of corporate governance

Fujitsu manages the Fujitsu Group with the aim of achieving continuous growth and the generation of medium- to long-term corporate value of the entire Group, while also urging each Group company to realize its potential to the maximum extent possible.

For some subsidiaries, we publicly list them with the aim of further improving their business value through diversification of the capital procurement necessary for sustainable growth and enhancing the value of the entire Group. By publicly listing subsidiaries, it is possible to focus on investment in specific businesses rather than just in the Group as a whole, thus contributing to diversifying investment opportunities. As there are some concerns regarding the possibility of a conflict of interest with minority shareholders and our publicly listed subsidiaries, we respect the independence of their management and make efforts to provide advice and support to enhance the corporate value of relevant subsidiaries by holding reporting sessions on an as-needed basis. To further promote our policies for Group management, we established a department in February 2020 as a corporate function that specializes in formulating and conducting plans and measures for the most suitable group formation and corporate governance, thus handling the management of the Group including listed subsidiaries.

Our policy is to turn non-core listed companies into strong independent businesses. We will consider their independence from the following perspectives: ensuring sustainable growth of the relevant business, maximizing the Company's asset value, and considering the best timing for independence.

Measures to ensure the effectiveness of corporate governance

Fujitsu understands that its publicly listed subsidiaries make efforts to enhance corporate governance and provides support for these efforts. All listed subsidiaries are ensured their independence by appointing independent directors and directors dispatched from the Company to help maximize their corporate value. Also, all listed subsidiaries become a company with an Audit and Supervisory Committee to strengthen corporate governance.

6. Status of internal audits, accounting audits, and the Internal Control Division

Internal audit and accounting audit systems

[Audits conducted by Audit & Supervisory Board members]

The Audit & Supervisory Board primarily conducts examinations of the appropriateness of audit policy and plans, the audit method of the accounting auditor, the appropriateness of the audit results, and the Key Audit Matters, as well as receiving reports from the Internal Audit Division and conducting examinations of reports on important items submitted by full-time Audit & Supervisory Board members to external Audit & Supervisory Board members.

Further, the activities of Audit & Supervisory Board members include attending and stating opinions at meetings of the Board of Directors, meetings of the Independent Directors & Auditors Council, and other important meetings; reviewing important approval documents; conducting exchanges of opinions with the representative director; auditing the operations of headquarters and subsidiaries; exchanging information with the corporate auditors of subsidiaries; receiving reports from the accounting auditor; receiving reports from the Internal Audit Division on the progress and results of audits; and receiving reports from the Compliance Division on the status of in-house whistleblowing. In addition, with respect to the Key Audit Matters, we continued to hold a sufficient number of discussions and deliberations with the accounting auditor. The discussion topics were potential risks of material misstatements in the consolidated financial statements and impacts of, and developments in, material events, etc., that occurred in fiscal 2021.

Full-time Audit & Supervisory Board member Mr. Youichi Hirose has extensive knowledge of finance and accounting issues and many years of experience in the Company's finance and accounting divisions, having served as the head of the Company's Corporate Finance Unit. Full-time Audit & Supervisory Board member Mr. Megumi Yamamuro has many years of experience in the legal profession and is an expert in corporate law, including the Companies Act, and domestic and overseas compliance measures. (For overviews of the professional backgrounds of external Audit & Supervisory Board members, please see "Appointment of external directors and auditors" on page 82.)

[Internal audits]

The Internal Control & Audit Office serves as an internal audit group. This office audits the internal affairs of the entire Fujitsu Group in cooperation with the internal audit groups of each Group company. The Internal Control & Audit Office makes regular reports to full-time members of the Audit & Supervisory Board, the Audit & Supervisory Board, and accounting auditor on auditing plans for and results of internal audits, including matters relating to Group companies. The Internal Control & Audit Office includes 19 employees with specialist internal auditing knowledge, including certified internal auditors (CIA), and certified information systems auditors (CISA).

[Accounting audits]

The accounting auditor, Ernst & Young ShinNihon LLC, reports to the Audit & Supervisory Board concerning the auditing plans and results. The accounting auditor also conducts an exchange of opinions when needed and carries out coordinated audits.

Internal control system

[Internal Control Division]

Based on the Basic Policy on the Internal Control Structure, the Risk Management & Compliance Committee maintains and operates risk management systems, compliance systems, and internal control structures related to financial reporting and executes duties regulated under the basic policy. The status of operation of the internal control system is periodically reported to the Board of Directors.

7. Review of corporate governance in fiscal 2021

The Fujitsu Group is strengthening its corporate governance to ensure a sustainable increase in corporate value. Here, we report on the status of this initiative in fiscal 2021.

Number of meetings of key boards and committees

Board of Directors meetings (including extraordinary meetings)	Audit & Supervisory Board meetings	Attendance of external directors at Board of Directors meetings
14 (2)	9	98.6%
		Dr. Chiaki Mukai: 100%; Mr. Atsushi Abe: 100%; Mr. Jun Yokota: 100%; Dr. Yoshiko Kojo: 92.9%; Mr. Scott Callon: 100%; Mr. Kenichiro Sasae: 100%
Attendance of external Audit & Supervisory Board members at Board of Directors meetings		Attendance of external Audit & Supervisory Board members at Audit & Supervisory Board meetings
100%	Mr. Koji Hatsukawa: 100%; Mr. Hideo Makuta: 100%	100%
		Mr. Koji Hatsukawa: 100%; Mr. Hideo Makuta: 100%

Policy for determining executive compensation for the fiscal year ended March 31, 2022

The remuneration for directors and Audit & Supervisory Board members for the fiscal year ended March 31, 2022, as presented in the table below, was determined based on the policy before the review of the compensation policy for executive directors as described in "3. Executive compensation." Please refer to the following for the policy for deciding executive compensation before the review.

Fujitsu Group Integrated Report 2021
<https://www.fujitsu.com/global/about/integratedreport/2021/>

Details of remuneration

Position	Number of recipients	Remuneration type			Total amount of compensation
		Base remuneration	Bonuses	Performance-based stock compensation	
Directors (Internal)	4	¥246 million	¥100 million	¥104 million	¥451 million
External directors	6	¥77 million	—	—	¥77 million
Audit & Supervisory Board members (Internal)	2	¥72 million	—	—	¥72 million
External Audit & Supervisory Board members	2	¥30 million	—	—	¥30 million

Notes: 1. The above includes directors and Audit & Supervisory Board members who resigned in fiscal 2021.

2. The total amount of monetary compensation for directors was resolved to be within ¥1,200 million or less per year (including ¥150 million per year for external directors) at the 121st Annual Shareholders' Meeting held on June 28, 2021. At this Annual Shareholders' Meeting, the total amount of non-monetary compensation was resolved to be ¥1,200 million or less per year and the total number of shares of common stock of the Company to be allocated was set within 75,000 shares per year. As of the close of the 121st Annual Shareholders' Meeting, the number of directors was nine (including five external directors). The Company is paying the compensation shown in the above table, which is within these limits.

3. The total amount of compensation for Audit & Supervisory Board members was resolved to be ¥150 million or less per year at the 111th Annual Shareholders' Meeting held on June 23, 2011. As of the close of the 111th Annual Shareholders' Meeting, there were five Audit & Supervisory Board members (including three external Audit & Supervisory Board members). The Company is paying the compensation shown in the above table, which is within these limits.

4. Performance-based stock compensation shows the amount that was recorded as expenses in the fiscal year ended March 31, 2022.

Evaluation of the effectiveness of the Board of Directors

To maintain and enhance the effectiveness of the Board of Directors, the Company has included annual evaluations of the Board of Directors in the Corporate Governance Policy.

Actions taken in fiscal 2021 based on the evaluation of fiscal 2020

To share information in advance with independent directors and auditors in anticipation of the review of high priority items at the Board of Directors and to enhance vital communication among the Board members, the Company continued to hold the following events in this fiscal year: (1) The Independent Directors & Auditors Council in an effort to facilitate exchange of information and formulation of opinions between them; (2) Briefings on business overview, a platform for sharing information on the Company's business from business heads on the management executive side to the independent directors and auditors; and (3) Private sessions held for only the relevant non-executive directors as a platform to enhance communication among them. In addition, the Company changed the document format and composition in light of digitization of the document and devised information provision and means of giving notice at the meetings of the Board of Directors and the Independent Directors & Auditors Council.

Fiscal 2021 evaluation method

The evaluation of fiscal 2021 includes an evaluation of the chairman and self-evaluations by directors and Audit & Supervisory Board members, and as in fiscal 2020 or before, an anonymous questionnaire with a five-grade evaluation was conducted. The results of the Board of Directors' evaluation were reported at the regular Board of Directors meeting and discussions based on the results were carried out at the meeting. Furthermore, the evaluation of the Company's Board of Directors by a proxy advisory firm was also reported. From this fiscal year, the Company conducted a mutual evaluation by executive directors and non-executive directors, including the non-executive directors from within the Company as evaluation targets, and provided feedback to each evaluation target to lead to their new awareness.

Fiscal 2021 evaluation

By comparing the results of the questionnaire for the past three years, the following evaluations were made.

- While the overall evaluation points remained unchanged, the evaluation points increased for (1) the information volume and quantity of the documents for the Board of Directors and (2) opportunities to obtain information outside the Board of Directors.
- In order to further promote the oversight function of the Board of Directors, the Company shall improve the efficiency of discussions through efficient progress of meetings and more appropriate preparation of agenda materials. In addition, the Company shall enhance discussions by creating opportunities for independent directors and auditors to receive specific details of business strategies, by utilizing the Independent Directors & Auditors Council, etc., for valid and high-quality discussions at the Board of Directors to develop a medium- to long-term plan to be scheduled in the future.

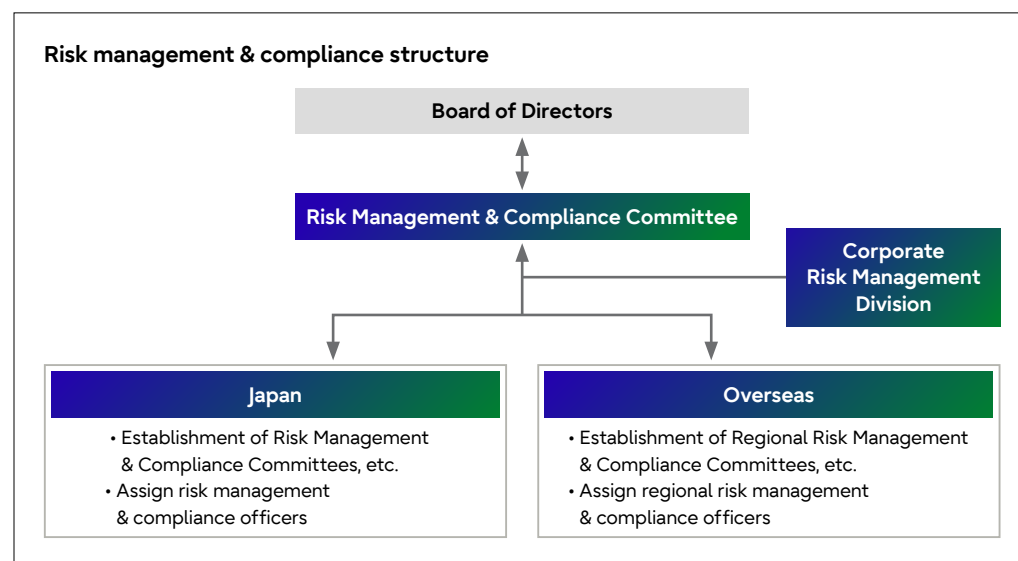
Risk management

Guidelines & structure

For the Fujitsu Group, it is an important management issue to appropriately identify and respond to risks in the Group's business operations and other activities. Accordingly, the Board of Directors formulated the Basic Policy on the Internal Control Structure. Based on this policy, the Fujitsu Group established a Risk Management & Compliance Committee reporting directly to the Board of Directors, which acts as the highest-level decision-making body on matters involving risk management and compliance.

The committee also assigns risk management & compliance officers to each of Fujitsu's divisions and to Group companies in Japan and internationally. These organizations collaborate to build a risk management and compliance structure for the entire Group, thereby guarding against potential risks and mitigating risks that have already materialized.

Furthermore, we created the Corporate Risk Management Division, which reports directly to the CEO and is independent of the business divisions. This body has assumed the secretariat functions of the Risk Management & Compliance Committee and, under the leadership of the chief risk management officer (CRMO), is responsible for interpreting risk-related information and spearheading rapid, appropriate responses where required.



Risk management process

The Risk Management & Compliance Committee identifies, analyzes, and assesses the major risks associated with business activities in all Fujitsu business divisions and Group companies in Japan and other countries. (Among the Group companies, implementation is focused on 33 risks identified as particularly important.) The committee also checks the progress of measures designed to avoid, mitigate, transfer and accept such risks, and then formulates new measures or reviews existing measures.

This committee also prepares processes for dealing with risks that have eventuated despite implementation of the various preventive measures. If a critical risk arises, such as a natural disaster, a product fault or defect, a system or service problem, a compliance violation, an information security breach, or an environmental problem, the division or Group company concerned reports immediately to the Risk Management & Compliance Committee.

The committee then coordinates with the related divisions and work sites to quickly resolve the problem by taking appropriate steps, such as establishing a task force. At the same time, the committee works to identify the causes of the problem and proposes and implements measures to prevent any recurrence. For critical risks, it also reports as needed to the Board of Directors. The Risk Management & Compliance Committee checks the progress of implementation of these processes on an ongoing basis and formulates improvements.

Business risks of the Fujitsu Group

The Fujitsu Group identifies, analyzes, and assesses the risks associated with business activities and works on measures to avoid or mitigate their impact and to deal promptly with any issues that do occur.

For details on the Fujitsu Group's business and other risks, please see the risk management section in *Fujitsu Group Sustainability Data Book 2022*, disclosed on the following website.
<https://www.fujitsu.com/global/about/csr/riskmanagement/>

Main business risks

- | | | |
|---|--|--|
| • Economic and financial market trends | • Public regulations, public policy, and tax matters | • Compliance issues |
| • Customers | • Natural disasters and unforeseen incidents | • Intellectual property |
| • Competitors and the industry | • Finance | • Security |
| • Investment decisions and business restructuring | • Deficiencies or flaws in products and services | • Human resources |
| • Suppliers, alliances, etc. | | • Fujitsu Group facilities and systems |
| | | • Environment |

Economic security initiatives

Establishment of Economic Security Office

In recent years, various countries have become more closely interrelated and interdependent from an economic perspective. When political conflicts arise among these countries, a wide variety of economic measures are taken, including restrictions on exports and acquisitions and the protection and development of domestic industries, which can affect such countries in various ways. In this context, economic security is a movement to review and balance economic activities from a security perspective.

In digital business fields such as AI and Network, there is also a global focus on the trends regarding economic security, both in terms of value creation and protection. As a technology company that operates globally, we are required to take these trends into account and promote our business appropriately around the world.

In order to implement appropriate Groupwide, comprehensive economic security measures, in December 2021, we appointed a senior corporate executive officer to be in charge of economic security and established the Economic Security Office.

Addressing economic security

The Economic Security Office formulates policies to be taken by the Group as a whole through a cross-section of related divisions, and regularly monitors the status of business operations. The office prevents the occurrence of risks by analyzing information related to economic security, such as geopolitical trends, policies, and legal systems, assessing related impacts, and updating the status of countermeasures taken by relevant internal departments.

These responses to economic security issues include compliance with export controls, investment management, intellectual property management, and other regulatory requirements in various countries, as well as appropriate management of emerging technologies as a technology company.

Supply chain resilience

While supply chains are becoming more diversified with the progress of globalization, rising political tensions between countries may have a significant impact on global supply chains. To control procurement risks, Fujitsu is working to maintain supply chains by securing procurement routes from multiple suppliers, encouraging and strengthening support for business continuity management (BCM) among suppliers, and maintaining appropriate inventories.

Response to the crisis in Ukraine

Considering the various circumstances related to the crisis in Ukraine, the Fujitsu Group has ceased all new orders and deliveries of products and product-related services in Russia. In order to maintain the stable continuity of services to our customers, we decided to transfer responsibility for the various services it has offered to customers outside of Russia from a service center in Russia to delivery locations in other regions as soon as possible. We will work to minimize any possible impact on customers through the implementation of business continuity plans and respond appropriately and decisively to any additional future developments.

The Group has donated US\$1 million (approximately ¥115 million) to UNHCR, the UN Refugee Agency, to provide humanitarian support for the many people displaced by the ongoing crisis in Ukraine and countries in the surrounding region. Furthermore, in the hope of improving the situation of many children suffering from the conflict, Fujitsu called for employees to donate to NGO Save the Children, with the Company matching the amount of donations collected.

Information security

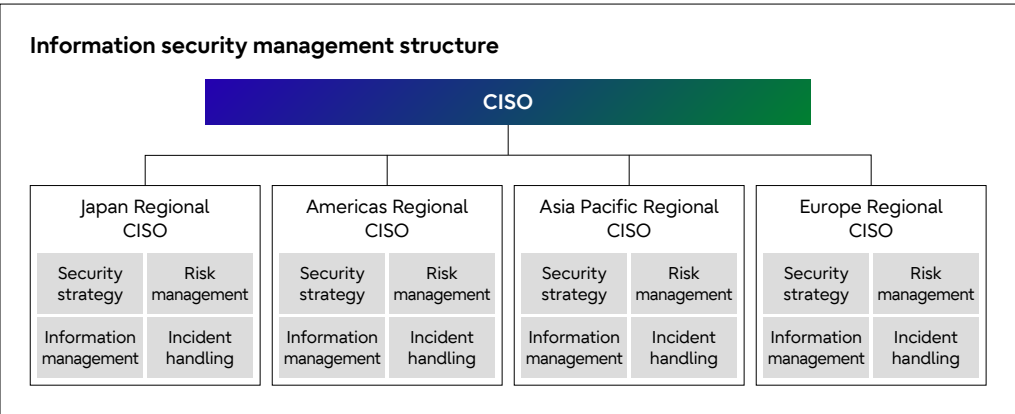
Policy

The Fujitsu Group appointed a dedicated Chief Information Security Officer (CISO) in October 2021. Under the new information security system, we are striving to secure and improve information security for our customers through our products and services, while also ensuring the information security of the entire Fujitsu Group.

Management structure

The Fujitsu Group is working on strengthening its global information security governance. We appointed Regional CISOs in each of four regions (Japan, the Americas, Europe, and Asia Pacific) who report to the Fujitsu Group CISO.

We also set up four functions to drive information security initiatives: “security strategy,” “information management,” “risk management,” and “incident handling.” We reorganized each region to hold these four functions to enable cross-region activities.



Security strategy

Fujitsu supports customers’ businesses by developing and executing security strategies that foster trust with stakeholders and appropriately control security threats that may hinder our business and social activities.

Additionally, through a security framework based on global regulation standards, we foster processes and an organizational culture that continuously creates an organizational structure, measures, and operations that will serve as reference models in the global market. Moving forward, we will embrace challenges in fields where we are still inexperienced or have yet to enter.

Furthermore, in order to protect customers who use our services and products, we are strengthening the collection and accumulation of information including vulnerability information, visualization of information assets, and bill of materials information. We are also utilizing a new technology infrastructure to construct data relations for statistical analysis and decision-making by data scientists.

Information management

The Fujitsu Group in Japan implemented the Information Protection Management Systems in order to appropriately protect third-party confidential information (including personal information) and our own confidential information. We also apply a PDCA cycle where we start with “Roles & Responsibilities” and end with “Review”. In order to clarify information assets that have to be protected, we establish appropriate management according to the status of our customers and suppliers and take initiatives for protecting information. These steps are taken for the autonomous information protection activities (regulations by industry, business type, etc.) conducted by each division while unifying the classification of information on a global scale.

Furthermore, we provide various automation support tools that utilize information management dashboards to support appropriate information management. We make improvements as necessary to realize operations that are both safe and effective.

Fujitsu has established a global Personal Information Protection System to strengthen the protection of personal data. Under the leadership of the CISO organization and the Legal Division, we work with each region and Group company to comply with the laws and regulations of each country, including the GDPR.* In Japan, with the objective of protecting personal information, the Fujitsu Group obtained certification for the PrivacyMark by the Japan Information Processing and Development Center (JIPDEC) in August 2007. We are continually working to strengthen our Personal Information Protection System.

* General Data Protection Regulations

Information Protection Management Systems (7 points)



Risk management

In order to support safe, secure, and sustainable business activities by our customers, the Fujitsu Group centralizes and visualizes the IT asset management of global customer IT systems and in-house IT systems. By doing so, we quickly identify and correct security risks in the entire Group.

To raise security awareness among employees, we are enhancing our mandatory regular security e-learning program. We also set up a security help desk and provide vulnerability information and FAQs on a security information website to enable employees to easily access information.

Handling of cybersecurity incidents

As the methods of cyberattacks are becoming more sophisticated and complex, it is getting more difficult to completely prevent incidents. To this end, we shifted our incident response initiatives from “preventing security incidents” to “preparing for incidents.”

In order to respond promptly to cybersecurity incidents, knowledge in various specialized fields such as log analysis, malware analysis, and forensics is required. It is also necessary to enhance various aspects of incident handling measures including improvement of knowledge, periodic training, strengthening of security monitoring, improvement of incident response procedure, and accumulating and utilizing know-how from records of past incident handling.

The Fujitsu Group is also strengthening the key components of incident handling consisting of people, data, process, and system and is continuously improving these functions.

Components of incident handling

People	<ul style="list-style-type: none">• Log analysis• Cause investigation• Impact identification, etc.	Process	<ul style="list-style-type: none">• Response flow• Incident level definition• Escalation, etc.
Data	<ul style="list-style-type: none">• Security sensor log• Configuration information• Threat information, etc.	System	<ul style="list-style-type: none">• Information collection/saving• Information processing/store• Automation, etc.

We apologize for any inconvenience to our customers and other related parties caused by the unauthorized access to our project information sharing tool “ProjectWEB.”

Fujitsu will work to prevent the recurrence of similar incidents and strengthen its information security management, based on the recommendations received from the external committee established directly under the Board of Directors.

For further details on information security management, please visit the following website:
<https://www.fujitsu.com/global/about/csr/security/>

Performance highlights

Fujitsu Limited and Consolidated Subsidiaries

The Fujitsu Group adopted International Financial Reporting Standards (IFRS) in fiscal 2014. Figures for fiscal 2013 are presented based on both Japanese GAAP and IFRS.

On November 1, 2017, the Company sold some of its shares in Fujitsu TEN Limited to DENSO CORPORATION. Consequently, Fujitsu TEN became classified as a discontinued business and net sales (revenue) and operating profit were reclassified in the fiscal year ended March 31, 2017.

			(Billions of yen)									(%)
	JGAAP		IFRS									Year-on-year change (%)
Fiscal years ended March 31	2013	2014	2014	2015	2016	2017	2018	2019	2020	2021	2022	2021/2022*
Financial data												
Net sales (revenue)	¥4,381.7	¥4,762.4	¥4,762.4	¥4,753.2	¥4,739.2	¥4,132.9	¥4,098.3	¥3,952.4	¥3,857.7	¥3,589.7	¥3,586.8	-0.1
Net sales (revenue) outside Japan	1,498.2	1,801.4	1,801.4	1,879.9	1,894.2	1,461.2	1,506.8	1,435.4	1,228.5	1,172.0	1,316.9	12.4
Percentage of sales outside Japan (%)	34.2	37.8	37.8	39.6	40.0	35.4	36.8	36.3	31.8	32.7	36.7	
Operating profit	88.2	142.5	147.2	178.6	120.6	117.4	182.4	130.2	211.4	266.3	219.2	-17.7
Operating profit margin (%)	2.0	3.0	3.1	3.8	2.5	2.8	4.5	3.3	5.5	7.4	6.1	
Net profit (loss) (Profit (loss) attributable to owners of the parent)	(79.9)	48.6	113.2	140.0	86.7	88.4	169.3	104.5	160.0	202.7	182.6	-9.9
Cash flows from operating activities	¥ 71.0	¥ 175.5	¥ 176.5	¥ 280.1	¥ 253.0	¥ 250.3	¥ 200.4	¥ 99.4	¥ 347.2	¥ 307.9	¥ 248.3	-19.4
Cash flows from investing activities	(161.4)	(128.8)	(128.9)	(200.5)	(164.3)	(145.4)	(22.5)	4.1	(114.2)	(71.5)	(59.2)	—
Free cash flow	(90.4)	46.6	47.5	79.6	88.7	104.8	177.8	103.5	233.0	236.3	189.0	-20.0
Cash flows from financing activities	100.3	(44.7)	(46.2)	(17.3)	(67.7)	(98.8)	(112.4)	(136.6)	(193.1)	(219.6)	(193.6)	—
Inventories	¥ 323.0	¥ 330.2	¥ 330.2	¥ 313.8	¥ 298.8	¥ 293.1	¥ 241.6	¥ 226.0	¥ 238.0	¥ 237.0	¥ 309.8	30.7
Monthly inventory turnover rate (times)	1.00	1.07	1.07	1.11	1.12	1.15	1.21	1.22	1.13	1.16	0.98	
Total assets	2,920.3	3,079.5	3,105.9	3,271.1	3,226.3	3,191.4	3,121.5	3,104.8	3,187.4	3,190.2	3,331.8	4.4
Owners' equity (Equity attributable to owners of the parent)	624.0	573.2	566.5	790.0	782.7	881.2	1,087.7	1,132.0	1,240.9	1,450.1	1,590.7	9.7

Point 1 Operating profit margin

In the fiscal year ended March 31, 2022, despite the challenging business environment amid the ongoing COVID-19 pandemic and the negative impact of semiconductor shortages, operating profit excluding a one-time loss of ¥56.4 billion related to business restructuring and business transfers was ¥275.6 billion and operating profit margin was 7.7%, for an increase of over 10% from the previous fiscal year.

Point 2 Free cash flow

In the fiscal year ended March 31, 2022, free cash flow, the sum of cash flows from operating and investing activities, decreased ¥47.3 billion from the previous fiscal year. Net cash provided by operating activities was used for growth investments aimed at value creation and internal transformation, while net cash used in investing activities was for capital expenditures aimed at growth.

* The actual figures are shown in units of billions of yen, and the rate of change is calculated in units of millions of yen.

Performance highlights

Fujitsu Limited and Consolidated Subsidiaries

The Fujitsu Group adopted International Financial Reporting Standards (IFRS) in fiscal 2014. Figures for fiscal 2013 are presented based on both Japanese GAAP and IFRS.

On November 1, 2017, the Company sold some of its shares in Fujitsu TEN Limited to DENSO CORPORATION. Consequently, Fujitsu TEN became classified as a discontinued business and net sales (revenue) and operating profit were reclassified in the fiscal year ended March 31, 2017.

Fiscal years ended March 31	JGAAP		IFRS									(%)
	2013	2014	2014	2015	2016	2017	2018	2019	2020	2021	2022	Year-on-year change (%) 2021/2022*1
Financial data												
Return on equity (ROE) (%)	(11.8)	8.1	23.2	20.6	11.0	10.6	17.2	9.4	13.5	15.1	12.0	
Owners' equity ratio (equity attributable to owners of the parent ratio) (%)	21.4	18.6	18.2	24.2	24.3	27.6	34.8	36.5	38.9	45.5	47.7	
Return on assets (ROA) (%)	(2.7)	1.6	3.7	4.4	2.7	2.8	5.4	3.4	5.1	6.4	5.6	
Interest-bearing loans (billions of yen)	534.9	519.6	560.2	578.4	534.9	486.7	402.2	316.2	405.5	316.3	285.3	-9.8
D/E ratio (times)	0.86	0.91	0.99	0.73	0.68	0.55	0.37	0.28	0.33	0.22	0.18	
Net D/E ratio (times)	0.40	0.38	0.46	0.27	0.20	0.12	-0.05	-0.09	-0.04	-0.11	-0.12	
R&D expenses (billions of yen)	231.0	221.3	222.5	202.7	179.8	170.0	158.6	134.9	123.3	113.8	105.3	-7.5
Capital expenditure*2 (billions of yen)	121.7	122.2	122.8	140.6	156.0	120.6	94.0	83.5	96.4	87.5	88.9	1.6
Depreciation*2 (billions of yen)	116.5	115.1	115.9	121.2	119.8	108.6	107.0	96.9	84.5	76.0	89.5	17.8
Amounts per share of common stock (yen)*3												
Net profit (loss) attributable to owners of the parent (EPS)*4	¥ (38.62)	¥ 23.49	¥ 54.71	¥ 67.68	¥ 41.94	¥ 42.83	¥ 82.53	¥ 512.50	¥791.20	¥1,013.78	¥ 924.21	-8.8
Dividends	5	4	4	8	8	9	11	150	180	200	220	10.0
Equity attributable to owners of the parent*5	301.57	277.03	273.79	381.88	378.37	429.80	528.38	5,585.35	6,197.11	7,287.15	8,094.70	11.1

Point
3

ROE

In the fiscal year ended March 31, 2022, ROE, calculated through the division of net profit attributable to owners of the parent by equity attributable to owners of the parent (owners' equity), was 12.0%, while ROE based on a core business basis, which excludes one-time gains and losses related to business restructuring and business transfers, was 14.4%, up 0.2 of a percentage point from the previous fiscal year.

Point
4

Net profit attributable to owners of the parent per share (EPS)

In the fiscal year ended March 31, 2022, EPS was ¥924.21, down 8.8% from the previous fiscal year, but EPS on a core business basis, which excludes one-time gains and losses related to business restructuring and business transfers, was ¥1,089, up 16.4% from the previous fiscal year, as the profit base expanded. Compared with the fiscal year ended March 31, 2020, the CAGR of EPS was 13.2%, exceeding the CAGR of 12% that we are targeting for the five fiscal years starting from that fiscal year.

*1 The actual figures are shown in units of billions of yen, and the rate of change is calculated in units of millions of yen.

*2 Capital expenditure and depreciation in the fiscal year ended March 31, 2020 do not include the effect of adopting IFRS 16 (Leases).

*3 On October 1, 2018, Fujitsu consolidated every 10 shares of stock into one share. Dividends per share for 2019 and thereafter reflect this share consolidation.

*4 Net profit attributable to owners of the parent ÷ Average number of shares of common stock outstanding excluding treasury stock during the fiscal year

*5 Equity attributable to owners of the parent (Owners' equity) ÷ Number of shares of common stock outstanding excluding treasury stock at the end of the fiscal year

Performance highlights

Fujitsu Limited and Consolidated Subsidiaries

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	(%) 2021/2022
Fiscal years ended March 31											
Non-financial data (ESG indicators)											
Environmental											
Greenhouse gas emissions (Scope 1) (thousand tons)* ¹	225	219	197	189	208	198	147	87	75	70	-6.7
Greenhouse gas emissions (Scope 2 [Location-based]) (thousand tons)* ¹	790	1,105	700	686	1,021	939	808	715	583	530	-9.1
Greenhouse gas emissions (Scope 2 [Market-based]) (thousand tons)	—	—	—	—	—	912	771	663	540	428	-20.7
Greenhouse gas emissions (Scope 3) (thousand tons)	5,137	8,499	8,124	7,290	7,800	6,271	6,105	5,769	5,302	4,638	-12.5
Energy usage (thousand GJ)	—	19,700	18,780	18,370	20,380	19,250	17,350	16,300	13,780	13,000	-5.7
Ratio of renewable energy to total electricity consumption (%)	—	—	—	—	5.2	7.3	8.6	8.4	10.1	20.7	
Water usage (thousand m ³)	19,860	18,620	16,600	15,830	16,870	15,540	13,830	9,910	6,770	6,890	2.2
Social											
Number of employees	168,733	162,393	158,846	156,515	155,069	140,365	132,138	129,071	126,371	124,216	
Outside Japan	64,497	61,357	59,491	57,610	56,622	47,889	46,791	46,839	44,946	47,371	
Percentage of female managers (non-consolidated) (%)	4.0	4.3	4.6	4.8	5.2	5.7	6.1	6.6	7.4	8.0	
Employee engagement* ²	—	—	—	—	—	—	—	56	65	64	
Governance											
Percentage of independent directors (non-consolidated) (%)	33.3	27.3	36.4	40.0	40.0	40.0	40.0	55.6	55.6	55.6	
Percentage of female directors (non-consolidated) (%)	8.3	9.1	16.7	20.0	20.0	20.0	20.0	22.2	22.2	22.2	

Point
5

Percentage of female managers (non-consolidated)

We have set the percentage of female managers as one of our GRB's KPIs and are promoting various measures, including the reduction of long working hours to improve work-life balance, initiatives to address unconscious bias to eliminate the perception of gender roles, and career workshops. By increasing the percentage of female managers, we are enhancing the diversity of the organization and strengthening human capital for the realization of Our Purpose.

Point
6

Percentage of independent directors (non-consolidated)

As of the Annual Shareholders' Meeting convened in June 2022, five of the Company's nine directors approved were independent directors, who constitute a majority at meetings of the Board of Directors. The Company is strengthening oversight and advisory capabilities by actively appointing external directors with a high degree of independence and diverse perspectives.

*1 Figures for the fiscal years ended March 31, 2018 to 2019 differ from those presented in the ESG highlights graphs on page 9 due to the inclusion of international business sites. From the fiscal year ended March 31, 2020, these international business sites were included, and the figures align with those in the ESG highlights graphs on page 9.

*2 An average score calculated by assigning scores between 0 and 100 to each of the five answer options of survey questions

Highlights by segment

Fujitsu Limited and Consolidated Subsidiaries

Presented based on business segments applied from the fiscal year ended March 31, 2021

		Market environment	Fiscal 2021 highlights	Revenue (Fiscal years ended March 31)	Operating profit / Operating profit margin (Fiscal years ended March 31)																	
Technology Solutions	Solutions / Services	<p>The Solutions/Services market continued to face difficult conditions due to the impact of COVID-19 in the fiscal year ended March 31, 2022. However, due to the gradual resumption of IT projects and other factors, the growth rate turned positive, overcoming the negative growth of the previous fiscal year. Although uncertainty remains in the fiscal year ending March 31, 2023, an overall recovery trend is expected, and efforts toward DX, including the modernization of existing legacy IT systems, are expected to accelerate.</p>	<p>Revenue in Solutions/Services was ¥1,840.5 billion, down 2.3% year on year. Although revenue varied by industry sector, recovery from the impact of COVID-19 is beginning to emerge, and system development, services, and solutions in various sectors, such as enterprise, and finance and retail, performed well. On the other hand, in addition to delays in the supplies of components due to the semiconductor shortage, there was a fallback after the completion of a major business deal in the previous fiscal year, and the hardware-related business remained sluggish, especially for local governments, education, and medium-sized private-sector demand, resulting in a decline in revenue.</p> <p>Operating profit was ¥188.7 billion, a decrease of ¥19 billion year on year. Despite efforts to improve cost efficiency and profitability, operating profit declined due to the impact of procurement of components, in addition to increased growth investment for the expansion of the DX business.</p>	<p>(Billions of yen)</p> <table><tr><th>Fiscal Year</th><th>Revenue (Billions of yen)</th></tr><tr><td>2021</td><td>1,883.6</td></tr><tr><td>2022</td><td>1,840.5</td></tr></table> <p>Note: Includes intersegment sales</p>	Fiscal Year	Revenue (Billions of yen)	2021	1,883.6	2022	1,840.5	<p>(Billions of yen) (%)</p> <table><tr><th>Fiscal Year</th><th>Operating profit (Billions of yen)</th><th>Operating profit margin (%)</th></tr><tr><td>2021</td><td>190.7</td><td>10.1</td></tr><tr><td>2022</td><td>188.7</td><td>10.3</td></tr></table> <p>■ Operating profit (left scale) — Operating profit margin (right scale)</p>	Fiscal Year	Operating profit (Billions of yen)	Operating profit margin (%)	2021	190.7	10.1	2022	188.7	10.3		
	Fiscal Year	Revenue (Billions of yen)																				
2021	1,883.6																					
2022	1,840.5																					
Fiscal Year	Operating profit (Billions of yen)	Operating profit margin (%)																				
2021	190.7	10.1																				
2022	188.7	10.3																				
System Platforms	<p>In the fiscal year ended March 31, 2022, the domestic System Platforms market saw a steady recovery in demand amid the gradual resumption of IT projects. In the fiscal year ending March 31, 2023, the market is expected to expand, supported by continued strong recovery in demand, although uncertainties remain due to supply chain disruptions and geopolitical risks. As the switch from LTE to 5G progressed, the size of the mobile infrastructure markets in Japan and North America continued to increase in the fiscal year ended March 31, 2022. This trend is expected to continue. The optical transmission market in Japan contracted during the fiscal year ended March 31, 2022, but is expected to remain at a high level in the future. The North American optical transmission market expanded as core networks were enhanced accompanying the deployment of 5G.</p>	<p>Revenue in System Platforms was ¥617.5 billion, down 2.6% year on year. Although network business, mainly 5G base stations for North America and other markets, increased significantly, revenue declined due to a fallback from revenue recorded in the previous fiscal year from the supercomputer Fugaku and the impact of delays in supplies of components.</p> <p>Operating profit was ¥56.6 billion, up ¥17.8 billion year on year. Despite the impact of delays in supplies of components, revenue increased due to cost efficiencies and improved profitability, including a decreased burden from business model transformation expenses related to the reorganization of domestic plants in the previous fiscal year, as well as the effect of increased sales in the network business.</p>	<p>(Billions of yen)</p> <table><tr><th>Fiscal Year</th><th>System Products (Billions of yen)</th><th>Network Products (Billions of yen)</th></tr><tr><td>2021</td><td>432.6</td><td>201.1</td></tr><tr><td>2022</td><td>384.7</td><td>232.8</td></tr></table> <p>Note: Includes intersegment sales</p>	Fiscal Year	System Products (Billions of yen)	Network Products (Billions of yen)	2021	432.6	201.1	2022	384.7	232.8	<p>(Billions of yen) (%)</p> <table><tr><th>Fiscal Year</th><th>Operating profit (Billions of yen)</th><th>Operating profit margin (%)</th></tr><tr><td>2021</td><td>38.8</td><td>6.1</td></tr><tr><td>2022</td><td>56.6</td><td>9.2</td></tr></table> <p>■ Operating profit (left scale) — Operating profit margin (right scale)</p>	Fiscal Year	Operating profit (Billions of yen)	Operating profit margin (%)	2021	38.8	6.1	2022	56.6	9.2
Fiscal Year	System Products (Billions of yen)	Network Products (Billions of yen)																				
2021	432.6	201.1																				
2022	384.7	232.8																				
Fiscal Year	Operating profit (Billions of yen)	Operating profit margin (%)																				
2021	38.8	6.1																				
2022	56.6	9.2																				

		Market environment	Fiscal 2021 highlights	Revenue (Fiscal years ended March 31)	Operating profit / Operating profit margin (Fiscal years ended March 31)															
Technology Solutions	International Regions Excluding Japan	Please see pages 98–99, “Technology Solutions highlights by international region.”	<p>Revenue in International Regions Excluding Japan was ¥729.3 billion, up 0.8% year on year. This increase was due to higher revenue in Northern & Western Europe (NWE), the growth of service business in North America, and the effect of yen depreciation.</p> <p>Operating profit was ¥23.9 billion, up ¥12.3 billion year on year. Profitability improved due to the acquisition of a large service deal in the UK and progress in structural reforms in North America, as well as the effect of yen depreciation and one-time gains from the transfer of subsidiaries, which contributed to the improvement in profitability.</p>	<p>(Billions of yen)</p> <table><tr><th>Fiscal Year</th><th>Revenue (Billions of yen)</th></tr><tr><td>2021</td><td>723.7</td></tr><tr><td>2022</td><td>729.3</td></tr></table> <p>Note: Includes intersegment sales</p>	Fiscal Year	Revenue (Billions of yen)	2021	723.7	2022	729.3	<p>(Billions of yen) (%)</p> <table><tr><th>Fiscal Year</th><th>Operating profit (Billions of yen)</th><th>Operating profit margin (%)</th></tr><tr><td>2021</td><td>11.6</td><td>1.6</td></tr><tr><td>2022</td><td>23.9</td><td>3.3</td></tr></table> <p>Operating profit (left scale) Operating profit margin (right scale)</p>	Fiscal Year	Operating profit (Billions of yen)	Operating profit margin (%)	2021	11.6	1.6	2022	23.9	3.3
				Fiscal Year	Revenue (Billions of yen)															
2021	723.7																			
2022	729.3																			
Fiscal Year	Operating profit (Billions of yen)	Operating profit margin (%)																		
2021	11.6	1.6																		
2022	23.9	3.3																		
Ubiquitous Solutions		<p>In the fiscal year ended March 31, 2022, the enterprise PC market in Japan contracted year on year due to a fallback from the previous fiscal year's demand for PCs for the GIGA School Program in the education market and telework, as well as the impact of semiconductor shortages. In the fiscal year ending March 31, 2023, the market is expected to continue to contract due to concerns over the impact of shortages of semiconductors and other components.</p>	<p>Revenue in Ubiquitous Solutions was ¥237.1 billion, down 25.7% year on year. Revenue in Japan fell 38.0% year on year, while overseas revenue declined 2.3% year on year. Revenue declined significantly in comparison with the previous fiscal year, when there was strong remote work-related demand for PCs as well as revenue from the GIGA School Program.</p> <p>Operating profit was ¥5.8 billion, down ¥37.3 billion year on year. The decrease was attributable to a gain of ¥25.4 billion from the transfer of the mobile phone retail store business in the previous fiscal year that did not recur in fiscal 2021, as well as the impact of lower revenue.</p>	<p>(Billions of yen)</p> <table><tr><th>Fiscal Year</th><th>Revenue (Billions of yen)</th></tr><tr><td>2021</td><td>319.0</td></tr><tr><td>2022</td><td>237.1</td></tr></table> <p>Note: Includes intersegment sales</p>	Fiscal Year	Revenue (Billions of yen)	2021	319.0	2022	237.1	<p>(Billions of yen) (%)</p> <table><tr><th>Fiscal Year</th><th>Operating profit (Billions of yen)</th><th>Operating profit margin (%)</th></tr><tr><td>2021</td><td>43.2</td><td>13.6</td></tr><tr><td>2022</td><td>5.8</td><td>2.5</td></tr></table> <p>Operating profit (left scale) Operating profit margin (right scale)</p>	Fiscal Year	Operating profit (Billions of yen)	Operating profit margin (%)	2021	43.2	13.6	2022	5.8	2.5
				Fiscal Year	Revenue (Billions of yen)															
2021	319.0																			
2022	237.1																			
Fiscal Year	Operating profit (Billions of yen)	Operating profit margin (%)																		
2021	43.2	13.6																		
2022	5.8	2.5																		
Device Solutions		<p>In the fiscal year ended March 31, 2022, the market grew due to demand for semiconductors expanding significantly in a wide range of fields including PCs and servers against the backdrop of progress in digitalization. In the fiscal year ending March 31, 2023, although uncertainties remain due to factors including supply chain disruptions and geopolitical risks, the market is expected to expand, supported by strong demand on the back of continued progress in digitalization and expansion of applications in a wide range of fields.</p>	<p>Revenue in Device Solutions was ¥375.9 billion, up 27.9% year on year. Sales of electronic components were strong in tandem with a rising demand for semiconductors.</p> <p>Operating profit was ¥78.3 billion, an increase of ¥48.5 billion year on year. In addition to the favorable global semiconductor market, profitability improved significantly due to improved operations, resulting in a large increase in profit.</p>	<p>(Billions of yen)</p> <table><tr><th>Fiscal Year</th><th>Revenue (Billions of yen)</th></tr><tr><td>2021</td><td>293.8</td></tr><tr><td>2022</td><td>375.9</td></tr></table> <p>Note: Includes intersegment sales</p>	Fiscal Year	Revenue (Billions of yen)	2021	293.8	2022	375.9	<p>(Billions of yen) (%)</p> <table><tr><th>Fiscal Year</th><th>Operating profit (Billions of yen)</th><th>Operating profit margin (%)</th></tr><tr><td>2021</td><td>29.8</td><td>10.1</td></tr><tr><td>2022</td><td>78.3</td><td>20.8</td></tr></table> <p>Operating profit (left scale) Operating profit margin (right scale)</p>	Fiscal Year	Operating profit (Billions of yen)	Operating profit margin (%)	2021	29.8	10.1	2022	78.3	20.8
				Fiscal Year	Revenue (Billions of yen)															
2021	293.8																			
2022	375.9																			
Fiscal Year	Operating profit (Billions of yen)	Operating profit margin (%)																		
2021	29.8	10.1																		
2022	78.3	20.8																		

Technology Solutions highlights by international region

Fujitsu Limited and Consolidated Subsidiaries

	Market environment	Fiscal 2021 highlights	Revenue (Fiscal years ended March 31)	Operating profit / Operating profit margin (Fiscal years ended March 31)
Europe	In 2021, Europe's IT market expanded much faster than in the previous year, growing 10.24% year on year. By region, the IT market in Central and Eastern Europe grew 179% year on year, and in Western Europe it expanded 9.2% year on year, both much more rapidly than in the previous year. Between 2021 and 2022, the overall European IT market is expected to grow at a slower rate of 4.7% year on year, with Central and Eastern Europe expected to experience a decline of 11.5% year on year while Western Europe is expected to experience growth of 7.1% year on year. For Europe as a whole, CAGR between 2021 and 2024 is expected to be in line with the previous forecast of 5.5%. By region, Central and Eastern Europe is expected to remain essentially flat, with growth of 0.1%, while Western Europe is expected to continue to see strong market growth, of 6.3%.	NWE is a region within Europe that includes the UK, Ireland, Northern Europe, and Western Europe. Revenue was ¥362.7 billion, an increase of 4.3% year on year, mainly due to the impact of foreign exchange rates. Operating profit was ¥79 billion, an increase of ¥2.5 billion year on year. In addition to the effect of increased revenue due to the acquisition of large-scale solution service orders, including system orders from government ministries and agencies in the UK, the increase in profit was due to the promotion of cost efficiency and other factors.	<div>NWE</div> <div>(Billions of yen)</div> <div><div></div><div></div><div></div></div> <div>400 347.8 362.7</div> <div>300</div> <div>200</div> <div>100</div> <div>0 2021 2022</div> <div>Note: Includes intersegment sales</div>	<div>NWE</div> <div>(Billions of yen)</div> <div>(%)</div> <div><div></div><div></div><div></div></div> <div>8 5.3 7.9</div> <div>4 1.6 2.2</div> <div>2</div> <div>0 2021 2022 0</div> <div>Operating profit (left scale)</div> <div>Operating profit margin (right scale)</div>
		CEE is a region within Europe that includes Germany, Switzerland, and Austria. Revenue was ¥169.0 billion, down 0.8% year on year. Operating profit was ¥7.5 billion, an increase of ¥2.0 billion year on year. Although revenue in the services business increased, overall revenue declined due to a decrease in the products business, mainly IA servers, partly affected by the delays in supplies of components. Operating profit, on the other hand, increased due to gains from the transfer of a subsidiary, and despite the impact of lower revenue.	<div>CEE</div> <div>(Billions of yen)</div> <div><div></div><div></div><div></div></div> <div>200 170.4 169.0</div> <div>150</div> <div>100</div> <div>50</div> <div>0 2021 2022</div> <div>Note: Includes intersegment sales</div>	<div>CEE</div> <div>(Billions of yen)</div> <div>(%)</div> <div><div></div><div></div><div></div></div> <div>8 5.4 7.5</div> <div>4 3.2 4.5</div> <div>2</div> <div>0 2020 2021 0</div> <div>Operating profit (left scale)</div> <div>Operating profit margin (right scale)</div>

Notes: 1. IDC's Black Book Live Edition is the source of IT market information.

2. Effective April 1, 2022, Fujitsu replaced the International Regions organization with four newly established regions (Japan, Europe, the Americas, and Asia Pacific). However, the information for the fiscal year ended March 31, 2022 is presented in the classification before the change.

	Market environment	Fiscal 2021 highlights	Revenue (Fiscal years ended March 31)	Operating profit (loss) / Operating profit (loss) margin (Fiscal years ended March 31)															
Americas	In 2021, the IT market in the Americas grew 11.7% year on year. From 2021 to 2022, it is expected that this strong growth rate will continue with an increase of 7.4%. It is expected to continue to expand rapidly in line with the previous forecast at a CAGR of 7.1% from 2021 to 2024.	The Americas is a region that includes the United States, Canada, and Brazil. Revenue was ¥391 billion, down 22.8% year on year. Despite significant effects due to restructuring, including withdrawal from the products business, revenue in the services business increased. Operating profit was ¥0.6 billion, an improvement from the previous fiscal year's operating loss of ¥5.4 billion, and the region returned to profitability. Profit improved significantly from the previous fiscal year due to the effects of structural reforms, including the shift to the high-margin solutions and services business by liquidating unprofitable products and maintenance businesses, as well as the effect of increased revenue in the services business.	 <p>(Billions of yen)</p> <table><tr><th>Fiscal Year</th><th>Revenue (Billions of yen)</th></tr><tr><td>2021</td><td>50.7</td></tr><tr><td>2022</td><td>39.1</td></tr></table> <p>Note: Includes intersegment sales</p>	Fiscal Year	Revenue (Billions of yen)	2021	50.7	2022	39.1	 <p>(Billions of yen) (%)</p> <table><tr><th>Fiscal Year</th><th>Operating profit (loss) (Billions of yen)</th><th>Operating profit (loss) margin (%)</th></tr><tr><td>2021</td><td>-5.4</td><td>-10.8</td></tr><tr><td>2022</td><td>0.6</td><td>1.7</td></tr></table> <p>■ Operating profit (loss) (left scale) — Operating profit (loss) margin (right scale)</p>	Fiscal Year	Operating profit (loss) (Billions of yen)	Operating profit (loss) margin (%)	2021	-5.4	-10.8	2022	0.6	1.7
Fiscal Year	Revenue (Billions of yen)																		
2021	50.7																		
2022	39.1																		
Fiscal Year	Operating profit (loss) (Billions of yen)	Operating profit (loss) margin (%)																	
2021	-5.4	-10.8																	
2022	0.6	1.7																	
Asia	In 2021, the Asian IT market expanded at a much faster rate than the previous year, growing 16.7% year on year. It is also projected to continue to expand between 2021 and 2022 with a 4.0% year on year increase. The market is expected to grow at a slightly slower rate than in the past, with a CAGR of 6.5% from 2021 to 2024.	Asia is a region that includes Singapore and other Southeast Asian countries, as well as China, Korea, Hong Kong, and Taiwan. Revenue was ¥83.4 billion, up 4.5% year on year. Operating profit was ¥2.7 billion, an increase of ¥0.1 billion year on year. Faced with lower revenue in the products business due to a shortage of components, the region focused on high-margin business deals, shifted its emphasis to the services business, promoted a work-life balance shift, and streamlined operating expenses. Both revenue and profit thus increased.	 <p>(Billions of yen)</p> <table><tr><th>Fiscal Year</th><th>Revenue (Billions of yen)</th></tr><tr><td>2021</td><td>79.8</td></tr><tr><td>2022</td><td>83.4</td></tr></table> <p>Note: Includes intersegment sales</p>	Fiscal Year	Revenue (Billions of yen)	2021	79.8	2022	83.4	 <p>(Billions of yen) (%)</p> <table><tr><th>Fiscal Year</th><th>Operating profit (Billions of yen)</th><th>Operating profit margin (%)</th></tr><tr><td>2021</td><td>2.6</td><td>3.3</td></tr><tr><td>2022</td><td>2.7</td><td>3.3</td></tr></table> <p>■ Operating profit (left scale) — Operating profit margin (right scale)</p>	Fiscal Year	Operating profit (Billions of yen)	Operating profit margin (%)	2021	2.6	3.3	2022	2.7	3.3
Fiscal Year	Revenue (Billions of yen)																		
2021	79.8																		
2022	83.4																		
Fiscal Year	Operating profit (Billions of yen)	Operating profit margin (%)																	
2021	2.6	3.3																	
2022	2.7	3.3																	
Oceania	In Oceania, the IT market in 2021 grew at a high rate of 7.7% year on year. It is expected to continue to grow strongly from 2021 to 2022, albeit at a slower rate of 6.4% year on year. The CAGR from 2021 to 2024 is expected to be 4.7% year on year and is expected to continue to grow steadily.	Oceania is a region that includes Australia and New Zealand. Revenue for the fiscal year ended March 31, 2022 was ¥79.7 billion, up 7.4% year on year. Operating profit was ¥3.9 billion, up ¥2.2 billion year on year. Despite the impact of lower revenue due to large-scale business deals from fiscal 2020 that did not recur in fiscal 2021, revenue increased due to yen depreciation, as well as the contribution of a company acquired in Australia in the fiscal year ended March 31, 2022, and efforts to improve cost efficiency.	 <p>(Billions of yen)</p> <table><tr><th>Fiscal Year</th><th>Revenue (Billions of yen)</th></tr><tr><td>2021</td><td>74.3</td></tr><tr><td>2022</td><td>79.7</td></tr></table> <p>Note: Includes intersegment sales</p>	Fiscal Year	Revenue (Billions of yen)	2021	74.3	2022	79.7	 <p>(Billions of yen) (%)</p> <table><tr><th>Fiscal Year</th><th>Operating profit (Billions of yen)</th><th>Operating profit margin (%)</th></tr><tr><td>2021</td><td>1.7</td><td>2.4</td></tr><tr><td>2022</td><td>3.9</td><td>5.0</td></tr></table> <p>■ Operating profit (left scale) — Operating profit margin (right scale)</p>	Fiscal Year	Operating profit (Billions of yen)	Operating profit margin (%)	2021	1.7	2.4	2022	3.9	5.0
Fiscal Year	Revenue (Billions of yen)																		
2021	74.3																		
2022	79.7																		
Fiscal Year	Operating profit (Billions of yen)	Operating profit margin (%)																	
2021	1.7	2.4																	
2022	3.9	5.0																	

Notes: 1. IDC's Black Book Live Edition is the source of IT market information.

2. Effective April 1, 2022, Fujitsu replaced the International Regions organization with four newly established regions (Japan, Europe, the Americas, and Asia Pacific). However, the information for the fiscal year ended March 31, 2022 is presented in the classification before the change.

Company overview / Shareholder data

(As of March 31, 2022)

Capital: ¥324,625,075,685
Authorized common stock: 500,000,000 shares
Issued common stock: 207,001,821 shares
Number of shareholders: 101,658

Equity shareholdings by type of shareholder:



Status of principal shareholders:

Principal shareholders	Number of shares held (thousands)	Percentage of shares held (%)
The Master Trust Bank of Japan, Ltd. (for trust)	31,811	16.19
Ichigo Trust Pte. Ltd.	14,899	7.58
Custody Bank of Japan, Ltd. (for trust)	11,060	5.63
GIC PRIVATE LIMITED - C	6,920	3.52
JP MORGAN CHASE BANK 385632	6,566	3.34
Fujitsu Employee Shareholding Association	4,056	2.06
SSBTC CLIENT OMNIBUS ACCOUNT	3,608	1.84
Asahi Mutual Life Insurance Company	3,518	1.79
STATE STREET BANK WEST CLIENT - TREATY 505234	3,450	1.76
Fuji Electric Co., Ltd.	2,844	1.45

Notes: 1. The investment ratio is calculated after exclusion of treasury stock holdings (10,488,990 shares).

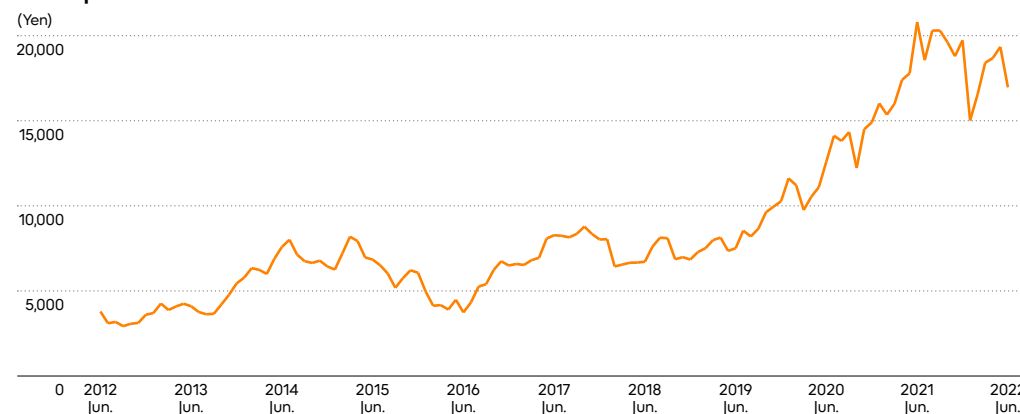
2. The shares held by The Master Trust Bank of Japan, Ltd. (for trust) and Custody Bank of Japan, Ltd. (for trust) pertain to their trust business.

Corporate headquarters: Shiodome City Center,
 1-5-2 Higashi-Shimbashi,
 Minato-ku, Tokyo 105-7123, Japan
Telephone: +81-3-6252-2220
Transfer agent: Mitsubishi UFJ Trust and Banking Corporation
 4-5, Marunouchi 1-chome,
 Chiyoda-ku, Tokyo 100-8212, Japan
Stock exchange listings: Tokyo, Nagoya
Accounting auditors: Ernst & Young ShinNihon LLC
Shareholder information: For further information, please contact:
 Fujitsu Limited Public & Investor Relations
 Telephone: +81-3-6252-2173

For inquiries, please visit our "Contact" page on our investor relations website.

URL: <https://www.fujitsu.com/global/about/ir/>

Share prices



Note: On October 1, 2018, Fujitsu consolidated every 10 shares of stock into one share. Dividends per share reflect this share consolidation.

Agreement with international norms, participation in international organizations, and external evaluations

Agreement with international norms and participation in international organizations

United Nations Global Compact
(UNGC)



World Business Council for
Sustainable Development
(WBCSD)



World Economic Forum
(WEF)

For details on the Fujitsu Group's participation in the WBCSD and WEF, please see "Collaboration with stakeholders" on page 70.



Science Based
Targets initiative (SBTi)



Gold Member Participant
in Renewable Energy 100%
(RE100)



Agreement with the recommendations of the Task Force
on Climate-related Financial Disclosures (TCFD)

External evaluations

High ratings received from global ESG rating institutions, among other international bodies



Dow Jones Sustainability
Indices (Asia Pacific)



FTSE4Good

FTSE4Good Index Series



CDP

Received the highest grade of A in "Climate Change,"
"Water Security," and "Supplier Engagement Rating"
Certified as a "Supplier Engagement Leader Board" company



MSCI World ESG Leaders Index



STOXX® Global ESG Leaders Index



EcoVadis Sustainability Rating



ISS ESG Corporate Rating

Selected for all five ESG stock indices adopted by the Government Pension Investment Fund (GPIF)

2022 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX

2022 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)



FTSE Blossom
Japan Sector
Relative Index



FTSE Blossom
Japan



Editorial policy / Disclosure system

On the publication of Fujitsu Integrated Report 2022

This report aims to provide stakeholders with a comprehensive and concise picture of the Fujitsu Group's business activities and efforts to create value by integrating information on non-financial initiatives such as social, environmental, and governance activities, together with financial information.

We consider the process of producing this integrated report as one of the means that makes our business strategy more sustainable and accelerates management transformation. By working on its production in close cooperation with all concerned departments, we aimed to advance the Group's efforts to contribute to the resolution of societal issues through our business and to achieve sustainable growth.

We have particularly focused on communicating the Group's transformation from various angles. Regarding the medium-term plan, as the final year of the three-year plan is currently underway, we have discussed in the report how the results of the initiatives we have promoted so far will lead to the achievement of our goals and the realization of medium- to long-term growth. In particular, Takahito Tokita, our CEO, and other executives have explained Fujitsu Uvance from their own perspectives, while disclosing more specifics regarding the seven Key Focus Areas. With the non-financial indicators set as management targets, the executives in charge of each indicator and employees involved in the task force have given their views.

Throughout the report, we disclose as much quantitative data as possible on the progress of the transformation, while on the qualitative side, we try to portray the transformation in a more in-depth manner by depicting it from multiple perspectives, including those of our executives and employees. Furthermore, we attempt to communicate our value creation consistently.

In producing the report, we have referred to various guidelines, including the Integrated Reporting Framework of the International Financial Reporting Standards (IFRS) Foundation, and the Guidance for Collaborative Value Creation of the Japanese Ministry of Economy, Trade and Industry.

As part of the production process, the report has been approved by the Sustainability Management Committee and the Executive Committee, and reported to the Board of Directors, with cross-functional cooperation among concerned departments. We confirm the appropriateness of the production process of this integrated report and integrity of the information contained. We will continue to value opportunities for dialogue with our stakeholders, and we would appreciate your candid feedback.

Yumiko Kajiwara

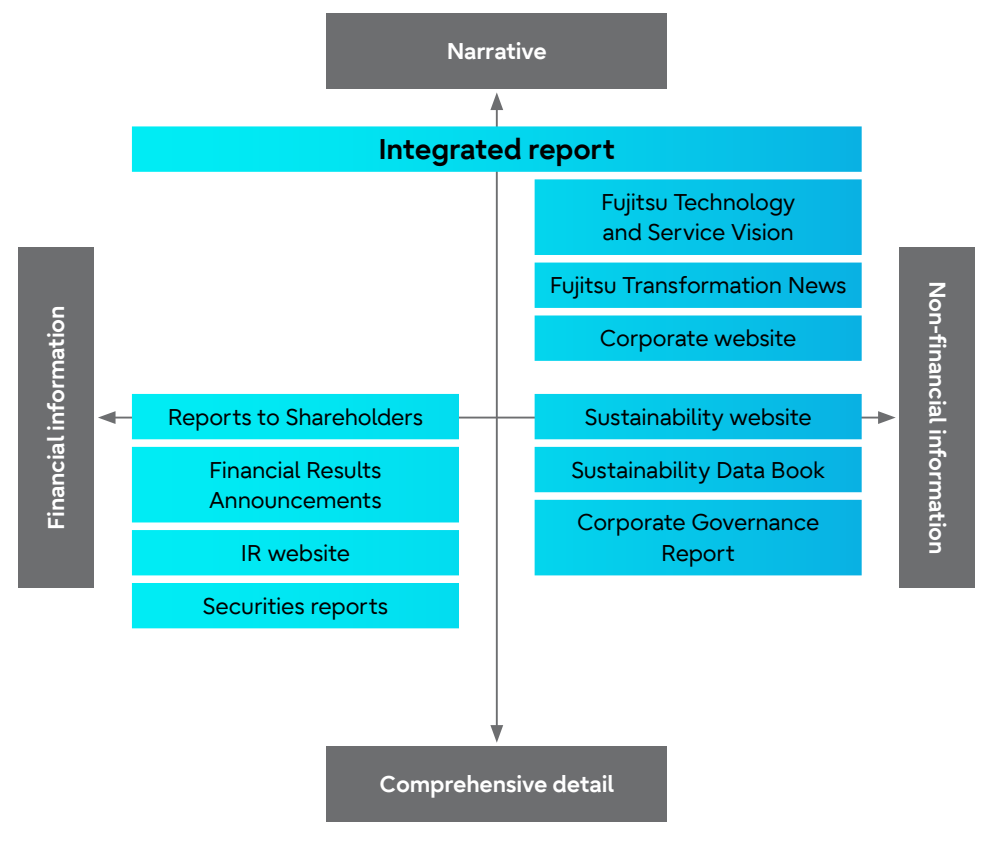
Corporate Executive Officer,
EVP, CSO

Kunihiko Nomoto

Corporate Executive Officer,
SVP
Head of Public and Investor
Relations Division

Disclosure system

We disclose information in a variety of media, including integrated reports. The *Fujitsu Technology and Service Vision* provides a vision for the future of our business and society through the use of technology, while *Fujitsu Transformation News* provides timely information on Fujitsu's efforts to realize its Purpose. For more comprehensive information, please also refer to the IR and sustainability websites, as well as the annual securities report and the *Sustainability Data Book*.



- Notes: 1. From the fiscal year ended March 31, 2015, Fujitsu has adopted the International Financial Reporting Standards (IFRS). However, some sections have presented results under the Japanese accounting standard for the purpose of year-on-year comparison. These sections are indicated in the report.
2. All brand names and product names are trademarks and registered trademarks of their respective holders.
3. The GRB icons represent Fujitsu's seven key priority issues in sustainability management as graphic symbols.