



CSR Report 2014

Fujitsu Group

Contents

The Power of ICT for sustainability and beyond	02	Our Approach to CSR	21	Management	31
Top Message	07	Priority Issues		Fujitsu Group Profile	33
Case of Human Centric Innovation	09	1 Providing Opportunities and Security through ICT	23	Financial & Non-Financial Highlights	36
Six Key Persons Speak Out: Making Use of a Variety of Managerial Resources	17	2 Protecting the Global Environment ..	25	Editorial Policy	36
		3/4 Embracing Diversity and Inclusion / Developing Human Resources for Their Contribution to Society and the Planet	27		
		5 Communicating and Collaborating with Stakeholders	29		



The Power of ICT*

for sustainability and beyond

Now is an age when all types of things, from devices to social infrastructure, are connected by networks.

A Human-centric era has arrived for ICT industries. People are connected to one another by smart devices and we are able to gain knowledge through the cloud.

Starting from "human activity," the Fujitsu Group is working to analyze in real time the vast information gathered in these digital worlds,

and bring about transformation in society by giving rise to new knowledge.

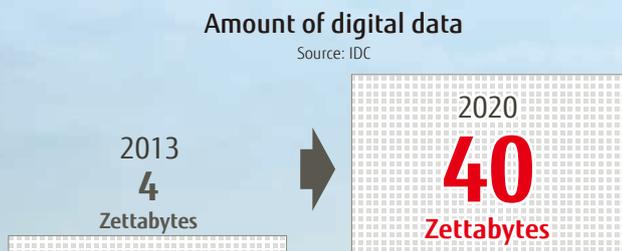
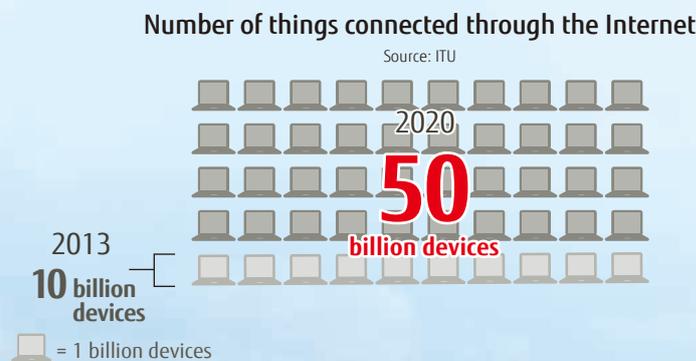
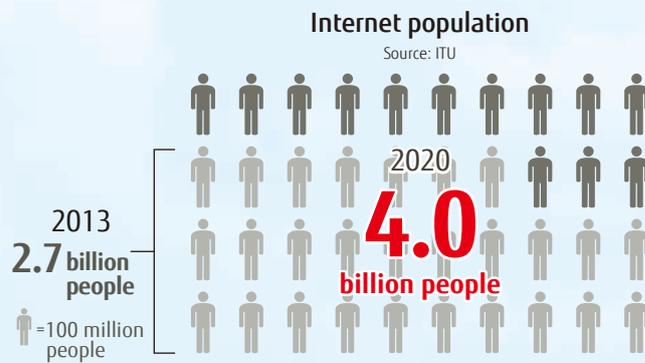
Going forward, we will continue to make the "power of ICT" instrumental in the actions and decisions of those who confront diverse social challenges.

*ICT: Information and Communication Technology

Society in 2020

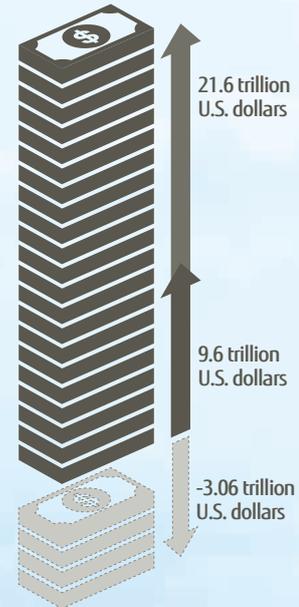
Toward a Hyper-Connected World where Everything is Connected through the Internet

The number of global Internet users has surpassed 2.7 billion, while the number of appliances, vehicles, and other devices connected to the Internet grows beyond 10 billion. Sensors are even being embedded with social infrastructure such as roads, bridges, and electric power equipment, letting people capture the state of things over the Internet in real time. Expanding in front of us is a hyper-connected world in which people are connected to each other more deeply than ever.



Economic value created through ICT innovation by 2020

9.6-21.6
trillion U.S. dollars



Economic value potentially lost by 2020 due to threats to cyber society

Up to 3.06 trillion U.S. dollars

Source: World Economic Forum
Risk and Responsibility in a Hyperconnected World
(Published in January 2014)

We Create Human Centric Innovation

Fujitsu empowers the creativity and problem-solving capabilities of people, and provides ICT environments for the creation of new innovation.

In a hyperconnected world there are three key dimensions for the creation of innovation – people, information and infrastructure. Fujitsu aims to realize business and social value by providing solutions and services that bring together these three dimensions, we call this approach

Human Centric Innovation. As an innovation partner for customers, Fujitsu will provide a portfolio of necessary technologies and services, and will focus on business activities to realize innovation.

Realizing Human Centric Innovation from Three Dimensions



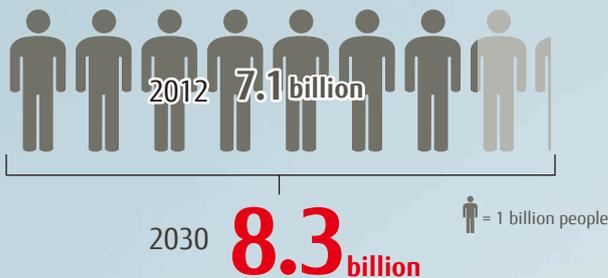
Society in 2030

Modern Society Faces a Mountain of Issues that Threaten the Sustainability of the Earth and Society.

The spread of ICT has brought the people of the world closer together, and creates a driving force behind global economic growth and affluence. At the same time, there is no denying the series of distortions appearing in the growth of modern society, including the worsening scale of climate change and natural disasters, and the shortages of food, water, and energy that accompany population increase.

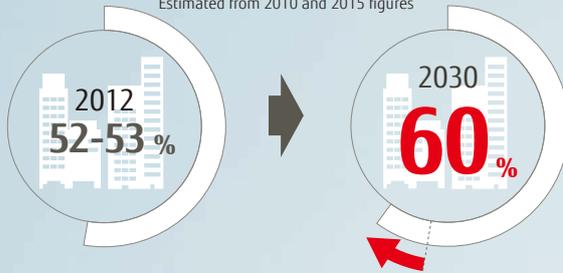
World population

Source: United Nations



Urban population ratio

Source: United Nations
Estimated from 2010 and 2015 figures



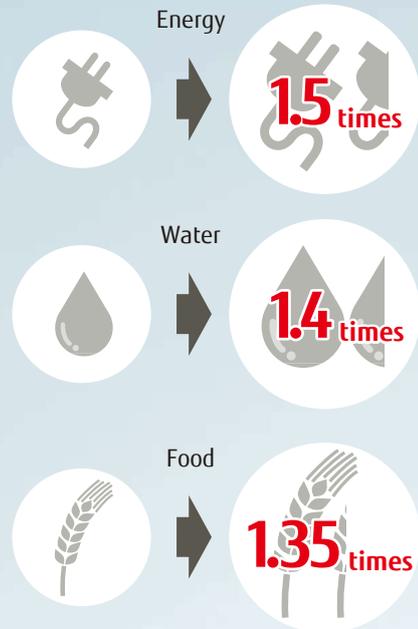
Median age

Source: United Nations



Resources necessary in 2030

Source: National Intelligence Council, Global Trends 2030
(comparison with 2012)



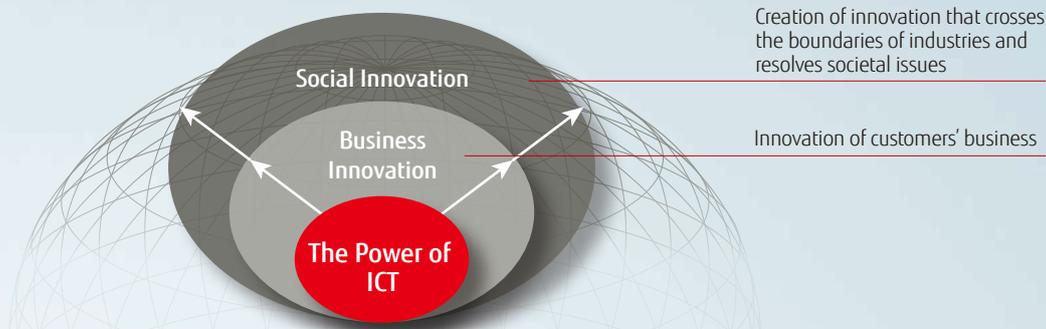
We create Social Innovation

Together with customers, Fujitsu will advance the social innovation that will resolve societal issues through the power of ICT.

Numerous governments, NPOs, NGOs, and international institutions are cooperating to resolve a mountain of global social issues. Fujitsu believes that we can contribute to more speedy resolution of these issues by effectively using the human resources, technologies, expertise, information infrastructure, and other resources held by companies. The power of ICT is moving beyond the creation of business efficiency and transformation of processes, and now holds the power to transform society.

Business innovation will develop into the construction of value chains that extend beyond specific industries, and will lead to the achievement of better societies. With the power of ICT as our leveraging point, Fujitsu is working to realize a Human Centric Intelligent Society in which all can participate proactively in the creation of a sustainable society.

Conceptual Image of Human Centric Innovation



Fujitsu is Taking up the Challenge of Human Centric Innovation.

Pursuing Sustainability as a President's Mission

As a member of society, a company cannot conduct its businesses if a healthy Earth and society are not sustained. In that sense, the pursuit of sustainability is the ultimate mission borne by corporate management. To make this a reality, it is vital that companies introduce management systems related to respect for human rights and to legal compliance, as a social license to operate. It is also vital that companies continue to generate fair profits while contributing through their business to the resolution of global-scale issues.

To pursue sustainability, we must ascertain the essence of the technological shifts that are taking place today. In many regions of the globe, the evolution of ICT is bringing about a hyper-connected world by which people and things are always connected. As an example, a Fujitsu smartphone has performance comparable to that of a supercomputer from just over 10 years ago, and contains 7 types of sensors. Along with automobiles and appliances, the number of "things" that will be connected over networks in the coming several years is said to be between 50 billion and 1 trillion. Massive data generated through advanced processes in cloud computing will bring about an age in which new knowledge is created.

ICT is evolving quickly, and sooner or later will surpass the capabilities of humans. At that time, the question will be whether we will be governed by ICT or whether we will make use of ICT from a human centric standpoint to bring peace and prosperity to humanity. Fujitsu is pursuing ICT that will aid judgment and action so that people can live better lives. We believe that under this premise, humanity will for the first time realize a safer, more prosperous, and sustainable human centric intelligent society.

Stepping Forward from Structural Reform to the Creation of Social Innovation Business

Through fiscal 2013, we achieved our prospects for structural reform. From this year, we will take a new step forward to pursue sustainable growth as a company.

Our approach for doing so is to make the power of ICT an aid in resolving societal issues. ICT is moving beyond the transformation of processes (i.e., business innovation),

and now holds the power to transform society. In order for humanity to sustainably secure food and resources and to prosper, we must drastically transform how we manage issues such as water, soil, and energy. Fujitsu believes that ICT holds the power to lead us toward the resolution of such issues. To leverage this power in future growth, we are taking up the challenge of creating Social Innovation business that will tackle global-scale issues such as agriculture, medicine, and education. Moreover, we will reallocate our investment, human resources, technology, and other management resources to bring about human centric innovation.

Naturally, we do not subscribe to the belief that humanity will achieve happiness simply by advancing the use of ICT. We must reduce the energy consumption of ICT itself, through means including the efficient operation of datacenters. Moreover, connecting people to one another brings about good and bad results globally. As an example, there has been a dramatic increase in social risks such as human rights and labor issues, cyber attacks, dissemination of false information, and infringement of intellectual property in supply chains or in digital companies. Given these risks, and given our social responsibilities as an ICT company, Fujitsu hopes to partner with governments and related bodies and contribute to the creation of environments in which people can use ICT with freedom, safety, and equality.

Meeting the Expectations of Our Stakeholders

To put sustainable business into practice, Fujitsu has signed the UN Global Compact and supports its 10 principles in the areas of human rights, labor, the environment, and anti-corruption. In addition, under the Global Matrix structure that we began in March 2014, we are leveraging the ISO26000 framework to introduce a CSR management cycle at 122 Group companies in Japan and overseas.

Through business activities based on the expectations and requests of our stakeholders, Fujitsu will continue to build on our brand promise of "shaping tomorrow with you" as we contribute to the creation of a sustainable society.



Masami Yamamoto

Masami Yamamoto
Fujitsu Limited President

Amid the rapid increase in the world's population, the number of people living in "megacities" with populations of 10 million or more is expected to increase from the current 3.2 billion to 5.0 billion by 2030. While urbanization brings abundance and convenience to people and prosperity to cities, it also invokes a variety of problems, including environmental issues such as air pollution, waste, noise, and energy shortages, traffic issues such as congestion and accidents, and shortages of housing and medical facilities.

In Japan and overseas, Fujitsu is using the big data generated by the activities of people in cities to advance safer and more comfortable future urban development, based on the needs of people in local communities.

Comprehensive Agreement with Kawasaki City on Sustainable Community Development

Over half of the world's population lives in cities at present, a percentage expected to increase to 60% by 2030. Resolving urban issues involving traffic congestion, the environment, energy, and other concerns is vital to the achievement of global-scale sustainability.

Kawasaki City, which has a population of over 1.45 million people, is an industrial city that boasts advanced manufacturing technology paired with globally leading environmental technology that has overcome pollution. Fujitsu has developed in step with Kawasaki City since the company's founding in the city in 1935, and has come to embrace 16,500 Group company employees in Kawasaki. Kawasaki City, which is working to create itself as the "Most

Successful and Happiest City in Japan," and Fujitsu, which is aiming to build a society where people can live peacefully through "the power of ICT," have

concluded a comprehensive agreement as a form of globally-leading community engagement, and are working together toward promoting a sustainable community for Kawasaki.

The partnership seeks to implement advanced initiatives that will make mutual use of the local resources and human resources held by Kawasaki and the global technology and expertise of Fujitsu. The partners also envision deploying their achievements throughout Japan and international society. Based on the comprehensive agreement, both parties will leverage big data concerning changes in the socioeconomic environment and trends among residents, and will strengthen a variety of initiatives including industrial promotion and international environmental contribution through cutting-edge technology.



President Yamamoto (left) and Mayor Fukuda of Kawasaki City

Areas of Collaboration

1. Community development using ICT
2. Cultivating the next-generation of human resource talent that will flourish globally
3. Forming a vibrant community
4. Creating an environmentally friendly community
5. Promoting contributions to the international community and industrial development with cutting-edge technology

Case of Human Centric Innovation 1 Responding to Urban Issues

Sustainable Urban Development to Resolve the Issues of Congested Cities

Aiming to Create a “Most Successful and Happiest City, Kawasaki”

Norihiko Fukuda
Mayor of Kawasaki City



Kawasaki City is honored to enter into a comprehensive agreement with Fujitsu, a partner and leading representative of industry. Since taking office as Mayor in November of last year, I have come to keenly appreciate the importance of dialog. This is because the expression of concerns by people is what leads to the gathering of solutions and knowledge. I would like to break through “can’t-do” thinking by using new technology and tackle all sorts of issues together with Fujitsu, to make Kawasaki the most successful and happiest city in Japan.

In the 1960s and 70s, Kawasaki City joined hands with companies to refine environmental technology for the resolution of pollution issues. I believe that this success story will set a positive example for China and Southeast Asian nations that continue to undergo rapid growth. Fujitsu’s advanced initiatives even include the export of an ICT-based environmental monitoring system to Saudi Arabia.

From here on out, I hope to utilize Fujitsu’s technology for big data and consider long-term policy measures based on population trends, as we continue to formulate new general plans for Kawasaki City. Taking the comprehensive agreement as an opportunity, I look forward to consultations with Fujitsu on urban development using ICT, resolution of issues, and many more things. As we create results together with Fujitsu, we will communicate these to other cities as the “Kawasaki model,” and will contribute to the happiness of people the world over.

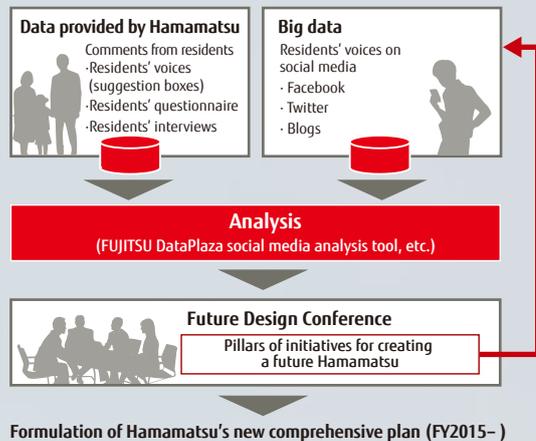
In Hamamatsu, Shizuoka Prefecture

A big data analysis project to envision the city 30 years from now

Amid increasing attention on the use of big data, the city of Hamamatsu in Shizuoka Prefecture is taking the lead among municipalities in the use of big data for future urban development.

From September 2013 to March 2014, Fujitsu worked with Hamamatsu to augment the public data held by the city by collecting residents’ comments through questionnaires and interviews and through comments directed at the city in online articles and social media. Through the use of analytical tools, Fujitsu was able to uncover the expectations and thoughts of residents toward the city. While making use of this information in day-to-day municipal governance, Hamamatsu also put it to use in the Hamamatsu Future Design Conference that set forth a vision for the city 30 years from now.

Overall Image and Process of the Analysis



In China

Providing vehicle maintenance service in partnership with a telecommunications carrier

In China, which accounts for approximately 23% of the number of new cars sold globally, there is widespread public concern about air pollution and frequent traffic accidents—especially in urban areas—resulting from an increase in the number of vehicles.

Fujian Fujitsu Communication Software Co., Ltd. is collaborating with telecommunications carriers in China to provide major logistics companies with a one-stop, smart-vehicle management service for eco-driving and vehicle safety. This service has improved fuel efficiency by more than 20% and reduced the number of accidents by approximately 50% in some cases.

Fujitsu will continue to make contributions to improving the urban traffic environment and safety in China and in countries around the world through the use of ICT.



Urban traffic in China (image)

Toward the Construction of ICT Environments to Support Advanced Medicine, and toward New Services to Care for Mental Health

In 2030, seniors aged 65 or older are expected to account for 31.6% of the population of Japan. Limiting the accompanying increase in social security, including medical, expenses has become an urgent issue. Achieving a society in which people can live healthy and long lives requires that regions come together to nurture the health and medical industry and the medical partnerships that support the health of every citizen. At the same time, maintaining and enhancing mental health is a key issue, with companies called upon to boost their efforts to check on employees' mental health burdens.

Amid this, Fujitsu is aiming to provide diverse ICT solutions to support preventive medicine and individualized medicine. An example is digital medical records, with which Fujitsu has a wealth of experience. Fujitsu is also taking up challenges such as support for drug discovery using supercomputers, and the creation of services to sustain mental health in disaster-stricken areas.

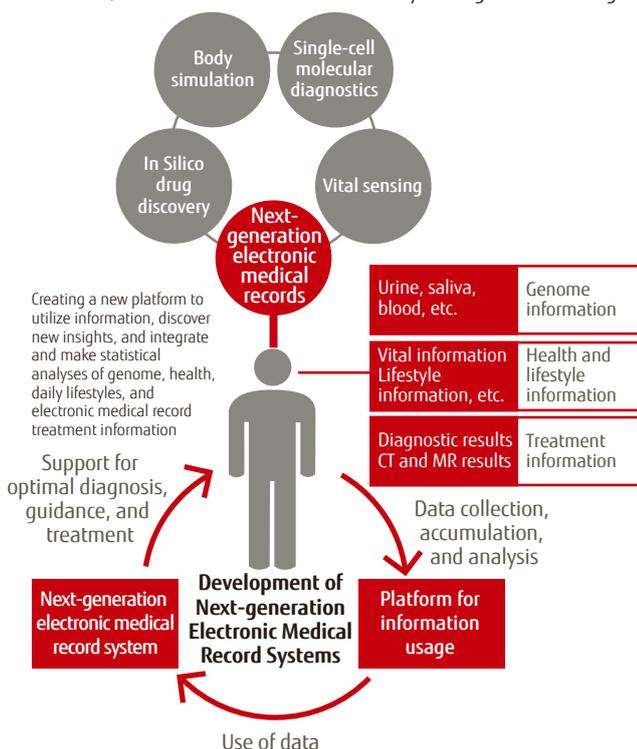
Establishment of the Next-Generation Healthcare Innovation Center for Medical Innovation and the Creation of a Healthy Society

In December 2013, Fujitsu established the Next-Generation Healthcare Innovation Center to tackle diverse medical-related issues facing Japanese society. The mission of the Center is to create new business in health promotion, early disease detection, prevention of disease exacerbation, new drug creation, and individualized medicine by taking full advantage

of ICT and working with progressive research institutions and medical facilities.

In particular, Fujitsu will leverage its track record and expertise in electronic medical record systems, in which we hold the leading share of adoption in Japanese medical institutions. We aim to achieve individualized medicine and to construct next-generation electronic record systems that are integrated with genome data and daily lifestyle information, in addition to existing treatment information. In partnership with Japanese and foreign pharmaceutical companies and research institutions, Fujitsu is also engaged in "In Silico drug discovery" using supercomputers. By using simulations, this enables significant reduction in the time required to identify compounds that work to curtail the outbreak of diseases.

From here on out, Fujitsu aims to leverage the advanced technology and expertise we have built up through our business, and to contribute to the realization of innovative medicine and the formation of a society that supports people's health.



VOICE

Without ICT, New Healthcare will Never Develop



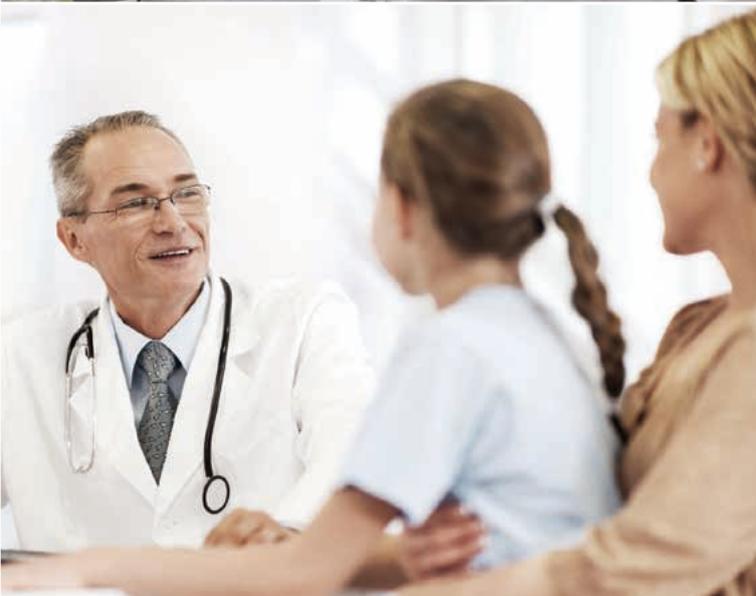
Hiroshi Tanaka

Ph.D. & Dr. Med., Professor,
Medical Research Institute
Tokyo Medical and Dental University

My research has centered on two fields: bioinformatics and medical informatics. For about two years now, I have been working with Fujitsu on a new integrated database in hopes of eventually reflecting genome and health-related information in electronic medical records and helping medical professionals diagnose and treat conditions in a "total" package that includes environmental and genetic (genome-related) factors. The Next-Generation Healthcare Innovation Center is instrumental in combining all the genome-related information that I have gathered over the years with Fujitsu ICT.

Why did I decide to pursue joint development with Fujitsu? I have plenty of relationships with many other companies, all of which have similar perspectives on and approaches to genome usage and other topics. Fujitsu, however, was the only one to start at the idea development step, put the project under the president's direct control, and work as quickly as possible to make something of it. In Fujitsu, I see the spirit of challenge and the flexibility it takes to accept change. The company also boasts an extensive ICT background and infrastructure in wide-ranging sectors of the healthcare field, including electronic medical record systems, regional healthcare integration, and supercomputer-powered organ simulation.

In that sense, I hope Fujitsu continues to blaze trails as the leader of genome medicine in Japan. There is no way to develop new healthcare without the aid of ICT. Fujitsu, I believe, is going to play a vital role in propelling Japanese healthcare forward.



In Iwate Prefecture and Fukushima Prefecture

Disaster reconstruction support: Disaster prevention and security systems, and guardian support systems for citizens living in temporary housing

In the process of reconstruction following the Great East Japan Earthquake, we recognized that, besides building infrastructure, preventing isolation through person-to-person communication is an important issue.

Fujitsu is addressing this issue by using ICT to allow local governments to enhance their information delivery capabilities, and for victims to receive mental health-care.

In Iwate Prefecture, we are cooperating with the city of Oshu to build up a mechanism for unified management of disaster prevention and security information, as well as for dissemination of information by mobile phones, SNS, and other means. In this way, we help local governments to make optimum decisions and to deliver information properly to residents.

In Fukushima Prefecture, we are partnering with the city of Iwaki and with Iwaki Meisei University to construct a guardian support system composed of health information management and stress checking functions, so that we may support the mental health of citizens living in temporary housing.



Temporary housing in Iwaki, Fukushima Prefecture

In Ireland

Using sensing technology to support safe and secure independent living in an aging society

The use of ICT is being investigated to address social issues brought about by the aging of society.

Under the theme of support for health in everyday lifestyles, Fujitsu has launched the KIDUKU Project^{*1} to provide monitoring and assistance for independent living by seniors and patients in smart houses in Ireland. The project is a collaboration between Fujitsu and two Irish research institutions, TRIL and CASALA.^{*2} Both of these institutions are engaged in advanced initiatives involving the use of sensing technology.

In this research, we collect data from the daily lives of seniors and patients through a variety of sensors.

The aim is to develop a system and construct solutions for health management and daily living assistance that pairs expert medical knowledge with data visualization and analysis technologies. The system is expected to aid the optimization of treatment plans through ongoing observation of illness, and to facilitate communication among concerned parties.

Through the project, Fujitsu aims to make use of ICT in assisting independent living in an aging society.

^{*1} KIDUKU: The name of the project incorporates the meanings of Japanese words for *awareness* (of changes in conditions) and *building* (of good relations between Ireland and Japan).

^{*2} Two research institutions in Ireland:

• TRIL (Technology Research for Independent Living): A medical research institution engaged in applied research involving sensing technologies.

• CASALA (Centre for Affective Solutions for Ambient Living Awareness): Operates and conducts testing in experimental smart houses equipped with sensing environments.

From Reduction of Environmental Impacts to Effective Use of Natural Energy and Renewal of Natural Capital

While economic globalization brings new abundance to the world, the emergence of global-scale environmental destruction, shortages of resources, energy, food, and water, and other worldwide issues threaten the sustainable development of global society. In order to resolve these issues, companies must take the lead in correctly understanding the negative environmental impacts of their own activities, and must strive to restrict these. At the same time, companies are being called upon to make effective use of renewable energy such as solar power and wind power, and non-depleting resources and wastes.

Fujitsu provides systems that use ICT to accurately assess environmental impacts and systems that optimize the use of natural energy. Together with universities and research institutions, Fujitsu is engaged in developing systems for water filtration and water circulation that make use of supercomputer-based simulation.

Using Supercomputers to Create Sustainable Water Resources

By 2030, global demand for water is expected to exceed supply by 40% due to population increase and the progress of urbanization and industrialization. For this reason, securing supplies of water for households, industry, and agriculture needed to achieve and sustain a comfortable

living environment will be an important challenge.

To address this issue, Shinshu University is undertaking the development of water filtration membranes using nanocarbon and other innovative materials, as well as systemization technology that uses these materials for fresh water generation and water circulation.



Aiming to Create Water that Contributes to Comfortable Living Environments around the World



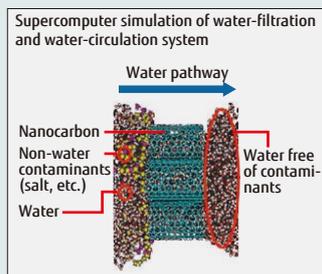
Morinobu Endo
Distinguished Professor
Institute of Carbon Science and Technology
Shinshu University

Over 1.1 billion persons are unable to secure safe supplies of water, and lack access to safe drinking water. Over 2 million children lose their lives every year due to contaminated water. The "Global Aqua Innovation Headquarters for Increasing Water-sustainability and Improving Living Standards in the World" plan, proposed by Shinshu University and others to tackle these issues, was selected in October 2013 by the Ministry of Education, Culture, Sports, Science and Technology as a core COI (Center of Innovation) location.

Through a nationwide organization across Japan, this project is aiming for the commercialization of a revolutionary fresh water generation and water circulation system that can extract water from diverse water sources, contributing to the production of resources and preservation of the environment and providing safe and reliable water on a broad global scale. While water generation functionality has been achieved through carbon membranes in the past, the issue from here on out is the creation of innovative functionality. The adoption of Fujitsu's supercomputer for research in mechanism analysis is expected to enable dynamic analysis of water molecules, which had been impossible until now. I hope to build a site for the creation of local new industries and for social contribution through scientific research and practical applications that are compelling to and are needed by people around the world.



FUJITSU Supercomputer
PRIMEHPC FX10





Development of the water filtration membrane in particular calls for complex analytical work and simulation at the atomic level, requiring a supercomputer with powerful calculation ability. Fujitsu met Shinshu University's needs with a supercomputer system composed of a PC cluster of 16 PRIMERGY RX200 S8 units and a FUJITSU Supercomputer PRIMEHPC FX10. The research is expected to

yield results that will enable the extraction of household water, industrial water, and agricultural water from seawater or even water mixed with oil.

Through the power of ICT, Fujitsu will contribute to the resolution of water issues and other social transformation on a global scale.

In the Canary Islands

Achievement of optimal energy management and stable supply of energy to outlying islands

In the Canary Islands (autonomous region), with a population of 2 million people, abundantly available renewable energy, including sunlight and wind power, is widely used for power generation to benefit from the geographical features of the region. However, due to problems such as inaccuracies in weather forecasts and difficulties in power management, the Canary Islands have depended on Mainland Spain, which is 1,100 km away from the islands, for some of its power supplies.

Fujitsu has provided ITER* with a system composed mainly of high-performance computers in order to solve these problems, thereby achieving an approximately 75% reduction in energy costs from the mainland.

Utilizing renewable energy is a basis for sustainable development. Fujitsu will continue to make effective use of ICT in order to support the Canary Islands' further economic growth.

*ITER: The Technological Institute of Renewable Energies
Natural energy research facility founded by the island Council of Tenerife in 1990



ITER Data Center



Wind power generation (image)

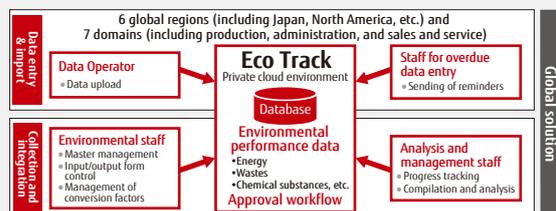
In the Six Global Regions of the World

Supporting the management of global environmental data through environmental management solutions

As global environmental issues deepen, the demands placed upon companies to disclose environmental-related information are increasing day by day. At the same time, the globalization of economies is accelerating, and the integration of environmental management across multinational workplaces has become an issue that companies must address.

Honda Motor Co. Ltd, which operates its various business in six regions of the earth, faced issues in the accurate collection and aggregation of environmental impact data. In response, Fujitsu provided Eco Track, a SaaS-based environmental management information system. This flexible, Excel-based solution simplifies form creation, the setting of request routes, and data aggregation work, as well as enables drastic improvements in data accuracy. With this system, Honda is beginning to achieve short-term data sharing and analysis. The company intends to switch from the use of SaaS to private cloud-based operation, and will further improve and strengthen the system's functionality.

Fujitsu will continue to support the environmental management of Honda Motor as it works to realize its vision of "the joy and freedom of mobility and a sustainable society where people can enjoy life."



The geographical characteristics of Japan and Southeast Asian nations place these countries at high risk for typhoons, floods, earthquakes, tsunami, and other natural disasters. In this region, a variety of data on past disasters is being used to create disaster readiness measures for strengthening embankments and other structures. It is impossible to build seabed-sited or land-sited breakwaters of two or three times the usual height in preparation for a once-per-millennium earthquake. After the Great East Japan Earthquake, the approach is increasingly being taken to minimize damage through life-saving disaster mitigation.

Fujitsu has developed systems that aggregate and use volumes of past data to aid disaster readiness. Together with this, we have proposed mechanisms for disaster mitigation that predict damage through sensors that assess weather conditions and changes in the natural environment in real-time.

Leveraging Japan's Knowledge of Disaster Countermeasures to Build a Disaster Information Management System for Indonesia

Like Japan, the island nation of Indonesia is geographically prone to natural disasters. Disaster countermeasures are a pressing issue especially in the capital region of Jakarta, the political and economic center of the country.

The Regional Disaster Management Agency of Jakarta's

local government investigated the adoption of a system to improve disaster information management, which had been a time-consuming manual system. Fujitsu built a Disaster Information Management System (DIMS) for the agency by leveraging expertise that had been built up in supporting disaster countermeasures in Japan.

Fujitsu developed SMS-based information broadcasts matched to the local conditions of Jakarta, as well as a portal site, based on functions provided in Japan. DIMS enables centralized management of river level information, automated warnings, real-time information collection from disaster sites and unified display of the information, which helps the agency make rapid decisions such as issuing evacuation orders during disasters.

Fujitsu continues to contribute to disaster countermeasures in Jakarta through efforts to enhance the system, such as information sharing with other agencies, and to improve system operation and maintenance support.



Disaster readiness center

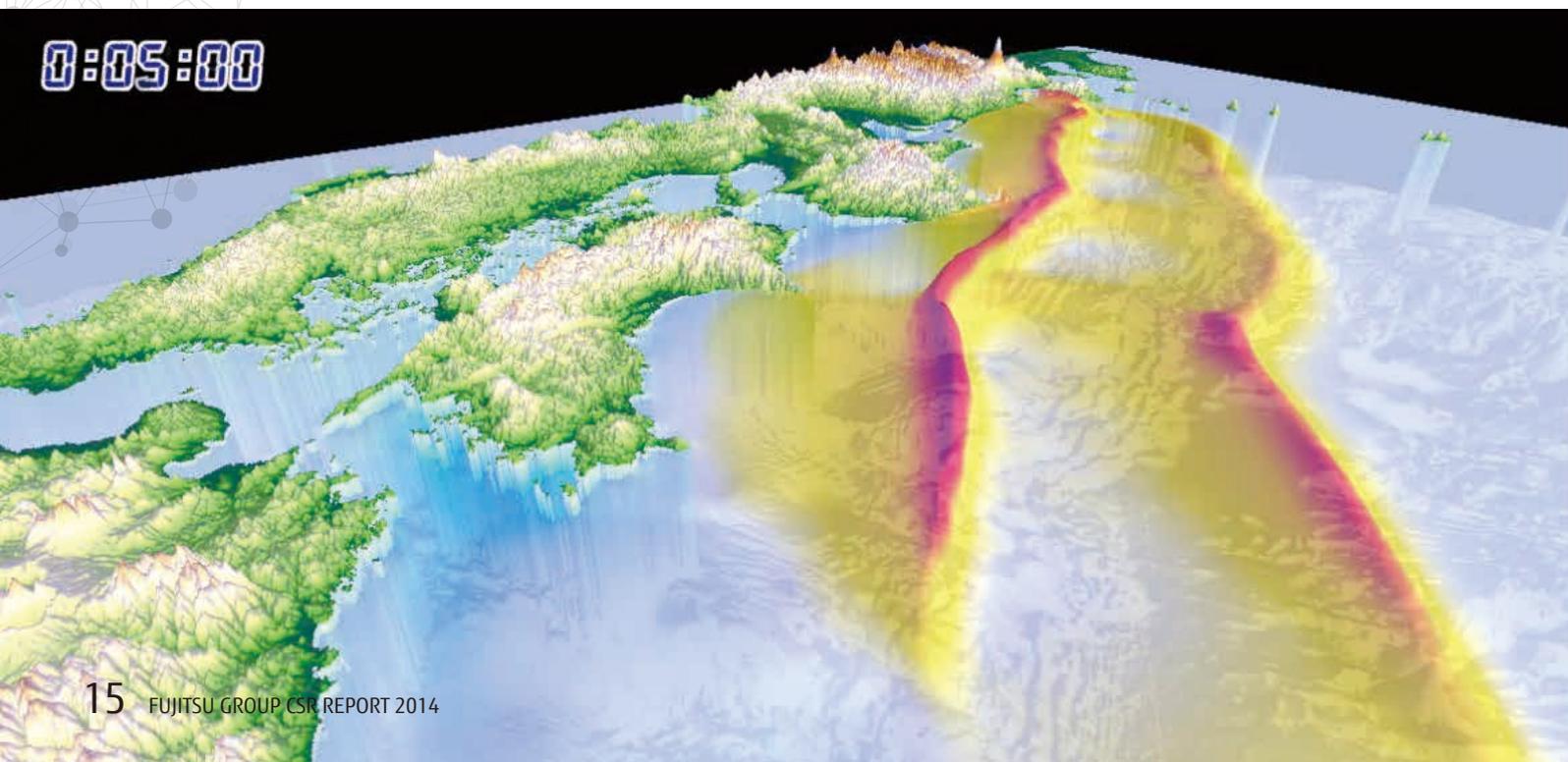


Urban area during flooding

Case of Human Centric Innovation 4 Responding to Natural Disasters

Toward a Safe and Secure Society that Combines Disaster Readiness and Disaster Mitigation Perspectives

0:05:00



Toward Sure and Effective Disaster Mitigation Activities

The solution from Fujitsu has helped us in accelerating information management during disaster mitigation process, particularly during the great flooding that hits DKI Jakarta. Back when we still used manual systems during the 2012 flooding, it took five days to receive integrated data, such as flood points and inundated areas. Meanwhile our web portal, which should provide information to the public, did not function effectively. In the January 2014 floods, however, with the support of Fujitsu's disaster management information system, we were able to obtain real time information, and distribute it on time, to ensure effective coordination in the whole disaster mitigation process.



Bambang Surya Putra
Head of Informatics Section
BPBD DKI Jakarta

In Japan

Creating a high-reliability system for weather information, emergency warnings, warnings, and advisories

Japan's geographical characteristics make it a country always under the threat of frequent typhoons, earthquakes, and other natural disasters.

Reducing the damage from such disasters calls for constant monitoring and prediction of phenomena that may lead to disaster – weather, the ocean, earthquakes, volcanoes, and more – and 24-hour, 365-day provision of accurate information.

By constructing the Automated Meteorological Data Acquisition System (AMeDAS) and the Automated Data Editing and Switching System (ADESS), Fujitsu is supporting the Japan Meteorological Agency's work of observation, monitoring, prediction, and reporting. The weather observation and the information, warnings, and advisories provided by AMeDAS and ADESS help enrich daily life, and are used broadly as information that contributes to disaster prevention and mitigation, traffic safety, and industrial development.

Fujitsu will continue to support the growth of the system with high reliability, and will contribute to the realization of a safe and secure society through advanced ICT.



© Japan Meteorological Agency
Forecast operations room

In China

Constructing a water resource management system to support flood and drought countermeasures in China

The direct economic losses due to natural disasters in China average over 200 billion yuan (about 3 trillion yen), with flood- and drought-related damages particularly severe.

In addition to provincial water resource management, the Water Resources Department of Jiangsu Province was faced with the priority issue of readying an information system for flood and drought countermeasures. In response, Fujitsu worked with the Water Resources Department to construct a system for water resource monitoring, control, and early warning. Through this system, Fujitsu is meeting the province's need for water resource security and for accurate and rapid transmission of water level information to water resource departments and other government bodies during floods or droughts.

From here on out, Fujitsu will contribute to natural disaster initiatives for which international cooperation is considered necessary, and will contribute to safety and security worldwide through ICT.



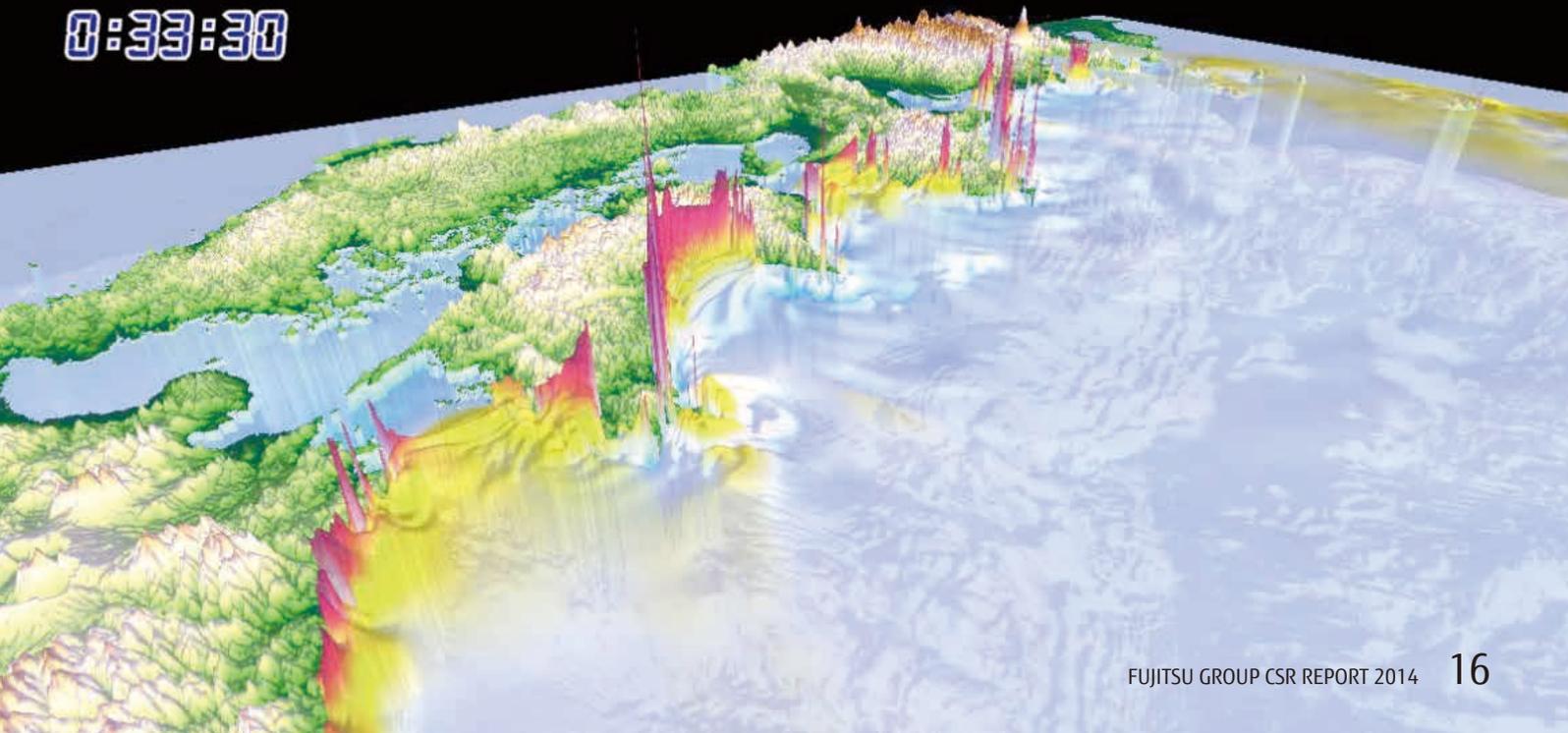
Lower reaches of the Yangtze River



Drought

Simulation of tsunami caused by a massive earthquake in the Nankai Trough
Image source: Toshitaka Baba, Japan Agency for Marine-Earth Science and Technology (JAMSTEC)

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6 Key Persons Speak Out:

Making Use of a Variety of Managerial Resources

Through the use of the power of ICT, the Fujitsu Group is working to realize a safer, more prosperous, and sustainable Human-Centric Intelligent Society. Achieving this requires that we combine a variety of managerial resources to create social and economic value. Fujitsu will proceed to deliver integrated and easy-to-understand information, so as to create a better future together with customers, investors, and our other many stakeholders throughout society. In this section, a number of key persons responsible for worldwide management at Fujitsu speak out on a variety of initiatives.

Financial Accounting

More details at <http://www.fujitsu.com/global/about/ir/library/annualrep/>

Through the application of IFRS, we are undertaking information disclosure in line with global standards.



Kazuo Yuasa
Executive Vice President
Finance Division and IFRS Office
Corporate Finance Unit

Fujitsu has set the global expansion of its business domains as one of the pillars of its medium-term management plan, and has expressed its intent to globally strengthen its human resources development, site improvement and expansion, M&A, and other strategies.

From the first quarter of fiscal 2014, Fujitsu has voluntarily applied the International Financial Reporting Standards (IFRS) in its consolidated financial reporting, and will conduct information disclosure in line with global standards. Our aim is to achieve consistent business management domestically and overseas through IFRS. Recent years have brought global demands for companies to disclose not only financial information but also non-financial information that indicates growth potential from a medium-to-long-term perspective, such as the companies' environmental stance and relationship with society. Responding to this shift, Fujitsu is investigating appropriate disclosure of information to its investors and other stakeholders.

Performance Targets under the New Medium-Term Plan (billion yen)

	FY 2013 performance		FY 2014 projections		Medium-Term Targets	
					FY 2016	Compared to FY 2014
Operating income	147.2	185			250	+65
Profit for the Year	113.2	125			150 or more	+25 or more
Free cash flow	46.6	80			130 or more	+50 or more

Technology and Service Vision

More details at <http://www.fujitsu.com/global/vision/index.html>

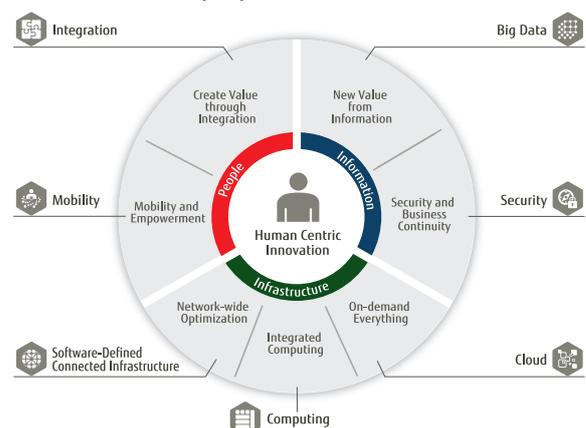
As a foundation for all corporate activities, Fujitsu set out concepts of technology, products, and services which will support a Human Centric Intelligent Society.



Yoshikuni Takashige
Vice President
Portfolio Strategy Div.,
Marketing Unit

In April 2013, the Fujitsu Technology and Service Vision (FT&SV) was released defining our vision of a Human Centric Intelligent Society, realized through technology and service concepts embodied by our portfolio of offerings. Human Centric Innovation, our core value proposition, is detailed in the 2014 edition of FT&SV (revised and released in April 2014). It is a new approach to innovation, where new value is created by bringing together three key dimensions: people, information, and infrastructure. FT&SV underpins the entire operation of Fujitsu Group worldwide. In order to deliver the values set out within FT&SV, we will strengthen our business execution structures and resources globally, thereby enhancing research and development as well as sales and production capabilities.

The Values Offered by Fujitsu





A Global Business Platform

For customers that are expanding global businesses, Fujitsu provides support through over 100 datacenters around the world, on-site service in 188 countries, and service desks that speak 31 languages.

- Global datacenters
- Global delivery centers (as of July 2014)

Environment

More details at <http://www.fujitsu.com/global/about/environment/index.html>

As we engage in our Environment Action Plan, our highest priority is on working through our business to expand the reduction of GHG emissions to customers and all of society.

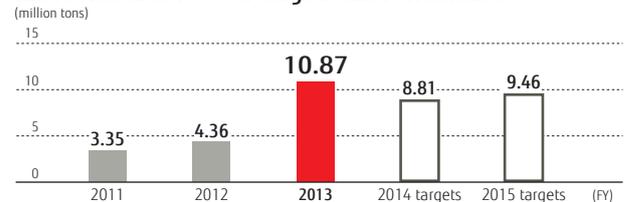


Yasuhiro Yamaguchi
Vice President
Green Strategy Div., Corporate
Environmental Strategy Unit

The Fujitsu Group, which has pursued the principle of "operating in harmony with nature" since its founding, positions global environmental preservation as a priority management issue. As deploying ICT in an intelligent manner enables more efficient use of resources and energy and can contribute to the reduction of greenhouse gases, Fujitsu Group aims to expand the use of ICT throughout society. At the same time, we will develop and offer products with excellent energy efficiency and work to expand their use by customers and society.

As the environmental impact reductions that we have undertaken also have an effect in reducing costs, we are extending their scope to include datacenters, which undergo rising environmental impacts and operating costs as our cloud business grows, and advancing our activities aimed at reducing impacts. Finally, through FY2015, we will engage in our Environmental Action Plan (Stage VII), which aims to reduce both our own environmental impacts and those of society.

Amount of Contribution to Reducing GHG Emissions through the Provision of ICT: Our Targets and Performance



Trends in GHG emissions



Human Resources

More details at <http://www.fujitsu.com/global/about/csr/activities/employees/education/>

While formulating a human resource strategy for achieving our vision, Fujitsu has begun building a global personnel platform.

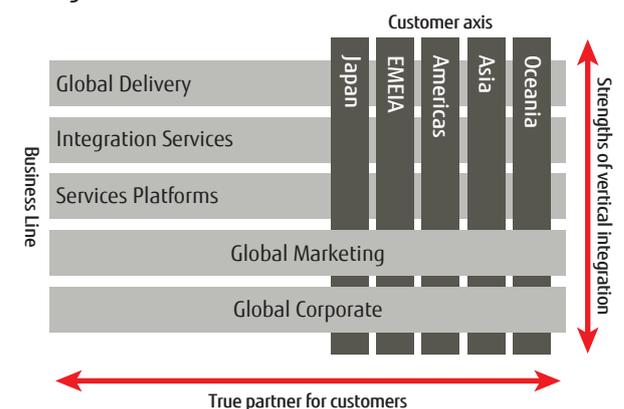


Hiroshi Hayashi
Executive Vice President
Head of Global Human
Resources Unit

From April 2014, the Fujitsu Group is building a five-region structure directly under the President for strengthening our global business, and is speeding up decision-making related to cooperation and cultivation of market strategies in each region. To formulate a human resource strategy that will achieve our business strategies and vision, Fujitsu's Human Resources Strategy Committee, which is composed of Corporate Executive Vice Presidents and higher-level management, deliberates on themes such as how the company should address global human resources foundation and training programs.

To achieve the deployment of the right global human resources in the right places, Fujitsu is also undertaking development of a global personnel platform that will unify the bases for our employee compensation systems. To promote diversity, we are also working to improve environments for participation by diverse human resources, regardless of nationality, gender, age, disabilities, or values.

Reviewing Our Business Structure to Strengthen Global Business



6 Key Persons Speak Out: Making Use of a Variety of Managerial Resources

Research and Development

More details at <http://jp.fujitsu.com/group/labs/en/>

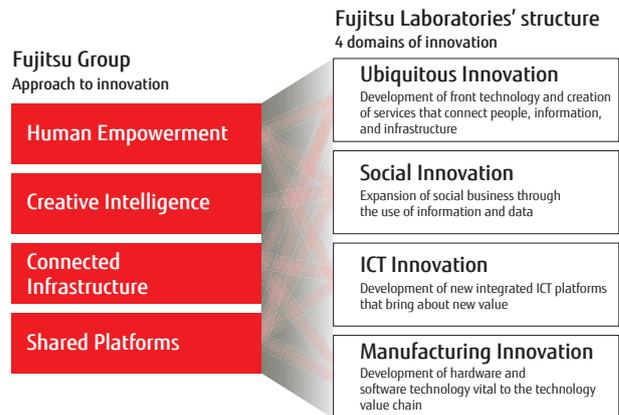
To achieve our vision, Fujitsu is formulating a roadmap and undertaking research and development in each of four domains of innovation.



Masayuki Kato
Head of R&D Strategy and Planning Office,
Fujitsu Laboratories Ltd.

Toward the realization of Fujitsu's vision of Human Centric Intelligent Society, Fujitsu Laboratories Ltd. engages in research and development under three approaches: support for judgment and action through ICT (Human Empowerment), the creation of knowledge through the use of information (Creative Intelligence), and optimization through the connection of people, things, and social infrastructure (Connected Infrastructure). Together with a shared platform to support these, we have formulated a research and development roadmap for each of four innovation domains, and are promoting and using open innovation together with universities and research institutions in Japan and overseas. At the same time, we will accumulate research results based on the use of the above in commercialization, standardization, and other efforts, and will work to secure technological superiority.

Themes of Leading Research



Information Security

More details at <http://www.fujitsu.com/global/about/resources/reports/securityreport/2014-securityreports/index.html>

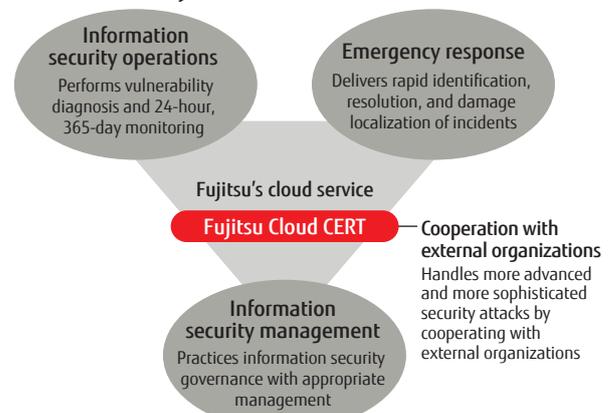
We have organized an expert security team to achieve a cloud with high safety and reliability.



Masayuki Okuhara
Director
Security Technology Center,
Cyber Defence Office
Cloud Business Unit

While a hyper-connected world generates opportunities to change business and society, it also increases the threats of cyber attacks and leakage of personal private information. In order to realize its vision of a comfortable and safe network society, Fujitsu is focusing on information security that supports ICT. One representative initiative is Fujitsu Cloud CERT*, a dedicated cloud security team established to protect cloud services, which handle customers' valuable assets, from security incidents. This team, which has official consent from Carnegie Mellon University (U.S.) to use the CERT name, is the first cloud CERT organization in the world. In January 2014, Fujitsu also established the Security Initiative Center, offering one-stop support for the drafting of customers' medium-to-long-term security strategies and the execution of specific measures. From here on out, Fujitsu will achieve ICT environments for the ongoing maintenance of high-level security in terms of both organization and technology.

The Activities of Fujitsu Cloud CERT



* CERT: Computer Emergency Response Team, a dedicated team that responds quickly and precisely to emergency situations in computer environments.

Five Priority Issues and CSR Activity Medium-Term Targets

The Fujitsu Group conducts CSR activities in line with five priority issues. In setting priorities, we have considered the Global Reporting Initiative guidelines and other internationally recognized CSR norms, identified global social problems, and held repeated discussions to decide those which Fujitsu should address as priorities.

In addressing the five priority issues, Fujitsu will set short- and medium-term objectives and follow the PDCA cycle in making actual progress. Through these efforts, we aim to deliver ever-stronger responses to the needs and expectations of stakeholders, while contributing to the sustainable development of society and the planet.

Basic Policy	Category	Medium-Term Targets (FY 2020)
Basic CSR Management	Promoting CSR Activities Across the Group	<ul style="list-style-type: none"> We have CSR management processes in place across the Group and implement CSR initiatives in line with global standards, including those for value chains.
	Implementing the PDCA Cycle Based on Our Vision	<ul style="list-style-type: none"> We work continuously to bring our CSR efforts to the next level by setting shared short and medium-term targets for the entire Group and utilizing the PDCA (plan, do, check, act) cycle.
	CSR Penetration and Execution	<ul style="list-style-type: none"> Fujitsu Group employees take it upon themselves to promote CSR with a comprehensive view to economic, environmental, and social dimensions.
Priority 1 Providing Opportunities and Security Through ICT ▶ P.23	Providing New Values Through ICT	<ul style="list-style-type: none"> We are using global cutting-edge computing to generate simulations of the future, and employing them to help solve an array of tough problems like climate change, resource shortages, and disaster damage. In addition, we are globally deploying ICT-enabled solutions for various issues affecting cities, food, medicine, education, and more.
	Increasing ICT Accessibility	<ul style="list-style-type: none"> So that as many people as possible in the world can leverage ICT to pursue their potential, we are opening doors to cyber society, providing devices and interfaces that are easy to use for all, and offering systems supporting ICT deployment to developing countries.
	Reliability and Security through ICT	<ul style="list-style-type: none"> We deliver reliability and security through the stable operation of ICT systems, the infrastructure underpinning economic and social activity. Further, we provide ICT solutions to realize highly secure environments where personal and proprietary information is protected.
Priority 2 Protecting the Global Environment ▶ P.25	Benefitting Customers and Society	<ul style="list-style-type: none"> By providing technologies and solutions, we are moving closer to our target of reducing CO₂ emissions by 30 million tons a year in Japan by 2020, and helping to cut greenhouse gas emissions worldwide. We are advancing and taking concrete measures regarding all of the items outlined in the "Business and Biodiversity Initiative" leadership declaration.
	Pursuing Internal Reforms	<ul style="list-style-type: none"> The Fujitsu Group boasts world-leading overall energy efficiency in each of its business fields, including software services, hardware products, and electronic devices.
Priority 3 Embracing Diversity and Inclusion ▶ P.27	Corporate Culture Reform	<ul style="list-style-type: none"> We offer a good working environment for everyone, thanks in part to measures to further human rights promotion and diversity. Our corporate culture fosters ongoing creation of new knowledge and technologies inside and outside the organization through open and free discussion from a wealth of perspectives.
	Helping Individuals Flourish	<ul style="list-style-type: none"> Fujitsu is creating workplaces in which employees recognize each other, and can exhibit the full added value they possess to contribute to the organization.
	Promoting a Work-Life Balance	<ul style="list-style-type: none"> We are helping every employee to achieve a work-life balance and maintain a mutually beneficial relationship with society.
Priority 4 Developing Human Resources for Their Contribution to Society and the Planet ▶ P.27	Working to Develop Employees Who Can Support a Truly Global ICT Company	<ul style="list-style-type: none"> We are contributing to the advancement of society by fostering business leaders that can balance the pursuit of business strategies with the creation of social value. Every employee grasps and acts in accordance with our corporate philosophy to create new value for society.
Priority 5 Communicating and Collaborating with Stakeholders ▶ P.29	Stakeholder Communications	<ul style="list-style-type: none"> We have forged relationships built on trust with diverse stakeholders by maintaining mutual lines of communication.
	Collaboration with Stakeholders	<ul style="list-style-type: none"> Fujitsu Group employees practice optimal collaboration with stakeholders in delivering value which meets society's needs.
	Harmony with Society	<ul style="list-style-type: none"> Most employees take part in social contribution activities that leverage their strengths.

Our Approach to CSR

Our Corporate Philosophy "FUJITSU Way"

Since its establishment in 1935, Fujitsu has contributed to the development of public infrastructure through innovative information and communications technologies. The ideas and spirit of successive leaders who paved the way for the Fujitsu Group's success are condensed and codified in the Fujitsu Way, which forms the core of our management practices.

The Fujitsu Way will facilitate management innovation and

promote a unified direction for the Fujitsu Group as we expand our global business activities, bringing innovative technology and solutions to every corner of the globe.

The Fujitsu Way provides a common direction for all employees of the Fujitsu Group. By adhering to its principles and values, employees enhance corporate value and their contributions to global and local societies.

Corporate Vision
Through our constant pursuit of innovation, the Fujitsu Group aims to contribute to the creation of a networked society that is rewarding and secure, bringing about a prosperous future that fulfills the dreams of people throughout the world.

Corporate Values

What we strive for:	
Society and Environment	In all our actions, we protect the environment and contribute to society.
Profit and Growth	We strive to meet the expectations of customers, employees and shareholders.
Shareholders and Investors	We seek to continuously increase our corporate value.
Global Perspective	We think and act from a global perspective.
What we value:	
Employees	We respect diversity and support individual growth.
Customers	We seek to be their valued and trusted partner.
Business Partners	We build mutually beneficial relationships.
Technology	We seek to create new value through innovation.
Quality	We enhance the reputation of our customers and the reliability of social infrastructure.

Principles

Global Citizenship	We act as good global citizens, attuned to the needs of society and the environment.
Customer-Centric Perspective	We think from the customer's perspective and act with sincerity.
Firsthand Understanding	We act based on a firsthand understanding of the actual situation.
Spirit of Challenge	We strive to achieve our highest goals.
Speed and Agility	We act flexibly and promptly to achieve our objectives.
Teamwork	We share common objectives across organizations, work as a team and act as responsible members of the team.

Code of Conduct

- We respect human rights.
- We comply with all laws and regulations.
- We act with fairness in our business dealings.
- We protect and respect intellectual property.
- We maintain confidentiality.
- We do not use our position in our organization for personal gain.

CSR Activity Targets and Achievements

Level of Performance: ★★★ Achieved plan targets
 ★★ Not all plan targets were achieved and some issues remain to be addressed
 ★ Plan targets have not been achieved

	FY 2013 Targets	FY 2013 Performance		FY 2014 Targets
Promoting CSR Activities Across the Group	<ul style="list-style-type: none"> Create improvement process suggestions for issues identified in FY 2012, and extend these across Group companies. 	<ul style="list-style-type: none"> Positioned "human rights" and "labor practices," including our supply chain, as issues to address immediately and began measures toward conducting human rights due diligence. 	★★★	<ul style="list-style-type: none"> Commence governance efforts across the group in order to promote CSR activities.
Implementing the PDCA Cycle Based on Our Vision	<ul style="list-style-type: none"> In Fujitsu's business vision, reflect those areas in which Fujitsu will address resolution of social issues through its business. Implement measures to promote the use of guidelines mentioned at the left. 	<ul style="list-style-type: none"> Defined "a safer, more prosperous and sustainable society" as the target social ideal in the Fujitsu Technology and Service Vision. Updated explanations within the guidelines. 	★★★	<ul style="list-style-type: none"> Promote top management's vision globally and strengthen platforms for ensuring understanding of the vision inside and outside Fujitsu. Reassess the design of the CSR vision based on global standards.
CSR Penetration and Execution	<ul style="list-style-type: none"> Start disseminating information within and outside the company using SNS. Hold study sessions and workshops aimed at global penetration of CSR standards. Reflect opinions from internal questionnaires in CSR activities. 	<ul style="list-style-type: none"> Posted Fujitsu's Facebook page and our internal magazine information related to CSR initiatives. Held briefings, with support for remote access, for each of our audiences inside and outside Japan. Improved the readability, etc. of our CSR reports. 	★★	<ul style="list-style-type: none"> Further strengthen communication of information using websites inside and outside Fujitsu, as well as SNS. Establish CSR communities that include our overseas subsidiaries. Continually implement CSR penetration measures through seminars, etc.

To Advance CSR Activities as an Integral Part of Business

In December 2010, the Fujitsu Group established a corporate social responsibility (CSR) policy and determined five priority issues around which it will focus its CSR practices. We outlined mid-term objectives for each of these issues, targeting FY 2020 for final completion, and are steadily driving toward these in combination with our short-term objectives.

In addition, we are utilizing the framework of the ISO 26000 international standard for social responsibility, given that CSR management throughout our value chain is indispensable for expanding business globally. We conducted a survey of Fujitsu Group companies (78 domestic and 44 overseas, as of FY2013) every year, and are working on a variety of improvement activities, including "Human Rights and Labour".

Going forward, we will heed the voices of our stakeholders and advance CSR activities as an integral part of business in order to contribute to the development of a sustainable earth and society.

CSR Penetration Activities by Special Lecturers in FY 2013

• Fujitsu Group Sustainability Report 2013 briefing seminar

Lecturer: Mr. Toshio Arima,
Chairman of the Board, UN Global Compact Japan Network

• Human rights lecture celebrating international Human Rights Day

Lecturer: Mr. Osamu Shiraiishi,
Director of the Asia-Pacific Human Rights Information Center (HURIGHTS OSAKA)



Masami Fujita
Corporate Senior Executive Vice President and Representative Director (Head of Global Corporate Functions)

Organization Promoting CSR

• Company-wide Committees

Three committees have been set up and charged with promoting the uptake and firm establishment of the Fujitsu Way as the cornerstone of the Fujitsu Group's CSR activities. Reporting directly to the Management Council, they are the Fujitsu Way Promotion Council, Risk Management & Compliance Committee, and the Environmental Management Committee.



• CSR Promotion Committee

To promote CSR management across the entire Fujitsu Group, we established the CSR Promotion Committee, under the chairmanship of the vice president and representative director (head of global corporate function) and with administrative support from the CSR Division. The Committee and its approximately 30 constituent members* formulate key performance indicators (KPI), communicate CSR information, and hold regular reviews of Fujitsu's business, as well as new examples of our social contribution efforts and our projects for a sustainable society.

* The committee members of the CSR Promotion Committee: Global Corporate Functions, Global Marketing, Business Unit (domestic & overseas), Purchasing Unit, R&D Strategy and Planning Office, Corporate Environmental Strategy Unit, main Group companies, others.



Meeting of the CSR Promotion Committee

CSR Policy

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

In implementing CSR, we aim to address society's challenges through our corporate activities, strengthen the foundation of CSR activities, and achieve communication and collaboration with stakeholders, all through our efforts toward the five issues noted to the right.

Fujitsu Group CSR Policy

Contributing to Sustainable Futures for the Earth and Society

Addressing Society's Challenges through Corporate Activities

Providing Opportunities and Security Through ICT

Fujitsu will contribute to the creation of a society where ICT connects and supports the world's 7 billion people, providing them with security and opportunities to pursue their dreams.

Protecting the Global Environment

Fujitsu will contribute to the resolution of global environmental challenges through ICT, while at the same time reducing the Fujitsu Group's own environmental footprint.

Communicating and Collaborating with Stakeholders

As a good corporate citizen, Fujitsu will pursue a thorough understanding of the multiple needs and expectations of its stakeholders and pursue business activities to meet these needs and expectations.

Strengthening the Foundation of CSR Activities

Embracing Diversity and Inclusion

Fujitsu will promote diversity in its human resources, irrespective of nationality, gender, age, disability, or values to enable individuals to grow with the company.

Developing Human Resources for Their Contribution to Society and the Planet

Fujitsu will lead the way in cultivating employees who, from a global perspective, are pioneers in contributing to the advancement of society.

Providing Opportunities and Security through ICT

The Fujitsu Group holds that “realizing the sustainable progress of the human race” is the essence of ICT and believes that it is our corporate responsibility to use ICT to “bring opportunities and security to ever more individuals throughout the world.”

In our CSR Medium-term Roadmap formulated in FY 2012 (with targets set for FY 2020), we stipulated “providing

opportunities and security through ICT” as our number one priority for solving social challenges through our corporate activities. The Fujitsu Group is setting annual targets and carrying out activity reviews in three areas—providing new values through ICT, increasing ICT accessibility, and reliability and security through ICT—in order to achieve this number one priority.

CSR Activity Targets and Achievements

Level of Performance: ★★★ Achieved plan targets

★★ Not all plan targets were achieved and some issues remain to be addressed
★ Plan targets have not been achieved

	FY 2013 Targets	FY 2013 Performance	FY 2014 Targets
Providing New Values Through ICT	<ul style="list-style-type: none"> In Japan and overseas, promote our Smart City business (to address air pollution, energy management, and transportation) that leverages the power of supercomputers. Expand businesses that resolve social issues. Create multiple examples of solutions related to core areas like medicine, education, and food. 	<ul style="list-style-type: none"> In Asia and the Middle East, continued our Smart City business that leverages the power of supercomputers. Promoted disaster prevention and mitigation systems as well as social infrastructure management systems. Promoted initiatives in each field, such as establishing Future Medical Care Center and introducing cloud solutions to agricultural industries. 	<ul style="list-style-type: none"> Expand examples in leveraging computers for solving social challenges. Further expand businesses that resolve social issues. Actively develop examples of solutions related to core areas.
Increasing ICT Accessibility	<ul style="list-style-type: none"> Strengthen universal design initiatives. Strengthen initiatives to commercialize solution businesses in emerging countries (India, Laos, Myanmar, etc.). 	<ul style="list-style-type: none"> Created development examples incorporating universal design (these included an ambulatory support system using a UWB positioning system for visually impaired people, and a meeting system for supporting communication for hearing impaired people). Moved projects forward in multiple countries, including Laos (medical related), and Yangon (e-government). 	<ul style="list-style-type: none"> Strengthen initiatives for commercializing universal design. Strengthen solutions-oriented business initiatives in emerging countries.
Reliability and Security through ICT	<ul style="list-style-type: none"> Implement security training for all Fujitsu employees, including executives. Support activities by the World Economic Forum (WEF) to strengthen cyber security. Standardize communication platforms. Expand solutions to secure total security and privacy. 	<ul style="list-style-type: none"> Implemented security training (99.5% participation rate) for all Fujitsu employees, including executives. Participated in a WEF Workshop related to cyber security. Completed adoption of communication platforms for all 137 Fujitsu and Fujitsu Group companies (approx. 94,900 employees) in Japan. Opened a Security Initiative Center to continuously support efforts to strengthen customer security. Regarding in-house security operations, launched globally standardized security operations. 	<ul style="list-style-type: none"> Continue security training. Strengthen security tie-ups with governments and international institutions. Promote the adoption of communication platforms at Fujitsu Group companies overseas. Expand solutions based on in-house adoption.

TOPICS

Launching Sales of the Aizu Wakamatsu Akisai Plant Factory's Low-Potassium Lettuce

In Japan, there are reportedly 13.3 million people with chronic kidney conditions and 300,000 people are receiving dialysis. The amount of potassium that dialysis patients can consume is limited, which puts severe restrictions on their intake of raw vegetables high in potassium.

Fujitsu would like to help patients with kidney disease experience the “joys of raw vegetables,” and we would also like to contribute to revitalizing industry in Tohoku with state-of-the-art agriculture using ICT. To this end, the Fujitsu Group is leveraging its “Akisai” food and agriculture cloud technology in the hydroponic cultivation of low-potassium lettuce.



Lettuce cultivated in the Aizu Wakamatsu Akisai Plant Factory

Toward Providing People-Friendly Social Systems

Fujitsu is challenging itself to take on social innovations in a variety of fields in order to realize the safe, prosperous, and sustainable Human-centric Intelligent Society that is its objective. To this end, we are striving to integrate and provide state-of-the-art laboratory technology, such as artificial intelligence and next generation user interfaces, in addition to providing people-friendly social systems, such as systems that give consideration to biodiversity and environmental preservation, or systems with privacy protection for a time when “personal identity number” programs exist.



Hirotaka Hara
Head of Social Innovation Laboratories

Participating in a Meeting of the World Business Council for Sustainable Development (WBCSD)

In support of the World Business Council for Sustainable Development's (WBCSD) belief that the business community can



positively impact societal problems and the environment through its activities, Fujitsu joined the WBCSD in November 2013. As part of the Council's activities, Fujitsu and 15 of the world's leading companies in automotive, petroleum, and tire industries are taking part in the Sustainable Mobility Project (SMP) 2.0 to promote the creation of a vision for a sustainable transportation society. The SMP 2.0 aims to carry out field tests in six global cities to examine traffic accidents, environmental impacts, traffic congestion, etc., and then plans to make proposals to the governments et al. of each country in order to help realize a better transportation society in the future.

In addition, Fujitsu is engaged in awareness building activities at the WBCSD, including strategic uses of “socio-economic impact measurement” and “inclusive business,” in order to enhance corporate value from a CSR perspective.

Setting Up Social Innovation Laboratories – Uncovering New ICT Territory –

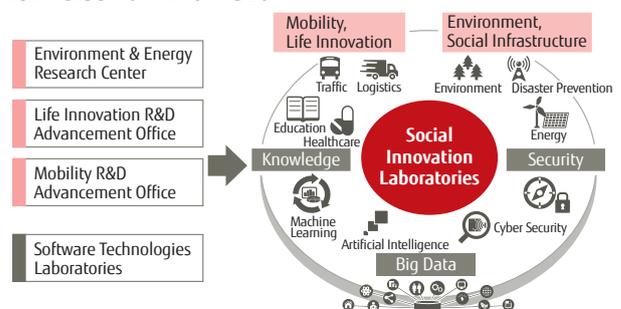
ICT has moved beyond improving business efficiency and has gained the power to transform society. Fujitsu is challenging itself to bring about social innovation and broaden the application of ICT to tackle problems on a global scale, such as in agriculture, wellness, disaster prevention, etc.

In December 2013, Social Innovation Laboratories unified our existing Environment & Energy Research Center, Life Innovation R&D Advancement Office, Mobility R&D Advancement Office, and Software Technology Laboratories. The Social Innovation Laboratories were established with the goal of bringing each of these specialty fields together to link and leverage heterogeneous data to build a social platform for generating new value and knowledge.

In order to realize social innovation, Fujitsu will assess the current state of societies and the challenges they face by carrying out fieldwork on location and holding workshops with relevant parties, in addition to adopting a vision and concrete ICT measures for solving challenges. This is the philosophy of the “field innovation” that Fujitsu is working on for corporations and organizations, and which we have developed in various areas of society. Its aim is to contribute to the community and generate new business for Fujitsu in social areas that have not had ICT penetration.

In addition, it will be essential to address the legal and other administrative sides of solving social issues, and to design systems that take into account human psychology. To this end, we are engaging in sociological research into institutional designs and social psychology.

Social Platforms that Aim to Generate New Value from Information



Protecting the Global Environment

Amidst the demand for full-fledged prevention measures against global warming, the Fujitsu Group is engaging in environmental management using the two focal points of contributing through our business activities to solving the environmental challenges of customers and society, and

thoroughly reducing our own environmental impacts.

Along with furthering the deployment of ICT society-wide, and increasing contributions to the environment, the Fujitsu Group is working to create green innovation through ICT while building greater dialogue with customers and stakeholders.

See the **Fujitsu Group Environmental Report 2014** for further details of our environmental activities:
<http://www.fujitsu.com/global/about/environment/>

CSR Activity Targets and Achievements

Level of Performance: ★★★ Achieved plan targets
 ★★ Not all plan targets were achieved and some issues remain to be addressed
 ★ Plan targets have not been achieved

	FY 2013 Targets	FY 2013 Performance	FY 2014 Targets
Benefitting Customers and Society	<ul style="list-style-type: none"> Through the provision of ICT, reduce cumulative greenhouse gas emissions from customers and society by 26 million tons through FY 2015. Through FY 2015, provide funding, technology, and human resource support for activities addressing the resolution of social and environmental issues such as biodiversity. 	<ul style="list-style-type: none"> Reduced emissions by 10.87 million tons (Japan: 6.68 million tons; overseas: 4.19 million tons). Provided funding, technology, and human resource support. (see p. 24 of the Environmental Report for specifics). 	<ul style="list-style-type: none"> Through the provision of ICT, reduce cumulative greenhouse gas emissions from customers and society by 16.99 million tons from FY 2013. Through FY 2015, provide funding, technology, and human resource support for activities addressing the resolution of social and environmental issues such as biodiversity.
Pursuing Internal Reforms	<ul style="list-style-type: none"> Reduce greenhouse gas emissions from workplaces to 20% below FY 1990 levels by the end of FY 2015. Reduce CO₂ emissions from transport per unit of sales by 4% or more compared to FY 2011 levels. Expand renewable energy purchase from external sources and generation capacity. 	<ul style="list-style-type: none"> Reduced by 29.4% compared to FY 1990. Reduced by 32% compared to FY 2011. Installed 210 kW of new solar power generation facilities. Purchased approx. 23,000 kWh of green power. 	<ul style="list-style-type: none"> Reduce greenhouse gas emissions from workplaces to 20% below FY 1990 levels by the end of FY 2015. Reduce CO₂ emissions per sales from transport over 1% (on average) compared to FY 2013. Expand renewable energy purchase from external sources and expand generation capacity.

* The page to the right shows all of the categories of the Fujitsu Group Environmental Action Plan (Stage VII).

TOPICS

[Benefitting Customers and Society] Reducing CO₂ Emissions by 43.1% through Adoption of Tablets by Life Insurance Company Sales Staff

In December 2013, Fujitsu provided a tablet-based solution as the core of the insurance policy management system used by life insurance company sales staff. In addition to enabling significant reduction in paper usage on the order of tens of millions of sheets, the solution has had a marked effect in reducing personnel movement (including business travel expenses and transportation expenses) and office space (including the use of energy for lighting, air conditioning, etc.). This effect has resulted in a 43.1% reduction in CO₂ emissions (according to Fujitsu estimates).



Tablet usage image

TOPICS

[Pursuing Internal Reforms] Open New Facilities at the Akashi System Center, Making It an Environmentally Consious Datacenter Using Outside Air

For the first time, Fujitsu is using outside air for the primary air-conditioning in the two newly opened modular datacenters at its Akashi System Center. Outside air is used for cooling during winter, intermediate seasons, and as much as possible in summer, while electric cooling is only used to supplement the outside air, maximizing air-conditioning efficiency. In addition, we have developed and adopted new cooling technology (patent pending) that combines packaged air-conditioners (PAC) for general use computing rooms as supplemental cooling equipment in summer to make cooling with external air possible throughout the year, even in warm climates.

This technology can be easily deployed regardless of the datacenter's scale or building's specification. In the new facilities of the Akashi System Center, our design goal is a PUE value of less than 1.2 at times of full operation.



External view of the Akashi System Center



New facility (seismic isolation DC)

Making Steady Progress toward Achieving Targets by the end of FY 2015

We are moving forward with the Fujitsu Group Environmental Action Plan (Stage VII), aiming to increase our contribution to customers and society through our business activities, and striving to address global environmental challenges along our entire value chain.

By providing ICT solutions in FY 2013, we contributed to reducing customer and society-wide GHG emissions by 10.87 million tons and reduced GHG emissions at our business sites by 66,000 tons year-on-year. We are making steady progress toward achieving our targets by the end of FY 2015. Furthermore, as newly targeted in Stage VII of our Action Plan, we have achieved 21.3% resource efficiency for ICT products, primarily by making our

smartphones, PCs, and servers lighter and more compact. In other areas, we are supporting employees' contributions to society, with employees actively participating in countries throughout the world, including teaching at an elementary school in the Philippines and working on forest revitalization activities in Iwate Prefecture.

In FY 2014, we will expand our initiatives, including increasing the effects of GHG emission reductions by providing customers with business solutions, improving the performance of our major datacenters, and investing in facilities and improving operations at our business sites.



Minoru Takeno

VP, Head of Corporate Environmental Strategy Unit

Fujitsu Group Environmental Action Plan (Stage VII) (FY 2013–2015)

Achievement criteria: ✓ FY 2013 target achieved
— FY 2013 target not achieved

	Target items (targets through the end of FY 2015)	FY 2013 Results	FY 2014 Plans/Targets	
Our Society	Contribution to Society by ICT: Reduce Greenhouse Gas Emissions Reduce greenhouse gas emissions for our customer and society over 26 million tons.*1	10.87 million tons (Japan: 6.68 mill. tons; overseas: 4.19 mill. tons).	✓	16.99 million tons cumulative from FY 2013
	Contribution to Society by ICT: Increase Solutions Increase the deployment of sustainability solutions.	Prepared action frameworks. Set a definition and criteria, and identified solutions.	✓	Continue achieving target in left column.
	Design and Deliver Eco-efficient Products: Energy Efficiency Achieve top-level energy efficiency*2 of more than 50% of the newly developed products.	39.0%	—	45% or more
	Design and Deliver Eco-efficient Products: Resource Efficiency Increase resource efficiency of newly developed products by 20% compared to 2011.	Increased by 21.3%	✓	Increase by 15% or more.
	Leading Edge R&D Develop innovative technologies that enable solutions and products to reduce the environmental load.	Announced 18 key green technologies.	✓	Continue achieving target in left column.
	Corporate Citizenship: Social Challenges Support initiatives that address the complex social and environmental challenges, e.g. biodiversity conservation.	Provided funding, technology, and human resource support.	✓	Continue achieving target in left column.
	Corporate Citizenship: Social Activities With society, support our employees to volunteer social activities.	Dedicated 129,000 hours to social contribution activities by employees.	✓	Continue achieving target in left column.
Our Business	Efficient Business Operations: Reduce Greenhouse Gas Emissions Reduce greenhouse gas emissions in our business facilities by 20% compared to 1990.	Reduced by 29.4%	✓	Continue achieving target in left column.
	Efficient Business Operations: Energy Intensity Improve energy intensity in our business facilities over 1% each year.	1.6%	✓	Continue achieving target in left column.
	Efficient Business Operations: Data Centers Improve environmental performance of our major data centers.	<ul style="list-style-type: none"> * Established the Green Datacenter Committee. * Set internal targets. 	✓	Continue achieving target in left column.
	Efficient Supply Chain: Logistics Reduce CO ₂ emissions*3 per sales from logistics over 4% compared to 2011.*4	Reduced by 32%	✓	Reduce CO ₂ emissions per transport over 1% (on average) compared to FY 2013.
	Efficient Supply Chain: Procurement Expand activities of reducing CO ₂ emissions to all types of suppliers.	Reached 95.9% of business partners implementing CO ₂ reduction/limitation measures.	✓	100%
	Efficient Use of Resources: Renewable Energy Increase generation capacity and procurement of renewable energy.	<ul style="list-style-type: none"> * Installed 210 kW of new solar power generation facilities. * Purchased approx. 23,000 kWh of green power. 	✓	Continue achieving target in left column.
	Efficient Use of Resources: Water Continue efforts for efficient use of water, e.g. water recycling and water saving.	Water usage: 18,620,000 m ³ (reduced by 6.3% compared to FY 2012).	✓	Continue achieving target in left column.
Continuous targets*4	Reduced Environmental Impact: Chemicals Reduce chemical emissions to less than the average level of 2009–2011 (PRTR: 21t, VOC: 258t).	PRTR: 21 tons, VOC: 246 tons.	✓	Continue achieving target in left column.
	Reduced Environmental Impact: Waste <ul style="list-style-type: none"> * Reduce the amount of waste to less than average level of 2007–2011 (amount of waste: 31,134t). * Keep Zero Emission in factories in Japan. 	<ul style="list-style-type: none"> * Waste generated: 23,522 tons * Achieved zero emissions at domestic business sites. 	✓	Continue achieving target in left column.
	Reduced Environmental Impact: Recycling Maintain over 90% resource reuse rate of business ICT equipment at Fujitsu recycling centers.	92.7%	✓	Continue achieving target in left column.

*1 26million tons: Calculate the numeric target by multiplying annual sales of each solution category by a conversion factor of CO₂e savings per sales which is based on around 300 case studies of Environmentally Conscious Solutions in Japan. *2 Achieve top-level energy efficiency: Achieve more than 25% of market benchmark in energy efficiency such as top-runner products (first in the world or industry, top of the world or industry). *3 Reduce CO₂ emissions: Calculate emissions of CO₂ equivalence from energy consumption. *4 Continuous targets: Targets to be achieved through business activity because already achieved high level performance.

Embracing Diversity and Inclusion / Developing Human Resources for Their Contribution to Society and the Planet

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

Additionally, we will contribute to the sustainable development of society and the planet, while both executing our business strategy and solving social challenges, by fostering next-generation leaders as we work toward the Fujitsu Group's goal of being a truly global ICT company.

Level of Performance: **★★★** Achieved plan targets
★★ Not all plan targets were achieved and some issues remain to be addressed
★ Plan targets have not been achieved

CSR Activity Targets and Achievements

		FY 2013 Targets	FY 2013 Performance	FY 2014 Targets
Embracing Diversity and Inclusion	Corporate Culture Reform	<ul style="list-style-type: none"> Further promote training and education for Fujitsu and domestic Group companies, led by the Human Rights Promotion Committee. Advance the process of establishing a human rights management structure (human rights due diligence). Implement new measures in workplaces to address issues uncovered in the Head-of-Unit interviews. Strengthen initiatives to address factors that were strongly related to improvement of employee satisfaction in the FY 2012 survey. 	<ul style="list-style-type: none"> Implemented a Fujitsu Global Compliance e-Learning course for all companies inside and outside Japan. Also held human rights training events and workshops in each region coinciding with Human Rights Day, in addition to training, related to human rights, held when employees are promoted. Launched a working group and carried out issues analysis in order to establish human rights due diligence. Support for development in the workplace: <ul style="list-style-type: none"> Supported various diversity promotion activities initiated at each workplace. Shared diversity promotion initiatives from each company in Japan during the Director's Meeting for domestic Group companies' Human Resources Units. Received recognition for our various initiatives by being awarded by the Ministry of Economy, Trade and Industry in the Diversity Management Selection 100 award program. Shared with all companies the results from the FY 2012 survey that "being presented with challenging and interesting work opportunities" was the sentiment that had the highest correlation with employee satisfaction, and promoted corresponding initiatives in each of our corporate organizations. 	<ul style="list-style-type: none"> Further promote training and education for Fujitsu and domestic Group companies, led by the Human Rights Promotion Committee. Formulate a Fujitsu Group human rights policy in order to establish human rights due diligence. Strengthen support for diversity promotion at workplaces oriented toward generating innovation, including at overseas Group companies. Promote initiatives for presenting "challenging and interesting work opportunities" in each of our corporate organizations, and support the improvement of employee satisfaction in each organization.
	Helping Individuals Flourish	<ul style="list-style-type: none"> Expand positive action for women at Fujitsu (enhance training and diversity mentor program; consider support for active work by young women employees). More effectively implement networking events for all attribute groups. 	<ul style="list-style-type: none"> As a positive action for Fujitsu's female employees, implemented a Female Leaders Training Program (47 attendees). Held events for each division to support the active involvement of disabled employees, non-Japanese employees, employees raising children, and employees caring for family members. (This was also carried out for our (domestic) Group companies.) 	<ul style="list-style-type: none"> Expand continuous "talent management" for female employees from their early years of employment, aiming to support their promotion to management positions.
	Promoting a Work-Life Balance	<ul style="list-style-type: none"> Consider measures based on results related to work-life balance that were uncovered in the survey of diversity awareness. Promote telecommuting using ICT to help achieve more diverse work styles. 	<ul style="list-style-type: none"> Results of each system's use in the Fujitsu Group: <ul style="list-style-type: none"> Employees using child-care leave: 248. Male employees taking paternity leave: 503. Held forums in the Kanto and Kansai regions regarding transforming work styles to be compatible with work and nursing care. (This was also carried out for our (domestic) Group companies.) Completed the adoption in Japan of a global communication platform. 	<ul style="list-style-type: none"> Expand support measures for transforming work styles for each individual employee.
Developing Human Resources for Their Contribution to Society and the Planet	Working to Develop Employees Who Can Support a Truly Global ICT Company	<ul style="list-style-type: none"> Continually perform "program development for selected employees based on human resource strategy" and "global competency development program for young employees in Japan" to nurture global business leaders. Roll out baseline education that is systemized according to job function and role. 	<ul style="list-style-type: none"> Nurturing global business leaders: <ul style="list-style-type: none"> Within the next-generation business leaders development programs (83 total attendees), reassessed the program structure for selecting young managers from an innovation-generation perspective. Implemented global competency development program for young employees in Japan (49 attendees). Implemented training for newly promoted employees following a new structure: <ul style="list-style-type: none"> Systematically reassessed the fundamentals of business execution from the perspective of knowledge and practicality, and realigned them with an aim toward strengthening management, leadership (communication), and business implementation ability. 	<ul style="list-style-type: none"> Strengthen implementation framework geared toward reflecting next-generation business leaders development program results in our business activities. Nurture business leaders with experience and a global business outlook; reassess programs for young managers.

Promoting Diversity with Three Priority Measures

Diversity and inclusion are positioned as one of the priority management issues at Fujitsu. FY 2013 was the final year of Stage 2: "Understanding and Practice" of the diversity promotion campaign. In addition to the initiatives of Stage 1, three priority initiatives have been continuously carried out since FY 2011.



Noriko Shiono
Vice President,
Diversity Promotion
Office

Stage 3, starting from FY 2014, will add "Innovation from Diversity" to the existing themes, with the following priority initiatives slated for action:

- **Support diversity promotion at workplaces oriented toward generating innovation.**
- **Expand and improve continuous "talent management" for employees (particularly female employees) from their early years of employment, aiming to produce diverse leaders.**
- **Roll out measures to Group companies inside and outside Japan.**

Our various initiatives to date, including overall efforts for diversity and inclusion, and examples of our innovation at work sites, have been recognized by the Ministry of Economy, Trade and Industry in the Diversity Management Selection 100 award program.



Devoting Energy to Nurturing Next-Generation Leaders and Utilizing Global Human Resources

The Fujitsu Group is devoting particular energy to nurturing next-generation leaders and managing our global talent that will lead us to our goal of being a truly global ICT company.



Hiroki Hiramatsu
Senior Director,
Global Human
Resources Unit

Selecting excellent human resources, having employees engage in action learning, and providing challenging assignments are the cornerstones of training our next-generation leaders. In addition, working toward expanding business in fields of innovation that will be future drivers of growth, we are strengthening the development of our corporate organizations and employees so as to collaborate with diverse human resources and create new businesses.

We are working to build a global human resources foundation that can implement these processes with broad consistency. Specifically, we are adopting common global "work responsibility leveling" and "leadership competency" so that we can understand the level of our human resources talent and employees in key global positions as we aim to actively leverage human resources that span many countries and regions.

TOPICS

Establishing a Special Subsidiary* for Promoting the Employment of People with Disabilities

To date, employees with disabilities have been active in various positions in the Fujitsu Group. In December 2013, we set up Fujitsu Harmony Limited in our Kawasaki plant, with the objective of providing more forms of employment for workers with disabilities.

Operations commenced in February 2014 and as of the end of May, eight disabled employees are at work. Current work responsibilities include enclosing, sealing, and sending documents, creating PDF files, shredding documents, etc. Going forward, we plan to increase these work tasks and the number of employees.

The new subsidiary gives consideration to the particularities of each employee's disability and aims to be a workplace where they can continually be more active.



Workers at Fujitsu Harmony Limited creating PDF files

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

TOPICS

Research and Development* of a Meeting Support System for People with Hearing Impairment

Fujitsu is developing an application that uses voice recognition software to convert speech from meeting participants into text, send that text to meeting participants' PCs in real time, then allow hearing impaired participants to read the content of the meeting discussions, and type, write, or use stamp input to send their responses.

Use of this meeting support system makes it easier for people with hearing impairment to participate in meetings, improves on existing responses to information support challenges, and realizes universal design for meetings.

* Research and development through the Ministry of Internal Affairs and Communications' 2013 subsidy program for supporting the use of ICT (R&D for technology, etc. directed toward eliminating the digital divide).



A meeting participant using a microphone to convert speech to text

Communicating and Collaborating with Stakeholders

As a good corporate citizen, the Fujitsu Group is creating opportunities for dialogue with ideally suited communication methods to build solid and trusting relationships with our shareholders, including investors, business partners, and local communities.

In addition, the Fujitsu Group conducts stakeholder dialogue with external experts about the challenges the Group must tackle in order to recognize their expectations and needs. It reflects the outcome in its CSR activities and businesses, strengthening the foundations of its social responsibility.

CSR Activity Targets and Achievements

Level of Performance: ★★★ Achieved plan targets
 ★★ Not all plan targets were achieved and some issues remain to be addressed
 ★ Plan targets have not been achieved

	FY 2013 Targets	FY 2013 Performance	FY 2014 Targets
Stakeholder Communications	<ul style="list-style-type: none"> Conduct CSR activities based on analysis of comments from the questionnaire. Continue dialogue with local residents and companies to promote development in neighboring communities. 	<ul style="list-style-type: none"> Distributed a questionnaire on our Sustainability Report; reviewed and analyzed 78 cases of opinions from consumers, stakeholders, and others. Implemented the following in order to engage in dialogue with the community: <ul style="list-style-type: none"> Held 82 meetings for regular dialogue with neighboring residents in the regions hosting our main business sites. Carried out continuous dialogue with leaders of multiple local municipalities, etc. Carried out dialogue with the community geared toward utilizing Fujitsu intellectual property and technology. <p style="text-align: right;">★★★</p>	<ul style="list-style-type: none"> Take opinions from various stakeholders in regard to communication through our CSR Report and integrate them into actual business activities. Continue dialogue with local residents and companies to promote development in neighboring communities.
Collaboration with Stakeholders	<ul style="list-style-type: none"> Through our business operations, expand social issue resolution and relationship building with NGOs, NPOs, international organizations, and other diverse stakeholders. Promote sustainable co-existence with society by reflecting the opinions of diverse stakeholders in our corporate activities. 	<ul style="list-style-type: none"> Developed enlightenment content, and encouraged dissemination of that content, titled Ecological Footprint,* using tablet PCs jointly developed with an NGO. <p style="text-align: right;">★★★</p>	<ul style="list-style-type: none"> Through our business operations, further expand social issue resolution and relationship building with NGOs, municipalities, international organizations, and other diverse stakeholders.
Harmony with Society	<ul style="list-style-type: none"> Promote social contribution activities using our internal award program. Implement the following as part of social contribution programs: <ul style="list-style-type: none"> Establish a next-generation human resource training program that leverages the strengths of the Fujitsu Group. Improve and promote local social contribution activities that leverage our internal database. Expand and improve systems for the further promotion of volunteer activities. 	<ul style="list-style-type: none"> Established a social contribution award program inside the General Administration Department. Implemented the following as part of social contribution programs: <ul style="list-style-type: none"> Formulated an innovation & collaboration curriculum leveraging ICT, and implemented trial classes. Utilized an internal database related to social contributions to local communities. <ul style="list-style-type: none"> FY 2013 cases registered: approx. 950 (tallied separately for each participating Group company). Set up a scheme for sharing a social contribution activity manual. In a cross-regional working group that included Group companies, formulated awards criteria as an activity encouragement measure. <p style="text-align: right;">★★</p>	<ul style="list-style-type: none"> Share social contribution best practice activities using our internal award program and energize activities by disseminating information on them. Implemented the following as part of social contribution programs: <ul style="list-style-type: none"> Implement a next-generation human resource training program that leverages the strengths of the Fujitsu Group. Strengthen information sharing functions geared toward expanding local community contribution activities around the globe. Expand and improve systems for the further promotion of volunteer activities.

* **Ecological footprint:** an index expressing the level of impact that our daily life activities have on the global environment. At present, that impact is high-requiring 1.5 times the planet's available natural resources.

Social Contribution Activities

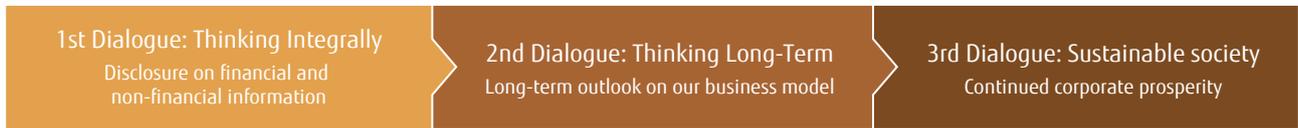
The Fujitsu Group will create new value and knowledge together with our customers, communities, and people worldwide through ICT, and contribute to sustainable development for the earth and society to achieve a prosperous future where people's dreams are fulfilled.

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



For more information on social contribution activities, visit: <http://www.fujitsu.com/global/about/csr/activities/community/>

Dialogues with Stakeholders



Dialogue Participants

* The positions and titles of participants are as of the time of the dialogue.



Kiyoshi Ichimura
Partner
Integrated Reporting
Development
Ernst & Young ShinNihon LLC



Ken Shibusawa
Founding Partner &
Chairman, Commons Asset
Management, Inc.



Hiroaki Kitano
President & Chief Executive
Officer
Sony Computer Science
Laboratories, Inc.



Nobuyuki Hiratsuka
Director, Manufacturing
Industries Policy Office
Ministry of Economy,
Trade and Industry



Norihiko Fukuda
Mayor of Kawasaki City



Kumi Fujisawa
Co-Founder
Sophia Bank (Think tank)



Hiroyuki Watanabe
Advisor
Toyota Motor Corporation

Concluding Our 3rd Dialogue

Messages from Experts

In order to address environmental pollution and damage in the 1960s and 70s, Kawasaki City has worked with corporations to refine its environmental technology and solved the challenges the city had faced. It is my desire to create a new "Kawasaki Model" for sustainability, leveraging ICT based on a comprehensive agreement with Fujitsu. And on top of this, we will deploy this expertise to other global cities and contribute to the happiness of people throughout the world.



Norihiko Fukuda
Mayor of Kawasaki City

It is essential for businesses to discuss sustainability. In order to make this happen, the businesses need to cooperate with internal and external resources so that they can establish flexible corporate governance by taking in opinions from various quarters. Such governance will allow the corporation to actualize long-term investments. Both a top-down approach and a ground level perspective are essential. I expect that Kawasaki City and Fujitsu will concretely work together to tackle major challenges.



Kumi Fujisawa
Co-Founder
Sophia Bank(Think tank)

Sustainable development needs actual implementation of innovation. In the automotive industry, for example, we need significant value creation from projects such as driverless cars that have zero accident rates. In collaboration with Fujitsu, we have begun a field trial to eliminate traffic congestion in Bangkok by the year 2020. I think what is needed for sustainable management is encouragement for tackling challenges with positive acceptance of setbacks along the way.



Hiroyuki Watanabe
Advisor
Toyota Motor Corporation

Messages from Fujitsu Management

Sustainability is the highest priority issue for corporate management. ICT holds untapped potential for solving international problems such as energy issues and food concerns. Touching on the recommendations voiced today, we will push forward with building a sustainable society while upholding "The Power of ICT for sustainability and beyond," which we have identified as the theme of Fujitsu's CSR.



Masami Yamamoto
President and Representative
Director

There are a variety of ways in which corporations can contribute to society through our business activities, but this does not guarantee that the best possible solutions will be reaped from the very beginning. I feel that it is important to heed the opinions of various parties, implement a host of measures, quickly eliminate any unhelpful strategies while distilling the more effective ones, and generate novel forms of innovation in the process.



Masami Fujita
Corporate Senior Executive
Vice President and
Representative Director

I feel that it is important to jointly carry out innovation with members of society, while it is equally important, as a business operator, to carry out our business activities and encourage and support our employees' ties with the community through such activities as volunteer work. The reason being is that, as a global corporation, realizing sustainability is difficult if we cannot thoughtfully stay focused on broader social value.



Chikafumi Urakawa
Corporate Executive Vice
President and Director

For more information on our 1st and 2nd Dialogues, visit: <http://www.fujitsu.com/global/about/csr/activities/society/dialog/>

Management Systems

Corporate Governance

Basic Stance on Corporate Governance

The main emphasis of Fujitsu's corporate governance is on having the non-executive directors provide oversight and advice to executive directors in their management execution role within the Board of Directors, while adopting the Audit & Supervisory Board system.

Specifically, while assuming mutual supervision between directors and oversight of directors by the Board of Directors, Fujitsu makes a clear distinction between the management execution role and the management oversight role on the Board of Directors and, moreover, makes sure that there are at least as many non-executive directors responsible for management oversight as there are executive directors responsible for management execution.

In addition, in selecting candidates for non-executive directors, consideration is given to the candidate's backgrounds and insight into Fujitsu's business so that effective advice that reflects a diversity of viewpoints can be obtained. Furthermore, Audit & Supervisory Board members provide audits and oversight from the outside of the Board of Directors, and Fujitsu has established the Executive Nomination Committee and Compensation Committee of its own accord, thereby augmenting the Board of Directors. The overall approach is designed to raise shareholder value through effective corporate governance.

Basic Stance on Internal Control Framework

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

• Management Execution Decision Making and Management Execution Structure

Through the framework, executive officers share management execution authority with the President and Representative Director as the chief executive. The framework establishes a Management Council to assist the decision-making of the President and Representative Director, to enhance the efficacy of management.

Moreover, the framework makes clear that the President and Representative Director bears responsibility for the construction and operation of an internal control framework, and establishes that the Board of Directors fulfills oversight responsibility by appropriately investigating the said operation.

• Risk Management System

The framework establishes a Risk Management & Compliance Committee and has management systems for controlling overall loss risks, as well as risk control systems or organizations pertaining to defects and failures in products and services, contracted development projects, information security, and financial risk.

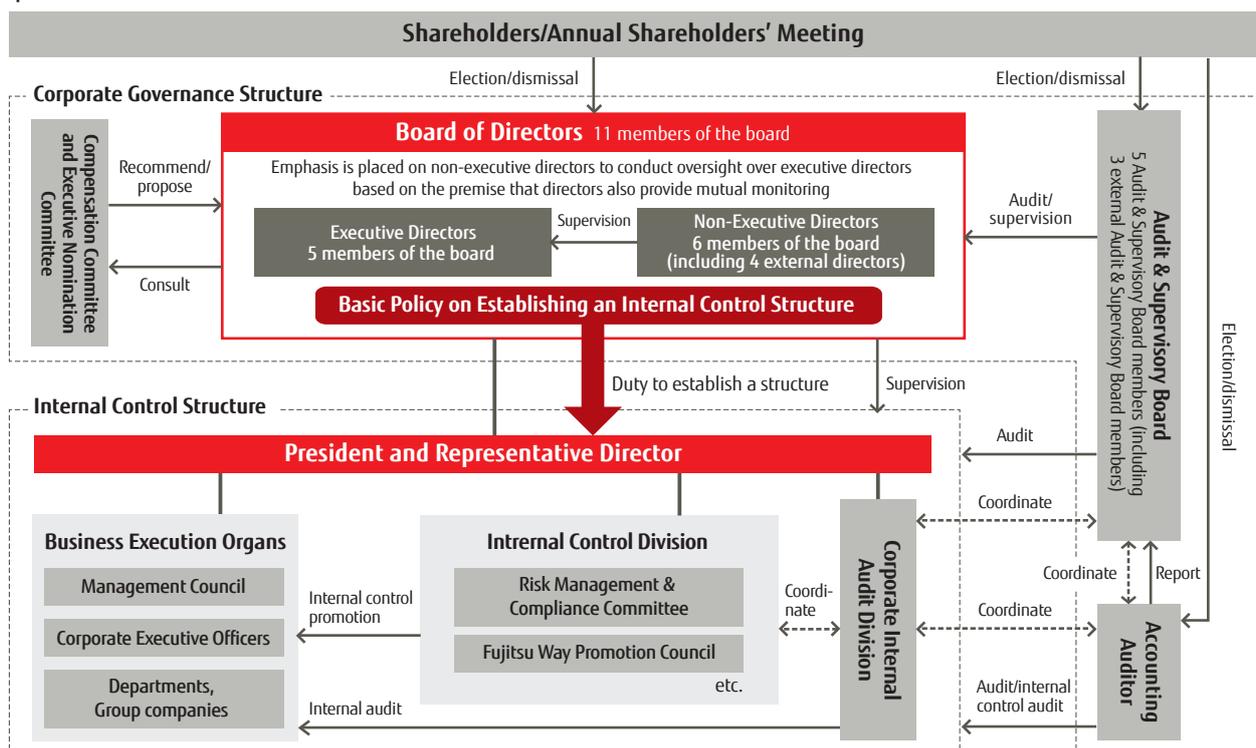
• Compliance System

With the Risk & Management Compliance Committee at the center, the framework promotes the preparation of the internal rules, education, and oversight systems required for compliance with the Code of Conduct set forth by the FUJITSU Way, and also with laws and regulations concerning the business activities of the Fujitsu Group. The framework also has management systems to ensure the appropriateness of financial reporting, as well as a system for information disclosure and internal auditing systems.

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

Corporate Governance Structure

(as of June 23, 2014)



Compliance

Activities Promoting Compliance

The Fujitsu Group is ensuring strict compliance based on the Code of Conduct in the Fujitsu Way. Top management is committed to engaging the Fujitsu Group in various activities to ensure extensive awareness of the need for compliance.

As a set of standards for Fujitsu Group global compliance, GBS (Global Business Standards), which incorporates the detailed Code of Conduct in the Fujitsu Way and a guide for individual employee behavior, has been uniformly put into practice throughout the Fujitsu Group since January 2013.

In Japan, we have put in place a range of internal company rules that include the rules applied to Fujitsu Group company as its own rules deemed necessary for developing a governance structure throughout the Group. We also disseminate information about major legislation, especially legislation that is closely connected to our business such as the Antimonopoly Act, the Unfair Competition Prevention Act, the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors, to Fujitsu and Group company employees through easy-to-follow compliance manuals posted on the intranet. Besides compliance manuals for Japanese laws, we have also prepared and disseminated a compliance manual for the U.S.

Export Administration Regulations (EAR), which is closely connected to our global business development activities. Overseas Fujitsu Group companies have set out the GBS and ensure that all employees are aware of it via email or internet.

Compliance Line/ Fujitsu Alert (formerly the Helpline)

Since September 2004, we have been operating an internal helpline system to handle reports and provide consultations for all Fujitsu Group employees (including seconded, contracted, part-time or other short-term employees as well as temporary staff) in Japan. In February 2014, we changed its name to the Compliance Line/Fujitsu Alert in order to further strengthen our commitment to internal reports and consultations.

This system is intended to be used by employees who are uncertain about what is the right decision or suspect a violation of the Code of Conduct in the Fujitsu Way, and prepares to receive a wide range of reports and consultations, from harassment to legal violations which may occur in any country. Each of the Group companies in Japan and overseas has also established and operates its own internal reporting system.

Risk Management

Our Approach to Risk Management

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

Risk Management & Compliance Structure

With the aim of integrating and strengthening its global risk management and compliance structures, the Fujitsu Group has established a Risk Management and Compliance Committee as one of the internal control committees reporting to top management.

The Risk Management & Compliance Committee appoints a Chief Risk Compliance Officer for each department and company throughout the Group, and encourages cooperation among them to both guard against potential risks and mitigate risks that materialize, forming a risk management and compliance structure for the entire Group.



Information Security

Our Basic Approach to Information Security

We are ensuring the proper management and use of information, in line with internal rules based on the Code of Conduct in the Fujitsu Way. We see maintaining confidentiality as a vital aspect of our social responsibility. Based on this approach, we have established the Fujitsu Group Information Security Policy, consistent throughout the world, and are promoting information security in accordance with the policy.

Personal Data Protection Initiatives

We have stipulated a Personal Data Protection Policy and Rules for Management of Personal Data. Based on these rules, we give education on how private information should be handled and carry

out surveys in an ongoing effort to strengthen the protection given.

In August 2007, we acquired company-wide PrivacyMark^{*3} certification and have since been renewing this certification every two years. Domestic Group companies are also acquiring PrivacyMark certification individually as necessary, and promoting thoroughgoing management of personal data. Overseas Group companies are also publishing privacy policies that meet their various national legal and social requirements on their main public Internet websites.

^{*3} PrivacyMark: A certification system relating to the handling of private information. The system is operated by the general incorporated foundation Japan Institute for Promotion of Digital Economy and Community.

Fujitsu Group Profile (as of March 31, 2014)

Company Name Fujitsu Limited

Addresses

- **Kawasaki Main Office**
4-1-1 Kamikodanaka, Nakahara-ku, Kawasaki-shi, Kanagawa 211-8588, Japan
- **Headquarters**
Shiodome City Center 1-5-2 Higashi-Shimbashi, Minato-ku, Tokyo 105-7123, Japan

President Masami Yamamoto

Established June 20, 1935

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

Net sales ¥4,762.445 billion (consolidated)

Capital ¥324.6 billion

Total Assets ¥3,079.534 billion
(Liabilities: ¥2,377.1 billion, Net assets: ¥702.4 billion)

Fiscal Year-end March 31

Employees Consolidated 162,393 / Unconsolidated: 25,616

Directors 11 (incl. 1 female director, out of 4 outside directors as of June 23, 2014)

Consolidated Subsidiaries 512 companies

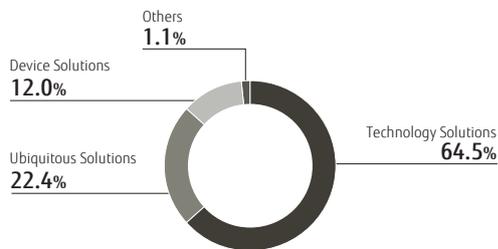
Equity-method Affiliates 24 companies

Stock Exchange Listings Tokyo, Nagoya

Regarding Our Business Segments

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

FY 2013 Consolidated Net Sales by Business Segment



Ubiquitous Solutions

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



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Technology Solutions

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



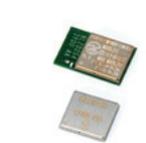
Fujitsu SPARC M10 UNIX Server



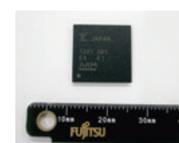
Fujitsu Trusted Cloud Square

Device Solutions

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



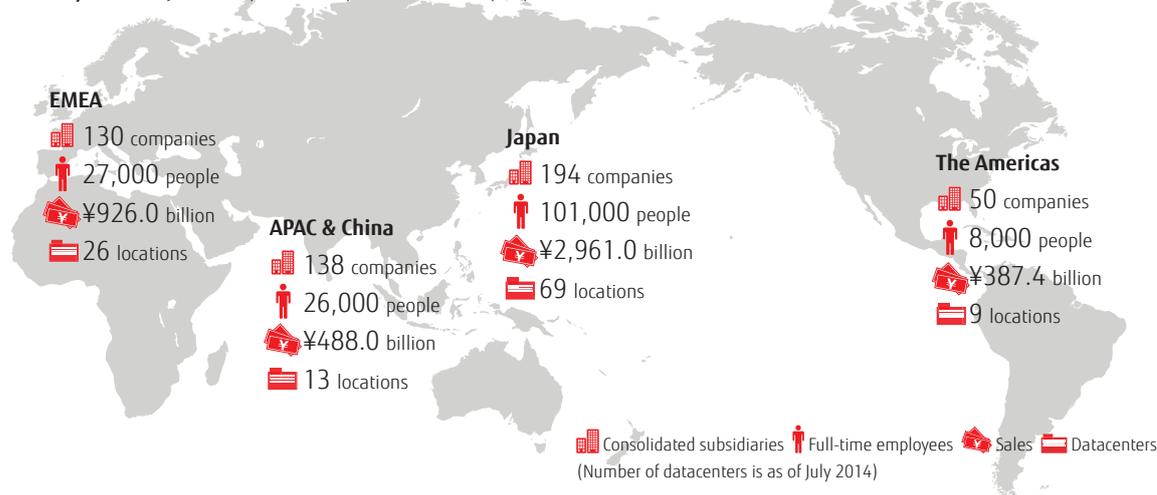
Bluetooth® low energy module



FRAM 4Mbit non-volatile memory MB85R4M2T

Bluetooth® is a registered trademark of Bluetooth SIG, Inc.

Global Business System (Fujitsu Group: 512 companies, 162,000 people, ¥4,762.4 billion, 117 locations)

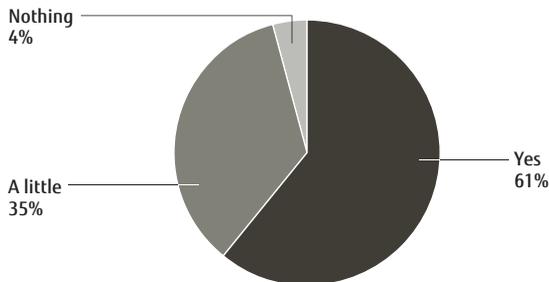


Fujitsu Group Sustainability Report Questionnaire Results 2013

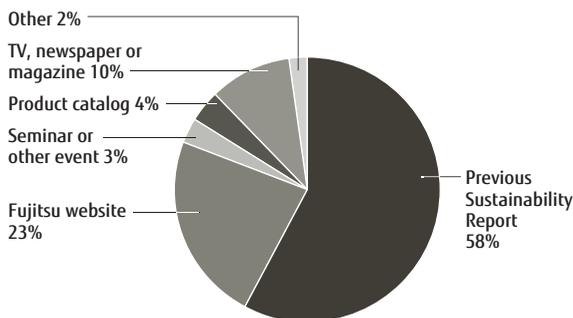
(As of July 2014)

Questionnaire tabulation results, Respondents =78

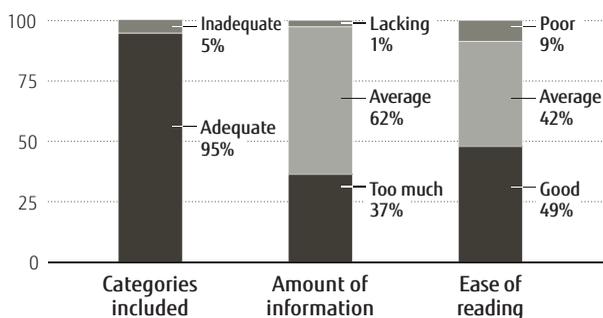
Q1 Did you know anything about Fujitsu's sustainability activities before reading the report?



Q2 (For those who answered "Yes" or "A little" to Q1) How did you come to know about them?



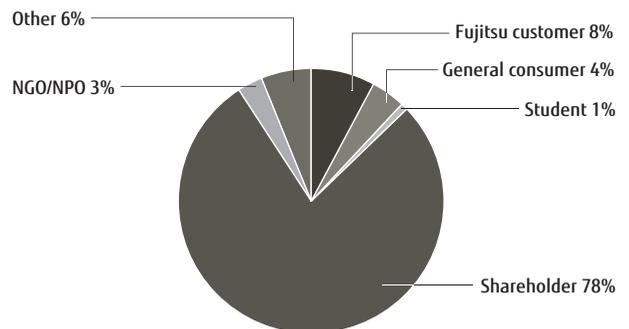
Q3 What is your impression of this report?



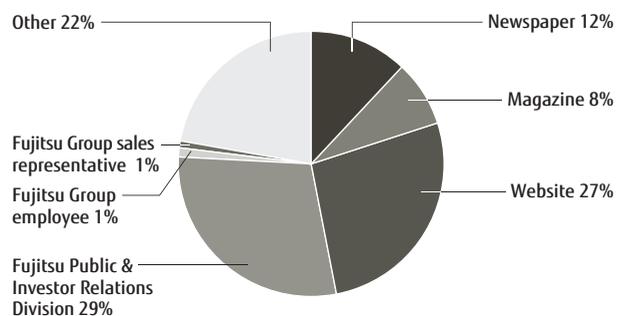
Q4 Which sections of this report were of the greatest interest?

Category title	Votes for this category
Our Approach to CSR	41
5 Priorities of Fujitsu Group's CSR and CSR Activity Targets and Achievements	34
Fujitsu Group Profile	32
Chapter I Protecting the Global Environment	28
Chapter I Providing Opportunities and Security through ICT	22
Corporate Governance / Risk Management / Compliance	22
Chapter II Developing Human Resources for Their Contribution to Society and the Planet	21
Top Message	19
The Power of ICT for sustainability and beyond	17
Chapter II Embracing Diversity and Inclusion	16

Q5 From what perspective did you read this report?



Q6 How did you learn about the existence of this report?



In preparing the Fujitsu Group CSR Report 2014, we made the following improvements based on feedback received through questionnaires.

- To provide more detailed information on specific corporate activities of Fujitsu, we expanded the examples presented in Business Cases.
- To expand our provision of information concerning the environment, we created the Environmental Report 2014. (<http://www.fujitsu.com/global/about/environment/>)

Fax Questionnaire

<https://www-s.fujitsu.com/global/about/responsibility/reports/2014/questionnaire.html>

FAX: +81-3-6252-2787 (CSR Division)

CSR Division, Fujitsu Limited

Thank you for reading the Fujitsu Group CSR Report 2014.

We hope you will spare us a few more minutes to fill in this questionnaire and fax it to us or complete it at the above URL to help us in preparing next year's report.

Fifty questionnaire respondents will be randomly chosen to receive a free 2015 Fujitsu calendar. (Offer valid until December 12, 2014. Calendars will be sent out in lieu of a formal announcement of winners.)

Q1 Did you know anything about Fujitsu's sustainability activities before reading the report?

- Yes A little Nothing

Q2 (For those who answered "Yes" or "A little" to Q1) How did you come to know about them? (Choose all that apply.)

- Previous Sustainability Report Fujitsu website Seminar or other event
- Product catalog TV, newspaper or magazine Other ()

Q3 What is your impression of this report?

- (1) Categories included Adequate Inadequate
- (2) Amount of information Too much Appropriate Not enough
- (3) Ease of reading Good Average Poor

Q4 Which sections of this report were of the greatest interest? (Choose all that apply.)

- The Power of ICT for sustainability and beyond Priority 1 Providing Opportunities and Security through ICT Priority 5 Communicating and Collaborating with Stakeholders
- Top Message Priority 2 Protecting the Global Environment Management
- Case of Human Centric Innovation Priority 3/4 Embracing Diversity and Inclusion / Developing Human Resources for Their Contribution to Society and the Planet Fujitsu Group Profile
- Six Key Persons Speak Out: Making Use of a Variety of Managerial Resources Financial & Non-Financial Highlights
- Our Approach to CSR Editorial Policy

Q5 From what perspective did you read this report?

- Fujitsu customer Resident of a Fujitsu facility neighborhood CSR/Environmental affairs staff member
- General consumer Shareholder NGO/NPO
- Student Investor/analyst Other ()

Q6 How did you learn about the existence of this report?

- Newspaper Fujitsu Public & Investor Relations Division NGO/NPO
- Magazine Fujitsu Group employee Friend
- Advertisement Fujitsu Group sales representative Exhibition
- Website Plant tour Other ()

Q7 Please use the space below to communicate any comments or requests you may have concerning Fujitsu's sustainability activities.

.....

.....

.....

Would you like to enter to win a Fujitsu calendar? (50 respondents will be randomly selected)

- Yes No If you answered "Yes" to either question, please fill in the information below.

Name: _____

Mailing address: _____

Occupation (employer): _____ Department/position: _____

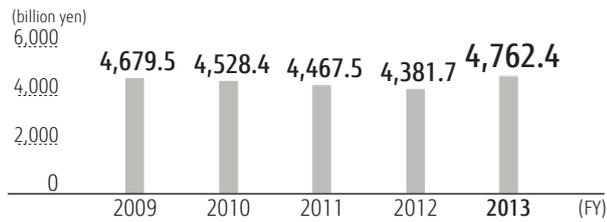
We will not use the personal information you provide for any purpose other than sending the calendar in case you win. Please contact us at the URL on the right for inquiries, or to notify us of changes in the information you have provided above. Any opinions and requests that we receive may be quoted in next year's CSR report and elsewhere. Please realize that this may involve some editorial changes and additions.

<https://www-s.fujitsu.com/global/about/responsibility/contact/contact.html>

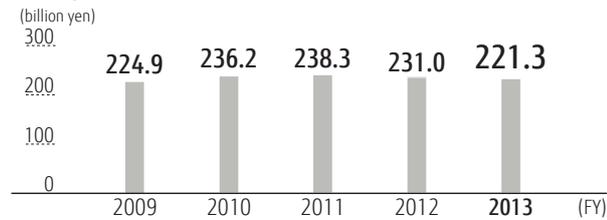
Perforated pages that can be easily folded and cut out.

Financial & Non-Financial Highlights

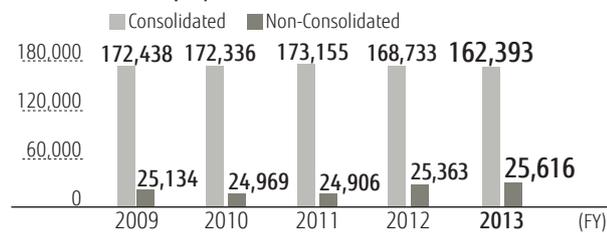
Net Sales



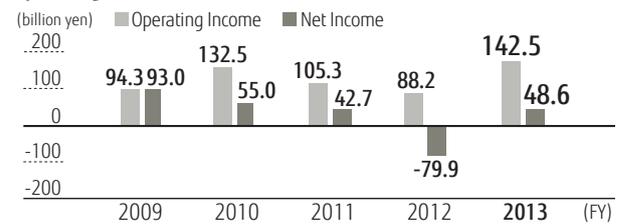
R&D Expenses



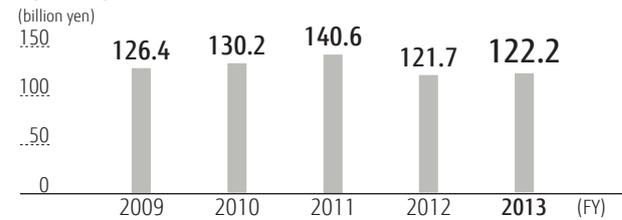
The Number of Employees



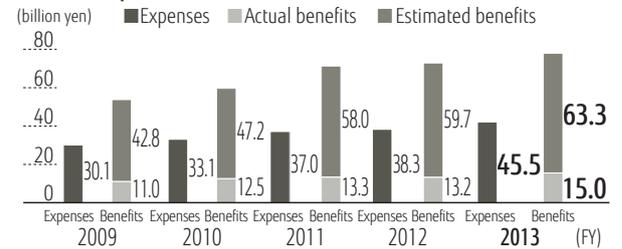
Operating Income / Net Income



Capital Expenditures



Trends in Expenses and Economic Benefits



Editorial Policy

The Fujitsu Group CSR Report 2014 reports in accordance with the Fujitsu Group Corporate Social Responsibility (CSR) Policy. Of the Group's wide-ranging initiatives, this report focuses on those in areas thought to be of particular interest to stakeholders. Items that could not be covered here are reported in the PDF version of the CSR Report 2014 [Detailed version] on the Fujitsu website.

•Reporting System

Details concerning Fujitsu Group initiatives are reported in the format of the figure at left. Our basic editorial policy is to consider issues from two standpoints: the importance to society and stakeholders and the importance to the Fujitsu Group. In particular, we consider directions for this report based on opinions we receive from third parties, general readers, and stakeholders on the previous fiscal year's version of the report. Our intention was to create a report that is easy for members of the general public to read.

•Guidelines Referenced

- GRI Sustainability Reporting Guidelines, Version 3.1 (G3.1)
- ISO 26000 Guidance on Social Responsibility

•Reporting Period

This report focuses on activities in FY 2013, from April 1, 2013 to March 31, 2014, and the data presented is actual performance data from that period. Content from times outside that period, however, is also presented.

•Target Readership

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

•Organizations Covered

While the whole of the Fujitsu Group is covered in this report, when it is necessary to indicate the range of applicability, we will specify Fujitsu Group (to indicate the Group as a whole) or Fujitsu (to indicate Fujitsu, Ltd. as an independent entity). For organizations covered by our environmental reporting, see the Fujitsu Group Environmental Report 2014.

•About third-party verification

The Fujitsu Group CSR Report 2014 [Detailed version] has undergone third-party verification by Bureau Veritas Japan to ensure the reliability of the information disclosed within.

Publisher

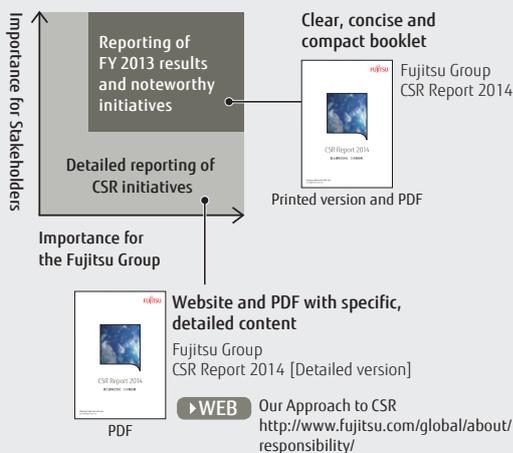
FUJITSU LIMITED

Authority for Publication: Masami Yamamoto

President and Representative Director

Published: September 2014 (The next report will be published in August 2015 and the previous report was published in August 2013.)

Reporting Regarding Fujitsu Group CSR Initiatives



Our main financial report
Annual Report

►WEB
Annual Report
<http://www.fujitsu.com/global/about/ir/library/annualrep/>

Our main environmental report
Fujitsu Group
Environmental Report 2014

►WEB
Environmental Report
<http://www.fujitsu.com/global/about/environment/>

Fujitsu's brand promise: shaping tomorrow with you

A company's brand promise expresses the value the company delivers to its customers and to society.

The Fujitsu Group's brand promise articulates the importance we place on working with our customers to shape a prosperous society, by harnessing the power of information and communication technology (ICT).

Employing some 160,000 people to support customers in more than 100 countries, Fujitsu is "the Japanese global ICT company" and we are delivering on our brand promise.

A Note Concerning Future Projections, Forecasts and Plans

This report not only describes past and present facts related to the Fujitsu Group but also includes future projections, forecasts and plans. Such projections, forecasts and plans are based on data available when the report was prepared, and therefore involve a degree of uncertainty. Accordingly, future results of operating activities and other new developments may differ from the projections, forecasts and plans included in this report. We ask our readers' understanding of the fact that the Fujitsu Group cannot be responsible for such eventualities.

FUJITSU LIMITED

For inquiries about this report, please contact:

CSR Division

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

Fax: +81-3-6252-2787

<https://www-s.fujitsu.com/global/about/responsibility/contact/contact.html>

Legibility Considerations

We have reviewed this report using our ColorSelector tool to choose a highly accessible color combination so that the text and figures will be as legible as possible to the widest range of readers.

Consideration for the Environment

This report uses FSC®-certified paper, VOC-free ink, and a waterless printing process that generates no harmful liquids.

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Printed in Japan GS1006-1A (Sept. 2014)



The Fujitsu Group
Environmental Emblem

VOC
FREE^{TM&K}

