

Growing a Responsible Business

FUJITSU



shaping tomorrow with you



Fujitsu's track record has received high acclaim, including a mention on the Dow Jones Sustainability World Index (DJSI World), a prominent global index for corporate social responsibility. We have also been selected for the United Nations Global Compact 100, a list of 100 highly-rated companies, for our social and environmental activities. The latest stage of Fujitsu's Plan accelerates the global expansion of our environmental management activities further.

Estimates indicate that information and communications technology (ICT) can help bring about roughly a 17% reduction in overall worldwide greenhouse gas emissions.

At Fujitsu, we believe that ICT should be a positive force for change in the environment. For example, through the global rollout of Fujitsu's cloud services, we are helping to cut the amount of energy consumed by society as a whole, while at the same time contributing to the reduction of our customers' CO₂ emissions by approximately 30,000 tonnes. The desire to deliver ICT that meets the needs of customers and society drives our business while also opening up new solutions for the world's environmental challenges.

Masami Yamamoto, President, Fujitsu

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A Responsible Business

Message from Duncan Tait

Running any organisation is about taking decisions. But running a smart, sustainable business that respects the communities it serves, and which plans to be a part of those communities far into the future, means taking decisions that are inclusive and holistic. At Fujitsu, we work to align and combine our activities so that we can accomplish all our goals, not just those that seem most immediately profitable or praiseworthy.



We have four core objectives:

- Results – Deliver great results in everything we do.
- People – Be a great place to work for everyone we employ.
- Customers – Go beyond customer satisfaction in every relationship.
- Society – Be a responsible, accountable business in society and a good company in every community we serve.

These objectives are interrelated, so we have to pursue all of them together, all the time – Results and People and Customers and Society. We prioritise, but we never abandon a good idea or sacrifice an objective for the sake of expedience or temporary gain. So the activities we undertake with and on behalf of our communities have equal standing with our commercial and legal objectives and responsibilities.

Significant and established businesses like Fujitsu have moral duties. We will never seek to buy these duties off with token gestures, or self-seeking actions disguised as philanthropy. We believe our survival and growth depends on our trustworthiness at all levels – from our strategic direction to the myriad of services we deliver every day to organisations and citizens throughout the UK and Ireland.

Our professional focus is on simplifying complexity and enabling people to do their jobs and to realise their goals with ease. We believe that by doing good for our customers, our people and society we can together create great results. This is what we mean by being a responsible business.

This report demonstrates our ethos in action. It outlines the steps we are taking to ensure we act responsibly in every area of our business, reports on the progress we have made, and surveys the positive contributions Fujitsu continues to make.

A handwritten signature in black ink, appearing to read 'Duncan Tait'.

CEO, UK & Ireland, Fujitsu

Executive Summary

The Shape of our Business

Fujitsu is an international company based in Japan. It is the third largest global provider of ICT solutions, supplying services to the public and private sector. The Fujitsu UK & Ireland business is the best performing Fujitsu unit outside Japan, and we are the UK and Ireland's largest Japanese employer. We have been providing ICT solutions for over 50 years, right across the community from government to business. Fujitsu touches the lives of 99% of people in the UK and is a vital part of the national infrastructure. What we believe, and how we behave, can have a big effect on quality of life.

At Fujitsu, being a responsible business means delivering great results to our customers, investing in our people, and fostering good practice throughout our supply chain, as well as recognising and responding to the different needs of communities in which we operate. Our commitment to action on these fronts earned us a Corporate Responsibility Index rating of Platinum in the 2013 Business in the Community awards.

This report details our ongoing contribution to the economy, society and environment of the UK and Ireland. It looks at how we perform as an employer, partner, supplier and member of the community.

Our Impact on Society

As a major employer, we create career opportunities for young people across the UK and Ireland, creating 183 apprenticeships since the beginning of 2012 and expanding our two year graduate scheme by nearly a third every year since 2009. Women represent 23% of our workforce, higher than the national average for our sector, and make up a quarter of our senior leadership team. We are also a Gold Member of the Business Disability Forum and have established an internal disability network.

We partner with many product and service companies, spending £715m with over 1,000 suppliers across the UK last year. We are proud of our reputation as a responsible procurer of goods and services and require suppliers to comply with Fujitsu's global standards, covering areas such as environmental responsibility and human rights.

UK-based small and medium enterprises (SMEs) represent nearly half of our active supply base, and we work hard to encourage partnerships with small business. Recent efforts include formalising our commitment to SMEs in a Charter; hosting a countrywide series of SME roadshows; gaining accreditation to Supplier Diversity Europe; commissioning a Trading for Good report; and investing in research on the benefits of collaboration between small and large businesses.

Our activities help to keep the UK and Ireland running, keeping citizens secure, serving the British and Irish Governments and supporting many businesses in their day-to-day operations. These activities include being a key ICT partner to HMRC, the Ministry of Defence and police services, providing the latest technology solutions to increase security and keep costs low. We also partner with local government to reduce costs by delivering shared services, and work in transport across the UK to enable smooth, cost-efficient travel. Fujitsu's solutions and services are an established presence on the high street, from our 17 year contract as the main ICT supplier to the Post Office, to supporting the Retail and Hospitality, Financial Services and Manufacturing, Utilities and Services sectors. Our telecommunications subsidiary, FTEL, is the nation's largest supplier of broadband access services, with 40% of the UK's broadband network built on Fujitsu's infrastructure.

Innovative, Green and Engaged

We take our environmental responsibilities seriously, as both an internal duty to cut emissions and resource use wherever possible and an external duty to optimise the environmental qualities of our products and services. The majority of Fujitsu UK sites achieved 100% recycling, with no waste to landfill, in the year 2012, and we are working hard to ensure all remaining UK sites reach this target during 2014. We have had the Carbon Trust Standard since 2009, and have set targets for reducing carbon emissions in line with Fujitsu Group policy.

Fujitsu UK & Ireland invested £34.6m in capital expenditure last year, of which around £10.6m was channelled into research and development. This means we are at the forefront of smart energy solutions and green technology, while our multiple award-winning London North Data Centre incorporates high efficiency power and cooling equipment that nearly doubles the efficiency of previous generation data centres.

Although we are known as a technology company, ours is a people business. We believe in personal responsibility, relationships and collaborative action. Our two-year charity partnership with Shelter, started in 2012, has already raised over £350,000 for the UK's leading housing and homelessness charity and engages a large proportion of our workforce. We are the technology partner to Business in the Community and are deeply involved with mainly of its campaigns, including seconding employees to disadvantaged communities to pioneer the Business Connectors programme.

We are deeply woven into the fabric of society, serving public organisations, universities, research institutes and defence contracts. Fujitsu touches the lives of millions of people every day, helping to keep the country running, and striving to make it an even better place to live and work.

Our Contribution to the Economy

Fujitsu in the UK and Ireland is a major business, employing many thousands of people with different skills and ambitions. We invest in people by creating career opportunities, ensuring diversity, developing skills and promoting wellbeing.

As a significant business, Fujitsu makes a substantial tax contribution. We also recognise our influential role as a business partner, seeking to foster good practice throughout our supply chain and, in particular, to encourage small and medium sized enterprises (SMEs) to work with us.

Our Workforce

In the UK and Ireland the business directly employs over 14,000 permanent employees including more than 1,600 contract staff. This makes us the UK and Ireland's largest Japanese employer. Over the last year, Fujitsu UK & Ireland took on 902 new joiners, of which a third were under the age of 25.

Opportunities for Young People: Apprenticeships

Since the beginning of 2012, Fujitsu has created apprenticeships for 183 young people between the ages of 16 and 24 across the UK and Ireland. Our apprenticeships offer an invaluable opportunity for young school leavers to break into the world of work, providing vocational skills training with ICT qualifications or diplomas in business and administration. With the recent increase in higher education tuition fees, more and more young people are looking to go straight into work and be trained on the job. We pay over 50% more than the minimum legal pay for apprenticeships, and all Fujitsu apprentices are placed in full time positions on completion of their academic training. We intend to continue to grow our apprentice positions across the country, providing technical and practical employment opportunities, and creating a talented, young workforce.

A recent Ofsted report on our apprentice scheme confirmed that our apprenticeship programme is exceeding regulatory standards, stating: "The programme indeed meets every requirement, and it is fantastic to see the level of passion and support provided by Fujitsu in ensuring an open pathway to supporting and creating both training and employment opportunities, ensuring the apprentices are in a supported learning environment."

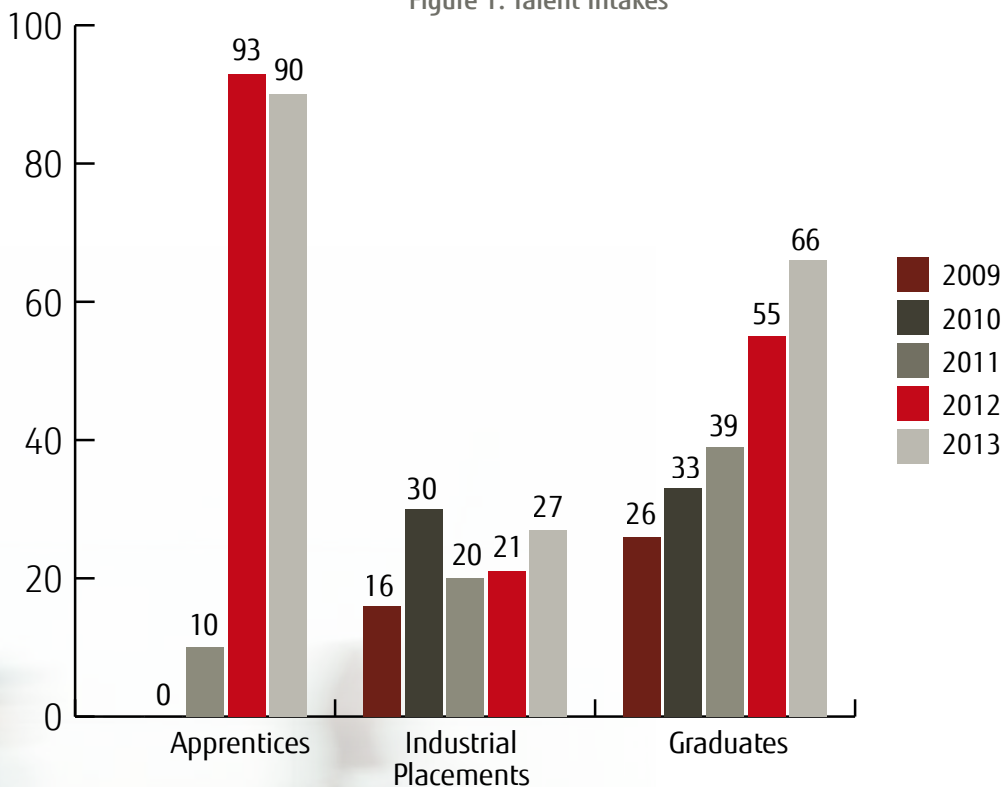
In Ireland, youth unemployment stands at around 30%, and creating opportunities for young people is essential to economic recovery. Under a partnership between schools and business promoted by Business in the Community (BITC), Fujitsu Ireland has been working with schools around Dublin to provide CV workshops and mock interviews to 15-17 year olds, which result in summer placements. We intend to continue this important partnership year on year.

Opportunities for Young People: Graduate scheme

Since 2009, Fujitsu has been expanding its two year graduate scheme by 27% each year, offering a total of 66 places in 2013 to talented graduates across the UK and Ireland. Our enthusiasm for taking on graduates means that they represent around 20% of the nearly 600 employees under the age of 25 in our region.

Our young talent intake since 2009 has continued to increase as the table below shows. Apprentice recruitment for 2013 is continually increasing, as opportunities arise. Industrial Placement cohort sizes dipped in 2011, but this measure is now returning to historic levels. There has been a steady increase in graduate intake, with the 2013 cohort size 20% bigger than 2012. This is more than double our 2009 intake.

Figure 1: Talent Intakes



"Setting up a forum for disabled employees is a fantastic way of generating some healthy noise about how we attract and accommodate disabled talent. Fujitsu are to be congratulated in their recent support to set up a disability network and should expect great results in how they engage and get the best from their disabled people."

- Kate Nash OBE,
Kate Nash Associates

Diversity

Women represent 23% of our workforce, higher than the national average for the IT and telecommunications industry. The number of women in management positions is 304. Fujitsu's female employees also hold important leadership positions: 3 of the 12 regional Senior Leadership Team members are women. In Fujitsu in Ireland, which is led by a female managing director, women represent a third of our managers and 27% of the overall workforce.

We have recently commenced a major programme 'Achieving Better Business Performance through Gender Diversity' aimed at maximising the contribution of our female employees. This follows our involvement in an academic project run by Queen Mary, University of London, which looked at the impact of women on effective team performance.

Fujitsu is a Gold Member of the Business Disability Forum (BDF) and is the 2013 and 2014 host of the BDF Presidency Group dinner, attended by Iain Duncan Smith and Esther McVey, Minister for Disabled People. We are proud to be a leading member of the Technology Taskforce, which involves working with senior figures in the technology arena to develop IT solutions and services for people with particular needs and disabilities. We deliver our Accessible IT and Diversity and Inclusion programmes in alignment with these objectives.

Fujitsu has also, with the help of diversity consultants Kate Nash Associates, established an internal disability network to promote dialogue within the company and deal effectively with issues.

"SEED - Support and Engage Employees with a Disability - is our disabled employee network, which brings together disabled employees and carers to share experiences, information, support and learning. From the launch we have received a good number of interested colleagues who have particular experiences to talk about and who are helping to make this a real success."

- Paul Fraser, Disability Network Chair, Fujitsu.

Building upon this, Fujitsu is currently working with lesbian, gay and bi-sexual (LGB) colleagues and Stonewall to develop a similar internal network to support LGB employees and enable them to be themselves at work. Fujitsu, along with four other major UK organisations, is participating in a project run by BITC Opportunity Now on developing 'Inclusive Leaders' who understand how to maximise the contribution of different groups in the workplace to maximise business performance.

Learning and Development

Over the last financial year, the number of Fujitsu UK & Ireland training hours has increased by 30,584 hours; from 90,123 for FY 2011/12 to 120,707 for FY 2012/13.

Our training is designed and delivered by an in-house team which allows us to deliver targeted, customised learning and development courses. We are currently on course for a further year on year growth in employee training, with 68,717 hours already completed between April and November 2013.

Over the last year, 9,644 staff attended training, with our telecommunications subsidiary also offering over 1.5 days of annual training per employee.

Winner of the NCWE Best Long Term Work Placement of the Year 2013.

Winner of HR Excellence Award 2013 for Best Talent Management Strategy.

Investors In People Champion since 2006.

Investors In People Gold Standard.

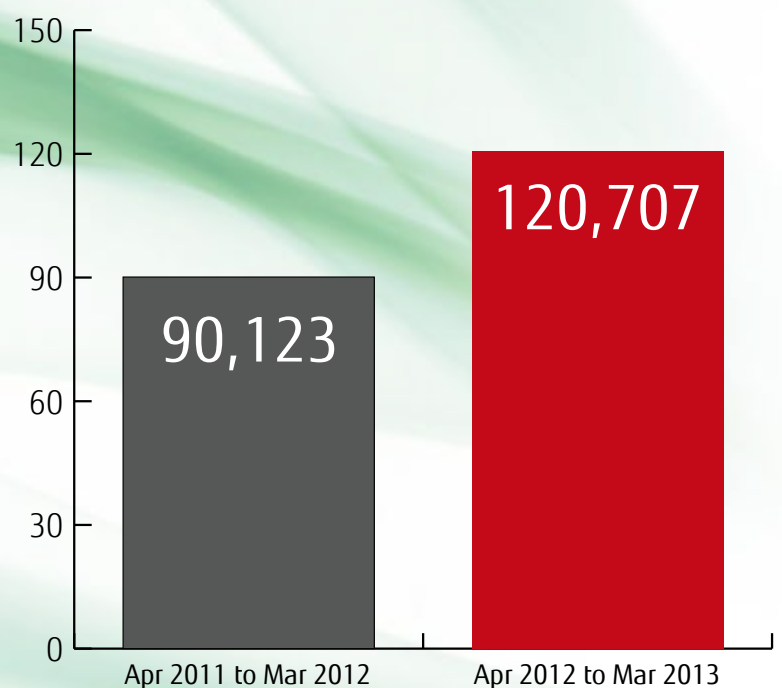


Figure 2: Training hours

Employee Engagement and Wellbeing

Our annual employee engagement survey is a company-wide survey designed to capture the opinions, feelings and levels of satisfaction of Fujitsu's workforce on a number of dimensions.

The 2013 survey was recently completed, with all results either improving or remaining the same. Following on from the 2012 survey, four key focus areas were identified: Customers, Results, People and Society. In summer 2012, Fujitsu invited the workforce to take part in Keep Shaping Our Tomorrow workshops to explore these four areas and to have their own input into how they wanted Fujitsu UK & Ireland to look in 2015.

These workshops resulted in numerous initiatives and ideas becoming reality. A brand new Innovation Centre is up and running in our London headquarters, to enable our sales force

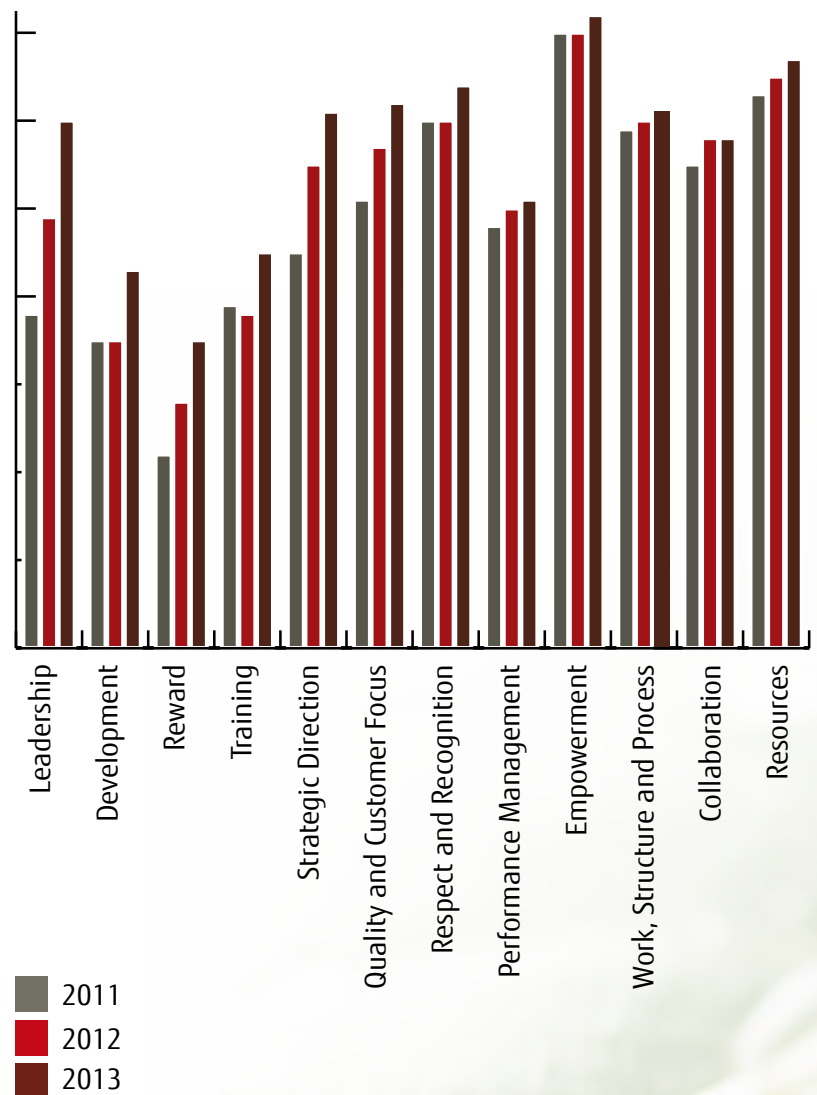
to better showcase our offerings to our customers. In the People space, Fujitsu has improved its STARS recognition scheme, making it easier to celebrate success within the company. These initiatives, as well as individual initiatives taking place within teams across Fujitsu, have led to a seven percent rise in engagement scores across the UK and Ireland.

Fujitsu recognises the importance of developing and maintaining a positive and constructive dialogue between the company and employees at all level. 'Fujitsu Voice' was established in 2010 as a group with representatives elected by employees, who directly engage with senior management to channel their views and influence strategic decisions. Such a dialogue allows Fujitsu to continually improve our employee engagement and satisfaction.

	2011	2012	Today
Response Rate	64%	69%	80%
Engagement	51%	56%	63%
Enablement	52%	53%	55%
Key Areas of Interest			
Strategic Direction	45%	55%	62%
I believe that action will be taken as a result of this survey	29%	42%	53%
I would recommend Fujitsu as a place to work to family or friends	25%	49%	60%
I have trust and confidence in my Regional CEO/Global Function Head and his immediate management team	35%	51%	64%
Focus Areas			
Training	38%	38%	46%
Development	35%	34%	44%
Reward	22%	27%	35%

Our telecommunications subsidiary's excellent standards of safety and workplace environment have recently been recognised by a two-day extensive Achilles Verify external accreditation assessment. Achilles Verify is one of the largest and best known procurement pre-assessment schemes used by utilities and construction sector companies. In our market sector, a compliance pass rate of 75% would be classed as the expected minimum level, with procurement teams selecting companies for tender based on the pass percentage. FTEL's management systems significantly surpassed this level, achieving scores of 91.2% for Health and Safety, 94.5% for Environment, and 93.9% for Quality.

Figure 3: Fujitsu UK & Ireland survey scores



Contribution to GDP and Taxes

Fujitsu's total UK tax contribution in FY 2012/13 was £414m, which is more than 24% of revenue. Of this amount, taxes borne (those taxes which are a real cost to the company) were £71m. The company also collected a total of £343m in taxes on behalf of HM Treasury. The key taxes collected were VAT and employees' income tax and National Insurance Contributions. In Ireland, Fujitsu's total tax contribution was almost €12m. Fujitsu's total tax contribution over the last three financial years has totalled over £1.1 billion.

We are fully committed to greater tax transparency and increased voluntary disclosure. We are actively reviewing our own approach to reporting and participating in the wider debate. We have established clear principles governing our tax strategy to match the spirit as well as the letter of UK tax legislation.

As a responsible tax payer, Fujitsu does not engage in any aggressive tax planning, tax avoidance schemes or offshore tax structures to artificially reduce the amount of UK tax it pays. We strive to be open with HMRC, to provide prompt and up-to-date information about how we manage our tax responsibilities, and to ensure our relationship with HMRC is efficient and effective for both parties.

Supply Chain

Fujitsu is committed to developing responsible business practices in our supply chain. Suppliers are required to comply with Fujitsu's Code of Ethics and Global Business Standards, which set out Fujitsu's expectations for suppliers in areas such as environmental standards and human rights.

Last year, Fujitsu spent £715 million with over 1,000 suppliers across the UK. We are proud of our reputation as a responsible procurer of goods and services and select suppliers carefully, fostering our values throughout the supply chain. We use a pre-selection questionnaire to choose suppliers with sound ethical and environmental practices.

Fujitsu is a founding partner of Trading for Good, a new digital platform championing the good work of the UK's small businesses. Our key small suppliers are amongst the first in Britain to join this free service which will measure the social value created by small businesses, and provide trend analysis to help us improve our supply chain policies. Fujitsu and Trading for Good are co-producing a pilot 'small business chain social value' report, highlighting the trends in social value generated by our small business suppliers.

As of August this year our active supply chain includes 772 UK-based small and medium enterprises (SMEs), representing 47% of our active supply base. SMEs are a vital part of the UK economy and contribute significantly to economic growth. At the start of 2012, SMEs accounted for 99.9% of all private sector UK businesses, and represented 59.1% of private sector employment and 48.8% of private sector turnover. Over the last two years, 21% of Fujitsu's spend on suppliers has been with SMEs.

One third of the SMEs who work with Fujitsu are located in the 20% most deprived areas of England (see figure 4). We want to work with even more SMEs, and have set ambitious, structured targets around this, as recognised in our award of Platinum in the BITC Corporate Responsibility Index. We are currently hosting a series of roadshows around the UK for current and potential SME suppliers. These roadshows give small businesses an insight into how we work with SMEs, and showcase the opportunities to build a long-lasting relationship with Fujitsu.

Our series of roadshows for SME suppliers also promotes the creation of apprenticeships within these enterprises. Fujitsu has invited a representative from the National Apprenticeship

Scheme to present the benefits and ease of recruiting young people as apprentices.

An important part of working with SMEs is adapting to their needs regarding finance, and Fujitsu is a signatory of the Prompt Payment Code, which pledges to pay suppliers in a timely manner - critical to the survival of small businesses. We give clear guidance to suppliers on payment procedures, ensure there is a complaint system, and encourage lead suppliers to promote adoption of the code throughout their own supply chains. An SME-friendly culture is embedded in our organisation through the SME Charter, which sets out how we collaborate with SMEs and is available online.

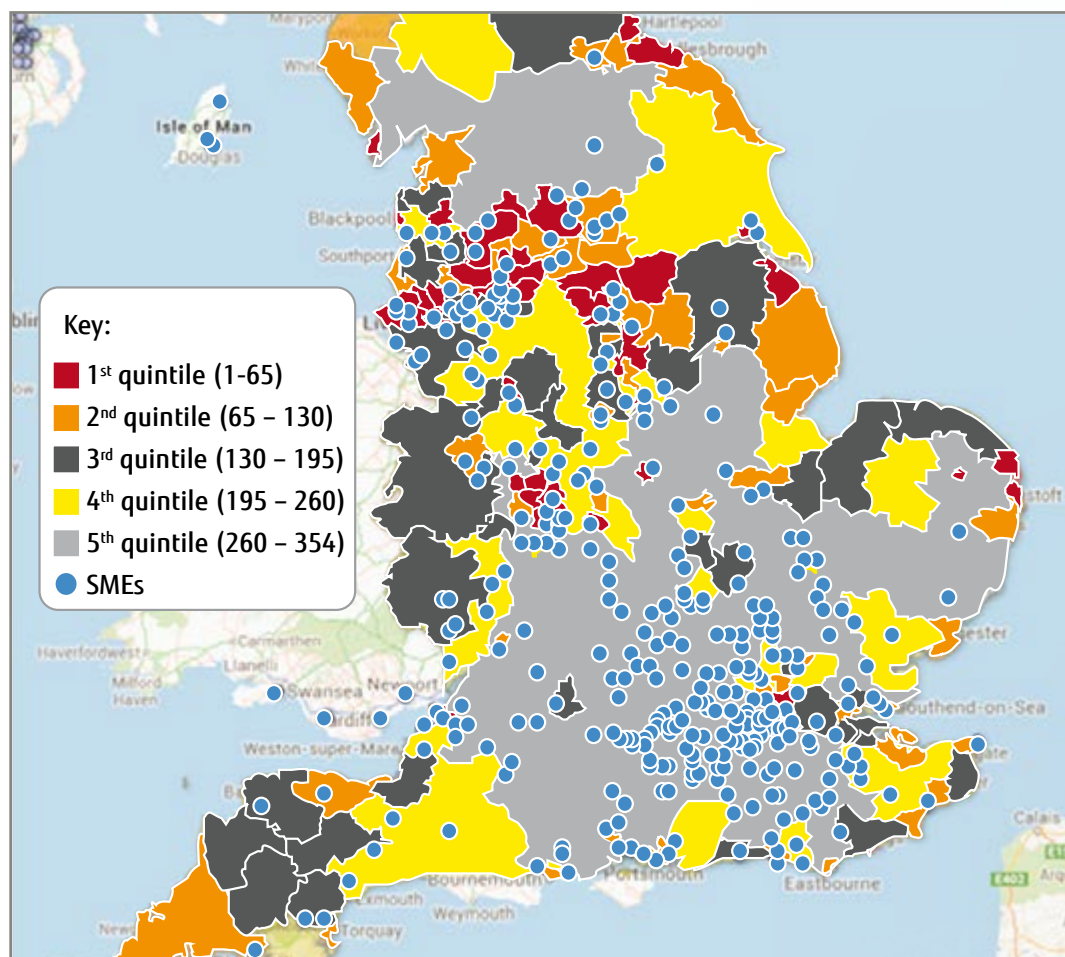


Figure 4: Based on the Indices of Multiple Deprivation 2010, which produced a rating for each local authority.

As part of Fujitsu's commitment to SMEs we carried out independent research to find out what smaller suppliers think about working with large enterprises. We discovered that the majority of SMEs believe collaboration with larger suppliers is essential to give them access to major business – but barriers still exist to this collaboration. These findings, and recommendations for how the barriers can be overcome, are now published in Fujitsu's Collaboration Nation report, available from our website.

Fujitsu is accredited with Supplier Diversity Europe, an organisation working to promote best in class procurement standards and fostering connections between large companies and SMEs in Europe. We have recently been awarded the second highest accreditation level of "established" and are on track to achieve the highest level. We

are also one of the first fifteen organisations to sign up to Business in the Community's 'Access Pledge', which demonstrates our commitment to tackling any barriers facing SMEs when they try to do business with large companies.

Supporting Start-ups

Fujitsu has supported the Start Up Hub initiative at the Conservative party conference every year since 2011. The national competition provides the opportunity for 12 new businesses to demonstrate their ideas and designs, and showcase their work in front of thousands of visitors. Fujitsu is one of two sponsors, providing essential financial backing for the event as well as actively taking part by raising awareness of the event and sitting on the panel of judges. Affordable, innovative technology enables small business to grow, so Fujitsu supports the winners by offering them significantly discounted use of our cloud computing technology, and brand new Fujitsu tablets for each daily winner.

"Since we exhibited at the conference, we have opened an additional 2 centres locally, strengthened our relationship with local employers, organisations and have trained over **120 young people.**"

Angelica Duncan, Chameleon School of Construction Start Up Hub 2012



Fujitsu's Impact on Society

"Horizon Next Generation has transformed how we do business, making us a more effective organisation - and that is in no small part thanks to Fujitsu."

Steve Beddoe, Senior IT Services Manager, Post Office.

Fujitsu helps keep the UK running and keeps it secure. We also support the Irish Government and many businesses in their day-to-day operations. Our work takes place largely behind the scenes, with little fanfare, but much dedication.

Keeping the UK Running: Fujitsu Behind the Scenes

Post Office

The Post Office is at the heart of UK cities, towns and villages, providing services ranging from travel insurance to vehicle tax, passports to postage and driving licences to life insurance. With over 11,700 branches across the country, the Post Office is the UK's largest retail network, and is also the UK's biggest cash handler, with more than £90 billion passing through its network each year. Fujitsu has worked with the Post Office since 1996 and is its principal supplier of IT. Our contract, the largest non-military IT contract in Europe, has been extended twice.

At the heart of the Post Office's technology infrastructure sits Horizon, an application that connects over 29,000 counters across its local branches. Originally developed and deployed with the help of Fujitsu, the solution needed refreshing to reduce costs and add new functionality.

Working in close partnership, the Post Office and Fujitsu rolled out a new solution – Horizon Next Generation - connecting all Post Office counters in real-time to one centralised datacentre. As a result, overall support costs have been reduced by 50%, while an improved interface now helps Post Office employees to access, understand and sell the organisation's

extensive range of products and services. Meanwhile, guaranteed service levels of 99.8% ensure high availability for these business critical services.

As part of addressing the cost reduction objectives, Fujitsu moved application support and development activities to offshore facilities in India, while a new data centre, based on Fujitsu blade servers, has been established in Ireland to support the new application.

More recently, the Post Office awarded Fujitsu a significant contract to help introduce new and improved home phone and broadband services to their customers. Through this programme, Fujitsu will help the Post Office to grow their business and further enhance their brand in online services.

Her Majesty's Revenue and Customs (HMRC)

We enthusiastically support the Government's Digital by Default strategy and are actively pursuing it with HMRC, whose Digital Services are to be transformed by a £200m investment. Taxpayers will get direct access to their tax affairs, reducing the time taken to file returns, make adjustments and resolve issues.

Since HMRC raises nearly half of central government revenue, £450bn a year, and pays out £30bn annually in benefits, attacking its transaction costs in this way will generate major savings as well as improving the citizen experience.

We are one of two core IT partners, providing critical delivery of services and systems. Fujitsu supports service over nine data centres, looking after 90,000 desktops and managing 1000 servers.

Fujitsu processes more than 9m self-assessment tax returns each year, upgrading systems as necessary to support the year-on-year increase in online tax returns. Between 4 and 5pm on the final day of self-assessment tax returns last year, we were handling 12 returns per second. We also enable the distribution of child benefit payments to over 6.9m UK families.

We recently introduced a fraud detection system, FEAST, that saves HMRC over £100m per annum by trapping fraud and error in tax claims.

Fujitsu also manages print centres for HMRC, printing and issuing around 100m items of post annually. Our five centres produce 583m images per year and have a Rapid Data Capture facility that scans around 50m forms per year. The print operation has been externally benchmarked as "best in class" and won a Cabinet Office Customer Service Excellence Award in 2013. It also generates £6-7m in postal savings per year and ensures more than 10m postal items reach doorsteps faster.

Finally, Fujitsu has provided the complete infrastructure for one of the most ambitious HMRC IT projects of recent times, the PAYE Real Time Information (RTI) project. This initiative is critical to the delivery of Universal Credit, a fundamental change in the way benefits are calculated. PAYE RTI calculates accurate earnings data in near real-time - in effect one month in arrears. As Universal Credit rolls out, Fujitsu will be responsible for processing around 300m transactions a month from employers

throughout the UK. Our infrastructure allows for processing enormous volumes of information and was completed ahead of schedule.

Aurora Programme

With Government IT operations becoming an unsustainable expense, action was taken to reduce expenditure by 20% within three years.

Fujitsu helped HMRC reach their goal by consolidating servers and introducing the first secure Private Cloud in Government (S4). This S4 private cloud platform enables shared services and greater use of virtualisation technologies, which in turn cuts the number of servers and CO₂ emissions. We also decommissioned nearly 18,000 systems including desktops and servers.

In total, this programme brought total savings to HMRC of £174.7m over FY11/12 and avoided 19,000 tonnes of carbon emissions per year. The programme also reduced HMRC's annual hosting charges by 15%, and contributes to the Government's target for a 10% reduction in CO₂ emissions every year.

Aurora won the BCS UK IT Industry Awards Project of the Year award, and HMRC won the Team of the Year award at the annual UK Green IT awards, the first public sector department to achieve this recognition.

Southwark Council recovered £500k in council tax using our automated processes for identifying fraudulent claims, with predictive regression models. Fujitsu's Social Housing Analytics Service technology has also helped Gravesham Council find a way to detect would-be fraudsters and easily identify high-risk properties.

Local Government

Local authorities are under pressure to cut costs, improve service delivery and modernise systems to make the most of their resources. Only 18% of local authority chief executives and corporate directors feel their organisations are in good shape to cope with the changes they face. Technology has enormous potential for challenged local authorities, and Fujitsu is using its expertise to help deliver more for less, bring innovation and use information and data to enable appropriate and beneficial decision making. Fujitsu partnered with Cambridgeshire and Northamptonshire County Councils to support the Local Government Shared Services (LGSS) initiative, part of the broader government agenda of shared service delivery and a fantastic method of reducing costs through sharing delivery of back office processes and transactional services across a range of key functions. The implementation of our shared services LGSS system is on track to save the two founding councils £18.8m by 2015, and LGSS has now successfully expanded to deliver services to Norwich City Council and other local authorities. Our innovative data analysis system allows a better understanding of citizens, for efficient and targeted service delivery.

Transport

Fujitsu works closely with transport services across the UK to enable smooth, cost-efficient travel.

Thanks to Crossrail and other large-scale tunnelling projects, demand for skilled tunnelling and underground workers is unprecedented. Fujitsu is one of two gold sponsors of the new East London Tunnelling and Underground Construction Academy (TUCA), which is the first organisation of its kind in the UK and offers a wide range of vocational training programmes, including

pre-employment courses aimed to equip local unemployed people with skills to gain employment on Crossrail and similar projects.

Northern Ireland Libraries

Fujitsu is working with Libraries NI, the largest library authority in Western Europe, to replace and manage the entire ICT infrastructure in each public library in Northern Ireland. Over the five year contract Fujitsu will transform the experience for the public, providing WiFi access, enabling self-service facilities, modernising management systems, replacing desktops and increasing connection speeds. This will encourage citizens to use libraries for improved access to online government services and information.

The contract is a significant investment for both Libraries NI and Fujitsu, and as a consequence Fujitsu has created eight new local positions for young people in the 18-24 age group through its apprenticeship and graduate trainee programme.

"Libraries offer invaluable resources and services and we must ensure these are available, utilising new and emerging technology, to as many people as possible. This contract is also intended to contribute to the vital work being done by Libraries NI to deliver DCAL's priorities of promoting equality and tackling poverty and social exclusion."

- Carál Ní Chuilín, Minister for the Department of Culture, Arts and Leisure

Telecommunications Infrastructure

Fujitsu has a strong and established telecommunications business in the UK, providing essential services to keep people connected. More than 5 million households receive broadband through Fujitsu technology, designed and developed by our UK engineers, and deployed in local telephone exchanges. Fujitsu also provides technological support to Virgin Media, the number one broadband provider in the UK. Virgin Media values the way we deliver a digital experience to the customer, helping to provide services in 4,000 homes each day and connecting 2,000 businesses each week.

Over the last 10 years, we have provided more than £1bn of technology into BT's UK network. We have also deployed Fujitsu technology in all of BT's 5,500 UK telephone exchanges, supporting many different consumer and business services from voice to high speed data. Meanwhile, 80% of BT business circuits are delivered over Fujitsu fibre access technology, generating more than £2 billion per year in revenue for BT.

Supporting the Irish Government

In Ireland, Fujitsu has been working closely with Government at national and local level for thirty years, providing innovative technology solutions to protect Irish citizens and improve essential functions. We work for the Irish Parliament, designing and implementing new technologies and providing support via a locally based ICT team, as well as improving efficiency by integrating services into a single service desk. On a local level, Fujitsu has been a principal supplier of IT products, software, consultancy and support to Dublin City Council for more than 40 years. Fujitsu also supports the National

Vehicle Driver File on a 24x7 basis and this system is used to collect motor tax in excess of €1bn for the Irish Exchequer.

We have also built a successful partnership with the Irish Court system, whose ability to access a reliable, secure and responsive IT infrastructure and support service is of national importance. In 2002, the Courts Service in Ireland selected Fujitsu to provide support of its complete IT infrastructure. Today, Fujitsu is the single point of ownership for all aspects of IT infrastructure support including management of all third party ICT suppliers within the Courts Service and the manager of all third party ICT suppliers on their behalf. In addition to these services, following an independent, open and competitive EU procurement process, Fujitsu was awarded a contract to provide an innovative and national Digital Audio Recording (DAR) solution in the Irish courts. This system, based on state-of-the-art technology and with a transcription service, has replaced the stenography system and is part of a drive to modernise the courts and improve accuracy in recordings. Fujitsu's partnership with the Courts Service is underpinned by high quality service and excellent customer satisfaction scores and feedback.

Prior to the DAR solution Fujitsu designed and delivered the world's most high-tech courtroom of the time: the Commercial Court in Dublin. In 2008 Fujitsu Ireland was awarded a contract to deliver and manage a range of advanced technology solutions for the new Criminal Courts of Justice complex in Dublin, which currently boasts court rooms that are among the most technologically advanced in the world.

"For us, it was important to award the contract to a supplier that is proactive, innovative and flexible, and has the enthusiasm for continuous service improvement and customer service. These characteristics were reflected in the bid from Fujitsu and from our experience of working with them over the past numbers of years."

- John Coyle, Director of Technology, The Courts Service

Keeping the UK Secure: Fujitsu in Defence and National Security

Fujitsu is proud to be a major supplier to the Ministry of Defence (MOD) and has done so for nearly 50 years. We are currently one of the top two ICT partners to the UK Defence industry. Our support of important UK Defence projects covers a diverse range of advanced command, control and communications systems as well as extensive research into the application of new technologies. We have a dedicated defence centre, staffed with specialists who spend 100% of their time on defence and national security work. Across UK and Ireland we have 3,500 security cleared staff, and we provide support to over 200,000 MOD users.

The MOD is facing unprecedented challenges with 20% proposed cuts in expenditure for equipment and staff. At the same time, there continues to be a drive for greater exploitation of information across all communities in the Defence and National Security arenas. As a result of Fujitsu's work with the MOD and a wide range of government agencies, we have an excellent insight into the challenges of joining up information seamlessly, often across organisational boundaries, in order to respond effectively to any large scale crisis – whether prompted by military action, natural disaster or terrorist action.

Fujitsu forms part of ATLAS, a consortium of four world class IT companies who collaborated to fulfil the MOD plan, launched in 2000, for a single integrated Defence information infrastructure. As a Tier I risk sharing partner of the ATLAS consortium, we are enabling the UK Defence modernisation with a single, global, secure integrated platform for 250,000 users at 2,000 sites across 150,000 devices. Fujitsu uses its expertise to develop secure, state-of-the-art technological solutions for Defence and

intelligence staff, including information systems such as the RAF's secure Command and Control (C2). The C2 system is at work wherever there are fixed and/or operational deployments. All Royal Navy ships and submarines are migrating from Fujitsu's Navystar 2000 system, designed with small-footprint ruggedised commercial hardware to the DII Maritime Solution. Furthermore, Fujitsu provides critical technological support and delivers the Information Communication Technology (ICT) backbone for a number of ongoing military operations abroad. Two hundred Fujitsu international field engineers work and live alongside military personnel, including in war zones, to ensure our systems function whether in the UK or on operations overseas.

Chief of Defence Materiel Commendation Award

- The Commendation, the most senior that CDM can award, recognised the team's role in completing the implementation of Defence Information Infrastructure (DII) to 60,000 users across 612 fixed sites.

Supporting Britain's Reservists and Employers (SaBRE) Award

- Fujitsu were the proud recipient of an award presented for the support we give to the Reserve Forces, & were one of only two IT Defence contractors who received awards.

SSAFA is the national charity committed to helping and supporting those who serve in our Armed Forces, those who used to serve and the families of both. The Corporate Friends Programme aims to provide a mutually beneficial framework that helps defence companies form links within industry while helping SSAFA to raise funds and awareness. Fujitsu is proud to have been a corporate friend of SSAFA for many years. This year we have committed to donate £25,200 to SSAFA through various channels, including a £5,000 sponsorship of the Ride of Britain 2013, a five-day 501 mile cycle ride from Edinburgh to London. Eight Fujitsu riders completed the challenge, raising a staggering amount of over £12,000 for SSAFA. The relationship, however, involves much more than simply handing over a cheque. Activities this year include tandem skydives as part of the Fall for the Fallen campaign, each jump representing one of the 470 soldiers killed in Afghanistan. As well as treasure hunts (where the treasure is usually a Fujitsu laptop), car wash, and across all offices The Big Brew-up, in which cakes, buns and scones are sold to raise funds along with military-strength pots of tea.

Fujitsu is a proud sponsor of British Soldier, the Army Sailing Association (ASA) racing yacht. This relationship reinforces a shared belief in fulfilling potential beyond the expected through experience, resourcefulness and determination, all in a day's teamwork that Fujitsu is proud to be part of.

"SSAFA is proud of our relationship with Fujitsu and incredibly grateful for their support and commitment over the last 10 years. This support is both vast and diverse; from being part of our Corporate Friends Programme, sponsor of the SSAFA Ride of Britain or through encouraging employee engagement and fundraising. This multi faceted help and support from such a well known and respected company is truly appreciated and, crucially achieves much needed awareness and funds for SSAFA so our Forces family will have the committed practical, financial and emotional support they deserve."

General Sir Kevin O'Donoghue Chairman, SSAFA

"The opportunity to race a highly competitive yacht, British Soldier, at national and international level is available only through our partnership with Fujitsu. It is clear demonstration of the company's commitment to the men and woman of the British Army and on their behalf; I thank Fujitsu very much for their continuing and essential support."

Lieutenant General A R Gregory, CB, Chief of Defence Personnel, Admiral, Army Sailing Association



"The Police Service of Northern Ireland's purpose is to make Northern Ireland safer for everyone through personal, professional, protective policing. This approach requires a solid ICT infrastructure that can be relied upon in mission-critical situations, and Fujitsu's extensive management of our services has surpassed our expectations in this respect. Fujitsu has delivered real, tangible benefits to our front line officers and we look forward to the contract's continued success over the next five years."

- John Tully, Head of Information and Communication Services, PSNI, July 2011

In delivering our services to the Defence and Security industry, Fujitsu works closely with an extensive SME supply chain. Our company has longstanding relationships with hundreds of very successful SMEs, who are capable of providing the niche skills and specialist technologies needed to meet the requirements of the armed forces. We were invited to present and exhibit at the UKTI Defence Security Organisation's SME symposium in May 2013, where we also set up a Fujitsu stand to allow one-to-one discussions with SMEs.

Our Commitment to Transparency

Fujitsu as a corporation takes prevention of corruption most seriously, and our Defence team apply this to all export engagements and relationships. We are certified against BS 10500:2011 Specification for an Anti-Bribery and Corruption Management System. This certification, which is the first of its kind to be awarded by Bureau Veritas, demonstrates that we have adequate procedures in place to ensure that behaviours that would break the Bribery Act 2010 will be prevented.

Our stance was recently recognised in an anti-corruption index compiled by Transparency International UK, who conduct an annual comprehensive analysis of major Defence companies from all over the world, ranking them on their anti-corruption policies and systems. Transparency International UK is responsible for launching the Common Industry Standards in 2006, which led to the first Europe-wide set of standards to tackle the practice of bribery among defence companies.

Fujitsu scored in the top ten companies for anti-corruption measures in place, out of a total of 129 defence companies examined. We also received an A grade for opportunity to review

company-internal or confidential information. The organisation also praised Fujitsu as an "example of Good Practice", stating that "Fujitsu's Code of Conduct has a clear list of warning signals to indicate the possibility of a corrupt payment".

Our Work with the Police

Fujitsu provides IT support to critical police infrastructure across the UK, as well as the criminal justice system and Borders Agency, by managing and improving the infrastructure of the Police National Computer (PNC) for over twenty years.

The PNC is available 24x7 and is part of the UK's Critical National Infrastructure. It is a very resilient system with high levels of availability. It has in excess of 250,000 users and in recent years has handled in excess of 169 million transactions per annum, giving a daily average of just under 463,000 transactions. It makes extensive use of logging all enquiries and updates, facilitating police investigations and auditing. The police, justice and borders communities rely on the system's accurate, near-instantaneous provision of identity information to make life-and-death decisions.

Fujitsu continues to work closely with PNC to deliver this critical service as well as developing new innovative services to keep pace with the changes affecting UK national security

We have been working closely with the Police Service of Northern Ireland (PSNI) to consolidate the provision of its ICT Managed Services into a single Private Cloud, and offer 24/7 onsite support. This has had a significant impact on the quality and reliability of ICT services. Our contract has recently been extended until 2016, during which time we will save PSNI an additional 15% on current operational ICT costs.

Our Work in the Private Sector

Fujitsu's work in the private sector enables key ICT support across the UK's Retail and Hospitality, Financial Services, and Manufacturing, Utilities and Services sectors.

Retail and Hospitality

Fujitsu manages more than 20,000 retail outlets and over 85,000 point of sale devices in the UK, enabling millions of payments and safe transactions every day. We provide Whitbread, the fastest growing leisure company in the UK, with critical hardware and communications systems for reservations and management. As a result of our 16 year collaboration, Whitbread is able to sell 500,000 cups of coffee a day and serve 8.5 million customers a year.

Mitchells and Butlers is the UK's leading managed pub and pub restaurant operator, owning a range of well-known brands. Fujitsu's provision of repair and maintenance and IMAC services across all business areas has enabled Mitchells and Butlers to attain a consistently higher level of customer service across their 2,000 pubs and restaurants and 9,000 tills.

Fujitsu's UK Service Desk operation won the prestigious Service Desk Institute (SDI) Award for the 'Best Managed Service Desk 2013', for services delivered to the Financial Conduct Authority.

Financial Services

As well as enabling UK banks to serve over 40m customers and operate more than 20,000 local branches, Fujitsu provides additional background infrastructure for the public benefit by working with other financial services including credit providers and insurance companies.

Serving over 2.4m customers, International Personal Finance (IPF) is a leading international provider of consumer credit in growth markets. IPF partnered with Fujitsu to create a capacity-on-demand virtualised model allowing increased flexibility in resource planning while reducing capital and service costs. IPF's new data centre provides a platform for growth and product range while fundamentally enhancing customer service in a capacity-on-demand computer environment.


American International Group (AIG) is a leading international insurance organisation operating in over 130 countries. Fujitsu has a 10 year contract with AIG in the UK to provide data centre hosting and value added services using a TRIOLE service desk. These services enable AIG to deliver business and resolve IT storage issues, allowing the company to serve commercial, institutional and individual customers in a more efficient and cost effective way.

Virgin Money, a finance, banking and mortgage group spanning the UK, Australia and South Africa extended its partnership with Fujitsu in August 2013. Under the terms of the five year contract, Fujitsu will supply a mainframe environment to support services including VME processing platforms, strategic consultancy and new product releases while enhancing service for 4 million Virgin Money customers through all delivery channels.

Manufacturing, Utilities and Services

Fujitsu has been active in the Energy and Utilities sector for more than 30 years, providing application services, ICT infrastructure and business consultancy services throughout the value chain from generation to retail. With Fujitsu's help, Centrica, British Gas's parent company, is able to supply energy to 12million households and over 1m businesses across Britain. In addition, Centrica and Fujitsu's partnership is improving customers' energy efficiency as Fujitsu supplies Centrica surveyors and their field sales force with some 800 Tablet PCs to help advise customers on how to save energy and money.

Fujitsu has also worked with BP to remodel their service desk system, enabling BP to deliver support in 14 languages across 30 countries while achieving \$18m productivity savings. These improvements and cost savings allow BP to support 97,600 employees, produce 2.4m barrels of crude oil daily and operate 24,100 service stations worldwide.



Due to significant growth and a recent reorganisation, global infrastructure company Balfour Beatty enlisted Fujitsu to transform its IT infrastructure. The company was looking for increased flexibility and agility, and reduced overall IT spending, for the benefit of the business and its customers in over 80 countries. Under the terms of the multi-million pound, five-year contract, Fujitsu will host and manage the company's data in a shared storage environment, using a combination of physical and cloud-based virtual data centres. We will also provide desktop services and support for 14,000 users in the UK, across around 450 permanent locations and 450 temporary sites – supported by Fujitsu hardware. This move will see Balfour Beatty's employees use standardised equipment and receive a much smoother and more responsive support experience.

Fujitsu Innovation and Green Technology

In this section we look at how Fujitsu invests in innovation, and how we are bringing new technologies such as cloud and high performance computing into the mainstream.

The ICT sector can be a major force for environmental improvement on two fronts: what we do internally to reduce resource usage and emissions, and externally in the environmental qualities of the products and service we create. Here we introduce our green technologies and the impact they are having.

Our Research and Development Activities

Fujitsu UK & Ireland invested £34.6m in capital expenditure last year, of which around £10.6m was channeled into research and development. We aim to ensure Fujitsu remains at the forefront of innovative, state-of-the-art technology solutions. Globally, Fujitsu innovations have resulted in more than 100,000 patents.

Fujitsu Laboratories is the central pillar of Fujitsu Group's R&D strategy, with a history of important scientific discoveries and technological innovation. Since 1990, the UK has been the headquarters of Fujitsu Laboratories European Subsidiary, Fujitsu Labs Europe (FLE). FLE partners with research institutes and universities in projects as diverse as using cloud technology to enable wireless networks to better cope with high data traffic, to using high performance computing techniques to predict the effect of pharmaceutical drugs on an individual's heart rhythm.

Leading academics, visionaries, executives, strategists and public sector leaders were brought together at the Fujitsu Innovation Gathering earlier this year in Ireland. This event provided a unique opportunity to discuss the next stage of development for big data, cloud and high performance computing.

Every year, Fujitsu hosts one of the largest IT events in Europe, Fujitsu Forum, bringing together 15,000 IT professionals and showcasing our latest technology solutions and services. On a global level, the Fujitsu Research Institute organises a series of global conferences called the Topos Conferences, which focus on major socioeconomic issues and opportunities, and which attract globally recognised industry leaders as speakers. The fifth of these events will take place in the UK, on the connected themes of the aging population and Smart Health.



Innovative Technology

Over the past decade, Fujitsu has created the industry's broadest portfolio of cloud solutions and services. This portfolio underpins our vision of how cloud will transform business and society, both today and in the future. Cloud computing offers a fundamental and far reaching change in the way ICT is sourced, delivered and managed. It enables the user to access computing and data storage capabilities without investing in their own infrastructure or training new personnel. Running a business application in the cloud, rather than on-premise, is also a significant way to cut energy use by serving more customers at the same time. For over a decade, Fujitsu has been working hard to develop cloud computing models, so that a flexible range of application types can be offered to different users. Globally, our investment in developing cloud technology has now surpassed \$2bn.

Use of cloud computing fits well with the Government's Digital by Default strategy and the European Commission's Digital Agenda for Europe. The latter initiative aims to reboot Europe's economy and help citizens and businesses to get the most out of digital technologies, and advocates moving public services to cloud.

Fujitsu supports a number of public sector customers and offers a framework for the delivery of shared ICT service which currently supports three major Government departments. The service incorporates data centre hosting and virtualisation onto cloud platforms. We have reduced carbon emissions for one department from a peak of 311 tonnes of CO₂e in 2009 to 181 tonnes in 2012, but the real benefits come when data centre virtualisation acts as an enabler for other areas of the ICT service.

The overall emissions for the whole service, incorporating client device support, have seen an even starker saving. By investing in cloud platforms and the use of thin client technology, our customers have realised a reduction in energy consumption and carbon emission from 666 tonnes of CO₂e in 2008 to 310 tonnes in 2012. Fujitsu continues to look at ways to assist government customers reduce their energy consumption and carbon emissions further, thereby contributing to their Greening Government Commitments.

Fujitsu is using cloud technology to reduce energy use dramatically at a global construction and consultancy firm. We worked on a programme to retire old legacy servers, many running a single application each, housed in less efficient data centres. By virtualising these applications on to the cloud platform within one of Fujitsu's state of the art, energy efficient and resilient Tier III data centres and retiring redundant servers, we improved efficiency and were able to make estimated energy and carbon emission savings of 55% for this customer.

High Performance Computing

Fujitsu is enabling advances in physics and biology through our High Performance Computing (HPC) centre in Glamorgan University. We have also embarked on a strategic research collaboration project with HPC Wales, designed to promote the uptake of HPC in Welsh industries of priority to the Welsh Government. As part of the supercomputing-based research collaboration, seven PhD studentships have been established in computational science at Welsh universities. HPC Wales can now offer HPC capabilities to SMEs around the country, enabling them to become more competitive and bring products to market faster.

"Fujitsu [is] still best in class in terms of a savings goal with evidence of a solutions investment strategy that will allow it to realise its ambition [...] Fujitsu is the leading company in terms of establishing ambitious and detailed goals for future carbon savings from its IT solutions."

- Greenpeace, April 2013
Leaderboard

Green Technology

The technology and IT sector has great potential to transform energy use and drive a significant reduction in emissions. We work with clients across UK and Ireland, including Government, to increase energy efficiency and move to a lower carbon economy.

Our consumer products meet the latest Energy Star standards, with an increasing number meeting our own Super Green Products standard. Our Zero Watt Monitor, PC, Server and Notebook AC Adapter are all world firsts.

Data Centres

Data centres traditionally consume huge amounts of energy. Data centre energy consumption is a significant issue within the technology sector, which requires close management. Fujitsu is committed to using energy efficient technology wherever possible in our operations and our data centres reflect this commitment. For example, Fujitsu's London North Data Centre incorporates high efficiency power and cooling equipment that nearly doubles the efficiency of previous generation data centres.

Carbon Footprinting for ICT

Fujitsu is part of the steering group and are co-authors of the GHG Protocol Product Life Cycle

Accounting and Reporting Standard for ICT Sector Guidance, which is going through final review and is soon to be released as an official methodology for measurement/calculation of the carbon footprint of ICT services. Using the principles of this methodology, we are able to offer carbon footprinting services to our customers, who often have strict targets on measuring their ICT carbon footprint and who require it to be based against an existing methodology.

Fujitsu has also used this approach to assist major customers in Central Government departments, for whom we have halved calculated carbon emissions over a four year programme. Local government authorities such as Highlands Council have also benefitted from our carbon footprinting approach for their entire ICT estate, enabling a crucial understanding of their emissions and allowing a reduction in line with Central Government Greening Government Commitment targets. We are at the forefront of this growing field of interest.

Fujitsu has consistently ranked in the top five of Greenpeace's Cool IT Leaderboard, which analyses IT companies' responses to the challenges of climate change. This year we achieved the fourth highest score and placed first in the category for IT climate solutions.

Fujitsu has partnered with Lloyds Banking Group, the largest retail bank in the UK with 104,000 employees, to audit the existing IT infrastructure and identify which servers could be consolidated or decommissioned. The complex project will result in total annual energy savings of over 7 million kilowatts hours (kWh), and 3672 tonnes of CO₂. This is equivalent to the CO₂ emissions produced by 1,183 cars or the electricity consumption of 1,277 houses annually. Additionally, Fujitsu's policy of reuse and recycle delivers further one-off savings, equivalent to removing a further 62 cars from the road and electricity to power 448 homes. This sustainability programme, with Fujitsu as the primary partner, won Lloyds Banking Group the Green IT Initiative of the Year Award at the 2012 Financial Services Tech Awards.

**Fujitsu's Engineering Services
Established and Set Up in May 2012**

Fujitsu Services Engineering Services Limited (FSESL) is a subsidiary of Fujitsu Services which supplies technical IT resources exclusively to Fujitsu UK & Ireland operations. Fujitsu's decision to commit our own engineering support resources, rather than outsource, gives us improved control over the quality of the service and our clients' experience. The engineering services operation has provided nearly 300 entry level roles in the ICT industry since its creation and is currently growing.

It offers opportunities for young people, with 41% of the workforce between the ages of 20 and 29, and uses Jobcentres to target candidates. The workforce benefits from an average of 11 customised training days per employee, of which at least 70% are dedicated to technical skill development. Our engineering services operations also aligns with Fujitsu's overall environmental strategy through its fleet of 150 green vans, which are the lowest in their class for carbon emissions.

**Multiple award
winning data centre**

- 2011 Gold Operational Sustainability certification (The Uptime Institute) (first in Europe)
- 2010 Future Thinking & Design Concept, Winner, Data Centre Leaders Awards
- 2008 Innovation in the Mega Data Centre, Winner, Data Centre Awards 2008
- 2008 Tier III facility certification (The Uptime Institute) (first in Europe).



Internal Environmental Performance

As well as implementing energy saving solutions for our customers, Fujitsu is committed to the reduction of its own carbon footprint. We scored 100% across five separate measures of our climate change impact in BITC's independent assessment for the corporate responsibility index, as well as 100% across all measurements of our resource use.

We have had the Carbon Trust Standard for four years, a standard awarded to organisations that show an absolute carbon reduction year-on-year and can demonstrate good carbon management procedures. We plan to reduce annual CO₂ emissions from our building portfolio by 11.5% over the next two financial years, using a baseline of FY2011/12. As of 1st April 2013, our electricity is 100% renewable grid supplied electricity. We have reduced our electricity usage by 11.2% since FY 2010/11.



Fujitsu Services	FY 2010/11	FY 2011/12	FY 2012/13	Percentage Change**
Total CO ₂ e(t) Emissions Excluding Rail	93,495	87,051	82,863	-11.4%
Energy CO ₂ e(t)	79,546	74,866	71,043	-10.7%
All Travel CO ₂ e(t) Excluding Rail	13,949	12,185	11,820	-15.3%
Electricity kWh	128,877,650	122,501,407	114,448,802	-11.2%
Renewable Energy	0%	31%	93%	93%
Gas kWh	15,867, 262	12,791,646	17,322,104	8.4%

* Gas usage is for heating purposes only and is therefore dependent upon annual temperature variation.

** Percentage change from FY 2010/11 to FY 2012/13.

Ninety-five percent of our gas is now delivered through smart metering, which allows for accurate billing and data, enabling us to identify and eliminate any wastage. Water consumption is being made more efficient and easier to analyse by our installation of smart water metering across UK & Ireland offices this year. Solar panels for a local UK office are in the final planning stage and will allow onsite renewable energy generation, with 50kW capacity of Photo Voltaic power expected to be installed by the end of March 2014.

Our telecommunications subsidiary FTEL's carbon footprint and resource use have also significantly reduced in recent times. Total carbon emissions have been cut by 15.3%, and electricity use by 16.5%, since FY 2010/11. At one site, FTEL have decreased water usage by 21.8% over the last five years.

Reducing environmental impact by phasing out waste to landfill and setting ambitious recycling targets are crucial to our being a responsible and sustainable organisation. The total waste produced by Fujitsu in the UK in 2012 was 1,728,401 kg, representing a 14.2% reduction in annual waste production since 2008. We recycled 90% of our waste produced in 2012, a significant increase of 27.6% compared to 2008. The majority of Fujitsu UK sites achieved 100% recycling, with no waste to landfill, in the year 2012, and we are working hard to ensure all remaining UK sites reach this target during 2014.



Corporate Social Responsibility

"I was privileged to be selected to work as a Fujitsu Business Connector for 12 months in the city of Salford. During this time, I worked to connect businesses and charities across the city in order to help social enterprises to grow and create new jobs. I secured thousands of pounds worth of training and professional advice for small business owners, charity leaders and long-term unemployed people and established up to £300,000 pro bono support to construct a new training centre. In addition to being an incredibly rewarding role, this experience has ensured that responsible business practice is now one of my permanent values."

- Kelly Metcalf, Fujitsu

Fujitsu in the UK and Ireland, is committed to being a responsible and sustainable business. Corporate responsibility is embedded in our business practice and we strive to use our expertise and resources to benefit society.

Our efforts have recently been recognised with the award of the Business in the Community (BITC) Platinum level in the Corporate Responsibility Index (CR Index). Business in the Community is an umbrella corporate social responsibility organisation based in the UK and launched the CR Index in 2002. The Index has since become one of the UK's leading voluntary benchmarks for responsible business and is published in the Financial Times during Responsible Business Week. We were first reviewed for the CR Index in 2012, at which point we achieved the Silver award. During the last year Fujitsu has redoubled its dedication to corporate responsibility and received the highest possible award of Platinum with a score of 96%, making significant progress in only one year. Taking part in the CR Index helps us to identify our strengths and work to resolve any gaps.



Fujitsu's Work with BITC

Fujitsu has been a member of BITC since 1999 and is heavily involved in many of its campaigns. In particular, we participate actively in:

- **Race for Opportunity:** Fujitsu is a Core Member of this race diversity programme designed to progress opportunities for Black, Asian and Ethnic Minorities in the workplace.

- **Opportunity Now:** an initiative created in 1991 to maximise the potential of female employees and improve their recruitment, retention and attainment of leadership positions. We are part of Opportunity Now's Leadership Excellence Club, meaning that Fujitsu will set standards of best practice in this area, and work with the four other Leadership members to action and evaluate research on gender inclusion in the workplace.
- **Mayday Network:** The Prince's Mayday Network was set up in 2007 to urge businesses to move to a more sustainable model and combat climate change. Fujitsu's membership means we work towards and annually report on the Mayday Network targets of carbon, waste, water and travel reduction, as well as engaging employees in sustainability concerns and transforming our business vision.
- **Business Class initiative:** This Government-endorsed programme enables long term partnerships between schools and businesses, providing a structure for continuous support of disadvantaged young people. Fujitsu UK was one of the first businesses to join the initiative, and we are currently linked to a school in Basingstoke.



Business Connectors

As part of our close relationship with BITC, Fujitsu has been proud to pioneer the BITC Business Connectors programme, which seeks to place high-performing employees in communities of greatest need to build partnerships that tackle local issues. We initially placed two of our own connectors for one year into communities in 2012, and during 2013 we have upped this number to five of our own employees. We are also the technology partner to BITC for this programme and use our expertise to create a cloud-based social network for the seconded business connectors, allowing all connectors to share their experiences and information.

Shelter

Our Partnership with Shelter

Fujitsu has undertaken a two year partnership with the UK's leading housing and homelessness charity, Shelter. The current economic climate is increasingly forcing people to seek Shelter's support and advice to avoid losing their homes and to help them deal with housing difficulties. With 3.9m British families potentially just one pay cheque away from losing the family home, this is truly a critical time for the housing charity. Fujitsu's support will allow Shelter to better achieve its ambitious three year strategy, which aims to help more people in need than ever before.

Since the beginning of the partnership last year, we have contributed over £353,000 to the Shelter partnership - over £200,000 in cash and £153,000 in pro bono services and equipment. We have successfully engaged a large proportion of our workforce, bringing people together at charitable events such as Vertical Rush - a Shelter-led challenge where participants endure 42 flights of stairs to reach the top of one of London's most iconic buildings. Fujitsu entered a team of 300 participants - the largest corporate team ever entered - and also celebrated having the highest fundraiser, fastest female and fastest male runner overall. Team Fujitsu contributed a quarter of the total money raised from the event. The Give an Hour scheme encouraged employees to donate one to three hours' pay to Shelter, and received an enthusiastic response, with £13,147 raised over two weeks. Most recently we celebrated the one year anniversary of our partnership with Shelter by holding a 'Fujitsu Fete' at two of our largest sites, Bracknell and Manchester. The day was planned and executed by the 2012 Graduate cohort as part of their learning and development programme and the event raised an outstanding £16,000.

Our core expertise in ICT enables us to make the partnership about more than just money, and a key objective in our joint strategy is to help increase the capacity of Shelter's website and helpline, as well as bringing digital capabilities to the Shelter shop network. We are currently working on a number of IT initiatives, one of which is the integration of new generation tills in store that will provide WiFi and Gift Aid capabilities. These new tills would enable Shelter to stock check more efficiently, as well as increase individual donations by 25% through Gift Aid.



Children in Need

Children in Need helps support and protect disadvantaged children and young people in the UK. Fujitsu has supported the cause corporately since 2011 and in 2012 we raised over £50,300. Support of the charity has been met with a fantastic response from employees, who come together to raise money through activities across the UK and Ireland. In 2012, in addition to fundraising, we supplied the call centre for the televised BBC Children in Need event with 200 Fujitsu employees volunteering and taking donations of £63,207 throughout the night. Following this huge success, Fujitsu pledged to host another call centre in November 2013 as part of our support for this year's campaign.



Payroll Giving

Payroll Giving is a Fujitsu scheme which enables employees to make tax-free donations to a charity of their choice. This method means there is no administration fee for the charity and our employees can donate significantly more than if the donations had been made via conventional direct debit methods. In 2012, Fujitsu UK & Ireland employees donated over £174,000 to their charities of choice via Payroll Giving. Some 6.6% of our workforce currently use the scheme.



Prince's Trust

Prince's Trust

Fujitsu has been a proud patron of the Prince's Trust for five years. The Prince's Trust is a youth charity that offers practical and financial support and has helped over 700,000 young people since 1976. In particular, the charity works with 13 to 30 year olds who have struggled at school, been in care, are long term unemployed or have been in trouble with the law. More than three in four young people who the Prince's Trust helped last year moved into work, education or training.

The charity's work is extremely important to the UK economy, with youth unemployment costing the UK economy £10m a day in lost productivity and youth crime costing £1bn each year. Fujitsu recognises the crucial role of the Prince's Trust by not only providing major financial support, but also contributing in a number of other ways. Our CEO, Duncan Tait, sits on the Technology Leadership Board of the charity to provide expertise on how technology can help meet the Trust's goals. Meanwhile, our own employees volunteer and run an in-house training programme to help disadvantaged young people with CV and interview skills workshops. There have been 25 of these workshops so far, with around 300 young attendees.

Fujitsu's Employee Volunteering

Through our regional Impact on Society (IOS) groups, employees can support their local community by sharing their time, energy and talents through volunteering, and request Fujitsu funding to support charitable activities. These initiatives have raised over £42,827 for various charities. Events have included: swimming the distance of the Channel and back; helping adults with learning disabilities to take part in local community activities; and injecting £900 into a Scottish academy's efforts to support a school in Malawi. IOS Northwest works closely with Education Business Solutions (EBS) to help deliver enterprise challenges, mentoring, skills assessment and other stimulating sessions for school children in the Greater Manchester area. EBS awarded us an Employer Award in recognition of the hard work of Fujitsu volunteers working with EBS.

CSR at FTEL

Fujitsu also runs Social Action centres on local charities and community action in the areas where it operates. Events have included funding and building a cycle track for a local school, a Fujitsu organised bike ride of over 80 employees for the British Heart Foundation, and an event for Ambitious about Autism. The social action we take always includes tangible and directly attributable outcomes, so we are pleased to have funded greater availability of defibrillators in the local Birmingham area and provided facilities and equipment at a school for children on the autistic spectrum.

Fujitsu Forward

It's in the nature of a report like this to look back. But the achievements, relationships and structures described in this report also act as foundations for Fujitsu's forward development.

In our core technology disciplines, we prioritise continuous improvement, feeding everything we learn into the development of our services. This means our customers, partners and people benefit as soon as possible from our learning. The same rationale applies to all our activities. So the green technologies we develop today will become even more effective, our personal and team development programmes will evolve in the light of new insights and challenges, and our business practices will continue to achieve new levels of transparency, efficiency and effectiveness.

Fujitsu - its people, its ideas, its experience - is woven into the fabric of our society. We've been around for a long time, supporting our customers in bad times as well as good. We know that if you're serious about helping to make the future better for us all, you can't turn that commitment on and off when it suits. In presenting this overview of Fujitsu's activities in the UK and Ireland, we are recognising - with pride - our stake in the communities we serve.

"Big organisations like Fujitsu have a lot of power, a lot of clout in terms of the procurement they do, the goods that they buy, they're big players in the market. Therefore, if they do their business in a different way, they can have a really big impact. But I also think it's important because it says to the world at large that big responsible companies like Fujitsu think that this is an agenda worth pursuing and that helps to gather a sense of momentum behind all of this exciting work and I think that it's given us a big push here. That's why I'm personally very grateful to Fujitsu for standing up and being counted."

- Hazel Blears MP



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