



Australia and New Zealand Responsible Business Report

2017 – 2018





Executive summary

I am pleased to present the first Responsible Business Report for Fujitsu Australia and New Zealand. It is an exciting step in being transparent about our business activities, more accountable for our performance, and more engaged with customers, employees, partners, and society.

It represents the start of an ongoing conversation with our stakeholders about what we do and how we do it. Our vision is to create a prosperous, sustainable future, and we have made it our global mission to help create a 'human-centric society'. That is, to harness the power of information and communication technology (ICT) innovations and solutions to benefit society as a whole.

To Fujitsu Australia and New Zealand, being a responsible business means investing in a diverse, safe, and engaged workforce, adding value to the communities in which we work, ensuring high ethical standards in our value chain, and being a leader in sustainability. As one of the largest ICT companies in the region, we have a big role to play.

Leading in environmental sustainability

In 2008, we set rigorous sustainability targets to achieve by 2020. We've made large strides in creating energy-efficient data centres and reducing our carbon dioxide equivalent (CO2e) emissions from our offices and from business travel. Fujitsu is the only data centre provider to have the entire portfolio NABERS rated. Our data centres are 33 per cent more efficient than the industry average, creating both economic and environmental value for our customers.

In 2017, Fujitsu President Tatsuya Tanaka launched the Fujitsu 2050 Climate and Energy Vision, outlining Fujitsu's global commitment to creating a prosperous, low-carbon future with our customers, and to being a net carbon zero business by 2050. Furthermore, we procure renewable energy for our New Zealand operations, but we have a way to go to meet our renewable 2020 target of 20 per cent for the entire region.

Fujitsu is conscious of the environmental impacts of our products throughout the lifecycle, from design through to end of life. This year, we recycled more than 380,000kg of eWaste, the region's fastest growing waste stream. Our Smart eWaste bin, which uses the Internet of Things (IoT) and process automation technology to simplify the collection of eWaste from our customers, shows both our innovative technology and our leadership in ICT sustainability.

Our commitments to our community

Fujitsu is dedicated to playing an active role in the community, and is proud to celebrate its partnerships with Camp Quality and Soldier On. By contributing time, money, and skill, we support the important programs and services they deliver today. Through our work with the Young Enterprise Trust in New Zealand, we encourage a brighter future of work by nurturing entrepreneurial young talent.

We also continue to support and progress digital inclusion, with projects such as Eddie's Fresh Food store for St Edmund's College and the Bawurra Foundation's Indigenous digital learning libraries.

Pressing for progress on diversity and inclusion

We are committed to developing a diverse and enabled workforce from the widest talent pools. Last year we recruited 45 new graduates and increasing to 80 next year. Like the ICT industry as a whole, we at Fujitsu know we have a gender imbalance and not only need to recruit more women, but support the pipeline of women entering the industry by supporting STEM pathways. I'm proud to be a Male Champion of Change, and of the changes Fujitsu has made this year to support our goal of being a more inclusive employer.

The launch of Fujitsu's first Reconciliation Action Plan (RAP) in February this year at our head office in Sydney was an opportunity for us to reflect on our ability to contribute to a more reconciled, equitable, and prosperous Australia. This launch was an event of great pride and significance for our employees, and I look forward to continued progress.

Improving wellbeing for our people

We're working on a plan to make wellbeing a priority. We have rolled out agile working across most of the region, bringing a host of wellbeing improvements for staff as well as improving collaboration. Importantly, Fujitsu is also increasing mental health awareness, preparing training for all our people managers beginning in the latter half of 2018.

Working with our value chain

Our suppliers and partners are important to our business. We have made our first commitments to increasing procurement from Indigenous-owned businesses, and are members of Supply Nation. Globally, Fujitsu Group has upgraded its responsible procurement code of conduct and policies on conflict minerals. This year, we engaged our largest suppliers in compliance practices and we're preparing for the much-anticipated Modern Slavery Act in Australia.

Delivering for customers

We strive to create a responsible and sustainable organisation and to work with our customers to help them through digital co-creation. From smart cities to biodiversity protection, co-creation is how Fujitsu will partner with customers to deliver value to them and to society as a whole.

Fujitsu is committed to help deliver on the UN Sustainable Development Goals. We believe that digital co-creation is the fastest, most effective route to innovation and growth that will help to meet these common global targets.

During this reporting period, our responsible business efforts were recognised as an ABA100 Winner of the Australian Business Award for Sustainability and ABA100 Winner of the Australian Business Award for Eco-Innovation (2017) awards. Our report, SMARTer2030: The Australian Opportunity for ICT-Enabled Emissions Reductions, was a finalist at the 2017 Banksia Awards. At a global level, Fujitsu was again included on the Dow Jones Sustainability Indices (World, Asia Pacific) and received an A Grade from the Carbon Disclosure Project (CDP) in relation to both carbon and water sustainability.

This report reflects our efforts to run our business responsibly to address the pressing social, environmental, and economic issues we face as a society. It shows the milestones we have achieved and the details of our journey to date, while acknowledging the challenges we still face in some areas.

Thank you for taking the time to read this report and learn more about Fujitsu. We welcome your feedback and comments.



Mike Foster
CEO



Highlights:

NABERS-rated data centres

Smart bins for eWaste

Agile and enabled workforce

Reconciliation Action Plan

Two-year charity partnership with Camp Quality

Support of veterans through Solider On

Future challenges:

Renewable Energy

Gender balance of the workforce

Wellbeing initiatives for employees

Setting targets across all of the responsible business pillars



Contents

Executive summary	3
1. About Fujitsu in Australia and New Zealand	6
2. About this report	9
3. Our changing world: megatrends in focus	10
4. What matters most?	12
5. Environment	16
6. Moving to a circular economy: our product sustainability	22
7. Community involvement and development	30
8. Diversity and inclusion	36
9. Wellbeing	42
10. Operating practices	46
11. Co-creation for impact and the Sustainable Development Goals	52
Conclusion	58
References	59



1. About Fujitsu in Australia and New Zealand

We use our skills, experience, and the power of ICT to positively shape the future of society with our customers.

Fujitsu in Australia and New Zealand at a glance

- Fujitsu is one of the largest ICT companies in the region.
- More than 4,500 staff across Australia and New Zealand.
- Over 45 years of IT service provision in our region.
- Six NABERS-rated energy-efficient data centres in Australia.
- More than AU\$1.1bn in revenue.
- More than 1,000 active customers.
- Japanese heritage and global presence.

Fujitsu is a leading provider of business, information technology, and communications solutions and services in Australia and New Zealand (ANZ). As one of the largest ICT companies in the ANZ marketplace, we work closely with our customers to consult, design, build, operate, and support business solutions. Fujitsu has supported businesses large and small for longer than 45 years and has more than 1,000 active customers across all areas of business in the region, including: finance; government; healthcare; justice; manufacturing; retail; telecommunications; transport; distribution; and utilities.

Our services touch the lives of all Australia and New Zealand citizens every day. Through our partnerships, Fujitsu directly or indirectly delivers services that play a role in making everyday life better for all.

We:

- provide services to a number of healthcare organisations, helping them provide the highest quality of care to the Australian public
- supply crucial services to help to protect ANZ borders and manage biosecurity risk
- help people to fill up their vehicles and provide fuel security through delivering services to leading fuel suppliers
- assist in cash withdrawals by providing key services to a multitude of financial providers
- help power the nation and provide clean water by servicing many of Australia and New Zealand's key utility providers
- manage point of sale technology and other essential services for some of the region's largest supermarkets and retail brands
- support law and order across the region in many forms from worker safety to emergency services.

We turn companies into digitised businesses, unleashing creativity from their people along with insight generation and quantum gains in efficiency through cloud computing, big data, and mobility solutions. At Fujitsu, we call this human-centric innovation.



Finance



Retail



Health



Defence



Utilities



Government



Transport

We spend around AU\$500m annually with more than 3,500 supply partners, and seek to work with those who have sound social, environmental, and ethical practices.

Fujitsu New Zealand Limited is owned by Fujitsu Australia Limited. Fujitsu Australia Limited and Fujitsu New Zealand Limited are wholly owned subsidiaries of Fujitsu Limited.

Fujitsu reported consolidated revenues of more than AU\$1.1bn for the fiscal year ended March 31, 2017 in Australia and New Zealand. For more information, please see <http://www.fujitsu.com.au>.

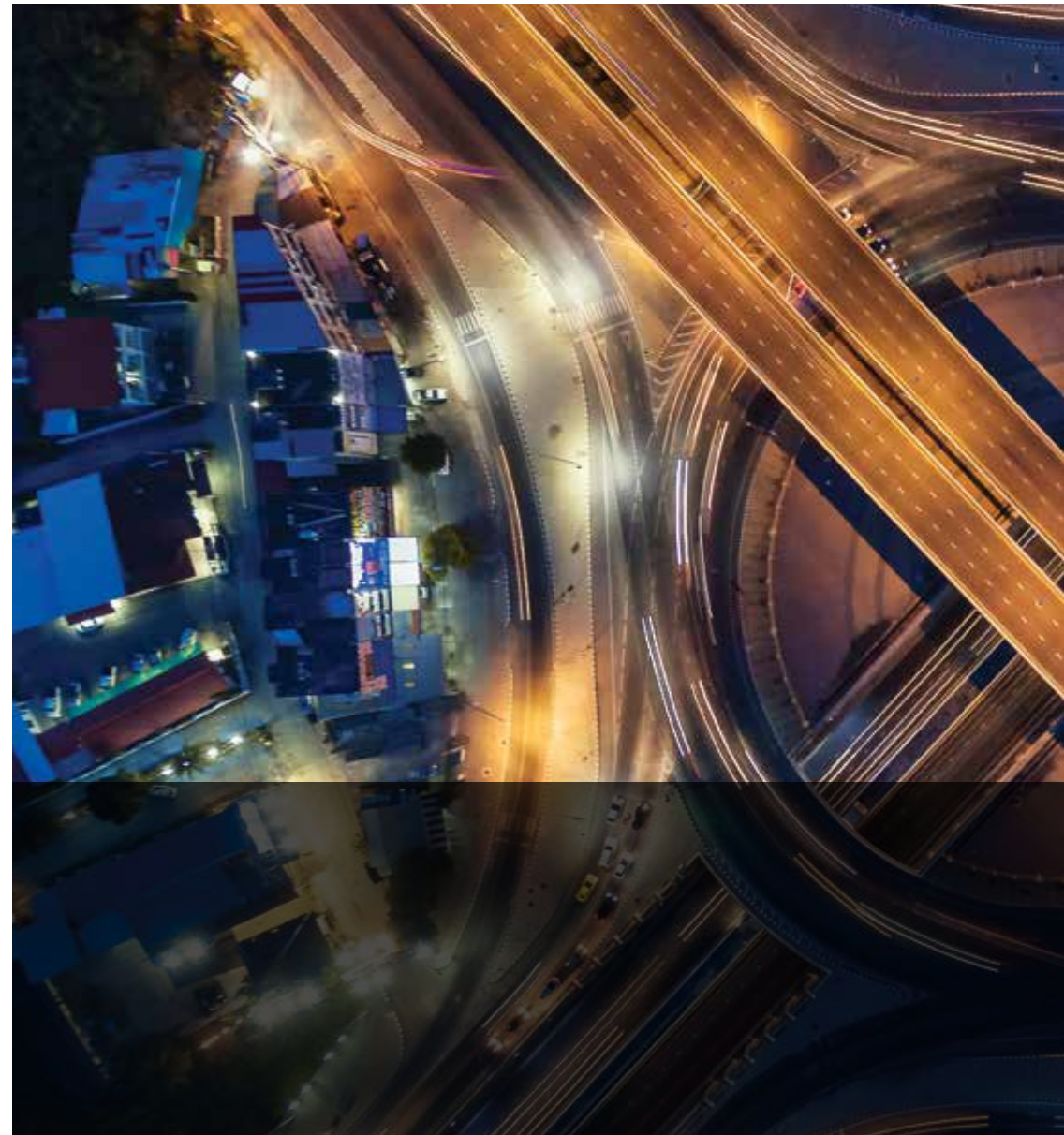
Fujitsu Australia Software Technology (FAST)

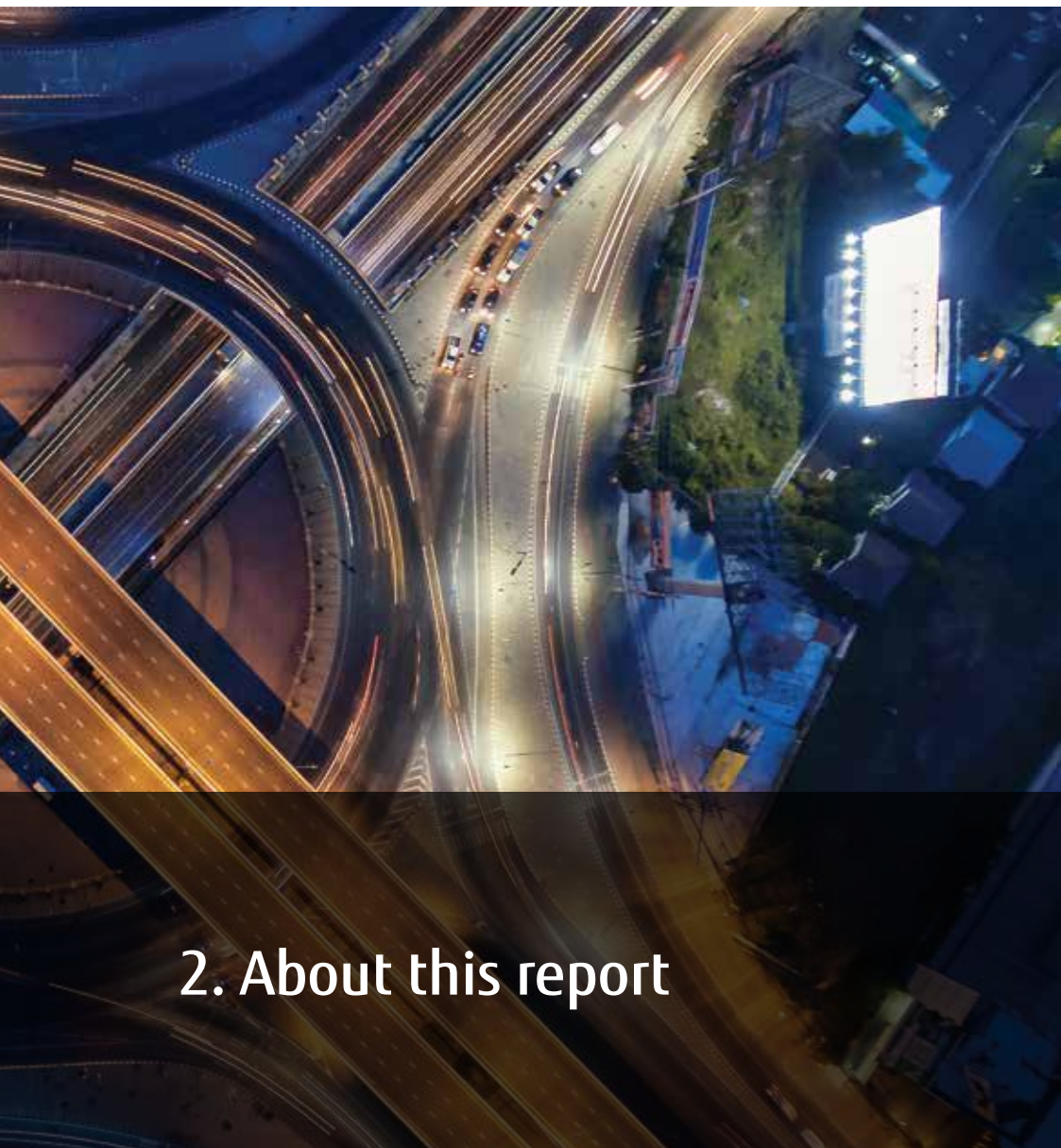
Fujitsu Australia Software Technology (FAST) Pty Ltd is our research and development arm. A global centre for excellence for blockchain, it has the vision, capability, and technical pedigree to create information technology solutions that deliver real business benefits for customers. Established in 1989 by Fujitsu Limited, it was the first Fujitsu software development company to be formed outside Japan.

Fujitsu Group

Fujitsu Group is a provider of ICT solutions worldwide, operating in more than 100 countries. Founded in Japan in 1935, Fujitsu has a long tradition of respecting the environment and caring for the wellbeing of all people in our society. Fujitsu is the world's fifth-largest IT services provider and No.1 in Japan. Listed on the Tokyo Stock Exchange, as well as the Nagoya exchanges. FORTUNE named Fujitsu as one of 'the World's Most Admired Companies' for the fifth consecutive year. It has company revenues in 4,098.3 billion yen per year, over 140,000 employees and spends over 158.6 billion yen on research and development expenditure.

Fujitsu is a full-service provider of information technology and communications solutions, offering a complete range of technology products, solutions, and services, from strategic consulting to application and infrastructure solutions and services.





2. About this report

This is the first responsible business report covering Fujitsu entities across Australia and New Zealand. Throughout this report, those three entities are referred to as Fujitsu.

Fujitsu corporate governance cascades from the company's global head office in Japan and global policies and procedures. Localised systems and processes are put in place to adhere to global standards while being appropriately tailored to domestic circumstances. Where the global operations are referenced, this is referred to as the Fujitsu Group.

Fujitsu has a longstanding history of environmental stewardship and community engagement. This year marks the 10th year that Fujitsu has actively worked towards its sustainability ambitions, demonstrating the maturity of our approach.

The contents of this report correspond with our financial year: April 01 2017 – March 31 2018. Each section includes key statistics, case studies, and ambitions in our 'future challenges' section.

This report has been prepared with reference to corporate social responsibility (CSR) reporting frameworks including the Global Reporting Initiative (GRI). The Fujitsu Group CSR and Environment reports are produced following GRI Standard guidelines, a global reporting framework for responsible business disclosure.

The report has been prepared with the assistance of third party advisers. Our carbon emissions data scopes 1 & 2 are externally assured as part of our obligation under the NGERs scheme and our overall environment program is certified under the ISO 14001 Environmental Management Standard.



3. Our changing world: megatrends in focus

To make sense of our responsibilities as a business, we must understand the context of the global challenges we operate in, along with how we can respond to these and make sure our customers and communities are also prepared for an ever-changing world. Globally, Fujitsu Group has been working to understand the megatrends that will affect our business and society at large.ⁱ We believe the following megatrends are most pertinent to our business and stakeholders in terms of the value we can add in contributing to these challenges within our region.

Our changing population and the future of work

Globally, the population is expected to rise to 9.6 billion by 2050, from seven billion today. By 2050, there will be two billion people aged 60 or older, making up 22 per cent of the population.ⁱⁱ The trend will see a shift in the working population and also the types of work available. The workplace will soon see four generations of employees in the office, which will create a cultural shift and a need for creative and collaborative environments. Management will need to adjust significantly.

The future of the workplace is a much-discussed topic with no clear answer. While some studies have said approximately 30 per cent of workers worldwide could be displaced by 2030 due to artificial intelligence (AI), many others say that AI will simply change the workforce structure.ⁱⁱⁱ Following Fujitsu's vision of human-centric technology, we will strive to employ automation that will let workers contribute quality input to the work, and increase personal happiness and freedom.

Part of our strategic vision is to enable a connected and agile workforce with space for collaboration, creativity, and engagement, to have an exciting employee experience.^{iv}

Low carbon growth on a resource-stressed planet

In December 2015, world leaders gathered at the COP21 in Paris to settle on a universal agreement on climate change. Leaders realised the need to decouple carbon emissions from economic growth and that innovation and technology are key to achieve this.

Fujitsu and Telstra developed the SMARTer2030: ICT Solutions for 21st Century Challenges report in response to the 2015 Global e-Sustainability Initiative (GeSI) and look at global opportunities in the Australian context. The report details how we can use ICT to address a range of sustainability issues, particularly improving energy efficiency and transitioning to low-carbon growth.

SMARTer2030 examines eight industry sectors and how existing ICT solutions impact each sector, and shows that ICT also has the potential to reduce emissions by more than 20 per cent annually by 2020 (compared to 2006 levels).^v

Between 2012 and 2025, global waste generation is expected to nearly double to 2,216 million tonnes.^{vi} It's important to note that, of all the waste streams, waste from electrical and electronic equipment containing new and complex hazardous substances presents the fastest-growing challenge in both developed and developing countries.^{vii}

In 2050, more than 50 per cent of the world's population will live in water-stressed area. This presents a huge risk to predicted growth for developing economies.^{viii}

Rapid urbanisation requires smart cities

More than half the world's population lives in urban areas. On average, 60 per cent of the world population is likely to live in cities in 2030, ranging from 81 per cent in developed countries versus 56 per cent in the developing world. This will create pressure on social infrastructures.^{ix} Rapid urbanisation, population density, energy demands, and public transport investment means cities need to be redesigned, including the opportunity to develop smart cities.

A smart city is not just about technology and data application, but using it to drive economic and sustainable growth, managing energy, resources, and services better, and accelerating innovation. Ultimately, it's about improving the lives of people, creating human-centric technology to improve quality of life and living.

Big data and security

The digital landscape is rapidly advancing, so introducing new ways of storing and managing data responsibly has now become a significant issue. Data has become a valued commodity that can drive economic growth.

By 2020, it is estimated that the accumulated volume of data will increase from 4.4 zettabytes in 2013, to roughly 44 zettabytes, or 44 trillion gigabytes. If this was represented by 128 GB tablets in a stack, then in 2013 it would have stretched two-thirds the way to the moon. By 2020, this would look like 6.6 stacks from the Earth to the moon. Originally, data scientists maintained that the volume of data would double every two years, thus reaching the 40 ZB point by 2020. That number was later increased to 44ZB when the impact of IoT was considered.^x

IoT could connect as many as 28 billion 'things' to the Internet by 2020, ranging from bracelets to cars.^{xi} Through IoT, data is being generated faster than ever before, which is much more than we can comfortably deal with by conventional analysis techniques. AI can potentially take this data and help us to make sense of it, and help us to make more informed decisions.



4. What matters most?

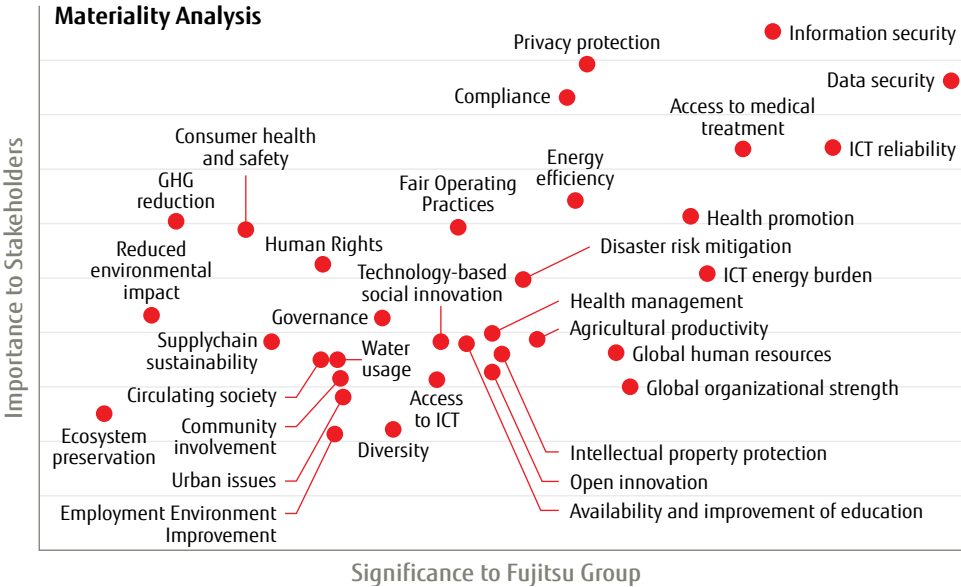
Understanding what our stakeholders want and expect from us as a responsible business is paramount to helping us prioritise material issues. The principle of materiality helps us focus resources, strategy, and reporting on sustainability issues that are most significant to both commercial success and stakeholder priorities.

Table 1: Stakeholders and sustainability/responsible business drivers

Stakeholders & Sustainability Drivers	
Global	<ul style="list-style-type: none"> • Fujitsu Group has a strong commitment to sustainability and responsible business • Fujitsu Group has established challenging sustainability targets • Fujitsu has reflected this global commitment and has taken a leadership position on business responsibility
Physical environment and science	<ul style="list-style-type: none"> • Mounting evidence of climate change is a lead indicator for the above drivers • Over time, shortages of non-renewable resources will create impacts across the entire economy • The IT sector and IT data centres are responsible for significant and increasing emissions due to electrical energy consumption • New data on Australia and New Zealand's performance against the sustainable development goals shows a need for business leadership and collaborative action
Customers	<ul style="list-style-type: none"> • Our customers have a growing interest in sustainability • Our strategic vision includes our ambition to lead the market in customer satisfaction and corporate responsibility
Suppliers	<ul style="list-style-type: none"> • There is an increasing supply of products with green credentials which our suppliers are keen for us to incorporate into our solutions • There is a rise in the awareness and use of social procurement
Regulation	<ul style="list-style-type: none"> • Increasingly-demanding regulation to constrain emissions and raise energy prices • Introduction of Modern Slavery legislation in Australia • Proposed Carbon Neutral Bill 2050 in New Zealand
Our people	<ul style="list-style-type: none"> • Key leadership team believes sustainability is good for business • Key leadership team believes we should drive responsible business for our employees, suppliers, and customers • Engagement survey results show strong (80 per cent) support for Fujitsu's pursuit of its sustainability goals
General public	<ul style="list-style-type: none"> • The general public sees IT as a significant part of the climate change problem • Increased awareness of issues in the electronics supply chain such as eWaste, modern slavery, and conflict minerals

Globally, Fujitsu has conducted a materiality assessment in line with the Global Reporting Initiative's G4 Sustainability Reporting Guidelines (Figure 1 below).

Figure 1: Global materiality assessment 2014



Fujitsu has taken the outputs of this global assessment together with the materiality assessment the Global eSustainability Initiative (GeSI) comprehensive analysis for the ICT sector, a Materiality Assessment for the ICT industry, the SMARTer2030 report, and our responsible business framework as a basis to determine which responsible business areas we should focus and lead on.






In September 2016, Fujitsu adopted five responsible business pillars as a framework for our strategy. The five pillars are: environment; community involvement and development; diversity and inclusion; wellbeing; and operating practices. This covers our commitments internally for our people, operations, and supply chain, as well as externally to society and customers.

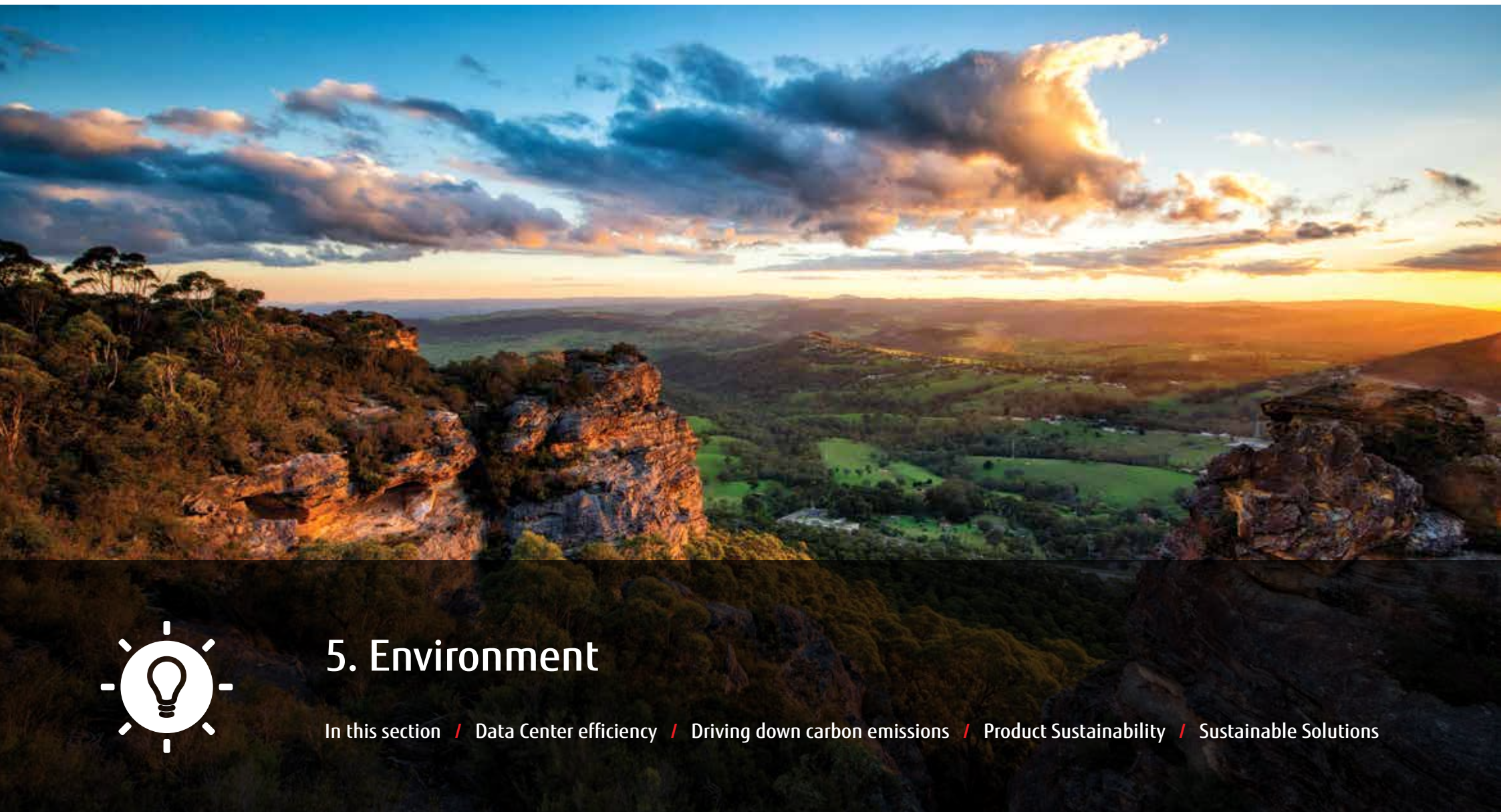
We have assigned responsibility to different business units for stewardship of each pillar, such as sustainability, marketing, HR, legal, and procurement. Governance has been set up around this including a sustainability board, diversity and inclusion council, and a compliance committee.

We now understand the top 10 material issues where we have significant impact or influence, shown below. These issues, and how we are working to tackle them, are covered throughout this report.

Fujitsu will undertake an in-depth materiality assessment with internal and external stakeholders in FY 2018 to attain more granular information and direction following the release of this first responsible business report. We hope to create an ongoing dialogue with our stakeholders and create meaningful partnerships around our material issues.

Table 2: Responsible business framework and material issues

Responsible business framework five pillars			Top 10 material issues
	Environment	We are fully committed to reducing our environmental impact across the scope of our operation and through services we deliver to customers.	<ul style="list-style-type: none"> • Energy efficiency • ICT solutions for a low-carbon world • Moving to a circular economy
	Community involvement and development	We aim to tackle the issues that impact society and contribute positively to local communities.	<ul style="list-style-type: none"> • Digital inclusion and the future of work
	Diversity and inclusion	We are committed to developing a diverse and enabled workforce from the widest talent pools and promote equal opportunities for all.	<ul style="list-style-type: none"> • Gender representation • Aging population
	Wellbeing	We value the importance of our people and strive to promote a positive health culture to enable individuals to feel more resilient and cope successfully with both their personal and work life.	<ul style="list-style-type: none"> • Employee engagement • Wellbeing
	Operating practices	We conduct our business in an open, honest and ethical manner and actively strive to implement anti-corruption practices and socially responsible supply chains.	<ul style="list-style-type: none"> • Data security • Responsible procurement and supply chains



5. Environment

In this section / Data Center efficiency / Driving down carbon emissions / Product Sustainability / Sustainable Solutions

Fujitsu Australia and New Zealand is committed to being a global leader in sustainability

From 2008-2018 – 10 years of Environmental Sustainability Journey

In 2008, Fujitsu was one of the first ICT companies in Australia and New Zealand to set sustainability targets and policies. These were developed in consultation with key stakeholders, best practice, science, and policy and are evidence of our determination to become a truly sustainable company and a leader in the local marketplace. We are proud to share our targets with you and how we've measured up to them as we forge ahead with our sustainability journey.

Table 3: Performance against 2020 sustainability targets at glance

Emission source and target on 2008 baseline	2008	FY 16/17	FY 17/18	% Change since baseline year (2008)
50% reduction office Electricity CO2e (t)	6,584	2,818	2,677	60% reduction
80% reduction travel	6,357	2,815	2,522	61% reduction
Data centre PUE of 1.5	1.94	1.58	1.55	9% improvement
20% of our energy will be from renewable sources	0%	<1%	<1%	

Celebrating 10 years of our environmental journey. Fujitsu is the first and only Data Centre Centre portfolio to have achieved the publically rated NABERS certification.

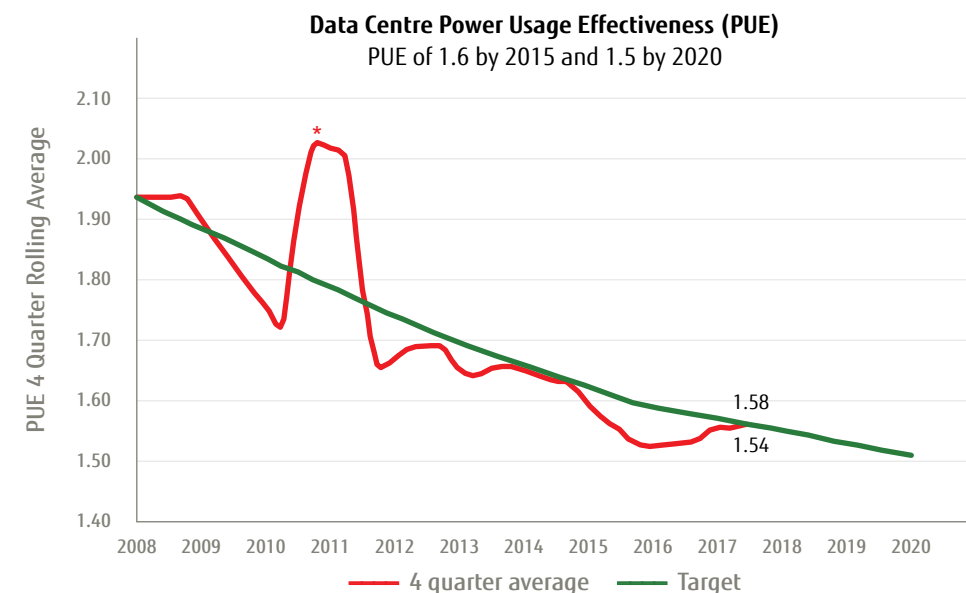
Data centre sustainability

Fujitsu has the first and only data centre portfolio in Australia to have achieved the publicly-rated NABERS certification for its data centres.

For us, sustainability begins with ensuring our own operations are sustainable by focusing on the most material aspects, which are energy and carbon emissions. Our data centres account for 97 per cent of our energy use across the region and have, therefore, been the focus of our energy reduction efforts.

The most common industry measure of data centre energy efficiency is PUE (Power Usage Effectiveness). Developed by the Green Grid, PUE is the ratio of the total amount of energy used by the facility (lighting, cooling etc) to the energy delivered to the IT equipment (servers, network switches etc) within that facility. An ideal PUE is 1.0 (theoretical).

Graph 1: Data centre PUE performance



* New data centre came online.

Data centre efficiency is measured by the percentage change to its baseline power usage effectiveness (PUE), which is an energy efficiency metric derived from the Green Grid.

We have achieved an average PUE of 1.54 across the portfolio, representing avoided costs of more than AU\$10.8M compared with consumption if it had continued at 2008 levels. This shows that we are 33 per cent more efficient than the industry average. Every year, through these efforts, we save over 34 Gigawatt hours of energy and reduce 30,611 tonnes of carbon, which is equivalent to the energy use of 1,700 homes according to the NABERS methodology.

Some of the energy efficiency projects that have helped us to achieve this are the deployment of hot/cold aisle-containment projects across the portfolio, a trial of pre-cooling atomised misting at North Ryde data centre, upgraded misting heads at Western Sydney data centre, and IoT sensor monitoring installs at Homebush and North Ryde data centres.

All of our major data centres in Australia have been rated to the NABERS for Data Centre standard. Fujitsu collaborated with NABERS, the national environmental rating system for buildings, to develop the NABERS Energy for Data Centre benchmarking tools. In a world-first, these tools have provided a platform for data centre energy efficiency to be validated against an independent standard by a qualified assessor. The space in these facilities is rented to organisations including state government departments, airlines, major banks, hospitals, healthcare providers, and universities to host their own IT equipment.

Our NABERS rating program has reached some of the largest data centre users in the country, helping to promulgate knowledge of this important rating tool. The ratings are on a six-star scale, where one star represents very poor performance, three stars represents average, and six stars represents outstanding performance.

Energy Efficiency Council CEO and member of the NABERS National Steering Committee, **Luke Menzel**, has welcomed Fujitsu's commitment to using NABERS to consistently achieve highly-efficient data centres:

"Fujitsu is the first technology company in Australia to certify all its data centres using NABERS Energy. This gives Fujitsu a robust baseline it can use to compare energy performance to the industry average, and monitor progress towards its ambitious energy efficiency targets."

"Fujitsu's leadership is to be commended, and is an example of a business acting to drive big savings, both in terms of energy costs and carbon emissions."

NABERS Energy for Data Centres – 4.5 star average across the portfolio by 2020



Homebush



Noble Park



Western Sydney



North Ryde



Malaga



Eight Mile Plains

AVERAGE
PUE OF 1.54

Gaining a NABERS accreditation for data centres and publishing it assures our customers that, by managing energy consumption, we deliver on our environmental commitments and maximise customer value.

This transparency holds us to account and gives customers a way to easily benchmark the energy efficiency of data centres. Making our NABERS ratings public demonstrates both our genuine commitment and our ambition in ensuring our facilities have market-leading performance.

Water efficiency

Water efficient fixtures have been fitted and retro-fitted across our premises. We are also in the process of installing smart meters across our data centre portfolio to assist in water management. Once we have improved the quality of our data across the portfolio we can review the targets for water reduction.

Other water efficiency measures include:

- rainwater collection for grounds and toilet facilities at the Noble Park data centre, and rainwater collection for grounds at Homebush and Western Sydney data centres
- 70,000L grey water infrastructure at Homebush data centre. The grey water is used in closed-loop chillers for cooling the data halls
- upgrades to heating, ventilation, and air conditioning (HVAC) misting nozzles were fitted at North Ryde data centre and Western Sydney data centre to reduce water consumption
- where Fujitsu buildings have landscaped surrounds, they are planted with drought-tolerant native species to support biodiversity and reduce water consumption.

Office emissions reductions

Fujitsu's energy efficiency initiatives also extend to our offices and other operational premises as part of our target to reduce office energy emissions by 50 per cent by 2020. Since 2012, our goal has been to take space, where possible, in five-star NABERS buildings or buildings with a five-star Green Star energy rating, and shift to more efficient agile workplaces.

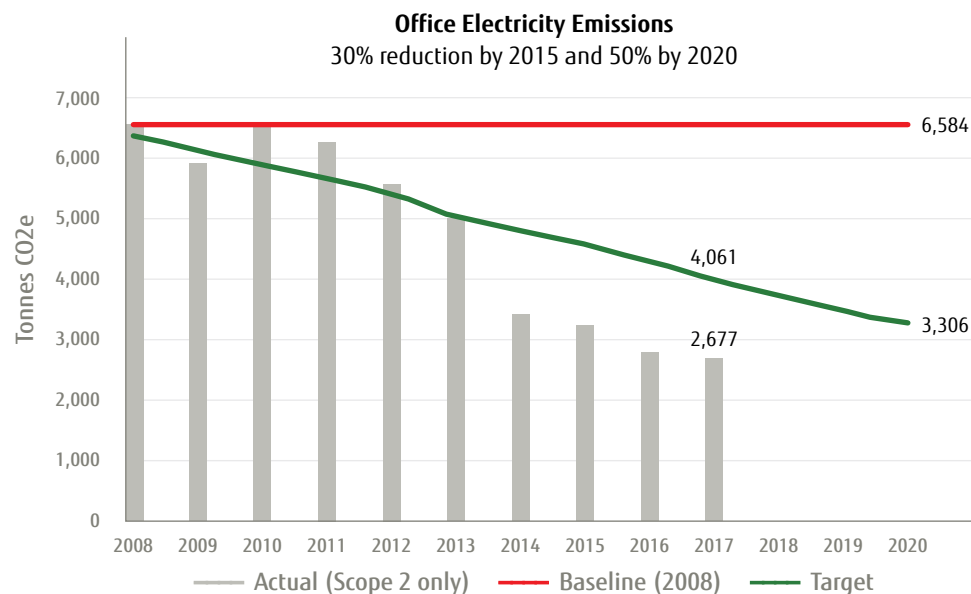
In 2018, we implemented a significant lighting upgrade within our main Australian warehouse and distribution centre based in Lidcombe. 119 metal halide high bay lights were replaced with new high-efficiency LED fittings with smart sensors. This will reduce emissions by more than 349,000kg of CO₂e every year.

We have achieved a 60 percent reduction in total emissions, which is ahead of the 2020 target. This represents a 53% reduction in lighting energy

**60%
REDUCTION
IN OFFICE
EMISSIONS**

(measured in kWh) per full-time equivalent (FTE). This represents an avoided energy cost of more than AU\$950k had consumption continued at 2008 levels. We use FTE as our intensity measure as it takes into account changes in business size.

Graph 2: Office electricity emissions target performance





Travel emissions reductions

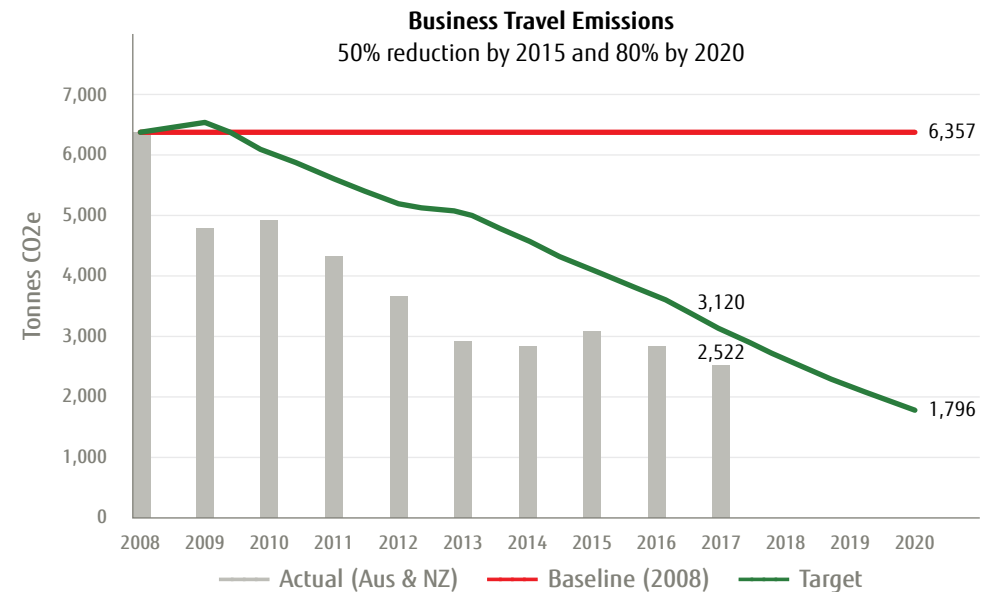
Fujitsu recognises that travel is essential for business but that alternatives and ICT solutions can facilitate good business outcomes while reducing environmental impacts. Reducing travel emissions is one of the fundamental ways each Fujitsu employee can make a significant, positive, and lasting impact.

Fujitsu has established policies and supporting programs that include:

- unified communications with desktop sharing, audio conference, instant messaging, and live meeting functions
- telepresence and video conferencing facilities
- company car hire policy specifies and favours fuel-efficient models

- travel reduction policies informing and educating people on alternatives
- support for active transport with end-of-trip change and storage facilities for cyclists and walkers
- a hybrid fleet in New Zealand, with 68 per cent of our vehicles being hybrid
- rail subsidies
- trial of car fleet technology that provides feedback for drivers when they are driving inefficiently.

Graph 3: Travel emissions target performance



This has enabled us to achieve a 61 per cent reduction in total emissions since the baseline year. This represents a 44 per cent reduction in kilometer's traveled per FTE over the same period.

In 2008 when we set our strategy the average employee travelled the equivalent of 6,357 CO₂ for work trips, today it is now 1,796.

Renewable energy purchase and generation

We are increasing our generation capacity and procurement of renewable energy in line with our 2020 renewable energy target for ANZ and our global 2050 carbon neutral commitment.

In New Zealand we procure our power from Meridian Energy who only generates energy from renewable sources such as wind and hydro power.

We are currently investigating the purchase of renewable energy through Power Purchase Agreements (PPAs) for our Australian operations to increase the percentage of renewable energy procured to at least 20 per cent by 2020. We also continue to explore the generation of renewable energy on our sites where feasible.

In 2018, Fujitsu Group announced an ambitious program, the “Fujitsu Climate and Energy Vision” where we will aim to become a zero-emissions organisation by 2050.

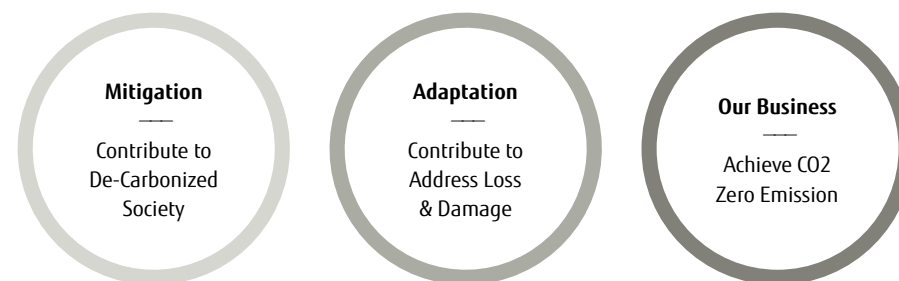
For a company of Fujitsu’s scale, with more than 140,000 employees worldwide, along with manufacturing, offices, data centres, vehicle fleets, and different maturities in different countries, this is no small undertaking.

The strategy is based on Fujitsu taking on challenges in three areas:

- bringing Fujitsu’s CO2 emissions down to zero
- contributing to a decarbonised society
- contributing to adaptation to climate change.

Along with the thorough implementation of energy-saving measures to achieve zero emissions by 2050, expanding our use of renewable energy is critical to achieving this goal. Fujitsu has joined RE100, an international initiative led by the Climate Group in partnership with CDP, as Japan’s first Gold Member. RE100 strives to significantly expand the adoption of renewable electricity on a global scale, and will further strengthen efforts to boost use of renewable electricity across the Fujitsu Group.

Fujitsu Climate and Energy Vision 2050



RE100 aims to have companies use 100 per cent renewable energy for the electricity they consume. In line with this, Fujitsu will expand its use of renewable energy with the goal of sourcing 100 per cent of the electricity consumed at Group locations, both in and outside of Japan, from renewable sources by 2050. Fujitsu will also undertake R&D and technology trials in areas such as energy management and storage, contributing to the spread of renewable energy throughout society.

To support Fujitsu’s global goal of 100 per cent renewable energy electricity usage by 2050, the Fujitsu Group has established an intermediate global goal to achieve 40 per cent renewable energy electricity usage by 2030.

Environmental management system (EMS)

Fujitsu’s environmental management system (EMS) is certified to ISO 14001 covering 13 premises and 97 per cent of our impacts in ANZ.

As part of our ISO 140001 certification, all environmental impacts including hazards have been assessed. Any significant impacts have targets around their management and reduction. We also have control procedures and appropriate training where elevated risk occurs, e.g. safe handling of dangerous goods, diesel spill containment, and emergency response procedures.



6. Moving to a circular economy: our product sustainability

We have been taking action to embed circular economy principles into our business, particularly for our products when it comes to 'closing the loop'.

For us, product stewardship is more than just recycling; it's building sustainability into the design process. Fujitsu sells a wide range of green-certified products such as its LIFEBOOK notebooks, FUTRO thin clients, ESPRIMO desktops, and CELSIUS workstations and displays. Furthermore, we are continuously expanding our green portfolio with new products.

Over two thirds of our business in ANZ is service-based, with products representing the remainder. Fujitsu Group leads the development, manufacture, and distribution of our products. In our region, we provide services to customers and take-back schemes for whole-of-life management.

Figure 2: Whole of lifecycle ICT assets



1 Product development and innovation

Fujitsu products are designed to be easily disassembled and the components recovered for re-use. We avoid using glues, adhesives and fused parts that prohibit repairs and complicate disassembly for recycling. Beginning in 2010, Fujitsu Group product designers now conduct regular study tours at product recycling centres so designers gain feedback from staff in charge of recycling. We've made more than 90 improvements to our products as a result of these exchanges.



5 Product stewardship and recycling

Fujitsu provides complimentary recycling of Fujitsu-branded hardware when it has reached the end of its useful life. Our eWaste recycling partner is audited annually by our sustainability team and located onshore in Australia and New Zealand, so customers can be sure any devices are processed in a facility that protects human health and the environment, where over 95 per cent of the product by weight is recycled. All Fujitsu-branded products, including accessories, are accepted for free recycling.

Fujitsu is a liable party under the National Television and Computer Recycling Act (NCTRS). Fujitsu is a member of the co-regulatory scheme Electronic Product Stewardship Australia (EPSA).



4 Consumption

We comply with the current ENERGY STAR version for relevant ICT equipment. This label gives a clear indication of a product's green credentials, helping our customers decide when purchasing and acting as immediate and visible proof that our products are designed according to our far-reaching corporate goals on energy efficiency and sustainability.



2 Responsible sourcing

Fujitsu is committed to phasing out hazardous substances throughout the supply chain and to the responsible capture and/or recycling of such substances. We have a stringent policy on the use of conflict minerals, (refer to compliance section 10 of this report) and Fujitsu Group audits suppliers annually.

Fujitsu's strategy incorporates packaging reduction and recyclability requirements from different regions. Packaging for consumer products conforms to the EPEAT Gold standard, which includes the requirement that packaging is over 90 per cent recyclable and all plastics are separable. The EPEAT program provides independent verification of manufacturers' claims, through a stringent certification process.



3 Manufacturing

We reduce the environmental load of our international factories by achieving the ISO 14001 certification. We also ensure that we work with suppliers with an environmental management system aligned to ISO 14001. Fujitsu is actively switching transportation modes to ocean shipments which have lower environmental impact than shipments by air, as well as promoting joint transportation with other companies.

Packaging sustainability

All packaging is managed under the ISO 14001 EMS performance improvement system and Fujitsu is a signatory to the Australian National Packaging Covenant. By signing the covenant, we have committed to collaborate to drive industry-led change and to meeting the Australian goal of having all packaging be recyclable, reusable, or compostable by 2025.

In addition to meeting our regulatory obligations, we measure, track and constantly improve our sustainable packaging performance.

Importantly, Fujitsu's ISO 14001 certified EMS covers warehousing, integration, staging, and distribution of computer equipment. The warehouse manages not only the safe recycling and disposal of end-of-life equipment but also the disposal of packaging including cardboard, foam, polystyrene, and plastic wrap.

We also source-separate batteries, toner, and CD/DVD media for recycling.

More than 87% of waste in our warehouse and distribution centre is diverted for recycling (measured by weight, excluding eWaste).

Fujitsu is working on a variety of methods for reducing its use of packaging and cushioning materials. Conventionally, a notebook computer is shipped individually packed in a cardboard box, but now, by packing several products in a single returnable container, we have reduced shipping space and cardboard waste. For larger products, we have replaced conventional cushion foam with returnable air packs. With this new packaging style, we are reusing packaging materials, and can use the same materials for various products.

Fujitsu's priority is product recovery and recycling (i.e. eWaste) from our enterprise customers and the community. As part of our eWaste recycling initiatives, we will also recycle packaging that the goods may be contained in.

A technology-enabled solution to help divert eWaste from landfill

The amount of eWaste being generated in ANZ is growing and Fujitsu is working to be part of the solution, both through end-of-pipe solutions and upstream lifecycle thinking. eWaste is Australia's fastest-growing solid waste stream (23.6kg per person annually) and up to 60 per cent is sent to landfill. In New Zealand the figure is slightly lower at 20.1kg per person annually.^{xii}

eWaste contains dangerous substances like lead, mercury, cadmium, and flame retardants, and accounts for 70 per cent of toxins in landfill. On the positive side, up to 95 per cent of eWaste (by weight) can be recovered for re-use, including scarce materials like gold and silver as well as commodities like glass and plastic.

At the June 2017 Fujitsu World Tour in Auckland, we launched our first ever smart eWaste bin which is now at a number of customer sites. The objective is to raise awareness of the issue and make it convenient for our customers to recycle eWaste in a secure and environmentally safe manner.

Smart bins were designed to raise awareness of eWaste disposal and to increase eWaste diversion from landfill. The smart bin solution is a completely self-contained unit that is attractive enough to sit out in the open in an office or community location, increasing the availability of eWaste recycling. It uses IoT sensors to alert when the fill level is reached, and Run My Process automation technology to book a collection when full.

The bins have been deployed to Fujitsu customers across Australia and New Zealand, providing an easy way to dispose of eWaste. The eWaste is then handled by a processing partner subject to thorough vetting to ensure eWaste is processed within Australia in a way that protects human health and the environment.

Table 4: Australia and New Zealand eWaste recycling figures (kg)

	FY 15	FY 16	FY 17
Total Fujitsu eWaste recycled	31,754	108,886	86,639
Total customer eWaste recycled	23,376	157,423	294,298
Total eWaste recycled	55,130	266,309	380,937



ICT's role in delivering a low-carbon world

The ICT industry is now estimated to be responsible for approximately two per cent of the world's total global emissions. This is predicted to rise to 14 per cent by 2040 if current increases continue.^{xiii} However, ICT also has the potential to reduce emissions by more than 20 per cent annually by 2020 (compared to 2006 levels) and Fujitsu is tackling this issue head on.

To achieve our sustainability visions, our goal across Fujitsu Australia and New Zealand is to play a pivotal role in driving down the impact of the ICT sector through ICT-enabling technology and to help reduce and, ultimately, reverse the current share of emissions produced by the ICT sector. That is, to harness the power of ICT innovations and solutions to the benefit of society as a whole.

Working upstream for the improved lifecycle of ICT, the Fujitsu ICT Sustainability Policy outlines disposal, infrastructure optimisation, energy management, and procurement approaches to limit the negative environmental impacts of its ICT-related activities. We continually work to improve environmental performance and comply with all relevant environmental legislation with regard to ICT.

Working downstream, we can measure and assess the full environmental impact of an ICT estate. Recognising the need to better understand ICT Sustainability a decade ago we partnered with RMIT and Connection Research to develop our own benchmark. Today it has grown to become the largest database of its kind in the world. With two global studies supplemented with local New Zealand and Australian benchmarks. We address customers' needs and improve emissions and cost savings by helping customers to understand their ICT sustainability baseline and identify the steps towards best practice.

The benchmark compares the customers' ICT sustainability readiness and maturity relative to our database of over 3,500 other organisations across all industry sectors providing specific opportunities and a clear sustainability roadmap.

Fujitsu has assisted customers to achieve these results:

"By increasing awareness and introducing leaner IT operating practices, including reducing our overall number of devices, we made significant savings facilitating a more sustainable IT infrastructure."

Simon Proust, Sustainability Project Manager, TAFE New South Wales ^{xiv}

Sustainability engagement and education

Our Sustainability eLearning courses and our Environmental Management System (EMS) training for employees at all levels gives them the knowledge and skills to ensure environmental improvement in their area of responsibility.

Recent actions include:

- mandatory Fujitsu, Sustainability and You course provides an outline Fujitsu's sustainability values and policies from both a local and global perspective. Last financial year, 2,484* people completed this across the region
- Sustainability and ICT course examines the environmental impact of ICT and the solutions to some of these challenges, and helps employees recognise how Fujitsu contributes towards developing a low-carbon society. Last financial year, 2,489* people completed this course
- Sustainability staff attending Cambridge University Sustainability Practitioner program and energy efficiency training for data centre managers.
- Fujitsu New Zealand invested in training local staff to develop knowledge and skills on sustainability through the New Zealand Sustainable Business Council.

*Training numbers include Australia and New Zealand permanent staff and contractors only.

Employee engagement in business sustainability activity is fostered and maintained through regular interaction via the Yammer Sustainability Group, postings on Fujitsu's Sustainability Intranet homepage, location meetings, and events. Topical sustainability webinars and lunch and learns are also held bi-monthly and consistently attract a wide audience of staff tuning in to learn about a range of critical sustainability topics. These topics have included: climate risks and solutions, delivered by Dr Martin Rice from the Climate Council Australia; and sustainability in the home.

We are currently creating a program of education and engagement around the Sustainable Development Goals (SDGs) for our employees, with a view to devising a regional approach to the SDGs, to be rolled out next financial year.

OVER
380,000 KG
OF EWASTE
RECYCLED IN 2017

Sustainability Board

The Sustainability Board provides leadership and governance over Fujitsu's sustainability strategy and policy, and is accountable for the successful implementation of the program's goals and objectives. Chaired by the CEO, the Sustainability Board is the highest level of sustainability authority at Fujitsu and meets bi-annually to review the formal report from the sustainability team on the strategy's overall performance.

Thought leadership

Fujitsu is actively involved in and a contributing member of many local and global organisations that are committed to achieving quantifiable improvements to society's environmental impact.

Fujitsu is a member of:

- Australian Packaging Covenant
- Sustainable Business Council New Zealand
- Carbon Market Institute
- NSW Sustainability Advantage
- TAKE2 Sustainability Victoria
- Environmental Professionals Forum.

Fujitsu has contributed to:

- technical workgroups in the development of the NABERS for Data Centre rating tool methodology and publicly promoting the scheme in the ICT industry, including producing a video case study
- Australian government-led reviews of the National Computer & TV Product Stewardship Act
- New Zealand Government workshops on eWaste and Product Stewardship
- SMARTer2030 Report: Australian Opportunity for ICT-Enabled Emission Reductions, a collaboration with Telstra.

More information on Fujitsu's global leading-edge green ICT research and development can be found in the Fujitsu Group Environment Report.

Australia and New Zealand Sustainability Awards

Fujitsu continues to receive wide industry recognition in sustainability both locally and globally, and is considered a world leader in sustainability. Within the last three years, some of our most notable achievements include:



Nominated for three ARN Innovation Awards; Digital Owl solution selected as a finalist for the Emerging Technologies – Smart Technology award (2018)



ABA100 Winner of the Australian Business Award for Sustainability, ABA100 Winner of the Australian Business Award for Eco-Innovation (2017)



Finalist for the Communication for Change Banksia Award (2017)



Australian-first data centre portfolio to be rated under NABERS (average rating 3.75) (2016)

Fujitsu Group awards, ratings, and leadership



Dow Jones Sustainability Indices (World, Asia Pacific):
Fujitsu has been included 18 times in six consecutive years.



FTSE4Good Index Series: Fujitsu has been listed for the last eight consecutive years.



UN Global Compact: Fujitsu announced its support of the United Nations Global Compact in December 2009. The Fujitsu Group is committed to global CSR activities that uphold the 10 principles of the Global Compact.

UN Global Compact 100: Fujitsu has been selected for four consecutive years.



CDP: Fujitsu has been commended by CDP for its actions and has been selected for the CDP Climate Performance Leadership Index for three years in succession.



WBCSD: In 2018, Masami Yamamoto, Chairman of Fujitsu, was appointed as Vice Chair of the World Business Council for Sustainable Development.



WEF: Fujitsu supports activities by the World Economic Forum (WEF) to strengthen reliability and security through ICT cybersecurity.



Environment future challenges

- Attainment of 2020 targets: we're working on our renewables strategy and business travel reduction.
- The increase in eWaste requires Fujitsu to work with customers to support robust eWaste policies and practices. We aim to make eWaste recycling visible and easier to access, potentially expanding eWaste collection services at customer sites.
- Getting to zero 2050 with our 2050 energy and climate vision.
- Help New Zealand meet the challenge of implementing the proposed New Zealand Carbon Zero Bill 2050.



7. Community involvement and development

In this section / Charity Partnerships / Digital Inclusion / Employee volunteering

At Fujitsu, we believe that we can all make a positive difference in our community.

Through our constant pursuit of innovation, Fujitsu aims to contribute to the creation of a networked society that is rewarding and secure, bringing about a prosperous future that fulfils the dreams of people in our communities. We engage our employees so they feel proud to work for Fujitsu. Demonstrating corporate citizenship and allowing employees to enact their values at work is an important part of this.

Fujitsu's charity partnerships

In ANZ, we support two long-term charity partnerships with community organisations. At Fujitsu, we are committed to making a positive difference to people's lives and the communities in which we live. Our CSR program is designed to ensure that our staff across Australia and New Zealand have the opportunity to contribute to the community through a variety of activities. CSR is about giving back to our communities; we believe it's not just about donating funds, but it's also about giving our own individual donations, volunteering our time, and using our expertise to make a significant impact.

Camp Quality

Fujitsu has chosen Camp Quality as its charity partner since 2015. Camp Quality makes a real difference to children and their families living with cancer. The services Camp Quality provides help children aged up to 13 years who are living with cancer and their families create a better life through building optimism and resilience throughout each stage of their cancer journey.

From cancer diagnosis throughout treatment and into remission or, sadly, in bereavement, the Camp Quality programs and services support the whole family; at hospital, at home, back at school, and in the community.

Operating since 1983, Camp Quality teams are located in every state and territory across Australia. With the support of 2,500 volunteers, their services reach one in three children living with cancer in Australia.

We bring this partnership to life in a number of ways:

Fujitsu donates over AU\$100k per year to Camp Quality, which supports the programs and services they deliver today. Fujitsu staff also have the opportunity to be involved in volunteering and fundraising events.

Fujitsu funded the establishment of an online volunteer portal, which enables volunteers to complete e-learning.



As a proud sponsor of the Australian Open of Golf, Fujitsu hosts a Super Monday Charity Golf Day (our biggest charity event of the year), inviting selected Fujitsu staff, guests, partners and customers to play on the course directly after the Australian Open. This exclusive day is followed by a charity dinner and silent/live auction where Fujitsu raises funds for exclusively for Camp Quality. In 2017 we raised \$63,000.



Furthermore, as Camp Quality's innovation partner, we bring efficiencies to Camp Quality through digital transformation projects, using both our support funding and digital expertise. At the beginning of our partnership, Fujitsu funded the establishment of an online volunteer portal, which lets all of their volunteers complete e-learning and training, before becoming fully-fledged 'vollies'.

Our support equates to \$100K each year with \$75K in donations and \$25K in in-kind support.

Soldier On

Fujitsu has a long-term relationship with the Department of Defence and a deep understanding of the issues facing Defence personnel in Australia. As such, we have been proud to support Soldier On as a second charity partner since 2015.

Fujitsu Australia and New Zealand is honoured to support Soldier On as they support Australian heroes.

Soldier On provides support to Australian Defence Force personnel and their families who have been physically and psychologically wounded in service. With the help and support of sponsors, Soldier On works to enhance recovery, inspire communities, and empower Australia's wounded, giving those who have served our country the dignity they deserve and the chance to do and be whatever they choose.

Over the course of our sponsorship, Fujitsu has provided both financial and in-kind support, through fundraising initiatives, donations, IT infrastructure services, and career development opportunities for veterans.

Having signed the 'Soldier On pledge', Fujitsu demonstrates our commitment to recognising skills and attributes of veterans and their spouses throughout our recruitment initiatives. Fujitsu actively supports this initiative by offering guaranteed interviews to veterans and their spouses, and we work directly with Soldier On to refer applicants who may be suitable for other organisations involved in the initiative.

Over the course of our partnership, Fujitsu has provided in-kind support to Soldier On in the form of IT infrastructure and products. Our Fujitsu desktops and notebooks have been used within the new innovation hubs set up across Soldier On regions. These hubs provide health, wellbeing, and psychological support services to veterans and their families, as well as providing a space to build social connections and access one-on-one employment or education support.

Additionally, Fujitsu launched a Fujitsu/Soldier On Career Academy in February 2017, providing young war veterans with transition support needed to return to civilian life and enter the corporate career world. The Academy offers work placement within a team at Fujitsu where the veteran receives coaching, mentoring, interview guidance including mock phone interviews, and tips for their CV development to prepare them to land their dream role in the corporate world. Fujitsu has already successfully delivered this service to an air force veteran and she has gained employment as a result.

Our Fujitsu desktops and notebooks have been used within the new Innovation Hubs set up across SoldierOn regions.



Fujitsu also supports the Pathways events which Soldier On runs. In the past year, we have hired two employees as a direct result of our attendance and support at Soldier On events. Pathways networking events are held across the country with support from Fujitsu's Pledge Partners.

The events provide support, guidance and opportunities for current or ex-service personnel in terms of employment opportunities, career guidance, resume writing, and networking. Fujitsu is proud to have attended and hosted several of these events in both NSW and ACT for Soldier On.

Soldier On launched its service dogs program in 2014, to which Fujitsu has donated over \$5,000 through fundraisers towards a companion dog. The initiative provides ex-service people living with combat-related post-traumatic stress disorder (PTSD) or traumatic brain injury (TBI) with service or therapeutic companion dogs. Each service dog costs \$20,000, so these donations allow the veteran and dog to train together to build a trusting relationship that saves lives at no expense to the veterans.



Digital Inclusion through Fujitsu

Digital inclusion is recognised as a key social challenge socially. The education, social and economic benefits of being connected improve quality of life and society. We also know that digital exclusion coincides with other forms of social and economic disadvantage.

We have a commitment to digital inclusion globally as a business, both through the development of innovation and our employees' volunteering activities. Our digital inclusion work has centered on education and preparing our youth for the workplace.

The future of work: Young Enterprise Trust

With a growing and aging population and the rapid rise in digitising workplaces, the future of work is uncertain. That is why Fujitsu New Zealand has been a supporter of the Young Enterprise Trust (YET) for more than 10 years.

We use our business skills to mentor young workers to nurture key skills such as problem solving, resilience, and innovative thinking. One example of this is our involvement in the 'Entrepreneurs in Action' weekend in 2018, supported by New Zealand Trade and Enterprise and Massey University.

Students worked through two business challenges over the weekend, and this year a team of three mentors from Fujitsu participated. They were assigned a team to mentor for the whole weekend. Winners of the challenges are selected to attend overseas study tours to continue their learning.

Through its support of YET and the development of a customer relationship management (CRM) solution that directly leads to the enablement of students in experiential enterprise education, Fujitsu is helping YET to deliver on its goal of fostering the desire and imparting the skills required to drive future economic growth in New Zealand.

Fujitsu recognises that, by supporting YET, it is investing in its own future as well as New Zealand's. The new solution offers YET a consolidated, customer-centric view of its data, letting users differentiate between the diverse set of stakeholders and sort them into multiple categories.

"We can now track the status of schools and teachers and what they are involved in at any point in time, making communication more relevant and efficient. We can also send newsletters to selected audiences and create targeted campaigns."

Terry Shubkin, Chief Executive, Young Enterprise Trust



The Innovative Technology for Good Citizenship Partner of the Year Award recognises a partner creating and deploying a cutting-edge technology solution for a non-governmental organisation (NGO)/non-profit. Fujitsu won the Microsoft partner Innovative Technology for Good Citizenship award in 2016 as a result of its work with YET.

**SUPPORTED
YOUNG ENTERPRISE
TRUST FOR OVER
10 YEARS**

Eddie's Fresh Food initiative

Fujitsu delivers technology services to all Woolworths brands and stores across ANZ in support of its national retail network. Fujitsu and Woolworths have a longstanding relationship, with Fujitsu supplying a range of technology to Woolworths including the TP8 point of sale solution.

Woolworths and Fujitsu worked together to create the 'Eddie's Fresh Food' store, an authentic learning experience for students at St Edmund's College, Wahroonga, a school for students with special needs and disabilities.

This simulated retail environment helps students develop their maths and relationship-building skills, and also helps them prepare for the workplace. The payment registers and Woolworths shopping experience are part of the practical application in courses offered at the College such as work education, community and family studies, hospitality, and pathways to work.

This initiative aligns with Fujitsu and Woolworths corporate commitments and contribution to making a better tomorrow for customers and local communities.

"We have an excellent partnership with Fujitsu supporting our stores end to end, this is just another store, but a very special store... together we can put back into the community, it's a wonderful privilege."

John Hunt, CIO Woolworths

**\$263,000
RAISED
FOR OUR
PARTNERSHIPS**





Preserving knowledge through digital inclusion

As part of our Reconciliation Action Plan (RAP) and ambitions around digital inclusion, Fujitsu Australia has been working with the Bawurra Foundation. Founded in 2015 by students, professionals, and Aboriginal community leaders, the foundation preserves cultural knowledge and stories by digitally recording community members and creating a digital library as an engagement tool for young Indigenous students. This provides a new and engaging way to learn about culture and community. The Bawurra Library is donated to partner communities and becomes a growing and regularly-updated resource. Bawurra receives financial and in-kind assistance from Fujitsu.

"We've really appreciated the support from Fujitsu. As a young organisation, Fujitsu's support has helped us at a critical time, enabling us to reach extra schools in 2017. We look forward to continuing to work with them to preserve culture and include young Indigenous kids in a digital world."

Jesse Slok, Gamilaraay, Chairman Bawurra Foundation

Community future challenges

- Develop greater shared value where the interests and skills of staff are combined with corporate knowledge and technology solutions to leverage greater outcomes.
- Define key KPIs for measurement of our programs to understand social return on investment for Fujitsu and its partners.
- Build on the themes of 'future of work' and 'digital inclusion' for our community and outreach programs.
- Review our veteran hiring practices and setting of targets around this.



8. Diversity and inclusion

In this section / Gender / Culture and Reconciliation / Generational, LGBT+ and Disability / Employee Engagement

We believe in the power of human difference to create a better future in a digital and diverse world. As technology plays a more important role than ever, we put people at the centre of everything we do.

Our diversity and inclusion policy covers five key areas to help us foster an equal and innovative culture: gender; culture and reconciliation; generational; LGBT+; and disability.

Fujitsu has established a Diversity and Inclusion Council, chaired by the CEO. The Council plays a key role in driving strategies and initiatives which have been identified by the Diversity Working Groups. The Council and Working Groups are committed to making Fujitsu a place where the richness of ideas, backgrounds, and perspectives of its people can be harnessed for the best for both our employees and our customers.

27 staff members joined one of our five Working Groups. This approach is overseen by our Diversity and Inclusion Council that meets quarterly. The intention of the Working Groups is to develop initiatives, events and activities that will lead to increasing and celebrating diversity.

Gender

We will build an inclusive culture that empowers women and harnesses their strengths to create innovative customer solutions.

At Fujitsu, we recognise the importance of diversity and inclusion to the workplace, with gender being one of our key pillars for change. The Diversity and Inclusion Council and the Gender Working Group are continuously developing initiatives and activities that will result in greater awareness and celebration of gender diversity in Fujitsu and the wider IT industry.

On International Women's Day in March 2018, we celebrated by holding events in Sydney and Melbourne. We also profiled women of Fujitsu who shared their thoughts on gender diversity in the workplace, drawing on their personal experiences. Across several Fujitsu locations, we also raised awareness of this year's theme, #PressForProgress, by distributing stickers to wear for the day. Fujitsu colleagues were asked to identify with one of the commitments for change: maintain a gender parity mindset; challenge stereotypes and bias; forge positive visibility of women; influence others' beliefs/actions; and celebrate women's achievements.



Left to right: Caroline Flatley, Vice President Human Resources, Megan Keleher, Vice President of Strategy & Marketing and Scott Mortimer, Vice President Legal & Compliance.

Table 5: Employee numbers by gender 2017-2018

Country/ business unit	Employee count 2017	% Female 2017	% Male 2017	Return to work after parental leave
Au total	2,592	21%	79%	100%
NZ total	555	21%	79%	96%
FAST	41	24%	76%	n/a
Region total	3,188	22%	78%	



Members of our 2017 Fujitsu Graduate Cohort at Head Office.

In terms of gender diversity of our senior team, four of the 11 Senior Leadership Team members are women (36 per cent).

We believe there must be a collective effort to encourage more women into the IT industry, where they can enjoy rewarding, creative, and flexible careers. Since 2016, our CEO Mike Foster has been a member of the STEM Male Champions of Change Group.

In addition to this we became members of Females in Information Technology (FITT), an industry association whose aim is to create a voice for women in ICT and drive gender diversity across the sector. Fujitsu has been a silver sponsor since 2015, which means that we provide mentoring opportunities for our staff within the extended FITT community.

Fujitsu has begun to review all policies that may be perpetuating these barriers and inequalities. As such, this year we:

- simplified our flexible working policy which saw a positive response

- created the Domestic and Family Violence Policy which allows up to 10 days paid leave
- increased parental leave to 14 weeks, or 28 weeks at half pay for the primary carer and five days for the secondary carer in Australia
- held Women in Super sessions in November 2016, helping female staff to plan for their financial future
- ran focus groups on the barriers facing women in the workplace to inform our plans for future improvements.

The Workplace Gender Equality Agency is an Australian Government statutory agency created by the Workplace Gender Equality Act 2012. Fujitsu reports against a set of standardised gender equality indicators (GEIs). Fujitsu was required to prepare a report for the Workplace Gender Equality Agency and Fujitsu's workplace profile is also disclosed on the WGEA website.

Culture and reconciliation

Through our Reconciliation Action Plan (RAP), Fujitsu aims to create sustainable opportunities for Aboriginal and Torres Strait Islander people in our communities, business, and supply chain.

Digital technology is transforming business, society, and everyday life. By partnering with Aboriginal and Torres Strait Islander people, businesses, and communities, we can help to shape a tomorrow in which Indigenous and non-Indigenous Australians share in an equitable, just, prosperous, and rewarding future.

In this spirit, we launched our first Reflect RAP in February 2018. It is a milestone in Fujitsu's diversity and inclusion journey and an important step for our contribution towards reconciliation in Australia.

The RAP is Fujitsu's 12-month plan to create sustainable opportunities for Aboriginal and Torres Strait Islander people, focusing on four key areas: relationships; respect; opportunities; and reporting. Many of the activities listed in the RAP are underway. Last year we included six new Indigenous-owned businesses into our supply chain and incorporated an Indigenous recruitment agency on our recruitment panel to increase the number of Indigenous and Torres Strait Islander candidates.

Once the RAP reflect is objectives are achieved, we will launch Innovate RAP, a two-year plan with an increased level of ambition.



Left to right: CEO, Mike Foster, Auntie Julie Janson (Darug Elder), Supply Nation Deputy CEO Jason Timor, MP for Bennelong John Alexander OAM.



Fujitsu's RAP uses graphic elements from "River Runs Deep" by Sharon Smith.

Sharon Smith is an Aboriginal artist from the Wiradjuri Nation, whose paintings thematically express her heritage and culture and work as an affirmation of her identity. Through her depictions of landscapes, trees and animals, Sharon explores a personal connection with her people's age-old relationship to the earth.

Generational

Our ambition is to be a global leader in workplace diversity by building a culture of inclusion which embraces opportunities for a multi-generational workforce.

Globally, the workforce is aging as people are living and working longer than ever before.

In terms of generational diversity, the average age of our employees is 44. Fujitsu is committed to the future success and growth of our organisation by attracting, developing, and retaining talent across the generations. In addition, our aim is to attract and develop a new generation of talent, recruiting 45 graduates in FY17/18 with plans for a further 80 graduates in FY18/19. Our vision is to create an employee experience that embraces diversity, inclusion, and belonging. We will do this by integrating diversity and inclusion into every aspect of our business to improve performance.

LGBT+

We promote respect for people and equal opportunities for all.

Our focus this year has been on ensuring that Fujitsu's processes and documentation adequately reflect LGBT+ considerations. Our non-gendered dress code was refreshed recently to be less prescriptive and more flexible to empower staff to use their best judgement, trusting employees to dress appropriately for their work environment. Additionally, Fujitsu is committed to reviewing and changing our policies to embrace LGBT+ employees and to ensure that benefits policies (superannuation, travel relocation, health care etc.) explicitly include same-sex partners/families.

Disability

We are committed to developing a diverse and enabled workforce from the widest talent pools.

Our focus has been on ensuring our policies are fit for the modern workplace and prominent so that people are aware of what is available to them. The policies include: disabled parking; seating arrangements; building accessibility; and flexible working arrangements (e.g. working from home). Our buildings have been fitted to modern standards that cater for employees who require adjustments. This includes provision of adjustable-height desks, provision of accessible parking spaces, and compliance with appropriate building access regulations.

A key milestone in Fujitsu's diversity and inclusion journey was the launch of our first Reflect RAP.

People and culture

Fujitsu's Oceania employee engagement strategy includes these guiding principles:

- putting the employee at the centre of everything we do
- trusting the employee to do the right thing
- training, supporting, and empowering managers to lead and grow high-performing teams
- building a culture of continuous learning that will provide opportunities for personal development
- creating an environment where employees contribute and innovate in a culture that celebrates diversity and promotes inclusion
- recognising and rewarding talent and celebrating the contribution of employees
- ensuring there is no compromise on health and safety.

**4 OF OUR 11
SENIOR LEADERSHIP
TEAM ARE
FEMALE**

One of a number of ways of measuring employee engagement is the 'One Fujitsu' employee engagement survey, which is conducted annually across all Fujitsu regions including ANZ. The 2017 results indicated an engagement score of 54 per cent, flat year on year.

Photo: Macquaire Park Head Office agile workspaces.



Based on employee feedback our engagement priorities this year are:



Key highlights are:

Fujitsu has partnered with the Gallup organisation and made a significant investment in building manager capability and empowering managers, rolling out the Leading High Performing Teams Workshops to 300+ people managers. In addition to the workshop for managers, more than 90 per cent of staff have been provided with the opportunity to complete a strengths assessment for their personal growth and learning.

The Gallup Q12 tool has also let managers pulse-check employee engagement throughout the year, providing our leaders with the tools to drive a positive change in culture, centring on how we apply and build on our strengths as individuals and in our teams.

To increase trust in leadership, in February 2017, we launched the CEO Manager Conversation, providing a monthly Q&A opportunity with the CEO and members of the executive leadership team on topics critical to support line managers.

In addition, approximately 180 managers participated in the Australia and New Zealand Business Transformation Workshops held in the Hunter Valley in April 2017, on the Gold Coast in October 2017, and in Canberra in April 2018. These have been key events in our transformation journey, engaging our leaders in thought-provoking dialogue and receiving constructive feedback.

These initiatives are part of a number of ways we have committed to more frequent and local communication across the company.

Diversity future challenges

Gender:

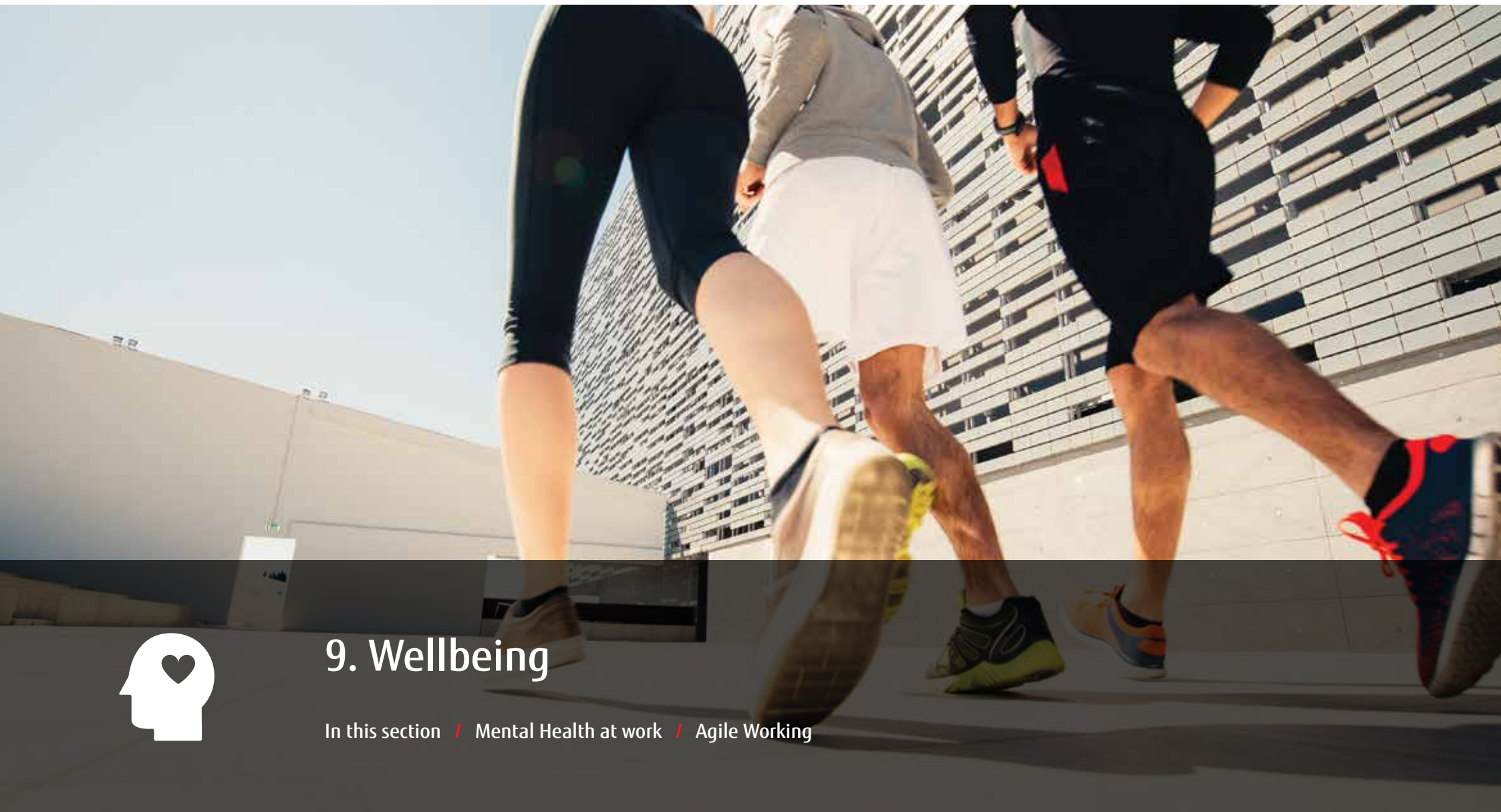
- Work on plans to retain and attract a greater age range and increase gender diversity by rolling out unconscious bias training for all hiring managers.
- Explore additional flexible working initiatives such as piloting a compressed working week.
- Create opportunities and initiatives to attract more female candidates into the application process. Identify the baseline and success measurements.

Culture:

- Create pipelines and opportunities for Indigenous employment in our organisation.
- Continue to increase the number of Indigenous-owned businesses in our supply chain.

LGBT+:

- Fujitsu intends to join the Pride in Diversity program in FY18/19. Pride in Diversity is the national, not-for-profit employer support program for LGBTQI workplace inclusion specialising in HR, organisational change, and workplace diversity.



9. Wellbeing

In this section / Mental Health at work / Agile Working

Fujitsu is a major employer in the region, contributing significantly to the local economy and to the local ICT industry. Fujitsu places a high priority on attracting and retaining staff, and fostering a high-performance culture focused on helping customers achieve their desired business outcomes.

At Fujitsu, we aim to create a workplace culture where employees' safety and wellbeing is our number one priority, and where employees are engaged, feel valued, and are at the heart of everything we do.

Fujitsu has an employee assistance program (EAP) for all employees and immediate family, managed via Optum. This benefit lets employees feel comfortable knowing that they can confidentially discuss any work or personal issues at any time, 24x7. This is fully subsidised by Fujitsu and is free to all staff and any eligible immediate family members. Benefits include: a member portal, which has an abundance of wellbeing resources and self-help tools; a manager hotline; and a network of accredited counsellors available for complete and confidential guidance and support.

Fujitsu has mandatory e-learning modules which include WHS and workplace bullying, as well as offering staff the opportunity to complete other safety modules such as ergonomics, fatigue, managing mental health risks at work, and stress management.

Mental health awareness

Fujitsu recognises the importance of mental health and wellbeing for our employee and will be delivering face to face training workshops on the subject throughout 2018, focusing on increasing mental awareness, and equipping our leaders to promote a wellbeing culture at Fujitsu. Some of the topics include mental health versus mental illness, warnings signs, and self-care and prevention.

As part of Fujitsu's Health and Wellbeing Strategy, we also plan to participate in the Virgin Pulse Global Challenge in May 2018. The 100-day challenge intends to generate energy, enthusiasm, and excitement about our health and wellbeing.



Moving to agile working: spaces to connect, unwind, or work collaboratively

One of the key drivers behind a shift to 100 per cent agile working was to create a healthy and invigorating work environment for employees.

The spaces have been designed to accommodate various working styles. Our offices in Auckland and Melbourne, completed in 2018, have 20 per cent sit-to-stand workstations, 20 per cent adjustable-height desks, and 60 per cent fixed-height workstations to help staff get the best ergonomic fit.

Understanding the types of spaces that staff are drawn to, and adjusting the design to suit, has allowed us to offer more variety in workspace and provides a more flexible environment for staff.

Small, enclosed, technology-enabled booths have been increased, rather than larger, more exposed collaboration tables. Individual lounges, providing a quiet space for staff to move away from the workstation environment, have also been increased.

The spaces are designed to encourage connections with people in other teams. Teams are no longer located in segregated spaces; all space is open to anyone to use. Although staff have a team neighbourhood, they are free to work within any space in the building and are encouraged to sit with other teams who they may be working with. At all sites, large community spaces have been created to try and bring staff together as much as possible.

We have also designed the following features and facilities with wellbeing and diversity in mind:

- creative open-plan design that maximises use of natural light throughout the floor space
- living plants throughout to support indoor air quality
- comprehensive end-of-trip facilities at all sites (e.g. bike storage and lockers, showers etc.) to promote active transport
- head office has a complimentary gym onsite to support employee health and fitness
- head office has internal staircase to promote movement and collaboration
- incorporation of spaces that support work/life balance e.g. breastfeeding room, reflection/prayer room.

Wellbeing future challenges

- Manager training program on mental health planned for FY18.
- Continued promotion of our employee assistance program and wellbeing initiatives.
- Fujitsu Australia and New Zealand taking part in the Corporate Global Step Challenge.
- Plans for a wellness at work week.



**SHIFT TO
100% AGILE
WORKING**





10. Operating practices

In this section / Responsible Procurement / Compliance practices / Safety / Digital Security and privacy

Driving responsibility in the Australia and New Zealand supply chain

Our supply chain consists of approximately AU\$500m spend in the ANZ region on products and services, and, globally, a product manufacturing and services supply chain.

Within the region, we updated our procurement policy to embed ethical, social, and environmental principles. This included:

- Complying with the Fujitsu Group Corporate Social Responsibility Guidelines, based on the Ten Principles of the UN Global Compact, The Fujitsu Way, and The Fujitsu Way Code of Conduct, we promote CSR activities with our suppliers based on the following:
 - We proactively seek to procure products and services from suppliers that are Aboriginal and Torres Strait Islander-owned, managed, and controlled (Indigenous enterprise). With this, we aim to generate value within our supply chain, increase opportunities for suppliers who have traditionally been underrepresented in our community, and meet Australian government requirements.
 - Complying with the Fujitsu Group Green Procurement Direction, we promote environmental management and we aim to supply products and services that involve low environmental load and do not contain hazardous substances.

Where ICT is procured for internal use by Fujitsu Australia and New Zealand, the directions in the Australia and New Zealand ICT Sustainability Policy must also be observed:

- We comply with all relevant environmental regulations and actively undertake initiatives to promote greater environmental responsibility and encourage the development and diffusion of environmentally-friendly technologies.
- Fujitsu supports a precautionary approach to environmental challenges and requires our suppliers to join us in this approach with the establishment and implementation of:
 - an environmental management system relevant to the business
 - reduction of CO2 emissions
 - biodiversity conservation
 - reduction of hazardous chemicals in the manufacturing process.

- We aim to give preference to suppliers who can:
 - design and build products using environmentally-friendly processes and raw materials
 - offer environmentally-friendly packaging
 - provide more energy-efficient and less-polluting products
 - minimise their energy consumption, publicly disclose their environmental impact, offer product stewardship, and consider ease of recycling and disposal.

Fujitsu will continue to work with suppliers to streamline our supply chain and ensure that companies we partner with uphold the same values that we operate within. To achieve this, we updated our ANZ procurement policy annually.

All new suppliers are required to complete due diligence forms which allow us to evaluate whether they meet our required standards. Wherever possible, we will work with small- to medium-sized organisations to drive growth in the local communities we operate in.

Indigenous procurement: Supply Nation

In line with our procurement policy, Fujitsu proactively seeks to procure products and services from suppliers that are Aboriginal and Torres Strait Islander-owned, managed and controlled (Indigenous enterprise).

With this, we aim to generate value within our supply chain, increase opportunities for indigenous Australians through economic empowerment, and meet the expectations of our customers and communities. As such, we have targets in place for Indigenous enterprise representation in our supply chain and are members of Supply Nation.



As part of our membership of Supply Nation, Fujitsu has access to the Indigenous Business Marketplace, an online portal that makes it easy to source and get quotes from Indigenous suppliers.

We have increased spend with Indigenous businesses from AU\$4.3k in FY16 to AU\$73.1k in FY17. We have set ambitious targets to increase the number of Indigenous businesses in our supply chain and are on track to meet our 2018 target, having doubled the number of Indigenous vendors in our supply chain in 2017.

Compliance training

Fujitsu undertakes regular compliance training through our iLearn online learning software. Key courses that we have rolled out are shown below with completion numbers (training numbers include Australia and New Zealand permanent staff and contractors only).

Course	Australia	New Zealand
Global Business Standards – provides guidance to all employees as to how we must act to prevent breaches of the law, maintain our high standards of business conduct, and protect Fujitsu's global reputation.	2320 90%	423 78%
Compliance Awareness – this course focuses on three key subject areas: bribery and corruption; antitrust and competition; and export control.	2363 92%	435 80%
The Fujitsu Way – explains our vision, the values we hold, and the principles all employees are expected to follow. This course explores the four core elements that underpin the Fujitsu Way: our corporate vision; values; principles; and code of conduct.	2592 96%	502 91%

Modern Slavery

Fujitsu Australia and New Zealand is committed to the highest ethical, environmental, safety, and quality standards within our business and in how we engage with our suppliers. To respond to consumers' growing attention to these responsibilities across the product and service lifecycle, we need to understand the corporate social responsibility (CSR) and business continuity management (BCM) practices of our suppliers.

As at September 2017, the Walk Free Foundation's Global Slavery Index estimates:

- more than 40 million people globally are subject to some form of modern slavery and collectively approximately US\$150 billion per year is generated in the global private economy from forced labour alone
- 30,435,300 people in Asia-Pacific Region are 'enslaved' (66.4 per cent of all people enslaved)
- 4,300 people in Australia are enslaved.

Fujitsu welcomes the proposed modern slavery act in Australia, with legislation expected to be passed in the second half of 2018, and reporting obligations beginning in 2019. This will support our ambition of transparency in supply chains as well as acting in accordance with human rights principles.

During FY17, Fujitsu Australia and New Zealand took a number of steps to identify labour issues in our supply chain. We conducted a survey of 70 high-risk/high-value suppliers on their practices regarding human rights, labour, health and safety, and fair-trade standards, as well as other issues such as environmental management and information security.

Following this initial exercise, and consultation with external advisors, we have identified some opportunities for improvement via supply chain due diligence and are working to strengthen our business risk as a result. We have also asked all existing suppliers and any new suppliers to adhere to our supplier code of conduct. We continue to make progress in this area.

INCREASE SPEND
WITH INDIGENOUS
OWNED BUSINESS FROM
\$4.3 TO \$73K



Governance: Compliance Committee

The Compliance Committee has been created to establish a forum to share compliance incidents and information which supports the compliance program in Fujitsu's business practice. Further, the Compliance Committee will help the company maintain an effective ethics and compliance program, maximise the inherent benefits of such a program, and consistently promote an organisational culture that demands ethical business conduct and compliance with the law.

Transforming our global supply chain requires both transparency and collaboration.

To ensure ongoing sustainable operations, the Fujitsu Group supports and is a signatory to the UN Global Compact's 10 principles in the areas of human rights, labour, the environment, and anti-corruption. Our corporate activities are focused on minimising any negative outcomes for society and we are committed to reviewing and improving our socially-responsible activities. In terms of compliance, we have implemented the Global Compliance Program throughout the Fujitsu Group to firmly establish a corporate culture where all executives and managers continue to lead each employee around the world in an environment with zero tolerance for any wrongdoing.

Fujitsu Group became a member of the Responsible Business Alliance (RBA) in 2017 and adopted the RBA Code of Conduct as the 'Fujitsu CSR Procurement Guideline' in March 2018. Suppliers are subject to the guideline if they provide components, materials, construction services, equipment, software, and so on for use in Fujitsu Group products.

The RBA is a non-profit organisation established in 2004 to support the rights and wellbeing of workers and communities worldwide affected by the global electronics industry supply chain.

It currently has a membership of more than 110 global companies, primarily made up of electronic device manufacturers and other ICT companies but also including retail, automotive, and toy industry-related enterprises.

Fujitsu Group policy on conflict minerals

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

Globally we are members of:

- **SHIFT:** Fujitsu is a member of the SHIFT Business Learning Programme. SHIFT is a U.S. non-profit organisation engaged in business and human rights.
- **Business for Social Responsibility (BSR):** Fujitsu is a member of BSR, a global non-profit business network and consultancy dedicated to sustainability.
- **Responsible Business Alliance (RBA, formerly EICC):** Fujitsu considers work environment and conflict minerals within the supply chain as a focus area for our CSR activities. Fujitsu joined the RBA in 2017 and using the RBA Code of Conduct to improve our due diligence processes.
- **Responsible Minerals Initiative (RMI, formally CFSI):** In addition to joining the RBA, Fujitsu is also a member of the RMI and is part of the Japan Electronics and Information Technology Industries Association (JEITA) working group on responsible minerals. We are also working closely with our customers and suppliers to ensure that we have implemented suitable measures in our supply chain.

Safety across ANZ

At Fujitsu we are committed to the health, safety, and welfare of all people who work for and with our business. Our ultimate objective is to prevent injury and harm. We expect our leaders to communicate their commitment to safety to their people by establishing injury prevention goals and safe work practices.

As part of our continuous improvement plan, our Health & Safety Policy is under review to include increased focus on employee wellbeing.

To enable ease of access to work health and safety (WHS) information, there is a dedicated WHS section on the front page of employee portal (Fujitsu InfoWorld) letting employees access our WHS procedures, training, links, hazard/incident reporting, and more.

Safety performance

One key performance measure is our lost time injury and frequency reporting (LTIFR) figure. This measures the number of lost-time injuries per million hours worked during an accounting period. The LTIFR for April 2017 to March 2018 (Fujitsu financial year) is 1.96.

Fujitsu has a health and safety management system that applies across all operations in ANZ. The system is based on the standards for safety management systems, OHSAS 18001: 2007. The system is externally certified to OHSAS 18001 - Occupational Health and Safety Management Systems, thus ensuring a consistent and standard approach across the organisation.

Data security and privacy

In today's information-driven economy, business data can be considered as the reserve currency.

The unprecedented growth in data brings new challenges around storage, accuracy, security, compliance and analytics. This requires higher levels of innovation from the IT sector to protect from cyberattack and ensure data is managed in the most responsible and safe way.

Fujitsu has worked to safeguard data in our organisation and that of our customers. We have a growing portfolio of security solutions and services, protecting business reputation with an intelligence approach.

All companies within the Fujitsu group of companies comply with the Fujitsu Global Information Security Controls Framework. This framework was based on international standards ISO/IEC 27001 and ISO/IEC 27002.

Cybersecurity

Fujitsu is recognised by our clients as a leading and trusted security partner. This is achieved through the proactive delivery of cyber resilience with the global collaboration of a highly experienced and qualified team.

Fujitsu's services to help protect against constantly-changing threats. We have decades of experience delivering secure information services to a wide client base including Australian federal and state government departments and ASX-200 companies.

Fujitsu can also provide a comprehensive set of solutions to help meet strict regulatory compliance demands, allowing you to focus on your goals and information security risks flexibly and effectively.

Fujitsu's philosophy: identify, protect, defend, respond

Fujitsu's growing portfolio of security solutions and services is designed to deal with the big picture, providing business leaders with peace of mind that their security is in good hands while they get on with running their business. Fujitsu aims to be the trusted digital security services provider, helping its customers predict and respond to cyberthreats to protect business reputation with an intelligence-led approach.

Our key services lie in three areas:

- predictive intelligent threat detection
- trusted delivery: expert-led professional and managed security services
- global 24x7 monitoring and response.

Awards

PrivacyMark: Fujitsu has held the PrivacyMark since 2007. PrivacyMark is a certification relating to the handling of private information. The system is operated by the Japan Institute for Promotion of Digital Economy and Community.

PalmSecure case study

Our PalmSecure™ leading-edge authentication system uses biometric technology that authenticates users based on vein pattern recognition.

Menzies has deployed Fujitsu PalmSecure to 40 sites, enabling real-time monitoring of employee movements as well as automatic payment and reporting via Inzenius.

Established in 1969, Menzies is one of Australia's leading privately-owned providers of cleaning and related property services. The company employs over 4,000 employees and turns over almost AU\$300 million annually with operations across all major Australian cities and regional centres. It provides a range of services, including contract cleaning; property and specialist maintenance; security services; manpower and labour hire; and waste and environmental management.

Menzies needs to track and manage thousands of employees across hundreds of client sites. However reconciling employee performance with payroll was taking hours and left room for human error. The company wanted a secure, flexible ID management solution that would integrate with its existing systems.

Menzies has rolled out Fujitsu PalmSecure and Inzenius to 40 sites with around 1,200 employees. It provides an authentication system using biometric technology that identifies users based on vein pattern recognition and connects with back office applications to automate payment.

PalmSecure:

- lets Menzies and its customers manage resources more effectively
- completes payroll paperwork instantly, freeing up internal resources
- helps Menzies attract new business and grow the company through its use of cutting edge technology.

"Fujitsu PalmSecure has transformed how we manage over a thousand employees, providing a better experience for them and real-time management for us. It's bringing our organisation into the 21st century."

Greg Springall, HR and Safety Manager, Menzies Group



Future challenges for operating practices

Procurement:

- Prepare for modern slavery act FY18/19.
- Continue to increase number of Indigenous-owned businesses in our supply chain and spend per year.
- Greater use of local suppliers where the supply chain can be tested to ensure it meets our high standards.
- Ensuring that we manage our supplier categories to bring innovation to both our customers and own internal operations by adopting new ways of doing business.

Operating practices:

- Create a safety action plan.
- Review progress against all targets quarterly.



11. Co-creation for impact and the Sustainable Development Goals

In this section / Sustainable Development Goals (SDGs) / Co-creation with our customers

Fujitsu is committed to not only ensuring our own operations have a minimal environmental and societal impact, but also to assisting our customers and society to achieve this.

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

We want to ensure that our customers are ready to achieve their business outcomes in a more connected and techno-centric environment. There are vast opportunities through digital co-creation and innovation that allow our customers to not only compete but add value for a better world.

For Fujitsu, digital transformation is an opportunity to get closer to our customers and partner with them as they follow their own digital journeys. We are unique as we have access to a worldwide pool of resources and R&D innovation that we can leverage. We have led many initiatives that challenge the conventional way of doing things and contribute to the SDGs.

The SDGs are a collection of 17 global goals set by the United Nations covering a broad range of social and economic development issues. Achieving these goals requires cooperation between governments, civil society, and the private sector.

Examples of where Fujitsu Australia and New Zealand and partners are supporting the SDGs include:

- Working with Downer, EYefi and Yarra Ranges Council on the smart drains solution reduces the risk of flood damage to the Yarra Ranges community.
- Working with Canberra Hospital and ADTEC, we designed a secure, user-friendly webcam solution in its neonatal intensive care unit to help reduce parental stress.
- Digital Owl, a project trialling drones and video analytics to identify threatened plant species.

We believe that business, and ICT business, has an essential part to play in contributing to the achievement of the United Nation's Sustainable Development Goals.

"By thoroughly understanding the principles behind the SDGs and pursuing global collaboration, I hope that we can establish areas within the SDGs in which we can make unique contributions. Going forward, we will determine specific fields where we can make significant contributions."

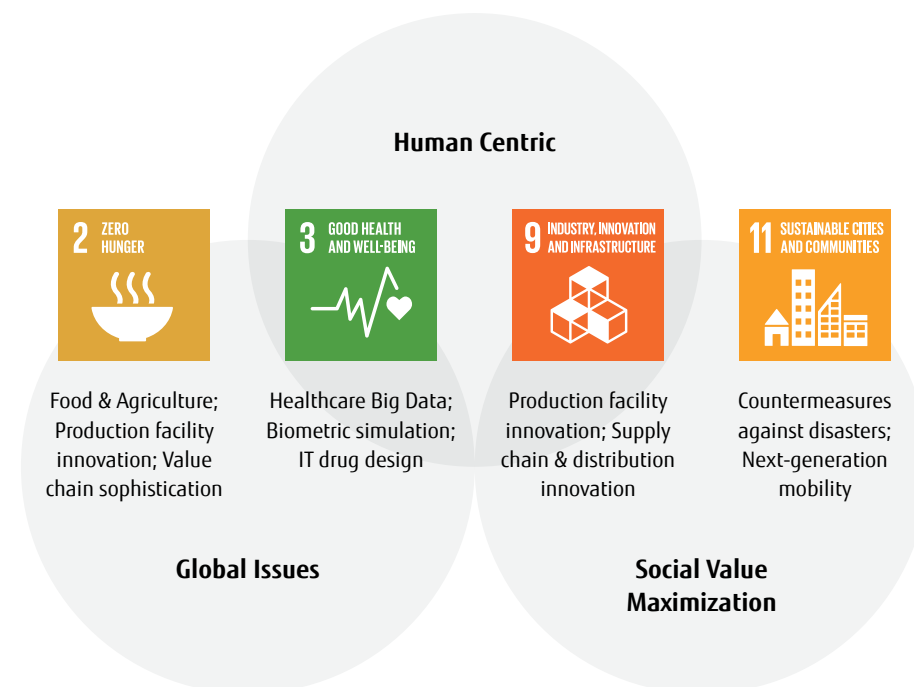
Tatsuya Tanaka, Fujitsu President

Fujitsu's brand promise, **"shaping tomorrow with you"**, expresses the importance we place on working with our customers and other stakeholders to build a better future. Fujitsu will use the power of ICT to build a safer, more prosperous society, in line with the UN SDGs. We invite our customers and partners to join us in building the sustainable future.

Fujitsu recognises the SDGs as one of the elements for achieving its growth strategy of 'connected services' and seeing new business opportunities through ventures that work to resolve social issues. They are a key focus area in the 2018 Fujitsu Technology & Service Vision.

The Fujitsu Group globally is focused on goals 2, 3, 9 and 11 as the areas where it can deliver the greatest value and is progressing business initiatives in these areas, as shown in Figure 3 below.

Figure 3: Fujitsu Global strategic SDGs



Our newly-launched SDG microsite contains further information on our ambitions and plans to co-create around the goals. <http://www.fujitsu.com/global/microsite/sdgs/>

Customer case studies

Smart drains for smart cities (March 2018)

About	Using sonar and camera sensors, the solution monitors water levels and potential flow rate within roadside storm water drains, and provides real-time alerts to operational teams so blockages can be addressed before floods occur.
Technology	The smart drains solution incorporates networked smart sensors, cloud technology and software.
Partners	The initiative is the result of a collaboration between Downer, Fujitsu Australia Limited, EYEfi, and Yarra Ranges Council.
Project description	<p>The smart drains solution reduces the risk of flood damage to the Yarra Ranges community. The Yarra Ranges Council faces a number of local flood management and drainage challenges, with more than 4,900 properties known to be at risk of flooding from waterways or underground drains. Adding to these challenges are long-term future pressures on the existing drainage system associated with urban consolidation and an increase in rainfall intensity, with approximately seven per cent of properties within the Yarra Ranges Council being prone to flooding.</p> <p>Using sonar and camera sensors, the solution is designed to monitor water levels and potential flow rate within roadside storm water drains and provide real-time alerts to operational teams so blockages can be addressed before inundation occurs. The smart drains solution incorporates networked smart sensors, cloud technology, and software to provide alerts for rising water every fifteen minutes. It provides a dashboard view of input from all sensors to provide management with a clear view of drain infrastructure to identify areas of focus.</p>
Outputs	<p>Significantly reduced the impacts of flooding through preventative/proactive response to issues or blockages in pits and drains</p> <p>Significantly reduced the operational costs associated with regular scheduled inspections of pits</p>
Delivering on SDGs	No. 6 Clean Water, No. 9 Industry, Innovation and Infrastructure, No. 17 Partnerships



Three co-creation projects delivering on the SDGs.

Protecting biodiversity with the Digital Owl (pilot)

About	Fujitsu's 'Digital Owl' project trials drones and video analytics to identify threatened plant species.
Technology	<p>The project uses Fujitsu's high-performance computing, video analytics and drone technology to capture and analyse video information over a broad geographic area to identify and locate endangered species for management, and invasive plant species for eradication purposes.</p> <p>Additionally, artificial intelligence (AI) technology is currently being trained to help identify species through video analysis. Fujitsu will continue to refine the technology by surveying the area at different altitudes to capture a richer base of data. Stage two of the project will employ Fujitsu SpatiOWL technology to further enhance species geolocation.</p>
Partners	NSW Government, Office of Environment and Heritage (OEH), Carbonix
Project description	<p>The project was successfully trialled recently in remote bushland at Mount Dangar, NSW. The trial resulted in successful identification of a plant species, <i>Senecio linearifolius</i> var. <i>dangarens</i>, that was feared to be extinct in the area due to extreme drought conditions, but was found growing in the wild.</p> <p>Lee Stewart, Head of Sustainability, Fujitsu Australia and New Zealand said, "Through an internally funded co-creation project, we identified the opportunity to apply advanced drone technology, combined with video analytics and spatial mapping technologies, to reduce the cost of monitoring and make the identification process more efficient.</p> <p>"This solution has the potential to improve the efficiency of identifying and locating particular plant species, which often requires exploring vast forest areas by helicopter. Use of the drone provides a significant saving in the cost of helicopter charter and fuel as well as a reduction in emissions."</p> <p>Fujitsu is exploring the application of this technology for a wide range of related purposes in ANZ. The technology can potentially be applied to identifying and locating outbreaks of noxious weeds in conservation areas and also identifying endangered birds and animals.</p>
Outputs	<p>Use of advanced Fujitsu video analytics, compute and drone technology.</p> <p>Successful trial reveals location of a plant species previously thought to be extinct in the area.</p> <p>Project identifies potential significant savings in helicopter fuel and charter, as well as emissions.</p>
Delivering on SDGs	No. 15 Life on Land, No. 17 Partnerships



Canberra Hospital (September 2015)

About	Canberra Hospital worked with Fujitsu and ADTEC to design a secure, user-friendly webcam solution in its neonatal intensive care unit to help reduce parental stress. The solution was designed to provide parents and relatives with a way to bond with the new baby during NICU stays, reducing parental stress, and nursing hours spent managing visitors, and carbon emissions from travel.
Technology	The hospital worked with Fujitsu and ADTEC to design a secure, user-friendly webcam solution that would be streamed via the Fujitsu Cloud to authorised viewers anywhere.
Partners	ADTEC Communications
Project description	<p>The system helps parents to bond with their baby regardless of their physical location. Parents can add features such as a blog, pictures, and specific details such as the baby's weight on a given day, making a record that other family members can view.</p> <p>The camera system also enables outreach teaching to regional hospitals via video link. This networking improves professional relationships with the surrounding region and also facilitates the exchange of knowledge to improve the care and treatment of newborn babies.</p> <p>It makes the hospital a more attractive choice for patients by enabling it to offer new services, building its reputation as a pioneer in the field of healthcare.</p> <p>The system reduces the number of people trying to access the ICU at peak times, which frees up staff to focus on healthcare rather than facilitating visitors.</p> <p>The system helps parents to bond with their baby regardless of their physical location. The system also enables nurses to demonstrate how to carry out simple procedures such as inserting a feeding tube.</p>
Outputs	A survey conducted by the hospital shows that this has led to a 98 per cent reduction in stress, which makes life easier for families and staff.
Delivering on SDGs	No. 3 Health and Wellbeing, No. 17 Partnerships



The Global Goals For Sustainable Development



Conclusion

Fujitsu believes in providing the best service to our customers, being the best employer for our people, delivering great results, and being a responsible business across all of our operations.

We value all areas that contribute to achieving this and, importantly, we know they are all dependent on one another and we cannot excel in one alone. As noted throughout this report, we have understood our business responsibility challenges and are actively undertaking projects to address them.

We have a long-term commitment to society and a prosperous future in line with our corporate philosophy, the Fujitsu Way, and our 2050 vision to achieve zero CO2 emissions.

"Over the last 10 years, Fujitsu has demonstrated business leadership not only in reducing its own carbon emissions but also driving down the impact of the ICT sector and contributing positively to the community. There has never been a more urgent need for business to step up to the challenge of climate change and Fujitsu's climate and energy vision towards zero net emissions by 2050 does just that."

Peter Castellás, CEO, Carbon Market Institute (CMI)

"Fujitsu have been continually investing in the future of Camp Quality. Together Fujitsu and Camp Quality are developing new and innovative ways to help support kids impacted by cancer. Past projects have included the funding for the development of a new and improved volunteer portal which has been instrumental in the recruitment, training and management of our volunteer base – a group of people essential to the delivery of the Camp Quality programs. Over the next 2 years Fujitsu will support a number of new innovation initiatives to increase the reach and impact of Camp Quality's work. Fujitsu are a committed and valued partner of Camp Quality and we look forward to seeing what the future holds for us together."

Kylea Tink, CEO, Camp Quality

"Fujitsu has empowered the Bawurra Foundation in many ways to fulfil our vision of a Nation wide reach. The future generations, of Aboriginal and Torres-Strait Islander students, emerging Elders and non-Indigenous Australians will benefit from the impact of Fujitsu's support."

Monique Shipp, CEO, Bawurra Foundation

"The past 12 months have seen unprecedented action on climate change and a growing momentum on sustainability in the business world. Sustainability issues such as water quality, youth unemployment, and plastic waste are now dominating public discussion and are priority issues for business to address."

The speed with which these issues emerge is accelerating, and companies need to get better at anticipating and being prepared for these issues – which a good sustainability process allows them to do. It's why reports like this one are so important. The process of developing a sustainability strategy and communicating performance provides business with a clearer view about where risks, and opportunities, are going to emerge from."

This year, I have seen a growing number of SBC business leaders getting to grips with the fact that issues like climate change and the rapid pace of technology means there is no more 'business as usual'. The megatrends of the changing nature of work, increasing inequalities, shifting demographics and the impact of environmental change on our lifestyles will only increase the challenges business face. But businesses, like Fujitsu Australia and New Zealand, that embrace these as possibilities will survive and thrive."

Abbie Reynolds, Executive Director, Sustainable Business Council New Zealand

References

Reports

Fujitsu Group Integrated Report 2017

<http://www.fujitsu.com/global/about/resources/reports/sustainabilityreport/2017-csrreport/>

Fujitsu Group Environment Report 2017

<http://www.fujitsu.com/global/about/resources/reports/sustainabilityreport/2017-environmentalreport/>

SMARTer2030 – ICT Solutions for 21st Century Challenges

<http://www.fujitsu.com/au/solutions/business-technology/sustainability-consulting/thought-leadership/smarter2030/index.html>

Fujitsu Reflect Reconciliation Action Plan (RAP) 2018

<http://www.fujitsu.com/au/about/local/rap/index.html>

Policies

Fujitsu Australia and New Zealand Sustainability Policy

<http://www.fujitsu.com/au/about/local/sustainability/sustainability-policies/>

Fujitsu Group Environmental Policy

<http://www.fujitsu.com/global/about/environment/approach/policy/index.html>

Fujitsu Australia and New Zealand Procurement Policy

<http://www.fujitsu.com/au/about/procurement/>

Fujitsu Group Socially Responsible Procurement Initiatives

<http://www.fujitsu.com/global/about/csr/society/procurement/index.html>

Footnotes

i <https://www.fujitsu.com/uk/innovation/megatrends/>

ii <https://www.rolandberger.com/en/Insights/Global-Topics/Trend-Compendium.html>

iii McKinsey Global: McKinsey Global Institute: JOBS LOST, JOBS GAINED: Workforce Transition in a Time of Automation

iv <https://digitalworkplace.global.fujitsu.com/category/future-workplace-2025/>

v <http://www.fujitsu.com/au/solutions/business-technology/sustainability-consulting/thought-leadership/smarter2030/>

vi <https://www.rolandberger.com/en/Insights/Global-Topics/Trend-Compendium.html>

vii UN Environment

viii <https://www.rolandberger.com/en/Insights/Global-Topics/Trend-Compendium.html>

ix <https://www.rolandberger.com/en/Insights/Global-Topics/Trend-Compendium.html>

x <https://www.newgenapps.com/blog/big-data-statistics-predictions-on-the-future-of-big-data>

xi <https://www.goldmansachs.com/insights/pages/internet-of-things/>

xii <http://ewastemonitor.info/>

xiii <https://www.sciencedirect.com/science/article/pii/S095965261733233X>

xiv <http://www.fujitsu.com/au/about/resources/case-studies/cs-2017nov-nsw-tafe.html>



**Let's continue the conversation.
Find out how we can shape tomorrow with you.**

Australia **T** +61 2 9776 4555 **E** info@au.fujitsu.com **W** www.fujitsu.com/au
New Zealand **T** +64 4 495 0700 **E** askus-nz@nz.fujitsu.com **W** www.fujitsu.com/nz

Printed on 100% recycled paper
Printed by Supply Nation certified supplier Snap Underwood