

Compliance/Risk Management

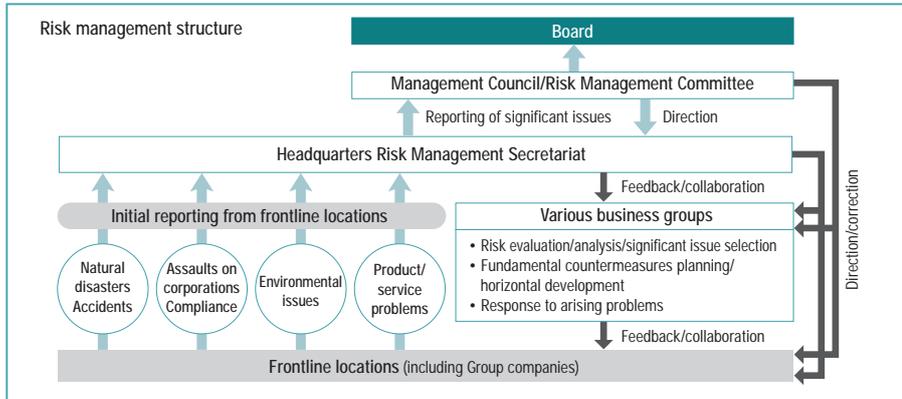
We are pursuing original efforts toward full compliance and reduction of all risks involved in corporate activities.

Policy

In conformance with the action code of "The FUJITSU Way," we will fulfill our corporate responsibility to society by promoting thorough compliance and activities designed to reduce the various risks accompanying corporate activities.

Structure

Promoting full compliance in the conduct of business in every Fujitsu Group division and risk management in every area, including security, PL, the environment and natural disasters.



responses aimed at early solution of the problem. We strive to prevent problems before they occur by feeding back all problem information received to the respective business groups and conducting risk assessment/analysis, fundamental countermeasure planning and horizontal countermeasures development in every company. We report significant issues to executives as required and provide the various business groups and frontline sites with measures and countermeasures.

1. Compliance measures

We are striving to achieve full compliance by observing internal regulations under the "Internal Code for Matters for Compliance in Fujitsu" and keeping employees informed, in addition to complying with laws and regulations.

2. Risk management structure

Operating under the Risk Management Committee (established April 2001), the Headquarters Risk Management Secretariat receives initial reports of problems from sites on the frontline, collaborates with the sites and establishes a countermeasures headquarters, if necessary, to execute

3. Risk management education

We are honing every employee's risk management capabilities by holding seminars and conducting e-education programs to avoid risk to FUJITSU or its customers and to prevent diffusion and expansion of damage in disaster situations.

Results

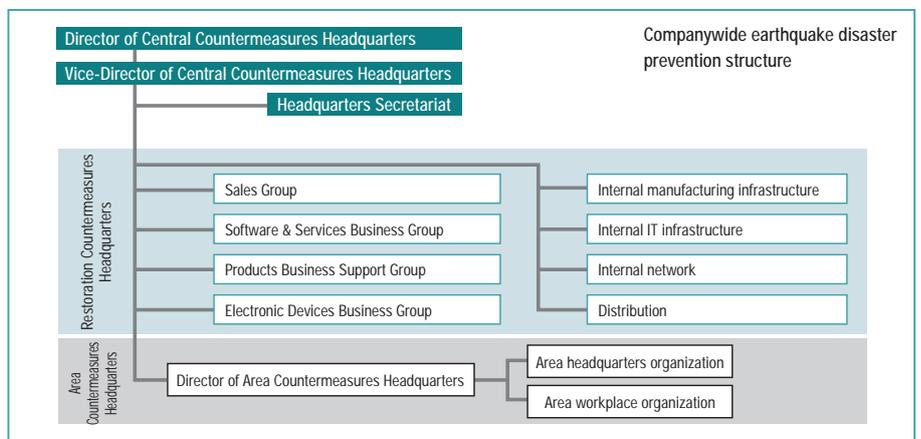
Natural disaster countermeasures

Earthquake countermeasures

We have formed a Group-wide earthquake disaster prevention organization to prepare responses to major earthquakes. Our objective is to provide customers who suffer damage with appropriate support by establishing systems to minimize material damage to our sites and facilitate early resumption of operations following an earthquake. We are working to reinforce our internal cooperation with respect to customers' recovery efforts.

Response to Sanriku-Minami Earthquake (May 26, 2003)

The Electronic Devices Business Group established a countermeasures headquarters to implement recovery work immediately after the shutdown of the Iwate Plant due to an earthquake measuring above 6 on the



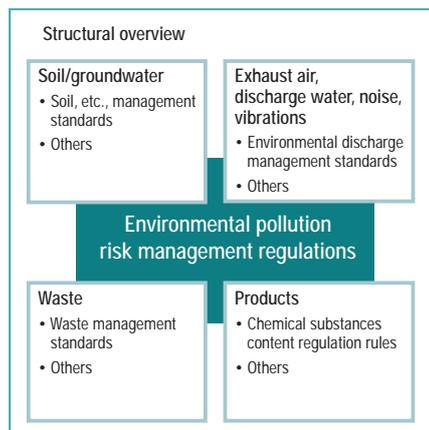
Japanese scale. After approximately one week, we were able to reactivate operations. The shutdown seriously inconvenienced our customers, but we were able to recover quickly in cooperation with our suppliers, while observing a policy of open disclosure of the damage and recovery situation.

Disaster prevention drills

We conduct annual disaster prevention drills, centered on Disaster Drill Day (September 1), at every domestic site. Under the theme of "Protecting corporations' vital information systems from disaster," the System Support Headquarters joined customers in conducting a joint recovery drill in response to an assumed earthquake in the Tokyo Metropolitan Area.

Environmental risk countermeasures

We have developed a structure to prevent environmental risk and are striving to prevent or minimize it through environmental risk assessment and management. An overview of the structure is shown below.



Education to enhance environmental risk awareness

We conduct education to enhance environmental risk awareness aimed at improving and fostering individual employees' awareness of environmental risks as a part of our environmental risk management.

• Keystone of employee education

We educate employees concerning "risk prediction" and "suitable responses and solutions" to raise their risk awareness and give them appropriate skill training. The education is aimed at reinforcing employees' preparedness to counter environmental risks associated with production activities and to prevent the expansion and minimize the scale of damage should problems arise.

• Contents of employee education

Learning through case analyses of how environmental risks emerge, how to respond to risk-causing events in progress, and what risks are actualized at which point.

• Targets of the education

Frontline employees at manufacturing sites.



• Program implementation status

We educated 70 employees at 5 Fujitsu plants and 162 employees at 50 sites of 35 manufacturing affiliates in fiscal 2003, completing the education for all Fujitsu internal plants and manufacturing affiliates.



Presenting a case analysis

Soil and groundwater pollution countermeasures

We conducted soil and groundwater surveys at idle plants in fiscal 2003, one of which was completed, while the other two continue. We conduct strict surveys, based on the survey method instituted in the Soil Pollution Countermeasures Law*1 but covering more survey spots than the regulations require, even concerning substances other than those targeted by the regulations and in soil considered to have a lower possibility of pollution.

We also continue to pursue conventional cleanup of volatile organic compounds, and we plan to conduct a survey on effective in-situ cleanup methods for accelerating these programs in fiscal 2004 and to implement cleanup acceleration measures in fiscal 2005.



Collecting surface soil

Storage and treatment of polychlorinated biphenyl (PCB)

Each Fujitsu site and affiliated company that employs transformers, condensers and fluorescent lighting stabilizers containing PCB notified the prefectural governor of the number in storage in fiscal 2003 in compliance with the Special Measures Law on PCB. The PCB in storage awaiting detoxification is strictly monitored with quantitative ledger management, and the storage is conducted with extreme caution based on the management regulations in effect at the individual Fujitsu sites and their affiliated companies. We inspected 10 sites in the Group with a large storage volume to check the storage situation, and found inadequacies at one site, including a different display from that required by internal regulations. We made improvements and are striving to reinforce the storage situation.

The main stores of PCB at Fujitsu and affiliated companies are as follows.

(Unit: pieces)

	Storage volume		
	Transformers	Condensers	Fluorescent lighting stabilizers
Fujitsu	9	1,295	35,626
Affiliates	2	321	696
Total	11	1,616	36,322

We continue to investigate the possibilities for detoxification of PCB, focusing on such areas as detoxification processing technologies and the progress in wide-area processing and expenditures by the Japan Environment Corporation. We hope to apply the results of these investigations to minimize risk by determining a PCB detoxification policy for Fujitsu and its affiliates.



PCB-containing machine storage

Countermeasures concerning dioxins*2

We eliminated the use of incineration facilities in the Fujitsu Group as a whole (5 Fujitsu plants and 10 plants of affiliated companies with incinerators) by January 2000 and are continuing efforts to prevent dioxin generation.

Environmental endocrine disrupter countermeasures

We are managing the annual usage volumes of 65 endocrine disrupting chemicals with the aim of reducing their use. We are promoting reduction activities by managing the usage volume at all sites employing the targeted chemicals. In fiscal 2003, the volume of environmental endocrine disrupters used by the Group was 3,085.9 kg. The volume used by Fujitsu was 182.2 kg, a 99.4 kg increase compared with fiscal 2002. This increase accompanied an increase in production volume.

Usage status of environmental endocrine disrupters (Fujitsu Group fiscal 2003)

Substance No.	Substance	Cas No.	Amount used (kg)	Principal uses
36	Nonylphenol	25154-52-3	1088.5	Degreasing agent for painted parts
37	Bisphenol A	80-05-7	63.4	Shaping auxiliary agent
38	2-ethylhexyl phthalate	117-81-7	76.8	Adhesive for mounting electronic parts
39	Butyl benzyl phthalate	85-68-7	40.1	Printed circuit board processing agent
40	Di-n-butyl phthalate	84-74-2	1745.4	Shaping auxiliary agent
56	Cypermethrin	52315-07-8	12.8	Insecticide
59	Permethrin	52645-53-1	58.9	Insecticide for mites
	Total		3085.9	

• The results tallied here are for 15 Fujitsu plants/sites and 27 domestic and 4 overseas affiliates.

• The usage status covers all substances used by Fujitsu and the Fujitsu Group.
• Substance number in the Ministry of the Environment publication "Strategic Programs on Environmental Endocrine Disrupters '98" (SPEED '98)

*1, 2 See definitions on page 67.