

COMPLIANCE

Compliance Promotion

The Risk Management & Compliance Committee oversees compliance globally for the Fujitsu Group. The Committee raises awareness and secures compliance with the Fujitsu Way Code of Conduct throughout the Group by appointing a chief risk management & compliance officer (CRCO), who

executes the Committee's decisions concerning compliance, establishing the Global Compliance Program and coordinating with the Regional Risk Management & Compliance Committee set up in each region as a subcommittee.

The Fujitsu Way Code of Conduct

The Fujitsu Way* includes a Code of Conduct, with which all Fujitsu Group employees must comply.

Fujitsu has also rolled out Global Business Standards (GBS), which provide further guidance on how to apply the Fujitsu Way Code of Conduct and to ensure compliance with laws and regulations. The GBS is available in 20 languages to be applied uniformly across the Fujitsu Group.

* See the inside cover of this report for details of the Fujitsu Way.



The Fujitsu Way Code of Conduct



Global Business Standards

The Global Compliance Program

In order to promote and implement the Fujitsu Way Code of Conduct and the GBS, Fujitsu has established the Global Compliance Program (GCP) and is working to maintain, review, and improve its global structure for legal compliance across the Fujitsu Group.

The GCP systematically organizes our existing activities concerning compliance into five pillars, clarifies items that

Fujitsu should continuously work on, and seeks to promote external understanding of our compliance structure and activities. Various measures and approaches are taken in each region based on the GCP, as well as local laws and government guidelines.



Compliance Activities

<p>1. Policies & Procedures</p>	<ul style="list-style-type: none"> For Fujitsu and Group companies in Japan, we established the Compliance Policy to enforce compliance and enact sustainable improvement in our corporate value. We established more specific and detailed regulations and guidelines based on the Compliance Policy in areas with significant impact on business: antitrust, anticorruption, and anti-social forces. For overseas Group companies, we issued a policy corresponding to the Compliance Policy in Japan above along with a global guideline on competition law, and other guidelines concerning the prevention of bribery. In addition, we have been using an online third-party due diligence process.
<p>2. Top Commitment & Resources</p>	<ul style="list-style-type: none"> Fujitsu promotes top management's commitment to compliance through messages to employees and other communications. We have also assigned compliance officers to each region and have formed a global network with each risk and compliance representative, in order to secure a structure to execute our GCP. The risk and compliance representatives in Fujitsu and domestic Group companies meet annually at the Risk and Compliance Seminar to share updates and know-how related to risk management and compliance, and the compliance representatives from overseas Group companies meet annually at the Global Compliance Forum to share and discuss headquarters' policies concerning the execution of the GCP.
<p>3. Training & Communication</p>	<ul style="list-style-type: none"> The Fujitsu Group conducts e-learning courses for employees, including members of management, in 20 languages, which are aimed to help participants learn how to identify and handle problematic situations, especially those related to bribery, antitrust, and export control. Fujitsu and domestic Group companies have also prepared additional content based on Fujitsu's antitrust case as referenced below. In addition to the above, the Fujitsu Group conducts face-to-face training for different departments and entities focusing on the prevention of such risks (including a series of face-to-face training sessions for employees in the public sector business and other sales divisions). Compliance training for partners is rolled out overseas. During Fujitsu Compliance Week, which is held every December, various regional activities are conducted in addition to the sending out of top messages and the rolling out of e-learning courses.
<p>4. Incident Reporting & Response</p>	<ul style="list-style-type: none"> The Fujitsu Group operates the Compliance Line/Fujitsu Alert for both internal and external reports. The Compliance Line/Fujitsu Alert handles reports and provides consultations for all employees in the Fujitsu Group (including seconded, contracted, part-time or other short-term employees, temporary staff as well as retired employees). Group companies have established internal reporting systems individually. Reports to Fujitsu Alert are accepted in 20 languages, at any time, on any day. Moreover, we opened a Compliance Line for Suppliers in Japan to handle reports and inquiries from the employees of companies that directly supply Fujitsu and domestic Group companies with their products, services, or software, etc. Our whistleblowing system forbids any and all retaliation against any individual or supplier who reports an incident or violation, and meticulous care is taken in handling the information so as to preserve their anonymity. If the issue raised is substantiated, the relevant practice or issue is corrected and measures are taken to prevent recurrence. The status of reports and consultations, or key compliance issues, is reported regularly to the Risk Management & Compliance Committee and the Board of Directors.
<p>5. Monitoring & Review</p>	<ul style="list-style-type: none"> Through risk assessments and audits, the efficacy of the GCP is periodically checked and work is being done to continually improve it. Fujitsu conducts audits in order to confirm observance of the Antimonopoly Act, and improve and continue the audit program as a communication tool with relevant departments. For overseas, the Fujitsu headquarters' compliance team conducts risk assessments by visiting Group companies in countries and regions with a high risk of corruption. Through interviews with executives and employees, as well as checks on internal policies and processes, the compliance team analyzes the potential compliance risks in local business and provides proposals and supports to mitigate these risks.

Responses to Compliance Matters

In fiscal 2016, Fujitsu Limited was found to have violated the Antimonopoly Act concerning order coordination for orders from Tokyo Electric Power Co., Ltd.* and Chubu Electric Power Co., Inc.

In response, Fujitsu reconstituted its measures and established a domestic compliance program based on the Japan Fair Trade Commission's "Compliance Program for Companies to Comply with the Antimonopoly Act" under the GCP.

Through these programs, Fujitsu engages in prevention of bid rigging by sending out top messages repeatedly to all employees, while conducting compliance training and audits as referenced above.

* Currently, Tokyo Electric Power Company Holdings, Incorporated