

# CORPORATE GOVERNANCE

## Basic Approach to Corporate Governance

The Company regards corporate governance as a critical mechanism to fulfill the senior management team's mission in a manner befitting shareholders' trust. This mission is based on the Fujitsu Way and enables a form of business management that, rather than pursuing short-term profits, earns the trust of customers and business partners, motivates employees to work with vitality and pride, and contributes to society. Through such business management, the Company will grow and enhance corporate value over the medium to long term.

## Structural Framework

The Company outlines the following rules to ensure that the oversight and advice from the diverse perspectives of non-executive directors (the term used for the combination of independent directors and non-executive directors appointed from within the Company) are reflected in the management execution of executive directors, as part of the Board of Directors' function while leveraging the advantages of a company with an Audit & Supervisory Board system:

- Same number or more of non-executive directors responsible for oversight are appointed as executive directors responsible for management execution.
- Independent directors are appointed as the core members of non-executive directors, and at least one non-executive director is appointed from within the Company.
- Independent directors must meet the independence standards (referred to as "Independence Standards") established by the Company.
- In nominating non-executive director candidates, the Company takes into account the background of candidates and their insight on the Company's business.

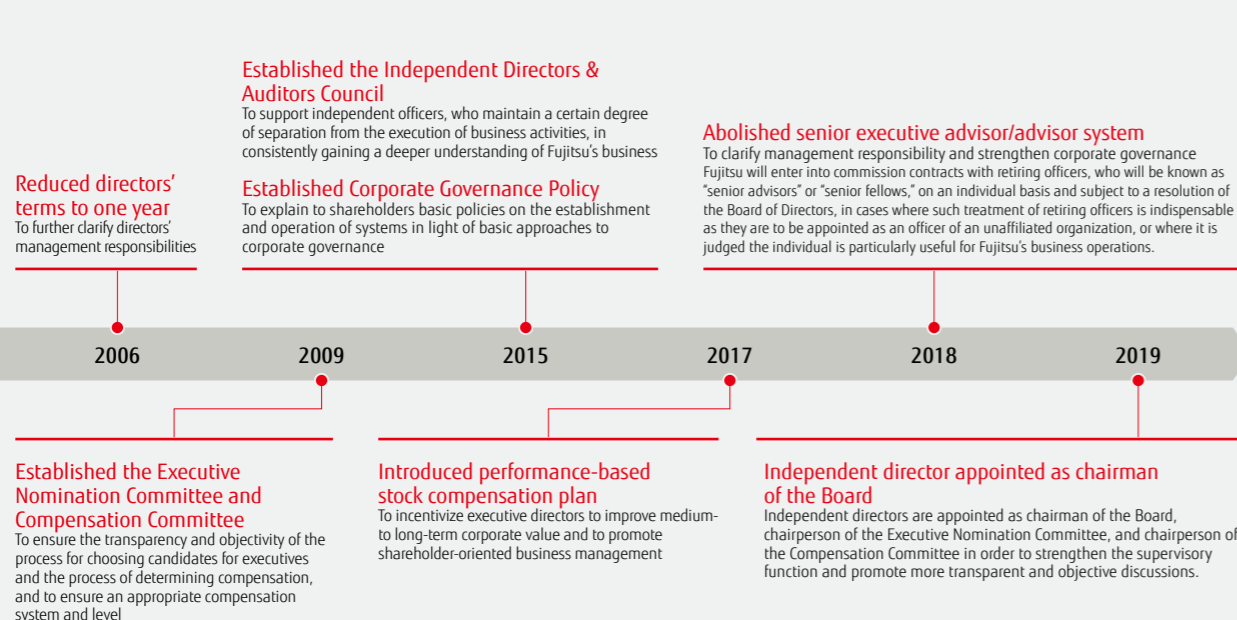
- Audit & Supervisory Board members conduct external audits and provide oversight of the Board of Directors. The voluntary Executive Nomination Committee and the Compensation Committee, composed mainly of non-executive directors and Audit & Supervisory Board members, and the Independent Directors & Auditors Council all function to complement the Board of Directors.
- Independent Audit & Supervisory Board members are external Audit & Supervisory Board members who meet the Independence Standards.

Based on a decision made by the Board of Directors in December 2015, the Company has established a basic policy, "Corporate Governance Policy," summarizing its approach to corporate governance.

<https://www.fujitsu.com/global/documents/about/ir/library/governance/governancereport-b-en.pdf>

In addition, for details on corporate governance, please visit the Fujitsu website (About Fujitsu > Sustainability > Corporate Governance):  
<https://www.fujitsu.com/global/about/csr/governance/>

## Initiatives Taken to Strengthen Corporate Governance



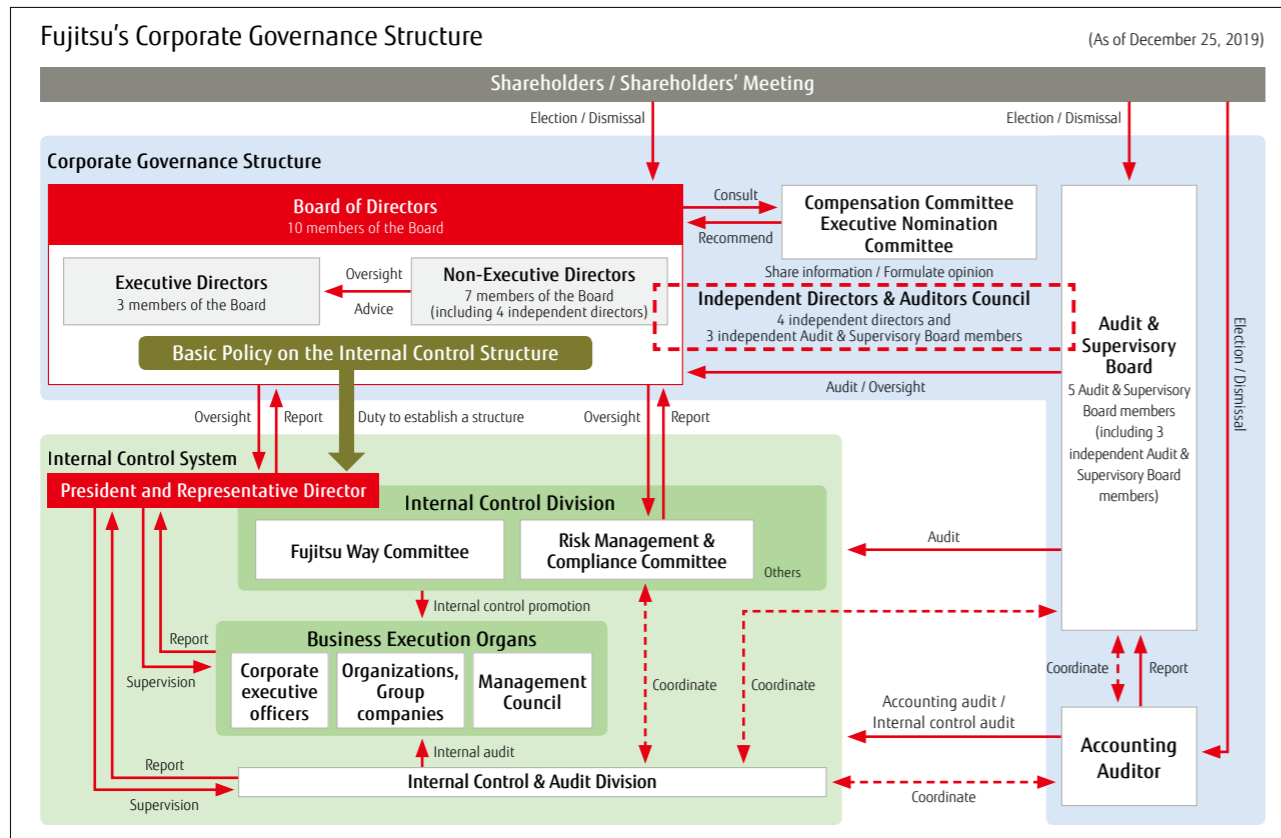
## 1. Overview of Corporate Governance Structure

### Roles and Composition of Key Boards, Committees, and Councils

<b>Board of Directors</b>	The Company has a Board of Directors to serve as a body for making important decisions and overseeing management. The Board of Directors delegates the decision-making authority over management execution to the representative directors and subordinate corporate executive officers to the broadest extent that is permitted by law and the Articles of Incorporation of the Company, and is considered to be reasonable and will mainly perform as an oversight and advisory body. Moreover, the oversight function of the Board of Directors has been strengthened by actively appointing independent directors with high independence and diverse perspectives. The term of directors is one year. As of June 24, 2019, the Board of Directors comprises ten members: three executive directors and seven non-executive directors (including four independent directors). The position of chairperson of the Board of Directors is held by an independent director, separate from the position of president, who has ultimate responsibility for management execution.
<b>Audit &amp; Supervisory Board</b>	The Company has an Audit & Supervisory Board that performs the auditing and oversight functions. From an independent position that does not entail involvement with management decisions or execution, Audit & Supervisory Board members audit and provide oversight of the Board of Directors as well as management execution functions and attend important meetings, including meetings of the Board of Directors. The term of Audit & Supervisory Board members is four years. As of June 24, 2019, the Audit & Supervisory Board has five members, comprising two full-time Audit & Supervisory Board members and three independent Audit & Supervisory Board members. Among the Audit & Supervisory Board members, full-time Audit & Supervisory Board member Mr. Yoshiki Kondo has many years of experience in the domestic sales division and system engineering division in Japan, as well as extensive knowledge of the Company's mainstay services business. Further, full-time Audit & Supervisory Board member Mr. Youichi Hirose not only has extensive knowledge of finance and accounting issues but also has abundant expertise in relation to business management. In addition to his many years of management experience in the Company's finance and accounting divisions, including time spent serving as the head of the Company's Corporate Finance Unit, he has been deeply involved in the transformation of the business model toward one centered on technology solutions. For additional information regarding the fields of specialization of independent Audit & Supervisory Board members, please refer to "Appointment of Independent Directors and Independent Audit & Supervisory Board Members" on pages 39-40.
<b>Executive Nomination Committee and Compensation Committee</b>	The Company has established the Executive Nomination Committee and the Compensation Committee as advisory bodies to its Board of Directors to ensure the transparency and objectivity of its process for nominating directors and Audit & Supervisory Board members and its process for determining executive compensation, as well as to ensure the fairness of the method and level of executive compensation. The Executive Nomination Committee deliberates on candidates for director and Audit & Supervisory Board member positions in accordance with the Framework of Corporate Governance Structure and the Procedures and Policy of Directors' and Audit & Supervisory Board Members' Appointment and Dismissal, stipulated in the Company's Corporate Governance Policy, and provides its recommendations to the Board of Directors. In addition, the Compensation Committee provides its recommendations on the level of base compensation and the method for calculating performance-based compensation to the Board of Directors in accordance with the Procedures and Policy of Determining Directors' and Audit & Supervisory Board Members' Compensation stipulated in the Company's Corporate Governance Policy. In accordance with the Company's Corporate Governance Policy, the majority of members comprising the Executive Nomination Committee and the Compensation Committee are non-executive directors and Audit & Supervisory Board members and include at least one independent director. Members of both committees, as of July 25, 2019, are detailed below. Both committees consist of four non-executive directors (of whom three are independent directors). Additionally, the secretariats of both committees are operated by the Company's HR and legal departments. <ul style="list-style-type: none"> <li>Executive Nomination Committee Chairperson: Mr. Jun Yokota Members: Dr. Chiaki Mukai, Dr. Yoshiko Kojo, and Mr. Tatsuya Tanaka</li> <li>Compensation Committee Chairperson: Dr. Chiaki Mukai Members: Mr. Jun Yokota, Dr. Yoshiko Kojo, and Mr. Tatsuya Tanaka</li> </ul>
<b>Independent Directors &amp; Auditors Council</b>	In response to the requirements of Japan's Corporate Governance Code, which facilitates the activities of independent directors and Audit & Supervisory Board members, and in order to invigorate discussions on the medium- to long-term direction of the Company at its Board of Directors' meetings, the Company believes it essential to establish a system that enables independent directors and Audit & Supervisory Board members, who maintain a certain degree of separation from the execution of business activities, to consistently gain a deeper understanding of the Company's business. Based on this recognition, the Company established the Independent Directors & Auditors Council in fiscal 2015, which includes all independent officers (four independent directors and three independent Audit & Supervisory Board members). This council convened six times in fiscal 2018. At meetings of the council, independent officers discuss one or two agenda items thoroughly to help respective officers form opinions and to enliven deliberations of the Board of Directors.
<b>Support System for Directors and Audit &amp; Supervisory Board Members</b>	The Company provides directors and Audit & Supervisory Board members, irrespective of whether they are an executive director, non-executive director, or Audit & Supervisory Board member, with the following support necessary for each director and Audit & Supervisory Board member to fulfill their role and contribute to the Company's corporate governance: <ul style="list-style-type: none"> <li>The Company prepares a framework to help directors and Audit &amp; Supervisory Board members acquire the information they need, including advice from external experts, through financial support and staffing.</li> <li>The Company provides newly appointed directors and Audit &amp; Supervisory Board members with necessary training, including information on their roles and responsibilities, internal structure, and business lineup. In addition, the Company provides ongoing opportunities for updating such information and knowledge periodically and when directors and Audit &amp; Supervisory Board members feel the need for further training while they remain in their position.</li> </ul> Further, given that external officers' knowledge of the Company's business fields and corporate culture differs from that of internal officers, the Company has established systems that support external officers in addition to the above-mentioned support and the previously mentioned Independent Directors & Auditors Council. The Company has established an organization through which the Company's junior employees are assigned to respective external officers as assistants who provide direct support.

### Status of Management Execution Organs

The Company appoints corporate executive officers who are assigned management execution authority by the representative director and president. Furthermore, to heighten the efficiency of business management, the Company has established a Management Council comprising the representative directors and the corporate executive officers to assist the representative director and president in making decisions.



## 2. Independent Directors / Independent Audit & Supervisory Board Members

### Independence Standards for Independent Directors and Independent Audit & Supervisory Board Members

The Company evaluates the independence of external officers based on the following standards.

- a. A director and Audit & Supervisory Board member will be independent if none of the following are met, at present and/or in the past:
  - (1) Director or employee of one of Fujitsu Group companies\*<sup>1</sup>;
  - (2) Director, executive officer, Audit & Supervisory Board member, or important employee\*<sup>2</sup> of a major shareholder\*<sup>3</sup> of Fujitsu;
  - (3) Director, executive officer, Audit & Supervisory Board member, or important employee\*<sup>2</sup> of a major lender\*<sup>4</sup> to Fujitsu;
  - (4) Partner or employee of accounting auditor company of Fujitsu;
  - (5) Director, executive officer, Audit & Supervisory Board member, or corporate executive officer mutually exchanged between Fujitsu and other company;
  - (6) A person who receives significant amount of monetary benefits\*<sup>5</sup> or other property other than the compensation as a director or Audit & Supervisory Board member from Fujitsu; or
  - (7) Director, executive officer, Audit & Supervisory Board member, or important employee\*<sup>2</sup> of a major business partner\*<sup>6</sup> of Fujitsu.
- b. A person who does not have a close relative\*<sup>7</sup> will be independent, wherein a close relative meets one of the following, at present or at any time within the preceding three years:
  - (1) Executive director, non-executive director,\*<sup>8</sup> or important employee of Fujitsu Group companies;
  - (2) Director, executive officer, Audit & Supervisory Board member, or important employee\*<sup>2</sup> of a major shareholder of Fujitsu;

- (3) Director, executive officer, Audit & Supervisory Board member, or important employee\*<sup>2</sup> of a major lender to Fujitsu;
- (4) Partner or employee of accounting auditor company of Fujitsu;
- (5) Director, executive officer, Audit & Supervisory Board member, or corporate executive officer mutually exchanged between Fujitsu and other company;
- (6) A person who receives significant amount of monetary benefits or property other than the compensation as a director or Audit & Supervisory Board member from Fujitsu; or
- (7) Director, executive officer, Audit & Supervisory Board member, or important employee\*<sup>2</sup> of a major business partner of Fujitsu.

\*1 "Fujitsu Group companies" means Fujitsu Limited and its subsidiaries.  
 \*2 This excludes the independent directors and the independent Audit & Supervisory Board members of said major shareholders, lenders to the Company, and business partners of the Company.  
 \*3 "Major shareholder" indicates a shareholder in the top 10 major shareholders listed in the latest business report of Fujitsu.  
 \*4 "Major lender" indicates a lender in the Group's major lenders listed in the latest business report of Fujitsu.  
 \*5 "Significant amount of monetary benefits" means the sum of annual compensation for expert services and a donation equal to or more than ¥10 million.  
 \*6 "Major business partner" means a company with which Fujitsu Group companies made a business transaction within the preceding three fiscal years, and the total amount of the transaction exceeded 1% of consolidated sales revenue of either Fujitsu or that company.  
 \*7 "Close relative" means a family member, spouse, or cohabiter within the second degree of kinship (as stipulated in the Civil Code of Japan).  
 \*8 This condition applies only when judging the independence of Fujitsu's independent Audit & Supervisory Board member or a nominee thereof.





### Appointment of Independent Directors and Independent Audit & Supervisory Board Members

Fujitsu actively appoints external officers to increase management transparency and further improve efficiency. Fujitsu determines independence based on the independence standards stated above. All external officers have been registered with and accepted as independent officers

by the financial instruments exchanges on which Fujitsu is listed in Japan.

Fujitsu's views on the roles, functions, and specific appointed statuses of independent directors and independent Audit & Supervisory Board members are as follows:

#### Independent Directors

	Mr. Yokota has served as Ambassador to Israel and Ambassador to Belgium, and is an expert in international economic negotiations, having served as a government representative for economic partnership agreement negotiations with Europe. Because of his deep knowledge of politics and economics from a global perspective, he fulfills the supervisory function and role as an independent director. Moreover, Mr. Yokota has never been a major shareholder, nor has he held an executive management position with a major business partner of the Company. Therefore, Fujitsu considers Mr. Yokota to be independent.
	Dr. Mukai began her career as a doctor and became Asia's first female astronaut, and she exemplifies the spirit of challenge advocated by Fujitsu by being at the cutting edge of scientific fields. She has overseen and advised on business execution from various perspectives, and has led discussion about executive remuneration in her capacity as the chairperson of the Compensation Committee. As we can expect her to provide fair and objective oversight and advice from a global perspective based on her extensive knowledge of science and technology, she will fulfill a supervisory function and role as an independent director. Fujitsu and the Tokyo University of Science, where Dr. Mukai serves as vice president, had business transactions in fiscal 2018 amounting to approximately ¥13 million, which is considered immaterial and constituting no special relationship when taking into account the size of Fujitsu's total sales. Therefore, Fujitsu considers Dr. Mukai to be independent.
	Mr. Abe has extensive knowledge of the ICT industry and M&As based on his many years of experience in investment banking and private equity business. As we can expect Mr. Abe to provide oversight and advice from a shareholder and investor perspective, as well as to contribute to the timely and resolute decision making of management, he fulfills his supervisory functions and role as an independent director. Mr. Abe has never been a major shareholder, nor has he held an executive management position with a company with which Fujitsu Limited has engaged in major business transactions. Therefore, Fujitsu considers Mr. Abe to be independent.
	Dr. Kojo served in important positions, including as the president of the Japan Association of International Relations, and her research has for many years focused mainly on the impact of economic entities, including private companies, on international politics. The Company expects that she will be able to fulfill her supervisory functions and role to provide extensive advice and oversight concerning the Company's response to changes in the external environment during a time of dramatic transition in international politics and with regard to SDG initiatives based on her deep insight. Dr. Kojo has never been a major shareholder, nor has she held a position involved in the execution of business of a major business partner of the Company. Therefore, Fujitsu considers Dr. Kojo to be independent.

## Independent Audit &amp; Supervisory Board Members

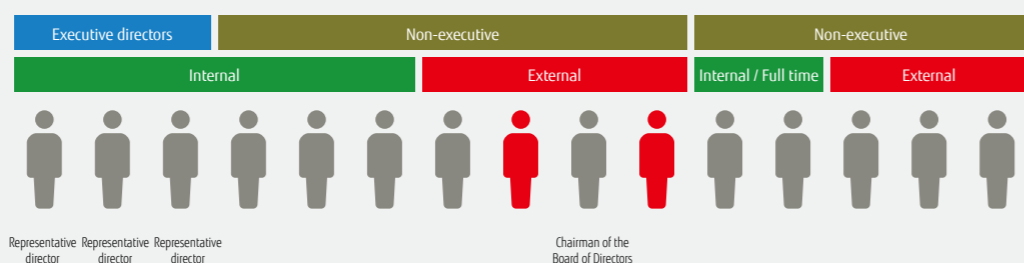
<b>Megumi Yamamuro</b>	Mr. Yamamuro has many years of experience in the legal profession. As he is an expert in corporate law, including the Companies Act, and domestic and overseas compliance measures, he fulfills an audit and oversight function and role as an independent Audit & Supervisory Board member utilizing his experience and knowledge in Fujitsu's corporate governance. Mr. Yamamuro has never been a major shareholder, nor has he held an executive management position with a major business partner of the Company. Therefore, Fujitsu considers Mr. Yamamuro to be independent.
<b>Hiroshi Mitani</b>	Mr. Mitani has extensive knowledge of law as well as areas involving business management including economics and social issues, due to his experience as a public prosecutor and member of the Fair Trade Commission. Therefore, he fulfills an audit and oversight function and role as an independent Audit & Supervisory Board member utilizing his experience and knowledge in the corporate governance of Fujitsu. Mr. Mitani has never been a major shareholder, nor has he held an executive management position with a major business partner of the Company. Therefore, Fujitsu considers Mr. Mitani to be independent.
<b>Koji Hatsukawa</b>	Mr. Hatsukawa has a wealth of auditing experience as a certified public accountant and broad knowledge of corporate accounting. Therefore, he fulfills an audit and oversight function and role as an independent Audit & Supervisory Board member utilizing his experience and knowledge in the corporate governance of Fujitsu. Moreover, PricewaterhouseCoopers Aarata (currently, PricewaterhouseCoopers Aarata LLC), where Mr. Hatsukawa served as CEO, has never performed an accounting audit for Fujitsu. Fujitsu and PricewaterhouseCoopers Aarata had business transactions in fiscal 2018 totaling approximately ¥3 million, which is considered immaterial and constituting no special relationship when taking into account the size of Fujitsu's total sales. Therefore, Fujitsu considers Mr. Hatsukawa to be independent.

## Members of the Board of Directors and Audit &amp; Supervisory Board (As of June 24, 2019)

 Male
  Female

10 members of the Board of Directors

5 members of the Audit &amp; Supervisory Board



	Takahito Tokita	Hidenori Furuta	Mitsuya Yasui	Tatsuya Tanaka	Masami Yamamoto	Kazuto Kojima	Jun Yokota	Chiaki Mukai	Atsushi Abe	Yoshiko Kojo	Yoshiki Kondo	Youichi Hirose	Megumi Yamamuro	Hiroshi Mitani	Koji Hatsukawa
Executive Nomination Committee				✓			✓ Chairperson	✓		✓					
Compensation Committee				✓			✓	✓ Chairperson		✓					
Independent Directors & Auditors Council							✓	✓	✓	✓			✓	✓	✓

## 3. Policy for Deciding Executive Compensation

To ensure a more highly transparent executive compensation system, Fujitsu established the Compensation Committee by a resolution of the Board of Directors at a meeting held in October 2009. The compensation of directors and Audit & Supervisory Board members is determined based on the following Executive Compensation Policy, which the Board of Directors revised in light of a report received from the Compensation Committee.

## Executive Compensation Policy

To secure exceptional human resources required to manage the Fujitsu Group as a global ICT company, and to further strengthen the link between its financial performance and

shareholder value, while at the same time improving its transparency, Fujitsu establishes its Executive Compensation Policy as follows.

Executive compensation includes "Base Compensation," specifically a fixed monthly salary in accordance with position and responsibilities; "Bonuses," which are compensation linked to short-term business performance; and "Performance-based Stock Compensation," which is a long-term incentive that emphasizes linkage with shareholder value.

## Base Compensation

Base compensation is paid to all directors and Audit & Supervisory Board members. A fixed monthly amount shall

be determined for each executive in accordance with the position and responsibilities of each executive.

## Bonuses

- Bonuses shall be paid to directors who carry out executive responsibilities. The amount of a bonus shall reflect business performance in the respective fiscal year.
- As a specific method for calculating a bonus, Fujitsu shall adopt an "On Target" model that uses consolidated revenue and consolidated operating profit as indicators, and the amount shall be determined in accordance with the degree of achievement of the performance targets for the respective fiscal year.

## Performance-based Stock Compensation

- Performance-based stock compensation shall be granted to directors who are responsible for the execution of duties to share gains with shareholders and to help enhance the Company's medium- to long-term performance.
- Base numbers of shares for respective ranks, a performance evaluation period (three years), medium- to long-term performance targets based on consolidated revenue and consolidated operating profit, and coefficients corresponding to degrees of achievement of these performance targets shall be set in advance. Base numbers of shares shall be multiplied by coefficients corresponding to degrees of achievement of performance targets. After the number of shares for each fiscal year has been calculated, the total number of shares shall be allocated upon completion of the performance evaluation period.

## (Reference) Executive Compensation Items and Payment Recipients

Recipient	Base Compensation		Bonuses	Performance-based Stock Compensation
	For Management Oversight	For Management Execution		
Non-executive directors	✓	—	—	—
Executive directors	✓	✓	✓	✓
Audit & Supervisory Board members		✓	—	—

## 4. Policy for Strategic Shareholdings

The Company holds only those strategic shares with clear-cut objectives and meaningful significance in a positive manner. Board of Directors' meetings examine the weighted average capital cost of the Company as the standard to evaluate quantitatively whether returns (quantitative factors, such as dividends and the state of transactions), or risks are well balanced with the cost. If quantitative significance in shareholdings is not detected, Board of Directors' meetings will further evaluate whether there is a qualitative reason that provides backing for reasonableness to still hold those shares and discuss the continuation of such holdings.

For fiscal 2018, the Company sold 78 issues, and the Board of Directors' meeting, held on June 19, 2019, discussed strategic shareholdings held by the Company as of the end of fiscal 2018.

The Company deals with strategic shareholders on an equal footing just like with other business partners. Even when strategic shareholders indicate their sales of shares, we do not prevent them from selling them. That said, we sometimes call upon them to consider the timing of the sales or ways of selling their shares.



## 5. Status of Internal Audits, Accounting Audits, and the Internal Control Division

### Internal Audit and Accounting Audit Systems

#### Internal Audits

The Internal Control & Audit Division serves as an internal audit group. This division audits the internal affairs of the entire Fujitsu Group in cooperation with the internal audit groups of each Group company and reports audit results to the representative director and president. The Internal Control & Audit Division reports once a month, as a rule, to full-time members of the Audit & Supervisory Board on auditing plans for and results of internal audits, including matters relating to Group companies, and makes regular reports once every quarter, as a rule, to the Audit & Supervisory Board and accounting auditor.

The Internal Control & Audit Division includes a significant number of employees with specialist internal auditing knowledge, including certified internal auditors (CIA), certified information systems auditors (CISA), and certified fraud examiners (CFE).

#### Accounting Audits

The accounting auditor, Ernst & Young ShinNihon LLC, reports to the Audit & Supervisory Board concerning the auditing plans and results. The accounting auditor also conducts an exchange of opinions when needed and carries out coordinated audits.

### Internal Control System

#### Internal Control Division

Based on the Basic Policy on Establishing an Internal Control Structure, the Risk Management & Compliance Committee and the Fujitsu Way Committee maintain and operate risk management systems, compliance systems, and internal control structures related to financial reporting and executive duties regulated under the basic policy. The status of

operation of the internal control system is periodically reported to the Board of Directors.

#### Risk Management System and Compliance System

The Company positions the risk management system and the compliance system at the heart of the Policy on the Internal Control System and has established the Risk Management & Compliance Committee, which supervises these systems globally and is under the direct control of the Board of Directors.

The Risk Management & Compliance Committee is chaired by the representative director and president and consists mainly of executive directors. The Risk Management & Compliance Committee meets about every quarter. Regarding compliance violations and risks in business operations, including information security, the Risk Management & Compliance Committee operates a system that ensures the reporting of compliance violations and risks that have arisen to the Risk Management & Compliance Committee in a timely manner. It also operates the internal reporting system and formulates an action policy of the chief risk compliance officer. The progress and results of the activities of the Risk Management & Compliance Committee are periodically reported to the Board of Directors.

Also, sub-committees of the Risk Management & Compliance Committee have been established for individual regions, which are geographical regions of the Fujitsu Group worldwide, in order to instill the risk management system and the compliance system throughout the Fujitsu Group.

The chief risk compliance officer directs internal organizations based on the above-mentioned policy and strives to prevent risks in business operations from arising and conducts activities to minimize the loss that may be caused by the risks that have arisen.

## 6. Review of Corporate Governance in Fiscal 2018

The Fujitsu Group is strengthening its corporate governance to ensure a sustainable increase in corporate value. Here, we report on the status of this initiative in fiscal 2018.

### Number of Meetings of Key Boards and Committees

Board of Directors' meetings (including extraordinary meetings)	Audit & Supervisory Board meetings (including extraordinary meetings)	Attendance of independent directors at Board of Directors' meetings
<b>13 (1)</b>	<b>10 (2)</b>	<b>100%</b> Mr. Jun Yokota: 100%; Dr. Chiaki Mukai: 100%; Mr. Atsushi Abe: 100%; Dr. Yoshiko Kojo: 100%
Attendance of independent Audit & Supervisory Board members at Board of Directors' meetings	Attendance of independent Audit & Supervisory Board members at Audit & Supervisory Board meetings	
<b>97.4%</b> Mr. Megumi Yamamuro: 92.3%; Mr. Hiroshi Mitani: 100%; Mr. Koji Hatsukawa: 100%	<b>100%</b> Mr. Megumi Yamamuro: 100%; Mr. Hiroshi Mitani: 100%; Mr. Koji Hatsukawa: 100%	

### Details of Remuneration

Position	Number of Recipients	Remuneration Type			Total Amount of Remuneration
		Base Compensation	Bonuses	Performance-based Stock Compensation	
Directors (Internal)	7	¥287 million	¥65 million	¥20 million	¥373 million
Independent directors	5	¥60 million	—	—	¥60 million
Audit & Supervisory Board members (Internal)	2	¥72 million	—	—	¥72 million
Independent Audit & Supervisory Board members	3	¥45 million	—	—	¥45 million

Notes:

- The above includes directors and Audit & Supervisory Board members who resigned in fiscal 2018.
- The limit on monetary compensation to directors (including independent directors) was resolved to be ¥600 million per year at the 106th Annual Shareholders' Meeting held on June 23, 2006; the limit on non-monetary compensation to directors was resolved to be ¥300 million per year; and the total number of shares of common stock of the Company to be allocated was resolved to be within 430,000 shares per year at the 117th Annual Shareholders' Meeting held on June 26, 2017. The limit on compensation to Audit & Supervisory Board members (including independent Audit & Supervisory Board members) was resolved to be ¥150 million per year at the 111th Annual Shareholders' Meeting held on June 23, 2011. The Company is paying the compensation shown in the above table, which is within these limits.
- Performance-based stock compensation shows the amount that was recorded as expenses in the fiscal year ended March 31, 2019.

### Evaluation of the Effectiveness of the Board of Directors

To maintain and enhance the effectiveness of the Board of Directors, the Company has included annual evaluations of the Board of Directors in the Corporate Governance Policy.

#### Actions based on the results of the fiscal 2018 evaluation

Arrangements were made for key points in divisional monthly results to be efficiently reported on, which would enable the Board of Directors meetings to spend more time on discussions for the formulation of medium- to long-term strategies and business plans that should be focused on. Additionally, education on specific themes by outside experts was offered to directors and Audit & Supervisory Board members. Moreover, independent directors and Audit & Supervisory Board members continued to hold the Independent Directors & Auditors Council, which is an effort to facilitate the exchange of information and formulation of opinions between them.

#### Fiscal 2018 evaluation method

Following the executive side adopting a new management structure and Mr. Atsushi Abe, an independent director, appointed chairman of the Board of Directors from April 2019, discussions were held between Mr. Abe, Mr. Masami Yamamoto, Chairman of the Board in fiscal 2018, and independent directors and independent Audit & Supervisory Board members concerning measures that could further enhance the effectiveness of the Board of Directors' meeting.

#### Fiscal 2018 evaluation

- In reporting monthly financial results at Board of Directors' meetings, there is room for improvement in the contents that can lead to discussions for raising profitability.
- It is important to convey arguments in Board of Directors meetings to the relevant division through Corporate executive officers, who are responsible for directing that division.
- For efficient discussions in a limited time frame, it would be effective to (i) promote digitization of materials for Board of Directors' meetings and unify the formats accordingly, (ii) ensure materials are shared in plenty of time prior to the meetings, and (iii) improve explanations for the intent of agendas that are set.

### Accountability

Fujitsu recognizes that explaining corporate and management information to shareholders, investors, and other stakeholders is an important task within corporate governance, and it strives to disclose information in a timely and appropriate manner.

Meeting	Number of Times	Content
Regular presentations to securities analysts and institutional investors	9	We hold regular presentations, including presentations by the president on our Management Direction, presentations by the president and CFO on our earnings results, and presentations by various senior executives on business strategy for the operations they oversee. In addition, the media are always invited to the briefings by the president, CFO, and heads of businesses, with the understanding that individual investors can thereby obtain information through reports that appear in the media. Videos, presentation materials, Q&As, and other materials can be viewed on the following website: <a href="https://www.fujitsu.com/global/about/ir/library/presentations/">https://www.fujitsu.com/global/about/ir/library/presentations/</a>
Regular presentations to foreign institutional investors	9	The CFO and IR managers meet with foreign institutional investors regularly. We also have IR managers stationed in Europe and the US who meet and communicate regularly with investors, not only at the time of earnings announcements.
Regular presentations to individual investors	8	We do not hold regular briefings for individual investors, although we do hold briefings on an irregular basis at securities companies' branches and other offices. In addition, we have provided an inquiry form on site dedicated to individual investors, and we are striving to improve relations with such investors.

Note:

In addition to the above, in such times as before convening the Annual Shareholders' Meeting, we visit major institutional investors, who are the beneficial shareholders, and explain our Management Direction, approach to corporate governance systems, and the agenda items to be submitted to the Annual Shareholders' Meeting. We are also organizing meetings for directors, including independent directors, to be able to directly engage in active dialogue with investors.