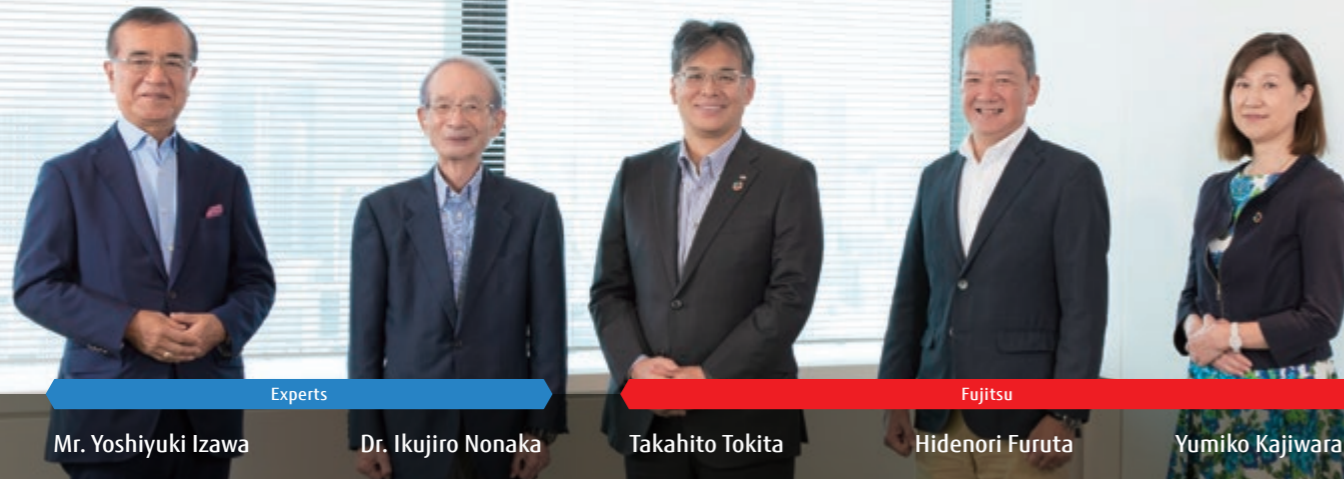


STAKEHOLDER DIALOGUE



Mr. Yoshiyuki Izawa

Dr. Ikujiro Nonaka

Takahito Tokita

Hidenori Furuta

Yumiko Kajiwara

Experts



Dr. Ikujiro Nonaka
Professor Emeritus
Hitotsubashi University

Practice Narrative Strategy with an Empathetic Mind to Realize the Purpose

In an era of volatility and uncertainty, we should not be excessively mathematizing our daily lives. We all create meanings and value from direct experience. To create organizational knowledge demands the exercise of our subjectivity and corporeality. We aim at realizing a purpose based on the common good and begin to practice a certain "way of life" based on empathy arising from the interaction among us, things, and the environment.

The SECI* theory describes how organizational knowledge is created. This requires intellectual sparring based on the mutual and empathetic relationships with others with different qualities. Through truly earnest, meticulous discussion, organizational members pursue the concept of what is essential and put such concepts into practice. If something doesn't work, they reflect and try once again. This strategy is not about chasing certain key performance indicators and other numbers or figures based on typical, logical analysis, but rather about a "narrative" that dynamically gives context to a life story. A narrative strategy consists of a set of plots for creating the future and behavioral scripts for telling what to do. Unless the plot feels exciting and the script makes sense viscerally, the strategy will not inspire empathy and action in the organizational members. The current Fujitsu Way has these attributes.

To realize organizational innovation, I would like the Fujitsu Group to see analog and digital as a dynamic duality, rather than as a binary opposition, and pursue an overall harmony in a flexible way. The dynamic balance can be found through holistic and diligent thinking, rigorous intellectual dialogues, and relentless cycles of trial and error. There should be no negative second-guessing one another's intention, but the group ought to maximize the organizational agility in taking on challenges. Despite that we are living in the era of a "new normal," I would like Fujitsu to remain the vital force to energize Japan, passing on intellectual assets from the generations before and amplifying Fujitsu's knowledge spiral base to realizing its new purpose.

* SECI stands for Socialization, Externalization, Combination, and Internalization, which are the four recurring phases of knowledge conversion between tacit knowledge and explicit knowledge in the theory of organizational knowledge creation.



Mr. Yoshiyuki Izawa
Chairman & CEO
Representative Director
BlackRock Japan Co., Ltd.

Understand Capitalism's Qualitative Change and Enhance Sustainable Growth and Corporate Value Based on the Group's Purpose

Since 2018, the CEO of BlackRock, Inc., Laurence D. Fink, has been emphasizing the importance of business management with a purpose at its core. BlackRock's purpose is to help more and more people experience financial wellbeing, and on this foundation the company has established a mission and principles. Within the group, the CEO communicates a message based on the "One BlackRock" concept and cultivates a groupwide focus on realizing the purpose.

Companies are expected to sustain growth from a long-term perspective and enhance corporate value to the satisfaction of shareholders, employees, customers, local communities, and other stakeholders. As well as investment in equipment, facilities, and R&D, sustained growth requires investment in personnel, including the development of environments that enable employees to improve their capabilities and lead fulfilling day-to-day lives. As a result of the COVID-19 crisis, it is becoming more difficult than ever for the shares of companies that are less adept at implementing environmental, social, and governance (ESG) measures to receive favorable evaluations from investors. I feel that the establishment of a purpose by Fujitsu will steer it in a favorable direction with respect to long-term growth.

While monitoring developments in international society, it is important to anticipate the era during and after the COVID-19 pandemic based on an awareness of the accelerated rate at which capitalism is undergoing qualitative change. With respect to environmental issues, Japanese companies must take appropriate measures in response to climate change and must make their voices heard on the global stage. With societal factors growing in importance, society is seeking help with the digital transformation of education and medicine. Also, Japan-specific corporate governance that reflects the country's unique history and corporate culture is required.

The COVID-19 pandemic is significantly changing people's values. My hope is that the Fujitsu Group remains abreast of the dramatic changes in society and tackles ambitious new initiatives without deviating from a purpose-focused management approach.

Advancing Business Management through Dialogue with Outside Experts

Sustainability Management for the Realization of Our Purpose

In the Fujitsu Group, we host dialogues comprising external experts and members of our senior management team with the aim of utilizing diverse stakeholders' opinions to enhance business management. In May 2020, we announced that Our Purpose is "to make the world more sustainable by building trust in society through innovation." Two months later, we revised the Fujitsu Way, which establishes the values and code of conduct that serve as a compass for all of our employees worldwide. In our most recent dialogue with external experts, we received valuable suggestions concerning the indispensability of empathy for the realization of Our Purpose, the importance of taking into consideration all types of stakeholders, and how best to contribute to digital transformation in the context of the "new normal."

Fujitsu



Takahito Tokita
Representative Director
CEO, CDXO

Create a Reference Model, Listen to Feedback from Customers and Society, and Make Society More Sustainable

With the COVID-19 crisis prompting the Fujitsu Group to make numerous changes to its businesses, all senior management team members and employees are united in their commitment to realizing Our Purpose by forming the Group itself into a reference model for society. One of our initiatives to fundamentally change business management will entail transforming into a company that seeks feedback from customers and society and takes action based on the facts. Fujitsu has grown as a business that has competence in particular industries. In realizing digital transformation, however, conducting business in a cross-industry fashion is essential.

Two experts have provided many valuable suggestions regarding what we must do. With these insights in mind, we will share our target profile Groupwide and launch a concerted effort to make society more sustainable.



Hidenori Furuta
Representative Director
COO, CTO
Head of Global Solutions Business
Head of International Regions

Consider Our Business Portfolio in Light of Our Purpose and Implement Digital Transformation Globally

Digital transformation on a scale assumed to take years to achieve has taken place in just the past few months. For instance, Fujitsu made remote working a reality for its employees only after getting the consent of customers and then devising mechanisms for involving partners.

Our Purpose includes the word "trust." The customers of Fujitsu will not follow it unless the Company itself sets an example. Putting our concepts into practice in our own operations will place us in a position to provide leadership to both customers and partners. Guided by the same purpose worldwide, as One Fujitsu, we will establish product commercialization processes that take into account core competence as well as our business strategies and business portfolio.



Yumiko Kajiwara
Corporate Executive Officer
Head of Diversity Promotion Office
Head of Sustainability Unit

Proceed through Cycles of Action Based on Our Values to Realize Our Purpose

We have set out aspiration, trust, and empathy as important values for all employees as they pursue initiatives to realize Our Purpose. In regard to the Fujitsu Way, Dr. Nonaka expressed the importance of revisiting the past in order to create new paradigms. Retrospective examination reveals that these three values are at the core of our DNA. In a new era, invoking this set of values as a guide for cycles of our action, we will be accepted by society and this will lead us to the realization of Our Purpose.

As remote working has become the mainstay workstyle due to COVID-19, striking a balance between the values of the real world, including trust between people built upon the five senses, and of the digital world is important. I believe that digital transformation should be carried out in conjunction with the acceleration of a sustainable society such as decarbonization.

Our recent dialogue with external experts furnished us with numerous thought-provoking suggestions concerning the importance of creating empathy through consideration for the priorities of diverse stakeholders. In the world of the "new normal," Fujitsu will revolutionize business

management by becoming a leading reference model for transformation and by welcoming feedback from customers and society. In light of the expert opinions we have received, we will boldly take on the challenge of realizing Our Purpose globally as One Fujitsu.