

RISK MANAGEMENT

Our Approach to Risk Management

Through its global activities in the information technology sector, the Fujitsu Group continually seeks to increase its corporate value and contribute to all stakeholders. Management places a high priority on properly assessing and dealing with any risks that threaten the achievement of our objectives. These include preventing the occurrence of these risk events, minimizing the impact of any such events that do occur, and preventing recurrence. We have also built a risk management and compliance structure for the entire Group, and we are committed to its ongoing implementation and improvement.

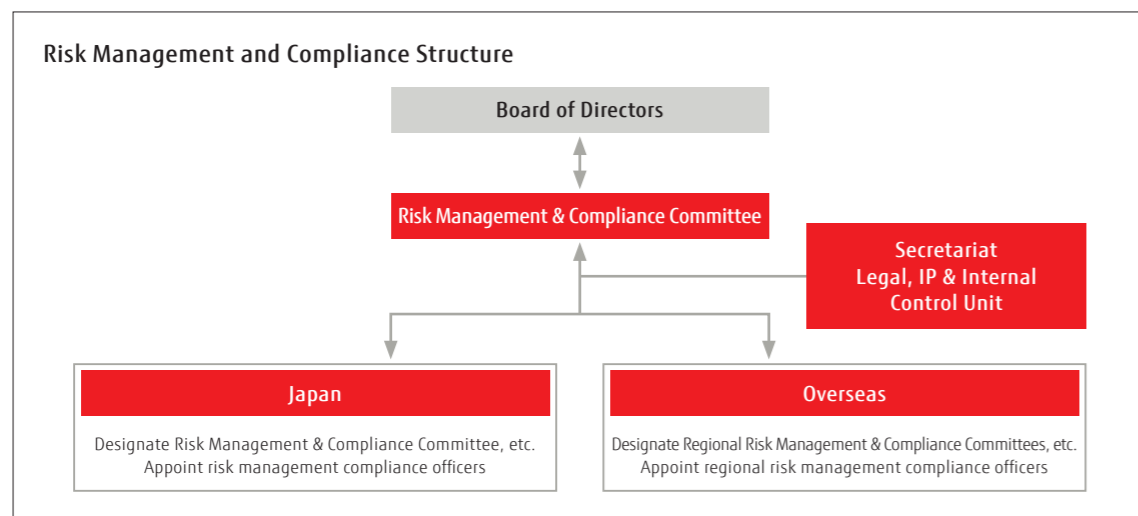
Development of Our Risk Management and Compliance Structure

To prevent potential risks of business-related loss from developing into actual risks, and to respond appropriately to and prevent the recurrence of any risks, the Fujitsu Group has established the Risk Management & Compliance Committee.

This committee acts as the highest-level decision-making body on matters involving risk management and compliance.

The Committee also assigns risk management compliance officers to each of Fujitsu's divisions and Group companies in Japan and overseas, and establishes Regional Risk Management & Compliance Committees. These organizations collaborate to build a risk management and compliance structure for the entire Fujitsu Group, thereby guarding against potential risks and mitigating risks that have already materialized.

The Risk Management & Compliance Committee is responsible for monitoring the progress of risk management and compliance in all Fujitsu business divisions and Group companies in Japan and other countries. This committee is tasked with establishing the appropriate policies and processes, as well as implementing and continually improving them. In practical terms, it determines risk management regulations and guidelines, and then applies and reviews them on an ongoing basis.



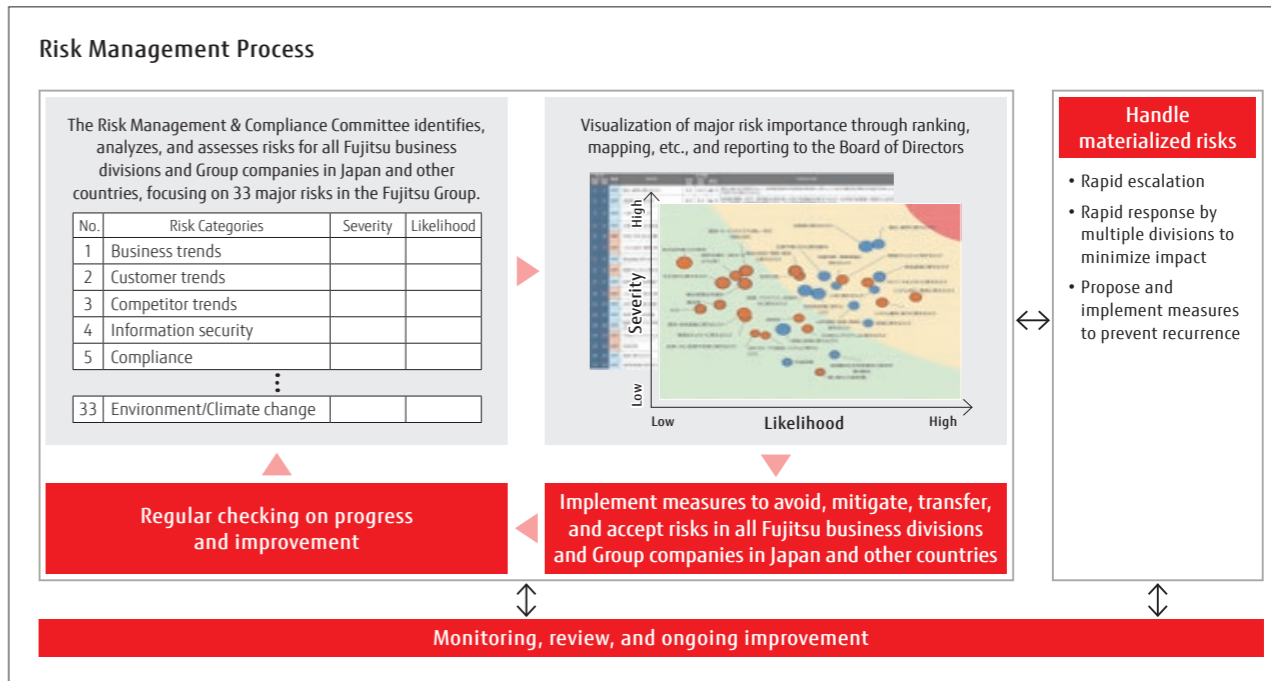
Risk Management Process

The Risk Management & Compliance Committee identifies, analyzes, and assesses the major risks associated with business activities in all Fujitsu business divisions and Group companies in Japan and other countries. (Among the Group companies, implementation is focused on 33 risks identified as particularly important.) It also checks the progress of measures designed to avoid, mitigate, transfer and accept such risks, and then formulates new measures or reviews existing measures. The committee reports regularly to the Board of Directors regarding major risks that have been identified, analyzed, and assessed, presenting the risks in a visually accessible format by ranking and mapping them.

The committee also prepares processes for dealing with risks that have eventuated despite implementation of the

various preventive measures. If a critical risk arises, such as a natural disaster, product defect, system or service problem, compliance violation, information security breach, or an environmental problem, the division or Group company concerned reports immediately to the Risk Management & Compliance Committee.

This committee then coordinates with the related divisions and work sites to quickly resolve the problem by taking appropriate steps, such as establishing a task force. At the same time, the committee works to identify the causes of the problem and proposes and implements measures to prevent any recurrence. For critical risks, the committee also reports as needed to the Board of Directors. The Risk Management & Compliance Committee checks the progress of implementation of these processes on an ongoing basis and formulates improvements.



The Fujitsu Group's Response to COVID-19 Based on Business Continuity Plan

Recent years have seen a significant increase in the risk of unforeseen events that threaten continued economic and social activity. Such events include earthquakes, floods and other large-scale natural disasters, and pandemics involving infectious diseases. To ensure that the Fujitsu Group can continue to provide a stable supply of products and services that customers require even when such unforeseen circumstances occur, we have formulated a Business Continuity Plan (BCP). We are also promoting Business Continuity Management (BCM) as a way of continually reviewing and improving our BCP.

Responding to the spread of COVID-19, and to maintain the safety of its customers, suppliers and employees, the Fujitsu Group has placed the highest priority on preventing the spread

of the infection, based on the BCP. The Group is also promoting initiatives to sustain the supply of products and services to customers and to help resolve the many societal issues that have arisen due to the spread of the infection. Specific initiatives include recommending that employees work from home or stagger their working hours, switching internal company meetings and events to videoconference format or other web-based sessions, and putting in place a set of countermeasures in cooperation with customers and government agencies in Japan and elsewhere. Through such measures, our goal is to maintain key business operations and meet our social responsibilities even while the infection remains uncontained.

For details on the Fujitsu Group's main responses to the COVID-19 pandemic, please see **pages 8-9**.

Business Risks of the Fujitsu Group

The Fujitsu Group identifies, analyzes, and assesses the risks associated with business activities and works on measures to avoid or mitigate their impact and to deal promptly with any issues that do occur.

For details on the Fujitsu Group's business and other risks, please see the risk management section in *Sustainability Data-book 2020*, disclosed on the following website.
<https://www.fujitsu.com/about/csr/riskmanagement/>

Main Business Risks

- Economic and financial market trends
- Customers
- Competitors and the industry
- Investment decisions and business restructuring
- Suppliers, alliances, etc.
- Public regulations, public policy, and tax matters
- Natural disasters and unforeseen incidents
- Finance
- Deficiencies or flaws in products and services
- Compliance issues
- Intellectual property
- Security
- Human resources
- Fujitsu Group facilities and systems
- Environment