



With Our Stakeholders

As a good corporate citizen, Fujitsu undertakes corporate activities to identify stakeholders' (customers, shareholders and investors, clients and business partners, regional communities, etc.) diverse expectations and needs.

With Our Customers

To Increase Customer Satisfaction

Fast-changing social and economic environments make it difficult to see far ahead, what is demanded of us is to quickly and accurately grasp customers' wishes and change ourselves while thinking and acting from the customer's point of view. We are aiming for management innovation by using the "Program to Improve the Quality of Management,"*¹ and taking a number of initiatives to form an innovative corporate culture that can keep pace with customer changes.

*1 Program to Improve the Quality of Management:

A framework for customer-centric management excellence modeled on the Malcolm Baldrige National Quality Award of the United States, the de facto global standard for management innovation.

Promoting Field Innovation with the Customer

Field Innovation observes the actions and the awareness of people at customers' workplaces to uncover waste in processes and hints for effecting reforms. It seeks to maximize the value of ICT while contributing to the evolution and expansion of customers' business.

Field Innovators (Flers) make issues in the workplace clear and assist with work reforms.

Examples of Field Innovation —Mitsubishi Heavy Industries, Ltd.—

Promoting process reform in shipping and receiving work procedures for intelligent transport system (ITS) equipment, and contributing to the invigoration of work improvement activities in the company

Issues

- Arrival of equipment was concentrated on certain days, which placed a burden on receiving work
- Frequent changes and additions to shipping equipment often required unplanned responses
- The reception period of equipment and the schedules for inspection and fieldwork were independently planned

Effects

- Improved the completion rate of check-in from the date of arrival to the following day from 73% to 95%
- Reduced the frequency of changes in shipping requests by listing the equipment configuration information
- Strengthened the system to check the entire process from reception to inspection and fieldwork

The ICT Solution Headquarters of Mitsubishi Heavy Industries introduced Field Innovation with the aim of improving and reforming the shipping and shipment receipt work of the Manufacturing Section, which is involved in the manufacture of intelligent transport system (ITS) equipment.

Numerous burdens were faced in shipping and receiving work procedures on the shipping site to reform the Manufacturing Section

The shipping site of the ICT Solution Headquarters of Mitsubishi Heavy Industries receives incoming materials, manages inventory, and performs product shipping. Situated between other work processes, it is easily affected by circumstances on the ordering side and the installation side, and discrepancies can appear in the communication of information concerning what products in what configuration and number are to be shipped where.

Visualization of all work processes, including upstream and downstream processes

Following interviews with relevant parties on the shipping site, investigation through on-site observation, and data analysis, Field Innovators clearly showed that receipt of shipments was concentrated on specific days, that updates to shipment request forms by on-site agents were frequent, and that long-term stagnant inventory existed.

Setting three themes for measures

Based on these facts, the team carried out intensive discussions aimed at improvements. Members engaged in solutions narrowed down to three themes: engage checking functions at the time of installation processes and receipt of equipment shipments; make equipment configuration easier to understand during on-site installation; and make the schedule for receipt of shipments visible, and coordinate receipt of shipment dates in advance.

A deep-rooted structure for improvement

Through these activities, members' awareness of the issue changed considerably. By learning of problems outside of their direct work, they were able to share issues with other members and organize problems with an aim toward effecting improvements. Accordingly, all members, not only designated persons in charge, were able to work together toward shared issues.

The ICT Solutions Headquarters is already looking ahead to enacting improvements and reforms with its customers and its procurement partners.

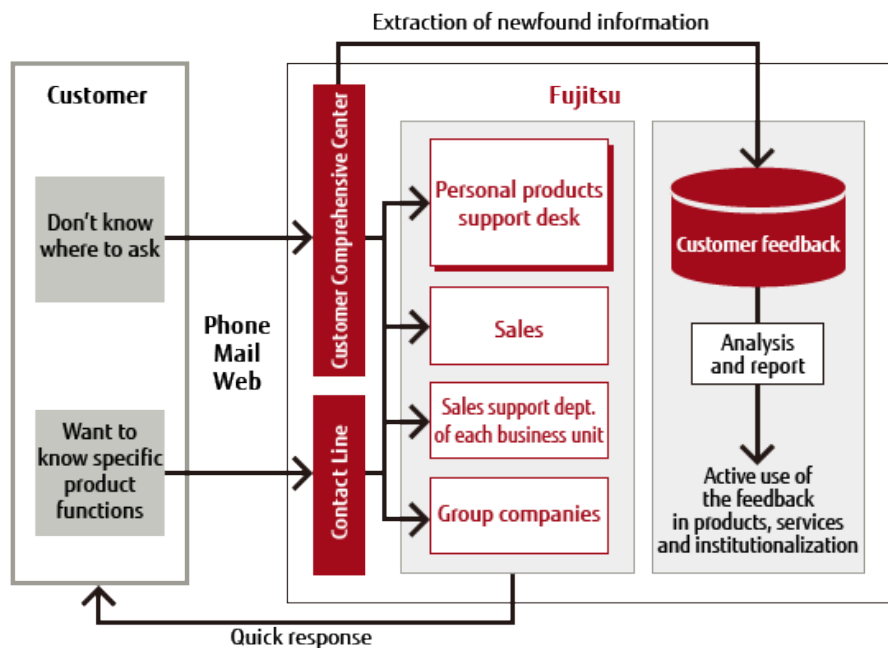
- Customer case study: Mitsubishi Heavy Industries, Ltd.
<http://www.fujitsu.com/jp/about/businesspolicy/fieldinnovation/en/case-studies/mitsubishi-heavy-industries/index.html>

Operation of the Fujitsu Customer Comprehensive Center and the Fujitsu Contact Line

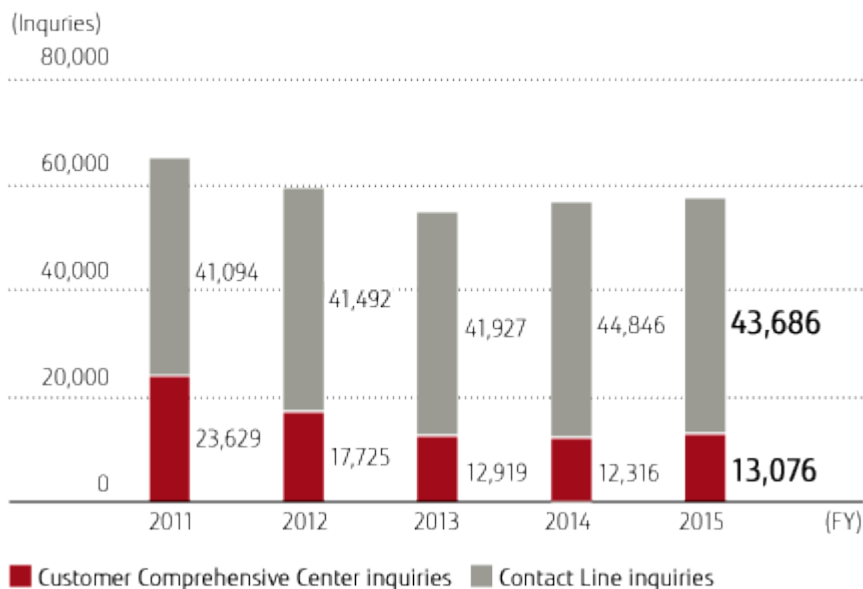
We established the Fujitsu Customer Comprehensive Center in 2003 to handle inquiries and other problems concerning products and services from customers who are not sure where to address their issues. Also, in order to respond quickly to customers concerning the functions and prices of products before they make their purchases, since 2005 we have been routing all such pre-purchase telephone inquiries to a single window, the Fujitsu Contact Line, with the telephone number for access published on our corporate website and in brochures, press releases and advertisements.

The role of the Fujitsu Customer Comprehensive Center and the Fujitsu Contact Line is to quickly connect the customer to the department best suited to answer his/her inquiry. They not only increase customer satisfaction through accelerated responses, they analyze what customers have to say and use it for product and system development and quality improvement.

Fujitsu Customer Comprehensive Center/Fujitsu Contact Line



Trends in Inquiries Addressed to the Fujitsu Customer Comprehensive Center and the Fujitsu Contact Line



PC Support Center for Individual Customers

To handle the diversifying needs and environments of our individual customers, we have put in place the "personal products support desk" to provide consultation concerning Fujitsu personal computers. Through this support desk, we are building a system for handling a wide range of questions on matters regarding the use, troubleshooting, and servicing of Fujitsu personal computers.

Examples of Improvements Based on Customer Feedback

[Example 1]

Based on the feedback from many users about the "blue light" emitted by computer screens, certain models released in October 2014 and January 2015 featured a "blue light cut mode." This mode can be triggered from the status panel switch: with a single touch, 30% of blue light will be cut compared to standard display values.

[Example 2]

We heard from a customer who wanted the model name, serial number, and warranty starting date for any PC to be readily available. In response, we enabled the ability to easily display this information on-screen using the Fujitsu Advisor^{*2} app found in models sold from October 2015.

Clicking on the information display also allows easy reference to model-specific information and downloads^{*3}.

*2 Fujitsu Advisor:

An app that provides information on PC usage and support.

*3 Model-specific support information and downloads:

The information displayed includes product name, model name, date of product announcement, model registration information (user registration), product specifications (CPU, HDD, memory, etc.), downloads, user manuals, etc.

Placing Importance on Connecting with Our Customers

The User Association 'Fujitsu Family Association'

The Fujitsu Family Association was founded in 1964 as a user association with our corporate clients as members. In 2014 it marked the 50th anniversary of its founding. Today, at the end of FY 2015, it has some 3700 members participating, making it the largest organization of users of information and communications systems in Japan. With a head office, eleven branches in Japan and LS Research Committees^{*4}, the association is expanding its various activities under the slogan "Dreams to Discuss and the Wisdom to Compete" and it is receiving high praise from its members.

Its activities span the three fields of networking among different industry types, developing human resources and gathering information, and in FY2015, the association carried out a wide range of activities, including the provision of information concerning ICT, networking events highlighting diversity and regional characteristics, group research activities and exchange of ideas with members from other industries, and events involving reconstruction from earthquake damage.

In addition, to encourage participation by even more people, the association developed an online seminar that makes use of the nearest Fujitsu branch offices as satellite venues for remote participation. In FY2015, over 1,000 people participated in a variety of online seminars.

The association also engages in substantial public relations activities, such as putting out its "Family" magazine for members six times a year, as well as the Web version, "e-Family", and it sends out email newsletters periodically.

*4 LS Research Committee:

This committee, originally formed as the "Large Systems Research Association" in 1978, was merged with the Fujitsu Family Association in 2007 with the renewed purpose of carrying out research on leading-edge technologies and concepts, and implementing effective ICT utilization that will contribute to members' growth.

Directions in Advertising

In all advertising and publicity activities in the Fujitsu Group, we strive to observe all laws and internal corporate regulations and to use only fair and appropriate expressions and graphic symbols. In FY 2015, the Fujitsu Group did not violate the Act against Unjustifiable Premiums and Misleading Representations.

Main advertising and publicity activities

- Sponsored TV programs: "See the World by Train", "World Business Satellite"
- TV commercials/newspaper advertisements: "Endeavoring Together in Cooperation with Tokyo 2020", "What Can People Realize with ICT?"
- Sponsored/Hosted events: "Fujitsu Ladies Golf Tournament (host)", "Izumo Ekiden", "Fujitsu Concert Series", "Work Experience Theme Park Kandu"

Marking and Labeling of Products and Services Regarding Quality and Safety

Fujitsu is dedicated to observing all laws and internal regulations related to marking and labeling of products and services regarding quality and safety. During FY 2015, we experienced no marking or labeling violations related to products or safety.

Universal Design

The Fujitsu Group strives to create through "ICT Universal Design" a society where people can live safely, securely, comfortably, and prosperously.

Fujitsu's Vision of Universal Design

Fujitsu is striving towards universal designs aimed at realizing an ICT society that everyone can take part in. We will develop and deliver products and services that are easy for everyone to use and enable more people to participate in society.

Aiding the five senses

We aid the five senses (vision, hearing, taste, smell and touch) and offer diverse usage methods, so that differences in senses do not restrict the use of products and services.

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- **Reducing physical stress**

We design dimensions, layouts, and operation methods to allow low-strain usage for all, regardless of physical capabilities such as stature, strength, mobility, posture, and wheelchair use.

- **Caring about experience and culture**

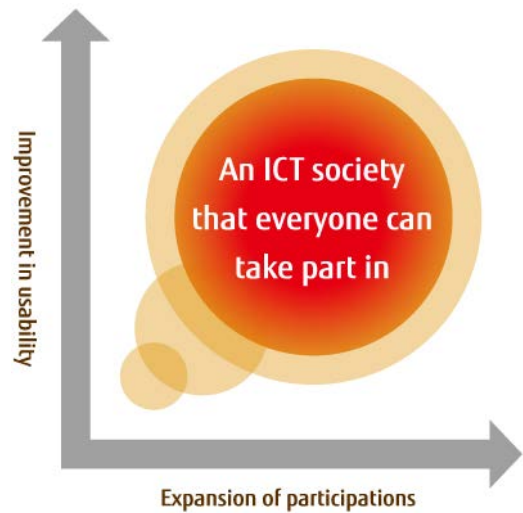
We present information using expressions that can be clearly understood by users with diverse personal experiences and cultural backgrounds.

- **Ensuring availability**

We consider the time and place, weather, individual user, surrounding conditions, and other aspects, and adapt to changing conditions.

- **Maximizing usability**

We pursue greater usability, to enhance safety, sense of security, effectiveness, efficiency, and satisfaction.



Examples of Activities in FY2015

In FY2015, the three products below received a combined three International Association for Universal Design (IAUD) Awards and Good Design Awards. The "Live Talk" participatory communication tool for persons with hearing disabilities was also selected for inclusion in the GOOD DESIGN BEST 100.

- **"Live Talk" participatory communication tool for persons with hearing disabilities**
This software recognizes the words of speakers in conferences or meetings, automatically and instantly converts these to text, and displays the text on the screens of PCs. This enables the real-time sharing of information among all participants when persons with hearing disabilities are present, leading to an improved workplace environment for those persons.
- **Home Central PC "LIFEBOOK GH"**
This high-spec unit collects and manages data from around the house, and, with its freely portable large screen, lets all family members enjoy content at any time and at any place. It received high marks as a PC that follows the concepts of universal design.
- **"Asao Childcare Portal" childcare support app (Asao Ward, Kawasaki)**
This app offers unified management and grouped display of information on events, outing destinations, and more, matched to users' area of residence and the age of children, to enable the effective use of information. The portal received high marks for increasing opportunities to obtain information on events and usage numbers for citizens' events and destination spots, enabling work efficiency in the ward office.
- Fujitsu Universal Design
<http://www.fujitsu.com/global/about/businesspolicy/tech/design/policy/ud/>

Quality Initiatives

Philosophy on Quality and Product Safety

The commitment "We enhance the reputation of our customers and the reliability of social infrastructure" stated in the Fujitsu Way is one of the corporate values on which all Fujitsu Group employees must place importance. In order to put this into concrete practice, across the Group in Japan and overseas we have rolled out the Global Quality Policy of Fujitsu Group, which expresses the Fujitsu Group's shared philosophy on quality. We view quality as fundamental to our business activities, and are committed to continuous quality improvement.

Quality Assurances Activities Based on the Fujitsu Group Quality Charter

Quality is the basis of brand value for the Fujitsu Group. Products and services that customers can safely use is the essence of the Fujitsu Group's business. Based on this philosophy, in June 1994, ahead of the implementation of Japan's Product Liability Law (effective from July 1, 1995), Fujitsu formulated the "Fujitsu Product Safety Charter," the predecessor of the "Fujitsu Group Quality Charter."

Today, Fujitsu has formulated the Fujitsu Group Quality Charter based on the idea that safety is one part of quality, it is revising and creating various regulations and technical standards related to product quality, and it is thoroughly engaged in educating through new employee training, engineering department group training and quality meetings.

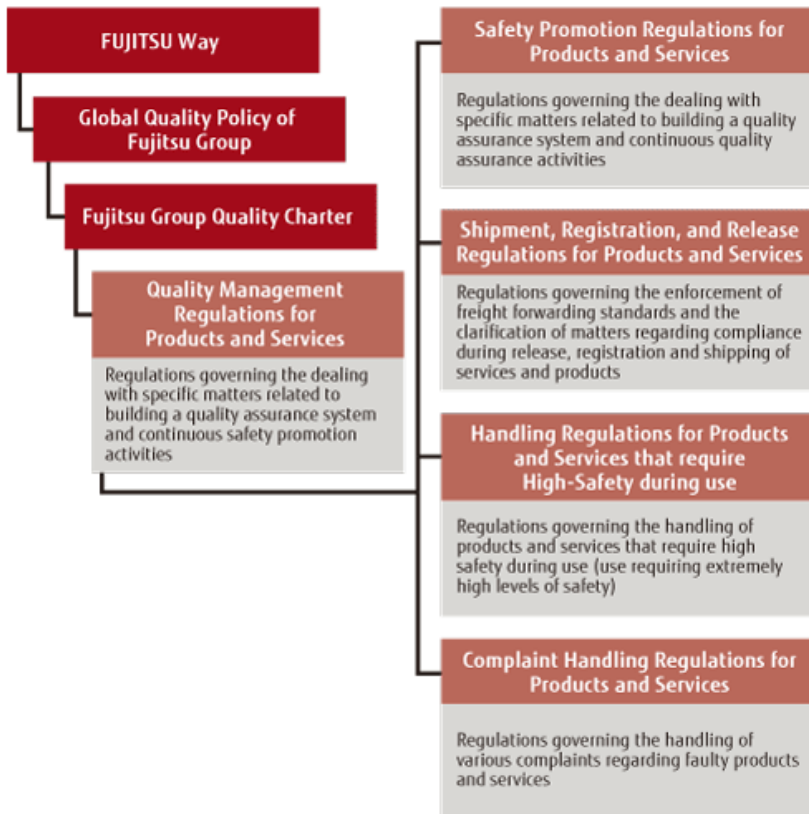
To continue offering products and services that anticipate changes affecting our customers and their business environments, at every stage from design to evaluation, production, sales and support, we perform our quality improvement activities in line with the following principles laid out in the Fujitsu Group Quality Charter.

Quality Principles

- We pursue quality from the customer's perspective.
- We build in quality that anticipates changes.
- We achieve quality consistent with our social responsibilities.
- We use first-hand feedback based on the actual situation.
- We work with our business partners to improve quality.
- We seek to make public quality-related information transparently.
- We foster employees who think about quality.

Based on the policy of emphasizing safety in all aspects of our business activities, we strive for assured safety in product designs, collection and the publication of information on product-related problems, and rapid response to such problems.

The System of Quality Safety Regulations



Implementation Policy Related to the Safety of Products and Services

The Fujitsu Group recognizes its social responsibility to build a safe and secure society. The Fujitsu Group always considers and endeavors to improve the safety of products and services in every aspect of the group's business activities.

1. Observation of laws and regulations

We observe laws and regulations concerning product and service safety.

2. Efforts to secure safety

We try to ensure that products and services are safe in a variety of use situations and take measures as necessary to secure the safety of the products and services. In addition to legally specified safety standards, we develop and observe voluntary safety standards in our endeavors to improve products and services continuously.

3. Prevention of incidents caused by improper use, etc.

For the safe use of products and services by customers, we properly display notices and warnings in handbooks or on the body of the products in order to prevent incidents caused by improper use or carelessness.

4. Collection of incident information, etc.

We actively collect safety-related information from customers, including information on product and service incidents and what might lead to such an incident.

5. Handling of incidents

We immediately check the facts of any occurring incident related to a product or service, investigate the cause, and handle it properly. If the product or service has a safety problem, we provide that information to customers and take proper measures, such as product recall, service recovery, and prevention of further damage and other damage from occurring. We quickly report the occurrence of major product incidents to the proper authorities in accordance with laws.

Establishing a Quality Assurance System

Quality Management System

The Fujitsu Group aims to achieve a level of quality in all products and services that satisfies the customer to ensure that everyone can equally enjoy the benefits provided by ICT with safety and security.

To accomplish this we have established and maintain the quality management system (QMS). Through the QMS we regularly confirm the progress of the PDCA (Plan, Do, Check, Act) cycle in the light of ISO and other international certification standards, and make process improvements to achieve even higher quality.

ISO 9001 Certification Status

Fujitsu is continually striving to improve its processes in line with Quality Management Systems, and its 20 Business Units have acquired ISO 9001 certification as of the end of FY 2015.

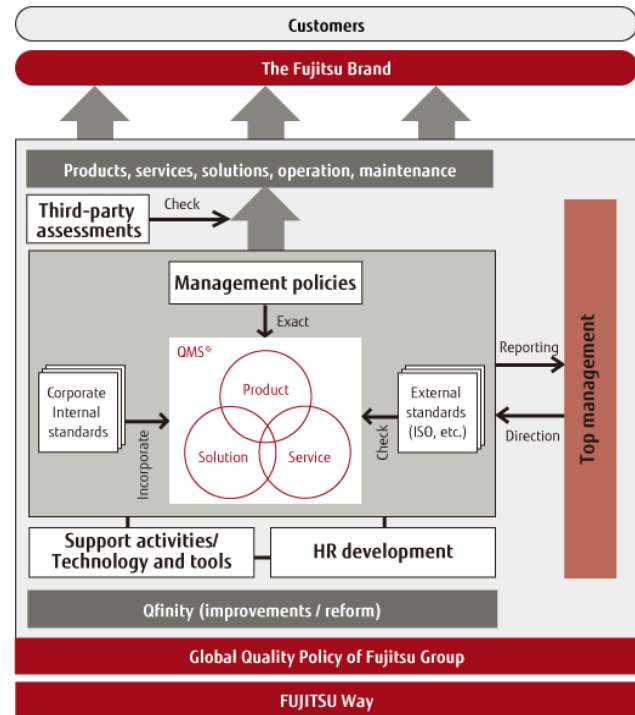
Our Approach to Promoting Quality Assurance

To provide customers around the world with products and services that offer optimal and consistent quality, in addition to quality assurance activities in individual business units and regions, Fujitsu undertakes company-wide collaborative activities to resolve common issues as well as to share and make use of know-how and information that goes beyond our quality assurance activities.

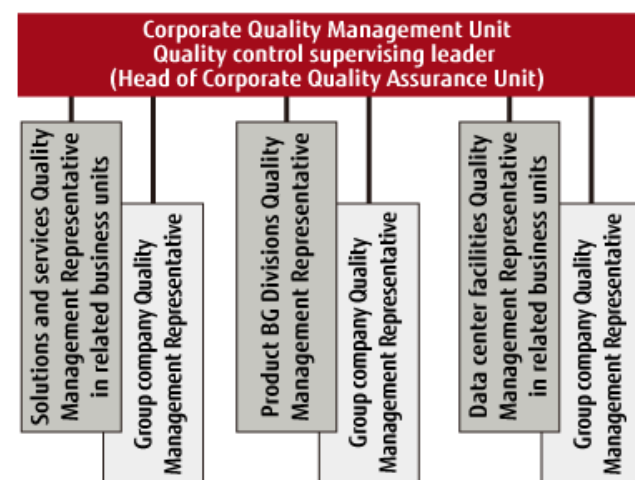
In order to steadily advance these activities, from within related business units we select organizational personnel who will participate in and operate the company-wide collaborative activities, and officially appoint them as persons in charge of quality control. The process is driven by the Corporate Quality Management Unit, an organization that is independent from each of our business units.

The Corporate Quality Management Unit, based upon the commitment "We enhance the reputation of our customers and the reliability of social infrastructure" which is one of the corporate values stated in the Fujitsu Way, engages in the formulation of company-wide common rules concerning quality and quality policies, implementation of a double-check mechanism from a third-party perspective, compliance and issue escalation, human resources development, support for business units' QMS construction, and the company-wide horizontal communication of common know-how and measures.

Our QMS-Centered Quality Assurance Activities



Promotion Framework Under Quality Management Representative



System for Addressing Major Quality Problems with Products and Services

In the event of a major quality problem concerning a product or service, executive officers and employees immediately report to the Risk Management & Compliance Committee in accordance with risk management regulations, which then reports to the Head of Business Unit according to the pre-defined reporting structure. The department manager reports the response status to the risk compliance committee as the occasion demands, and responds to any instructions. When a solution comes to light, the Head of Business Unit informs the committee of the history leading up to the risk and measures to prevent recurrence. The committee can instruct the Head of Business Unit to also report this information to the Board of Directors and Management Council.

Disclosure of Information Related to Product Safety

In situations where a problem has occurred in product safety, Fujitsu discloses such information under "Important Notices Regarding Product Safety" on the Fujitsu website to notify customers of the information immediately. In FY2015, two major product incidents (a possible cause of fire) occurred with a Fujitsu product. With regards to this accident, Fujitsu has followed the relevant laws and regulations (Consumer Product Safety Act) appropriately, and reported to the Consumer Affairs Agency, as well as posted the contents on its website.

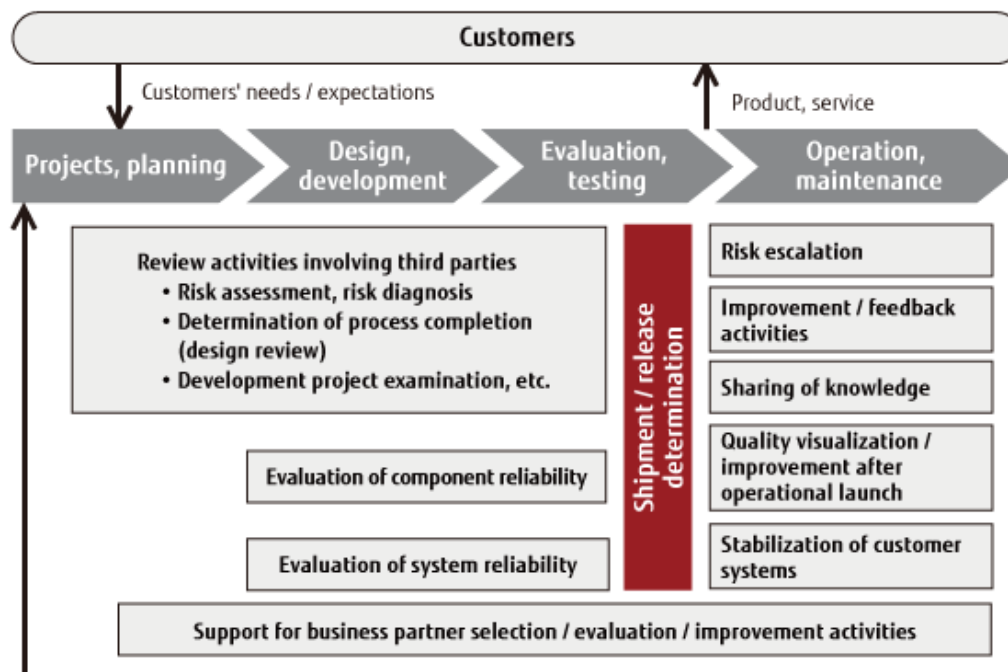
Customer-Centric Quality Assurance Activities for Products and Services

In providing products and services, we adopt the customer-centric perspective and work to improve quality by performing reviews and examinations with the involvement of third parties from the planning stage, to verify whether they the products and services meet customer needs and expectations.

At the final stage before a product or service is delivered to the customer, Fujitsu judges whether the product/service is to be delivered and released. We conduct checks and make sure that we have addressed the potential risks identified during development or through process judgments, and that the quality is suitable for use by customers.

Through this process, we work from an objective standpoint to bring products and services that provide the value that customers expect.

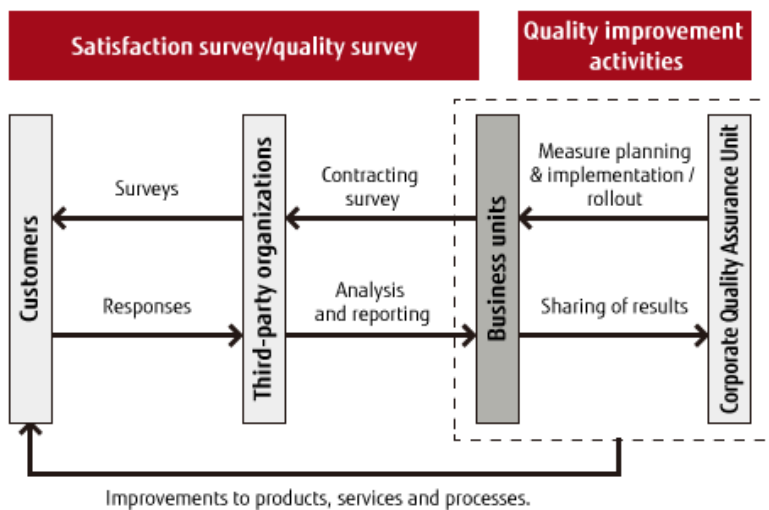
Flowchart for Quality Assurance Activities



Satisfaction and Quality Surveys by Third-Party Organizations

With regard to products and services, we implement customer-satisfaction and quality surveys by third-party organizations, and we have received particularly good results for customer satisfaction with reliability. (FY 2015 surveys covered middleware, with 1,858 responses.) These results are shared with all related business units within the company and are reflected in the development of the next products and services.

Flowchart for Satisfaction and Quality Surveys



Initiatives to Improve Quality in Emerging Countries

In accordance with the expansion of the integration services in China and the Asian region, Fujitsu is making efforts to enhance local quality control and human resource development to further improve quality of services. For example, in China whereby, a project was carried out to operate and maintain a system, periodic maintenance related to SE contracts and work processes were carried out; workshops were also conducted to increase awareness of quality for local employees. In future, Fujitsu plans to extend such measures to all group companies in Asia.

Fostering Experts Who Support Product Safety

At Fujitsu, as part of efforts to ensure product safety, in FY 2003 we established our own certification program to train Product Safety Experts. Under a system in which people who complete the program are certified by the product safety management team in Corporate Quality Management Unit, 213 people were registered at the end of FY 2015.

Product Safety Experts verify the safety of products at the design review stage (each process from the initial stage of development to the decision to ship). Under this structure, when a product cannot be confirmed as safe, it does not receive final approval to ship. In addition to verifying conformity to safety requirements in Japan and overseas as well as to Fujitsu's own standards, the experts perform checks from the perspective of preventing recurrence of problems that happened with other products in the past. Furthermore, Product Safety Experts take follow-up training twice a year and an annual qualification renewal test to maintain and improve their skills.

Also, when products are designed, risks must be assessed from the viewpoint of the user, including latent risks intrinsic to a product and risks from the way a product is used. Accordingly, in FY 2010, Fujitsu established internal standards for the conduct of product safety risk assessments and began training Product Safety Risk Assessors. As of the end of FY 2015, we have 160 registered Product Safety Risk Assessors.



Product Safety Experts in training

Aiming to Pursue Customer Value

Qfinity

Since FY2001, the Fujitsu Group has engaged in the improvement and innovation activity Qfinity, whereby each employee takes initiative in the continuous improvement of quality in products, services, work, and human resources, to realize even higher customer value (CV). Qfinity is a name (and inner brand) coined from the words Quality and Infinity, and expresses the Fujitsu Group's DNA by which every person pursues "Quality to Infinity."

The various improvement and reform activities in the Fujitsu Group are practiced and shared under Qfinity, and are inherited as a part of the company's DNA. Through unceasing improvement and reform, Qfinity is also driving an initiative to promote the proactive practice of the Fujitsu Way principles (Customer-Centric Perspective, Global Citizenship, Firsthand Understanding, Speed and Agility, and teamwork) by every employee. The Fujitsu Group communicates information, shares case studies, and conducts commendations and events so that Qfinity will permeate throughout the company.

- Education Programs

In addition to the basic and technical education on improvements and reforms through e-Learning and group classes, we are enhancing our practical skills through organization-oriented individual instructions and workshops. We provide employees with handbooks and educational materials containing topics including how to advance Qfinity and how to resolve problems.

- Information Communication and Sharing of Examples

We centrally manage examples of activities using the Qfinity System (Team Challenge), and share these examples across the company. We also utilize e-mail newsletters and our website to introduce examples and to communicate information on a regular basis.

- Awards and Events

Outstanding activities are recognized and announced at each unit headquarters. Furthermore, outstanding examples across the Group are given awards for excellence on the anniversary of the company's foundation, and are announced and shared at the Qfinity Company-wide Convention where Group employees come together.

Through such Qfinity activities, every employee pursues quality in work, enhances the power of the Fujitsu Group, and passes down the company's DNA.



Qfinity Companywide Convention



The Qfinity handbook

With Our Suppliers

Fujitsu Group's procurement policy is based on harmonious coexistence with its suppliers, fair and proper evaluation and selection of suppliers, and the promotion of socially responsible procurement activities. Guided by this policy, Fujitsu conducts procurement activities worldwide.

Socially Responsible Procurement Initiatives

From a perspective of CSR promotion across the whole supply chain, we work together with our suppliers to implement procurement activities grounded in the principles of Fujitsu Group's CSR. Furthermore, in order to share understanding with suppliers concerning compliance with our CSR procurement principles, we developed "Fujitsu Group Supply Chain CSR Promotion Guidebook." Its content concerning human rights and labor is based on sources including ILO conventions and recommendations, and its content on fair transactions pertaining to internationally discussed CSR issues, such as prevention of graft. The policies and guidebook cover all suppliers from whom Fujitsu Group procures components, materials, construction, equipment, software and so on for its products.

Through education and training, Fujitsu informs employees in charge of procurement about CSR-conscious procurement activities. In FY 2015, we provided education on CSR procurement, green procurement, compliance with laws governing subcontracting and worker dispatching, and risk management (BCM activities). In FY 2016, we will continue such education and further raise CSR awareness among our procurement staff.

Fujitsu Group also takes active part in the programs and initiatives of organizations such as JEITA (Japan Electronics and Information Technology Industries Association), and works toward the promotion of CSR procurement in the entire industry.

- Fujitsu Procurement Policy and CSR Procurement Guideline
<http://www.fujitsu.com/global/about/procurement/policy/>
- FUJITSU CSR Deployment Guidebook [164KB]
http://www.fujitsu.com/downloads/CSR/society/procurement/csr_guidebooken.pdf

Collaborative Promotion of CSR with Suppliers

CSR Surveys and Audits

In order to check the status of suppliers' CSR activity frameworks and CSR promotion, we conduct a written survey every year. In FY 2015 we added additional questions to check legal compliance and handling of conflict minerals by suppliers, targeting about 500 companies in Japan and overseas. The survey revealed that, of about 200 main suppliers subject to our supplier evaluation system, over 90% actively undertake CSR activities. In an effort to assess status even further, we conducted on-site audits of suppliers' plants.

Promoting Green Procurement

Fujitsu Group has set out the basic requirements for environmentally sound procurement of components, materials and products in Fujitsu Group Green Procurement Direction and we are working with our suppliers on green procurement activities.

Specifically, Fujitsu Group requests that all of its suppliers establish an environmental management system (EMS) (subject to third-party certification, in principle), which is designed to ensure that suppliers continuously implement measures to reduce their environmental burden. We also ask that our component-related suppliers build a chemical substances management system (CMS^{*1}), which is a structure to reliably implement chemical substances management. We conduct surveys of chemical substances contained in products through the chemical substance information sheets provided by JAMP (Joint Article Management Promotion-consortium).

Based on the CMS check sheet created by Fujitsu in accordance with JAMP's CMS guidelines, Fujitsu auditors directly inspect the production facilities of our suppliers, and check the CMS formation and operational conditions. If any items are found to be unsatisfactory after inspections, Fujitsu files requests to correct these items or provides support on system formation.

We are also promoting CO₂ emissions reduction on the part of our suppliers. Specifically, by developing and providing "Check lists" and "Activity Guides" containing activity examples and methods, we are asking our suppliers to understand the importance of these themes and to undertake activities with specific goals. Fujitsu Group will continue to work together with our suppliers towards lessening the environmental impact of our supply chain.

*1 CMS:

Chemical substances management system. Refers to a means or a system to properly manage the chemical substances contained in products.

- Green procurement through our global procurement system
<http://www.fujitsu.com/global/about/environment/operation/procurement/index.html>
- Promoting CO₂ emissions reductions by suppliers
<http://www.fujitsu.com/global/about/environment/operation/procurement/index.html>
- Fujitsu Group green procurement standards
<http://www.fujitsu.com/global/about/procurement/green/>

Promoting Information Security Measures

Based on the "Cybersecurity Management Guidelines" issued in December 2015 by Japan's Ministry of Economy, Trade and Industry and the Information-Technology Promotion Agency, Fujitsu Group, along with its suppliers, has set the goal of "eliminating information security incidents", and is continuously implementing measures to prevent such incidents or recurrences thereof. These measures include education, enlightenment, auditing, and information sharing.

In recent years there has been a significant increase in commercial use of external services such as cloud computing and social network services. There has also been a rapid increase in opportunities to use smart devices such as smartphones and tablet PCs. It is necessary to prevent not only emails sent by mistake, theft and the loss of PC's and smart devices, but also new kinds of risks involving information leaks such as internal crimes and cyber terrorism. As such, when Fujitsu consigns suppliers, Fujitsu sets the same standards for both domestic and overseas entrusted suppliers regarding the information security management and the handling of personal information, promoting education and awareness.

If any serious problem in information security occurs at a supplier, or if a supplier shows no improvement in its security management, we reconsider the business relationship with the supplier and may discontinue placing new orders.

Moreover, we have been working to implement information security measures equivalent to those used in our domestic (Japanese) activities for an increasing number of offshore development projects with overseas partners.

Main efforts in FY 2015

- **Information security workshops (October to November 2015)**
Approximately 950 companies/1,300 attendees (Sendai, Tokyo, Kawasaki, Chiba, Nagoya, Osaka, Takamatsu, Fukuoka, and Okinawa)
- **Questionnaires for suppliers on information security measures (February to March 2016) covering**
approximately 1,600 companies
- **Information security audits (on-site) of our suppliers (April 2015 to March 2016) covering**
approximately 190 companies

Approach against Conflict Minerals

For Fujitsu Group, corporate responsibility for conflict materials*2 is an important CSR issue. Together with our customers and suppliers, Fujitsu is implementing measures to improve the transparency of the supply chain in procurement and ensure responsible procurement of minerals. In FY 2015, Fujitsu has participated in meeting with customers to exchange information, requested to the suppliers to improve their response in survey, and joined the study meetings of the "Responsible Minerals Trade Working Group" by the Japan Electronics and Information Technology Industries Association (JEITA) to gather information, while investigating our suppliers and answering inquiries from customers..

*2 Conflict minerals:

Conflict minerals are minerals whose mining or trading finances armed groups and fosters conflict, or that are closely related to such issues as human rights abuses or labor issues. The Dodd-Frank Wall Street Reform and Consumer Protection Act enacted in July 2010 requires U.S. and foreign companies listed on U.S. stock exchanges to report the use of conflict minerals such as tantalum, tin, tungsten, gold and any other minerals named by the U.S. State Department to the U.S. Securities and Exchange Commission (SEC).

Communication with Suppliers

Enhanced Partnerships with Our Suppliers

In 1997, Fujitsu established its suppliers' performance review (SPR) system, in which about 200 major suppliers in the component business are comprehensively evaluated for their products and efforts from the standpoint of quality, technology, price, supply, the environment and reliability. Since FY 2008, the results of written surveys on matters related to CSR, information security, and BCM have been included in the evaluation.

For our partners in the solutions business, we have partially revised in 2013 the review system developed in 2004, and have reviewed some 1,300 companies. Among them, we have provided the results of the evaluation as feedback to about 240 of our main suppliers.

Furthermore, with our main suppliers, we hold dialogues in which managing officers directly share the results of our evaluation and explain our business outlook and procurement strategies. There were 47 such meetings in FY 2015.

Fujitsu Suppliers' Reception

Since 1997, we have held Fujitsu Suppliers' Reception to strengthen our partnership with suppliers. At these events, we present letters of appreciation to those suppliers who have made exceptional contributions to our business, and the company president and the VP in charge of Purchasing give presentations to share our procurement policies in line with Fujitsu's business plans.

The FY 2015 event was held in January 2016 and was attended by approximately 630 representatives from some 350 domestic and overseas suppliers



Social gathering for suppliers

Supply Chain BCM and Procurement Compliance

Supply Chain BCM

To stably supply products and services in the event of major disasters or other unexpected contingencies, Fujitsu has made a continuous commitment to strengthening the BCM capabilities of our suppliers since FY 2007. This commitment is based on the belief that strengthening BCM capabilities throughout the entire supply chain is essential.

Each year, Fujitsu conducts a questionnaire survey of its suppliers on how they address BCM. In FY 2015 we surveyed roughly 860 suppliers including some group companies (at about 2,260 sites) by questionnaire. We analyzed the results from around 2,190 sites (as of September 30) and provided feedback to our suppliers.

For this questionnaire survey, Fujitsu formulated its own original content, but in fiscal 2013, an investigation subcommittee was established under the umbrella of the Japan Electronics and Information Technology Industries Association (JEITA) Materials Committee, assembled products manufacturers and component manufacturers participated in planning, and measures to standardize as an industry got underway. Efforts moved forward to formulate a questionnaire survey covering risk management items from a procurement standpoint focused on supply responsibility needed of suppliers, and it was made available to the public by the JEITA Materials Committee in September 2014. Fujitsu also proactively participated in the planning of these subcommittee activities and began utilizing it from FY2014 questionnaire survey.

In addition, Fujitsu conducts annual surveys on BCM initiatives with 240 major solutions-related suppliers. Feedback is analyzed and implemented as necessary.

Procurement Compliance to All Suppliers

Fujitsu Group launched a confidential communication channel, called the "Compliance Line," available to all suppliers, in August 2009. The Compliance Line is to receive reports from suppliers on any matters of potential or actual non-compliance action with regard to our purchasing activities. Through the channels we have set up both internally and externally, we verify and investigate the facts of every report and respond quickly.

In its rule on internal reporting, Fujitsu forbids detrimental treatment toward its own personnel or the personnel of suppliers who have made reports.

In addition, we added to agreements with suppliers' provisions on the elimination of anti-social forces and other such groups, for the purpose of preventing damage by anti-social forces (and avoiding any encouragement of their activities). Fujitsu Group will have no relationship whatsoever with anti-social forces, including through suppliers.

With Our Shareholders and Investors

Our Basic Stance

Based on the statement "We strive to continuously increase our corporate value" in the Corporate Values of the Fujitsu Way, in order to raise corporate value and meet the expectations of shareholders and investors, we aim to achieve long-term sustainable expansion of profit, and pursue strategic business expansion and focused management, while maintaining a sound financial standing.

We also provide timely and accurate disclosure of our corporate activities and financial information, improving management transparency so that shareholders and investors can better understand how well we perform in increasing corporate value.

Basic Policy on Information Disclosure

Fujitsu emphasizes fairness and continuity in disclosure of information, in accordance with the Financial Instruments and Exchange Act and other laws and regulations, as well as the rules of the exchanges on which its shares are listed.

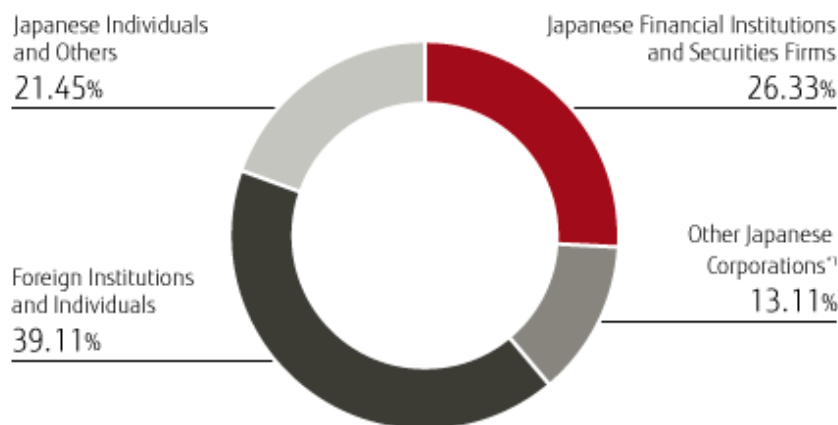
Moreover, our policy is to be proactive in disclosing any information that we judge to be effective for helping shareholders, investors and other stakeholders to deepen their understanding of Fujitsu, even if such disclosure is not required by laws, regulations or other rules.

Policy on Dividends and Dividends Forecast

Article 40 of Fujitsu Limited's Articles of Incorporation grants the Board of Directors the authority to distribute retained earnings. As part of Fujitsu's basic policy on the exercise of this authority, a portion of retained earnings is paid to shareholders to provide a stable return, and a portion is retained by the Company to strengthen its financial base and support new business development opportunities that will result in improved long-term performance. In addition, while taking into consideration its level of profit, when a sufficient volume of internal reserves is secured, including through the acquisition of its own shares, Fujitsu aims to more proactively distribute profits to shareholders.

Our consolidated results in FY2015 yielded a decline in profits comparing to the previous fiscal year due to some factors, including the expenses to accelerate innovative business restructuring. However, we have maintained a certain level of profitability and will distribute 4 yen per share as planned for the FY2015 year-end dividend. Looking ahead to consolidated results for FY2016, we are unable to project a significant increase in profits due to ongoing initiatives for innovative changes in our business models. Accordingly, we plan an interim dividend and a year-end dividend of 4 yen per share each in FY2016, as in FY2015.

Equity Shareholdings by Type of Shareholder (as of March 31, 2016)



*1: The 118,892 thousand shares of Fujitsu Ltd. stock held by Fuji Electric Co., Ltd as retirement benefit trust assets are categorized under the shareholdings of Other Japanese Corporations.

Communicating with Shareholders and Investors

We are actively involved in IR activities in Japan and abroad, including holding briefing sessions for institutional investors and securities analysts, responding to requests for one-on-one meetings from investors, meeting with Japanese and international institutional investors, and posting information on the Fujitsu website as part of our efforts to improve communications with all investors.

We also disseminate press releases, providing information through the media to individual investors and the public at large as part of our active efforts to ensure fair disclosure policy.

For the Annual Shareholders' Meeting, we try to create an environment in which all shareholders feel comfortable asking questions. Moreover, the company president directly explains the company's management direction in his own words to all the shareholders. At the meeting, Fujitsu products are on display and expert staffs are on hand to explain Fujitsu's technologies and services. In addition, shareholders in other regions of Japan can observe the Annual Shareholders' Meeting, where it is relayed to four regional meeting places throughout Japan with approximately 1,000 shareholders participating. The video-streaming of the Annual Shareholders' Meeting is made publicly available on the Fujitsu website a couple of days after the meeting.

A Variety of Meetings for the Investment Community, both in and outside Japan

Fujitsu provides a variety of briefing meetings on financial results, management direction, and business with institutional investors and securities analysts in Japan.

For institutional investors outside Japan, we hold IR road shows by management regularly in Europe and North America, and IR managers in NY and London also have meetings with institutional investors individually. In FY 2015, we held approximately 1,000 meetings for institutional investors and securities analysts (63.5% of them from foreign investors and 36.5% from domestic investors).

Communicating with Individual Shareholders and Investors

In addition to sending out interim and year-end financial reports for individual shareholders and investors, we promptly disclose financial results documents and presentation materials used at briefing sessions for investors and analysts and publish video on website related to presentations of financial results.

Publication on IR websites

Fujitsu publishes information that we would like our shareholders and investors to know on our Japanese and global IR websites. English versions of presentations and financial results reports used at briefings held in Japan are posted on our global IR site.

We also have been striving to utilize our IR websites for information disclosure and communication to deepen people's understanding of Fujitsu through IR activities, such as early public release of proposals submitted at shareholders' meetings.

Main Results of IR Activities in FY 2015

		Apr. 2015	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan. 2016	Feb.	Mar.
In Japan	Annual Shareholders' Meeting			● Annual Shareholders' Meeting									
	Management Direction Briefing								● Management Direction Briefing ● Nomura Investment Forum				
	Financial Results Briefings		● Full-Year Financial Results		● Q Financial Results			● 2Q Financial Results			● 3Q Financial Results		
	Business Briefings	● R&D								● Debt IR			● ESG
Outside Japan	Roadshow		● North America	● Europe			● Asia	● North America	● Europe				● Asia